

# NEW JERSEY CLASS 2 MANUFACTURING PLAN

## INTRODUCTION



Hammerhead Manufacturing Company NJ LLC (“HAMMERHEAD”) is seeking a Class 2 Manufacturing License from the New Jersey Cannabis Regulatory CRC (“CRC”). This Manufacturing Plan provides a general overview of both our commitment to strictly following the laws of New Jersey, CREAMMA, and the regulations promulgated by the CRC, The City of Atlantic City, and the Casino Reinvestment Development Authority (“CRDA”) and how we intend to achieve these goals.

### LEADERS IN COMPLIANCE

HAMMERHEAD’s leadership team is comprised of individuals with diverse backgrounds and experiences in highly regulated industries, including the regulated hemp industry. HAMMERHEAD commits to the strictest regulatory compliance protocols set forth in the following Plan and will embody the admirable goals established by the CRC of inclusion, diversity, equity, and compassion. HAMMERHEAD will use MaintainX, full facility software to track inspections with real-time reporting when tasks are complete. All employees will be vetted and trained to comply with **N.J.A.C. §17:30-11.12(b)**.



## ENVIRONMENTAL IMPACT PLAN

A complete narrative detailing HAMMERHEAD’s environmental impact plan under **N.J.A.C. §17:30-7.8(a)(7)**, including our plans to reduce exposure to volatile organic compounds for employees, renewable energy plans, emission reduction plans, and water conservation and purification plans will be provided with our Conversion Application. Accordingly, the following briefly outlines HAMMERHEAD’s plans mitigate any negative impacts on the environment through the utilization of sustainable packaging, water conservation, and alternate (solar) energy.

### PLANT-BASED PLASTICS

Plastics fragments can release toxic chemicals into the environment and can be a serious health risk for humans and animals. According to the U.S. Natural Resources Defense Fund, humans worldwide produce 300 million tons of plastic each year, half of which is for single-use items. Single-use plastics include packaging, bottles, wrappers, straws and bags, which are often disposed of immediately after use. HAMMERHEAD has identified several companies in the cannabis space aiming to bring products to market that will make a difference.

HAMMERHEAD will use its existing relationships in the CBD industry with a sustainable and reliable packaging company, Chubby Gorilla. A focus on child resistance, a design that does not appeal to minors, and durable materials make Chubby Gorilla a market leader in the extraction space because there is a heavy reliance on liquid-based products. Chubby Gorilla has been awarded over a hundred patents and registered designs and serves over 100 countries.



## **STAFF RECYCLING TRAINING**

The Facilities Manager will train all employees, at the time of their initial appointment, on Waste SOP's for proper recycling. Any employee who does not complete waste disposal training will not be allowed to report to work. HAMMERHEAD will also hold refresher courses throughout the year to remind employees of best practices for waste disposal and recycling.

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## **SAFETY AND SECURITY PLAN**

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HAMMERHEAD will implement a comprehensive safety and security plan that conforms with **N.J.A.C. §17:30-7.8; 9.10, and 11.1**, designed to deter and prevent unauthorized entry into the facility premises and maintain adequate control against the diversion, theft, and loss of marijuana. The Facilities Manager, Safety/Security Manager, and HR Manager are responsible for security plan administration.

### **PHYSICAL SECURITY**

HAMMERHEAD will have a state-of-the art security system that utilizes commercial grade equipment. As required by **N.J.A.C. 17:30-9.10**, HAMMERHEAD will conduct maintenance inspections and tests of the security alarm system at intervals not to exceed 30 days. All security equipment and locks will: (1) be kept in good working order, (2) be installed by a commercial, licensed service provider, and (3) be tested no less than twice per year (in addition to the 30 day security alarm tests).

### **ENTRY AND EXIT POINTS**

HAMMERHEAD will use the 734 Wiegand Interface Module by Digital Monitoring Products, Inc. or its equivalent for entry and exit electronic access control equipment, including:

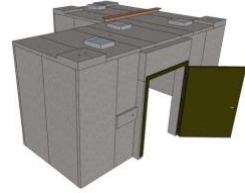
- All doors will be 18-gauge hollow metal, or similar burglary-resistant material, with commercial-grade I, non-residential locks;
- Electric strike locks on all doors in the facility with an override option for emergency exit
- RFID proximity card access control on all doors to restricted areas and all exterior doors;
- RFID proximity card access control devices for all doors accessing a limited access area;
- Access control system allowing for programming individual user permissions and allowed entry times, as well as operations-specific information, e.g., employee photos;
- Access control system that identifies and monitors those entering and exiting; and,
- A backup battery system that immediately provides power for at least 24 hours.

### **LIGHTING AND WINDOWS**

The outside perimeter of the Facility, including the parking lot, will be well-lit by commercial metal halide fixtures sufficient to facilitate surveillance. As per **N.J.A.C. 17:30-9.10**, exterior lighting will be designed not to disturb neighbors. Exterior lights at all entry and exit points will remain constantly illuminated for recording. Lighting on the outside perimeter will allow night vision cameras to record activity. Motion detecting lights will be installed in areas that are entered and exited infrequently. Motion sensors will be installed, using the professional series Anti-Mask Motion Sensors on the interior, including above the ceiling tiles. Glass break detection will also be used. All exterior windows at the Facility will have shock sensor alarms and motion detectors.

## VAULTS

As per the requirements of **N.J.A.C. 17:30-9.10**, all marijuana and manufactured products in the Facility that is prepared for distribution shall be stored securely in compliance with **21 C.F.R. 1301.72**. To prevent diversion, theft or loss, all marijuana will be securely stored in an approved UL-listed walk-in Class 5 Rated vault with a Class 5 vault door with security features that comply with all applicable requirements of **21 C.F.R.**



**1301.72(a)(3)**. All approved vaults will be kept securely locked and protected from entry and include the following features: the walls, floor, and ceiling are constructed of at least eight inches of reinforced concrete or other substantial masonry reinforced vertically and horizontally with #4 ½-inch steel rods tied six 6-inches on center, or UL-listed modular vault panels; the door and frame unit are UL-listed burglary-resistant. Upon attempted unauthorized entry, it will transmit an alarm to HAMMERHEAD’s alarm monitoring service provider. Complete electrical lacing of the walls, floors, and ceiling, sensitive ultrasonic or infrared sensors within, a sensitive sound accumulator system, or other such devices or equipment designed to detect unauthorized entry and holdup buttons will be placed at strategic points of entry to the perimeter area of the vault. The vault’s electrical alarm system will be a certified UL approved system.

