

**COMMERCIAL CANNABIS BUSINESS LICENSE
DEVELOPMENT AGREEMENT**

This Development Agreement (“Agreement”) is made and entered into as of December 6, 2022 (the “Effective Date”) between the **CITY OF NATIONAL CITY**, a California municipal corporation (“City”), and Sessions Ventures, a California LLC doing business as Sessions by the Bay (“Licensee”). City and Licensee are hereinafter collectively referred to as the “Parties” and singularly as “Party.”

RECITALS

- A. The City Council previously adopted an ordinance to add Chapter 9.60 to National City Municipal Code (“NCMC”) to permit limited commercial cannabis activities.
- B. Pursuant to Resolution No. 22- , the City Council adopted Application Procedures and Guidelines (the “Guidelines”) governing the issuance of commercial cannabis licenses.
- C. Licensee submitted an application for a commercial cannabis license dated April 7, 2022 (the “Application”), which was reviewed by the City in accordance with the Guidelines.
- D. On [December 6, 2022], the City awarded a Commercial Cannabis Permit to Licensee (“Permit”), to operate a retail and consumption lounge, cannabis business which will be located at 700 Bay Marina Drive, also known as San Diego County APNs 559-160-33 (the “Property”).
- E. Pursuant to NCMC Section 9.60.100 and the Guidelines, the Licensee must enter into an Development Agreement with City prior to commencing operations.
- F. The City and Licensee freely and voluntarily negotiated the terms and conditions of this Development, and the City Council adopted Resolution No 22- approving this Agreement.
- G. The Parties acknowledge that this Agreement is not a statutory development agreement authorized by Government Code section 65864 and that this Agreement confers no entitlement or vested rights of any kind to Licensee to operate a cannabis business.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and obligations set forth herein, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Incorporation of Recitals.

The recitals and defined terms set forth above are hereby incorporated into this Agreement.

2. Effective Date and Term.

This Agreement shall commence on the Effective Date and remain in effect until the expiration, termination, surrender, or revocation of Licensee’s Commercial Cannabis Permit, unless sooner terminated as provided for herein.

3. Description of Business and Ownership.

Licensee’s has been awarded a Commercial Cannabis Permit dated December 6, 2022 to operate a commercial cannabis business at the Property (the “Business”). Licensee shall operate the Business as a retailer and consumption lounge, as those terms are defined in NCMC Chapter 9.60. The terms and conditions of the Commercial Cannabis Permit are incorporated into this Agreement by reference.

4. Applicable Laws and Regulations.

4.1 General. Licensee shall at all times comply fully with all current and future State and City laws and regulations applicable to Licensee’s Business, including but not limited to NCMC Chapter 9.60. Licensee shall ensure such compliance by all of Licensee’s employees, contractors, vendors, and members of the public invited or allowed access to the Business.

4.2 State License. Licensee shall promptly apply for and obtain all State licenses required for the Business’s operations. Failure to obtain and maintain required State licenses during the term of this Agreement shall constitute a default under this Agreement and shall be grounds for termination.

5. Conditions of Approval.

In addition to the requirements contained in the Plans, as defined in Section 6 below, the Licensee shall at all times operate the Business in accordance with the Conditions of Approval for the Business, attached hereto as Exhibit A and incorporated herein by reference (the “Conditions of Approval”). To the extent there is a conflict or inconsistency between the Conditions of Approval and the Plans, the Conditions of Approval shall control. To the extent the Conditions of Approval conflict with any applicable state or local law or regulation, currently existing or enacted in the future, the applicable law or regulation shall control. The City Manager, or his or her designee, shall have the authority to amend the Conditions of Approval subject to the requirements of this Agreement.

6. Operating Requirements.

6.1 Operating Requirements. In addition to any other applicable requirements, Licensee shall at all times operate the Business in accordance with the operating procedures contained in Exhibit B, attached hereto and incorporated by reference. Such operating procedures include requirements for the opening and closing of the Business, customer check-in, product delivery, use of specific point-of-sale software, inventory control, diversion prevention, product distribution, transportation procedures, odor control, and quality control. Nothing in this section shall prevent the Licensee from changing the mix and type of cannabis products at the Business.

6.2 Safety Plan. In addition to any other applicable requirements, Licensee shall at all times operate the Business in compliance with the Safety Plan contained in Exhibit C, attached hereto and incorporated by reference, including but not limited to all fire prevention and suppression measures, accident and reporting procedures, medical emergency response procedures, and waste management procedures identified therein.

6.3 Security Plan. In addition to any other applicable requirements, Licensee shall at all times operate the Business in compliance with the Security Plan submitted with the Licensee's application and on file with the City. The Security Plan identifies access control requirements, perimeter security standards, inventory control measures, cash handling procedures, information/records security, lighting and surveillance requirements, theft and diversion prevention strategies, and employee training policies, among other topics.

6.4 Amendments. Licensee shall operate Business in accordance with the requirements of the this Section 5 and the plans contained in Exhibit B and C attached hereto (collectively, the "Plans"), with such amendments or changes approved by the City Manager, or his or her designee. To the extent there is a conflict or inconsistency between the Plans and this Agreement, this Agreement shall prevail.

7. Community Benefits. Licensee has offered to provide certain community benefits as part of the operation of the Business, and the City has accepted such offer. The community benefits to be provided by Licensee are specified in this Section.

7.1 National City Community Benefit Fund.

a. **Community Benefit Fund.** Licensee hereby agrees to donate an amount equal to one percent (1%) of the Net Profits of the Business, as defined herein, to nonprofit community organizations located and doing business within National City, subject to the requirements of this Section (the "National City Community Benefit Fund").

b. **Annual Plan.** No later than the October 1 of each year, beginning the year after the Business commences operations, Licensee shall submit to the City an annual plan for the disbursement of the National City Community Benefit Fund (the "Annual Plan"). The Annual Plan shall identify the recipients of the funds, the estimated amount that shall be provided to each recipient, and such other information as may reasonably be required by the City. The recipients of the proceeds of the National City Community Benefit Fund shall be exempt from taxation pursuant to Internal Revenue Code section 501(c)(3), shall be in good standing with the laws of the State of California, and shall provide sufficient services within the City of National City that benefit the public (each a "Recipient"). The City may, in its sole discretion, determine that a proposed Recipient does not provide sufficient services within National City that benefit the public, and such determination shall be conclusive. The City shall review, and either approve or reject, the Annual Plan. If the City rejects the Annual Plan, it shall notify the Licensee in writing of the reasons for the rejection. Thereafter, the Licensee shall submit a revised Annual Plan within forty-five (45) days. If the City fails to approve or reject the Annual Plan within thirty (30) days of submittal by the Licensee, the Annual Plan shall be deemed approved. Licensee may at any time apply to amend its Annual Plan, subject to the same procedures contained in this Section 7.1.

7.2 General Fund Contribution.

a. **Voluntary General Fund Contribution.** Licensee hereby agrees to donate an amount equal to five percent (5%) of the Gross Receipts of the Business, as defined herein, to the City's General Fund, subject to the requirements of this Section 7 (the "General Fund Contribution"). The General Fund Contribution may be used for any lawful municipal purpose as determined by the City Council, in its sole and absolute discretion.

b. **Monthly Payments.** No later than the 15th day of each calendar month, Licensee shall pay to the City the General Fund Contribution from the previous calendar month. The payment shall be accompanied by a report, on a form approved by the City's Finance Director, identifying the total amount of the Gross Receipts of the Business from the previous month and any other information requested by the City.

c. **Penalty for Delay.** If Licensee fails to remit any amount owed pursuant to Section 7.2(b) within the time required, Licensee shall pay a penalty of ten percent (10%) of the amount owned in addition to the outstanding amount. The amount of the penalty shall increase by an additional ten percent (10%) each additional thirty (30) days during which the Licensee fails to make the requirement payment. Licensee and City agree that this penalty is necessary in order to ensure that Licensee timely provides the funds it has promised to donate and which the City has budgeted based on such promise.

7.3 Financial Reporting & Administration.

a. **Gross Receipts.** As used in this Agreement, "Gross receipts" includes the total amounts actually received or receivable during a calendar year for the sale of any cannabis goods for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale or delivery of cannabis materials, cannabis services, cannabis goods within the City of National City, or outside the City of National City when the proceeds are credited to or for the account of the Business. Included in "gross receipts" shall be all commissions, fees, receipts, receipts from coin-operated equipment, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever. Excluded from "gross receipts" shall be the following: i) cash discounts allowed and taken on sales; ii) credit allowed on property accepted as part of the purchase price and which property may later be sold; iii) any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser; iv) such part of the sale price of property returned by purchasers upon rescission of the contract of sale refunded either in cash or by credit; v) amounts collected or held in trust for others where the business is acting as an agent or trustee, to the extent that such amounts are paid to or for the benefit of those for whom collected (the collector may require proof of payment or disbursement; vi) receipts of refundable deposits, except that refundable deposits forfeited and taken into the income of the business shall not be excluded and vii) non-cannabis materials, goods, wares or merchandise.

b. **Net Profits.** As used in this Agreement, “Net profits” shall mean the net taxable income of the Business as reported annually to the California Franchise Tax Board on its annual tax return, less any federal, state, or local taxes paid by Business and not otherwise reported as part of the net taxable income of the business.

c. **Reporting of Gross Receipts.** No later than February 15 of each year during the Term of this Agreement, Licensee shall deliver to City a report, on a form approved by the City’s Finance Director, showing:

(i) The Business’s Gross Receipts and Net Profits from the previous calendar year (the “Statement of Receipts”);

(ii) The total amount of the General Fund Contribution; and

(iii) The total amount contributed to the National City Community Benefit Fund and the actual amount of money provided to each Recipient.

d. **Statements of Receipts.** Licensee shall keep complete, accurate and appropriate books and records of all receipts and expenses from the Business’s operations in accordance with generally accepted accounting principles (“Books and Records”). Books and Records, as well as all other relevant documents as City reasonably requires, shall, upon reasonable written notice, be open for inspection by City, its auditors, or other authorized representatives. If at any time during the Agreement, such Books and Records are deemed inadequate in the reasonable judgment of City, Licensee shall, upon the written notice of City, be given a one quarter period (three months) to cure such inadequacies. If, in the reasonable judgment of the City, Licensee has not cured the Books and Records inadequacies, City shall consider Licensee to be in default of this Agreement, and may choose to terminate this Agreement.

e. **Audit.** City shall have the right to audit and examine Licensee’s Books and Records, and other relevant documents and items in Licensee’s possession (“Audit Items”), but only to the extent necessary for a proper determination of gross receipts, net profits, and expenses from operations. Upon written request by City, Licensee shall make all Audit Items available to the City within thirty (30) days of City’s request.

f. **Retention of Receipts.** Licensee shall preserve Audit Items in the City for a period of at least five (5) years.

g. **Copies of Tax Filings.** Upon request, Licensee shall provide City with copies of any reports and tax filings Licensee is required to provide to the County of San Diego, the State, and the federal government.

h. **Future Revenue Mechanisms.** During the term of this Agreement, if the City imposes an alternative revenue mechanism specifically related to commercial cannabis business permit holders, Licensee agrees to pay the City the greater of the payment required under such alternative revenue mechanism or the General Fund Contribution.

Payments that are not specific to commercial cannabis business permit holders (e.g. apply to both cannabis and non-cannabis businesses), shall be in addition to, and not in lieu of, the payments required by this Agreement.

7.4 Miscellaneous Community Benefits

a. **Community Clean Up.** Licensee shall organize and host one community clean-up event per calendar year. Licensee shall be solely responsible for all costs associated with such event, and shall obtain any permits and approvals from any responsible governmental agency necessary for the event.

b. **Drug Prevention Seminars.** The Licensee shall participate in at least two (2) drug prevention seminars hosted collectively by all cannabis businesses operating in National City. The seminars shall be offered free of charge to the public at a location within the City of National City, and shall focus on responsible use of cannabis and secure storage of cannabis to prevent access by minors. Licensee shall work in good faith to develop and sponsor such seminars.

c. **Employment Priorities.** In an effort to further restorative justice and the local economy, the Licensee shall use a good faith effort to ensure that at least thirty percent (30%) of the employees of the Business are either residents of the City of National City or individuals previously convicted of misdemeanor offenses related to the sale, distribution, use, or cultivation of cannabis.

8. Location Change & Transfer

8.1 Change of Location. The Licensee shall not change the location of the Business unless and until the Licensee first complies with the requirements of NCMC Section 9.60.430, and obtains the necessary approvals.

8.2 Transfer of Ownership. The Licensee shall not transfer ownership or control of the Business or the Permit unless and until the Licensee first complies with the requirements of NCMC Section 9.60.420, and obtains the necessary approvals.

9. Processing Fees and Charges.

Licensee shall pay City, processing, inspection, plan checking, permit, and monitoring fees and charges required by City for processing Licensee's applications and requests for permits, inspections, approvals and actions, and monitoring compliance with any permits issued or approvals granted, or the performance of any conditions.

10. No Vested Rights.

The Parties acknowledge and agree that this Agreement is not a statutory development agreement authorized by Government Code section 65864. This Agreement confers no

entitlement or vested rights of any kind to Licensee to operate the Business, or engage in any commercial cannabis activity.

11. Voluntary Agreement.

The terms and conditions of this Agreement are the result of voluntary negotiations between the Parties, and no term in this Agreement has been imposed by the City, including without limitation the General Fund Contribution. The City and Licensee have each voluntarily and freely elected to enter into this Agreement. Each of the Parties have had an equal opportunity to participate in the negotiating and drafting of this Agreement, and to review the Agreement with legal counsel, therefore any construction as against the drafting party shall not apply to this Agreement.

12. Indemnity.

Licensee shall indemnify, defend, and hold harmless to the fullest extent permitted by law, City and its officers, officials, employees, consultants, attorneys, and volunteers (“Indemnitees”) from and against any and all claims, liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with the operation or existence of the Business, this Agreement, or the Property (including any challenge to the validity of any provision of this Agreement or the Permit approvals, or Licensee’s failure to comply with any of its obligations under this Agreement, or Licensee’s failure to comply with any current or prospective law); provided, however, that Licensee shall have no obligations under this Section for such loss or damage which was caused by the sole negligence or willful misconduct of the Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any insurance policy, whether required by this Agreement or otherwise.

13. Waiver & Hold Harmless

Licensee waives, releases, and holds harmless the City and its officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney’s fees), suits or other expenses which arise out of, or which are in any way relate to this Agreement, including the enforcement of any term or condition stated herein, the payment of the General Fund Contribution, the issuance of the Cannabis Business Permit, or the Operation of the Business. Notwithstanding anything in this Agreement to the contrary, the Parties acknowledge that the City would not have entered into this Agreement had it been exposed to liability for damages from Licensee, and therefore, Licensee hereby waives all claims for damages against the City for breach of this Agreement. Licensee hereby voluntarily and unconditionally waives any rights it may have to challenge this Agreement or any term contained herein.

Licensee specifically waives the provision of California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THIS

RELEASE, AND THAT IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR THE RELEASED PARTY.”

In this connection and to the extent permitted by law, Licensee hereby agrees, represents and warrants that Licensee realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Licensee further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Licensee nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which might in any way be included as a material portion of the consideration given to City by Licensee in exchange for City’s performance hereunder.

City has given Licensee material concessions regarding this transaction in exchange for Licensee agreeing to the provisions of this Section. City and Licensee have each initialed this Section to further indicate their awareness and acceptance of each and every provision hereof.

CITY’S INITIALS

LICENSEE’S INITIALS

14. Liability.

City shall not assume liability or responsibility for any conditions related to the construction or use of the Business that may be in violation of local and/or state health and building codes (“Conditions”). City shall not assume responsibility for correcting Conditions, either existing or discovered during the course of the construction or operation of the Business. Failure to correct Conditions during the course of construction or operation of the Business shall not imply that City has accepted Conditions nor forfeit City’s right to have Conditions corrected at a future date.

15. Defaults.

Notwithstanding other provisions of this Agreement, any failure by either party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other party (“the Complaining Party”) (unless such period is extended by mutual written consent), shall constitute a default under this Agreement. The Complaining Party’s notice (“Default Notice”) shall specify the nature of the alleged failure, and may specify the manner in which the failure satisfactorily may be cured by the other party (“the Defaulting Party”). If the nature of the alleged failure is such, that it cannot reasonably be cured within such thirty (30) day period, then no default shall be deemed to have occurred if: (a) the cure shall be commenced at the earliest practicable date following receipt of the Default Notice; (b) the cure is diligently prosecuted to completion at all times thereafter; (c) at the earliest practicable date (if no event later than thirty (30) days after the Defaulting Party’s receipt of the Default Notice), the Defaulting Party provides written notice to the Complaining

Party that the cure cannot practicably be completed within such thirty (30) day period; and (d) the cure is completed at the earliest practicable date.

Upon the occurrence of a default under this Agreement, the Complaining Party may, in addition to any and all other rights or remedies of the Complaining Party hereunder and/or provided by law, shall have the right to: i) terminate this Agreement, or ii) commence an action against the Defaulting Party for damages, injunction and/or specific performance.

No remedy specified in this Section shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy provided hereunder or now or hereafter existing at law or in equity or by statute, and every power and remedy provided by this Agreement may be exercised from time to time and as often as occasion may arise or as may be deemed expedient, subject to any limitations set forth herein.

16. Termination.

16.1 By Mutual Consent. This Agreement may be terminated in whole or in part by the mutual written consent of all the Parties.

16.2 Failure to Obtain or Maintain Required State or Local Licenses. If Licensee fails to obtain or maintain in effect all State and City licenses required for the Business, City may immediately terminate this Agreement.

16.3 State or Federal Action. In the event that State law permitting the use for which the Commercial Cannabis Permit was issued is amended or repealed resulting in the prohibition of such use, either Party may terminate this Agreement.

16.4 Surrender or Revocation of Commercial Cannabis Permit. If Licensee voluntarily surrenders their Permit, or if Licensee's Permit is revoked by City, Licensee shall immediately cease all operations at the Business, and this Agreement shall terminate automatically, without further action required by either Party.

16.5 Default. If Licensee is in default of any provision of this this agreement, including but not limited to the requirements of Section 7, the City may terminate this Agreement pursuant to Section 14.

16.6 Effect of Termination of Agreement on Commercial Cannabis Permit. Licensee agrees that termination of this Agreement in accordance with this Section, shall also result in the automatic termination of the Licensee's Commercial Cannabis Permit. Upon termination of this Agreement, Licensee shall remit all fees and payments due as of the effective date of the termination.

17. Future Amendments.

The City Manager shall have the authority to approve minor amendments to this Agreement without further approval from City Council. For the purposes of this section, an amendment shall

be a minor amendment if it substantially conforms with the material terms of this Agreement. Without limiting the generality of the foregoing, changes to the time for either Party to perform any obligation and changes in reporting obligations may be made via a minor amendment. Changes to the amount of gross receipts the Licensee must use for the National City Community Benefit Fund or the General Fund Contribution shall not be minor amendments. The determination of the City Manager regarding whether an amendment qualifies as a minor amendment shall be definitive.

18. Assignment; Binding on Successors.

Licensee may not transfer or assign its interests under this Agreement, in whole or in part, without the prior written consent of the City, which may be withheld for any reason. Subject to the restrictions on transfers set forth herein or the NCMC, this Agreement shall bind and inure to the benefit of the Parties and their respective permitted successors and assigns. Any reference in this Agreement to a specifically named Party shall be deemed to apply to any permitted successor and assign of such Party who has acquired an interest in compliance with this Agreement or under law

19. Notices.

All notices required by this Agreement shall be in writing and personally delivered or sent by certified mail, postage prepaid, return receipt requested to the following addresses:

Notice to City shall be addressed as follows:

CITY OF NATIONAL CITY
Attn: City Manager
1243 National City Blvd
National City, CA 91950

with copies to:

CITY OF NATIONAL CITY
Attn: City Attorney
1243 National City Blvd
National City, CA 91950

Notice to Licensee shall be addressed as follows:

700 Bay Marina Drive
National City CA, 91950

Either Party may change the address stated herein by giving written notice to the other Party, and thereafter, notices shall be addressed and transmitted to the new address. All notices shall be deemed received on the earlier of the date that personal delivery is effected or the date shown on the return receipt.

20. Severability.

If any term, condition, or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall not be affected, and the remaining provisions of the Agreement shall be read and construed without the invalid, void, or unenforceable provision(s).

21. No Implied Waiver of Breach.

The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

22. No Third Party Beneficiaries.

The parties do not intend to create, and nothing in this Agreement shall be construed to create any benefit or right in any third party.

23. Action or Approval.

Whenever action and/or approval by City is required under this Agreement, the City Manager of the City of National City, or his or her designee, may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his discretion that such action or approval requires referral to City Council for consideration.

24. Governing Law and Forum.

This Agreement shall be construed in accordance with the laws and judicial decisions of the State of California, and venue or any legal or equitable action shall be in the state or federal courts of County of San Diego.

25. No Agency, Joint Venture, or Partnership.

City and Licensee hereby renounce the existence of any form of agency relationship, joint venture, or partnership between City and Licensee, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between City and Licensee.

26. Entire Agreement.

The provisions of this Agreement comprise all of the terms, conditions, agreements and representations of the Parties. This Agreement may not be altered or amended, and no provision hereof may be waived, except by written agreement executed by the authorized representatives of the Parties. The Parties hereby agree that terms of this Agreement have not been changed, modified, or expanded by any oral agreements or representations entered into or made prior to or at the execution of this Agreement.

24. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which taken together shall constitute one instrument.

Exhibit A	Conditions of Approval
Exhibit B	Operating Procedures
Exhibit C	Safety and Security Plan

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates set forth below.

CITY OF NATIONAL CITY, a municipal corporation

Sessions Ventures, a LLC

By: _____

By: _____

Name: _____

Dated: _____

Its: _____

Dated: _____

Attest:

City Clerk

Approved as to form:

City Attorney

5212884.2

EXHIBIT A
CONDITIONS OF APPROVAL

General Conditions:

1. Licensee shall post clearly visible signs at all entrances and exits and at both on and off-site parking areas, requesting patrons to respect residents of adjacent residential neighborhoods by being quiet when leaving, reminding patrons of the existence of permit parking districts within the neighborhoods adjacent to the business, and that the consumption of cannabis in public areas is not permitted pursuant to state law.
2. A responsible person shall always be on the premises to act as manager and supervise employees during business hours.
3. The applicant shall comply with the applicable requirement of NCMC Title 12, Noise Control. Noise complaints shall be immediately addressed.
4. Odor generated by the Business shall not be detectable outside the Business to a person of normal olfactory sensitivities, including anywhere on adjacent property or public rights-of-way, or within any other unit located within the same building as the Business. An odor absorbing ventilation and exhaust system shall be installed so that odor generated within the Business is not detected outside of the Business.
5. Licensee shall proactively monitor and resolve any issues involving disturbances, loitering or ingestion of cannabis in parking lots or surrounding streets, sidewalks, and alleys.
6. Licensee shall provide law enforcement and all neighbors within one hundred feet of the Business with the name and phone number of an on-site community relations employee to notify if there are operational problems with the establishment.
7. Licensee shall employ a minimum of one (1) on-site security guards during all hours of operation.. All security guards employed by the Business shall be licensed and possess a valid Department of Consumer Affairs “Security Guard Card” at all times. In addition, any security guard employed by the Business or security firm retained by the Business must first be approved by the City’s Chief of Police, in his or her reasonable discretion. Neighborhood security guard patrols shall be conducted every hour, for a two-block radius surrounding the Business during all hours of operation.
8. The Licensee shall not employ security guards armed with firearms or tasers.
9. Upon presentation of proper credentials by any Code Compliance or Law Enforcement Officer, the Licensee shall consent to entry of the place of business at all reasonable times to enforce the provisions of this Agreement or the NCMC.
10. On-site sales of alcohol or tobacco, and on-site consumption of alcohol or tobacco products by patrons prohibited.
11. All proposed structures must comply with zoning and building code regulations and pass all requisite inspections and receive all permits required under applicable law.
12. All cannabis waste must be stored in a secured location and properly disposed by a cannabis waste collector.

13. The on-site consumption of alcohol, tobacco or cannabis by employees of the Business is prohibited while such employees are working.

Consumption Area Specific Conditions:

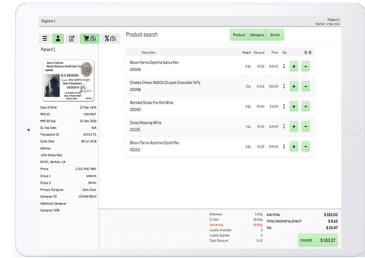
1. Licensee shall comply with all applicable requirements in NCMC Chapter 9.60 (including but not limited to Section 9.60.265), state law, and any other applicable laws or regulations.
2. Licensee may sell any type of concentrate for consumption on-site in compliance with state packaging requirements, including combustible cannabis products for the purposes of smoking or vaping within the designated smoking area(s) and edible/ingestible cannabis products. The type of vaping products sold within the designated smoking area(s) shall be limited to single, individually packaged vape cartridges, pens, or concentrates of no more than one gram.
3. Licensee shall create patron consumption guidelines that may include the utilization of labels, menu notifications, signage, portion control, dosage monitoring, and staff education to prevent the overconsumption of the cannabis by patrons.
4. Licensee shall make an announcement at closing requesting patrons to respect the residents of the adjacent residential neighborhoods by being quiet when leaving.
5. Cannabis consumption areas shall not be visible to the public or by any persons under twenty-one years of age.
6. Licensee shall stop service to visibly impaired patrons and provide information on car services.
7. The indoor consumption area may be operational and open to the public between the hours of 6:00 a.m. and 2:00 a.m. Consumption of cannabis may occur in the consumption area during all hours the business is open, unless specifically prohibited by the State Bureau of Cannabis Control, or other applicable agency. No sales of cannabis or cannabis products shall occur between 10:00 p.m. and 2:00 a.m.
8. If the consumption area remains operational past 10:00 p.m., all cannabis and cannabis products offered for sale prior to 10:00 p.m. shall be secured and not visible to patrons in the consumption area.
9. Entry into the premises by persons under the age of twenty-one is prohibited.

SECTION 2.1: DAY-TO-DAY RETAIL OPERATIONS

A. CUSTOMER CHECK-IN PROCEDURES

Sessions Ventures LLC d/b/a Sessions by the Bay (“Sessions”) is committed to bringing National City a high-end, professional retail storefront and delivery experience. Sessions has organized the layout of its storefront in such a way as to facilitate a comfortable customer flow throughout the facility, as well as a clear divide between limited access areas, the retail area, and the rest of the building.

Sessions’ retail operations will implement standard operating procedures and security measures based on a decade of developing and implementing best practices and years of fully compliant operations. Sessions uses LeafLogix as its Point-of-Sale (“POS”) software provider. LeafLogix is a state-approved cannabis software provider. Founded to operationalize the demands of running a compliant, high-volume retailer, LeafLogix unites all front of house, back of house, point of sale and business analytics functions into a single, all-encompassing platform — giving life to a dynamic retail management software system, designed exclusively for the modern retail cannabis dispensary. LeafLogix is an enterprise-grade, business management platform currently serving over 1500 cannabis facilities.



Security Guards will be stationed at the exterior of the front entrance where they will inspect the customers identification as well as use an electronic identification scanner to help in age verification and authenticity of the identification. Sessions will never allow individuals under the age of 21 onto the premises unless they are medical patients 18 years of age or older who possesses a physician’s recommendation for cannabis medical use only. Because the proposal contemplates a Consumption Lounge, persons under 21 will be denied entry to that portion of the Facility, without exception.¹ Staff will always verify the age of customers entering the Consumption Lounge to ensure persons under the age of 21 are not permitted by inspecting the person’s proof of identification², determining the customer’s age, and confirming the clear and certain identity of the entrant. Additionally, no employees under the age of 21 will be permitted to work at the Facility.³

After the Security Guard has verified the customer, the Security Guard will return the purchaser’s identification card, advise them to keep it available, and permit them to enter the lobby of Sessions’ facility and be directed to a waiting receptionist who is stationed behind the front check-in desk. The front check-in station is protected by bullet-proof glass to protect personnel and demonstrate to consumers (and staff) the emphasis placed on security and public safety. Sessions creates a customer profile for each individual within the LeafLogix software system to track purchase history, store contact information, and demonstrate compliance with age verification and identification regulations. Customers’ identifying documentation will be scanned and stored into the Sessions’ software, which features HIPAA compliant customer confidentiality protocols. Sessions will maintain a list of customers and current contact information to provide notice in the event of a recall. Additionally, at this time Sessions will confirm a customer’s explicit permission prior to including the customer on any text, email, and other marketing solicitations. All customer information stored on Sessions’ computer system will be protected from theft or dispersal using standardized information technology security measures. New and returning customers will have their profiles checked in and placed into a Waiting Queue prior to be directed through to the retail sales floor. Sessions’ Director of Security will oversee the installation and maintenance of

¹ NCMC 9.60.265(e)

² NCMC 9.60.250(a)(3)

³ NCMC 9.60.230(a)



the storefront's computer systems and associated technology in order to ensure that they remain secure and uncompromised.



Sessions trains its security and reception personnel to respectfully ask the customer to remove hats or sunglasses or to provide additional identification if they are unsure the person is indeed the customer in question based upon the picture on their identification card. If the customer's identification card is expired or the Security Guard is unable to verify the identity of the customer, the Security Guard will kindly ask the customer to leave. If the customer refuses to leave or begins to act in a threatening manner, the Security Guard will initiate de-escalation protocols and potentially contact law enforcement if merited. For more information regarding Sessions' safety and security plans, please see *Safety Plan* and *Security Plan* included as part of this application.

Once the customer's information has been entered into LeafLogix, the Receptionist will review the queue to determine if there is capacity to permit the customer into the retail floor. If so, the customer will be permitted to enter the retail sales area, which is under strict access control, through the use of a 'buzz-in' electronic or mechanical entry system designed to limit access from the lobby.⁴ Alternatively, the purchaser will be asked to wait in Sessions' comfortable lobby, where educational and support materials will be readily available **in both English and Spanish**, until the customer's name is called. No customers will be permitted to enter the retail sales area unless there is at least one Sessions employee physically present in the retail area.⁵ Any individual who cannot be properly verified will be asked to leave the retail store immediately. Sessions' onsite Security Guards will ensure the individual leaves promptly and can help deter any disturbances to other verified customers.

Sessions will verify the age and all necessary documentation of each individual to ensure the customer is not under the age of 18 years. If the potential customer is 18 to 20 years old, Sessions will confirm the customer's possession of a valid doctor's recommendation and/or Health and Safety Code Section 11362.71.⁶ All individuals seeking access to Sessions must show their government-issued identification, and, if appropriate, doctor's recommendation of Medical Cannabis card, in order to gain access. These documents must also be shown at the point-of-sale station at the time of purchase. Doctor recommendations are not to be obtained or provided at the Facility.⁷ The verification process is crucial to Sessions' operations because, if a storefront employee sells or otherwise transfers cannabis or cannabis products to a person not authorized to possess or consume cannabis under this chapter, the Bureau may revoke Sessions' license.

⁴ NCMC, c. 9.60.250(b)

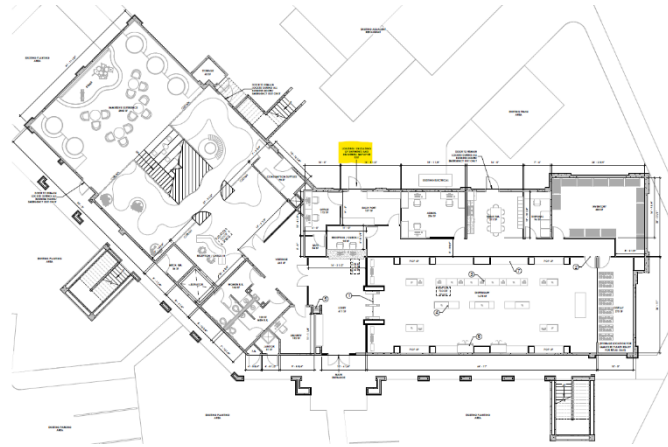
⁵ Cal. Code Regs. tit 4 §15402(b)

⁶ NCMC, c. 9.60.250(a)(1-2), Cal. Code Regs. tit 4 §15402(a)

⁷ NCMC, c. 9.60.250(a)(3)



B. PROCEDURES FOR RECEIVING DELIVERIES



Receiving cannabis goods into inventory is a critical aspect of Sessions’ day-to-day operations. Once inventory is officially accepted into Sessions’ inventory, it becomes Sessions’ responsibility both from a regulatory perspective and as an accountable retailer. As such, Sessions has strict receiving protocols. Sessions’ Receiving Supervisor is responsible for documenting the receipt of cannabis products and will review all incoming inventory to ensure the product meets Sessions’ standards as well as all applicable regulations.

Sessions will receive cannabis goods from licensed distributors in Sessions’ secure, non-public loading bay at the rear of the facility during business hours only. Sessions will only accept deliveries from California-licensed distributors or microbusinesses and will not accept any deliveries from outside the State of California. Sessions will require distributing licensees to contact Sessions’ storefront prior to their departure to inform Sessions’ staff of all incoming deliveries, as well as provide Sessions with a copy of the shipping manifest for review in advance so that Sessions may appropriately prepare for receiving the delivery at the mutually agreed estimated arrival time. When an order is approaching the storefront, the distributor’s staff will contact Sessions’ storefront again to inform Sessions’ employees of the distributor’s pending arrival. Prior to an expected distributor’s arrival, Sessions’ Security Guard will evaluate and monitor the exterior facilities to ensure the safe arrival of the distributor vehicle into the loading bay. At no point will a distributor employee enter the front entrance or customer lobby with cannabis goods. Security personnel will verify the distributors employee identification, ensure they have their required employee badge, log their visit into Sessions’ Vendor Log sheet, and allow their vehicle to enter the loading bay. Security will monitor distributors as they pull their transportation vehicles into the loading bay and move cannabis goods from the transportation vehicle into the receiving area. Once the drop-off is complete, a security guard will close and lock the loading bay door. Sessions will require that all distribution partner’s vehicles be enclosed and remain locked unless actively unloading.

Prior to accepting any delivery of cannabis goods, Sessions’ staff will require the distributor’s staff to provide a copy of their Metrc manifest describing all inventory delivered. Sessions will locate the corresponding manifest in the Metrc portal and scan a copy of the manifest into Sessions’ inventory tracking system (LeafLogix). Sessions will ensure that the inventory received matches that described in the transport manifest. If Sessions determines that a transport manifest is missing any required information, or if the deliverer cannot produce a manifest, Sessions will not accept the delivery. If a delivery is rejected or if Sessions identifies any inconsistencies between the inventory on the transport manifest and the inventory actually received, a manager will document the discrepancy in Sessions’ inventory tracking system, which also communicates updates directly to Metrc.

Shipping manifests will accompany all transfers of cannabis products to and from Sessions’ storefront. Upon receiving a delivery of cannabis goods, the Receiving Supervisor or Manager on Duty (“MOD”) at Sessions’ storefront will confirm the product’s name, strain name, weight, and identification number on the shipping manifest matches the information on the cannabis product label and package. Sessions will never accept a delivery of cannabis goods that are not packaged for final sale, and Sessions will never package or label goods as a retailer. All products will be packaged in compliance with state packaging and labeling requirements.⁸

⁸ Cal. Code Regs. tit 4 §15413(a)



Sessions will also ensure all manifests contain the information required by law. The manager will acknowledge the products received through LeafLogix (which communicates directly to Metrc), ensuring that the product names and weights in the system match the product packaging. Data entered into the state verification system will represent exact contents of deliveries and any returns of product as permitted by state regulations, including returns of recalled product to cultivation and manufacturing facilities. Sessions will require all cannabis and cannabis-infused products arriving at Sessions' storefront be pre-packaged and feature a label affixed to the packaging. If the delivered products are mislabeled, damaged, of the wrong item, of the wrong amount, or are otherwise noncompliant or inconsistent with the transport manifest the MOD will reject the defective products and note the rejection in Metrc. In such a case, the MOD will notify the originating licensee and company management that the delivery was rejected, citing their reasoning, so that a new delivery with compliant/correct products is arranged as soon as possible.

C. POINT-OF-SALE SYSTEM

Sessions has designed its facility with an appropriate number of Point-of-Sale ("POS") stations so that Sessions can effectively service its customers at all business hours without lengthy wait times. In Sessions' National City storefront, Sessions estimates that, due to the innovative layout of Sessions' sales floor, Sessions will be able to accommodate 9 point-of-sale stations without overcrowding of Sessions' store. Each POS station is covered by camera surveillance that clearly records each sales location and register and features a time/date stamp.

Sessions' POS stations are located to allow for ease of service and customer flow throughout the store, avoiding the potential for long lines or loitering of customers within the storefront. Based on the size of the National City metro area, estimates of pedestrian traffic based on Sessions' proposed location, and the number of POS stations and Sessions' hours of operation, Sessions expect to serve almost 30,000 customers per month at Sessions' storefront, with an average of 995+ customers per day. All cannabis and cannabis products Sessions sell will be sold in full compliance with the State and local regulations. Furthermore, Sessions will train Sessions' employees to only sell amounts of cannabis products as authorized by state regulations, and Sessions' POS system, LeafLogix, will also deny sales in excess of state rules. All sales of cannabis and cannabis products will take place within the retail area of the premises.⁹



D. ESTIMATED NUMBER OF CUSTOMERS

The retail component of the operation is the primary revenue and profit generator. All other features of the enterprise function in support of Sessions' retail sales. Based on Sessions' familiarity with the market and the proposed business concept, Sessions can comfortably expect to serve over 30,000 customers per month through Sessions' storefront and delivery operation, with an average of 995+ customers served per day during the first year, to over 2000 per day by year three. The facility will be designed to create a first-in-class experience tailored to the rapidly growing adult-use consumer market of residents in San Diego and its 35 million annual visitors. It will be a brick & mortar store with a robust delivery apparatus. Due to Sessions' rather central location geographically, freeway access, lack of competition in the area, and the overall delivery culture of the modern consumer, delivery sales will be a major contributor to Sessions' revenue stream. The proposed operations are within arms-reach of densely populated urban core areas such as Downtown San Diego, Central

⁹ Cal. Code Regs. tit 4 §15402(c)



San Diego, National City, and Chula Vista. There are also major developments underway driving future growth potential via National City's development plan, including its Marina District, the Seaport San Diego Redevelopment Plan, and the Chula Vista Bayfront Project.

E. PROPOSED PRODUCT LINE

Sessions' overarching goal for Sessions' Storefront Retail is to make the best possible products available to Sessions' customers. To achieve this goal, Sessions carefully monitors cannabis sales trends around California, not only to optimize Sessions' selection but also to tailor it to each market in which Sessions operates. Sessions' owners previous dispensary operation in San Ysidro & La Mesa exhibits market dynamics similar to what Sessions expects in National City. By utilizing the San Ysidro & La Mesa insights, Sessions can reliably procure starting inventory brands and products that ought to be successful in National City. Sessions' POS system provides tremendously valuable datasets that help Sessions measure the success of day-to-day sales operations, promotions, and pricing. Sessions can analyze consumer buying habits such as average spending and high/low performing categories, products, and brands. Further, Sessions will integrate our POS system with BDS Analytics, a cannabis data aggregator that analyzes Sessions' sales data against regional and national market sets extracted through their network of several hundred cannabis retailers, distributors, manufacturers, and cultivators—with a current retail sample size in California of around 27% of the market. BDS Analytics provides Sessions with comprehensive insights that facilitate increased revenues, competitive advantages, and inventory optimization strategies that drive profitability.