## ALARM SYSTEM

In accordance with the requirements of **N.J.A.C. 17:30-9.10(b)**, HAMMERHEAD will have a professionally monitored security alarm system, utilizing commercial grade equipment, installed at the Facility, including the perimeter. The interior and exterior of the premises will be equipped with electronic monitoring, video cameras, and panic buttons. The alarm system will (1) provide protection 24 hours per day, 7 days per week, (2) send immediate or automatic notification to State or local police upon unauthorized breach of security, and (3) include a backup system that (a) activates immediately when electricity is lost, and (b) issues automatic or immediate notice to State or local police upon the loss of electrical support. Monitoring of the alarm system will be done 24 hours a day, 7 days a week and inspected/tested quarterly.

## SURVEILLANCE SYSTEM

HAMMERHEAD will have a fully operational electronic surveillance system installed at its Facility. Monitoring of the surveillance system will be done 24 hours a day, 7 days a week by HAMMERHEAD’s security department and professional security company. The surveillance system will cover the interior and exterior areas of the Facility and, at a minimum, consist of the following:

- 4K High-Resolution Internet Protocol Cameras with Infrared technology
- Equipment necessary to video record activity inside and outside the Facility
- Appropriate equipment to record keycard and biometric entry and exit activity
- A backup battery system
- A dedicated safe or vault to store all entry/exit records and video recordings.

## VIDEO SURVEILLANCE EQUIPMENT

HAMMERHEAD’s surveillance equipment will consist of digital/network video recorders with a record rate of a minimum of 12 frames per second; High Resolution Video cameras with a

minimum resolution of 1.3 megapixels; video cameras with capabilities to identify activity occurring within twenty feet from all points of entry and exits into and out of the exterior of the Facility; 4K video cameras with True Wide Dynamic Range for Facility interior; capabilities to produce a clear, color still photograph from any camera image; two monitors for remote viewing via telephone lines in State offices.

#### **SURVEILLANCE TESTING AND COMMUNICATION**

HAMMERHEAD will ensure that the surveillance system has a failure notification system for communication and is properly maintained for playback quality. All security equipment will be in good working order (with repairs made as soon as possible) and will be inspected and tested at regular intervals, according to HAMMERHEAD's protocol, at least every 30 calendar days.

#### **SURVEILLANCE SYSTEM RECORDS AND RECORDINGS**

HAMMERHEAD will keep and maintain surveillance system records and recordings in the Facility and copies stored on a secure cloud storage with at least a 30-day archive. Video surveillance recordings will be stored on a server-based 8TB Network Video Recorder. This system will be a password-protected and separate from any other equipment in the Facility. The files and video surveillance recordings will be available for immediate viewing by the CRC or its authorized representative upon request. The DVR will be kept with other security equipment in the surveillance room, which will be kept locked and not used for any other purpose.

#### **CYBERSECURITY AND DATA BREACH PROTECTIONS**

New Jersey requires any business which maintains, stores or manages computerized data containing personal information to notify State residents affected by a data breach without unreasonable delay under the Breach of Personal Information Notification NJ Identity Theft Prevention Act, **P.L. 2005, c.226** and **N.J. Stat. § 56:8-163** Notification Obligation. Thus, a recordkeeping system is incomplete if businesses and organizations fail to develop response plans that can help manage the impact of a potential data breach. To safeguard its electronic records, HAMMERHEAD will coordinate a plan with third-party security vendors to establish a data breach response plan which includes establishing a Response Team to handle data breach incidents. The Response Team will consist of the Safety & Security Manager; and General Counsel who will perform:

- Incident Assessment – Determine when and where the data breach took place, as well as what data may have been compromised;
- Analysis – Analyze the affected system to determine if there are further weaknesses that may be exploited and review any issues that may have caused the breach;
- Communications Plan – Immediately notify the CRC of the suspected breach and determine the best method for notifying and communicating with affected individuals including consumers, physicians, staff, and third-party vendors, with all notifications to begin within 24 hours of a detected breach; and,
- Law Enforcement – Notify local, state and/ or federal law enforcement if the nature of the breach requires it.

#### **SECURE CLOUD STORAGE**

A second, independent security system will be used to protect HAMMERHEAD’s secure cloud storage system. This secure cloud storage system will be access-limited through passwords and monitored for unauthorized changes and will comply with the rules set forth by the CRC and applicable law.

## ACCESS CONTROL

HAMMERHEAD will have comprehensive access control procedures to deter and prevent unauthorized entrance into the Facility and its restricted and limited access areas. Access to the Facility will be limited to HAMMERHEAD employees, CRC officials, and authorized visitors.

## EMPLOYEE ACCESS

No person is permitted to begin work at HAMMERHEAD’s Facility prior to physically receiving their Facility identification card or relevant confirmed registration with the CRC authorizing employment at the Facility. At all times, while on the facility premises, all employees must conspicuously display their HAMMERHEAD-issued identification card (issued only after confirmation that the individual has possession of a valid Facility identification card) that clearly identifies them to the public, including their position at the facility.

## OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA) COMPLIANCE PLAN

HAMMERHEAD will enter into an on-site consultation agreement for the NJ Department of Labor and Workforce Development Consultation Program under **N.J.A.C. §17:30-11.11**. New Jersey does not have a state-adopted OSHA Act, so the Federal OSHA Act applies to HAMMERHEAD’s safety and health in the workplace. HAMMERHEAD has a Compliance with OSHA Checklist and will be using the OSHA Small Business Handbook or compliance. HAMMERHEAD will employ MaintainX (or equivalent) computerized cloud-based facility management/maintenance software (“CCMS”) for all equipment maintenance, repairs, accidents, corrections, and task assignment. The Operations Manager will ensure the discipline or termination of any person contributing to operational negligence, that the facility possesses adequate liability insurance or an adequate self-insurance escrow at all times and the facility remains compliant with Americans with Disabilities Act (“ADA”) guidelines.

**Comply with the OSH Act's General Duty Clause and OSHA Standards**

- Determine employer and employee coverage under the Occupational Safety and Health Act (OSH Act)
- Provide a workplace free from serious recognized hazards and control such conditions, risks, and exposures against the OSH Act, consistent with the OSH Act's general duty clause. For more information about the OSH Act, please refer to the Practice Note, Health and Safety in the Workplace Overview: The General Duty Clause.
- Equip workplace conditions to ensure they conform to applicable Occupational Safety and Health Administration (OSHA) standards, including:
  - general industry standards; and
  - standards applicable to construction, maritime, and agriculture operations.
- For more information about specific health and safety standards promulgated by OSHA, see Practice Note, Health and Safety in the Workplace Overview: Specific Safety Standards and OSHA Regulations.
- Make copies of OSHA regulations and standards readily available to employees on request.
- Determine whether the employer is covered by an OSHA-approved state plan and, if so, become familiar with the state requirements. For information about states with their own occupational safety and health plans approved by OSHA, see Practice Note, State Occupational Safety and Health Plan Laws Check Checklist.

**Comply with Required Workplace Postings**

- Post the OSHA poster on the state plan equivalent informing employees of their rights and responsibilities as a permanent resident of the workplace. For a copy of this poster, see OSHA, Health and Safety in the Law Practice. For rules to state law posters, see Practice Note, State Occupational Safety and Health Plan Laws Check Checklist.
- Post the Summary of Work-Related Injuries and Illnesses (OSHA Form 300A) on February 1 of each year and before the start of the new month.
- Comply with lockout, tagging, and other requirements where employees may be exposed to lost substances or harmful practice agents in the workplace.
- Post notices and documents showing a violation was corrected where applicable.

**Establish an Injury and Illness Recordkeeping Procedure**

- Establish a procedure for employees to report all workplace injuries and illnesses promptly and accurately and:
  - investigate; and
  - discourage or dissuade a reasonable employee from accurately reporting a workplace injury or illness.
- Inform each employee:
  - of the employer's reporting procedure;

## FIRE SAFETY

All HAMMERHEAD facilities will comply with all local fire codes. Flammable materials will be stored in a fire cabinet properly labeled for first responder identification and all areas of egress will be properly signed in accordance with NFPA 704 standards. Fire extinguishers must be maintained annually and all employees must be properly trained in fire prevention and mitigation measures.



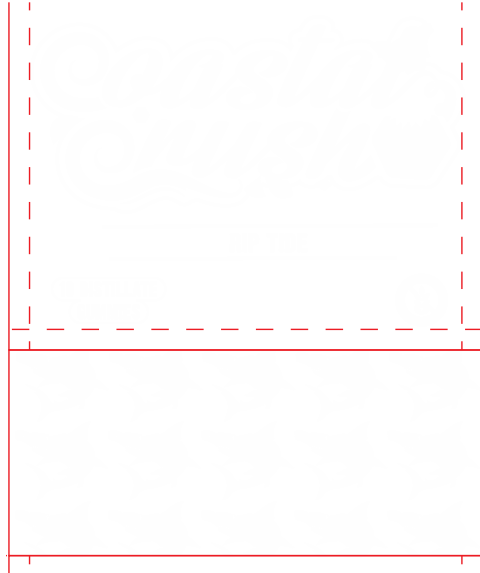


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## QUALITY ASSURANCE AND CONTROL (QA/QC)

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To ensure that the health and wellbeing of consumers and the safety of the public is maintained, HAMMERHEAD will strictly comply with **N.J.A.C. §17:30-9.16(d), 11.4, and 12** to enforce a multi-pronged series of protocols for QA/QC safeguards through its QMS with three specific goals: (1) to implement a system that ensures all marijuana products provided to consumers are safe, effective and meet or exceed the highest standards of healthcare professionals; (2) establish and maintain strict protocols for developing and utilizing an effective monitoring and control system for product quality and process performance; and, (3) pinpoint and implement product quality procedures, including innovations. Following well-accepted Best Practices in the Pharmaceutical Industry for QA/QC, and specifically adhering to the standards of **21 C.F.R. 211.1** where applicable, HAMMERHEAD’s team of regulated industry veterans, will prepare a QMS focused on authenticating the source of products, their freshness, the authenticity of lab results provided and chain-of-custody. To the right is an exemplar branded gummy SKU planned by HAMMEHEAD.



### CAPA SYSTEM

HAMMERHEAD will implement a corrective and preventive action (“CAPA”) system as part of its QMS protocols. CAPA is divided into two distinct but related functions. : (1) Corrective Action has requires finding the root cause, base event or error that preceded the problem AND taking action directed at the root cause or error; (2) Preventive Action seeks to inform an organization and prevent the problem from reoccurring. HAMMERHEAD’s SOP’s require CAPA stemming from complaints, rejection of products, non-conformance, audits, as well as trends from product quality monitoring. Anything which potentially effects the quality of marijuana products available to consumers requires a CAPA under HAMMERHEAD’s SOPs.



### QA/QC TRAINING

At the direction of the Operations Director, all employees must receive, at a minimum, the following quality assurance training: USDA Good Handling Practices, FDA Current Good Manufacturing Practices and Quality Systems, and Hazard Analysis and Critical Control Points; Hygiene training for employees who handle cannabis with specific attention to preventing microbial contamination; Quality systems hazard analysis and critical control points; and, Quality assurance practices for inventory reconciliation. HAMMERHEAD will also hold refresher courses throughout the year to remind employees of best practices for waste disposal. These refresher courses will be mandatory for all employees.

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## RECALLS

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The Manufacturing Supervisor will serve as the Recall Director. The CRC will be notified immediately upon discovery of a product recall under **N.J.A.C. §17:30-9.17**. HAMMERHEAD's Recall Director will notify customers via e-mail, website postings, text message and/or any other approved manner by the CRC until all known sold products are returned and/or accounted for. Social media will be fully maximized. Customers will be asked to return affected products to the marijuana business from which they made the purchase. Customers will also be able to contact HAMMERHEAD directly for product returns if necessary.

Transport manifests will be created in the electronic tracking system specifying the contents of the delivery subject to recall. Written and electronic logs of all notification communications will be kept in separate "incident" files. Recalled inventory is isolated and secured in the conspicuously marked Quarantine Area located in the vault mitigating environmental hazards, minimizing health risks from potential contaminants, and only accessible to limited management and security personnel. The Manufacturing Supervisor is responsible for managing returns of recalled products and will instruct management and staff to receive, log, and store recalled products in the quarantine area until the items are disposed of in accordance with SOP's.

### MOCK RECALL

In order to evaluate HAMMERHEAD's mandatory recall program, periodic mock recalls will be carried out. HAMMERHEAD's mock recall will identify potential problems and allow personnel to become familiar with recall procedures. If problems are identified in the recall procedures, they will be corrected immediately. All corrective actions and deficiencies shall be documented in a Recall Report.