As a cannabis retailer, Sessions carries cannabis, cannabis products, cannabis accessories, and branded merchandise for sale. These cannabis accessories may include any equipment, products, or materials of any kind which may assist Sessions' customers in storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body. Sessions' branded merchandise may include clothing, hats, pencils, pens, keychains, mugs, water bottles, beverage glasses, notepads, lanyards, cannabis accessories, or other types of merchandise approved by the Bureau with Sessions' name or logo, but does not include items containing cannabis or any items that are considered food. Finally, Sessions will not purchase or offer for sale products containing alcohol or tobacco.

Every cannabis product affects each customer differently, and each customer will have different preferences for consuming their cannabis. To best address the needs and desires of each customer, Sessions will offer a wide variety of different forms of cannabis at Sessions' dispensary. Sessions will comprehensively train Sessions' employees on the safe use, potential contraindications, and expected effects of each of Sessions' product offerings. Through online chats via Sessions' website, or phone and in-person consultations at the storefront, Sessions' employees will provide each customer with individually tailored product advice and instructions for proper and safe use.

Currently, Sessions anticipates offering the following products: Flower; Vaporizer Cartridges; Edibles and Beverages; Concentrates; and Capsules, Tinctures, Clones, Topicals and Accessories. This array of products will provide several distinct methods for adult-use consumption. To help customers distinguish between Sessions' products, Sessions will work with producers and brands that provide clear labeling and instructions on their products, differentiating between product types and strains.



In line with California's goal for a clean, sustainable, and socially just industry, Sessions plans to procure products primarily from small-scale and family-owned state-licensed cultivators (10,000 sq ft or less) and manufacturers. Sessions will give priority consideration to suppliers qualified as social equity enterprises, are minority or woman-owned, or that are located in census tracts with income levels below state averages. All cannabis goods will be received from a licensed distributor or licensed microbusiness authorized to engage in distribution.¹⁰ Sessions will also value producers offering natural and comparable-to-organic products. Sessions' well-defined selection criteria will ensure that Sessions source Sessions' products from local, deserving, sustainable and/or environmentally conscious cultivation centers and manufacturers. Sessions will give these producers and suppliers priority over other suppliers in contracting with Sessions' dispensary, and will forge long-lasting, mutually beneficial relationships with these suppliers so that Sessions' operation can become and remain one of the most trusted sources of high-quality products in National City and the state of California. Sessions will not only give these suppliers and products priority but will also reserve shelf space for these targeted products in Sessions' dispensary, including for "OCal"-certified products, which will be the State's comparable-to-organic standard, since USDA Organic Certification is not available to cannabis products at this time. By reserving space for California's highest-caliber suppliers, Sessions keep potentially harmful products off Sessions' shelves, out of the hands of consumers, and out of Sessions' supply chain. Most of Sessions' proposed product offerings are described below, but Sessions will likely choose to continuously offer more products to provide the biggest and best selection for Sessions' customers.

Furthermore, to provide a value-add for Sessions' customers and to stake Sessions' place as a trusted and reliable dispensary in National City, Sessions will offer free delivery services for customers in Sessions' delivery area, so that Sessions' products will be more easily accessible to those who might not be able to travel to Sessions' storefront in-person.

Flower (Approximately 42% of Sales)

Sessions will offer a variety of fresh flowers for Sessions' customers. Available flowers will include numerous strains and several levels of potency, ranging from low strength with mild effects to high strength for immediate relief. Sessions will offer pristine, manicured, and clean cannabis flower in various quantities and product types such as pre-rolls and flower buds. Many customers choose combustion, or smoking, as their preferred method of administration because it is affordable, simple, and users can easily regulate the dose that they are consuming. The rapid onset of effects from combustion can make this an excellent delivery method for customers desiring immediate effects.

Vape Cartridges (Approximately 30% of Sales)

One of the most popular cannabis products offered at every dispensary in California are Vape Cartridges. Cannabis vape cartridges are convenient alternatives to cannabis flowers and edibles. A form of a cannabis concentrate, a formulated cannabis oil is loaded into a cartridge that attaches to an electronic battery. By pressing a button and inhaling on the device's mouthpiece, a consistent measured dose of vaporized cannabis is delivered into the lungs and bloodstream. Vape cartridges are offered in a variety of strengths and formulas. The vapor from these devices has no lingering scent and visibly evaporates within a matter of seconds. Additionally, the vapor is gentler on the lungs than cannabis smoke, and more often preferred by consumers with Chronic Obtrusive Pulmonary Disease (COPD) related conditions or that desire minimal discomfort when inhaling cannabis. Perhaps one of the leading benefits realized by vape cartridges is convenience. The device is small, simple to use, and discreet. Discretion remains a major value point for cannabis consumers during a time where society is still progressing towards comfortable acceptance of adult cannabis use. Vaping is both comfortable for consumers, as well as general public. Sessions will carefully screen all of Sessions' suppliers of

¹⁰ Cal. Code Regs. tit 4 §15046(a)



vaporization products and will only provide customers with the safest, highest-quality vaporizer pens and cartridges.

Edibles & Beverages (Approximately 12% of Sales)

Edibles are consumed orally and allow cannabinoids to enter the bloodstream after digestion in the stomach and absorption into the intestines. Edibles are a good option for customers who find other forms of administration unpleasant, want a healthier alternative to inhaling smoke, desire longer-lasting effects, or desire a more discreet method of using their cannabis. Sessions plans to make a large and diverse selection of cannabis-infused edibles available to customers of our Facility in California. Sales Associates are required to discuss safe edible consumption with consumers upon any purchase of an edible product. This ensures that the consumers are aware of the delayed onset of the effects due to the digestion process. Customers are advised of the ability to strategically dose by utilizing the serving recommendations associated with the product and given a solid understanding of strength levels and tolerance development. Sessions' goal, at all of its previous storefronts, is always to have a better informed and satisfied customer with every transaction, and Sessions will bring this spirit of education to Sessions' operation in National City.

Concentrates (Approximately 10% of Sales)

Cannabis extracts and concentrates come in an array of forms, each defined by its extraction and production processes with new types continuing to be developed as new technologies evolve. Essentially, the cannabis cannabinoids such as THC, CBD, its terpenes, flavonoids, etc. are extracted from the cannabis plant to provide consumption options free of chlorophyll or extra plant matter. The consumable product can be inserted into tinctures, vape cartridges, cooking oils, butter, or be offered in raw forms known as hash, wax, or oils. Additionally, the ability to isolate specific molecules allows for deliberate combinations and formulations designed for specific applications or effects. A leading benefit of concentrates is the rapid onset time and the ability to obtain a high more potent than consuming cannabis flowers. This is important for consumers that have built a tolerance to the effects of cannabis or that are seeking stronger relief due to more debilitating ailments. Concentrates have a higher bioavailability that increases the rate of absorption into the body.

Capsules, Tinctures, Topicals, Clones & Accessories (approx. 6% of Sales)

Tinctures allow easy measurement of dosage using a dropper, they are a great mode of administration for people who need a high level of control over dosage or who simply do not wish to use a high-potency product. Capsules, pills, and tablets offer an effective method for delivering activated cannabinoids in specific quantities and are easily consumable by any person capable of swallowing them. Topicals are popular amongst customers who desire localized relief, such as for muscle aches, pains, or soreness. Clones are individual starter plants that can only legally be sold to consumers through licensed cannabis retailers. We will offer an array of cannabis plant varieties for consumers wishing to personally cultivate cannabis at home in accordance with municipal home cultivation rules. All plants will be "immature" and within the parameters of § 15408 – e.g., not flowering and kept shorter and narrower than 18 inches. Sessions' accessory offerings will include secure storage containers, grinders, vaporizers, vaporizer batteries, a variety of pipes, rolling papers, filters, and lighters. Sessions will carefully analyze customer demand and craft its offerings to be responsive to the market.

F. DELIVERY PROCEDURES

Sessions has developed its delivery plan and accompanying procedures in accordance with National City and California law and implementing best practices from Sessions' successful delivery operations across. When making deliveries of cannabis goods to consumers, Sessions' organization and employees will comply with all provisions of applicable state and local law.



Sessions' customers can place orders on Sessions' website and on third party websites (such as Weedmaps, Leafly, I Heart Jane, Dutchie, etc.), which are directly integrated with Sessions' POS system, LeafLogix. Online orders will automatically populate in Sessions' order queue to be filled as either a delivery or pickup (potentially with a requested time window). Customers can also call in to place orders and a sales associate will enter their purchase into the POS system. Sessions' website will require purchasers to submit a photograph of their personal identification with their order. Sessions will also provide an email and phone number for customers to send their identification to so that Sessions can do a preliminary check before dispatching Sessions' driver with the customer's order. Sessions' sales associate will acknowledge the order by sending an automated text (once confirmed that Sessions can fulfill the order as requested) or by calling the customer, if necessary. The order might be fulfilled by the dispensary or by the inventory of a driver out in the field. When the driver sets course for the customer's location, another text notification is sent to the customer with the delivery driver's estimated time of arrival.

Once the delivery driver arrives at the delivery location, but before allowing an individual to receive a cannabis delivery, the driver will verify the customer's identification card and age. The driver will inspect the purchaser's ID to verify their identity and age and scan the ID with a mobile electronic reader to confirm that it is legitimate and valid. Acceptable forms of identification include: a document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person; a valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or, a valid passport issued by the United States or by a foreign government. The delivery driver may ask the purchaser to remove their hat/sunglasses or to provide additional identification if they are unsure the purchaser is indeed the person in question based upon the picture on their ID. If the purchaser's ID is expired or Sessions' employee is unable to verify the identity of the purchaser, they will kindly deny them their delivery and explain the importance of Sessions' need to abide the ID verification requirements for their safety and the community's safety.

Given the size of the National City market and Sessions' anticipated delivery zones, Sessions will initially use six vehicles and plan to ramp up operations over time. Sessions anticipates leasing at least six (6) Toyota Prius or Nissan Versa vehicles for regional deliveries. Sessions will look to the regional dealerships as part of Sessions' National City First procurement policy. Sessions' delivery vehicles will not advertise cannabis, Sessions' business name, or have any marking or other indications on the exterior of the vehicle that may indicate that the vehicle is carrying cannabis goods for delivery. Transportation vehicles used for delivery of cannabis will be equipped with either a temporary or permanent GPS device that will identify the geographic location of the delivery vehicle and record a history of all locations traveled to by the delivery employee while engaged in delivery. The GPS device will remain active and inside of the delivery vehicle at all times during delivery, and Sessions will be able to identify the geographic location of all delivery vehicles at all times as well. Sessions will also document the history of all locations traveled to by Sessions' Delivery Associates while engaged in delivery. Sessions will maintain all delivery information (including locations traveled to) for a minimum of 90 days and will make this information available to the Bureau upon request. Sessions will comply with all laws concerning tracking and tracing the movement of cannabis. Sessions will provide information to the Bureau related to the vehicle including its make, model, color, Vehicle Identification Number ("VIN"), license plate number, and Department of Motor Vehicles registration information as well as the identities of all persons who will deliver cannabis products within National City. Finally, Sessions will never deliver cannabis or cannabis products out of the state of California.

Only Sessions employees will operate Sessions' transportation vehicles, and Sessions will train all delivery employees on delivery security procedures geared at protecting their personal safety, the safety of the community, and on keeping products and cash secure. If a purchaser or third party begins to act in a threatening manner, the Sessions' delivery associate will initiate de-escalation procedures, attempt to safely leave the



premises, and, if merited, contact 9-1-1 while initiating threat response procedures. They will contact the onsite manager and/or the Director of Security to report the incident as soon as safe to do so. When making deliveries and carrying cannabis or cannabis products, Sessions' Delivery Associates will only travel in an enclosed motor vehicle, such as is described above, and Delivery Associates will never allow anyone who is not an employee of Sessions' organization into the vehicle. Sessions will minimize cash in the vehicle by providing a mobile cashless ATM device, and delivery drivers will store all cash in a locking cash vault that is securely affixed to the vehicle. Whenever carrying cannabis goods for delivery, the cannabis goods will not be visible to the public, and will be locked in a fully enclosed box, container, or cage that is secured on the inside of the vehicle, which includes the trunk of the vehicle. No portion of the enclosed box, container, or cage will be comprised of any part of the body or trunk of the vehicle or trailer. Sessions will not leave cannabis goods (or cash) in an unattended vehicle, unless they are stored in their locked container, and the vehicle is locked and equipped with an active vehicle alarm system. Finally, all cannabis and cannabis products Sessions delivers will be delivered in full conformance with the State and local regulations.

G. COMPLIANCE WITH STATE AND LOCAL LAWS

As knowledgeable cannabis operators with decades of combined experience in the industry, Sessions' team knows first-hand the importance of compliant and safe operations. Sessions will only work with California-licensed facilities in full conformance with state and local regulations. Utilizing LeafLogix as Sessions' inventory tracking system, if approved by the City Manager, will guarantee all cannabis and cannabis products purchased or sold from Sessions' facility originate from within the California regulated system. Sessions' Inventory Control Manager and Director of Compliance will vet all potential cannabis suppliers. Sessions' Inventory Control Manager will also utilize the state license search look up tools to confirm the licensee's name and license status of the manufacturer or cultivator who grew or produced the cannabis good or distributed the cannabis good to the storefront. Further, all cannabis suppliers will be required to provide a digital copy of their valid, unexpired state and local licenses. Sessions will never procure products from outside of the regulated California cannabis system.

In accordance with the National City Municipal Code, Sessions will verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products, unless they are medical patients 18 years of age or older who possesses a physician's recommendation for cannabis medical use only.¹¹ Access to Sessions' Consumption Lounge will be limited to individuals who are at least 21 years of age. All individuals seeking access to the Retail Storefront must show their government-issued identification. These documents must also be shown at the point-of-sale station at the time of purchase.

Entrances into Session's Dispensary Sales Floor and Consumption Lounge will be locked at all times, with entry strictly controlled. Restrooms will also be locked at all times. A "buzz-in" electronic/mechanical entry system will be utilized to limit access to and entry to the retailer to separate it from the reception/lobby area.¹² Sessions will only maintain the quantity of cannabis and cannabis products to meet the daily demand readily available for sale on-site in the Dispensary Sales Floor, Consumption Lounge and Delivery Operations.¹³ Additional product may be stored in a secured, locked area to which customers, vendors, and visitors will not have access.¹⁴ All restroom facilities will remain locked and under the control of management.¹⁵

Sessions will establish limited-access areas and permit only authorized individuals to enter the limited-access areas.¹⁶ Authorized individuals include individuals employed by Sessions as well as any outside vendors,

¹¹ NCMC, c. 9.60.250(a)

¹² NCMC, c. 9.60.250(b)

¹³ NCMC, c. 9.60.250(c)

¹⁴ NCMC, c. 9.60.250(c)

¹⁵ NCMC, c. 9.60.250(d)

¹⁶ NCMC, c. 9.60.250(e)



contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area will be at least 21 years of age, and if not employed by Sessions, will be escorted at all times by a Sessions employee.¹⁷ Sessions will maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs will be made available to the City Manager or their designee upon request. The operating hours of Session's proposed Storefront Retailer, Consumption Lounge and Delivery Operations will be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.¹⁸

Sessions acknowledges that all provisions incorporated within Section 9.60.230(m) – the Security Requirements – are directly applicable to and binding on all commercial cannabis businesses, including all Store Front/Retail businesses and Sessions.¹⁹ Sessions will employ uniformed licensed security personnel to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. Security personnel may be allowed to carry firearms if permitted by San Diego County Sheriff's Department and authorized by the Chief of Police.

H. INVENTORY MANAGEMENT

Sessions understands the importance of accurate recordkeeping as part of the safety, security, and operational efficiency of Sessions' business. In addition to, and integrated with, the state-wide Metrc system used for track and trace procedures, Sessions will utilize LeafLogix as Sessions' point-of-sale inventory tracking system to track and report on all aspects of Sessions' business, such as cannabis tracking, inventory data, gross sales and other information deemed necessary by the City, which will be compatible with the City's record-keeping systems and will have the capability to produce historical transactional data, including gross sales for each month, with taxes to be paid (including employee withholdings) for review on an annual basis, or at reasonable request from a City official, that can be filed as a sworn statement of Sessions' financial health. Sessions' inventory system will maintain records and documentation of the present location, amounts, and descriptions of all cannabis and cannabis products until purchase as set forth in MAUCRSA and will also identify the source of all products (company name, location, license numbers etc.). Sessions' Inventory Manager is responsible for the management of the facility's records, including data entry, auditing, reporting, and procedural revisions. Sessions will maintain business records on the facility's secure business management platforms ("BMPs") and inventory records in the state's tracking system. BMPs will consist of standard word processing software, spreadsheet software, and cloud-based digital document storage systems. Sessions will design all recordkeeping and inventory control systems and associated SOPs for compliance with state and local law and will amend them promptly to maintain compliance with updated rules and best practices. Sessions will be prepared to present all associated records to the City for Sessions' annual inspection.

Unless otherwise noted or required by California law or Bureau rules or request, Sessions will meet and exceed local requirements by maintaining all records for at least seven years and make them available to the City for immediate inspection upon request. Sessions will maintain records longer if necessary due to any pending criminal, civil, administrative investigation, or other legal proceeding for which the records may contain relevant information, or if otherwise instructed by the Bureau or law enforcement. If Sessions' storefront closes due to insolvency, license revocation, bankruptcy, or for any other reason, Sessions will preserve all records for at least seven years, at Sessions' expense, or longer if requested by the Bureau. Sessions will maintain for a minimum of 7 years a written accounting or ledger of all of Sessions' cash, receipts, credit card transactions, reimbursements, and operational expenditures and costs in accordance with GAAP and standards typically applicable to business records, which Sessions will make available to the City during business hours for

¹⁷ NCMC, c. 9.60.250(e)

¹⁸ NCMC, c. 9.60.250(g)

¹⁹ NCMC, c. 9.60.250(h)



inspection. Sessions will also maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in Sessions' National City business, as well as a separate register of all the officers, managers, employees, and agents currently employed or otherwise engaged with Sessions' business, and Sessions will make such register available to the City upon request.

Sessions will maintain all company records on internally linked, secure BMPs. Sessions will maintain physical records in a locking filing cabinet within the Executive Office within the restricted access area. The COO will set up and monitor BMPs on desktop computers located throughout Sessions' proposed storefront. BMPs will maintain company records including: Financial records including, but not limited to, bank statements, sales invoices, receipts, tax records, and all records required by the California Department of Tax and Fee Administration (formerly Board of Equalization) under title 18, California Code of Regulations, sections 1698 and 4901; personnel records, including each employee's full name, social security or individual tax payer identification number, date employment begins, and date of termination of employment if applicable; training records including, but not limited to, the content of the training provided and the names of the employees that received the training; contracts with other licensees regarding commercial cannabis activity; permits, licenses, and other local authorizations to conduct Sessions' cannabis activity; security records; records relating to the composting or destruction of cannabis goods; documentation for data or information entered into the track and trace system; and, all other documents prepared or executed by any of Sessions' owners, employees, or assignees in connection with Sessions' business. All of Sessions' records will be legible and stored protected from debris, moisture, contamination, hazardous waste, fire, and theft.

Sessions' Inventory Manager will be in charge of monitoring inventory and guaranteeing that all inventory records accurately reflect actual inventory levels at Sessions' facility. Inventory records will include electronic records of all cannabis inventory at the storefront, information on recalls and returns, records of waste disposal activities, and records of all non-cannabis inventory. Sessions developed inventory control provisions for its proposed dispensary in compliance with California and National City law and using best practices from Sessions' other dispensary operations. Sessions has the benefit of being able to launch a tested and effective inventory tracking system immediately upon commencement of operations. Sessions will provide information regarding Sessions' tracking and tracing of cannabis to National City at the same time as Sessions does to the Bureau. Furthermore, Sessions will identify the number and type of delivery vehicles Sessions use to transport cannabis and will provide this information to the City.

Sessions will use LeafLogix to monitor Sessions' cannabis inventory records, which seamlessly integrates with the state's Metrc tracking system. Sessions will use a barcoding inventory control system to track batch, strain, and amounts of cannabis in inventory and to track amounts of cannabis sold to customers. Sessions' manager on duty will conduct daily inventory reconciliations to verify that physical inventory matches electronic inventory records. Per state law, Sessions will retain all inventory documentation in a secure locked location at Sessions' facility for a period of at least seven years from the date on the document.

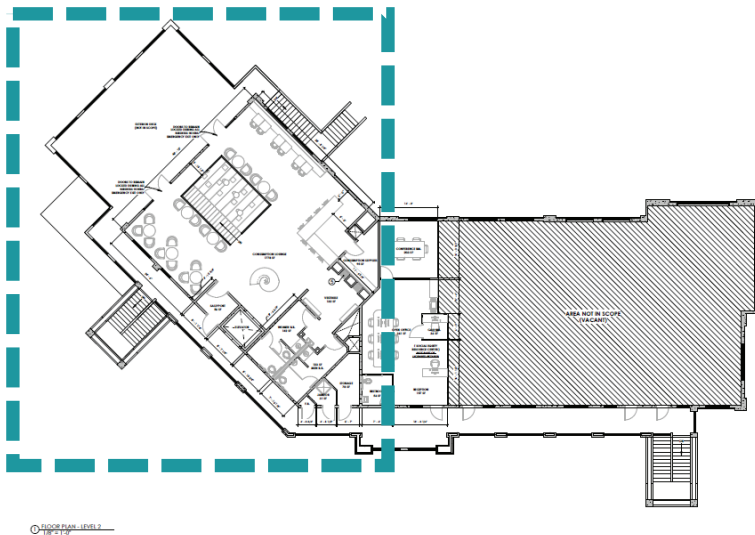


SECTION 2.2: SOCIAL CONSUMPTION PLAN



As long-time cannabis operators in San Diego, Sessions Ventures LLC d/b/a Sessions by the Bay (“Sessions”), understands that high-quality service, safe and affordable products, and a welcoming space are key to transforming the cannabis culture in Southern California. This experience, coupled with an extensive understanding of working with government officials and community stakeholders, create a unique experience consumers will not find anywhere else. As a business that is 100% owned by individuals of color, particularly in majority stake by the Sycuan Native American Tribe (“Sycuan Tribe”), Sessions is keenly aware of the need to benefit the social and economic justice needs of a community and set an example through community involvement. Additionally, the Sycuan Tribe’s experience operating one of San Diego’s most popular casino resorts has provided the team with crucial

insight into maintaining compliance with federal, state, and local regulatory authorities. Sessions’ team intends to leverage its wealth of experience curating luxury retail environments to create an innovative, one-of-a-kind Consumption Lounge in National City. For Sessions, it’s about more than selling cannabis. It’s about delivering unique—and awesome—experiences.



How the Consumption Lounge will be contained within the premises of a state-licensed retail business.

As part of this application, Sessions is proposing a Consumption Lounge permit, located at 700 Bay Marina Drive, in National City. The Sessions Consumption Lounge will be a one-of-a-kind, high-end Facility (“Facility”) that captures the feeling of a cabaret or resort-style venue. The Consumption Lounge will be located in a secure, sectioned off area of the first and second floor of the Facility, totaling over 4,500 square feet. The Facility design ensures no cannabis consumption will be visible from any public place or non-age restricted area.¹ The Consumption Lounge will only be accessible to

patrons aged 21 and over and only to those individuals who have purchased cannabis products from the Dispensary Sales Floor.² Sale and consumption of tobacco and alcohol is prohibited, and customers are not permitted to bring cannabis, tobacco, alcohol, or any other substances that was not purchased at the Dispensary.³ The Consumption Lounge will be open from 9 a.m. - 9 p.m., as allowed by National City. Final entry into the lounge will be 8 pm, one hour prior to closing. A series of policies and procedures, described later in this narrative, will be established to transition consumers from the Retail Storefront portion of the Facility to the Consumption Lounge once a purchase has been made.

¹ NCMC, c. 9.60.265(a)(2)

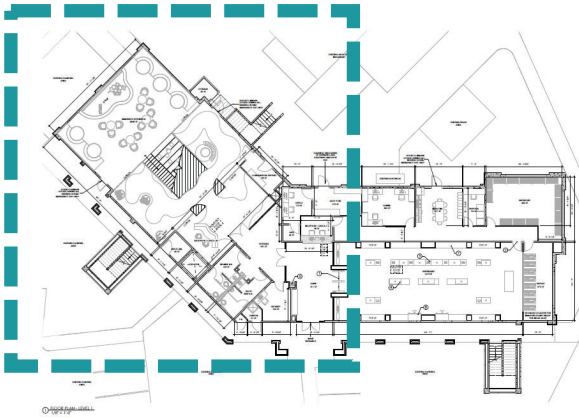
² NCMC, c. 9.60.265(a)(1)

³ NCMC, c. 9.60.265(a)(3-4)





Because no standard model for a Consumption Lounge yet exists in California, Sessions has the unique opportunity to set a high bar for others to follow, both in terms of physical space and hospitality. Operating a space that promotes positive energy, conversation, and the opportunity to meet others is just the beginning. Unlike any other Facility currently operating, Sessions will utilize an engagement initiative to forge a business that will connect with customers, creating exciting experiences like enjoying primetime sporting events, music, or entertainment. Customers will have the opportunity to consume cannabis in a safe space, while creating memories with their friends and family. This unique, and trailblazing vision is just the beginning of the limitless possibilities for the cannabis industry moving forward. Sessions is excited to have the opportunity to bring this new, world-class cannabis consumption experience to the adult residents of National City.



Identify how the consumption areas shall be well ventilated in private areas of the retail establishment and are designed to prevent the flow of smoke to any other area of the Facility.

Proper equipment is essential to guarantee good air circulation within the Facility. Building design and operations management will be optimized to restrict the flow of odor across the Facility. Strategies designing and implementing odor and ventilation systems are based on decades of direct experience associated with the smoking areas of Sycuan’s casino and resort facilities. During the selection of odor control systems, Sessions will properly calculate the impact of local climate extremes on environmental system controls and ensure that equipment choices are based on capacities to contain cannabis odor even under sustained conditions that could otherwise push lesser systems to their limits. Rooms that are odor-controlled will not have windows or other openings that allow for the release of air. The heating, ventilation, and air-conditioning (“HVAC”) system will be separate to ensure that none of the air in the consumption facilities are recirculated into other parts of the premises. Systems will be monitored to identify and fix ventilation openings along the building perimeter, equipment penetrations along the building perimeter, exhaust locations, and any weak points in construction sealing. These measures will also keep private areas of the retail establishment well ventilated and prevent the flow of smoke to any area of the Facility other than the rooms where cannabis is being consumed.⁴

The lounge facilities shall be completely separated from the remainder of the premises by solid partitions or glazing without openings other than doors, and all doors leading to the designated consumption areas must be self-closing. These doors will also be installed with a gasket to provide seal to mitigate any odor leakage. In addition, the lounge shall remain under negative pressure and shall have a 10% differential, in relation to the other spaces of the establishment. The system will be of sufficient capacity to provide 60 cubic feet per minute (cfm) of supply air per smoker.

The Ventilation Plan will ensure the air circulation of the Facility does not negatively impact employee health and welfare, those surrounding the business and outdoor areas. The company will protect the health and welfare of employees and prevent negative effects on surrounding businesses and outdoor areas by operating a high-quality HVAC system, in conjunction with additional odor control measures. The system will exhaust 100% of the air directly outside through a Pollution Control Unit and Odor Control Unit that, at a minimum, eliminates all detectable odor, smoke, and by-product of combustion to prevent any and all public nuisances. This ventilation system and all mechanical equipment will be designed to assure compliance with all requirements in the National City General Plan, Part Three – Noise and Nuisance, by incorporating special noise attenuating elements into the design of the building. Sessions will also be in compliance with the California Mechanical Code 505.0 by ensuring that it controls, captures,

⁴ NCMC, c. 9.60.265(b)(1)





and removes emissions generated from product use or handling. Sessions will ensure that the design of the system confines emissions to the area where they are generated.



HEPA filters will clean the air by removing dust and other allergens, such as mold, which may cause adverse health effects. These filters will be placed at both intake and outtake of the HVAC system, as well as throughout the Facility to create a tri-phase filtration system that keeps the air clean and the employees and customers safe. Carbon filters will be utilized to filter out smoke, fumes, and other chemicals that HEPA filters miss. The company will equip these carbon filters in sequence with HEPA filters to maximize efficiency, or if available, will comply with the design recommendations of the installing company. Both HEPA filters and carbon filters are considered necessary for improved air quality across many different industries, and the cannabis industry is no different. The company will utilize both filters, along with any recommended or required additions by the installing company,

Department, or local regulators, in order to maximize air quality and prevent harmful or noxious emissions within and from the Facility.

Odor will be further mitigated with biophilic design, which is inspired by the love of life in nature. Natural elements will be integrated of local flora and plant life into the modern, vernacular environment to spark the inherent human inclination to convene with nature. Upon entering the lounge facility, the customers will note the filtered and temperature-controlled air that encourages deep centering breaths that help release the stress of the outside world. By consciously altering the store's atmosphere through design, layout, natural elements, lighting, temperature, and cleanliness, an environment will be created that increases air quality and decrease odor and airborne toxins.

Describe how the retail store shall adopt procedures to ensure that its customers may only gain access to the lounge once they have purchased cannabis products from the retail store.

Generally, no person will be allowed into any portion of the Facility unless they are an employee, age-verified customer, vendor or contractor of Sessions, or an employee of an agency having jurisdiction to monitor or investigate the terms of regulatory compliance. As customers seeking to patron the Consumption Lounge must purchase product on-site, multiple verifications of identification will occur. Sessions will maintain a dedicated and sufficient staff during operating hours to verify the identity and age of all patrons seeking admittance to the lounge.⁵ This will ensure no individuals under age 21 are ever permitted into the Consumption Lounge. Sessions will accept the following forms of identification as stated in current California regulations §15404:

- A document issues by a federal, state, county, or municipal government, or a political subdivision or agency, including a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person.
- A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo.
- A valid passport issued by the United States or by a foreign government.

Customers will enter the Facility through a lobby where a trained employee will scan the identification. Once the license has been verified the customer will enter the retail space and be greeted by a staff member to be educated about available cannabis products and complete a purchase, as allowable within the daily limits set forth in §15409 of California regulations. If a customer would like to proceed to the Consumption Lounge after making their purchase, they will be escorted to the lounge entrance where a reception staff member will again verify their identification and

⁵ NCMC, c. 9.60.265(e)





that the purchase receipt matches the cannabis goods in their possession. Customers may only gain access to the Consumption Lounge once they have purchased a cannabis product or products from the Dispensary Sales Floor.⁶ A staff member will provide the customer an explanation of the facilities, behavior and etiquette expectations, and support resources available within the lounge. They will be asked to sign the customer acknowledgement (more below), and provided information on alternative transportation options if needed. The customer will then be permitted to enjoy the Consumption Lounge facilities comfortably knowing that all patrons in the Facility are informed and able to access support from the team if at all needed.

Describe how the business will use a state licensed security guard on duty during operating hours of the lounge.

Sessions places the safety and security of patrons as its number one priority. The Consumption Lounge will have designated employees within the lounge facilities at all times observing and tending to customers during all hours of operation. A manager will be available for all shifts to assist with any issues or complaints related to the consumption area. Cannabis consumption will never be visible from any public place. While guards will be trained to be pleasant and lend to the enjoyable experience of the company's facilities, it will be important to establish an environment that ensures compliance with the privileges associated with use of the lounge and respect for the neighborhood and National City. Security guards will patrol the consumption facilities to establish presence and serve as a deterrent to any intentional or negligent non-compliant activity by customers. The manager and staff within the lounge will be equipped with earpiece two-way radios to facilitate communication with guards as needed. Security Guards will also monitor the parking areas and immediate exterior of the Facility.

A designated security room will house surveillance monitoring equipment to oversee activity occurring in all areas of the Facility. A guard or guard supervisor will be designated to monitor activity within the Consumption Lounge areas, and they shall be in constant communication with guards as they engage with patrons or patrol the facilities. Guards will assist in the enforcement of rules and regulations within the lounge. They shall assist staff to ensure that customers may only enter the Consumption Lounge facilities after purchasing cannabis goods from the retail storefront. They will be training in de-escalation tactics to ensure an enjoyable experience by all patrons in the lounge. They will be trained in identifying intoxicated or problematic customers that may pose hazards to themselves, customers, including possible drugged driving risks for the general public. A full explanation of security guard training and protocols can be found in the security plan.

Under the direction of the Director of Security, Sessions will hire or contract for the Facility's security personnel to provide twenty-four (24) hour security services for Sessions Facility. All security personnel hired or contracted for by Sessions will be properly licensed by the state of California.⁷ Sessions will enter a contract with Eagle Point Security, a private patrol operator, to furnish Security Guards to secure and protect the Facility as authorized by the National City Chief of Police or his or her designee(s). All contact information for the security company will be provided to the Chief of Police or his or her designee upon request. All security personnel must be at least 21 years of age and in full compliance with Chapters 11.4 and 11.5 of Division 3 of the California Business and Professions Code.

Sessions will contract with a private patrol operator meets the minimum qualifications and licensing requirements for a private patrol operator, and operate in compliance with Article 4, Chapter 11.5, Division 3 of the California Business and Professions Code and all other applicable state and local laws and regulations. The private patrol operator must be appropriately licensed by the Bureau of Security and Investigative Services ("BSIS") within the California Department of Consumer Affairs and must provide a verifiable copy of that license to Sessions before a contract for security services is signed. The private patrol operator must also be insured as required under California Business and Professions Code 7583.39 and 7583.40. All Security Guards will be employed and vetted by the private patrol operator.

The private patrol operator is responsible for ensuring that all Security Guards who provide security services for Sessions are registered with the BSIS, complete mandatory training, and comply with all other requirements for

⁶ NCMC, c. 9.60.265(e)

⁷ NCMC, c. 9.60.265(f)





security guards as described in Article 4, Chapter 11.5, Division 3 of the California Business and Professions Code and all other applicable state and local laws and regulations.

Security Guards will be responsible for limiting access to the Sales Floor and Consumption Lounge, and all limited access areas of the Facility, monitoring the surrounding property for security threats, monitoring electronic security systems, securing access points, providing immediate on-site response in the event of a security threat, and ensuring patrons immediately leave the site and do not consume cannabis in the vicinity of the Facility, on the property or the parking areas, among other tasks. If a Security Guard identified any suspicious activity outside the Facility, law enforcement will be contacted immediately, and the Facility will be put on lockdown.

The Facility will maintain adequate staff and contracted security agents to ensure the safety of employees and visitors and assist with discouraging theft, trespass, or other security concerns.

Identify how the business will establish a parking plan, ventilation plan, anti-drugged driving plan, employee and customer education training, design plan and set hours of operation.

Sessions has assembled an experienced team with years of combined experience operating businesses in highly regulated industries, including cannabis businesses and casinos. Through their experience owning and operating the Sycuan Casino Resort, the ownership team knows how to work with government officials at the federal, state, and local level to operate in full compliance with the law. The ownership team also has a wealth of cannabis industry experience that they can leverage to hit the ground running with tried and tested operational policies and procedures. All operational plans, including parking plans, ventilation plans, anti-drugged driving plans, design plans, and planned hours of operation will be designed to meet National City's conditions for approval.⁸ The company will proactively seek input from the surrounding community by reaching out to neighboring businesses and local government officials to mitigate any concerns.

Parking Plan

The company has established a parking plan to ensure minimal impact to the neighbors of the business and safety for customers. The Facility will have ample parking so customers will not intrude on parking associated with other neighboring businesses. A Dispensary Manager and Security Guards will be responsible for ensuring that parking areas are kept free for customers and visitors only. No loitering or parking in the parking or pedestrian areas by anyone who is not a customer or visitor of the storefront will be permitted. Hours and employee conduct protocols will continually be updated to maintain compliance with any and all state and local laws or regulations and address any concerns expressed by the public. To proactively prevent pedestrian traffic buildup such that it might be considered a nuisance by the community, the protocols are designed and organized to facilitate efficient customer flow, with a pedestrian queue area located inside the Facility. This will prevent long lines of pedestrians forming outside of the Retail Storefront, which may contribute to noise and pedestrian traffic in the neighborhood.

In addition, the parking lot will have visible surveillance equipment, and signage of sufficient size, lettering, and prominence to advise customers that the consumption of cannabis products on the sidewalk or in other areas adjacent to the Premises is prohibited, that the Parking Lot is Under Video Surveillance, that a No-Loitering Policy is in place and shall be enforced, and reminders regarding the risks of drugged driving with options for alternative transportation. The company will have designated rideshare pickup/drop-off location to encourage use of services like Uber and Lyft while also ensuring traffic and parking lot ingress/egresses are not blocked during loading or unloading. The company will also ensure that parking for Sessions is delineated separately from the parking facilities of the neighboring Best Western Hotel and Restaurants next door so as to not impact parking availability for their patrons.

⁸ NCMC, c. 9.60.265(g)





Good Neighbor Policy

All customers will be required to review and sign a Good Neighbor Policy Agreement in which they certify that they understand that the ability to utilize Sessions' store and lounge is contingent on respect for the surrounding neighborhood. Public consumption, littering, loitering, disturbance of the peace, and other nuisance behaviors are not tolerated and practicing them will eliminate the opportunity for future store visits.

Ventilation Plan

The Ventilation Plan and odor control systems detailed in Section B have been tested at multiple currently operating cannabis retail storefronts in California. The dedicated ownership team has already implemented similar plans at two retail storefronts in the San Diego area and can confirm that the Ventilation Plan is tested and reliable. By implementing the same systems and standards that have already proven effective, the business can guarantee the quality of air and emissions are such that it will never negatively impact the surrounding businesses, customers, or employees.

Anti-Drugged Driving Plan

The safety of customers visiting Sessions is of the utmost importance. It is crucial to have a safety plan in place for patrons should they find themselves needing assistance getting to their next destination. The team has established protocols to address anti-drugged driving. The plan will include education by staff at the point of product purchase on the importance of safe driving, a protocol to secure alternative transportation for any patron who is unable to drive safely, and information fliers in the restrooms informing patrons of the availability of alternative transportation if necessary. Consumption lounge staff will be trained to recognize signs of impairment and will strongly encourage any customers who appear to be impaired to take alternative transportation. If the Facility is closing, security staff will wait outside with any customers who are still waiting for their alternative transportation to arrive. Sessions will also offer overnight parking free of charge to allow customers to leave their vehicles if they do not feel safe driving home. As mentioned in the Parking Plan, Sessions will have designated rideshare pickup/drop-off location to encourage use of services like Uber and Lyft. This plan will help ensure patrons are able to enjoy their time at Sessions, while also knowing they can get home safely.

Security guards will ensure no customers are allowed entry to the Consumption Lounge if they are demonstrating significant signs of intoxication upon arrival to the establishment. If an employee is concerned about the intoxication or impairment of a customer, they will bring the interaction to a close and alert the manager on duty immediately. If the customer becomes agitated, resistant, or aggressive the on-site security guard and the manager-on-duty will step in to bring the interaction to a close and assist the person off the premises. The security guard will inform any customer demonstrating visible signs of intoxication that they will no longer be able to consume on-site and urged to use alternative transportation. If, after strong urging, he or she still refuses, a reasonable attempt should be made to inhibit the customer from driving.



Sessions will place signage and notices throughout all areas of the Facility of sufficient size, lettering, and prominence to advise customers regarding the risks of drugged driving and with resources for alternative transportation options. The company will also provide educational pamphlets regarding production information, understanding product labels and test result information, dosage guidelines, understanding tolerance, and resources for drug-abuse support. Material will also be available on the website and provided to patrons shopping in the retail storefront or utilizing a delivery service.