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## PACKAGING AND LABELING

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HAMMERHEAD affirms that every cannabis product being sold or transferred will be tested, packed, and labeled in accordance with **N.J.A.C. §17:30-11.4(d), 11.8, 11.9, 13.2, and 13.3**, as well as and any additional rules set out by the CRC. All packaging and labeling requirements will be in compliance with New Jersey's laws and the Food and Drug Administration's "Current Good Manufacturing Practice in Manufacturing, Packaging, Labeling, or Holding Operations for Dietary Supplements," **21 CFR, Part 111**, and all other applicable local laws, regulations, ordinances, and other requirements. HAMMERHEAD will ensure that all containers holding cannabis items at all stages in the process of cultivation, manufacturing, and distribution bears an identifying name and number, and that the final packaged cannabis item will conform to all labeling information required by **N.J.A.C. §17:30-11.4(d)(6) (§24:6I-35(a)(8)(h)), and §17:30-13.3**, to make it possible to determine the complete manufacturing history of the packaged cannabis item. Pharmaceutical-grade packaging materials that preserve the quality and purity of HAMMERHEAD's cannabis products will be utilized.



### SECURE CHILD-RESISTANT CONTAINERS

A package shall be deemed child-resistant if it satisfies the standard for "special packaging" as set forth in the Poison Prevention Packaging Act of 1970 Regulations, **16 CFR Part 1700.1(b)(4)**. All packaging for cannabis products shall be: Traceable using the product UIN; Child-resistant; Tamper-proof/tamper-evident; Secure; Light-resistant; Designed to protect the contents from



contamination and external influences; Re-sealable; Pharmaceutical-grade; Designed to minimize oxygen exposure; and Certified compliant with all other parts of **16 CFR Part 1700.1(b)(4)**.

### **PACKAGING AND LABELING INSPECTION**

The Manufacturing Supervisor and Packaging Manager will ensure inspection and testing of all incoming packaging materials is conducted. All product packaging must be tested for its properties relating to: child-resistance; tamper-proof/tamper-evident; light-resistance; re-sealable; designed to minimize oxygen exposure; certified compliant with the Poison Prevention Packaging Act of 1970; and, compliant with **N.J.A.C. §17:30-11.4(d)(1-6)**. HAMMERHEAD’s packaging policy guidelines prohibit:

- Using bright colors that are “neon” in appearance;
- Imitating or having a semblance to any existing branded consumer products, including foods and beverages, that do not contain marijuana;
- Featuring cartoons or a design, brand or name that resembles a non- cannabis consumer product of the type that is typically marketed to minors;
- Featuring symbols or celebrities that are commonly used to market products to minors;
- Featuring images of minors or words that refer to products that are commonly associated with minors or marketed to minors.

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### **INVENTORY CONTROL, STORAGE, AND DIVERSION**

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HAMMERHEAD’s approach regarding implementation of an inventory management process is to develop controls that address CRC requirements under **N.J.A.C. §§17:30-9.11, 17:30-9.12, 17:30-9.13, and N.J.A.C. 17:30-10.7**, and include quality assurance and auditing features. HAMMERHEAD will implement inventory control procedures that utilize an Electronic Inventory Tracking System such as METRC. HAMMERHEAD will log, verify, and monitor the receipt of marijuana products, dispose of marijuana waste and facilitate the recall and return of defective marijuana. The METRC tracking system will log, verify, and monitor:

- The amounts, types, and forms of marijuana produced by HAMMERHEAD;
- The amounts, types, and forms of marijuana received from a marijuana business;
- The number, weight, and type of marijuana products on facility premises;
- The number of marijuana products ready for sale;
- The amounts, types, and forms of marijuana sold;
- The number of damaged, defective, expired, or contaminated marijuana products awaiting return to a grower/processor or awaiting disposal; and,
- Any information related to product recalls/adverse events.

### **STORAGE**

All marijuana products will be securely stored out of sight in a temperature-controlled, locked and impregnable room within a room in a Restricted Access Area of the facility with proper segregation under **N.J.A.C. §17:30-11.10**. Utilizing state-of-the-art technology that tracks and monitors all individual movement throughout the facility and electronic key cards to restrict unauthorized

access, areas of storage will feature two (2) separate, secure, locked rooms: one secure room will be utilized to store all regular, sellable inventory that can be legally dispensed to qualifying consumers. The other secure room will store all products that are expired, damaged, deteriorated, mislabeled, contaminated, recalled, or whose containers or packaging have been opened or breached, as required by N.J.A.C. §§17:30-9.12 and 17:30-11.10. Other segregated areas will be made where needed.

### **QUARANTINED AREA FOR DEFECTIVE AND UNSELLABLE PRODUCTS STORAGE**

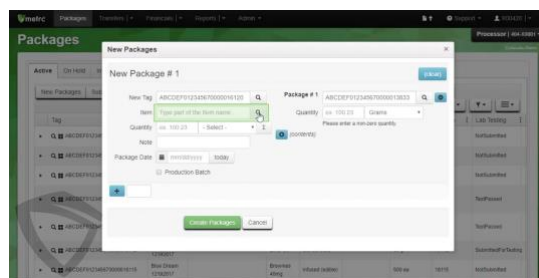
HAMMERHEAD will have separate, secure Restricted Access Area for storage of marijuana that is expired, damaged, deteriorated, mislabeled, contaminated, recalled, or whose containers or packaging have been opened or breached. This area will only be accessible by an authorized personnel with the appropriate electronic key card access.

### **STORAGE MAINTENANCE AND CLEANING**

Employees will conduct regularly scheduled maintenance and cleaning of the storage area, to ensure that it is properly maintained and kept in a clean and orderly condition, free from infestation by insects, rodents, birds and any pests. A manager with appropriate clearance will provide access to the room and supervise employees as they perform all necessary maintenance and cleaning of the storage space.

### **PLAN TO MITIGATE PRODUCT DIVERSION AND WASTE PROTOCOLS**

Security and accuracy driven chain of custody (“COC”) ensures effective anti-diversion practices. All activities within the facility and around its perimeter are monitored and recorded 24-7 by the video surveillance system. Employees will utilize software electronic tracking system to ensure all products are accounted for at all times. Electronic tracking systems such as those offered by METRC



use a globally unique 16-digit identifier for each product. The identifier follows the plant throughout its lifecycle recording phases, notes, plant additives and conversions. Converted products are assigned a new identifier encompassing the previous information creating a continuous chain of command and information.

### **SIGNAGE, VISITORS AND DIVERSION**

Signs warn visitors and employees that all activities on company premises are under 24-hour surveillance and “Trespassers Will Be Prosecuted”. Strictly enforced clearly posted signage informs access permissions. Visitors are logged in the Visitor’s Log, with time and date of entry and exit and provided a Visitor’s Badge they must display at all times. Security must verify visitor’s government-issued identification matches name/signature provided on the log. Visitors must be escorted at all times.

### **EMPLOYEE DIVERSION**

Employees are subject to random searches while on company property. Employees involved in cannabis diversion, including aiding theft by another person or employee, will be terminated and the CRC and law enforcement will immediately be notified. Pocket less clothing is required for all

production facility personnel working in an area containing cannabis. HAMMERHEAD will enter each employee into METRC, and an employee identification number will be assigned. This will ensure each employee's actions are tracked and recorded when handling inventory or transactions.

#### **INCIDENT NOTIFICATION**

The Safety & Security Director will immediately notify the appropriate CRC and local law enforcement authorities immediately after discovering:

- Discrepancies identified during inventory, diversion, theft, loss, and any apparent criminal activity involving an employee;
- Any suspicious act involving the sale, distribution, processing, or production of cannabis, seeds, immature cannabis plants, cannabis plants, cannabis and cannabis products by any person on premises;
- Unauthorized destruction of cannabis, seeds, immature cannabis plants, cannabis plants, and products by any person;
- Any loss or unauthorized alteration of Facility records;
- An alarm activation or another event that requires response by local law enforcement agencies or public safety personnel;
- The failure of the security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours;
- Any other material breach of security.

HAMMERHEAD will conduct an investigation of any such incident and will submit a written preliminary report of the investigation to the CRC within 7 days of discovering the discrepancy and a written final report of the investigation within 30 days of discovering the discrepancy. This report will also determine whether additional safeguards are necessary to prevent a recurrence.

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#### **RECORDKEEPING**

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Recordkeeping starts with records that are precise and accurate to comply with **N.J.A.C. §§17:30-9.7 & 17:30-11.13**. HAMMERHEAD will create and maintain written and electronic records of all inventories. Records will include the date of the inventory, a summary of the inventory findings, and the employee identification numbers and titles or positions of the individuals who conducted the inventory review. To ensure the proper management of inventory, all items that enter and leave company facilities will be tracked, monitored, and systematically arranged.

Marijuana products will be received and logged into inventory METRC suite as a lot, batch, or grouping of products. The inventory will be placed into a product storage bin/container, similar to the one shown in the inset image and identified as back stock or ready-for-sale, active inventory. Only active inventory batches, lots, or groups will be used to fulfill orders for consumers.

#### **EMPLOYEE TRAINING RECORDS**

HAMMERHEAD will utilize a Knowledge/Learning Management System (KMS or LMS) to facilitate, track, and monitor employee training in compliance with **N.J.A.C. §17:30-9.7** and **17:30-11.13**. In addition to training, this information will be used to promote and discipline employees based on demonstrated competencies related to assigned tasks required of their respective title/position.

## INSURANCE RECORDS

HAMMERHEAD will maintain liability insurance in amounts as required by the CRC. HAMMERHEAD has proactively obtained an insurance proposal through Brown & Brown in New Jersey, who is able to provide our company with comprehensive insurance coverage and plans for risk management. The company will retain certificates of insurance and other policy records for no less than four (4) years, or the duration required by law.



## CRC RECORDS AND LOGS

HAMMERHEAD will ensure the following records and logs are kept and maintained:

- Criminal and policy violation investigation findings, reports, and evidence;
- Security & Surveillance System Records;
- Handbooks and Standard Operating Procedures;
- Surveillance Room Access Log;
- Surveillance System Access Log;
- Monthly Maintenance Inspection;
- Transportation Manifests; and,
- Visitor's Log(s).

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## WASTE DISPOSAL AND SANITATION

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### STANDARD WASTE DISPOSAL

Standard waste and rubbish will be defined as any non-toxic, non-recyclable and non-cannabis waste produced at the facility and subject to **N.J.A.C. §17:30-9.14**. All rubbish receptacles and trash bins will be emptied after every shift. If a rubbish bin poses a risk of contamination, it will be removed and sanitized immediately. Only non-toxic, non-cannabis waste may be disposed in traditional rubbish receptacles or trash bins. It is strictly prohibited to dispose of cannabis product waste, liquid waste, toxic waste or hazardous waste in any traditional rubbish receptacle, trash bin or recycling bin. The Facilities Manager will maintain written procedures assigning responsibility for waste disposal practices for standard rubbish waste.

### HAZARDOUS WASTE DISPOSAL

Chemical and hazardous waste will be managed following federal and state law, rules and regulations related to hazardous waste, including Sections 3001-3024 of the Resource Conservation and Recovery Act of 1976 (**42 U.S.C.A. §§ 6921-6939g**) and promulgated regulations. We will not store toxic, flammable or hazardous materials on the premises other than ordinary cleaning supplies. We will likewise never discharge toxic, flammable or hazardous materials into host community public systems.

In the extremely unlikely event that we produce any hazardous waste, it will be disposed of by a professional waste disposal service legally authorized to manage hazardous waste streams.

A screenshot of a software interface for waste management. It displays a table with columns for 'Date', 'Time', 'Type', 'Quantity', 'Location', and 'Status'. The table contains several rows of data, including dates like '2023-08-01' and '2023-08-02', and quantities like '1,000 g' and '7.0'. The interface also shows a sidebar with a map and a 'Control' button.

## “GREEN” WASTE DISPOSAL

Cannabis and cannabis-infused products must be destroyed by rendering them unusable. We will deliver the cannabis waste rendered unusable to a permitted solid waste facility for final disposition in accordance with **N.J.A.C. §17:30-9.14**. We will weigh, record and enter all waste and unusable products before rendering it unusable. In addition, we will record and enter all waste and unusable cannabis concentrates and cannabis-infused products into METRC and will remain separate from usable or quarantined cannabis. The waste management tool records the date, the quantity disposed of, the manner of disposal, and the printed names and signatures of the persons present during disposal. Access to cannabis waste will be limited to employees whose tasks involve waste management.

## SANITATION STANDARDS

The Facilities Manager will be responsible for developing, implementing, and maintaining cleaning procedures that ensure a clean physical plant, including building systems, common areas and the building exterior. The building must have adequate ventilation and contain equipment for adequate controls for temperature, humidity, and dust control. Filters and the filtration system for air handling will be checked, maintained, and replaced as often as needed or at a minimum, in accordance with the manufacturer’s recommended established schedule. General inspections of storage areas will be performed on a monthly basis and in-depth inspections will be performed on an annual basis in accordance with SOPs.