Sessions will design and implement a consumer-focused safe driving campaign similarly based on the Drive High, Get a DUI campaign created by the National Highway traffic and Safety Administration. Sessions will utilize their material and create its own material and strategies specific to Sessions' facilities and communities to enhance its effectiveness in protecting public health and safety. Sessions will create Public Service Announcement commercials and signage that will be placed throughout the Facility to highlight real world





consequences of driving under the influence. Considering the tremendous importance of safe driving, and the newness of Consumption Lounges for customers, the industry, and the general public, Sessions will incentivize and encourage product vendors to participate in Sessions' campaign and messaging strategies. This will result in compounding effectiveness as Sessions communicates new educational material, research, statistical insights designed to mitigate drugged driving.

Sessions will regularly monitor and evaluate the effectiveness of its plan. As new research and regulations are developed, Sessions will update its policies and protocols. Sessions will use government resources such as <https://www.trafficsafetymarketing.gov/get-materials/drug-impaired-driving/drive-high-get-dui>. Staff will be given annual training related to the drugged driving plan and public safety initiatives as part their employment.

Employee and Customer Education Training Plans

All customers entering the Dispensary will be educated by staff members on the effects various cannabis products can have on the body and the potency of the products available using a language that's relatable to new and experienced consumers. These objective, descriptive explanations include levels of THC and cannabidiol CBD present, expressed in absolute terms (milligrams) and relative terms (as a percent of the total chemical profile); relative ratios of THC to CBD; the presence or absence of various terpenes; and absorption time. Staff will be trained to speak in both objective and subjective terms about the commonly experienced effects of various products to provide customers the most complete picture possible.

Further, we provide regular workshops and participate in third-party trade shows for numerous topics, including Understanding Cannabis Law, Cannabis 101: Methods of Consumption, The Cannabinoids and Your Health, Cannabis Plant Biology, Side Effects of Cannabis and Risks of Synthetic Cannabinoids. In cases where consumers request more direct support and information, our sales associates are available to interface directly with consumers and, as needed, direct them towards health care professionals and outside educational resources.

Finally, our first-time visitor protocols are extensive and layered with a customer acknowledgement of our general Rules and Regulations. This policy ensures that visitors are advised of several requisites that will insure they are safely abiding by applicable laws and corporate policies that protect public health & safety. In particular, prohibition of public consumption, expected behavior for creating a safe and friendly environment for our customers, no loitering, required government issued identification when visiting, non-diversion to youth and resale of products, impaired driving, and more.

Consumption Lounge staff will be specifically trained in hospitality in addition to cannabis-specific training. Employees will receive training specific to the various events being held, cannabis consumption, food handler and beverage training, and reducing the risks of smoke inhalation. Consumption Lounge employees will be adequately trained to handle all types of customer-service situations, including de-escalation techniques for situations involving potential conflict. A manager will be available for all shifts to assist with any issues or complaints related to the consumption area.

As previously mentioned, Consumption Lounge employees will also be trained to recognize signs of impairment and will strongly encourage any customers who appear to be impaired to take alternative transportation. Customers will also be encouraged to ask Consumption Lounge staff any questions that they might have to ensure that customers are informed on the products they have purchased and are consuming. The lounge employees will be able to address concerns or questions about the "high" the user in the lounge may be experiencing. Staff will also be trained on all applicable city and state regulations regarding smoking regulations and ensure that cannabis consumption is never visible from a public place and all customers abide with the rules when enjoying the Consumption Lounge.

Well-trained and well-educated employees are the cornerstone of the business. Shockingly, scientific studies have found that only, "Fifty-five percent of storefront staff reported some formal training for their position, with 20% reporting medical/scientific training," Haug et. al., *Training and Practices of Cannabis Storefront Staff, Cannabis and Cannabinoid Research*, Vol. 1.1, 2016. Sessions has established a robust ongoing employee training program which has been tested and improved through the team's existing operations to advance its employees ability to serve customers. The comprehensive training program will guarantee that all staff fully understand company policies and





procedures, applicable state and local laws, how to advise customers on the safe consumption of cannabis, and the company's expectations regarding ethical and professional conduct.

The employee training plan will utilize tools like Teachable. Teachable is a modern Learning Management System (LMS) that integrates with Sessions corporate Intranet, allowing dissemination of educational material, questionnaires and surveys in a manner that allows information to be captured and analyzed with macro-level staff engagement, knowledge levels, development goals/trends, and more. These datasets are utilized to develop and enhance new and existing training strategies to maximize the personnel value while building loyalty and appreciation that results in operational efficiencies and growth. Through Teachable, Sessions can develop quizzes that reinforce learning, summarize essential information, gather learner feedback, monitor progress, and issue completion certificates. Mandatory and volunteer training records for each employee is utilized during performance evaluations, lateral job transfers, and growth opportunities to assess competencies and structure meaningful rewards and attributions.

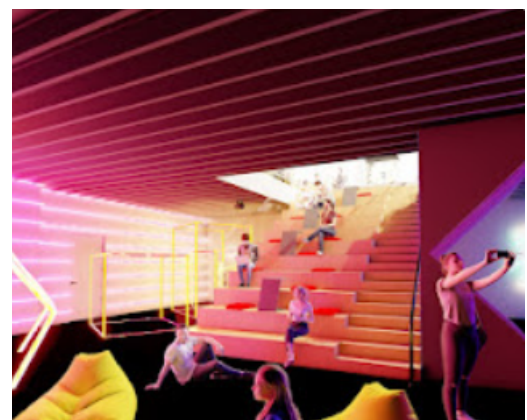
Employees will complete initial onboarding training prior to beginning work, with both mandatory and optional continuing education opportunities providing updates and refreshers as needed. Onboarding training will be provided by GreenFlower Media. Their Dispensary Associate Certificate program is a professional credential program developed by cannabis industry leaders to provide dispensary employees with the preparation they need to start their careers. GreenFlower Media's Dispensary Associate Certificate program encompasses the following topics:

- Proper Cannabis Handling Best Practices.
- Personal Best Practices.
- Rigorous Knowledge of Cannabis Products & Delivery Methods.
- Increasing Sales Through Quality Service & Patient Care Standards.
- Compliance & Operational Excellence in Cannabis Retail & Distribution.
- Health, Safety, & Compliance Procedures.
- Optimizing the Customer Experience.

The HR Director will ensure that all employees are provided with the policies and procedures covered in the onboarding training. The HR Director is responsible for maintaining records of employee training in Teachable, copies of signed employee handbooks, training materials, and certificates of completion.

Design Plans

The team has designed the store based on its collective years of experience curating high-end customer experiences, such as the Sycuan Casino Resort. The casino resort features hundreds of gaming options, multiple restaurants, an elegant pool, large golf course, and rejuvenating spa. Sessions' team will bring the same degree of luxury to the cannabis storefront and Consumption Lounge in National City. The company's goal is to create a retail experience that customers seek out for its unique, welcoming interior and friendly, helpful employees. The lounge is intended to feel spacious and calming, while simultaneously chic and stylish. All features of the building will be designed to improve mood and reduce stress for customers and employees, but also increase purchase probability and satisfaction.



The Consumption Lounge portion of the building, a sectioned off area of the first and second floor, will contain features associated with high end resort style venues. It will be modern, trendy, and innovative, allowing customers to enjoy themselves in a relaxing setting that stimulates positive energy, conversation, and decadence. Community is at the center of the vision for the lounge. There will be comfortable seated areas for customers to consume cannabis products while enjoying primetime sporting events, music, or entertainment. Sessions aim to foster an inclusive environment for people to meet new people, make connections, and create unforgettable memories.

There will not be any food sold at the Consumption Lounge, but the Facility will comply with all laws governing cannabis businesses and retail food establishments, including the California Retail Food Code and Article 8 of the

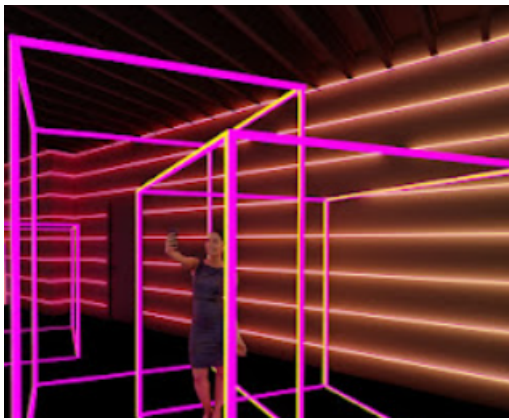




health code, where applicable.⁹ The Consumption Lounge will have restroom facilities available for customers. Flooring inside the restroom will be constructed of a commercial grade material that is smooth, durable, nonabsorbent, and easy to clean. Walls will be constructed to be smooth, durable, nonabsorbent and easy to clean. All plumbing fixtures installed inside the restroom will be installed in compliance with applicable local plumbing ordinances. Handwashing facilities will be provided within all restrooms. Handwashing facilities will be equipped to provide warm water under pressure for a minimum of 15 seconds through a mixing valve or combination faucet. If the temperature of water provided to a handwashing sink is not readily adjustable at the faucet, the temperature of the water will be at least 100 degrees Fahrenheit, but not greater than 108 degrees Fahrenheit.

In compliance with Proposition 65, Sessions will post the following notices at all clearly visible locations within the Consumption Lounge area:

- Signage regarding the safe consumption of cannabis products.
- Signage that states: “Detectable Amounts of Chemicals Known to the State of California to Cause Cancer, Birth Defects or Other Reproductive Harm May Be Found inside this Facility.”
- Signage at each entrance and exit requesting patrons to respect residents of adjacent residential neighborhoods by reducing noise levels when leaving.



Within our Consumption Lounge are we will feature art installations to educate customers and create viral online content with immersive and instagrammable exhibits that will rotate and evolve according to the growth of cannabis culture and consumer trends. The company will encourage third-party brands to participate in the development of specific exhibitions and sponsor the associated costs. The immersive experience will capitalize on the excitement and curiosity new patrons have when visiting a cannabis store for the first time. This is meant to be a memorable, unique experience for customers that will encourage them to return and recommend the business to their friends. The exhibit space will be a storytelling apparatus that envelopes and mesmerizes patrons as they learn about the captivating journey of the cannabis movement, its culture, and the role Sessions is playing in

protecting the spirit of cannabis wellness and its efforts in remedying the social injustices of cannabis prohibition.

In addition to the Retail Storefront and the Consumption Lounge, with its immersive exhibits, Sessions is also proud to feature a Social Equity Resource Center (SERC). The SERC will serve as a community resource and a hub for educational initiatives and goodwill campaigns by providing access to computers, meeting space, educational workshops, public information events, support group meetings, industry training/mentorship, and more. The authenticity of the company’s mission to improve the lives and well-being of customers, their families, and communities will be conveyed through the goodwill campaigns implemented and cultivated in the SERC. The SERC will set Sessions apart from other cannabis businesses that only seek to maximize their profits, whereas the SERC represents a tangible demonstration of Sessions’ commitment to improving equity in the industry.



Hours of Operation

In compliance with National City Municipal Code Section 9.60.050(G), the business will only be open to consumers from 9 am - 9 pm, seven days a week. The last sales within the lounge will be an hour before closing, at 8 pm. The company will never exceed the hours permitted by National City unless there are updates to the City Code.

⁹ NCMC, c. 9.60.265(d)





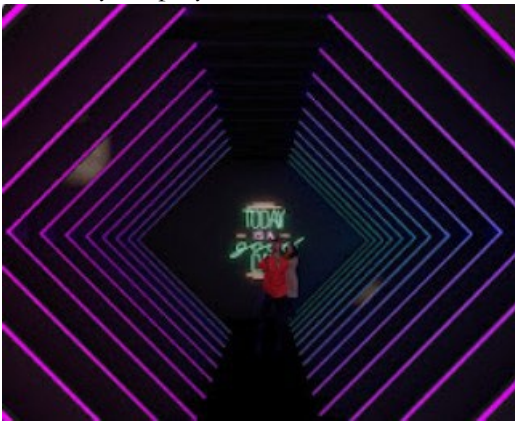
Identify how the lounge will take the appropriate steps to ensure they will only provide cannabis to an individual in an amount consistent with personal possession and use limits allowed by the state.

As part of employee training, all staff will be directed to ensure that all sales are made in accordance with state and local regulations. In compliance with §15409, Sessions will never sell more than the following amounts to an adult-use cannabis consumers in a single day: 28.5 grams of non-concentrated cannabis; 8 grams of cannabis concentrate as defined in Business and Professions Code section 26001, including cannabis concentrate contained in cannabis products; and six immature cannabis plants.¹⁰

Session will never sell more than the following amounts of cannabis to a single medical cannabis patient or to a patient's primary caregiver in a single day: eight ounces of medicinal cannabis in the form of dried mature flowers (or the plant conversion as provided in Health and Safety Code section 11362.77); 12 immature cannabis plants.

If a medical cannabis patient's physician recommendation contains a different amount than the limits listed above, they may be allowed to purchase the amount consistent with their physician recommendation. The adult-use and medical purchase limits cannot be combined to allow a customer to purchase cannabis goods in excess of any of the limits. The company's user-friendly cannabis Point of Sale System, Leaf Logix, automates compliance with purchase limits by providing employees with Purchase Limits Alerts if a customer cart exceeds allowable limits, and will prevent the transaction from completing. This Point of Sale System can track the aggregate purchases of a single customer to ensure they do not exceed the daily limit. Both Dispensary and Consumption Lounge staff will advise customers of the permissible sales limits to ensure customers are educated about purchase limits and compliance with state and local law. In addition, employees will pay close attention to customers who return to the Dispensary from the Consumption Lounge to make additional purchases, ensuring their subsequent purchases do not cause them to exceed their total daily legal limit.

Generally, employees will be trained to encourage users to begin with small doses and to consume slowly and over an



extended time period. Well-moderated consumption over a prolonged timeframe will slow the buildup of tolerance and help prevent customers from experiencing negative side effects. Staff will be trained to explain that the onset of effects can be delayed and to err on the side of caution when taking cannabis products, especially in edible form. For first-time users, staff will strongly recommend lower-potency products. Prior to dispensing any cannabis, an employee will provide customers with oral instructions for safe and proper consumption and will demonstrate how to safely and properly use products if a customer is unsure. The goal is to ensure that every customer leaves the store feeling educated about the products they have purchased. To do so, staff will be trained to complete the guided purchasing experience by asking follow-up questions such as, "Do you

feel fully educated on the products you are purchasing?" and, "Is there anything I can explain to make you feel more comfortable about your purchase?" to help staff members gauge a successful and educational purchasing experience. Sessions is committed to assisting customers in using their products legally and responsibly.

The Chief Compliance Officer will train the staff in applicable laws, including those governing personal use, and will update that training quarterly or due to changes in law. While it is the customer's responsibility to follow California law, staff members will facilitate adherence to the law by explaining to customers—in clear terms—the laws which govern the personal use of the cannabis products sold at the Retail Storefront, including possession limits. This explanation will include both activities specifically allowed by law and activities specifically disallowed by law. Customers will also be provided with supplementary written materials explaining applicable laws.

¹⁰ NCMC, c. 9.60.265(h)





BUSINESS FORMATION DOCUMENTS

**PER CORRESPONDENCE WITH NATIONAL CITY REPRESENTATIVES, IT IS
SESSIONS' UNDERSTANDING THAT THESE DOCUMENTS DO NOT
CONTRIBUTE TO THE APPLICATION'S PAGE RESTRICTIONS.**



Sessions Ventures LLC Business Formation Documentation

Sessions Ventures LLC dba Sessions by the Bay (“Sessions”) hand-delivered its corporate entity filing to the California Secretary of State on Wednesday, March 30th at 1:40 p.m. PT. Evidence of that filing is attached. Sessions by the Bay is organized as a Limited Liability Company, and it has attached a copy of its Operating Agreement for review and as further evidence of its intended business formation. Upon request, Sessions will provide a Secretary of State-file-stamped copy of Articles of Incorporation or a Statement of Information.

Per the email correspondence below, and the instructions provided by city staff Megan Gamwell, we have included the Operating Agreement within PDF File #4.

From: Megan Gamwell <mgamwell@nationalcityca.gov> **On Behalf Of** Cannabis

Sent: Thursday, March 31, 2022 12:26 PM

To: Sebastian Casalenuovo <Sebastian@vicentesederberg.com>; Amanda Kilroe <amanda@vicentesederberg.com>; Bridgette Nikisher <b.nikisher@vicentesederberg.com>; Cannabis <cannabis@nationalcityca.gov>

Subject: RE: Cannabis Application - Business Formation Documents

Hi Bridgette,

Business Formation Documentation will not count towards your 200 pages and can be included as part of your PDF file 4 documents may include your articles of incorporation / organization and bylaws / operating agreement.

EXHIBIT B: Operating Procedures

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address)				FOR COURT USE ONLY
VICENTE SEDERBERG LLP 633 West 5th Street, 26 th Floor Los Angeles, CA 90071 Tel. No.: (310) 684-2016 Attorney(s) for: Fax No.: Reference No.: VICSE-57712 GE				
SECRETARY OF STATE BUSINESS PROGRAMS DIVISION, BUSINESS ENTITIES				
PROOF OF DELIVERY	HEARING DATE:	TIME:	DEPT. No.:	CASE No.: N/A

1. At the time of service I was at least 18 years of age and not a party to this action, and I delivered copies of the:
- CA SOS SUBMISSION COVER SHEET FORM
 - HAND-SIGNED CA SECRETARY OF STATE, ARTICLES OF ORGANIZATION – SESSIONS VENTURES LLC
 - HAND-SIGNED \$90.00 CHECK 6043, DATED 03/29/2022
 - FEDEX RETURN LABEL, TRACKING NO. 7764 3557 9810

2. a. Name of Party served: SECRETARY OF STATE

b. Address: 300 S. SPRING ST.,
LOS ANGELES, CA 90013

3. I served the party named in item 2a. by personally delivering the copies to the person served as follows:
 BY DEPOSITING, BY PERSONAL HAND-DELIVERY, THE DOCUMENTS INTO THE DROP BOX
 DESIGNATED FOR FILING SUBMISSIONS
 (1) On: 03/30/2022 (2) At: 1:40 PM

4. I received this document(s) for service on (date): 03/29/2022

5. Person serving: LIBORIO SALAZAR
 EXPRESS NETWORK
 1605 W. Olympic Blvd., 8th Floor
 Los Angeles, California 90015
 (213) 975-9850

a. Fee for service \$ 27.20
 b. Not a Registered California Process Server
 c. Registered California Process Server
 d. Employee
 (1) Registration No.: 2017038478
 (2) County: LOS ANGELES

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: March 31, 2022



SECTION C: SAFETY PLAN

Introduction

The safety and security of our staff, patrons, neighborhood, and the community are our highest priorities. Sessions Ventures LLC d/b/a Sessions by the Bay (“Sessions”) has significant experience operating safe cannabis facilities and implementing and maintaining safety programs and procedures. In this Safety Plan (“Plan”), we describe the measures that will be taken to prevent and suppress fire, and the features of the Retail and Consumption Lounge Facility (“Facility” or “Premises”), including fire extinguishers, evacuation routes and alarm systems, that will be in place at the Facility. This Safety Plan also discusses Sessions’ waste management handling and storage policies and our written and physical accident and incident reporting procedures in place for preventing and addressing employee safety.

Sessions will provide our employees and other personnel with a clear plan to prevent loss of life and property by fire. Sessions’ Safety Plan will comply with all applicable fire prevention laws and regulations. Sessions will, at all times, operate in compliance with all applicable codes set forth in the City of National City’s (“City” or “National City”) Municipal Code, including, but not limited to building, plumbing, electrical, fire, hazardous materials and public health and safety. Sessions will comply with all laws and regulations applicable to the retail use, and will comply with all permit, license, approval, inspection, reporting and operational requirements of local, state or other agencies having jurisdiction over Sessions’ operation. Sessions will provide copies of other agency and department permits, licenses, or certificates to the City to serve as verification for such compliance.

Sessions is owned and operated by Alex Scherer, Pearl Ayon, Chetan Abrol and members of the Sycuan Tribe which hosts multiple public service departments within their Reservation. The Sycuan Tribe boasts nearly 50 years of experience with fire, police force, and public safety and security departmental planning and management.

Sycuan’s Fire Department

The Sycuan Fire Department was founded in 1974 by Tribal Elder and Fire Chief Henry (Hank) Murphy. Before this establishment, the CA Department of Forestry and Fire Protection only provided wildfire suppression for six months during fire season – leaving the Tribe without emergency services for half the year. Seeing the importance and a greater need for a fire department on his reservation, he worked with the San Diego Office of Fire Service’s volunteer departments to train 14 Sycuan personnel to graduate as Fire Fighters and EMTs. These personnel returned to the Sycuan, Rincon, and Viejas Reservations to staff their fire engines. In 1989, Sycuan implemented an EMT ambulance service for the Reservation, as well as for adjacent non-Indian neighbors. In 1999, the Sycuan Fire Department was the first in East County San Diego to provide Advance Life Support (ALS/Paramedic) assessment engine to the community and its neighbors.

Sycuan’s Police Department

The Sycuan Tribal Police Department delivers professional policing services to Sycuan’s Reservation and Trust Lands. Although the police department is a full-service law enforcement agency, the department enjoys strong collaborative relationships with its law enforcement partners in the region and leverages those partnerships in an effort to provide robust and seamless services to all of Sycuan’s residents, visitors and employees. The police department also assists its law enforcement partners off of the Reservation when requested to do so. All of Sycuan’s police officers meet the minimum training requirements set forth by the California Commission of Peace Officer Standards and Training. All of Sycuan’s police officers must also attend the BIA’s Criminal Jurisdiction in Indian Country course prior to their designation as a “Special Deputy Officer.”



Section C.1: The detailed Safety Plan shall be prepared by a California professional fire prevention and suppression consultant.

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CFP Engineering, LLC
Fire Protection Engineering

April 3, 2022

Mr. Alex Scherer
Sessions Ventures LLC
700 Bay Marina Drive
National City, California 91950

Dear Mr. Scherer:

Per your request, we have completed this detailed Safety Plan for Sessions Ventures' Cannabis Business Permit Application for retail and consumption lounge operations to be conducted within the existing commercial building located at 700 Bay Marina Drive in National City, California.


The below detailed Safety Plan has been prepared by a California professional fire prevention and suppression consultant. Mr. Jack Collings, F.P.E., is a principal of CFP Engineering, LLC, a fire protection engineering consulting firm located in Ventura, California. Mr. Collings holds a Bachelor of Science Degree in Mechanical Engineering from California State Polytechnic University and is a Professional Registered Engineer (FPE 1545) in Fire Protection in the State of California. Mr. Collings has worked collaboratively with the Sessions' team to establish the enclosed Plan. Mr. Collings has over thirty-five years of experience in the fire protection industry, including broad experience in the following areas:

- Fire Code Analysis, Interpretation & Consultation
- Code Adoption and Standards Consultation
- Fire & Life Safety System Review for Building & Facilities
- CFC Evaluation of Cultivation, Distribution and Extraction Facilities
- Hazardous Material, Flammable & Combustible Liquid Code Consultation
- Fire Suppression System Design
- Design/Build Fire Protection Engineering Peer Review
- Fire Service Water Supplies, System Design and Hydraulic Analysis
- Building and Fire Suppression System Surveys and Field Inspections
- Project and Construction Management

Mr. Collings has served as a fire protection consultant to architects, engineering firms, developers and governmental authorities on a wide range of projects. He has been involved in the analysis and development of fire protection for commercial and residential building, healthcare, biotech facilities, oil production facilities, aircraft hangars, missile test facilities, wineries & storage facilities. Mr. Collings has also designed automatic fire protection systems for a wide variety of occupancies, including industrial, residential, education, military, healthcare and high hazard facilities. Mr. Collings has provided plan submittal review services for a number of community fire and building departments, including consultation in support of the development of local codes and standards. Mr. Collings is a member of the National Fire Protection Association and of the Society of Fire Protection Engineers.

The Plan is in accordance with the submittal requirements listed in Appendix A, Section C of the City's "Application Procedure and Guidelines for a Cannabis Permit." See here:

- All fire prevention and suppression measures, fire extinguisher locations, evacuation routes and alarm systems the facility will have in place.
- All accident and incident reporting procedures.
- The waste management locations and procedures.

DocuSigned by:

Mr. Jack Collings, F.P.E.
CFP Engineering, LLC

7467 Pierce Street Ventura, California 93003 (805) 290-8724



Section C.2: This plan will describe all fire prevention and suppression measures, fire extinguisher locations, evacuation routes and alarm systems the facility will have in place.

All employees, supervisors, and managers will follow the procedures outlined in this Plan to ensure that agents and customers are protected. The Chief Operations Manager is responsible for maintenance of equipment and systems installed to prevent or control ignitions of fires (ex. fire extinguishers, fire hoses, etc.). All agents will be trained on and are responsible for understanding the following Safe Code of Work Practices:

- Flammables, including datasheets, books, rags, clothing, flammable liquids or trash shall not be placed or stored near heaters or their vents, any electrical appliance, or other potential sources of ignition.
- Sources of actual or potential heat such as hot plates or electric coffee pots shall not be placed near flammable materials. Portable space heaters and candles are prohibited.
- Care must be taken not to block potential escape routes, particularly with flammable materials.
- Each individual is personally responsible for assuring that extension cords and multiple plugs are in good condition. Cords that are missing the grounding prong, are spliced together, or that are missing their protective sheath shall not be used.

Additional fire control measures such as sprinkler systems, fire extinguishers and fire alarms systems will be installed or available in work areas. Each room within Sessions' Facility will contain a smart smoke and carbon monoxide detector. Sessions intends to utilize a smart detector that features state-of-the-art sensors and will be fully integrated with an app that will allow real-time remote monitoring by local management.

Fire Prevention and Suppression Measures

Since there are no extraction, manufacturing, or processing operations to be conducted as part of the retail/delivery license, fire hazards, life safety hazards and inhalation issues/threats for this proposed retail/delivery sale and support areas are in line with typical retail operations. Cannabis inhalation hazards will not be a threat for the retail level (Level 1) as all cannabis related goods will be pre-packaged, no consumption will take place in this area, and a carbon filtration system with a negative pressure component will be installed.

Since there are no extraction, manufacturing, or processing operations to be conducted as part of the consumption license, fire hazards and life safety hazards for the cannabis consumption and support areas on Level 2 are in line with typical retail operations and bars/tavern types of businesses.

Cannabis smoke products will be a consideration for the consumption areas. Sessions will be installing a state of the art filtering and ventilation system to restrict the flow of odor across the facility as described in the following summary found in the "Business Plan":

Our Ventilation Plan will ensure the air circulation of the Facility does not negatively impact employee health and welfare, those surrounding the business and outdoor areas. We will protect the health and welfare of our employees and prevent negative effects on surrounding businesses and outdoor areas by operating a high-quality HVAC system, in conjunction with additional odor control measures. HEPA filters will clean the air in our Facility by removing dust and other allergens, such as mold, which may cause adverse health effects, especially for those who are sensitive. These filters will be placed at both intake and outtake of our HVAC system, as well as throughout the Facility to create a tri-phase filtration system that keeps the air clean and the employees and customers safe. Carbon filters will be utilized to filter out smoke, fumes, and other chemicals that HEPA filters miss. To adequately protect persons in our Facility and ensure our air is clean, we will equip these carbon filters in sequence with our HEPA filters to maximize efficiency, or if available, will comply with the design recommendations of the installing company. Both HEPA filters and carbon filters are considered necessary for improved air quality across many different industries, and the cannabis industry is no different. We will utilize both filters, along with any recommended or required additions by the installing company, Department, or local regulators, in order to maximize our air quality and prevent harmful or noxious emissions within and from our Facility.



Other than small amounts of typical cleaning products, there will be no hazardous materials located within the business premises. Typical cleaning products will be stored within a janitorial cabinet.

Sessions' fire prevention policies will include implementation of the following:

- Maintenance of all required exiting, including signage.
- Safe retail process operations, including proper inventory control, management and storage.
- No smoking within the building, other than supervised smoking in the permitted consumption lounge space using non-open flame ignition devices.
- Installation, staff training and regular maintenance of fire extinguishers.
- Proper staff training, including emergency/medical response protocols.
- Maintenance of security systems.
- Maintenance of code complaint fire sprinkler and fire alarm systems.



Fire Sprinkler System

There is currently an automatic wet fire sprinkler system installed throughout the building. Per the hydraulic nameplate on the existing riser, the system is designed to separate NFPA 13 compliant Ordinary Hazard Group 1 and Light Hazard areas within the existing building.

The current hydraulic data nameplate is depicted in the adjacent photos.

Neither of the two system design densities are adequate for the Mercantile (M) Retail occupancy and will require upgrading to an NFPA 13 compliant Ordinary Hazard Group 2 system basis of design.

The existing systems will be required to be evaluated and recalculated for the proposed tenant improvement areas for both Levels 1 and 2 to confirm that the existing system can deliver the required design densities for the subject occupancies throughout the facility. If this engineering evaluation indicates upgrades will be required, upgraded tenant improvement fire sprinkler plans with hydraulic calculations will be required and system modifications are to be implemented prior to issuance of final certificate of occupancy by the National City Fire Department.

The fire sprinkler system is to continue to be supervised and monitored through a UL listed central station facility through a fire alarm system as required per the 2019 CFC and City requirements. Sessions by the Bay will contract with a licensed C-16 contractor to complete inspections, testing and certification, according to NFPA 25 standards, as well as identify and repair any observed deficiencies. The contractor shall provide written inspection and test reports for the owner's records as well as to the National City Fire Department.

The fire sprinkler system is supplied by a dedicated 6" fire service and backflow prevention assembly located at the main entrance to the complex and indicated in Figure 1 of this report. A fire department connection serving the fire sprinkler system is located on the downstream side of the backflow assembly, also shown on Figures 1 and 1A.

Fire Extinguishers

Fire extinguishers will be located throughout our Facility, with as many available as is feasible for our space and as recommend by the local National City Fire Department. Extinguishers will be located in sealed boxes with glass-break tools available for easy access in case of emergency. All extinguishers will be regularly checked to ensure they are not expired, and a manager will replace extinguishers whenever necessary. The installation of five-pound 2A 10B:C multi-purpose dry chemical fire extinguishers will be in each of the following rooms:

Retail Store, Level 1

- Lobby Area
- Employee Breakroom
- Secured Inventory Room
- Dispensary Sales/Showroom
- Vestibule
- Security Office
- Mechanical Room



- Consumption Lounge
- Corridors as required per the CBC

Consumption Lounge, Level 2

- Consumption Lounge Area
- Open Office/Reception Area
- Corridors as required per the CBC

Placing our fire extinguishers in this way gives our agents the ability to respond quickly and effectively to any fire danger or emergency anywhere within our facility. Sessions is committed to the safety of our customers and agents and this fire extinguisher scheme will help us to respond effectively to fire danger and keep everyone in our facility out of harm's way.

Sessions by the Bay will contract with a local licensed contractor (preferably Fire Force Fire and Safety, INC., a National City operator) to provide fire extinguishers, extinguisher inspection, services and training, and inspection and testing reports on water-based suppression systems to be accessible online for one year following the inspection and available to the Police Department and National City Fire Department upon request. Sessions by the Bay will ensure that a licensed contractor conducts annual fire extinguisher inspections in accordance NFPA 10. Every six years, the vendor shall disassemble all facility fire extinguishers and thoroughly inspected for damage.

The contractor shall assist the staff in providing comprehensive onsite training for all company employees to properly and safely use portable fire extinguishers. All security personnel will be trained, tested, and licensed to service and recharge portable fire extinguishers.

Fire extinguisher locations are included in Figures 2A and 2B below. In addition, new fire alarm annunciator panels, fire alarm control panels, illuminated emergency exit signs and proposed Knox Box locations are also included in Figures 2A and 2B, with symbols corresponding to the adjacent legend:

LEGEND

M	MANUAL PULL STATION
EXIT	ILLUMINATED EMERGENCY EXIT SIGN
FE	FIRE EXTINGUISHER
FIRST AID	FIRST AID KIT
SD	SMOKE DETECTOR
HS	HORN STROBE DEVICE
K	FIRE DEPT. KNOX BOX
FACP	FIRE ALARM CONTROL PANEL
FAAP	FIRE ANNUNCIATOR PANEL



Figure 2A: Life Safety Floor Plan, Level 1

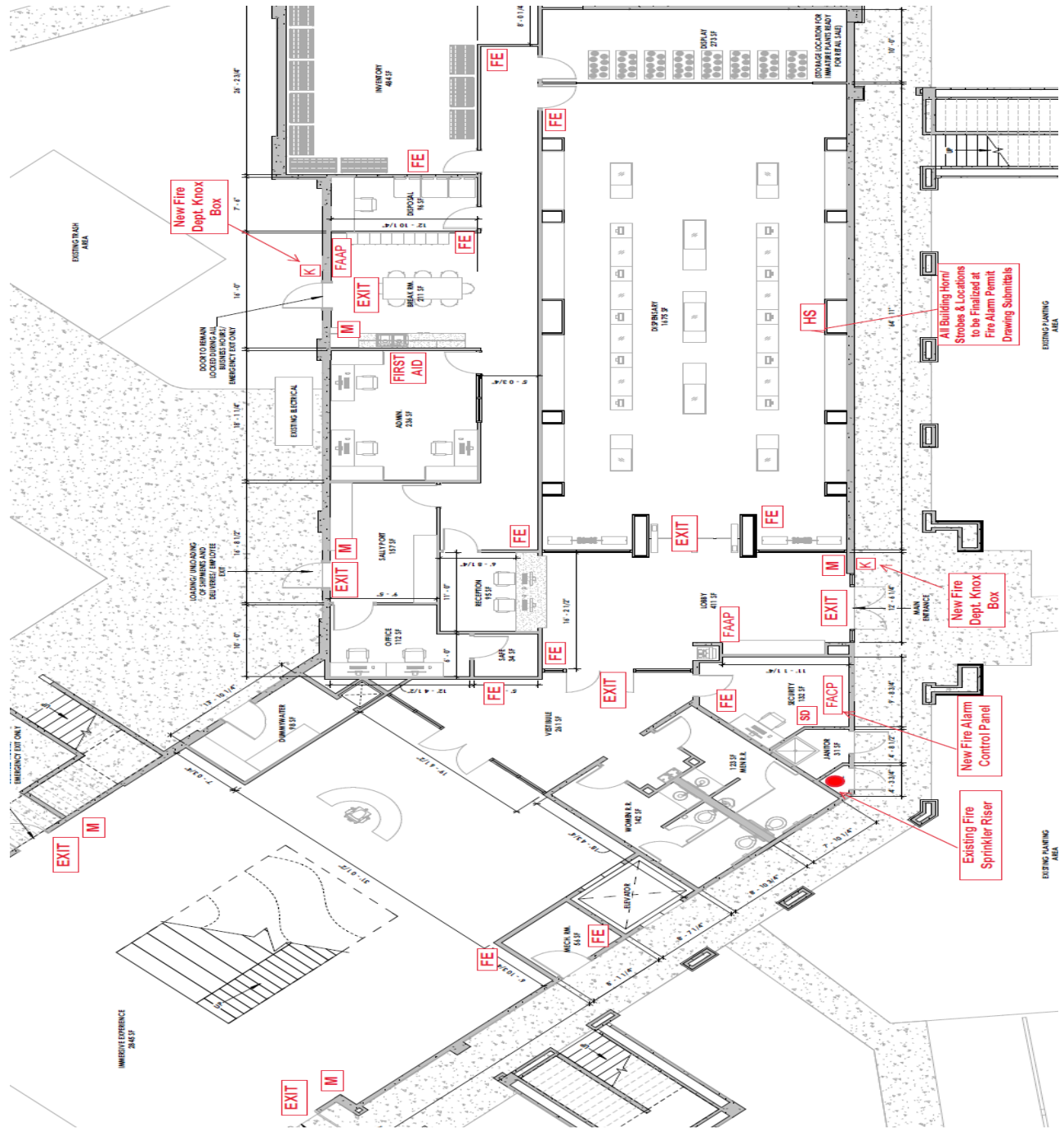
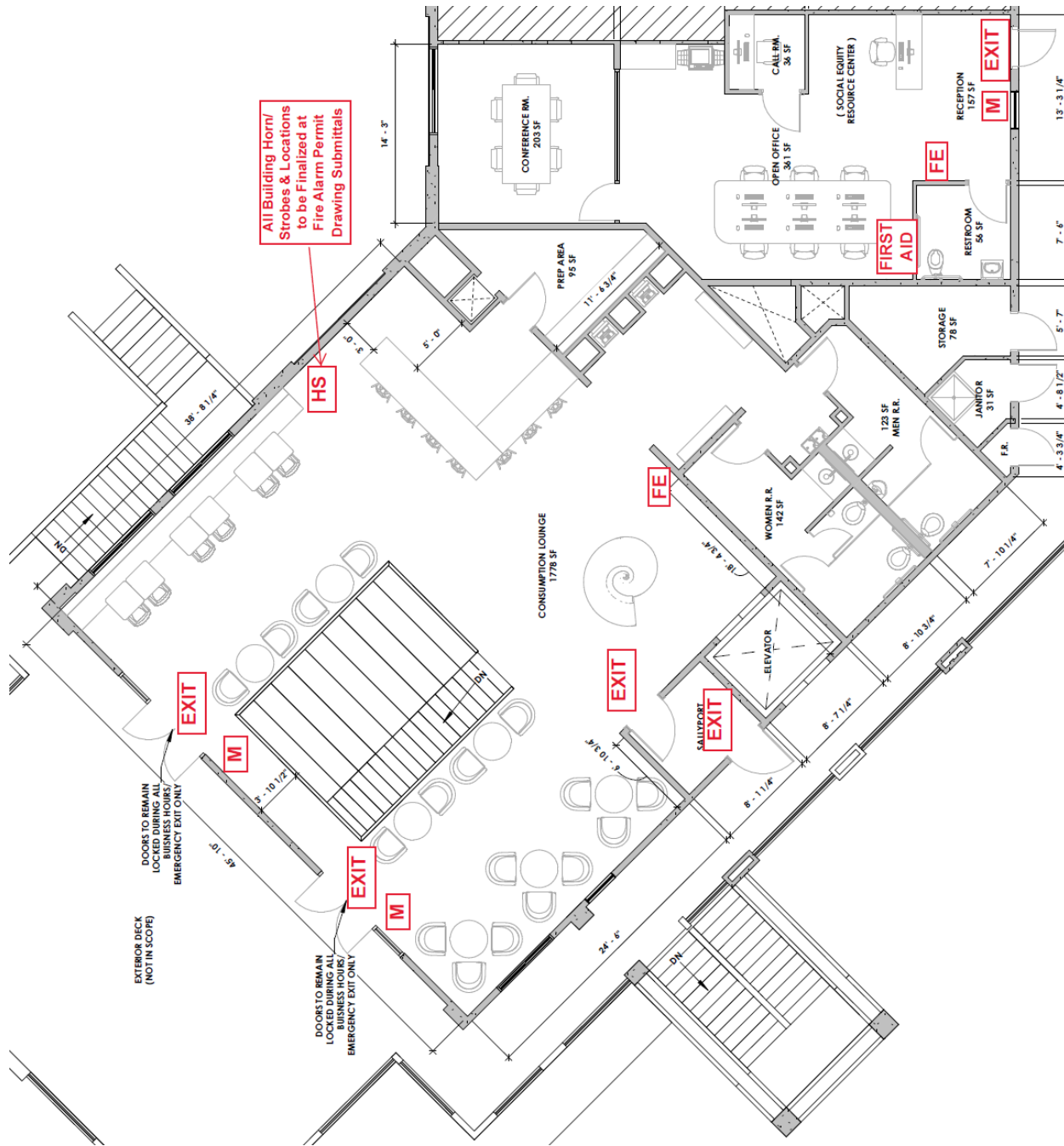


Figure 2B: Life Safety Floor Plan, Level 2



Fire Evacuation Routes

Sessions will ensure that emergency access and emergency evacuation plans are in compliance with state and local fire safety standards.¹ The proposed exiting arrangement, travel distances, and paths of egress, shown in Figures 3A and 3B below, are compliant with the included CBC occupancy requirements for this fire sprinklered building (see Architect's Sheets A007 and A008 for enlarged views). The proposed floor plans include primary evacuation routes shown in directly out to the public way. No other means of egress modifications are necessary to meet CBC requirements as the proposed floor plans and exiting systems are currently configured. Multiple refuge areas for customers and employees are present immediately beyond the exterior exits as indicated in Figure 1.

Access controlled interlocked doors may be installed for security purposes. This is permitted by the CBC, provided the provisions of CBC Chapter 10, section 1010.1.9.8 are met. We will require the installation of panic (fire exit) hardware at each of the exit doors to the exterior of the units. In addition, provide emergency exit hardware at all controlled access points to allow personnel exiting during an emergency condition. Hardware to be in compliance with Chapter 10 of the CBC. Means of egress cannot be compromised by required security features. Illuminated exit signs are to be located above all required exits per Chapter 10 of the CBC.

Per CBC 1010.1.9, all egress doors will be readily openable from the egress side at all times, requiring only one operation to open the door, without the use of a key or special knowledge or effort, except in specific situations. In addition, controlled access will be arranged to meet the following provisions per the CBC to allow for free egress:

- a. The door hardware that is affixed to the door leaf has an obvious method of operation that is readily operated under all lighting conditions
- b. The door hardware is capable of being operated with one hand and does not require more than one operation for unlatching
- c. Operation of the door hardware directly interrupts the power to the electric lock and unlocks the door immediately
- d. Loss of power to the electric locking system automatically unlocks the door
- e. Operation of the panic hardware releases the lock
- f. The locking system units are listed in accordance with UL 294

The exit path from the occupied spaces in the rooms or through corridors will need to be a minimum unobstructed width of 36 inches where serving less than 50 occupants; the width increases to 44 inches if serving 50 or more occupants per CBC Table 1020.2. The aisles are required to meet these widths, and the aisle accessways (if not required to be accessible) are required to be at least 30 inches wide per CBC Section 1018.3 and 1018.4. The exit path is allowed to pass through intervening rooms that are accessory to one another, provided that the required width is met, and a discernable path of egress travel is provided per CBC 1016.2.

The facilities will be provided with illuminated exit signs to facilitate egress. Emergency lighting will be provided for the means of egress in the facility to meet CBC Section 1008. The facilities will be provided with emergency access and emergency evacuation plans to meet state and local fire standards.

The facilities will not employ any security devices that emit any medium such as smoke or fog that could obscure the means of egress in the building as prohibited per CFC Section 316.5.

A complete CBC compliant occupancy evaluation and exiting plan will be required in order to confirm the final floor plan meets travel distance and exiting requirements. We recommend installing panic (fire exit) hardware at each of the exit doors to the exterior of the units. In addition, provide emergency exit hardware at all controlled access points to allow personnel exiting during an emergency condition. Hardware to be in compliance with Chapter 10 of the CBC. Means of egress cannot be compromised by required security features. Illuminated exit signs are to be located above all required exits per Chapter 10 of the CBC.

¹ NCMC, c. 9.60.230(m)(18)



Level 1 Occupancy Summary & Exit Distance Table

OCCUPANCY SUMMARY					
ROOM NAME	OCCUPANCY TYPE	AREA	LOAD FACTORS	EXIT DISTANCE	TOTAL OCCUPANTS
VESTIBULE	A-2	269 SF	60	55' - 6"	5
LOBBY	A-2	435 SF	60	31' - 6"	8
EXHIBIT	A-3	2814 SF	30	46' / 53'	94
SAFE	B	38 SF	150	26' - 6"	1
RECEPTION	B	78 SF	150	41' - 0"	1
DISPOSAL	B	106 SF	150	37' - 0"	1
DUMBWAITER	B	109 SF	150	9' - 6"	1
OFFICE	B	121 SF	150	24' - 0"	1
SECURITY	B	142 SF	150	60' - 0"	1
SALLY PORT	B	169 SF	150	16' - 6"	2
ADMIN.	B	221 SF	150	50' - 0"	2
BREAK RM.	B	249 SF	150	17' - 6"	2
SALES AREA	M	1352 SF	150	98' - 0"	10
JANITOR	S-1	36 SF	300	2' - 6"	1
DISPLAY	S-1	283 SF	300	81' - 0"	1
INVENTORY	S-1	513 SF	300	72' - 0"	2
MECH. RM.	U	64 SF	300	10' - 6"	1
TOTAL OCCUPANTS:					134

Level 2 Occupancy Summary & Exit Distance Table

OCCUPANCY SUMMARY					
ROOM NAME	OCCUPANCY TYPE	AREA	LOAD FACTORS	EXIT DISTANCE	TOTAL OCCUPANTS
LOUNGE	A-3	1588 SF	30	95' - 6"	53
CALL RM.	B	40 SF	150	102' - 6"	1
SALLY PORT	B	63 SF	150	30' - 6"	1
PREP AREA	B	106 SF	150	97' - 0"	1
CONFERENCE RM.	B	216 SF	150	136' - 0"	2
OPEN OFFICE	B	538 SF	150	109' - 0"	4
JANITOR	S-1	36 SF	300	67' - 6"	1
STORAGE	S-1	87 SF	300	81' - 6"	1
TOTAL OCCUPANTS:					64



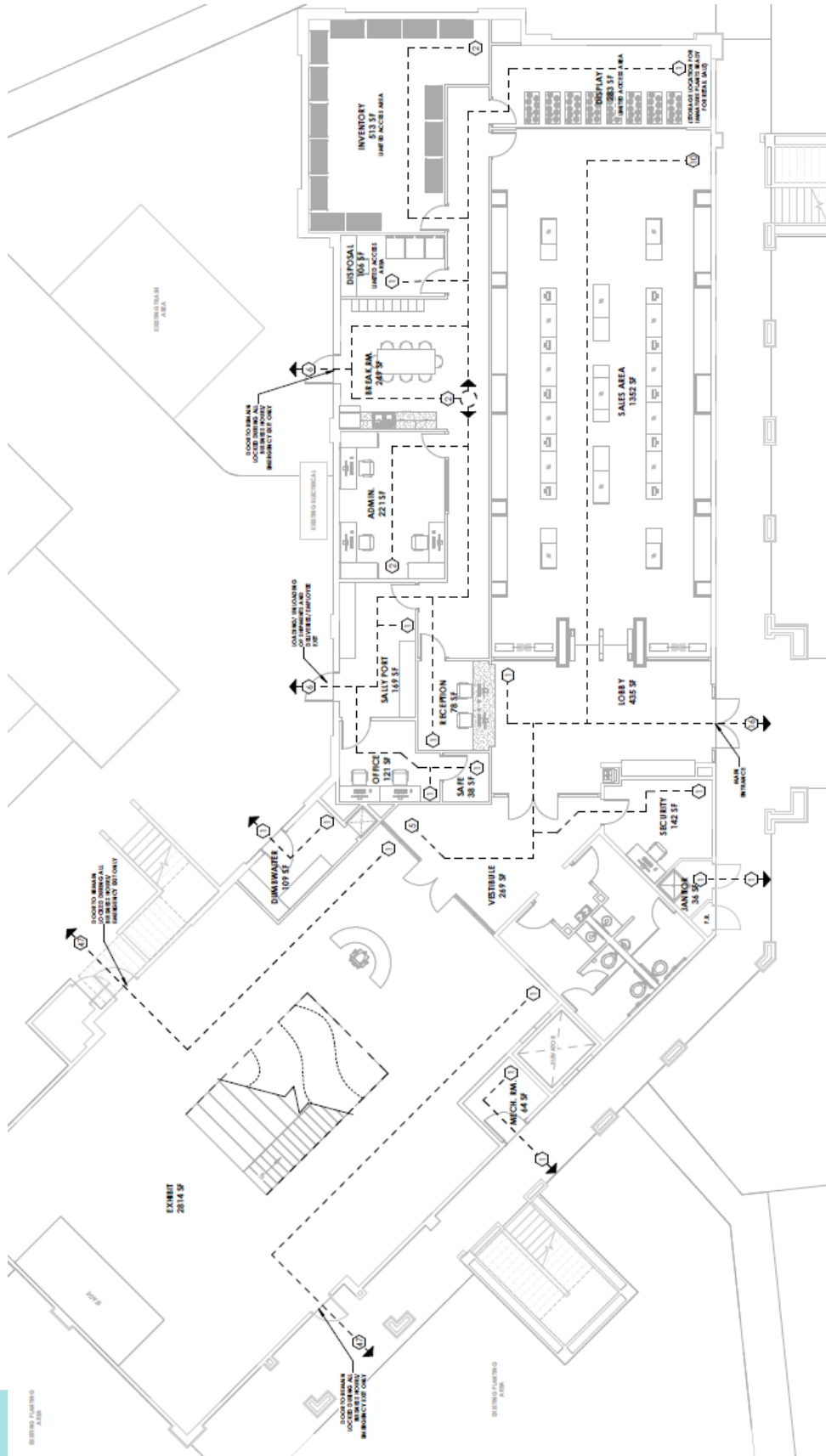


Figure 3A: Egress/ Evacuation Plan, Level 1



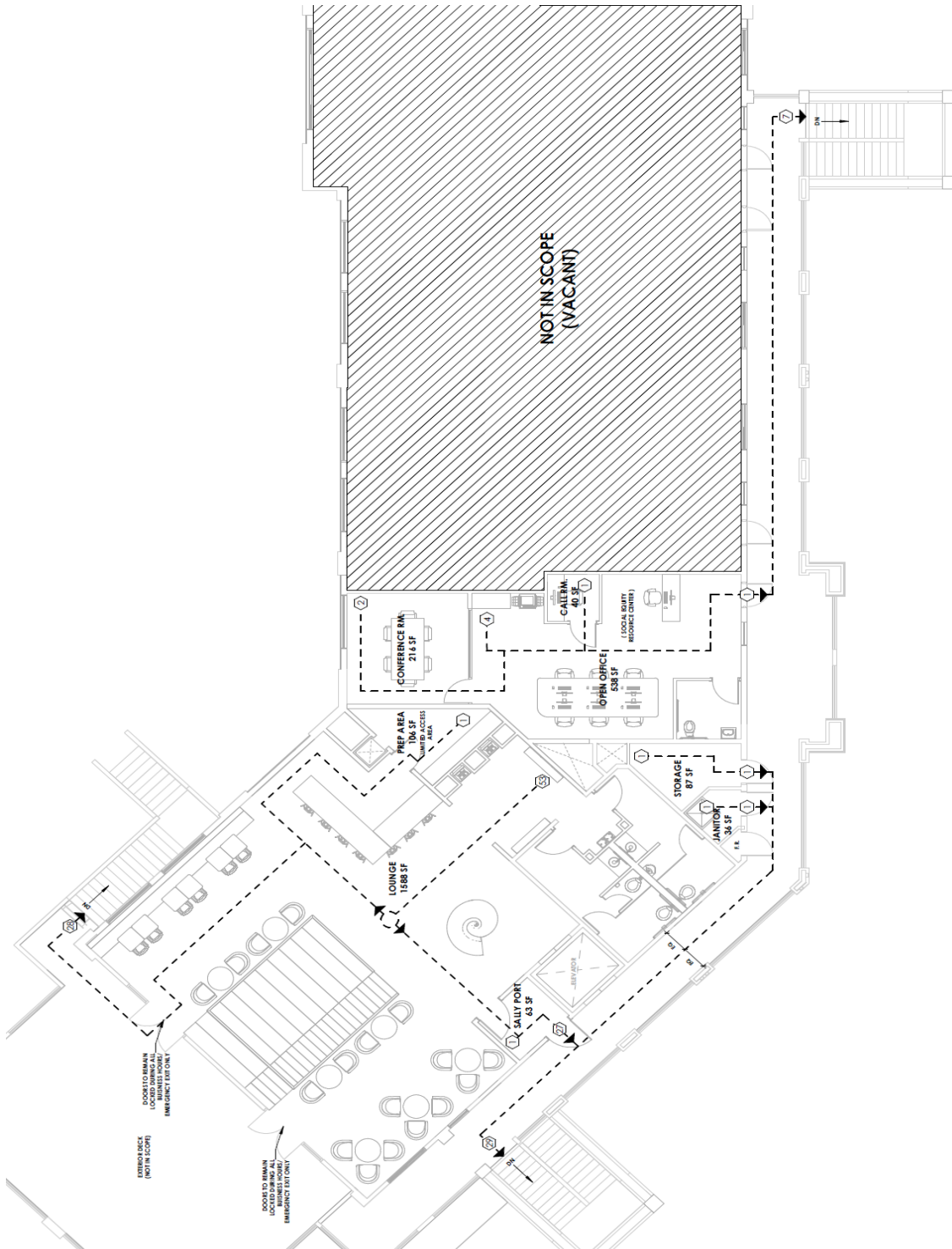


Figure 3B: Egress/ Evacuation Plan, Level 2



Fire Suppression Equipment

The Facility will also feature other fire suppression equipment, such as overhead sprinklers to prevent a fire from spreading from one room of our facility to another. Overhead sprinklers will be located in each room of the facility, spaced to cover the entire square footage of each room when spraying water. These systems will be regularly inspected and maintained by system professionals, and Sessions will keep a record of all updates and maintenance on these systems for at least five (5) years. Agents will be thoroughly trained on the location and use of all fire extinguishers and fire suppression technology.

Sessions will maintain detailed standard operating procedures for the execution of all operations designed to mitigate the risk of fire hazards. If the threat of fire becomes imminent, the Facility will be fully equipped with the measures described below designed to prevent the spread of and suppress fire. In addition to preventing the rapid spread of fire hazards within the Facility, these measures will allow for the immediate alert of a fire hazard to ensure the safe evacuation of agents

Facility HVAC System

Sessions' heating, ventilation, cooling and air filtration system (HVAC) will be installed by a licensed professional and receive routine maintenance, as needed, to ensure proper functioning of all environmental controls installed throughout the facility. Sessions will ensure there is an air system that creates negative air pressure between Sessions' interior and exterior so that the odors generated inside the Facility are not detectable on the outside. If routine inspections identify necessary upgrades or maintenance required on the HVAC system, Sessions will address improvements as soon as possible.

The Facility will be equipped with a ventilation system to maintain air quality throughout and prevent any detectable odor of cannabis from outside the licensed Premises, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as Sessions.

Fire Alarm Systems

The current fire alarm system in the building is limited to the required fire sprinkler system monitoring and supervision and a few manual pull stations at selected exits. A full NFPA 72 compliant fire alarm system will be required throughout the buildings with corresponding sprinkler system monitoring, manual pull stations and occupant notification. In compliance with NFPA and CBC/CFC requirements, the system will be monitored through a UL listed central station facility and tested/maintained by a licensed contractor. The system will provide occupant evacuation notification in the event of a fire sprinkler activation or a manual pull station activation.

Sessions' Facility will meet and exceed all applicable state and local fire codes and ordinances, as well as National Fire Protection Association (NFPA) standards and guidelines. As mentioned above, Sessions' owners have fifty (50) years of executive level experience managing, directing and operating in highly regulated industries. One of those being Sycuan Casino. Sycuan oversees and manages its own Tribal Police and Fire Departments. For their casinos they manage the in-house security patrol guards and surveillance systems. This storefront and consumption lounge will get all of the experience it portrays through its casino.

The tribal police department has been in existence for approximately 35 years, however, it's been operating within its current comprehensive law enforcement capacity for 16 years. The police department is one of only two tribal police departments within California with agreements in place for its officers to enforce both federal and state laws in addition to tribal law. All of Sycuan's officers meet the CA Peace Officers Standards and Training (POST) requirements and attend in-service POST continued professions training with the sheriff's department—40hrs every 24 months.

The Sycuan Fire Department was founded and established on October 11, 1974. Sycuan is a full-time "All Risk" Advanced Life Support fire department. "All Risk" essentially means the Department responds to all types of Fires,



Medical Emergencies, Technical Rescues, Hazardous Materials and Fire Prevention Code Enforcement. Department members participate in a rigorous yearly training plan that covers the many types of emergencies encountered. All Fire personnel meet or exceed California State Fire Marshal Certification requirements.

Sycuan Fire department is a member of The San Diego County “Central Zone” which consists of Sycuan Fire Department, Alpine Fire Protection District, Bonita-Sunnyside Fire Protection District, City of El Cajon Fire Department, City of La Mesa Fire Department, City of Lemon Grove Fire Department, City of Santee Fire Department, Lakeside Fire Protection District, San Miguel Fire Protection District, Viejas Fire Department and Barona Fire Protection District. Sycuan also has Mutual aid agreements with San Diego County Fire/ CALFIRE and participates in the California Fire Service and Rescue Emergency Mutual Aid System.

The most important aspect of preventing fires and fire risks is knowledge and awareness, which will be accomplished by utilizing a developed fire prevention plan, extensive agents training, and clear identification of fire hazards. Sessions will implement fire prevention strategies in order to effectively prevent fire hazards from developing. In the world of fire prevention, the best defense is a rigorous offense. Innovative fire prevention strategies will provide procedures for all types of emergency fire situations that Sessions may reasonably expect to occur in the workplace.

Sessions will be protected by a fire alarm system as required by Code and local ordinance. We hope to partner with Aztec Fire and Safety, a San Diego area operator, to provide any required shop drawings and permit submittals for revisions to the existing fire alarm system. Aztec Fire and Safety will also be utilized for the required inspection, testing and maintenance and monitoring of the fire alarm system.

Alarm Monitoring

The alarm system will be professionally monitored by a local monitoring company that is reliable and provides a fast alarm response. Sessions is committed to providing all employees with comprehensive training and takes seriously the value of employee empowerment and educational opportunities. With that in mind, Sessions has created robust training materials related directly to emergency response as safety and security of our team members is of the utmost importance. All agents will be trained on Sessions’ safety policies and procedures upon initial employment. A copy of our workplace safety and health communication policies and procedures will be made available to Sessions employees and kept on site in the office for ease of reference. Upon completion of training, the Director of Human Resources will document it in the Employee Training Log and their employment file. Upon request, Sessions will make available to the Department all information related to the alarm system, monitoring, and alarm activity.²

Fire Department Access

The Facility will have signage showing its address that will be easily visible from the street and contrasting with the background of the building so the National City Fire Department can easily identify Sessions Facility address.

New Knox boxes will be located adjacent to the main entrances or at locations approved by the National City Fire Department.

Section C.3: Describe all accident and incident reporting procedures.

As part of our Sessions’ commitment to the safety and security of our agents and visitors, Sessions has instituted accident and incident reporting procedures that reflect our team’s experience in operating legal cannabis businesses. Proper reporting procedures help to reduce future incidents by communicating effectively within our company, with local law enforcement agencies, and with the Department. Primarily, Sessions will facilitate reporting procedures by providing the National City Community Development Director and Chief of Police with the name, telephone number (both land line and mobile, if available) of a designated on-site agent or owner to whom emergency notice can be provided at any hour of the day.

If an accident or incident ever occurs at our Facility, employees are required to immediately report the incident to their direct supervisor as a condition of continued employment. The supervisor will then notify the Director of

² Cal. Code Regs. Tit 4 § 15047(c)



Security and Chief Operations Officer who will initiate investigation procedures, notify the appropriate emergency or law enforcement agency, and develop corrective measures.

Appropriate reports will be produced and filed for every occurrence of an accident or incident involving fire, medical emergency, or hazardous situations. Emergency and law enforcement agency contact information will be posted throughout the facility. To file proper reports, the Chief Executive Officer and/or the Director of Security must compile evidence from the incident. If video surveillance exists regarding the accident or incident, it will be downloaded from our secure video surveillance storage facility to a portable hard drive/thumb drive and submitted to local emergency or law enforcement officials.

Sessions will notify the Department and local law enforcement within twenty-four (24) hours of discovery of any of the following situations:

- Company discovers a significant discrepancy in its inventory;
- Company becomes aware of or has reason to suspect diversion, theft, loss, or any other criminal activity pertaining to the operations of the licensee;
- Company becomes aware of or has reason to suspect diversion, theft, loss, or any other criminal activity by an agent or employee of the licensee pertaining to the operations of the licensee;
- Company becomes aware of or has reason to suspect the loss or unauthorized alteration of records related to cannabis goods, customers, or the licensee's employees or agents; and
- Company becomes aware of or has reason to suspect any other breach of security.³

Sessions will notify the Department in writing and include the date and time of occurrence of the theft, loss, or criminal activity, the name of the local law enforcement agency that was notified, and a description of the incident including, where applicable, the item(s) that were taken or lost.⁴

All accident and incident reports from receipt of the initial report through post-incident review, will be documented by the Director of Security. The Director of Security will ensure all events are recorded, assembling these records in preparation and performance of the post-incident review, and ensuring all records are preserved for review. The following must be included, at a minimum, in the Post-Incident Report:

- A description of incident events with specific timelines.
- Employee(s) involved.
- Non-Employees involved.
- Impact on affected parties.
- Discussions, decisions, and assignments made.
- Successful and unsuccessful activities.
- Notifications required or recommended.
- Steps taken for containment and resolution.
- Recommendations for prevention and remediation (short-term and long-term).
- Identification of policy and procedure gaps.
- Results of post-incident review.

Additionally, Sessions by the Bay has developed a Safety Program Manual that includes detailed accident and incident reporting procedures. These procedures have been developed for the safety of Sessions by the Bay's staff, customers, patients, vendors and visitors. Incidents are considered any occurrence which could have resulted in an injury and accidents are considered any occurrence which resulted in an injury.

³ Cal. Code Regs. Tit 4 § 15036(a)(1-5).

⁴ Cal. Code Regs. Tit 4 § 15036 (b).



The plan provides the basic administrative structures and procedures necessary to safely direct staff during the following emergency situations:

- Emergency Evacuation
- Fire
- Bomb Threat
- Utilities Outage
- Plane Crash
- Medical Emergencies
- Earthquake
- Active Shooter
- Disturbance/Riot

This Emergency Procedures Plan is a tool which will be distributed to all employees. This plan shall be reviewed annually and, if warranted, updated accordingly by Management. Any recommended changes should be directed to Managers. Emergencies or situations may occur which require the notification of key personnel to control the flow of information. The Emergency Communications Plan is designed to provide guidelines on how to coordinate internal operations and notification procedures with public information requirements being met in the event of an emergency.

The goal is to provide a plan to notify all key personnel, as necessary, of incidents, circumstances, emergencies, etc., involving the building. Accurate, efficient notification will allow key decision makers to react accordingly as an emergency unfolds, and it allows them to organize all public information efforts, primarily via the news media. This plan focuses on internal and external notification of the following personnel:

PRIMARY:

- General Manager
- National City Police Department
- Sessions by the Bay Management
- Head of Security
- National City Fire Department
- Emergency Coordinator on Duty
- Safety Coordinators

SECONDARY (IF APPLICABLE):

- Staff, and Building Occupants
- News Media
- Public Agencies-Regulatory Agencies

The following are examples in no order of possible events that would constitute an emergency. This is not a comprehensive list but a guideline for the types of events that could trigger the emergency communications plan.

- Death or serious injury to any person on or around property
- Criminal activity on property
- Natural Disasters (earthquake, weather-related disasters, etc.)
- Major disruption of services (power, water, etc.)
- Fire
- Building personnel involved in illegal activities
- Labor unrest/demonstrations
- Major equipment malfunction (roof problems, air conditioner, etc.)

Following is an excerpt identifying incident notification procedures in the event of an emergency:

PROCEDURES:

In the event of an incident and/or emergency, the Emergency Coordinator on Duty shall be notified and will relay information to Management. Management will then choose who to contact on behalf of the company via the media throughout the duration of the incident and/or emergency. No other employee shall speak to the media without prior permission of Management. The General Manager will work with management to handle all information that goes through social media.



The accident reporting/investigation procedure includes the following requirements to be performed by staff:

Procedure for Injury or Illness on the Job

A. Owner or lead person immediately takes charge

1. Supervise and administer first aid as you wish (Good Samaritan Law applies).
2. Arrange for transportation (ambulance, helicopter, company vehicle, etc.), depending on the seriousness of the injury. Protect the injured person from further injury.
3. Notify owner or top management, if not already present.
4. Do not move anything unless necessary, pending investigation of the incident.
5. Accompany or take injured person(s) to doctor, hospital, home etc. (depending on the extent of injuries).
6. Take injured person to family doctor, if available.
7. Remain with the injured person until relieved by other authorized persons (manager, EMT, doctor, etc.).
8. When the injured person's immediately family is known, the owner or supervisor should properly notify family members, preferable in person, or have an appropriate person do so.

B. Documentation

1. Minor injuries – requiring doctor or outpatient care: After the emergency actions following an injury, an investigation of the incident will be conducted by the immediate supervisor and any witness to determine the causes. The findings must be documented on our investigation form.
2. Major injuries – fatality or multiple hospitalizations: Top management must see that the Department of Labor and Industries is notified as soon as possible, but at least within 8 hours of the incident. Call or contact in person the nearest office of the Department or call the OSHA toll free central number (1-800-321-6742). Top management will then assist the Department in the investigation.
3. The findings must be documented on our incident investigation report form and recorded on the OSHA 300 log, if applicable. (Sample incident investigation report form included in this document.)

C. Near Misses

1. All near-miss incidents (close calls) must be investigated.
2. Document the finding on the company incident investigation report form.
3. Review the findings at the monthly safety meetings or sooner if the situation warrants.



Accident investigations are to be performed in accordance with following protocol:

Basic Rules for Accident Investigation

- The purpose of an investigation is to find the cause of an incident and prevent future occurrences, not to fix blame. An unbiased approach is necessary to obtain objective findings.
- Visit the incident scene as soon as possible – while facts are fresh and before witnesses forget important details.
- If possible, interview the injured worker at the scene of the incident and “walk” him or her through a re-enactment. Be careful not to actually repeat the act that caused the injury.
- All interviews should be conducted as privately as possible. Interview witnesses one at a time. Talk with anyone who has knowledge of the incident, even if they did not actually witness the mishap.
- Consider taking the signed statements in cases where facts are unclear or there is an element of controversy.
- Graphically document details of the incident: area, tools, and equipment. Use sketches, diagrams, and photos as needed, and take measurements when appropriate.
- Focus on causes and hazards. Develop an analysis of what happened, how it happened, and how it could have been prevented. Determine what caused the incident itself (unsafe equipment/condition, unsafe act, etc.), not just the injury.
- How will you prevent such incidents in the future? Every investigation should include an action plan.
- If a third party or defective product contributed to the incident, save any evidence. It could be critical to the recovery of the claim costs.

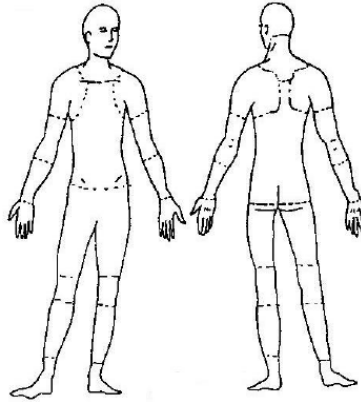


Incident investigations are to be documented in accordance with the following form included in the Safety Program Manual:

Incident Investigation Report Form

Instructions: Complete this form as soon as possible after an incident that results in serious injury or illness. (Optional: Use to investigate a minor injury or near miss that *could have resulted in a serious injury or illness.*)

This is a report of a: <input type="checkbox"/> Death <input type="checkbox"/> Lost Time <input type="checkbox"/> Dr. Visit Only <input type="checkbox"/> First Aid Only <input type="checkbox"/> Near Miss	
Date of incident:	This report is made by: <input type="checkbox"/> Employee <input type="checkbox"/> Supervisor <input type="checkbox"/> Team <input type="checkbox"/> Final Report

Step 1: Injured employee (complete this part for each injured employee)		
Name:	Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female	Age:
Department:	Job title at time of incident:	
Part of body affected: (shade all that apply)	Nature of injury: (most serious one)	This employee works:
	<input type="checkbox"/> Abrasion, scrapes <input type="checkbox"/> Amputation <input type="checkbox"/> Broken bone <input type="checkbox"/> Bruise <input type="checkbox"/> Burn (heat) <input type="checkbox"/> Burn (chemical) <input type="checkbox"/> Concussion (to the head) <input type="checkbox"/> Crushing injury <input type="checkbox"/> Cut, laceration, puncture <input type="checkbox"/> Hernia <input type="checkbox"/> Illness <input type="checkbox"/> Sprain, strain <input type="checkbox"/> Damage to a body system: <input type="checkbox"/> Other _____	<input type="checkbox"/> Regular full time <input type="checkbox"/> Regular part time <input type="checkbox"/> Seasonal <input type="checkbox"/> Temporary
		Months with this employer Months doing this job:
		(e.g.: nervous, respiratory, or circulatory systems)

Step 2: Describe the incident	
Exact location of the incident:	Exact time:
What part of employee's workday? <input type="checkbox"/> Entering or leaving work <input type="checkbox"/> Doing normal work activities <input type="checkbox"/> During meal period <input type="checkbox"/> During break <input type="checkbox"/> Working overtime <input type="checkbox"/> Other	
Names of witnesses (if any):	



Number of attachments:	Written witness statements:	Photographs:	Maps / drawings:
What personal protective equipment was being used (if any)?			
Describe, step- by-step the events that led up to the injury. Include names of any machines, parts, objects, tools, materials and other important details.			

Step 4: How can future incidents be prevented?

What changes do you suggest to prevent this injury/near miss from happening again?

- Stop this activity
 Guard the hazard
 Train the employee(s)
 Train the supervisor(s)
 Redesign task steps
 Redesign work station
 Write a new policy/rule
 Enforce existing policy
 Routinely inspect for the hazard
 Personal Protective Equipment
 Other: _____

What should be (or has been) done to carry out the suggestion(s) checked above?

Description continued on attached sheets:

Step 5: Who completed and reviewed this form? (Please Print)

Written by:	Title:
	Date:
	Title:
	Date:



Employees will utilize the following form to report and document all work related injuries, illness or “near miss events”, no matter how minor:

Employee’s Report of Injury Form

Instructions: Employees shall use this form to report all work related injuries, illnesses, or “near miss” events (which could have caused an injury or illness) – *no matter how minor*. This helps us to identify and correct hazards before they cause serious injuries. This form shall be completed by employees as soon as possible and given to a supervisor for further action.

I am reporting a work related: <input type="checkbox"/> Injury <input type="checkbox"/> Illness <input type="checkbox"/> Near miss	
Your Name:	
Job title:	
Supervisor:	
Have you told your supervisor about this injury/near miss? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of injury/near miss:	Time of injury/near miss:
Names of witnesses (if any):	
Where, exactly, did it happen?	
What were you doing at the time?	
Describe step by step what led up to the injury/near miss. (continue on the back if necessary):	
What could have been done to prevent this injury/near miss?	
What parts of your body were injured? If a near miss, how could you have been hurt?	
Did you see a doctor about this injury/illness? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, whom did you see?	Doctor’s phone number:
Date:	Time:
Has this part of your body been injured before? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, when?	Supervisor:
Your signature:	Date:

COVID-19

As Sessions, health and safety of our customers, employees and our community are of paramount importance. Sessions believes it is critical to take additional steps to prepare for, respond to, and mitigate the spread of COVID-19 to protect the health and welfare of the people of California. Sessions will implement appropriate mitigating measures to ensure, preserve, and promote public health and safety. Sessions will appropriately publicize these protocols through its website, social media platforms, and other channels of communication to ensure customers and the general public are aware of precautionary measures related to agent interactions with customers, as well as the safe handling and processing of plants and products. All Sessions officers, managers, and agents will be trained in proper sanitation and decontamination procedures during times of high disease prevalence or pandemic, such as the current COVID-19



outbreak. Subject to updates in scientific understanding and evolution of industry best practices, our disease response training includes:

- Remain at Home: Employees who feel ill are instructed to remain at home to protect the health of coworkers and others in the community. This policy also applies to all high-risk individuals such as people with cardiovascular or pulmonary conditions, diabetes, or the immunocompromised, whether symptoms are present or not. To support our team, we offer paid sick leave and time off benefits under the Family and Medical Leave Act of 1993, flex-time (an option that allows employees to make-up lost hours not covered under paid sick leave) and other programs tailored specifically to suit individuals in need of additional assistance.
- Avoid Contact: Our employees will be trained and encouraged to refrain from contact with people who are sick, and to report other employees, vendors, or visitors that they suspect are experiencing a contagious illness.
- Hand Washing: As one of the most critical defenses against contracting and spreading viruses and other illnesses, our employees will be trained and rigorously encouraged to wash their hands using proper medical technique. These instructions will be posted conspicuously in all facility restrooms, which will include well-stock supplies including soap, hand sanitizer, and paper towels.
- Refrain from Touching: We will direct our employees to refrain from touching their face, especially the eyes, nose, and mouth, with unclean hands. We will also encourage employees to temporarily avoid disease-spreading customs like handshaking and casual hugging or kissing.
- Protective Equipment During Declared Pandemics or National Emergencies: In some cases, we may require staff to wear protective clothing and equipment during viral and other outbreaks that are declared pandemic by the CDC, WHO, or other government health body. This protective gear includes long pants and shirts, sterile gloves, and, in rare cases, facemasks. Staff will be trained on the proper wear, use, and care of this equipment by our Sanitation Officer, who will operate under the direct guidance of our CCO.
- Cover Coughs and Sneezes: All employees will be trained and required to cover coughs and sneezes, and to refrain from using their hands to stifle or shield the microscopic droplets emitted from these actions. Employees will be required to cough or sneeze into the shirt sleeve of their upper arms, and to turn away from customers or other employees to do so. This refers only to coughing or sneezing not associated with viruses or other illnesses; if these actions are the symptoms of a contagious illness, employees will be required to go home.
- High-Traffic Surface Cleaning: In addition to the cleaning and sanitation protocols already called for in this plan, we will train our employees to regularly clean and disinfect frequently touched surfaces like doorknobs and handles, keyboards, light switches, buzzers, doorbells, or access buttons, and phones. We will always maintain a 3-month supply of disinfectant surface cleaning supplies in addition to hand disinfectants such as alcohol due to the fact such supplies may be unavailable for up to three months due to strong consumer demand in such a future pandemic
- Social Distancing: During declared pandemics, viral outbreaks, or other government order, we will implement a policy of social distancing as well as barring all large gatherings and meetings, alternating break schedules, and ensuring that lines or queues are always minimal.
- Masks: During declared pandemics, we will always follow the Center for Disease Control guidance in addition to local, state, and national governmental agencies. If masks are recommended or required for either staff or adult use consumers, we will use them as recommended.
- Online Orders: During declared pandemics, we will encourage or require (as advised by state and local governmental leaders) online ordering for easy customer pick up and to limit the time people need to be inside the facility. If approved by the Department via Notification and Request Form during a disaster, Sessions will offer curbside pickup for customers to limit foot traffic. Sessions always offers express services for our elderly and disabled customers who require additional assistance with their shopping experience.
- Staffing: We will hire additional staff from affected industries such as food service, where those employees will be out of work and very qualified to service adult use consumers. Additional staff will be needed due to employees who are sick, staying home due to high-risk health issues, increased buying demand from



consumers due to cannabis businesses now confirmed as “Essential Businesses” during the current pandemic.

Section C.4: Describe the waste management locations and procedures.

Sessions will manage all waste generated at the Facility in accordance with MAUCRSA and all other applicable laws, regulations, ordinances, and official guidance promulgated by the Department of Cannabis Control and the City of National City. Cannabis waste will be secured in a limited access area of the Premises that is inaccessible to the public. Any cannabis or cannabis products that are expired, damaged, contaminated, or non-viable in any way will be deemed cannabis waste and be immediately separated from other viable Sessions’ inventory and ultimately destroyed. Under no circumstances will Sessions sell cannabis waste. All cannabis waste will be disposed of in a secured waste receptacle in a limited access area of the Premises that is accessible only to authorized Sessions’ personnel, the waste hauler, law enforcement personnel, and regulatory authorities.

Non-Cannabis Waste Management Procedures

As experienced operators, Sessions is intimately familiar with the treatment, disposition, and management of non-cannabis waste present onsite. All non-cannabis waste will be disposed of in accordance with the rules set forth by the Department of Cannabis Control, City of National City, and all other applicable state and local laws, regulations, rules, and official guidance. Sessions’ non-cannabis waste disposal system will ensure the Facility remains sanitary, odor-free, and pest-free to prevent all sources of contamination to the Facility and mitigate the potential of creating a nuisance to the community. Non-cannabis waste will be kept in containers that are leak-proof, rodent-proof, and lined with plastic trash bags. All trash receptacles at the Facility will be emptied at least once per day and stored in a secured contained. Sessions will arrange for a waste hauler to remove non-cannabis waste from the storefront at least once per week.

Cannabis Waste Management Procedures

All cannabis products classified as waste will be tracked and traced, secured, and disposed of in accordance with the Public Resources Code and any other applicable state and local laws.⁵ All internal and external waste containers will be locked and secured under video surveillance that is capable of identifying the product’s location prior to entering the waste container. The face and physical description of the individuals disposing of the waste will also be detectable. The licensee shall maintain any cannabis waste in a secured waste receptacle or secured area on the licensed premises until the time of disposal.⁶ Cannabis waste intended for disposal will remain at the Facility until it can be hauled by a licensed waste hauler.⁷

Sessions’ cannabis waste procedures ensure the following:

- Access to cannabis waste will be restricted to authorized Sessions’ personnel or agents with prior approval granted by management.
- Storage of the cannabis waste allocated for disposal will be separate and distinct from other cannabis goods.
- Cannabis waste will be secured in a receptacle or area that is accessible only to authorized Sessions’ personnel, the waste hauler, law enforcement personnel, and regulatory authorities.⁸
- All cannabis waste activities leading up to disposal and transfer to the waste hauler will be entered into the track and trace system.

Security personnel will be expected to conduct daily checks of all waste containers to guarantee security and ensure proper locking mechanisms have not been compromised. If any suspicion of tampering arises, security personnel will

⁵ Cal. Code Regs. Tit 4 § 17223(a)

⁶ Cal. Code Regs. Tit 4 § 17223(c)

⁷ Cal. Code Regs. Tit 4 § 17223(d)

⁸ Cal. Code Regs. Tit 4 § 17223(d)



immediately report the suspicion to the security director who will immediately document the incident and notify state officials and the National City Police Department within twenty-four (24) hours of discovery.

Waste Handling and Security Measures

Cannabis waste management procedures will be initiated whenever any of the following scenarios occur:

- The discovery of cannabis packaging that has been tampered with, damaged, opened, or otherwise adulterated.
- A cannabis product has reached its expiration, “sell by”, or “buy by” date.
- A mechanical failure or other issue caused a change in cannabis product storage conditions that impacts product quality and integrity.
- A customer returns a cannabis product to the Facility pursuant to a recall or withdrawal event.
- A cannabis product is abandoned at the Facility.
- Any other unforeseen event requiring a cannabis product to be deemed waste.