## PLUMBING, RESTROOMS AND HANDWASHING

HAMMERHEAD will ensure plumbing, restrooms, and handwashing facilities are compliant with local ordinance and codes. All drain areas must be maintained so that they do not contribute to product contamination from water seepage, filth, or any other extraneous materials which could provide a breeding ground for pests. Waste treatment and disposal systems must be maintained in good working order so that they do not become a source of contamination in any area. HAMMERHEAD will provide its employees and consumers with adequate, readily accessible toilet facilities that are maintained in sanitary condition and good repair. As part of the daily walk through, assigned staff must ensure the good working order of the toilets, hot running water, toilet paper, disposable towels, and hand soap.

## MAINTENANCE OF CONTACT SURFACES, UTENSILS, AND EQUIPMENT AND ILLNESS PREVENTION

All HAMMERHEAD employees will maintain the facility in a sanitary condition in order to limit the potential for contamination or adulteration of the marijuana product stored at the facility, and to prevent the spread of illness between facility occupants. Daily tasks include wiping down all sales counters, door handles, keyboards and other major bacteria collection areas. Only non-toxic sanitizers approved by the Environmental Protection Agency (EPA) that are proven to reduce bacterial contamination will be used in the facility.

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## STANDARD OPERATING PROCEDURES

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HAMMERHEAD’s Facility will utilize state of the art extraction technology to make concentrates as an oil, tincture, transdermal patch, lotion, or capsule. Three types of extraction technology will be employed, depending on the desired end product: (1) Water Extraction; (2) Subcritical and



Supercritical (“SCCO<sub>2</sub>”) Extraction; and, (3) Alcohol Extraction and Hydrocarbon Extraction. In all instances the material will first be dried and ground, as described below:

- **Drying:** Any material to be processed through the supercritical fluid CO<sub>2</sub> extractor (SCCO<sub>2</sub>), and that to be processed through the HydroCarbon extraction, will be dried as much as possible. Trim is to be dried on perforated sheet pans lined with parchment and placed on speed racks. Trim material will be laid on sheet pans in a thin layer in order to dry properly and quickly. A fan will circulate air around the trim in order to expedite drying, as well as prohibit biological contamination. Trim and whole plant material may also be dried in the ovens at a low temperature so as to prevent decarboxylation.
  - **Safety:** While trim or plant material is being handled, the Production Assistants must wear a dust-mask as well as gloves and a lab coat.
  - **Cleaning:** The inside of grinders and food processors will be cleaned and sterilized after each batch is processed. This is accomplished using lab wipes to wipe out any remaining resinous material and then cleaning and sterilizing in the high temperature washer/sanitizer.
- **Fresh Frozen:** aside from drying, certain strains of plant material will be harvested (by HAMMERHEAD Class 1 or upon purchase from third party Class 1 cultivator) and frozen for up to 48 hours prior to going through an extraction with a liquid live resin (“LLR”) that captures all of the cannabinoids and terpenes appropriate for all kinds of resultant concentrate.
- **Grinding:** Sufficiently dried material will be ground to the consistency of fine coffee grinds, using a (designated) large food processor or botanical chopper. Once the material is ground to proper specification, it will be stored in large 6-inch, stainless steel pans with stainless steel lids with appropriate labeling regarding batch information.

### GRINDING EQUIPMENT STANDARD OPERATION

Prior to placing raw cannabis in any type of extraction equipment it must be ground. The step-by-step cannabis grinding process includes:

- **Access Platform:** Easy ergonomic access to load plant material into the hopper.
- **Loading Hopper:** Plant material is emptied into the hopper over a safety grid and gravity-fed through the Pre-Shredder into the Grinder.
- **Nitrogen Injector (optional):** Gas is injected into the chamber to make the material more brittle and better for grinding. It also assists in lowering the temperature of the size reduction process.
- **Pre-Shredder:** Breaks plant material into smaller pieces for better final particle sizing.
- **Grinder:** Ensures consistent particle sizing – simply and quickly adjust the particle size by changing one piece of tooling.
- **Vacuum Dumper:** Transfers material from outlet of grinder to Finished Product Drum and improves size reduction in the grinder.
- **Finished Product Drum (with Level Control):** Hygienic and reusable container that can be switched for another one once full. A level control is attached to the lid so that the drum never overfills.





## GRINDING EQUIPMENT SOP SAFETY TRAINING

HAMMERHEAD employees will be trained to follow these steps when operating the Hanningfield grinder:

- Wear the personal protective equipment (“PPE”) required to operate the machine. This may include: Safety Glasses; Latex, vinyl, or nitrile gloves; Laboratory coat; Hair and/or beard net.; Face mask or respirator; Ear plugs.
- Sanitize and dry the equipment after each individual batch, in order to avoid cross-contamination.
- Inspect the grinding vessel for operational integrity and ensure that the instrument and receiving vessels are clean and free from residual plant matter from the previous batch.
- Perform visual and olfactory inspections of raw plant material to ensure that only the highest quality ingredients are used.

## STANDARD EXTRACTION LABORATORY EQUIPMENT SOP’S

All operators/employees will be trained on standard extraction equipment operations including the following:

- **Supercritical CO<sub>2</sub> Extractor:** CO<sub>2</sub> gas is pressurized until it becomes a supercritical liquid and then pumped through a column of cultivated material. The CO<sub>2</sub> “fluid” soaks into the plant matter to extract only the cannabinoids, terpenes and other medicinally beneficial components. The CO<sub>2</sub> mixer is now pumped into collection vessel in which it is safely depressurize. This causes the CO<sub>2</sub> to become a gas again, leaving behind the concentrate in the collection vessel. The CO<sub>2</sub> gas is then recycled back into storage tanks for later use. 
- **Fractional Distillation Still:** The fractional distillation still is used to further purify the CO<sub>2</sub> concentrate used with the fractional extraction SOP’s below.
- **Rosin Press:** features an 8 ton pneumatic, oil-less & maintenance-free cylinder with 10”x3” heat plates with independent thermocouples, 0°-300°F evenly distributed heat, and temperature accuracy to 1 degree, including the ability to save up to 29 pre-set recipes. 
- **Ethos 6:** It consists of four (4) separate parts. The Ethanol Chamber, The biomass chamber, collection chamber, and finally the cryo-Freezer. All 3 of the chambers are located inside the Cryo-Freezer itself. The ethanol chamber can contain about 30 Gallons of ethanol at a time while the biomass can do around five (5) pounds of material. To start extracting, insert the flower/trim into the bio-mass chamber. Then, pull vacuum inside that chamber by using a vacuum pump. By opening specific valves, the ethanol is driven into the biomass chamber due to the vacuum. Here it soaks the bud and dissolves all the THC and cannabinoids. Now, pull the vacuum in the collection chamber. Again, by opening valves, the impregnated alcohol is now driven into the collection chamber. From here it is now transfer to a Rotary Evaporator to separate the alcohol and concentrate. Once separated, it is again inserted into the ethanol chamber for reuse.
- **Rotary Evaporator:** It consists of 3 different sections: the water bath; rotating 20L flask; 10L recovering flask (and condensing coils). Begin by pulling a vacuum on the entire machine. By using a feeding tube, insert ethanol (with oil dissolved in it) directly into the rotating flask. This flask gently rotates around the water bath. The water bath is set at 45°C. As the flask is rotating, the Ethanol will passively evaporate due to the vacuum and gentle heat of the water bath. This vapor moves passively on its own and starts condensing on the machine’s

condensing coils, set at  $-10^{\circ}\text{C}$ . The ethanol reforms into droplets and falls down to the recovery Flask. It is now ready to be reuse in another extraction. Once all the ethanol evaporates from the Rotating flask, the concentrate will be left behind as it does not evaporate at this temperatures or vacuum. To remove the concentrate, release the vacuum and disconnect the rotating flask. Now, flip it over to collect.

- **HotPlate:** Typically used to decarboxylate our concentrate, first the operator places a beaker on top of the hotplate and inserts a stirring bean and thermometer, and set it to  $220^{\circ}\text{F}$ . The hotplate will stir oil and stops the heat once it reaches  $220^{\circ}\text{F}$ . Maintain temperature by shutting and restarting the heating elements, and after it shuts down, then remove the beaker.
- **Ultrasonic Homogenizer:** This is a device that uses a probe that vibrates at ultrasonic frequencies. An operator inserts the probe into a un-mixed solution. As the probe vibrates, it creates vacuum bubbles and vibrates the solution. As the bubble's collapse they force the liquids to mix. After a set amount of time the solution becomes homogenous. The machine can also create emulsions, in which you can "mix" liquids that don't naturally mix like oils and water in the same manner.
- **MEP30 Hydrocarbon Extractor:** To extract, insert 3-4 pounds of biomass into our biomass columns. The butane mixer is moved into a 4th vessel in which it is the butane is evaporated and recovered for future use. The resultant concentrate has different ratios then  $\text{CO}_2$ , which makes it possible to create different types of medically beneficial products, such as Shatter. All the columns are double jacketed. This allows us to freeze the butane tank and biomass columns to  $-40^{\circ}\text{C}$ . The lower the temperature on the solvent, the most potent the resulting concentrate will be, hence the  $-40^{\circ}\text{C}$ . The collection Tank is set at  $+40^{\circ}\text{C}$ .



- **C1D1 Vacuum Pump:** The operator opens the valves and because of the negative pressure, butane rushes into the biomass columns. The butane soaks the material and extracts all the cannabinoids. Operator now creates negative pressure in the collection column by opening biomass column valves and all the impregnated butane rushes into the collection column. Here it is evaporated due to the warm water running around the column. Butane evaporates at  $0^{\circ}\text{C}$ , so  $+40^{\circ}\text{C}$  water easily forces it to evaporate.
- **Haskelpump:** After the C1D1 vacuum process, the evaporated butane is now moved to the original butane tank by a Gas-Solvent pump (i.e. Haskelpump). Once all the butane is transfer back, the concentrate stays behind in the collection column. The bottom is removed and the concentrate is collected.
- **Blast Chiller:** The operator uses this to cryogenically freeze concentrate to keep it sterile, and to precipitate plant waxes and lipids for separation prior to distillation.
- **Fume Hood:** The fume hood is used as a safety measure when using solvent to clean lab glassware and utensils. All cleaning and soaking of glass and utensils will be done under the closed hood to prevent solvent fumes from being inhaled.
- **Vacuum Purge Oven:** The operator sets the appropriate temperature/time particular to the concentrate and desired viscosity to desiccate material used prior to purification. Removal of water, and in some processes the removal of solvents such as butane and propane, is an important step in the purification process.



- ***SOP's for additional equipment will include:*** Screen Sifters, 3-bay Sinks, Sanitizing Dishwasher, Hand Washing Station, Eye Washing Station, 4 Burner Gas Range, Double-Decker Convection Oven, Reach in Freezer, Reach in Refrigerator.

### **METHODOLOGY FOR EXTRACTING TERPENES AND CANNABINOID SOP'S**

HAMMERHEAD's comprehensive policies and standard operation procedures will yield safe, high-quality concentrate products for HAMMERHEAD's consumers, while protecting the health and safety of manufacturing personnel and all persons on and around the manufacturing premises. After running the Ethos 6, the resulting ethanol-derived cannabis oil tends to be darker and less clear than oils extracted by other means, but HAMMERHEAD will carry out refinement activities that will dewax and clarify the ethanol extract, when appropriate for the ultimate product type. The result is a flavorful, powerful cannabis concentrate that carries the benefits of the numerous constituents of the cannabis plant. The constituent emulsion is ready for refinement through ethanol distillation.

### **SCCO<sub>2</sub> AND FRACTIONAL EXTRACTION SOP'S**

Both subcritical and supercritical CO<sub>2</sub> extraction (collectively, "SCCO<sub>2</sub>") will be conducted. The difference lies in the temperature and pressure of the CO<sub>2</sub> during the extraction process: When the pressure and temperature of the CO<sub>2</sub> are above 1083psi AND 88°F, the CO<sub>2</sub> is considered supercritical; if the temperature is drops below 88°F, the CO<sub>2</sub> changes to a liquid and is referred to as subcritical. By using a system that can run both supercritical and subcritical CO<sub>2</sub> extraction, HAMMERHEAD will have the ability to perform fractional extraction, which allowed even more targeted collection.

The SCCO<sub>2</sub> extraction system is configured with 2 10 L extraction vessels that can process 4 pounds of material every 3 hours. Vessels are rated to a minimum of 900 psi and use a professional grade, closed-loop system. Further refinement of this raw CO<sub>2</sub> concentrate will be accomplished using short path distillation, whereby our attendants will distill crude cannabis resin in a mantle-based short path distillation unit, then heat crude cannabis oil under vacuum to distill out volatile compounds. This highly purified concentrate will then be used in precision-dosed products.

### **SCCO<sub>2</sub> EXTRACTION PREPARATION**

Cannabis preparation includes SOP's requiring inspection for foreign objects, mold, mildew, or foul smells; weighing and recording initial sample mass and batch in the logbook; grinding in the automatic Hanningfield grinder; recording of final mass; retention of potency testing sample; and sanitization of Hanningfield grinder. Decarboxylation SOP's require weighing and recording of ground material that is spread onto sheets and cooked in the vacuum oven at 120°C for 2 hours. After 2 hours, safety SOPs require the attendant to turn off the oven and slowly vent pressure before removing trays with oven mitts to weigh, record and store.