Any cannabis product that could be deemed cannabis waste will be separated from viable cannabis products and placed in a designated storage container located in the vault. The storage container will be secured with a lockable lid and will contain an odor-eliminating trash bag liner. The trash bag liner will be opaque, waterproof, tamper-evident, and tear resistant. The vault will be in a secure, limited-access area under twenty-four (24)-hour video surveillance. Only authorized Sessions personnel and agents will have access to the storage container. Cannabis waste will remain in the storage container until it can be disposed of.

Sessions will adhere to strict disposal and destruction procedures documented in a Waste Management Plan when cannabis products must be destroyed. The Inventory Manager will be responsible for identifying, tracking, shredding, rendering, and ultimately disposing of cannabis waste, or supervising the process should more than one employee need to be involved. Retail Associates, Assistant Managers, and Department Managers will be cross trained in the destruction and disposal process in the event of an Inventory Manager’s absence. Cannabis disposal will always be conducted under full video surveillance. The Inventory Manager will be responsible for monitoring cannabis inventory in the Retail Area, and backstock inventory in the Vault to ensure no products have expired, or become unusable due to tampered packaging, or improper storage conditions, such as extreme humidity, temperature, extended duration, or light exposure. When tainted or unsaleable cannabis products are discovered, the Inventory Manager will immediately transfer the products to the storage container to ensure customers never receive products unfit for consumption. Cannabis waste will always be stored, managed, and disposed of in accordance with the Public Resources Code and any other applicable state and local laws.⁹

Waste Tracking

All cannabis waste and unusable products, including concentrates and cannabis-infused products, will be recorded and entered into the point-of-sale system, LeafLogix, and the state track and trace system, METRC, before rendering it unusable. All areas where cannabis is stored or handled will be under surveillance, ensuring this procedure will be performed in an area under continuous video recording. Once these cannabis products are approved for destruction and disposal, the Inventory Manager will access the track and trace system and record in the system within twenty-four (24) hours of occurrence.¹⁰ The following information will be recorded:

- The type of cannabis or cannabis products.
- The weight, volume, or count of the cannabis or cannabis products.
- The date of activity.
- The UID assigned to the cannabis or cannabis products.

⁹ Cal. Code Regs. Tit 4 § 17223(a)

¹⁰ Cal. Code Regs. Tit 4 § 15049(b)



- If cannabis or cannabis products are being destroyed or disposed of, the licensee shall record the following information in the notes section:
 - The name of the employee performing the destruction or disposal.
 - The reason for destruction or disposal.
 - The method of disposal.¹¹

The destruction and disposal record in the track and trace system will also include a description for any adjustments made to inventory levels, such as the spoilage or fouling, expiration, or a description of improper storage conditions or any other event that may have led a cannabis product to quarantine.¹² The Inventory Manager will review and verify the cannabis waste record's contents before the record is finalized in the track and trace system. Sessions will utilize digital scales to verify the weight of cannabis prior to destruction so entries into the track and trace system are accurate.

Waste Destruction and Disposal Location

Cannabis products stored in a locked storage container will be transported to a designated waste destruction area within the Receiving/Work Area by the Inventory Manager, and one other authorized employee or security personnel. The cannabis destruction procedure will be performed in the Receiving/Work Area under video surveillance under the supervision of the Inventory Manager. A minimum of two employees will wear gloves, and safety goggles or face masks to remove the contaminated cannabis from packaging. As employees separate the packaging from the cannabis waste, they will dispose of the packaging in the appropriate waste receptacle. Sessions will contract with Waste Management for weekly non-cannabis waste collection to ensure accrued non-cannabis waste and recyclable waste is disposed of at frequent intervals.

Cannabis waste will be stored in a locked receptacle until it can be transported by an authorized waste hauler.¹³ The Dispensary General Manager will coordinate cannabis waste pickup in advance of destruction events so it can be promptly disposed of. Waste pick up will be recorded on a Waste Disposal Log, which will be maintained physically and electronically for at least seven (7) years.¹⁴

Hazardous Waste

Based on Sessions' Facility activities which are limited to the sale of cannabis products to lawful registered patients and customers, hazardous waste is not anticipated to be generated at the facility. In the unlikely event hazardous waste is generated at any point during operations, Sessions will promptly seek the services of a hazardous waste hauler in the National City area to ensure compliant disposal of hazardous waste.

¹¹ Cal. Code Regs. Tit 4 § 15049 (c)(1-5)

¹² Cal. Code Regs. Tit 4 § 15049 (d)

¹³ Cal. Code Regs. Tit 4 § 17223(b)(2)

¹⁴ Cal. Code Regs. Tit 4 § 15037 (a)



SECTION D: SECURITY PLAN

Introduction

Sessions Ventures LLC d/b/a Sessions by the Bay (“Sessions”), with the assistance of security professionals, has developed the following Security Plan (the “Plan”) that is comprehensive, compliant, and ensures the safety and security of the Facility, customers, and employees. The Plan outlines the following:

1.	The security plan will be prepared by a professional security consultant. This can be done with in-house staff or a consultant, but it must clearly demonstrate that it meets the professional standards requested to receive the appropriate points for each criterion in this section.	Page 2
1a.	The plan should demonstrate how the cannabis business wishes to develop the floor plan and address other security issues on the property.	Pages 3-5
2.	Premises Diagram: In addition to the site plans submitted for the Proposed Location (in Section H of Appendix A), a separate Premises Diagram must be included in this Security Plan section (Section D) of the application. The diagram must meet the requirements of the Bureau of Cannabis Control CCR Title 16, Division 42, §5006 Premises Diagram.	Pages 32-40
2a.	The diagram will show the boundaries of the property and the proposed location to be licensed, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, and doorways, and will include a brief statement or description of the principal activity to be conducted therein.	Pages 32-35, 38-41
2b.	The diagram will show and identify commercial cannabis activities that will take place in each area of the premises and identify all limited-access areas	Pages 33-36
2c.	The diagram will show where all cameras are located and assign a number to each camera for identification purposes	Pages 35-36
2d.	The diagram should be accurate, dimensioned and to-scale (minimum scale of 1/4”)	Pages 32-36
2e.	If the proposed location consists of only a portion of a property, the diagram must be labeled indicating which part of the property will be used for the licensed premises and what activities will be used for the remaining property. Commercial Cannabis Business Application Procedure Guidelines/February 10, 2022.	Pages 32, 34
3.	Description of operational security, including but not limited to general security for access/visitor control, inventory control and cash handling procedures <ul style="list-style-type: none"> a. Operational Security Overview..... a. Access & Visitor Control..... a. Inventory Control..... a. Cash Handling Procedures..... 	Pages 3-5 Pages 10-15 Pages 15-18 Pages 25-26
4.	Description of perimeter security, on-site security guards, lighting, and parking <ul style="list-style-type: none"> a. Perimeter Security..... a. On-Site Security Guards..... a. Lighting..... a. Parking..... 	Pages 9-10 Pages 8-9 Pages 9-10 Page 15
5.	Identify transportation techniques and security procedures <ul style="list-style-type: none"> a. Unloading Transportation Vehicles..... a. Cash Transport..... a. Delivery Procedures..... 	Pages 8, 10, 17, 32 Page 26 Pages 27-32
6.	Description of employee training and general security policies <ul style="list-style-type: none"> a. Employee Security Training..... a. Emergency Response Training..... 	Pages 22-24 Pages 22-24



Professional Security Consultant Verification

DocuSign Envelope ID: 5EBB9B32-C7BB-4DD8-AEAF-4B00D2127211



April 1, 2022

City of National City
City Manager's Office
1243 National City Boulevard
National City, CA 91950

To Whom It May Concern:

Please allow this correspondence to confirm that Astronaut Security Technologies ("Astronaut") is the security consultant on record for the Commercial Cannabis Permit Application submitted by Sessions Ventures LLC, d/b/a Sessions by the Bay to operate at 700 Bay Marina Drive in National City. Astronaut is a leading boutique provider of managed security solutions with a laser focus on securing cannabis establishments, meeting compliance and operational goals, and integrating state-of-the-art security technology solutions. Astronaut has led the compliant development of security systems, installation, standard operating procedures, and remote monitoring of over 50 marijuana facilities across the nation, including publicly traded companies with operations spanning coast to coast.

Please be advised that Astronaut has worked collaboratively with Sessions by the Bay's management team to establish the enclosed Security Plan and Premises Diagrams (collectively, the "Plans"). The Security Plan was specifically designed to meet the requirements of the Department of Cannabis Control CCR Title 16, Division 42, Article 5 Security Measures and all associated state regulations, including:

- Description of operational security, including general security for access/visitor control, inventory control and cash handling procedures;
- Description of perimeter security, on-site security guards, lighting, and parking;
- Identification of transportation techniques and security procedures; and
- Description of employee training and general security policies.

The Premises Diagrams were specifically designed to meet the requirements of the Department of Cannabis Control CCR Title 16, Division 42, §5006 Premises Diagram and all associated state regulations, including:

- Security alarm systems and cameras that meet and exceed requirements for standard alarm systems;
- Fire alarm systems which will be submitted to the local fire department for approval;
- Camera systems that cover the required areas, maintain compliant storage and resolution capacities, and facilitate a secure premises; and
- An access control system to limit access to sensitive areas.

Should additional information be required, please don't hesitate to ask.

Sincerely,

DocuSigned by:

A red ink signature of Bradford Baker, written in a cursive style.

Bradford Baker, CISSP, CPP, PSP
President and Chief Executive Officer
Astronaut Security Technologies



Security Executive Summary

Sessions' first priority is the safety of the public and its employees. The company acknowledges that it has a serious responsibility, and like the City of National City ("City" or "National City"), a compelling interest in ensuring that cannabis is not distributed in an illicit manner, protecting the public health, safety and welfare of National City's residents and businesses, preserving the community, and providing safe access to cannabis to residents. The company's efforts to fulfill these responsibilities begin with security policies and protocols, safe dispensing, inventory access and control, strict record-keeping, incident response, comprehensive employee training and skilled security partners, which are addressed throughout this plan. Sessions' Security Plan, detailed below, will be provided to the Chief of Police for inspection or audit.

With an ownership team comprised of professionals from regulated industries including cannabis, gaming, and public safety, Sessions' security strategies and diversion prevention are rooted in years of operating compliant, safe, and incident free facilities and using state-of-the-art technology. Sessions' National City Commercial Cannabis Facility ("Facility" or "Premises") will have fully operational, professionally installed, maintained and monitored alarm and video surveillance systems that are able to operate for twenty-four (24) hours, even in the event of a power outage. Sessions' integrated electronic surveillance system will improve the safety and security of the surrounding neighborhoods. The National City Chief of Police or designee(s) will have access to all security systems, including remote monitoring of security cameras. Sessions will seek active feedback from local law enforcement as to how it can best implement its security measures in compliance with municipal safety priorities.

COMMITMENT TO COMPLIANCE

Sessions' Security Plan, proposed operations, and security policies and procedures are compliant with the following:

- The Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA").
- The California Department of Cannabis Control ("Department") regulations.
- The City of National City Municipal Code, inclusive of Ordinance No. 2021-2487, 5-4-2021.
- All other applicable state and local laws, regulations, ordinances, and other requirements.

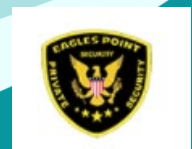
Sessions acknowledges that its Facility is subject to inspection to determine compliance with the rules above by representatives of the State of California (the "state" or "California") and representatives of National City Police Department and the City.

Security Policies Overview

Security is Session's first and principal consideration through the development of facility design, Standard Operating Procedure creation, and day-to-day evaluation of facility operations. The facility will be equipped with physical and technological features that minimize the risk of diversion, loss, or theft of cannabis goods. Sessions will implement security measures designed to prevent unauthorized entrance into the Facility and areas containing cannabis goods, and theft of cannabis goods from the Premises. Sessions will implement anti-diversion measures, including reinforcing a company-wide culture of responsibility and reporting. All managers will share in discrepancy-resolution and diversion-prevention responsibilities.

The entire building will be monitored and surrounded by state-of-the-art security cameras and alarm systems and will be constantly monitored by Sessions' employees, as well as security guards from a private patrol operator. Cameras and professionally monitored alarms will be installed in every room and every access point of the Facility. Outside of hours of operation, all cannabis goods and cash will be stored in a secure vault with motion sensors and other detectors designed to deter any criminal activity.

Sessions will have an active contract with a private patrol operator licensed by the California Department of Consumer Affairs or otherwise acceptable to the City. Sessions intends to contract with Eagle Point Security for its security guards ("Security Guards"). The private patrol operator will furnish twenty-four (24) hour security patrols and will furnish Security Guards. Onsite Security Guards will constantly monitor the parking areas, driveways and walkways, the retail area, the consumption lounge, the reception area, loading and unloading of transportation and delivery vehicles, and the



immediate vicinity. Eagles Point Security was rated one of the best security companies in Southern California for providing superior security services and customer services satisfaction. Eagles Point Security is a certified, licensed, insured and bonded security guard company.

No person will be allowed onto the retail portion of the Facility unless he/she is an employee, age-verified customer, vendor or contractor of Sessions, a primary caregiver, and/or a qualified patient or an employee of an agency having jurisdiction to monitor or investigate the terms of regulatory compliance.

Our security policies and measures will include, but not be limited to, the following:

- Operating hours will be limited to 9:00am through 9:00pm, seven days a week.¹
- Entrances into the Facility will be locked at all times with entry strictly controlled. A “buzz-in” electronic/mechanical entry system will be utilized to limit access and entry to the Dispensary Sales Floor and the consumption lounge to separate it from the reception and lobby area.
- Utilizing one door for patron access in the retail portion to simplify check-in and monitoring of consumer entry and exit. All other doors will be equipped with an automatic locking device and will be kept closed at all times when not in use by personnel. Incoming shipments, delivery drivers and vendors will enter through a separate dedicated entrance.
- Prohibiting anyone from remaining on Sessions’ Premises and within fifty feet (50’) of the Premises if they will not be engaging in activity expressly related to the operations of Sessions in which they are authorized to engage.²
- Establishing limited access areas and implementing procedures to ensure limited access areas will be accessible only to authorized personnel.³
- Limiting employee access to sensitive spaces within the Facility, such as areas containing surveillance recordings and secure product storage.
- Adequately illuminating the perimeter of the building in the evening with exterior lighting that is shielded and downward facing and utilizing perimeter security and lighting systems (including motion sensors) that remain on 24 hours a day, with remote monitoring by a security company licenses by the Bureau of Security and Investigative Services (“BSIS”).⁴
- Utilizing state-of-the-art alarm and video surveillance equipment with remote-monitoring capabilities, including perimeter, fire and panic buttons.⁵
- Exterior and interior camera systems capable of recording any activity on the Premises, including entry points to the property, within the building on the Premises, including all entrances, exits, perimeter windows, all areas where customers and employees may have access, the perimeter of the Premises and surrounding areas.
- Detailed security procedures for the securely storing of all cannabis goods, including use of a locked vault in a manner reasonably designed to prevent diversion, theft, and loss.
- Detailed transportation procedures for safely and securely transporting cannabis goods and currency.
- Security systems attached to backup battery system that immediately provides power for at least twenty-four (24) hours in the event of a power outage to ensure that locks are not released during a power outage.
- Private patrol operator licensed by Department of Consumer Affairs or otherwise acceptable to the Chief of Police with twenty-four (24) hour security patrols.

¹ NCMC, c. 9.60.250(g)

² NCMC, c. 9.60.230(m)(5), NCMC, c. 9.60.230(k)

³ NCMC, c. 9.60.230(m)(6)

⁴ NCMC, c. 9.60.230(m)(2-4)

⁵ NCMC, c. 9.60.230(m)(1)



- Prohibiting weapons and firearms on the Premises. This does not apply to public officials engaged in official duty.
- Storing all cash in secured vaults to prevent theft.
- Sessions will only serve customers within the licensed premises, or at a delivery address that meets the requirements of the National City regulations.⁶
- Taking reasonable measures to control patron conduct, where applicable, in order to prevent disturbances, vandalism, or crowd control problems inside or outside the Premises, traffic control problems, or obstruction of the operation of another business.
- Developing positive relationships with local law enforcement and security experts.

Through regular communication with the National City Police Department, Sessions may amend or increase our security measures to respond to any environmental factors that may impact the National City community or our Facility, employees and customers.

Director of Security and Security Liaison

Implementation of Sessions' security procedures and measures will be overseen internally by the Director of Security. The Director of Security will act as the security representative/liason to the city of National City and will be reasonably available to meet with the city manager or their designee regarding security related measures or operational issues. The Director of Security will maintain a copy of the current Security Plan on premises of the business, to present to the city manager or their designee upon request.⁷ Sessions will cooperate with the City of National City whenever the city manager or their designee makes a request, with or without prior notice, to inspect or audit the effectiveness of any security plan or of any other requirement.⁸

In addition to the Director of Security, Sessions will designate an Emergency Contact who can be contacted at any time of day to receive an emergency notice. This person's name, telephone number (both land line and mobile, if available) will be provided to the city manager or their designee.⁹

The Director of Security will work with Eagle Point Security to oversee all aspects of safety and security for Sessions. This role will also work to build relationships with local law enforcement and emergency response personnel to seek consultation on security systems and protocols and facilitate rapid response in the event of an emergency.

Security & Public Safety Experience

Having the Sycuan Native American Tribe ("Sycuan Tribe") hold a majority stake in Sessions allows the company to tap into their nearly 50 years of security & public safety experience. The Sycuan Tribe operates multiple public service departments within their reservation, including fire, police, and public safety and security.

FIRE DEPARTMENT

The Sycuan Fire Department was founded and established in 1974. Sycuan is a full-time "All Risk" Advanced Life Support fire department that responds to all types of fires, medical emergencies, technical rescues, hazardous materials and fire prevention code enforcement. Department members participate in a rigorous yearly training plan that covers the many types of emergencies encountered. All fire personnel meet or exceed California State Fire Marshal Certification requirements. Sycuan operates; a 75' Ladder Truck, a Type-I Structure Engine, a Type-III Wildland Engine, an Advanced Life Support (ALS) Ambulance, a Type-1 Water Tender and a reserve ALS Ambulance. The ambulance provides services to both the Reservation and the surrounding communities of Dehesa Valley, Harbison Canyon, Alpine and other communities serviced by Cal Fire and the Central Zone. Fire Department, Tribal PD and Casino Security Department have a joint safety plan which is reviewed and updated on an annual basis.

⁶ NCMC, c. 9.60.230(m)(24)

⁷ NCMC, c. 9.60.230(m)(19)

⁸ NCMC, c. 9.60.230(m)(21)

⁹ NCMC, c. 9.60.230(e)



GOLDEN EAGLES INTERAGENCY HOTSHOT CREW

The Golden Eagles Hotshots were established in 2000. Starting out as a type 2 hand crew, they were certified as an Interagency Hotshot Crew in 2005. Annually the crew is staffed by between 20-22 firefighters during the peak months (June-November) of the fire season, and 4 year-round permanent firefighters in the offseason. The Golden Eagle Hotshots are a nationally shared resource, stated and assigned through the National Interagency Fire Coordination Center. The primary mission of an Interagency Hotshot Crew is to provide a safe, professional, mobile and highly skilled hand crew for all phases of All Risk/Fire management incident operations. As of 2021 the crew responded to 16 wildfires with a total of 118 days committed to those incidents.

POLICE DEPARTMENT

The Sycuan Tribal Police Department has been delivering professional policing services to Sycuan's Reservation and Trust Lands for over 35 years. It is the only tribal Police Department in California to provide 100% of the Tribe's policing needs. Since its inception, there have been over 9,000 calls for service – 816 in 2021 alone.

Although the police department is a full-service law enforcement agency, the department enjoys strong collaborative relationships with its law enforcement partners in the region and leverages those partnerships in an effort to provide robust and seamless services to all of Sycuan's residents, visitors, and employees. The police department also assists its law enforcement partners off of the Reservation when requested to do so. All of Sycuan's police officers meet the minimum training requirements set forth by the California Commission of Peace Officer Standards and Training (POST). Further, they regularly attend required in-service training programs, including those that sharpen their perishable skills. All of Sycuan's police officers must also attend the BIA's Criminal Jurisdiction in Indian Country course prior to their designation as a "Special Deputy Officer."

Sycuan's police officers' jurisdiction is unique, investigating violations of tribal, state and federal law. The police department knows that crime doesn't recognize tribal land boundaries, thus making it important for the department to continue to work with its community and other public safety agency partners in a concerted effort to identify innovative ways to prevent crime and increase effective policing services. The Sycuan Police Department is proud of its partnerships with organizations, both on and off the reservation. Those collaborative partnerships have resulted in: the police department operating its radio communications on San Diego's Regional (interoperable) Communications System—allowing Sycuan's officers to communicate with other law enforcement agencies at the turn of a dial; access to local, regional, state and federal criminal justice databases and information systems—inputting its own crime data and information into all of the systems as well; and entering into a number of Memorandums of Understanding and multiple community-oriented policing projects. The Security Department has a comprehensive Safety & Security Plan, and additionally produces security plans for every event on the casino and resort property.

Security Personnel

Under the direction of the Director of Security, Sessions will hire or contract for the Facility's security personnel to provide twenty-four (24) hour security services for Sessions' Premises. Security personnel will be on-site twenty-four (24) hours a day (or alternative security as authorized by the city manager) and will have a verified response security patrol when closed.¹⁰ All security personnel hired or contracted for by Sessions will be properly licensed. Sessions will enter a contract with Eagle Point Security to furnish Security Guards to secure and protect the Facility as authorized by the National City Chief of Police or his or her designee(s). All contact information for the security company will be provided to the Chief of Police or his or her designee upon request. All security personnel must be at least twenty-one (21) years of age and in full compliance with Chapters 11.4 and 11.5 of Division 3 of the California Business and Professions Code. This includes the following:¹¹

- The private patrol operator will be appropriately licensed by the BSIS within the California Department of Consumer Affairs and will provide a verifiable copy of that license to Sessions before a contract for security services is signed.¹²

¹⁰ NCMC, c. 9.60.230(m)(12)

¹¹ Cal. Code Regs. tit 4 §15045(a)

¹² NCMC, c. 9.60.230(m)(12)



- The private patrol operator will be insured as required under California Business and Professions Code 7583.39 and 7583.40.
- The private patrol operator will meet the minimum qualifications and licensing requirements for a private patrol operator, and operate in compliance with Article 4, Chapter 11.5, Division 3 of the California Business and Professions Code and all other applicable state and local laws and regulations.
- All Security Guards will be employed and vetted by the private patrol operator.
- The private patrol operator is responsible for ensuring that all Security Guards who provide security services for Sessions are registered with the BSIS, complete mandatory training, and comply with all other requirements for security guards as described in Article 4, Chapter 11.5, Division 3 of the California Business and Professions Code and all other applicable state and local laws and regulations.

Security Guards will be primarily stationed at the main entrance to the licensed Premises for the purpose of verifying customer and visitor identification. Security Guards will rove on a set, coordinated schedule implemented by the Director of Security. Security Guards will also monitor the parking areas and immediate exterior of the Facility.

When unloading transportation vehicles with cannabis goods for retail sale, Security Guards will monitor the unloading activities. Security Guards will accompany Delivery Drivers to and from their delivery vehicles when carrying cannabis goods and cash so as to protect and monitor Sessions staff during loading and unloading activities.

Security Guards will be responsible for limiting access to the Licensed Premises and all limited access areas of the Premises, monitoring the surrounding property for security threats, monitoring electronic security systems, securing access points, providing immediate on-site response in the event of a security threat and ensuring patrons immediately leave the site and do not consume cannabis in the vicinity of the Facility, on the property or the parking areas. In the event that a Security Guard identifies any suspicious activity outside the Facility, law enforcement will be contacted immediately, and the Facility will be put on lockdown.



The Facility will maintain adequate staff to ensure the safety of staff, visitors and assist with discouraging theft, trespass, or other security concerns. Security Guards may be armed while on duty, and if so, will be properly authorized by the San Diego County Sheriff's Department and Chief of Police.¹³

Perimeter Security

Uniformed, licensed security personnel will be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.¹⁴ Security cameras will be installed to allow for the clear identification of any persons entering the Facility. Perimeter doors will have automatic door closing hardware and will automatically lock. All points of entry and exit to the licensed premises will have the appropriate commercial grade, non-residential hardware and locks installed and maintained.¹⁵ Unauthorized entry or exit will generate a local alarm sounder and report to the alarm company.

The Facility will have a single and plainly marked door for visitors, vendors, deliveries, and other non-retail customer use. The Facility will have a separate public entrance for customer use. All doors other than the customer entry will remain locked at all times. Staff will electronically or physically release the door locks to allow entry into the Facility by pressing a door release button or actually opening the door physically.

The Premises and its infrastructure will be continually maintained so that it is visually attractive and not dangerous to the health, safety and general welfare of employees, patrons, surrounding properties and the general public. The Premises will not be maintained in a manner that causes a public or private nuisance. No person will consume cannabis,

¹³ NCMC, c. 9.60.230(m)(12)

¹⁴ NCMC, c. 9.60.250(h)

¹⁵ Cal. Code Regs. tit 4 §15046



cannabis products, tobacco, or alcohol on the Premises.¹⁶ The only exception will be authorized cannabis consumption lounges of which tobacco and alcohol is still prohibited.¹⁷

Whenever the Facility is not open for customers, Sessions will ensure that the Premises will be securely locked with commercial-grade, non-residential door locks and will be equipped with an active alarm system. All cannabis goods will be stored in a locked and secure vault. Only authorized employees and contractors of Sessions will be allowed to enter the Premises after hours.

LIGHTING

Sessions will provide adequate interior and exterior lighting for safety and security. Exterior lights at all points of entry and exit will provide sufficient illumination to allow surveillance cameras to capture clear images in all lighting conditions. Lighting on the exterior perimeter of the Premises will deter suspicious activity and will be placed in a manner that ensures it does not negatively impact surveillance image quality when cameras are in night vision mode. The exterior of the Facility, including the parking areas and perimeter walkway, will be lit by commercial metal halide fixtures sufficient to facilitate surveillance. A minimum lighting level of one foot-candle will be provided at building entrances and in parking areas. All exterior lighting will be fully shielded, downward casting and not spill over onto structures, other properties, or the night sky. Exterior lighting on the Premises will be balanced to complement the security and surveillance systems to ensure all areas of the Premises are visible and will provide increased lighting at all entrances to the Premises. Exterior lighting will be automated by sensors to remain on from dusk to dawn.

All exterior lighting will be in compliance with local regulations relative to dark skies or other applicable laws. Exterior lighting will be set on a schedule to turn on at dusk and off at dawn. Interior lighting will be maintained to provide both a safe working environment and provide for enhanced security. A sufficient amount of lighting may be left on at all times in areas visible from the exterior to discourage intrusion and permit visibility from the exterior by local police or other patrols. Emergency exit lighting that is battery powered will be provided for all areas as well as exits.

PARTNERING WITH LAW ENFORCEMENT & PUBLIC SAFETY OFFICIALS

Before becoming operational, the Director of Security will reach out to the National City Police Department, Fire Department, City staff and state law enforcement to discuss matters of public safety associated with Sessions' operations and gain insight into recent security developments that may impact operations. These discussions may include coordination regarding alarm response, local criminal activity statistics, and patrol frequency. Sessions will continue to cultivate these relationships in an effort to establish open lines of communication, sharing of security-related information and resources, and to present an opportunity to educate local law enforcement about commercial cannabis operations generally. Sessions sees relationships with local law enforcement and public safety officials as great assets that will produce benefits, not only in terms of immediate security coverage and access to security expertise, but also in terms of furthering a culture of trust between enforcement agencies and lawful cannabis businesses.

INGRESS & EGRESS ACCESS

Sessions will have comprehensive access control procedures to deter and prevent unauthorized entrance into the Facility and its retail and limited access areas. Entrances into the Facility will be locked at all times with entry strictly controlled. Sessions' access control procedures will be compliant with the rules set forth by the Department and all applicable state and local laws, regulations, ordinances, and other requirements. Onsite Security Guards will constantly monitor the parking areas, the perimeter driveway and walkway, the retail area, the reception area and loading and unloading of transportation and delivery vehicles. Security Guards will control loitering and serve as a visual deterrent to unlawful activities. No loitering will be allowed within fifty feet of the premises. Security personnel will notify the National City Police Department if anyone continues to loiter after all reasonable action has been taken to remove the individual and the action has failed to do so in a timely manner.¹⁸ All security measures will be reasonably designed to prevent unauthorized entrance into areas containing cannabis goods and theft of cannabis goods from the Premises.

¹⁶ NCMC, c. 9.60.225

¹⁷ NCMC, c. 9.60.225

¹⁸ NCMC, c. 9.60.230(k)



All doors will be constructed of burglary resistant material, with commercial grade, non-residential locks. The building, including all walls, doors, and the roof, will include material strong enough to prevent unauthorized entry

Exterior doors and doors leading to limited access area entries will be automatic locking and equipped with electronic keycard access hardware. All entrance doors to every limited access area will remain locked and closed when not in use during regular business hours. Secondary entrances such as windows, roofs or ventilation systems will be physically secured to prevent unauthorized entry. Sessions will ensure that trees, bushes and other foliage outside of the Premises do not allow people to conceal themselves from sight. The surveillance system's cameras will be capable of identifying persons, license plates, vehicles, the immediate surrounding areas, and any activities occurring within the Premises and within twenty feet of all entry and exit points of the Premises.

WINDOWS

Windows and roof hatches will be secured from the inside with effective means so as to prevent unauthorized entry and will be equipped with latches or a similar mechanism that may be released quickly from the inside to allow exit in the event of an emergency. Shock sensors and motion detectors may also be installed on the windows. Unlike glass-break sensors, shock sensors provide a quicker response in the event a window is not broken on the first strike. In the event of a window strike, an alarm will be set off. If any window or door will utilize security bars, they will be installed on the interior of the building.

SIGNAGE AND NOTICES

All areas will be clearly marked with proper signage that conforms to the requirements of the National City Municipal Code. A city sign permit will be acquired for all signage requiring one.¹⁹ No sign will obstruct any entrance or exit to the building or window.²⁰

Signage will be limited to that needed for identification only and will not contain any logos or information that identifies, advertises, or lists the services or the products offered. No graphics depicting cannabis products will be visible from the exterior of the property.²¹ No sign will depict any image of cannabis or cannabis products.²² There will be no banners, flags, billboards or other prohibited signs.²³ No person will hold a sign on the Premises or in the public right-of-way to advertise to passersby.²⁴ Sessions will not advertise its business in the city of National City utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising anywhere in the state.²⁵

Sessions will post the following notice on the entrance of the Facility: "ENTRY ONTO THESE PREMISES BY PERSONS UNDER 21 YEARS OF AGE IS PROHIBITED BY LAW. VALID PHOTO ID REQUIRED."²⁶ Each letter of such notice will be at least two inches (2") high and clearly visible.

Internal Security Measures for Restricted Access Areas

The entire building and interior Premises will be monitored by security cameras and alarm systems. Sessions will provide adequate interior and exterior lighting and motion sensor detection systems for after-hours security. Sessions will utilize a comprehensive access control system and corresponding procedures to deter and prevent unauthorized entrance into the Facility and its limited access areas. Strategic facility design involves the use of commercial-grade, non-residential doors and locks²⁷, an alarm system and the use of surveillance equipment to monitor and prevent unauthorized access. Sessions' access control system and procedures will be compliant with all applicable state and local requirements. Sessions will have comprehensive access control procedures to deter and prevent unauthorized entrance into the Facility and its limited access areas.

Sessions' access control equipment will consist of the following, at a minimum:

¹⁹ NCMC, c. 9.60.230(f)(1)

²⁰ NCMC, c. 9.60.230(f)(2)

²¹ NCMC, c. 9.60.230(b)

²² NCMC, c. 9.60.230(f)(5)

²³ NCMC, c. 9.60.230(f)(5)

²⁴ NCMC, c. 9.60.230(f)(4)

²⁵ NCMC, c. 9.60.230(f)(6)

²⁶ NCMC, c. 9.60.230(g)(3)

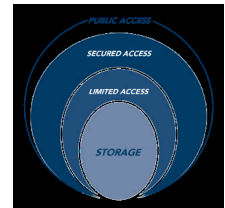
²⁷ Cal. Code Regs. tit 4 §15046



- Electric strike locks on all doors in the Facility with the ability to override access control for emergency exit even during a power outage.
- Electronic keycard access control devices for all doors entering or exiting a limited access area and all exterior entrances and exits into the Facility.
- Access control system that allows for programming or uploading individual user permissions and allowed entry times, as well as operations-specific information including employee photos, and monitors and records the identification of employees or visitors entering and exiting, the date and time of entry and exit, the length of time in specific area, and any unauthorized attempts for access.
- The access control system will keep a record of all individuals who are not employees who are granted access to the limited access area. This record will be made available to the Department and National City Chief of Police upon request, and will include, at a minimum the name of the individual, the company the individual works for, the reason the individual entered the limited-access area, the date and times the individual entered and exited the limited-access area,²⁸ and which employee accompanied the visitor into the limited-access area.
- A backup battery system that immediately provides power for at least twenty-four (24) hours in the event of a power outage.

LIMITED ACCESS AREAS

Limited access areas will be separate, designated areas that will be secured with strict security measures and locked at all times with non-residential, commercial-grade electronic access locks and accessible only to authorized Facility personnel²⁹. Each limited access area will be monitored at all times via surveillance cameras. Limited access areas will only be accessible by Sessions employees, authorized representatives of the Department and other government officials, the City, and other authorized individuals who are conducting business that require access to the limited access area, which may include outside vendors or contractors.³⁰ Unauthorized individuals will not be permitted to enter limited access areas at any time for any reason.³¹ Individuals who enter a limited-access area that is not employed by Sessions will be escorted by an employee of Sessions at all times while within the limited-access area.³² Sessions will not receive consideration or compensation for permitting an individual to enter Sessions' limited access area.³³



Limited access areas, at a minimum, will include the secured Cannabis Goods Storage Vault, the Security Room, and employee only accessible areas including the Open Office and Break Area and Delivery Order Preparation Area.

RETAIL SALES & CONSUMPTION LOUNGE AREA

The Dispensary Sales Floor and Consumption Lounge area is an area open to the public where cannabis goods are displayed for retail sale, retail sales are conducted, and, in the Consumption Lounge, where items are consumed.³⁴ This area will only be accessible to Sessions employees, age-verified patrons and patients, and other authorized individuals with a bona fide reason to enter the Premises.

Consumers will only be granted access to the Dispensary Sales Floor and Consumption Lounge area after a Sessions staff member has identified the individual as being over a valid age to enter the Facility with evidence by virtue of valid government issued identification card. The Department specifies the forms of identification that are acceptable proof of age. No doctor recommendation will be obtained or provided at the Facility.³⁵ Acceptable proof of identification includes a document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to a valid motor vehicle operator's license that contains the name, date of birth, physical description, and picture of the person; a valid identification card issued to a member of

²⁸ Cal. Code Regs. tit 4 §15042(e)

²⁹ Cal. Code Regs. tit 4 §15046

³⁰ NCMC, c. 9.60.250(e), Cal. Code Regs. tit 4 §15042(c)

³¹ Cal. Code Regs. tit 4 §15042(b)

³² Cal. Code Regs. tit 4 §15042(d)

³³ Cal. Code Regs. tit 4 §15042(f)

³⁴ Cal. Code Regs. tit 4 §15000(kkk)

³⁵ NCMC, c. 9.60.250(a)(3)

the Armed Forces that includes a date of birth and a picture of the person; or a valid passport issued by the United States or a foreign government. Any valid proof of identification provided must clearly indicate the age or birthdate of the individual and display an unobstructed photo of the individual seeking access.

Sessions will utilize visual inspection technique as well as an electronic identification scanner to verify the proof of age of every person seeking to purchase cannabis goods. All employees will be trained on proper visual inspection technique and the use of electronic identification verification equipment. The electronic identification verification scanner is a device capable of quickly and reliably confirming the validity of certain types of identification cards. If the scanner becomes inoperable, the equipment will be replaced within seven days. Sessions will utilize the Panasonic FZ-N1 mobile scanner for security personnel stationed at the entrance, and the Gemalto AT900 desktop Verification Scanner at the Reception desk to supplement consumer screening and validation processes. This type of scanner is equipped with a magnetic stripe scanner, barcode scanner, as well as a 1D and 2D scanner of government issued driver's licenses and identification cards for compatibility with all states. This type of technology can easily spot a fake or expired ID. A Sessions employee can verify the validity of identification provided by swiping an identification card through the scanner (like a credit card processor), after which the screen will quickly display the person's age, date of birth, and expiration date.

Sessions' required age verification process cannot be completed with *only* the use of an electronic identification scanner verifying proof of age. Physical inspection of identification is always required to confirm accuracy and judge the authenticity of the identification presented. Sessions employees are required to take physical control of the identification and require removal from wallets or covers for inspection, if applicable. Some forms of identification are not compatible for verification by certain electronic identification scanners. Furthermore, electronic identification scanners do not reject legal identification being used by another individual nor are they 100% error proof at rejecting false identification. Verification scanners are required to be used as a supplement to a Sessions employee's thorough visual inspection of the identification provided and an analysis as to whether the photo identification provided matches the individual seeking to purchase cannabis goods.

Primary caregivers will be required to provide written documentation containing the signatures and the printed name of the medical cannabis patient designating the individual as a primary caregiver for a medical cannabis patient.

The sale of cannabis will never occur through a pass-through window or a slide-out tray to the exterior of the premises.³⁶ Sessions will not operate as a drive-in or drive-through at which cannabis is sold to persons within or about a motor vehicle, nor will any cannabis goods be sold or delivered by any means or method to any person within a motor vehicle.³⁷

Individuals not engaging in activity that is expressly related to the operations of Sessions' Facility will not be permitted to remain on the Premises or within fifty feet of the premises. After a consumer purchases his or her cannabis goods, the consumer will be required to immediately leave the Premises. If a person refuses to leave after a request, the employee responsible for identification screening and verification will notify on-duty security personnel and, if appropriate, local law enforcement for assistance. There will be at least one employee present in the retail area at all times when individuals who are not employees are present in the retail area.

Sessions will comply with all packaging and labeling guidelines as set forth in California statute and regulation. All cannabis goods sold will be in child-resistant packaging.³⁸

PUBLIC ACCESS AREAS

Public access areas include the Reception and lobby area, where consumers and patients will be checked in by Sessions staff to ensure they are of the proper age and have the proper documentation to enter Sessions' Dispensary Sales Floor and consumption lounge. Although not part of the licensed premises, the Social Equity Resource Center is considered a public access area which is open to the public. Public access areas also include areas surrounding the Facility where the public may gain access, which includes the parking lot and walkways immediately outside the Facility. The parking areas and immediate vicinity surrounding the Facility will be monitored by twenty-four (24) hour security patrols. Public access areas will be monitored at all times via security cameras. No unauthorized persons will be allowed

³⁶ NCMC, c. 9.60.230(m)(24)(1)

³⁷ NCMC, c. 9.60.230(m)(24)(2-3)

³⁸ NCMC, c. 9.60.230(m)(24)(4)



past a public access area. A Security Guard will be placed at the entrance where the public may gain access and will also patrol areas surrounding the Facility.

Parking

The Sessions parking lot is immediately adjacent to the building and contains over 160 parking spaces for customer parking. Onsite Security Guards will constantly monitor the parking areas, driveways and walkways. The parking areas and perimeter walkway will be lit by commercial metal halide fixtures sufficient to facilitate surveillance. A minimum lighting level of one foot-candle will be provided at building entrances and in parking areas. All cameras and the recording system will be of adequate, state-of-the-art quality, color rendition and resolution that allows for the ready identification of all vehicles and capturing of license plates entering and exiting the parking areas adjacent to the Premises. Interior and exterior cameras capable of recording areas under all lighting conditions, will monitor the Facility's parking areas, walkway, and all immediately surrounding areas. No consumption of cannabis will be allowed in the parking area.

Product Safety & Security (At All Hours)

Sessions will develop and implement procedures that ensure product safety and security and will be compliant with the rules set forth by the Department and all applicable state and local laws, regulations, ordinances, and other requirements. Vault doors will be equipped with a contact switch and vault alarm devices will include motion detectors, vibration sensors, and a seismic detection system within the safe. Upon attempted unauthorized entry the vault's alarm system will transmit an alarm directly to an alarm monitoring service provider.

Product safety and security procedures will include, at a minimum, measures that minimize the risk of diversion or theft of cannabis goods and ensure proper storage conditions that maintain the quality and purity of Sessions' cannabis goods.

PRODUCT STORAGE CONDITIONS & SECURITY MEASURES

Sessions will store all cannabis inventory at the Facility in accordance with Sessions' security measures.³⁹ All cannabis inventory, except for daily demand amounts of cannabis used for display purposes, samples, or immediate sale, will be stored within a secured and locked vault⁴⁰ and tracked in the mandated statewide track and trace system, METRC, and the inventory tracking system, Leaf Logix, to be approved by the City of National City. No cannabis or cannabis products will be stored outside the Facility.

Access to the storage room will be limited to the minimum number of authorized personnel for efficient operations. Secure storage room will be time-controlled, meaning access will only be granted during regular business and acceptance of shipment hours, except when manual override is necessary to provide access in the case of an after-hours emergency. Motion sensors and vibration detectors will deter any criminal activity.

The secure storage vault will be designed for security and ease of maintenance. The secure storage vault will be kept dry, well-lit, well-ventilated, and maintained in a clean and orderly condition. The General Manager will maintain the appropriate lighting and temperature. The secure storage vault will have temperature-control features to avoid extreme temperature fluctuations and appropriate odor-control features to help ensure that cannabis identity, strength, quality and purity will not be adversely affected. Temperature will be maintained with a low relative humidity. These proper storage environments will ensure product storage does not lead to product contamination or loss of quality.

Storage policies and procedures will include, at a minimum:

- Limit access of personnel within the Premises to those areas necessary to complete job duties and to those time-frames specifically scheduled for completion of job duties.
- Minimize the risk of diversion or theft of cannabis by supervising tasks or processes with high potential for diversion such as the receiving of cannabis goods.
- Providing designated areas in which personnel may store and access personal items (e.g., lockers within the employee common area).

³⁹ NCMC, c. 9.60.230(m)(20)

⁴⁰ NCMC, c. 9.60.250(e), NCMC, c. 9.60.230(m)(7)



- Ensure proper storage conditions that maintain the quality and purity of Sessions’ cannabis products.

SECURE STORAGE VAULT

The secure storage vault is dedicated to storing retail products, including cannabis goods and cash.⁴¹ The vault will be constructed of reinforced stud walls, 3-5/8-inch metal studs, and 9-gauge metal mesh to prevent unwanted intrusion and will be equipped with an alarm system, which upon attempted unauthorized entry will transmit an alarm directly to an alarm monitoring service provider. The secure storage vault will be monitored perpetually by cameras, have adequate lighting control, and access will be electronically recorded. Electrical systems in the vaults will have emergency backup power.

Prevention of Diversion

Upon approval by the Chief of Police, Sessions proposes to utilize a comprehensive inventory tracking system, Leaf Logix, to keep record of all cannabis goods received, sold and delivered. Leaf Logix integrates with the state-mandated track and trace system, METRC, so both inventory tracking systems can track and report on all aspects of the business including but not limited to, cannabis tracking, inventory data, gross sales (by weight and by sale) and other information deemed necessary by the City. Sessions’ inventory tracking system will be compatible with the City’s record keeping systems and is capable of producing historical transactional data for review. The system will also produce historical transactional data for review. Sessions will document and record, at minimum, the following information:

- Purchase order number.
- Shipping Manifest.
- Date and time of acquisition.
- Description of the cannabis and cannabis products acquired, including the amount, strain, and batch number.
- Name and registration/license number of licensed distributors.
- Name of licensed distributor’s employee distributing cannabis and cannabis products to Sessions.
- Name and employee identification number of Sessions employee receiving the cannabis and cannabis products.
- Copies of purchase order, employees’ identification card, and other supporting documentation.

Sessions will notify the city manager or their designee within twenty-four (24) hours of discovering any diversion, theft, loss, or any criminal activity involving the business or any agent or employee of the business.⁴²

SHIPPING MANIFESTS

Sessions will not accept any shipment of cannabis goods without receiving a copy of a *Shipping Manifest* from a licensed distributor conducting the shipment. Upon receiving shipments of inventory from licensed distributors to Sessions’ Facility, all cannabis goods package counts, labeling and actual weights will be reconciled before accepting the cannabis goods. Sessions will verify that the cannabis goods being taken into possession are as described and accurately reflected in the *Shipping Manifest*. Sessions may verify the cannabis goods are accurately reflected in the *Shipping Manifest* by confirming the number of boxes of cannabis goods, type of cannabis goods and/or weight or units of cannabis goods. Sessions will not take into its possession any cannabis products that are not on the *Shipping Manifest* or any cannabis goods that are less than or greater than the amount reflected on the *Shipping Manifest*. Any discrepancy in weight or package count will be identified and reported immediately.

Upon receipt of cannabis goods for inventory, Sessions will ensure the cannabis goods received are as described in the *Shipping Manifest* and will record acceptance and acknowledgment of the cannabis goods in the track and trace system. If there are any discrepancies between the type or quantity specified in the *Shipping Manifest* and the type or quantity received, Sessions will record and document the discrepancy in the track and trace system and in any relevant

⁴¹ NCMC, c. 9.60.230(m)(20)

⁴² NCMC, c. 9.60.230(m)(22)(b)



business record. Upon receipt of the transported shipment, Sessions will submit a record verifying receipt of and details regarding the shipment to the Department. Sessions will maintain all *Shipping Manifests* for a minimum of seven years and make them available to the Department, the City and any law enforcement or other applicable governmental agencies upon request.

SALES INVOICES

Every sale or transport of cannabis or cannabis products will be recorded on a sales invoice or receipt. Sales invoices and receipts may be maintained electronically and will be filed in such manner as to be readily accessible for examination by employees of the Department or California Department of Tax and Fee Administration and will not be commingled with invoices covering other commodities.

SUPERVISED USE OF INVENTORY TRACKING SYSTEMS

To prevent diversion and to ensure compliant inventory control, only authorized employees that have been trained on the proper and lawful use of the inventory tracking program will be granted access credentials. Employees will undergo training to become METRC certified as part of their new hire training. Employees will use their own credentials to log into the inventory management systems, and every authorized user will enter data into the inventory management systems in a manner that fully and transparently accounts for all inventory management activities conducted at the Facility.

Sessions will track all employees' actions while they are connected to the inventory tracking system. A forensic report will show a log of the time, date, and action of a specific individual as it pertains to inventory items. Every tracking system user will be trained to ensure that every action completed while he or she is connected to the inventory management systems or is performing other inventory management activities involving cannabis is compliant with the rules set forth by the Department and all applicable state and local laws, regulations, ordinances, and other requirements.

Sessions employees understand that inventory management systems access is a revocable privilege and will acknowledge, as a condition of employment and systems access, that he or she will be responsible for ensuring the accuracy of all information entered into the system on behalf of Sessions. Sessions and its representatives further understand that any inaccuracies or omissions may be considered a violation by the State, and as such, any employee caught entering inaccurate information or intentionally omitting information during inventory tracking will be subject to disciplinary action, including if appropriate, termination of employment or account access credentials.

INVENTORY COUNTS & RECONCILIATION

In order to ensure the security and accurate tracking of Sessions' cannabis inventory, management will perform frequent inventory counts and reconciliations. Accounting software will be utilized to provide audit trails of both product and cash. Counts and reconciliations will be performed to verify that physical inventory matches Sessions' records pertaining to inventory, and the results will be documented and retained in Sessions' Facility records. If Sessions finds a discrepancy between the physical inventory and the statewide monitoring system or inventory records, Sessions will commence an internal audit. Sessions will notify the Chief of Police or his or her designee(s) within twenty-four (24) hours if there is a significant discrepancy in inventory.⁴³

The Sessions manager performing the audit will:

- Review any discrepancies and document any adjustments made in the internal inventory tracking system and/or statewide monitoring system, as appropriate or required; and
- Report any discrepancies identified during inventory audits to the City Chief of Police or his or her designee(s), the Department and appropriate law enforcement authorities, if appropriate or required by Department or City regulation.

The performance of audits and inventory counts ensures the quick identification, investigation and resolution of discrepancies and errors that may occur. All inventory audits and reconciliations will be recorded in the inventory tracking system and reconciled with existing inventory records.

⁴³ NCMC, c. 9.60.230(m)(22)(a)



In addition, the Inventory Manager will perform a periodic review of system administrators and responsible personnel to prevent diversion opportunities. Any inventory discrepancies discovered by any employee must be reported immediately. Management will monitor inventory on a daily basis and the General Manager must approve the reconciliation entry of any inventory discrepancy.

All personnel will be required to comply with Sessions' security and inventory policies and procedures as a condition of employment. Such policies and procedures will be reviewed and updated as frequently as necessary to ensure Sessions' inventory control and diversion prevention practices are effective and continue to be conducted in full compliance with applicable state and local laws, regulations, ordinances and other requirements.

Employee Specific Policies and Training

Sessions' employees are integral in maintaining the security of the Facility as well. The Director of Security will be responsible for ensuring all employees follow policies and procedures regarding the Sessions Retail Facility's security and will implement employee security trainings. All employees aid in the security of Sessions' Retail Facility through prevention, awareness, reporting, and responsible incident management.

EMPLOYEE SECURITY POLICIES

As part of the Company's robust security policies and procedures, all employees will:

- Park in well-lit areas.
- Enter the Facility and disarm the alarm system(s) via the designated door(s).
- Arm the alarm system(s) and exit via the designated door(s) upon exit.
- Receive training on how to use Robbery / Duress Alarm Buttons. These buttons may be fixed or wireless.
- Receive training on common situations such as robbery, verbal or physical aggression and other situations.
- Report any breaches or suspected breaches of security.
- Report any incident or suspected incidents of diversion.

EMPLOYEE SCREENING

To establish a secure Facility, we will think critically about internal threats and implement thoughtful employee screening processes to ensure only suitable Sessions applicants are offered employment. In order to minimize insider security threat, Sessions will screen potential employees for signs of potential security risk or unsavory intentions. We will comprehensively investigate the employment and criminal history of all potential hires, maintain high standards for eligibility, and disqualify potential candidates who demonstrate deficiencies in morality, ethics, or character. All employees of Sessions will be twenty-one (21) years of age or older.

All proposed managers and employees will under-go an appropriate and thorough background check. Convictions (including pleas of nolo contendere) for the following offenses will be considered disqualifying:

- A felony offense listed in California Penal Code Section 667.5.
- A felony offense listed in California Penal Code Sections 1197.2(c) or Section 1192.8.
- A felony conviction involving fraud or deceit, including but not limited to fraud, forgery, theft or embezzlement.
- A felony offense involving illegal use, possession, transportation, distribution or similar activities related to controlled substances, which the conviction occurred after the passage of the Compassionate Use Act of 1996, unless the individual has received a Certificate of Rehabilitation pursuant to Section 4852.01 of the Penal Code or the conviction was subsequently dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the California Penal Code or any other provision of state law allowing for dismissal of a conviction.



- A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.
- A felony or misdemeanor offense involving the sale or giving to a minor of cannabis, alcohol, or tobacco.

Sessions will not hire operators with criminal convictions that substantially relate to the qualifications, functions or duties of their business or profession, including a felony conviction involving fraud, deceit, or embezzlement, a criminal conviction for the sale or provision of illegal controlled substances to a minor, or any criminal conviction for a crime of moral turpitude.

Additional standards and controls will be implemented to protect Sessions from insider threat after onboarding through termination. A thorough and rigorous hiring and human resources management process will aid in the secure and lawful operation of the Sessions Facility. To this end, the company will:

- Establish hiring criteria per position.
- Establish disqualifying items for potential candidates, including a criminal record or revocation of a professional license.
- Have all owners, managers, supervisors, employees, and in some cases volunteers, submit to internal, local, and state background checks.
- Require personnel to inform the Human Resources Manager immediately following any arrest or conviction.
- Perform due diligence on all vendors and contractors prior to establishing a relationship.
- Develop Minimum Internal Controls (MIC) to reduce threats, exposure, and risk.
- Review surveillance video, audio, access control event reports, and personnel access to sensitive spaces; and
- Maintain and improve termination procedures to ensure terminated employees' credentials, resources, and access to facilities and records are appropriately removed and therefore pose no substantial security risk.

EMPLOYEE ACCESS CONTROL SECURITY POLICIES

When entering the Facility, the Dispensary Sales Floor, Consumption Lounge, or any of the limited access areas, Sessions' employees will open the entrance door using their credentials or keycard. Sessions employees will only be permitted in areas where they have specific tasks assigned and permissions have been granted. Employees' permissions will include limiting entry to specific location(s) at specific time(s), based on the individual's role, the relationship of the specific task needing to be performed weighed by the need to access the specific area of the Facility, and other factors determined by management. Sessions will have a clear schedule of who should be in what room, at what time. The Director of Security will oversee the visual and electronic monitoring of the schedule. At all times, including while conducting deliveries, employees will be required to wear their Sessions-issued identification badge.



Sessions-Issued Identification Badge



All agents, officers, or other persons acting for or employed by Sessions will display, at all times while conducting commercial cannabis activity, a laminated identification badge issued by Sessions in a visible, unobstructed manner, above the waist with his or her identification photo visible. Employees will be prohibited from altering, concealing, damaging, or defacing their identification badges in any way. A Sessions-Issued Identification Badge will clearly contain, at a minimum: Sessions’ “doing business as” name and license number; the employee’s first name; the employee’s number assigned to that employee by Sessions for identification purposes, and a color photograph of the employee that shows the full front of the employee’s face and that will be at least one inch (1”) by one and a half inches (1½”) in size.⁴⁴

If an employee loses a credential, they will be required to report the loss to their designated manager immediately, who will then report the loss to the Director of Security. The Director of Security will determine whether the system has been compromised and whether to re-key, re-core, or re-code. Duplication of keys will be strictly prohibited.

Assigning Access Permissions and Sessions Credentials

The Director of Security will oversee the management of the keying and coding systems, the assigning and documenting of access permissions, and distributing the necessary credentials. Access permissions will be assigned based on each employee’s role with Sessions, as indicated by their job description, to access the areas in which they will be regularly assigned duties. Only the minimum number of essential employees for efficient operations will be given access to limited access areas.

All Sessions credentials—keys, keycards, PINs, and alarm codes—will be issued on a permanent basis and will be required to be retained in the possession of the employee to whom it was issued. Credentials may not be transferred directly from one employee to another. All credentials will be documented and tracked in the *Employee Access Control Log* with the following information:

- Date issued.
- Time issued.
- Employee name.
- Employee identification badge number.
- Employee photo.
- Term of issuance, if applicable.
- Access credential(s) issued.
- Areas granted permission and time frame for access.
- Employee and Director of Security’s signatures.

Sessions credentials may not be loaned and should not be left unattended. Only in an emergency may a credential be issued by a relevant supervisor. When a credential will be issued under these circumstances, the supervisor will notify the Director of Security as soon as possible.

When employment with Sessions has been terminated, all credentials will be returned and documented by the General Manager. If applicable, the Director of Security will cancel the alarm codes.

⁴⁴ Cal. Code Regs. tit 4 §15043



EMPLOYEE SECURITY TRAINING

All Sessions personnel will receive procedure specific training in accordance with internal staffing and training policies and procedures. The General Manager and Director of Security, in coordination with Director of Human Resources, are responsible for safety and security trainings, as well as ongoing safety and security training and correction of non-compliance in daily operations. All employees will receive training on emergency procedures, safety protocols, and security operations. Employees and agents are required to report any suspicious activity or security concerns to their supervisor or the Director of Security immediately as a condition of employment.

The Director of Security will ensure employees receive ongoing security training in daily operations. All employees will receive, at a minimum, the following security training on: state laws and agency rules regulating the use and sale of cannabis; state and local laws, regulations, and ordinances regarding the security of the Facility; proper use of security measures and controls adopted by Sessions for the prevention of diversion, theft, or loss of cannabis; entry protocol and identification verification procedure; employee and visitor access protocol, monitoring, documentation, and supervision procedures; proper use of panic buttons; strategies for preventing diversion; procedures for reporting of security breaches and incidents of non-compliance; procedures for reporting suspicious activity; and quarterly incident response training.

EMERGENCY AND INCIDENT RESPONSE TRAINING

Through extensive emergency and incident response training, all employees will know; facility floor plans, evacuation plan maps, and preplanned evacuation route; location of alarms, utility cabinets, fire extinguishers, emergency exits, and first aid supplies; not to re-enter the building or allow others to re-enter in the event of an incident; proper response procedures for an IT security breach, fire, flood, or other natural disaster, or the unauthorized entry, robbery, burglary, internal theft, or other Facility security breach; and the location of first aid kits.

Sessions' employees will immediately dial "911" for any emergency and cooperate with first responders. Sessions' employees will call the non-emergency number for local enforcement in the event an employee encounters a non-emergency situation requiring law enforcement assistance. Sessions' emergency access and emergency evacuation plans will be in compliance with state and local fire safety standards.⁴⁵

Incident Response Drills

Sessions will carry out incident response drills as needed. If problems are identified in the response procedures, they will be corrected by the Director of Security and employees will be retrained on new procedures. All corrective actions and deficiencies will be documented.

Sessions will implement a training program to ensure that all personnel present at the Premises will be provided information and training that, at a minimum, cover the following topics within thirty (30) days of employment: OSHA Standards; health and safety hazards; emergency procedures, including shutdown; security procedures; safe work practices applicable to an employee's job tasks, including appropriate use of any necessary equipment; and any additional information reasonably related to an employee's job duties.

Retail Floor Training

All employees working on the retail floor will receive training on retailer responsibilities under state law and regulation and security protocols and procedures. Prior to independently engaging in Sessions' cannabis retail operation, the employee will be provided information and training related to: an overview of the Sessions process and standard operating procedure; proper and safe usage of equipment or machinery; safe work practices applicable to an employee's job tasks; and emergency operations, including shutdown.

Retraining

Retraining will be conducted for personnel whenever there are changes in Sessions' operations that render previous training obsolete, changes in the types of security equipment or protocols needed to be used render previous training obsolete, or inadequacies in an employee's knowledge or performance of job functions indicate the employee has not acquired the requisite understanding or skill.

⁴⁵ NCMC, c. 9.60.230(m)(18)



Visitor Security

Entrances into the Facility will be locked at all times with entry strictly controlled. A “buzz-in” electronic/mechanical entry system will be utilized to limit access and entry to the Dispensary Sales Floor and Consumption Lounge to separate it from the Reception and Lobby areas.⁴⁶ All persons who are not Sessions employees, including authorized individuals, suppliers, and visitors, may be permitted in the Facility in accordance with the rules set forth by the Department and all applicable state and local laws, regulations, ordinances, and other requirements. The Security Guard will verify the purpose of the visit, confirm the visitor’s identity, and issue a visitor identification badge before the visitor will be allowed access to the Facility. Access to the Premises to purchase cannabis goods will be limited to individuals who will be at least twenty-one (21) years old with a valid proof of identification.

Upon arrival to the Facility and upon entrance into the Lobby, the visitor will communicate the purpose of his or her visit to a Security Guard and show the Security Guard their government-issued photo identification. Once verified as a legitimate visitor, visitors will be required to provide a government-issued photo identification, which has a photo, birthdate and signature. The security officer will scan a copy of the visitor’s identification and upload it into the *Visitor Registration Log*.⁴⁷ The Security Guard will be required to enter the following information in the Log: date; time of arrival; purpose of visit and name of the company for whom the individual works; visitor’s full name; valid government-issued identification number; facility-issued visitor identification badge number; and time of departure.

Once the Security Guard has verified that all information is accurate and that the name on the identification matches the name in the *Visitor Registration Log*, a visitor identification badge may be issued. Visitors will sign out upon their departure from the Facility.

VISITOR ESCORTING AND MONITORING

Visitors will be escorted and monitored by an authorized employee and monitored by security cameras while in the Facility. Visitors will be prohibited from entering any limited access areas, unless required for provision of services. Visitors in limited access areas where cannabis goods will be present will not be permitted to touch any cannabis goods.

UNAUTHORIZED OR DENIED VISITORS

Visitors who refuse to comply with Sessions’ visitor policies and rules set forth by the Department and applicable state and local laws, regulations, ordinances, and other requirements will be denied entry by the Security Guard. Any person refusing to leave the Premises should be considered an incident and handled in accordance with the incident response procedures.

VISITOR IDENTIFICATION BADGE

Visitors, including contractors, external providers, and authorized representatives of the Department, the City and other government officials will obtain a visitor identification badge from the Security Guard before gaining access to the Facility. All individuals including, an outside vendor or contractor, will be at least twenty-one (21) years of age to be issued a visitor identification badge.

All visitors will be escorted by a Sessions employee while in the Facility and will be required to visibly display the visitor identification badge above the waist at all times. Visitors will be prohibited from taking photos or video recordings in the Facility. At the point in time that the visitor will no longer be engaging in activity expressly related to the operations of the retailer the visitor will return the visitor identification badge to the security officer and be required to leave the Premises.

Transactional & Financial Security

All employees will aid in the transaction and financial security of the Sessions Retail Facility through prevention, awareness, reporting and responsible incident management. Transactions will be made with payment methods other than cash when feasible. All cash that is received, except that needed for retail customer transactions, will be kept secured in a drop safe or within the vault area.

⁴⁶ NCMC, c. 9.60.250(b)

⁴⁷ Cal. Code Regs. tit 4 §15042(a)



CASH MANAGEMENT

The Chief Financial Officer will ensure a system of internal controls are maintained for cash handling and accounting functions, including tax collection and remittance or cash management from the day-to-day operations of Sessions. Tight controls will remove opportunities for unauthorized access to cash. An accounting software system will be implemented to provide audit trails of inventory and sales. Designated managers will be trained in all appropriate cash handling procedures, including safe access and storage, cash preparation, and approved transfers from point-of-sale to safe storage, counterfeit detection protocol, audit and reconciliation procedures, discrepancy reporting, and management of cash drawers for point-of-sales terminals.

The Director of Security will ensure employees follow security measures including, but not limited to:

- Clearly defined and communicated roles and duties of each employee performing the cash transit.
- Procedures for risk assessment and theft prevention measures.
- Procedures for vehicle collision or vehicle equipment breakdown.
- Rotating cash handlers frequently.

Transactions made by checks will be processed in the following manner:

- The check number will be recorded, and a deposit slip will be filled out by management.
- A manager will take the check(s) to the bank and make the deposit either by ATM or in person with a teller.
- Alternatively, the check will be processed electronically on site – in the office if the bank allows this type of transaction.

TRANSPORTATION & STORAGE OF CASH

Cash will be counted by a manager, recorded, and taken to the bank using an armored car service, when possible. Between deposits, cash will be stored in the vault under direct camera observation. The cash will be taken to the bank on a weekly basis, or more often if necessary, to maintain a minimal amount of cash on the Premises. During transport to the bank, the cash bag will be stored in a lockbox in the trunk or other secure location in the vehicle during transport. Upon arrival at the bank, the cash bag will be removed from the lockbox and will be placed out of sight in such a manner that it is not obvious. Measures such as placing the cash in a small bag or zipped pocket close to the body will be undertaken.

All cash received, except that needed for retail customer transactions, will be kept secured within the vault under direct camera observation. Surveillance cameras will be positioned in a manner so that all cash handling is captured for reference as needed, including the identification of individual(s) handling cash and the denominations and quantities of bills and coins handled

Sessions will submit to the City on an annual basis a financial audit of the Facility's operations conducted by an independent certified public accountant. At any time upon reasonable request of the City, or at the time of the renewal of its Commercial Cannabis Business Permit, Sessions will file a sworn statement detailing the number of sales during the previous twelve (12) month period, provided on a per month-basis, including gross sales for each month, and all applicable taxes paid or due to be paid.

INFORMATION TECHNOLOGY SECURITY

Sessions utilizes state-of-the-art network security protocols to protect electronic data. The Director of Security will ensure the security of Sessions' hardware, software, data, and communications networks, including the following information technology ("IT") maintenance: software registration; employee IT security training; security patches; vulnerability assessments; malicious software prevention; security status and network access monitoring; account management; and disposal and redeployment.



Protected Information

Access to protected information, which may include data, records, plans, and matters relating to customers, vendors, tenants, employees, agreements, network data, passwords, floor plans of critical areas, and business records (collectively “Confidential Information”), will be restricted to essential employees only. Access may be granted to authorized representatives of the Department, the City, the Chief of Police and any other law enforcement, if necessary, to perform their official duties. To the extent Confidential Information is acquired without a warrant from access to the Facility, Recipients will, to the maximum extent possible, keep such Confidential Information confidential and not disclose the Confidential Information to any third parties. To the extent such Confidential Information is necessary and relevant to any criminal action against the Business Owner or Operator or agents, Recipients must file such documents under seal to the extent they contain any Confidential Information.

Notwithstanding the foregoing, the City may disclose Confidential Information as may be required by the California Public Records Act or pursuant to a civil subpoena, provided however, the City will notify the operator and provide the operator with a reasonable opportunity to obtain a protective order before disclosing the Confidential Information; or in connection with any City enforcement proceeding relating to compliance with City’s Municipal Code and this section, but only to the extent the Confidential Information is relevant to the proceeding.

Sessions will ensure all computer systems require password changes. All employee passwords for software and network access will be changed every six (6) months.

HIPAA AND SECURITY OF PATIENT RECORDS

Information contained in a physician’s recommendation and received by Sessions, including, but not limited to, the name, address, or social security number of the patient, the patient’s medical condition, or the name of the patient’s primary caregiver is hereby deemed “medical information” within the meaning of the Confidentiality of Medical Information Act (Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code) and will not be disclosed by Sessions except as necessary for authorized employees of the state or any city or county to perform official duties. Patient-specific retail transactions are confidential and not a public record. Sessions will vigorously implement the privacy and security rules of the Health Insurance Portability and Accountability Act (HIPAA) to protect all patients’ electronic protected health information (“ePHI”), which includes the patient’s medical health information, personal identifying information, financial information, purchases, and all other patient-related information. Unless required under law, or pursuant to a court order, all information held by Sessions about qualifying patients, designated caregivers, and employees is confidential and will not be disclosed without the written consent of the individual to whom the information applies.

Sessions will maintain a record of all persons, patients, and primary caregivers served, for a period of no less than seven (7) years. Subject to HIPAA restrictions, Sessions will allow National City officials to have access to the Facility’s books, records, accounts, together with any other data or documents relevant to its commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced promptly after receipt of the City’s request and in the time frame and form stipulated by the City. If not otherwise specified, Sessions will submit the requested materials in an electronic format that is compatible with the City’s software and hardware.

For purposes of this section, “Sessions Workforce” means employees, contractors, volunteers, trainees and other persons under the direct control of Sessions whether or not they are paid by Sessions.

Delivery Security

Sessions is committed to providing high-quality cannabis goods to National City’s patients, caregivers, and adult-consumer population. In an effort to promote the convenience and accessibility of Sessions’ unrivaled team of retail personnel and first-class cannabis products, our Sessions Retail Facility will offer a discrete and secure delivery service providing the same exceptional cannabis purchasing experience to lawful cannabis consumers at any eligible physical address in the National City community and surrounding area. Sessions delivery policies and procedures will be compliant with the rules set forth by the Department, the City, and all applicable state and local laws, regulations, ordinances, and other requirements.⁴⁸

⁴⁸ NCMC, c. 9.60.230(m)(20)



Prior to commencing operations, Sessions will obtain from the City a permit authorizing the delivery of cannabis within the City limits. A copy of the permit will be kept with each driver. Evidence of Sessions' state license authorizing delivery service will be provided to the General Manager.

DELIVERY PERSONNEL

All Sessions' Delivery Drivers will be required to undergo background checks and security screenings as a prerequisite to employment. In addition to satisfying all state and local eligibility requirements, Sessions will attempt to ensure that all prospective Delivery Drivers to pass a pre-employment license check, have a safe history of vehicle operation, and have no DUI/DWI violations or serious moving traffic violations in the past five years prior to Sessions employment. Only authorized Sessions employees may perform deliveries on Sessions' behalf and each employee engaged in our delivery service operations must be at least twenty-one years of age. Sessions' delivery services will be designed to provide unparalleled value, demonstration of knowledge, and a holistic wellness purchasing experience; as such, all deliveries will be conducted by pre-approved and highly trained staff.

Proof of required insurance policies will be maintained at the Premises and employees who deliver cannabis goods will carry valid identification, a copy of Sessions' Commercial Cannabis Business Permit, and the City permit authorizing the delivery of cannabis within the City limits. Sessions is committed to providing a safe, efficient, and convenient service and expects its Delivery Drivers to abide by the highest standard of care and conduct while performing such deliveries. Consumption of cannabis goods while conducting deliveries is prohibited, and any Sessions employee found to be in violation of this policy will be subject to termination. Sessions believes that the implementation of strict hiring standards for Delivery Drivers is critical to ensuring driver, patron, product, and currency security throughout all delivery operations.

The Facility will only allow the quantity of cannabis and cannabis products reasonably anticipated to meet daily demand, including onsite sales and delivery sales, on the Dispensary Sales Floor.

DELIVERY SERVICE POLICIES

Sessions' delivery policies include the following:

- Operating hours for delivery will be limited to 9:00am through 9:00pm, seven days a week.⁴⁹
- Sessions will only accept delivery requests and deliver to customers at a physical address within a city or county in the state that does not expressly prohibit such delivery by ordinance. Addresses will be verified prior to preparing deliveries to ensure compliance with this requirement.
- Sessions will not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency.⁵⁰
- Sessions will never make deliveries in the public right-of-way.
- Sessions prohibits Delivery Drivers from leaving the state while in possession of Sessions cannabis goods and from serving any addresses outside its delivery radius. Sessions' delivery vehicles will be equipped with fully-functioning GPS which allow for remote monitoring in real-time to supervise and monitor driver compliance.
- Delivery vehicles will be equipped with monitors to monitor driving behavior such as speeding, excessive acceleration or braking, and other driver habits.
- Sessions will require all Delivery Drivers to have a clean driving record and a valid California Driver's license.
- Sessions will restrict the availability of its delivery service to adult consumers twenty- one (21) years of age or older who possess a valid government issued identification card, and either a valid county-issued identification card under Section 11362.712 of the Health and Safety Code or a valid physician's recommendation.⁵¹ Age and purchase eligibility verification will be conducted as a prerequisite to delivery in accordance with state and local requirements.

⁴⁹ NCMC, c. 9.60.250(g)

⁵⁰ NCMC, c. 9.60.330(a)

⁵¹ Revised California AG Guidelines for the Security of Non-Diversion of Cannabis Grown for Medical Use, page 9-10, (August 2019)



- No persons under the age of twenty-one (21) will operate, maintain, perform deliveries for, or be employed at Sessions.⁵²
- Deliveries will never be made through the use of an unmanned vehicle.
- Sessions will not use any kiosk, iPad, tablet, smartphone, fixed location or technology platform, whether manned or unmanned, other than a retail location permitted by the city, that facilitates, directs, or assists the retail sale of cannabis or cannabis products.⁵³
- No cannabis goods will be sold and/or delivered by any means or method to any person within a motor vehicle.⁵⁴
- Sessions will maintain a database and provide to the Department and the City a list of individuals and vehicles authorized to conduct deliveries on behalf of Sessions.
- Sessions personnel conducting deliveries will maintain an electronic copy of the delivery request and invoice in the vehicle at all times, and the Delivery Driver will make it available to the Department or the City upon request by an employee or agent thereof.
- Delivery Drivers will maintain a copy of Sessions' Commercial Cannabis Business Permit within the delivery vehicle at all times and make it available to the Department or the City upon request by an employee or agent thereof.

Sessions will comply with all requirements of state and local law pertaining to the cannabis permit and all subsequent policies, procedures, and regulations, and understands these may be amended by the city manager from time to time.⁵⁵

DELIVERY PROCESS

Sessions will offer cannabis good deliveries conducted by our world-class team of retail personnel. Each member of the delivery team will be at least twenty-one (21) years of age, have a clean driving record and have completed in-house training on cargo theft risk awareness and Sessions security procedures. Delivery Drivers will not wear any clothing or symbols that indicate ownership, possession or transportation of cannabis goods.

Once a delivery order is received, a Delivery Driver will generate a hard and electronic copy of a *Delivery Request Receipt* through the statewide track and trace system. The *Delivery Request Receipt* will accurately reflect the inventory being delivered and will be in a format required by the Department.

A Delivery Driver begins the process of delivery when he or she leaves the Retail Facility with the pre-ordered cannabis goods and ends the process when he or she returns to the Facility after delivering (or attempting to deliver) the cannabis goods. When the delivery team is approximately five (5) minutes away from the delivery destination, the Delivery Driver will telephone the authorized customer to inform them of the impending arrival and will alert our on-site security personnel of the arrival. Once at the delivery address, the Delivery Driver will verify the age and identification of the intended delivery recipient prior to removing the lock box from the vehicle containing the order of cannabis goods.

PROCESS TO ENSURE DRIVER AND CUSTOMER SAFETY

Sessions is committed to customer and driver safety throughout all delivery operations. Sessions' proactive risk mitigation strategy includes the utilization of industry-leading best practices, state of the art technology, strategic route planning, and a comprehensive employee training safety program.

Employees will only deliver cannabis goods to verifiable, physical addresses within the state that do not present a threat of harm or danger to the Delivery Drivers. This includes performing deliveries in a well-lit area and assessing the risk of robbery prior to each delivery. Sessions employees must always prioritize their own safety and never attempt to "protect" the cannabis goods or cash in the instance of an attempted robbery or theft. Delivery Drivers will park the vehicle in approved parking nearest the residence. Sessions will maintain adequate dispatching protocol and

⁵² NCMC, c. 9.60.230(a); NCMC, c. 9.60.230(g)(1)

⁵³ NCMC, c. 9.60.330(c)

⁵⁴ NCMC, c. 9.60.230(m)(24)(c)

⁵⁵ NCMC, c. 9.60.330(b)



resources to track (in real time) the location and movement of all Sessions employees performing delivery tasks, duties, and responsibilities.

The General Manager will be responsible for the implementation and maintenance of driver safety policies and procedures and will ensure all delivery personnel are adequately trained to properly follow such procedures. Through prevention, awareness, reporting, and responsible incident management, all employees will aid in maintaining the safety and security of Sessions' delivery drivers and customers.

CARGO THEFT PREVENTION MEASURES

The General Manager, in coordination with the Director of Security, will develop best practices to mitigate cargo theft risk. Additionally, the Director of Security in coordination with law enforcement and third-party security advisors, will identify "security risk geographies" (local crime rates, educational systems, political and legal conditions) that could hinder or support cargo theft. Cargo theft prevention measures will be updated as often as necessary and include, at a minimum: staggered transportation times; varied routes from the Facility; the prohibition of unauthorized stops during delivery; active vehicle monitoring using global positioning location devices; communication with employees at all times the vehicle contains cannabis; and procedures for vehicle collision or vehicle equipment breakdown.

CONSENT TO INSPECTION

Sessions employees are required to adhere to the highest standard of conduct while performing deliveries and are instructed to comply with all official requests for information. Delivery Drivers understand that providing this service is a privilege and that any motor vehicle used by Sessions to deliver cannabis goods may be subject to inspection by the Department, the City, and Sessions management. Vehicles used to deliver cannabis goods may be stopped and inspected by the Department, the City, or other applicable governmental entities at Sessions' licensed Premises or during delivery. Delivery employees will fully cooperate with such inspections. Upon request, Sessions Delivery Drivers will provide the Department, the City, and any other applicable governmental entity with information regarding any motor vehicles used for the delivery of cannabis goods, including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicle's registration information. Additionally, copies of *Delivery Request Receipts* generated through the inventory tracking system and *Trip Plans* will be kept in the vehicle for each delivery run.

VEHICLE SECURITY

Sessions will make all efforts to prioritize utilizing eco-friendly cannabis delivery vehicles, such as the Toyota Prius & the Nissan Versa, to facilitate its commercial cannabis delivery service operations. Sessions' delivery vehicles will be equipped with interior locked storage compartments for secure storage of cannabis goods while in transit. No portion of the locked compartment will be comprised of any part of the body of the vehicle.

Prior to commencing delivery operations, Sessions will provide, at a minimum, the following information for all vehicles that will be used to deliver cannabis or cannabis goods to the city of National City:

- Proof of ownership of the vehicle or a valid lease.
- The year, make, model, color, license plate number, and numerical vehicle identification number (VIN).
- Proof of insurance as required by Section 9.60.210(B).
- Any changes to this information, in writing, within thirty (30) calendar days.⁵⁶

Each of Sessions' delivery vehicles will be outfitted with an active vehicle alarm system and a dedicated GPS device affixed to the delivery vehicle that will remain active for identifying the geographic location of the delivery vehicle in real-time. Active vehicle alarm systems give the Delivery Drivers the ability to activate the vehicle's alarm system as needed, via a remote.

As an added safety measure, the Delivery Drivers will have access to a secure form of communication with a Security Guard at the Facility via a cellular phone. The Director of Security will ensure all Delivery Drivers are

⁵⁶ NCMC, c. 9.60.270(a-d)



trained appropriately on its use, and that the system is fully functioning prior to the commencement of each day's delivery operations.

Delivery Drivers will adhere to the following procedures whenever using radio equipment:

- The delivery vehicle will perform a check-in every hour on the hour while delivering cannabis products.
- If any suspicious activity occurs during delivery, the delivery employee will maintain communication during the event to report all details to the Facility.
- All employees performing deliveries will be required to carry cell phones with GPS tracking enabled at all times while making deliveries.

Discrete Delivery Systems

Sessions understands the intimate nature of cannabis good delivery service to patients and consumers and acknowledges that many individuals who prefer at-home delivery desire a discrete personalized service. Further, Sessions appreciates the security risks associated with the operation of a commercial cannabis business and acknowledges that such risks are increased when operations involve off-site transportation of cannabis goods. In an effort to ensure customer and driver safety, Sessions' delivery vehicles will consist strictly of unmarked cars free of any Sessions branding and commercial cannabis insignia. Sessions' delivery vehicles will be designed to be nondescript, and at no time will cannabis goods be visible from the exterior of the vehicle.

Limit on the Cannabis Goods in the Delivery Vehicle

To increase Delivery Driver safety and decrease the likelihood that Sessions' delivery vehicle may become a target of theft or diversion, any one Sessions delivery vehicle will not carry more than five thousand dollars worth of cannabis goods at any one time. However, the value of cannabis goods carried in the delivery vehicle for which a delivery order was not yet received, cannot exceed three thousand dollars. Documentation will accompany each vehicle precisely demonstrating the starting inventory and all changes in inventory throughout the delivery route after completing orders.