### **SCCO<sub>2</sub> EXTRACTION SOP'S**

Extraction begins with a comprehensive safety check and verification of acceptable pressure during the extraction. A Lab Attendant will load 3 of the vessels with up to 1000g of plant material each. (S)he will close the vessels and torque its bolts to the manufacture's specifications. A 25mmHg vacuum will be established through the use of a vacuum pump. Next, the Lab Attendant will fill each vessel with 15 pounds of butane. The butane mixer is moved to the 4<sup>th</sup> vessel in which

the butane will be recovered using a Haskel recovery pump that is certified to work with hydrocarbons solvents. When the pressure is 0 PSI on the 4<sup>th</sup> vessel and the attendant confirms that all the butane has been recovered from the 4<sup>th</sup> vessel, the concentrate is removed. Refinement and formulation of the concentrate into concentrate follows.

### WINTERIZATION SOP'S

The resulting material is “winterized”. Winterization SOPs include methods for combining material with ethanol (10% extract to 90% ethanol) and storing at 15°F for 24 hours to separate lipids, then filtered multiple times at low temperatures in the refinement process. Post process, all instruments and solvent lines will be cleaned with acetone under fume hood and sanitized in the sanitizing dishwasher. The induction burner will be cleaned with lab wipe. Once a week, the machine will be run empty, thoroughly cleaning the machine.

### REFINING ETHANOL EXTRACTION: DISTILLATION

After the emulsion is pulled from the Ethos 6, ethanol distillation is conducted through use of the rotary evaporator. An operator will check the valves and seal, and set the vacuum gauge to 25 in Hg and turning on the vacuum and chiller. After 20-30 minutes, depending on amount of material in the machine, the third valve will be turned off and the emulsion will drain from the machine to the Rotary Evaporator boiling flask. The 20-Liter Rotary Evaporator (Across international) uses vacuum and gentle heat to evaporate the alcohol and recondense it on a separate flask. The THC and terpenes do not evaporate so they stay behind. When the flask reaches 50% capacity the flow valve will be shut off. Then, transfer the concentrate into a Hotplate and increase its temperature to 220°F. The THCA inside the concentrate will convert itself to THC at this temperature. After this process, the resulting concentrate(oil) will be placed in mason jars to be decarboxylated. They will be around 60% potency before being diluted in the short path distillation and formulation to produce Low-THC oil.

### SHORT-PATH DISTILLATION



The final step of HAMMERHEAD refining process will be cannabinoid purification via short path distillation. To increase purity of cannabinoids, HAMMERHEAD will use a thermal separation to separate cannabinoids based on different boiling point ranges than the other materials in the extraction mixture. Molecular (short-path) distillation is the best thermal separation method for this heat-sensitive material because it is the gentlest type, causing the least amount of thermal degradation of product. An operator will assemble the equipment, grease the joints with a vacuum grease and ensure that the temperature probe reaches the bottom of the flask and the operator will fill with less than 60% of fully decarboxylated concentrate, set the stir speed to 100-500 rpm at a temperature of 100°C, ensure chill trap is cold and the head condenser is set to 35°C then put the vacuum on the system to commence the run. When the temperature reaches 100°C, the temperature is increased by 5° increments maintaining a vacuum reading between 500- 1200 microns until vapor begins to collect in the receiving flask. Temperature is maintained until collection ceases then heat is increased in 5° increments until distillate flow begins to thicken and then cease. The heat is removed until the temperature falls below 175°C, and the Attendant can safely remove the vacuum, wait for system pressure equalization, turn off the vacuum pump and collect the purified compound.



## **REFINING FULL HYDROCARBON (BUTANE) REMOVAL**

When the concentrate is removed from the MEP 30, it is cured and the hydrocarbons are fully removed. The production technician transfers the Concentrate into a Hotplate and increase its temperature to 220°F. The THCA inside the concentrate will convert itself to THC at this temperature. After this process, the resulting Concentrate(oil) will be placed in mason jars. They will be around 80% potency. This involves pouring the concentrate into 22"x22" wax sheets of paper and placing them inside vacuum ovens. The ovens are set to 85°F and vacuumed to 25mmHg. The concentrate will be flipped once per day for 5 days. This will ensure all surface area of the concentrate get exposed to the vacuum. After 5 days all hydrocarbon solvents would have been pulled out of the concentrate due to the vacuum. After confirmation of the quality of the concentrate, it is ready for formulation.

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## **SECURE TRANSPORT**

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HAMMERHEAD will employ a third-party transportation company that meets all regulatory requirements to handle all transportation duties for product transactions. HAMMERHEAD will strictly comply with **N.J.A.C. §17:30-9.15** and meet or exceed all traffic laws specific to transportation within the State. SOP's will detail the responsibilities of employees, as well as provide guidance for emergencies. All marijuana products being transported will be packaged in shipping containers and labeled in accordance with **N.J.A.C. §17:30-13**.

## **TRANSPORTATION MANIFESTS/ TRANSPORTATION VEHICLES**

All transfers of marijuana products to and from the Facility will be accompanied by transportation manifests that detail the credentials of individuals shipping and/or receiving marijuana products. Required data will be entered into METRC and it will represent exact contents of deliveries and returns of recalled product to grower/processor facilities. Third-party contractors will be required to communicate with HAMMERHEAD all transportation company security protocols and information relating to the secure, safe transportation services the contractor may provide. Transportation vehicles will be equipped with a global positioning system (GPS) and dashboard camera or similar device to record activities happening in front of and near the transport vehicle while distributing marijuana products.

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## **TEST RESULTS**

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HAMMERHEAD's plan for receiving and reporting test results for cannabis items to consumers and to other cannabis businesses is fully compliant and consistent with **N.J.A.C. §17:30-16.6**. in its current hemp product line, HAMMERHEAD publicly displays exemplar lab test results: *See <https://www.hammerheadhemp.com/lab-results>*. All cannabis products will pass all required QA testing. HAMMERHEAD will provide samples to the CRC during announced and unannounced inspections for product quality control and pay any expenses associated with the testing. **N.J.A.C. 17:30-16.6**. The Operational Health Manager will provide oversight of HAMMERHEAD's engagement with any independent laboratory. All independent laboratories providing services must be accredited to International Organization for Standardization (ISO) 17025 by a third-party accrediting body that is a signatory to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement. Labs licensed by the CRC will be exclusively used.