SECURE LOADING AND UNLOADING AREA

Sessions' Facility is equipped with a separate, private entrance designated for accepting shipments of inventory and other equipment used in Sessions' retail and delivery operations. In order to facilitate driver safety and security, shipments of cannabis goods will only be received and prepared for delivery within a designated limited-access shipping and receiving area, accessible through this non-public entrance. Sessions will not accept any shipment of inventory through an entrance that is available for use by the public to enter or exit the Premises and will apply the same standard to outgoing deliveries.

On-duty Security Guards will supervise all receiving activities to maintain security in the designated unloading area. At a minimum, Sessions' receiving area will be secured with the following:

- Access control points, which include the positive identification of Delivery Drivers.
- An alarm system that is equipped with silent alarm capability to notify management and law enforcement of a potential intrusion.
- Video surveillance of all entry and exit points, produced with enough clarity to allow facial recognition.

Security Equipment & Systems

Sessions' Facility will be constantly monitored by security surveillance cameras that are on motion sensors, and capable of recording any activity on the Premises, including entry points and exit points to the property, perimeter windows, all interior spaces, and all areas where customers and employees may have access, with the exception of any restroom area. All restroom facilities will remain locked and under the control of management.⁵⁷

⁵⁷ NCMC, c. 9.60.250(d)



All security cameras will have a minimum camera resolution of 1280x720 pixels⁵⁸ and will record twenty-four (24) hours per day, seven (7) days per week at a minimum of 15 frames per second.⁵⁹ The security cameras will be equipped with a web-based surveillance system that is monitored at all times. All cameras and the recording system will be of adequate, state-of-the-art quality, color rendition and resolution that allows for the ready identification of any individual committing a crime on the Premises and capturing license plates entering and exiting the parking areas adjacent to the Premises.

In addition to the security surveillance system, Sessions will install lighting and alarms to ensure the safety of all persons and to protect the Premises from theft. All security measures installed on the Premises will have the capability to remain fully operational during a power outage.

All equipment will be compliant with the rules set forth by the Department and all state and local laws, regulations, ordinances and other requirements. Security equipment will be installed and monitored by a commercial, licensed service provider. The alarm system and video surveillance system will include a failure notification system that notifies the alarm monitoring service provider and the Director of Security of any system failure or interruption via audio, text, visual, or audiovisual message, within a maximum of five (5) minutes of such failure. Additionally, an alarm will signal the Security Guard on duty whenever an unauthorized entry is attempted.

To be confident our security surveillance system and alarm equipment are working properly to maintain the Facility's security and ultimately security for the surrounding community, Sessions will regularly test all security equipment. Sessions will regularly schedule and oversee all required maintenance of surveillance equipment in accordance with manufacturer recommendations. Any equipment failure identified will be corrected as soon as possible. Sessions will repair or replace any failed component of the alarm or video surveillance system within twenty-four (24) hours. On an annual basis, all security equipment will be inspected, and all devices tested by a security system vendor to ensure the system receives all proper maintenance.

SECURITY ALARM SYSTEM

Sessions plans on contracting with a licensed Eagles Point Security for the installation of a professionally monitored, state of the art security alarm system as defined in Business and Professions Code section 7590.1(c).⁶⁰ The alarm system will have remote monitoring capabilities, and will always be operational and will be monitored twenty-four (24) hours a day, seven (7) days a week. Sessions will ensure a licensed alarm company operator installs, maintains, monitors, and responds to the alarm system.⁶¹

The alarm system will consist of a fire alarm, panic alarm and "perimeter mode," that will arm all doors once patrons have left, but not the motion detectors. Motion sensor lighting and alarms will be installed throughout the Facility. The primary alarm system operating equipment will be kept in the Security Room.

The provider of the alarm system and monitoring service will maintain all required licenses and be approved by the Department, and any other state licensing agency requiring approval prior to commencing operations. Sessions will notify the Department, the Chief of Police and any other state licensing agency of any intent to change its security alarm service provider.

Security equipment, such as commercial grade metal doors, high-security door contacts, and motion sensors will secure all entry points. The alarm system will, at a minimum, consist of the following:

- Appropriate equipment necessary to monitor activity inside and outside the Facility.
- A panic alarm (an audible security alarm system signal generated by the manual activation of a device intended to signal a life-threatening emergency requiring a law enforcement response).
- A holdup alarm (a silent alarm signal generated by the manual activation of a device intended to signal a robbery in progress).

⁵⁸ Cal. Code Regs. tit 4 §15044(a)

⁵⁹ Cal. Code Regs. tit 4 §15044(f)

⁶⁰ Cal. Code Regs. tit. 4 §15047(a)

⁶¹ Cal. Code Regs. tit. 4 §15047(b)



- A duress alarm (a silent security alarm system signal generated by the entry of a designated code into an arming station to signal that the alarm user is being forced to turn off the system).
- Automatic voice-dialing functionality.
- Motion detection devices tied to the surveillance monitoring system.
- Failure notification system that signals the alarm monitoring provider of any system error within a maximum of five minutes.
- A backup battery system that immediately provides power for at least twenty-four (24) hours in the event of a power outage.
- System will also be compliant with all local alarm ordinances and permit requirements such as those that may be mandated by the City.
- Master Control Panel to be capable of providing at multiple partitions controlled by separate keypads.
- System will be capable of having multiple user codes and levels of authority and capable of accepting a duress code at keypad level or other soft keys specifically assigned as duress buttons.
- System will be capable of reporting opening and closing events by individual user ID. Such events will be logged and maintained at the Central Station for minimum of ninety days.
- All points of detection (motion detectors, door contacts, etc.) are to be supervised at the control panel level. Loss of supervision will result in an immediate alarm.
- Motion detectors are to employ dual technology (PIR and Microwave), have tamper detection and will report and alarm or trouble if masked.
- System or Central Station Services to be capable of providing text or email messages to emergency contacts.
- Master Control Panel will be mounted in a secure room or location.
- System capable of remote programming for routine service issues and the addition or deletion of User Codes.
- The system will be capable of providing alarm verification by video to relay vital information to responding City police officers.

Alarm System Testing & Records

Sessions will annually, in the presence of the alarm system service provider, conduct an onsite inspection and test of the entire alarm system to determine needed repairs and adjustments. Any equipment failure identified will be corrected as soon as possible.

Sessions will keep and maintain alarm system records at the Facility, including up-to-date and current records and existing contracts that describe the location and operation of each alarm system, a schematic of security zones, the name of the alarm installation company, and the name of any monitoring company.

Upon request, Sessions will make all information related to the alarm system, monitoring and alarm activity available to representatives of Department and the City. These records will include, at minimum, the following: name of the alarm installation and monitoring service provider; copies of service contracts; a map of the Facility showing the location and operation of each alarm system component including alarm telephone circuits; a list of users authorized to access the alarm system; manufacturers' instructions for operating and maintaining the equipment; testing and maintenance logs; reports of any incidents triggering an alarm; and reports of any interruption in monitoring or complete failure of the system, including the length of the interruption period.⁶²

All surveillance equipment, records and recordings will be stored in a secure security room that is only accessible to management staff. A list of all authorized employees who have access to the surveillance and alarm system will be kept current and maintained in the security room. Upon request, Sessions will make all information related to the

⁶² Cal. Code Regs. tit. 4 §15047(c)



alarm system, monitoring, and alarm activity available to the Department, the City, and local and state law enforcement.⁶³

SURVEILLANCE SYSTEM & EQUIPMENT

Sessions will have a fully operational electronic surveillance system installed at its Facility that complies with the rules set forth by the Department, all applicable state and local laws, regulations, ordinances, and other requirements. Also included is a layout of the Facility's proposed floor plan showing the video surveillance's management system and the location of all surveillance cameras, security monitors, and the network video recorder.

Sessions will utilize a web-based, enterprise level network video surveillance system that continuously and distinctly monitors and records the entire Premises twenty-four (24) hours a day, seven (7) days a week and at a minimum of fifteen (15) frames per second.⁶⁴ The video surveillance system will include a digital archiving device, maintained for a minimum of forty five (45) days, and monitors that will be connected to the electronic recording security system at all times. There will be a twenty- four (24) hour live feed with motion-activated recording capabilities from all video cameras. The system will have the ability to immediately produce a clear color still photo from any camera image, either live or recorded. A date and time stamp will be embedded on all recordings and will be synchronized, set correctly and not significantly obscure the picture. Time will be measured in accordance with the United States National Institute Standards and Technology standards.⁶⁵ The system will allow for the exporting of still images in an industry standard image format, including .jpg, .bmp and .gif. Exported video will have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no tampering or alteration of the recorded image has taken place. Exported video will also have the ability to be saved in an industry standard file format that can be played on a standard computer operating system.

The Security Room will contain all electronic monitoring equipment for the alarm and video surveillance system and will be a secured limited access area accessible only to authorized employees. The main system and high-resolution video monitor(s) will be kept in the room.

Exported video will have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no tampering or alteration of the recorded image has taken place.⁶⁶ Exported video will also have the ability to be saved in an industry standard file format that can be played on a standard computer operating system.

The video surveillance system will be UL approved and have the following features:

- A backup battery system that immediately provides power for at least twenty-four (24) hours in the event of a power outage.
- Cameras will be deployed to provide observation of and sufficient lighting to allow facial feature identification of persons in interior and exterior areas where cannabis or cannabis products is present at any time.
- A link to access live and archived video will be available to the Chief of Police or his or her designee(s). Access will be compatible with the City's software and hardware.
- Cameras are to be capable of day / night recording and provide high-definition quality images.
- Sufficient camera fields of view and lighting to allow facial feature identification of persons in the immediate exterior areas of doors, windows, or other potential access points twenty feet (20') on either side and out from every door.
- Exterior cameras to be vandal resistant.
- Video will be time and date stamped.
- All camera wiring is to be Cat 6 or better.
- All cameras will be permanently mounted and in a fixed location.

⁶³ Cal. Code Regs. tit. 4 §15047(c)

⁶⁴ Cal. Code Regs. tit. 4 §15044(a)

⁶⁵ Cal. Code Regs. tit. 4 §15044(j)

⁶⁶ Cal. Code Regs. tit. 4 §15044(g)



Camera Coverage and Placement

Interior and exterior cameras capable of recording areas under all lighting conditions, will monitor the Facility's exterior perimeter, interior (including all controlled access areas and security rooms but excluding restrooms), all entries and exits and the areas within twenty (20) feet of these points of egress and ingress, windows, roof, parking areas, walkway and all immediately surrounding areas. The video surveillance cameras will be fixed in permanent locations, in a manner that will prevent them from being readily obstructed, tampered with, or disabled. All cameras and the recording system will be of adequate quality, color rendition, resolution and placement to allow the sufficient identification of individual entering and exiting the Premises. Sessions will ensure visibility of activities will not be obstructed by lighting equipment covers, fixtures or other equipment.⁶⁷

Sessions will install security cameras to monitor and record all areas of the Facility including, at a minimum:

- All points of ingress and egress to the Facility, including both indoor and outdoor vantage points.⁶⁸
- The vault.
- All limited access areas.⁶⁹
- All areas where cannabis goods will be present, including where cannabis goods will be weighed, packed, stored, quarantined, loaded, unloaded, prepared or moved within the Premises.⁷⁰
- All areas where cash will be counted, transferred, or stored.
- All areas where records will be stored.
- Areas where cannabis will be destroyed.
- Delivery vehicle loading and unloading and receiving areas.
- Security Room.⁷¹
- Areas storing a surveillance-system storage device with at least one (1) camera recording the access points to the area.⁷²
- The retail area, including point-of-sale areas and areas where cannabis goods will be displayed for sale.⁷³
 - At each point of sale location, camera placement will allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity.⁷⁴
 - At each point of sale location, camera placement will allow for the recording of the computer monitors used for the sale.

Surveillance System Records & Recordings

Sessions will keep and maintain surveillance system records and recordings in the Facility and copies stored on a secure cloud storage. All surveillance records will be made available immediately upon request, by the Chief of Police or his or her designees, the Department⁷⁵, and other government officials when necessary to perform their official duties. These records will include, at a minimum, the following:

- The name of the surveillance equipment installation service provider and all equipment manufacturers.
- Copies of any service contracts.

⁶⁷ Cal. Code Regs. tit. 4 §15044(b) and (c)

⁶⁸ Cal. Code Regs. tit. 4 §15044(d)(5)

⁶⁹ Cal. Code Regs. tit. 4 §15044(d)(2)

⁷⁰ Cal. Code Regs. tit. 4 §15044(d)(1)

⁷¹ Cal. Code Regs. tit. 4 §15044(d)(3)

⁷² Cal. Code Regs. tit. 4 §15044(d)(4)

⁷³ Cal. Code Regs. tit. 4 §15044(e)

⁷⁴ NCMC, c. 9.60.230(m)(24)(5)

⁷⁵ Cal. Code Regs. tit. 4 §15044(i)



- A map of the Facility showing the location and operation of each surveillance system component, including the direction of camera coverage.
- A list of users authorized to access the surveillance system.
- Manufacturers' instructions for operating and maintaining the equipment.
- Testing and maintenance logs.
- Reports of any incidents of unauthorized entry.
- Reports of any interruption in monitoring and/or complete failure of the system, including the length of the interruption period.

All video surveillance recordings will be in a format that ensures authentication of the recording as being captured without alterations. The video surveillance recordings will be embedded with the date and time, will be easily accessible and will be stored on a Network Video Recorder that will be server-based with storage as required to meet recording rate and retention. This system will be password-protected and separate from any other equipment in the Facility.

Sessions will retain the recordings in an unaltered state for at least ninety (90) days⁷⁶, in compliance with the Department requirements, and will make available all recordings to the National City Chief of Police or his or her designee(s) upon request. Sessions will cooperate with all law enforcement investigations and provide existing video footage related to any investigation upon request.

Surveillance Testing

All security equipment will be kept in good working order and be inspected and tested at regular intervals. Sessions will ensure that the surveillance system will be properly maintained for playback quality so that images can be seen and the identity of all individuals and activity in surveillance areas will be captured.

Sessions will regularly schedule and oversee all required maintenance of surveillance equipment in accordance with manufacturer recommendations. Any equipment failure identified will be corrected as soon as possible. Sessions will repair or replace any failed component of the video surveillance recording system within twenty-four (24) hours, unless notice will be provided to the Department or other state licensing agency and an extension will be approved. On an annual basis, security equipment will be inspected, and all devices tested by an appropriately licensed vendor, if not the security company that installed the system.

Surveillance Communication

The surveillance system will include a failure notification system that alerts the Director of Security of any interruption in surveillance and/or the complete failure of the monitoring system. Within a maximum of five (5) minutes of such failure via audio, text, visual, or audiovisual message.⁷⁷ The surveillance system storage device and cameras will be transmission control protocol/TCP capable of being accessed through the internet by the National City Police Department or his or her designee on request.

Incident Response

Sessions will establish incident response procedures addressing any incident that may occur, including natural disaster, unauthorized access, theft, or IT security breach. Procedures will be in accordance with the rules set forth by the Department and all applicable state and local laws, regulations, ordinances, and other requirements. Procedures for general emergency and incident management, containment, and corrective measures will be thoroughly detailed. The Director of Security will be responsible for ensuring the appropriate response procedures will be followed. All employees will receive incident response training quarterly to ensure our staff is prepared for any particular incident that may arise and the best way to dispel and contain all incidents. All employees will be trained to monitor for suspicious recommendations, unusual usage, or questionable disposition of cannabis.

⁷⁶ Cal. Code Regs. tit. 4 §15044(h)

⁷⁷ Cal. Code Regs. tit. 4 §15044(k)



The Director of Security will notify appropriate law enforcement authorities and the Department as soon as possible and not more than twenty-four (24) hours after the discovery of a reportable incident as defined by the Department, state and local laws, regulations, ordinances, and other requirements.⁷⁸

Reportable incidents can include, but will not be limited to:

- Theft or physical loss of cannabis goods.
- The licensee discovers diversion, theft, loss, or any other criminal activity by an agent or employee of the licensee pertaining to the operations of the licensee.
- Theft or physical loss of confidential records and/or medical records, including information contained in a physician's recommendation or the name of a patient's primary caregiver.
- Significant discrepancies identified during inventory.
- A significant discrepancy in inventory of cannabis goods means a means a difference in actual inventory compared to records pertaining to inventory at three percent (3%) of the average monthly sales of the licensee.
- Loss or unauthorized alteration of records related to cannabis goods, registered qualifying patients, primary caregivers, or employees or agents.
- Any other crime related to cannabis goods.
- Any suspicious act involving the sale or distribution of cannabis goods by any person.
- Sale to minors.
- Unauthorized destruction of cannabis goods.
- An alarm activation or other event that requires a response by public safety personnel.
- Integrity of the inventory tracking system compromised.
- Breach of Sessions' network servers.
- Robbery or unauthorized entry in the Facility.
- Threats of violence to the Facility, employees, or visitors.
- Any other breach of security.⁷⁹

Although Sessions does not anticipate ever needing to notify the Department or National City of the following, per the state regulations, within forty-eight (48) hours of the following incidents, Sessions will notify National City and the Department of:

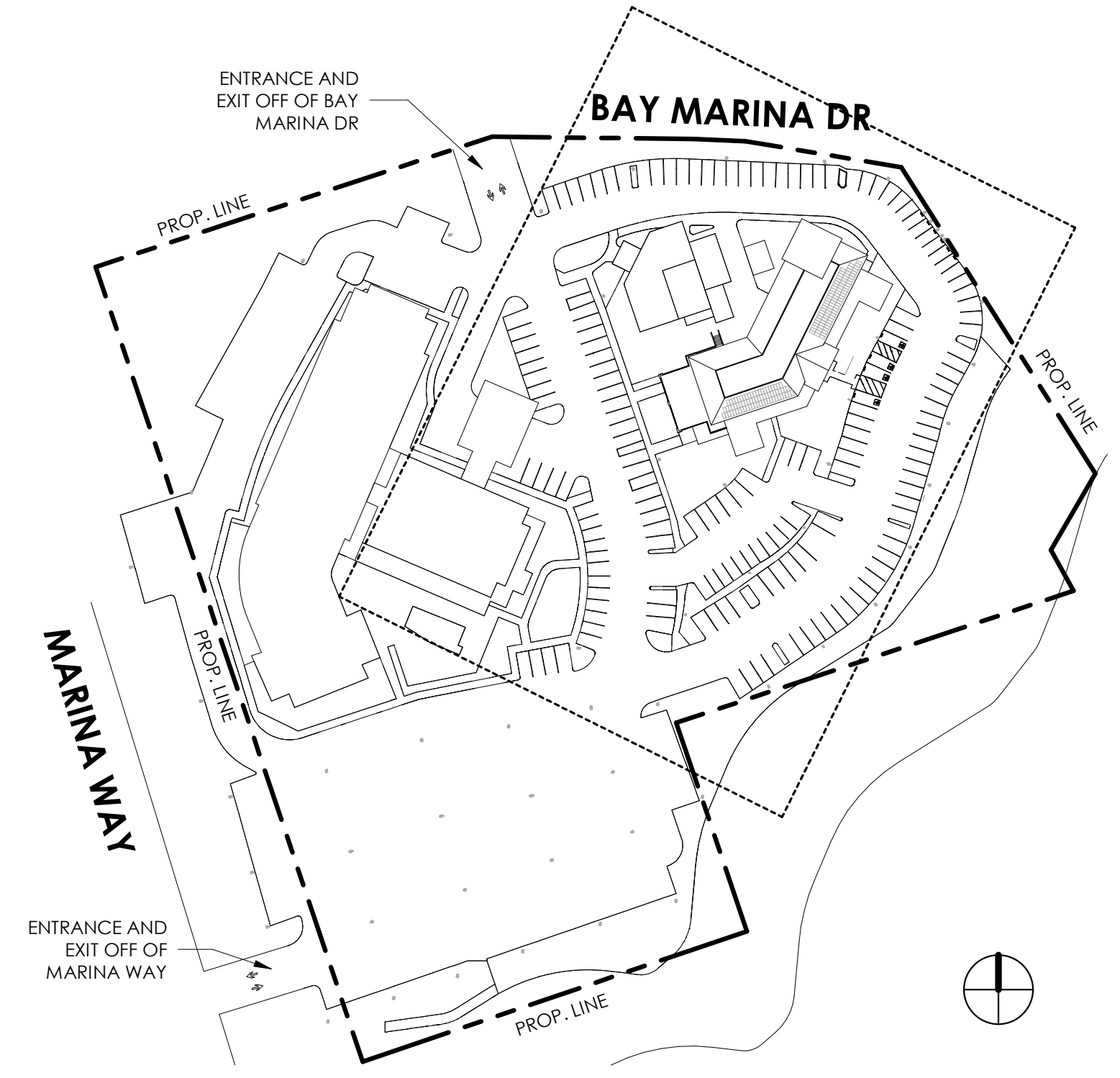
- A criminal conviction of any owner.
- A civil penalty or judgment rendered against the licensee or any owner in his or her individual capacity;
- An administrative order or civil judgment for violations of labor standards against the licensee or any owner in their individual capacity.
- Revocation of a local license, permit, or other authorization.

⁷⁸ NCMC, c. 9.60.230(m)(22)

⁷⁹ NCMC, c. 9.60.230(m)(22)(a-d)

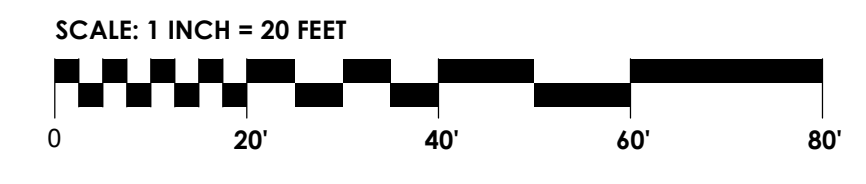
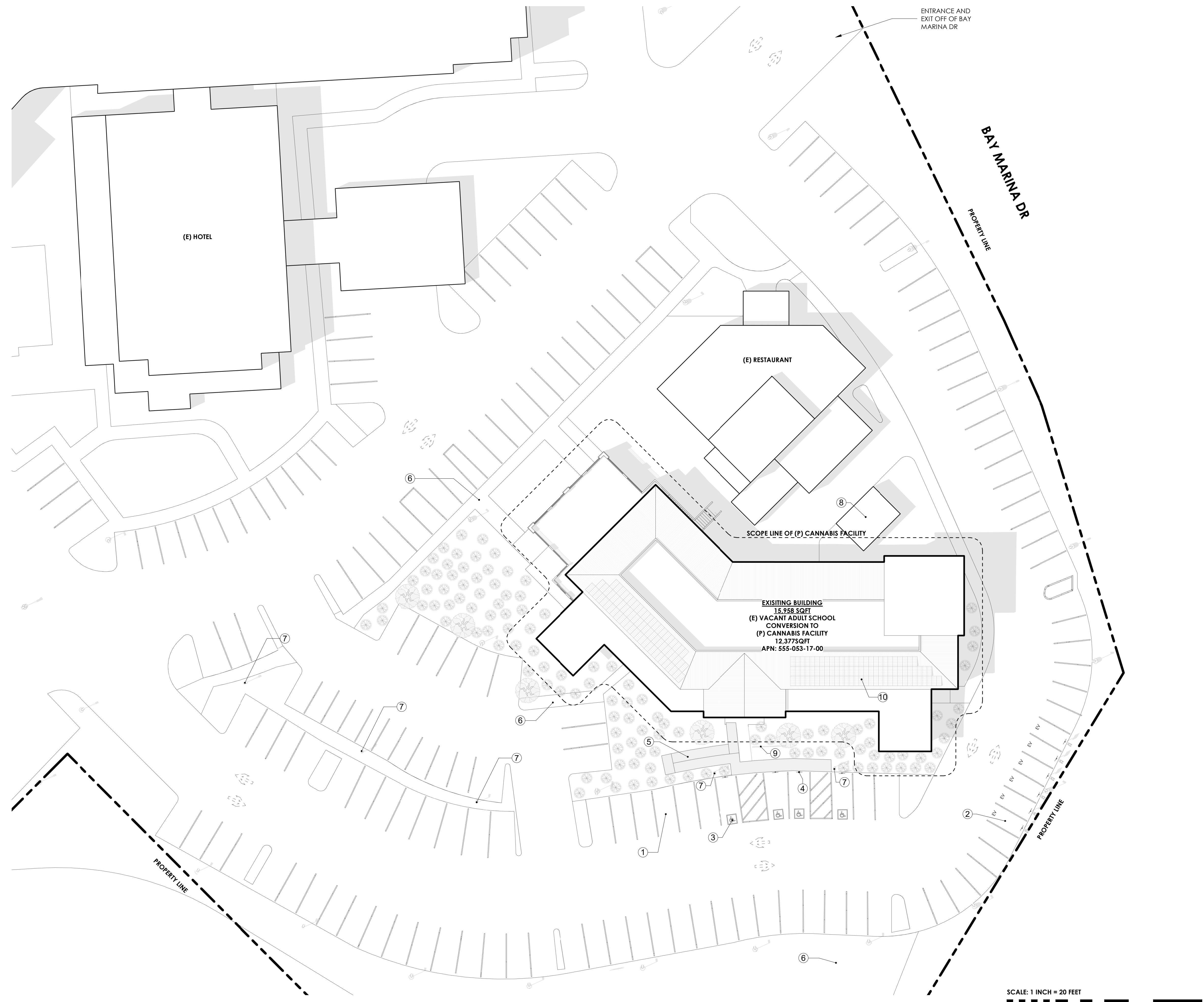


KEYPLAN



SITE KEYNOTES

1	(E) PARKING STALLS (TYP.)
2	(P) E.V. PARKING
3	(P) ACCESSIBLE PARKING
4	(P) ACCESSIBLE PARKING SIGN
5	(P) ACCESSIBLE RAMP
6	(E) SIDEWALK
7	(E) LIGHT POST
8	(E) TRASH AREA
9	(P) BIKE RAILS
10	(P) SOLAR PANELS



1 SITE PLAN
1" = 20'-0"

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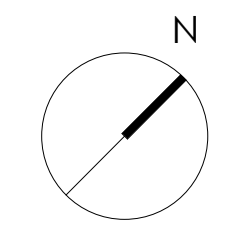
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SITE PLAN

PROPOSED ROOM SCHEDULE - LEVEL 1

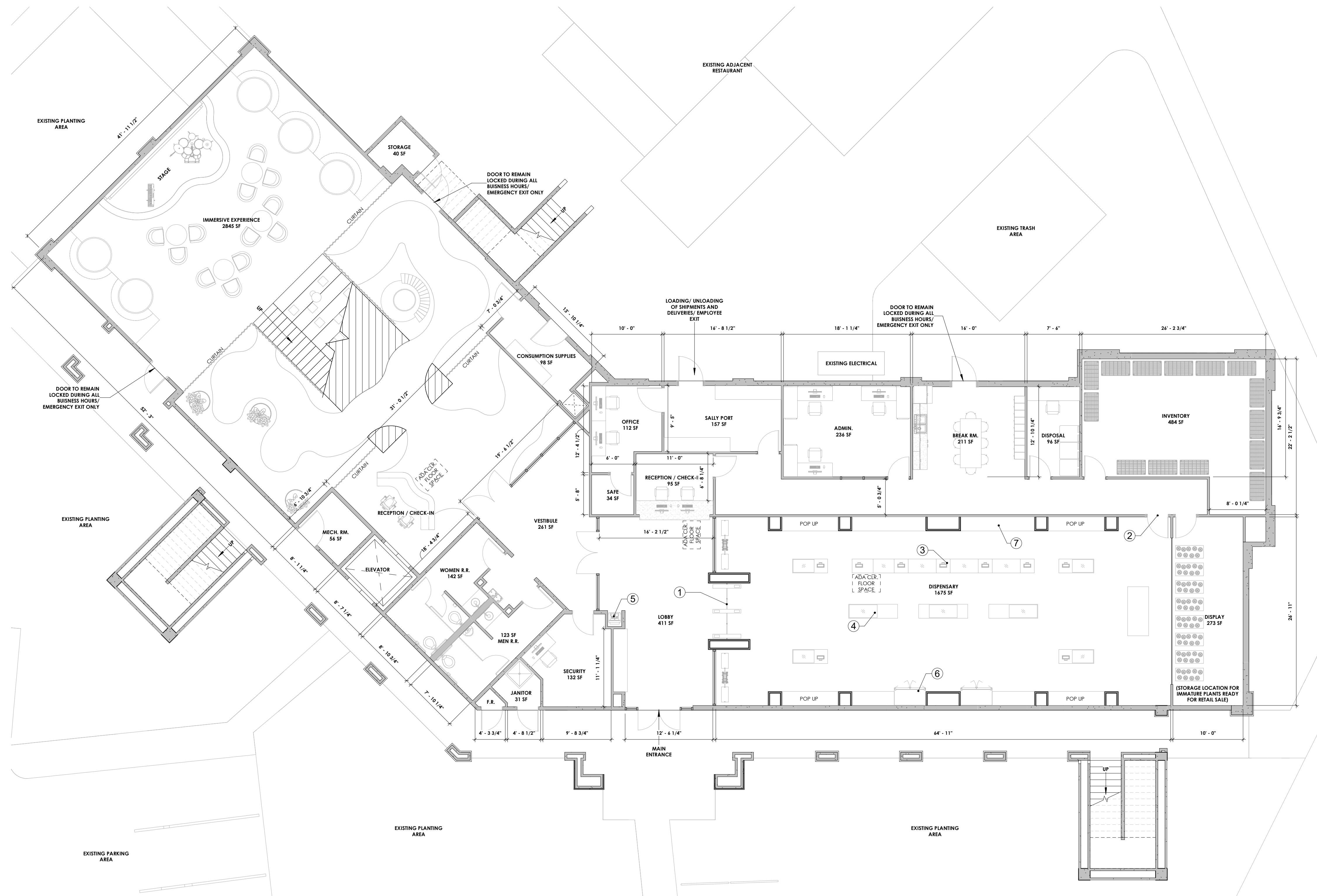
ROOM NAME	SQUARE FEET	OCCUPANCY TYPE
VESTIBULE	261 SF	(A-2) ASSEMBLY
LOBBY	411 SF	(A-2) ASSEMBLY
IMMERSIVE EXPERIENCE	2845 SF	(A-3) ASSEMBLY
SAFE	34 SF	(B) BUSINESS
RECEPTION / CHECK-IN	95 SF	(B) BUSINESS
DISPOSAL	96 SF	(B) BUSINESS
CONSUMPTION SUPPLIES	98 SF	(B) BUSINESS
OFFICE	112 SF	(B) BUSINESS
SECURITY	132 SF	(B) BUSINESS
SALLY PORT	157 SF	(B) BUSINESS
BREAK RM.	211 SF	(B) BUSINESS
ADMIN.	236 SF	(B) BUSINESS
DISPENSARY	1475 SF	(M) MERCANTILE
JANITOR	31 SF	(S-1) STORAGE
STORAGE	40 SF	(S-1) STORAGE
DISPLAY	273 SF	(S-1) STORAGE
INVENTORY	484 SF	(S-1) STORAGE
F.R.	6 SF	(U) UTILITY AND MISCELLANEOUS
MECH. RM.	56 SF	(U) UTILITY AND MISCELLANEOUS
ELEVATOR	59 SF	(U) UTILITY AND MISCELLANEOUS
MEN R.R.	123 SF	(U) UTILITY AND MISCELLANEOUS
WOMEN R.R.	142 SF	(U) UTILITY AND MISCELLANEOUS

LEVEL 1 AREA

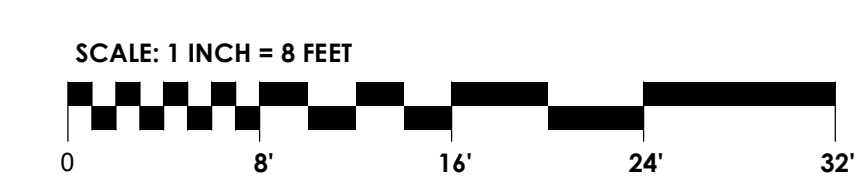


FLOOR PLAN KEYNOTES

- 1 (P) CUSTOMER ENTRANCE
- 2 BACK OF HOUSE ACCESS (CONTROLLED ACCESS)
- 3 SALES COUNTER
- 4 FLOATING DISPLAY
- 5 (P) ATM
- 6 REFRIGERATOR
- 7 BACK PRODUCT DISPLAY



1 FLOOR PLAN - LEVEL 1
1/8" = 1'-0"



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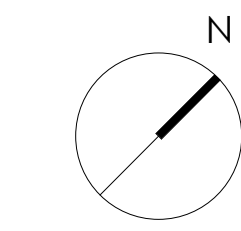
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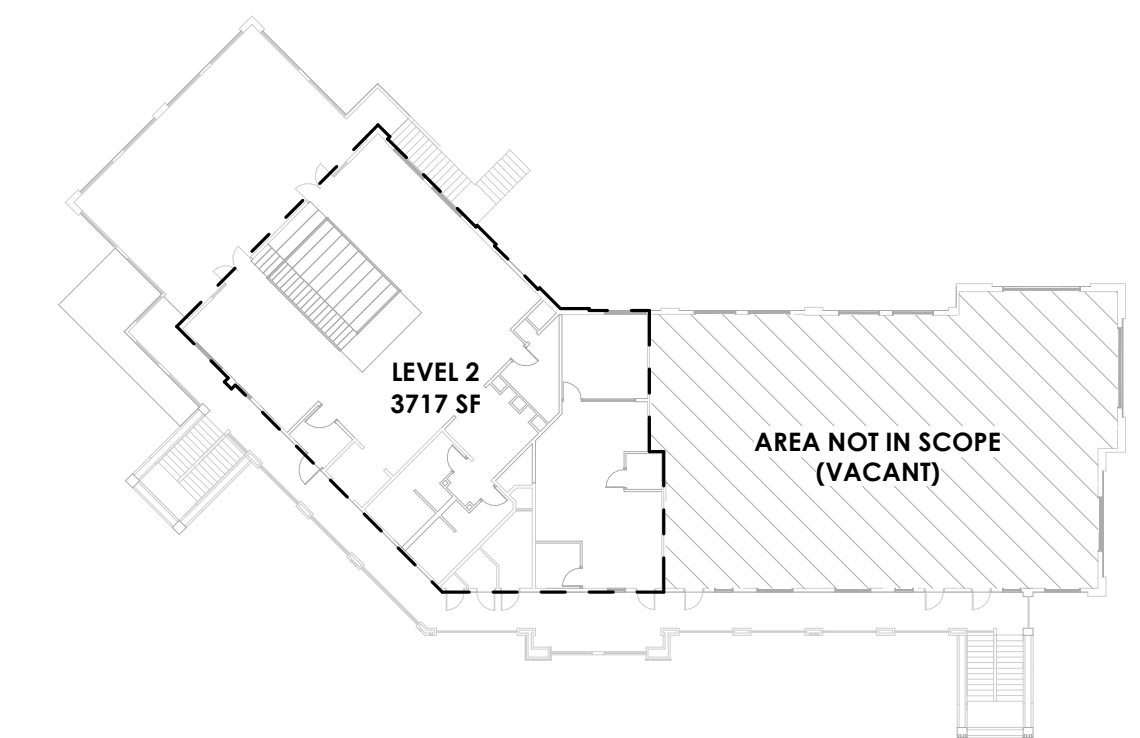


DRAWING TITLE
PROPOSED FLOOR PLAN - LEVEL 1

PROPOSED ROOM SCHEDULE - LEVEL 2

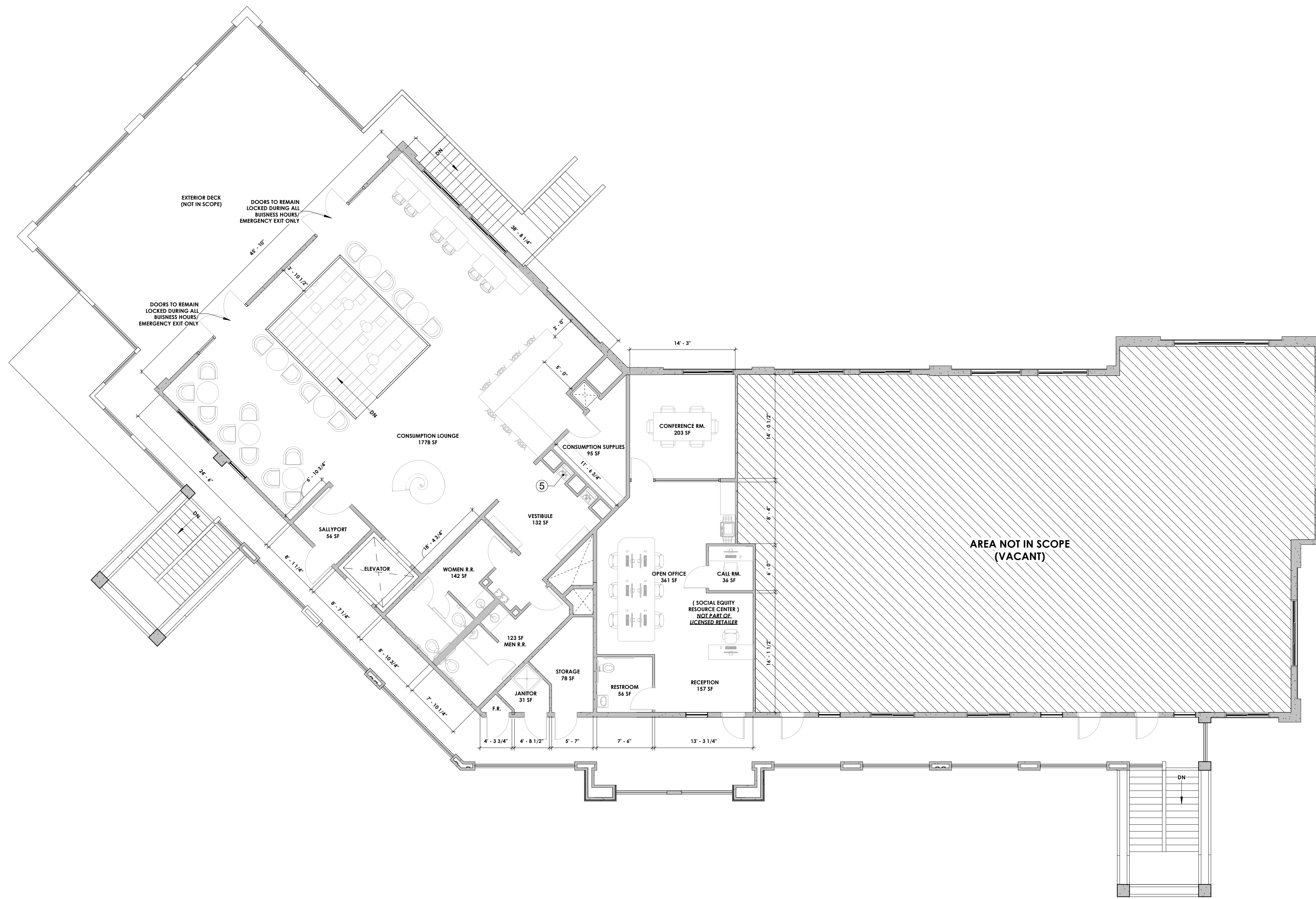
ROOM NAME	SQUARE FEET	OCCUPANCY TYPE
VESTIBULE	132 SF	
CONSUMPTION LOUNGE	1778 SF	[A-3] ASSEMBLY
CALL RM.	36 SF	[B] BUSINESS
SALLYPORT	56 SF	[B] BUSINESS
CONSUMPTION SUPPLIES	95 SF	[B] BUSINESS
RECEPTION	157 SF	[B] BUSINESS
CONFERENCE RM.	203 SF	[B] BUSINESS
OPEN OFFICE	361 SF	[B] BUSINESS
JANITOR	31 SF	[S-1] STORAGE
STORAGE	78 SF	[S-1] STORAGE
F.R.	6 SF	[U] UTILITY AND MISCELLANEOUS
RESTROOM	56 SF	[U] UTILITY AND MISCELLANEOUS
ELEVATOR	59 SF	[U] UTILITY AND MISCELLANEOUS
MEN R.R.	123 SF	[U] UTILITY AND MISCELLANEOUS
WOMEN R.R.	142 SF	[U] UTILITY AND MISCELLANEOUS

LEVEL 2 AREA



FLOOR PLAN KEYNOTES

- 1 (P) CUSTOMER ENTRANCE
- 2 BACK OF HOUSE ACCESS (CONTROLLED ACCESS)
- 3 SALES COUNTER
- 4 FLOATING DISPLAY
- 5 (P) ATM
- 6 REFRIGERATOR
- 7 BACK PRODUCT DISPLAY



1 FLOOR PLAN - LEVEL 2
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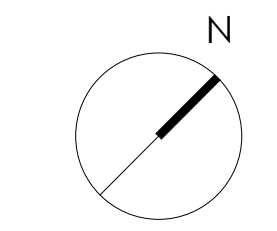
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DRAWING TITLE
PROPOSED FLOOR PLAN - LEVEL 2

OCCUPANCY SUMMARY

ROOM NAME	OCCUPANCY TYPE	AREA	LOAD FACTORS	EXIT DISTANCE	TOTAL OCCUPANTS
VESTIBULE	A-2	269 SF	60	55' - 6"	5
LOBBY	A-2	435 SF	60	31' - 6"	8
EXHIBIT	A-3	2814 SF	30	46' / 53'	94
SAFE	B	38 SF	150	26' - 6"	1
RECEPTION / CHECK-IN	B	78 SF	150	41' - 0"	1
DISPOSAL	B	106 SF	150	37' - 0"	1
CONSUMPTION SUPPLIES	B	109 SF	150	9' - 6"	1
OFFICE	B	121 SF	150	24' - 0"	1
SECURITY	B	142 SF	150	60' - 0"	1
SALLY PORT	B	169 SF	150	16' - 6"	2
ADMIN.	B	221 SF	150	50' - 0"	2
BREAK RM.	B	249 SF	150	17' - 6"	2
SALES AREA	M	1352 SF	150	98' - 0"	10
JANITOR	S-1	36 SF	300	2' - 6"	1
DISPLAY	S-1	283 SF	300	81' - 0"	1
INVENTORY	S-1	513 SF	300	72' - 0"	2
MECH. RM.	U	64 SF	300	10' - 6"	1
TOTAL OCCUPANTS:					134

CODE LEGEND/NOTES

Name	ROOM NAME	
XXX SF FA/G OCS	SQUARE FOOTAGE	FLOOR AREA PER OCCUPANT

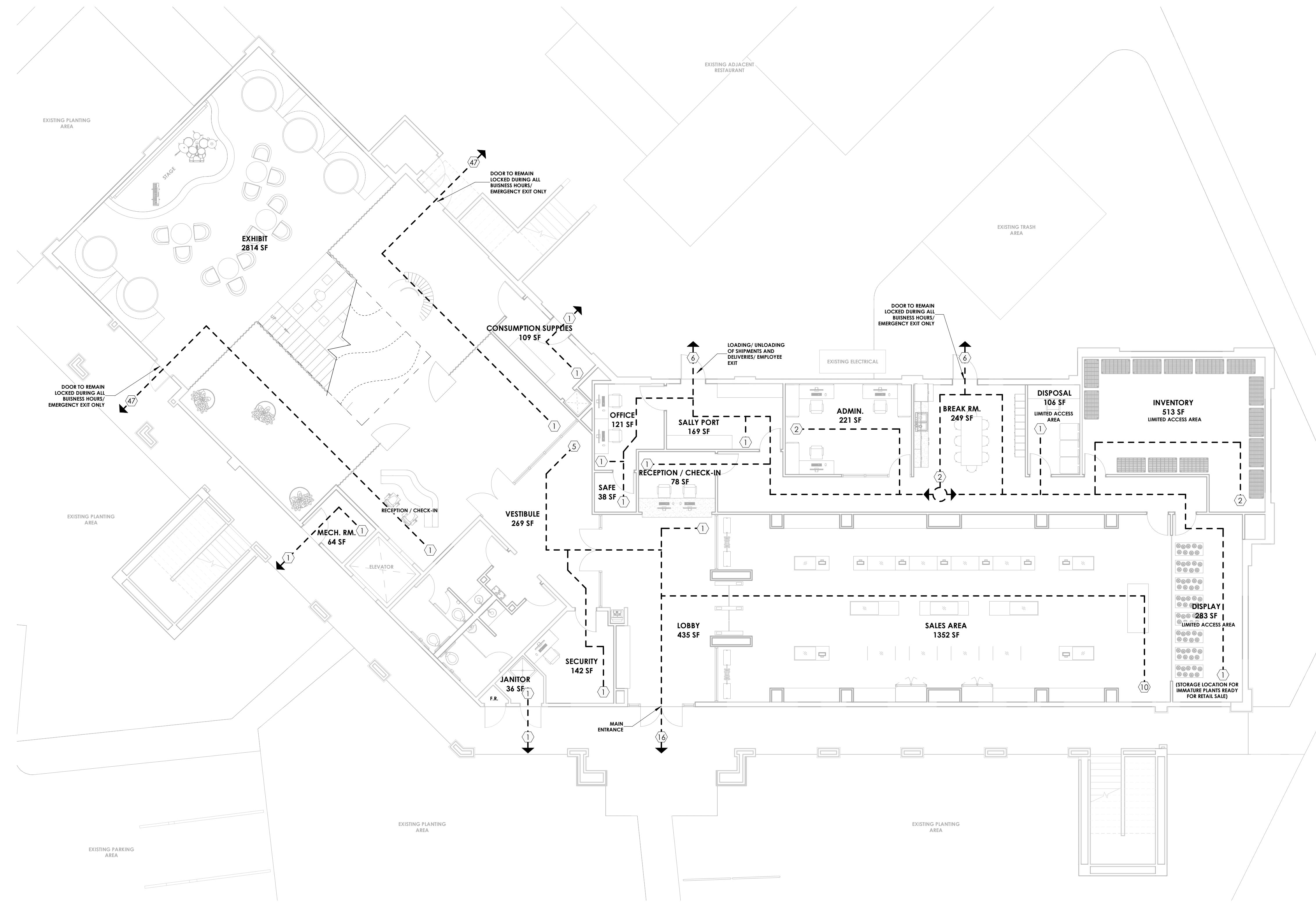
◀	EXIT DOOR	RRD	RESTROOM DOOR
(X)	EXIT OCCUPANT LOAD OF ROOM	RRW	RESTROOM WALL
---	EXIT ACCESS TRAVEL DISTANCE (CBC 1021.2)	—	1 HR FIRE RATED WALL
⊗	EXIT SIGN		
TES	TACTILE EXIT SIGN		

NOTE: EGRESS ILLUMINATION AND EXIT SIGNAGE LOCATIONS SUBJECT TO REVIEW BY CITY BUILDING DIVISION AND FIRE DEPARTMENT INSPECTORS. CBC 1008, 1013.

NOTE:
 1. THE MEANS OF EGRESS WILL BE ILLUMINATED TO A LEVEL OF NOT LESS THAN ONE FOOT-CANDLE AT THE WALKING SURFACE AT ALL TIMES THE BUILDING SPACE SERVED BY THE MEANS OF EGRESS IS OCCUPIED.
 2. EXIT SIGNS SHALL BE INTERNALLY OR EXTERNALLY ILLUMINATED AT ALL TIMES AND SHALL BE CONNECTED TO AN EMERGENCY POWER SYSTEM (BATTERIES, UNIT EQUIPMENT OR AN ON-SITE GENERATOR) THAT WILL AUTOMATICALLY ILLUMINATE THE EXIT SIGNS FOR A DURATION OF NOT LESS THAN 90 MINUTES.

CONTROLLED ACCESS DOOR NOTES

- EACH ELECTRICALLY-LOCKED DOOR WILL HAVE A SENSOR ON EGRESS SIDE WHICH DETECTS OCCUPANT APPROACH AND AUTOMATICALLY UNLOCKS DOOR WHEN AN OCCUPANT APPROACHES
 - EACH DOOR IS ARRANGED TO UNLOCK FROM MANUAL UNLOCKING DEVICE
 - OPERATION OF THE UNLOCKING DEVICE DIRECTLY INTERRUPTS THE POWER TO THE ELECTRIC LOCK AND UNLOCKS THE DOOR IMMEDIATELY AND TO CAUSES DOOR TO REMAIN UNLOCKED FOR NOT LESS THAN 30 SECONDS
 - THE UNLOCKING DEVICE IS MOUNTED 40 TO 48 INCHES ABOVE THE FINISHED FLOOR, WITHIN 5 FEET FROM STRIKE SIDE OF THE DOOR AND IS CLEARLY IDENTIFIED WITH A SIGN STATING "PUSH TO EXIT"
 - UNLOCKING DEVICE IS CAPABLE OF BEING OPERATED WITH ONE HAND
 - LOSS OF POWER TO THE LOCK, LOCKING SYSTEM OR SENSOR AUTOMATICALLY UNLOCKS THE DOOR
 - ANY PANIC HARDWARE RELEASES THE LOCK
 - ACTIVATION OF ANY AUTOMATIC FIRE SPRINKLERS SYSTEM RELEASES THE LOCK
 - ACTIVATION OF ANY AUTOMATIC ALARM SYSTEM RELEASES THE LOCK
 - MAIN DOORS SERVING OCCUPANCY GROUP W MAY BE EQUIPPED WITH KEY OPERATED LOCKING DEVICES ON EGRESS SIDE WHERE:
- ANY DOOR LOCKING DEVICE MUST BE READILY DISTINGUISHABLE AS LOCKED
 - READILY VISIBLE DURABLE SIGN STATING "THIS DOOR MUST REMAIN UNLOCKED WHILE SPACE IS OCCUPIED" MUST BE PERMANENTLY INSTALLED ON OR ADJACENT TO EACH EGRESS DOOR
 - SIGN MUST BE IN LETTERS NOT LESS THAN 1 INCH HIGH ON A CONTRASTING BACKGROUND
 - USE OF KEY OPERATED LOCKING DEVICES MAY BE REVOKED BY THE BUILDING OFFICIAL ANY TIME FOR DUE CAUSE
11. THIS FACILITY WILL NOT UTILIZE DELAYED EGRESS COMPONENTS OR SYSTEMS.



① CODE/AREA PLAN - LEVEL 1
 1/8" = 1'-0"



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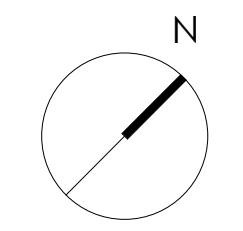
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DRAWING TITLE
 PROPOSED AREAS - LEVEL
 1

A007

OCCUPANCY SUMMARY

ROOM NAME	OCCUPANCY TYPE	AREA	LOAD FACTORS	EXIT DISTANCE	TOTAL OCCUPANTS
LOUNGE	A-3	1588 SF	30	95' - 6"	53
CALL RM.	B	40 SF	150	102' - 6"	1
SALLY PORT	B	43 SF	150	30' - 6"	1
CONSUMPTION SUPPLIES	B	106 SF	150	97' - 0"	1
CONFERENCE RM.	B	216 SF	150	136' - 0"	2
OPEN OFFICE	B	538 SF	150	109' - 0"	4
JANITOR	S-1	36 SF	300	67' - 6"	1
STORAGE	S-1	87 SF	300	81' - 6"	1
TOTAL OCCUPANTS:					64

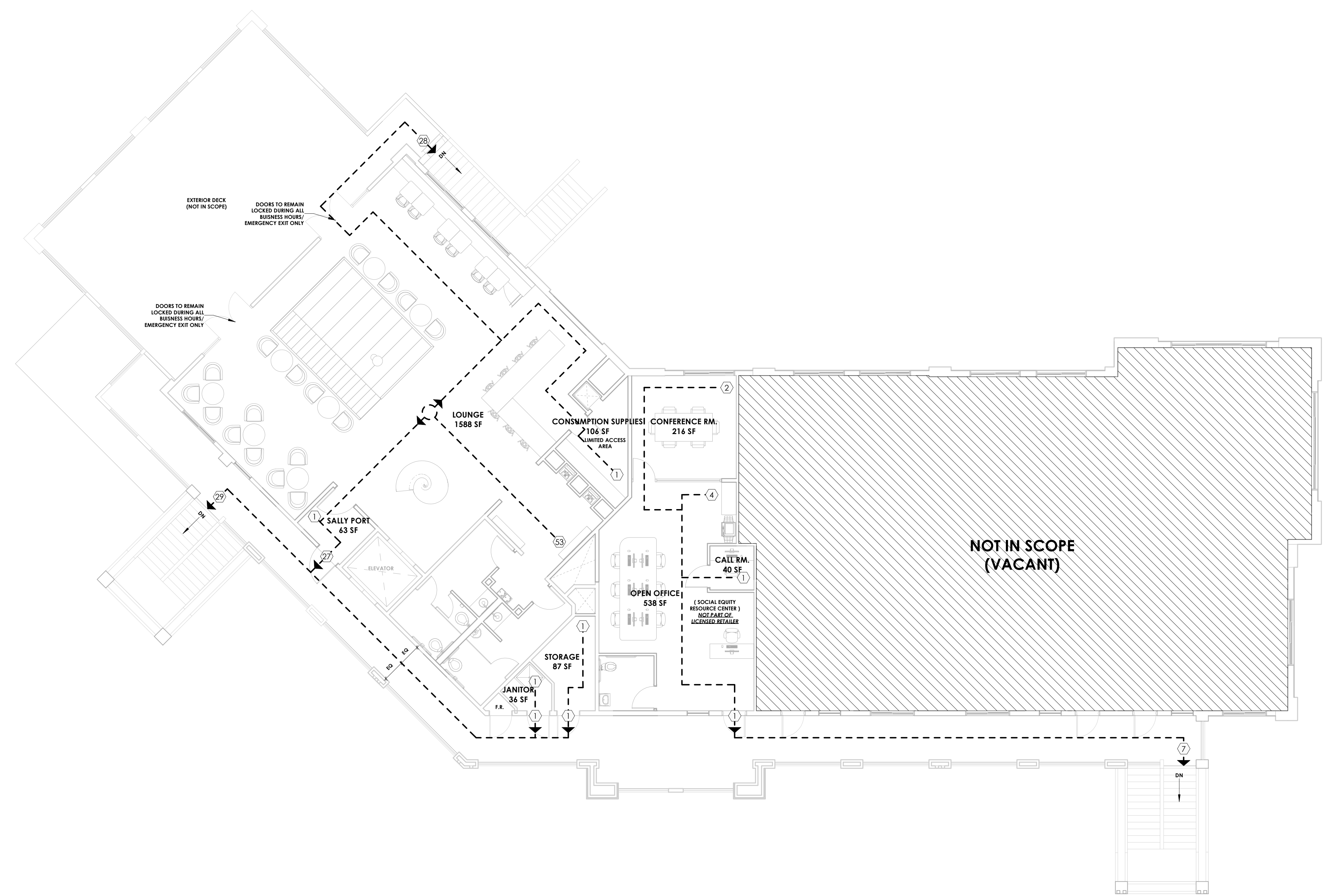
CODE LEGEND/NOTES

Name	ROOM NAME
XXX SF FA/G Occ	SQUARE FOOTAGE FLOOR AREA PER OCCUPANT ROOM OCCUPANCY
EXIT DOOR	RRD RESTROOM DOOR
EXIT OCCUPANT LOAD OF ROOM	RRW RESTROOM WALL
EXIT ACCESS TRAVEL DISTANCE (CBC 1021.2)	1 HR FIRE RATED WALL
EXIT SIGN	NOTE: EGRESS ILLUMINATION AND EXIT SIGNAGE LOCATIONS SUBJECT TO REVIEW BY CITY BUILDING DIVISION AND FIRE DEPARTMENT INSPECTORS. CBC 1008, 1013.
TACTILE EXIT SIGN	

- NOTE:**
- THE MEANS OF EGRESS WILL BE ILLUMINATED TO A LEVEL OF NOT LESS THAN ONE FOOT-CANDLE AT THE WALKING SURFACE AT ALL TIMES THE BUILDING SPACE SERVED BY THE MEANS OF EGRESS IS OCCUPIED.
 - EXIT SIGNS SHALL BE INTERNALLY OR EXTERNALLY ILLUMINATED AT ALL TIMES AND SHALL BE CONNECTED TO AN EMERGENCY POWER SYSTEM (BATTERIES, UNIT EQUIPMENT OR AN ON-SITE GENERATOR) THAT WILL AUTOMATICALLY ILLUMINATE THE EXIT SIGNS FOR A DURATION OF NOT LESS THAN 90 MINUTES.

CONTROLLED ACCESS DOOR NOTES

- EACH ELECTRICALLY-LOCKED DOOR WILL HAVE A SENSOR ON EGRESS SIDE WHICH DETECTS OCCUPANT APPROACH AND AUTOMATICALLY UNLOCKS DOOR WHEN AN OCCUPANT APPROACHES
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- THE UNLOCKING DEVICE IS MOUNTED 40 TO 48 INCHES ABOVE THE FINISHED FLOOR, WITHIN 5 FEET FROM STRIKE SIDE OF THE DOOR AND IS CLEARLY IDENTIFIED WITH A SIGN STATING "PUSH TO EXIT"
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- MAIN DOORS SERVING OCCUPANCY GROUP W MAY BE EQUIPPED WITH KEY OPERATED LOCKING DEVICES ON EGRESS SIDE WHERE:
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 - SIGN MUST BE IN LETTERS NOT LESS THAN 1 INCH HIGH ON A CONTRASTING BACKGROUND
 - USE OF KEY OPERATED LOCKING DEVICES MAY BE REVOKED BY THE BUILDING OFFICIAL ANY TIME FOR DUE CAUSE THIS FACILITY WILL NOT UTILIZE DELAYED EGRESS COMPONENTS OR SYSTEMS.



1 CODE / AREA PLAN - LEVEL 2
1/8" = 1'-0"



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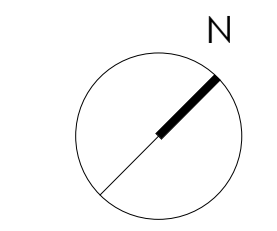
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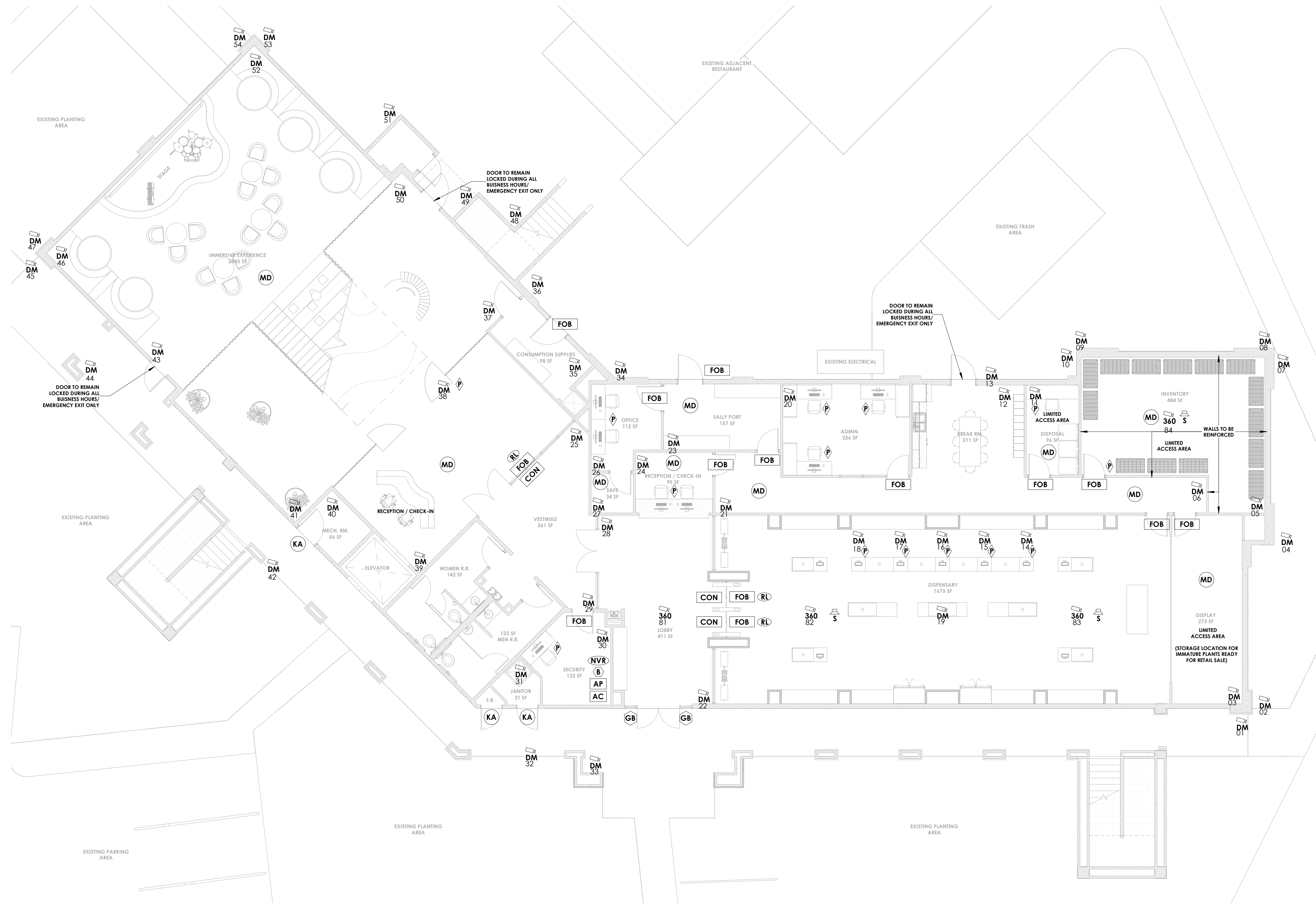


DRAWING TITLE
PROPOSED AREAS - LEVEL 2

A008

SECURITY LEGEND

- | | | | |
|--|--------------------------------------------|--|------------------|
| | 360 CAMERA | | BACK UP BATTERY |
| | FIXED DOME HD CAMERA | | GLASS BREAK |
| | SOUNDER | | NVR |
| | ACCESS POWER | | PANIC |
| | ACCESS CONTROLLER | | SECURE FOB ENTRY |
| | MOTION DETECTOR (CEILING AND WALL MOUNTED) | | REMOTE LOCK |
| | KEYPAD | | KEY ACCESS |
| | CONTACT | | |



1 SECURITY FLOOR PLAN - LEVEL 1
1/8" = 1'-0"



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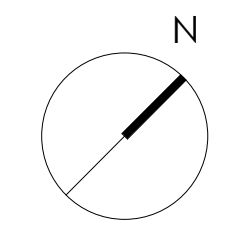
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










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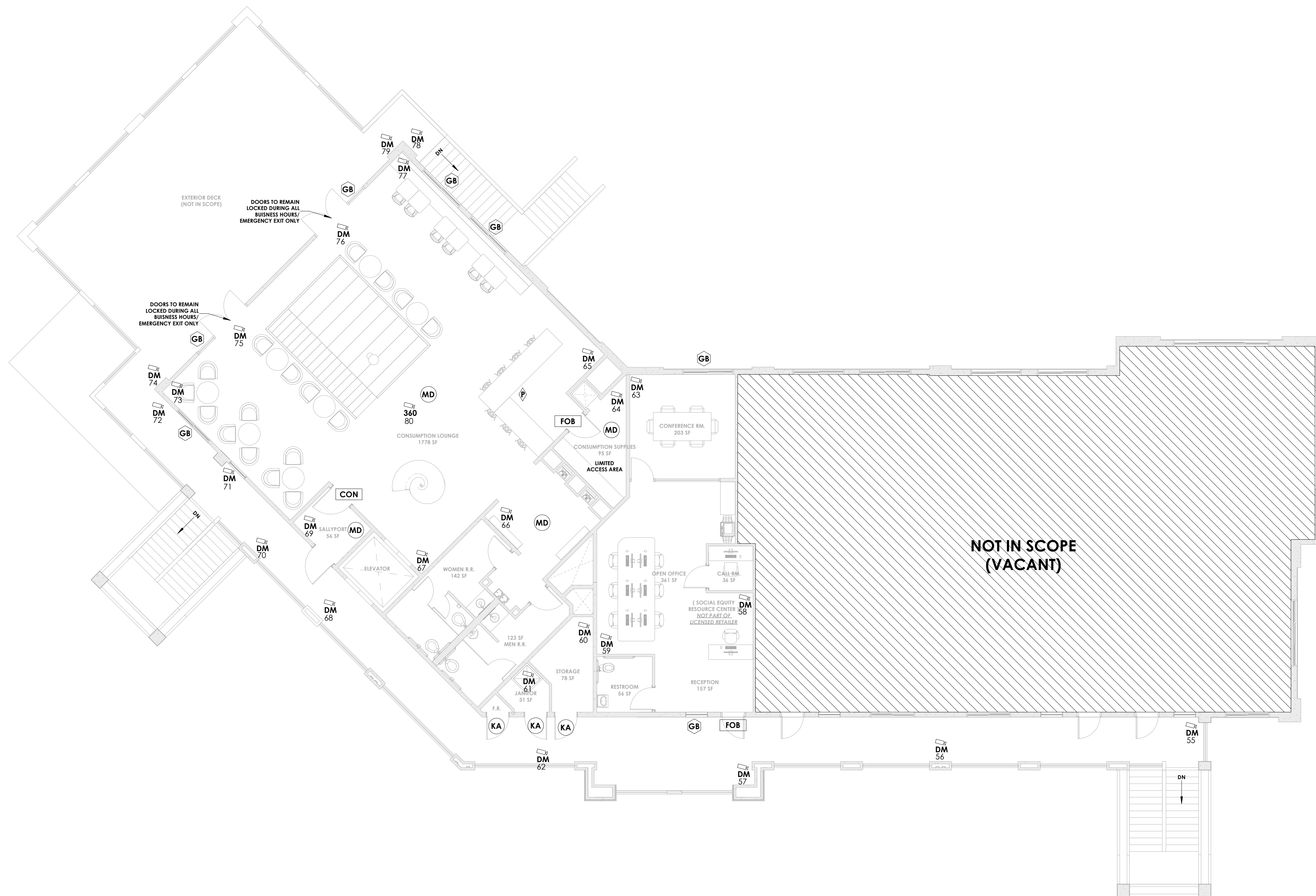


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SECURITY FLOOR PLAN - LEVEL 1

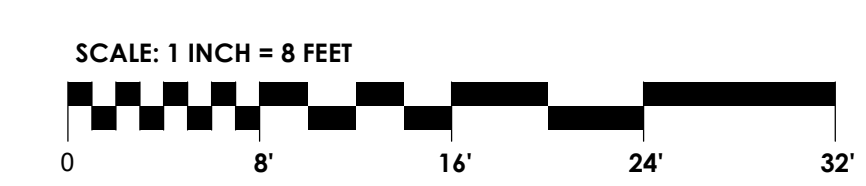
A009

SECURITY LEGEND

	360 CAMERA		BACK UP BATTERY
	FIXED DOME HD CAMERA		GLASS BREAK
	SOUNDER		NVR
	ACCESS POWER		PANIC
	ACCESS CONTROLLER		SECURE FOB ENTRY
	MOTION DETECTOR (CEILING AND WALL MOUNTED)		REMOTE LOCK
	KEYPAD		KEY ACCESS
	CONTACT		



① SECURITY FLOOR PLAN - LEVEL 2
1/8" = 1'-0"



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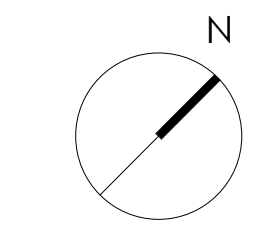
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DRAWING TITLE
SECURITY FLOOR PLAN - LEVEL 2

A010

DESCRIPTION OF PRINCIPAL ACTIVITIES

Sessions' Retail and Consumption Lounge Facility will include the following rooms, all of which are depicted on the premises diagram and described below:

- Limited Access Areas:
 - Inventory / Storage Vault
 - Display / Storage Location for Immature Plants Ready for Sale
 - Disposal Area / Cannabis Waste Storage
- Employee Only Access Areas:
 - Office & Safe
 - Administrative Area
 - Sally Port / Delivery & Staging Area and Shipping & Receiving Area
 - Security Room
 - Consumption Supplies Room
 - Employee Break Room
- Non-Limited Access Areas:
 - Lobby & Reception Area
 - Dispensary Sales Floor
 - Immersive Experience Area (part of Consumption Lounge)
 - Consumption Lounge
 - Social Equity Resource Center (not part of licensed Retailer)
 - Janitor Closet & Storage Areas
 - Mechanical Equipment Room
 - Storage Room
 - Restrooms, both Upstairs & Downstairs

The principal activities carried out in each room are briefly describes in the following pages. Rooms that are considered limited access areas will be described first, followed by rooms that are not limited access.

The areas depicted in the premises diagram and described below will not be sublet under any circumstances. If Sessions makes any changes to the premises that materially or substantially alter the licensed premises or their use, including, but not limited to, the removal, creation or alteration of a common entryway, doorway, or passage, Sessions will first obtain written approval from the city of National City and the Department of Cannabis Control.



Limited Access Areas

Limited access areas will be the areas of the Retail Facility in which cannabis goods will be stored or held and only be accessible to Sessions employees, outside vendors or contractors, and other authorized individuals conducting business that requires access to the limited-access area. Except for Sessions employees, any individual in the limited access area will be escorted by a Sessions employee at all times within the limited access areas of the Retail Facility. Sessions will maintain a log of all authorized individuals beyond Sessions employees who enter the limited access areas and the logs will be available to the city of National City officials or the Department, upon request. Any individual who enters the limited access area will be at least twenty-one (21) years of age. Sessions will not receive consideration or compensation for permitting an individual to enter the limited access areas of the Retail Facility. All activities in the limited access areas will be captured on video by surveillance cameras.

INVENTORY / STORAGE VAULT

The Inventory / Storage Vault will be a secure room with a solid core door in a limited access area of the Retail Facility. The room will be used to store all of Sessions' cannabis goods inventory, excluding cannabis goods in process during normal Retail Facility business hours or cannabis goods requiring disposal in the secure cannabis waste receptacle. Cannabis goods will be placed in the secure inventory storage room upon release into inventory, when not in use during normal business hours, and prior to Facility closure. For this reason, access to the inventory storage room will be limited to the minimum number of personnel necessary for efficient operations.

This secure storage space will be designed to control temperature, humidity, light exposure, and contaminants to ensure the quality and longevity of the cannabis goods stored inside. The inventory storage room may contain refrigeration equipment, if necessary or required, and the overall climate will be controlled to keep relative humidity under sixty percent (60%) and temperature within an optimal range to avoid quality degradation. Sessions will ensure that all batches will be stored separately and labeled clearly.

DISPLAY / STORAGE LOCATION FOR IMMATURE PLANTS READY FOR SALE

The Display / Storage Location for Immature Plants Ready for Sale will be a limited access area in which immature cannabis plants will be stored before they are sold. Cannabis plants on site will not be flowering, and will be kept shorter and narrower than 18 inches. All immature cannabis plants will be kept in this area only. Within this storage area, cannabis plants will be kept in ideal conditions for freshness and will be cared for by Sessions employees to maintain the integrity of the plant before customer purchase. The area is a state-of-the-art industrial room with 30 bright LED lights in symmetrical rows, laboratory-grade fixtures, and environmental control equipment. This area will also utilize a glass wall in the shared wall with the Dispensary Sales Floor for customer viewing. With this visual exhibit, Sessions hopes to instill a sense of comfort in customers knowing that the product they're purchasing is fresh, local, and safe for consumption.

DISPOSAL AREA / CANNABIS WASTE STORAGE

The Cannabis Waste Storage area serves as a space to store and contain cannabis waste separately from other cannabis inventory until the cannabis waste is removed from the premises and ultimately disposed of.

Employee Only Areas

FOB Access Areas will be areas of the Facility which are only accessible via electronic FOB by Sessions Employees, Management, and Authorized Visitors.⁸⁰

OFFICE & SAFE

The Management Office will be the primary place in which management staff will complete their work. Though Sessions will use a cloud-based service as the primary recordkeeping location, the Management Office will contain two (2) locked secure filing cabinets for storage of any hard copies of Sessions' records maintained on-site, which may

⁸⁰ A FOB is a security hardware device with built in authentication used to control and limit access to areas of the premises that are restricted to employees.



include, but is not limited to, Sessions Standard Operating Procedures, employee training materials, certificates of analysis, vehicle maintenance and transportation records, purchase orders, receipts, business documents, and local and state licenses.

The Safe will be used to store any sensitive or important documents, cash that has been removed from the Dispensary Sales Floor, and any other items Management feels should be secured. The safe will only be accessible by Sessions Management.

ADMINISTRATIVE AREA

The Administrative Area is accessible to Sessions employees via FOB and will be used for any administrative duties that may be required or assigned to employees. This area will be the main workspace for administrative staff who will be responsible primarily for recordkeeping, bookkeeping, invoicing, human resources activities, and other administrative tasks. This area will include typical office amenities, including workstations, printers, and filing cabinets.

SALLY PORT / DELIVERY STAGING AREA & SHIPPING AND RECEIVING AREA

The Sally Port / Delivery Staging Area & Shipping and Receiving Area will be where shipments of cannabis goods will be unloaded after transport from the Facility of origin and prepared for shipping, if necessary for recall purposes, to the destination Facility. Upon arrival, shipments of cannabis goods will be carried into the shipping and receiving area where they will be cross-checked with the shipping manifest, weighed, inspected, recorded, and approved for release into inventory.

Also, the Sally Port will be where cannabis goods will be prepared and loaded for delivery per customer delivery request receipts. After a Delivery Request Form is received, the delivery order must be processed. The Sessions employee or Delivery Driver preparing the order for delivery will confirm that the purchase order is accurate, the products packaged align with the delivery request, that the address provided on the Delivery Request Receipt is for a permitted location in the State of California, and that delivery is not requested for a jurisdiction outside of Sessions' delivery range. Sessions Delivery Drivers must prepare and carry a Delivery Request Receipt associated with each scheduled delivery, whether in electronic or hard-copy form, in addition to the receipt affixed to each exit package. Once an order is prepared and verified, the requested cannabis goods will be placed in a sealed exit package to which a copy of the Delivery Request Receipt will be affixed. Once ready for departure from the Facility, a Security Guard will escort the Delivery Driver to their vehicle.

SECURITY ROOM

The Security Room will contain the surveillance system devices, security equipment, surveillance footage, and on-site security records that will be securely stored. Access to this room will be limited to the management staff, security personnel, and personnel explicitly authorized by these persons. The room will also serve as a place for live monitoring of entrances and exits to the Facility in addition to point-of-sale and cannabis goods display areas.

CONSUMPTION SUPPLIES ROOM

This area exists both upstairs and downstairs, connected to the Consumption Lounge, and will be utilized by Sessions employees only to hold supplies for the Consumption Lounge.

EMPLOYEE BREAK ROOM

The Employee Break Room will be for use by Sessions employees only. This space will be completely separated from inventory storage areas, and not be considered a limited access area. The principal activities to occur in this space will be food and drink storage, eating meals during shifts, and relaxing during regular mid-shift breaks.

Non-Limited Access Areas

LOBBY & RECEPTION AREA

The Lobby will be connected to the main entrance of the Facility, where Customers and Visitors enter the Premises. This will also serve as a waiting area for Customers and Visitors should there be any wait time to enter the Dispensary Sales Floor or Consumption Lounge.



The Reception Area is located within the Lobby. Behind the desk will be accessible by Sessions Employees only and will be accessible by FOB through the Employee Offices and Break area. Once Customers and Visitors enter the Facility, they will be required to check in with the Receptionist at the Reception Area for age verification, entrance into the queue for the Dispensary Sales Floor, Immersive Experience Area, or Consumption Lounge, and acquirement of a Visitor's badge, if applicable.

DISPENSARY / SALES FLOOR

The Dispensary / Sales Floor ("Dispensary") will be the retail and sales floor area of the Retail Facility in which cannabis goods will be sold and that will be accessible to employees, verified consumers, authorized representatives of the Department and other government officials, and authorized tradespeople when necessary to perform their job duties. The sales floor will also be used for the display of cannabis goods. At least one (1) Sessions employee will be physically present in the retail area at all times when consumers or other authorized individuals are in the retail area. Consumers will only be granted access to the retail area after the Sessions' Receptionist verifies that the consumer is of age to enter the facility and has valid proof of identification. Valid proof of identification will clearly indicate the age or birthdate of the consumer. Consumers will not be permitted to remain on the premises if they will not be engaging in express activity related to the operations of Sessions. After a consumer purchases their cannabis goods, the consumer will be required to immediately leave the retail area.

CONSUMPTION LOUNGE

The Consumption Lounge ("Lounge") is a large, upstairs area that is accessible to age-verified patrons who are twenty-one (21) or older. Amenities within the Lounge will be similar to that of a bar, club, or coffee shop, including couches, tables, televisions, and a cannabis bar area. Patrons will be able to enjoy primetime sporting events, music, or other entertainment. Patrons will be able to purchase cannabis products from the Dispensary Sales Floor on the first floor, and bring them upstairs, at which point they will reach a check-in point where their purchase and age will be verified before being permitted entry into the Consumption Lounge. Within the Consumption Lounge, patrons will be able to enjoy their cannabis products in a safe and comfortable environment. The Consumption Lounge will be staffed with Sessions employees as well as at least one (1) security personnel.

IMMERSIVE EXPERIENCE AREA

The Immersive Experience Area is a large, open area that is part of the Consumption Lounge in which age-verified patrons who are twenty-one (21) or older will be able to enjoy a changing rotation of art installations, instagrammable exhibits, live music, and immersive experiences. Sessions plans to partner with third-party brands and local artists to fill this space with new and exciting exhibits. The space itself is a large open area able to facilitate large, intricate, and removable installations. There is a small stage located at the far end of the room for live music or other presentations.



SOCIAL EQUITY RESOURCE CENTER (Not Part of Licensed Retailer)

The Social Equity Resource Center ("SERC") is a community resource providing access to computers, meeting space, educational workshops, industry training/mentorship, and more. This space will be separate from the Dispensary and have separate access to SERC. The SERC will be accessible to anyone over the age of twenty-one (21) wishing to use the space. The authenticity of our brand mission to improve the lives and well-being of our customers, their families, and communities will be conveyed through the goodwill campaigns implemented and cultivated in our SERC. Within the space, there is a Call Room, which is a private office to be utilized for making business calls without interruption. There is a Conference Room available for larger meetings, and the rest of the space is an open work area available for anyone utilizing the SERC.

RESTROOMS

Both upstairs and downstairs Restrooms will be available for use by customers, employees, and visitors for their personal sanitary needs.

MECHANICAL EQUIPMENT STORAGE ROOM

The Mechanical Equipment Storage Room will be used for storage, including tools, IT hardware, and any other facilities-related equipment.

JANITOR CLOSET

The Janitor's Closet will include shelf storage for cleaning supplies for janitorial duties.

