

On June 25, 2019, the Cannabis Regulation and Tax Act, 410 ILCS 705 (“CRTA”), went into effect. The Illinois Department of Agriculture (“Department”) Craft Grower Application (“Application”) required that the applicant demonstrate that they have sufficient financial resources and the necessary industry knowledge to become a craft grower. In addition, the CRTA requires that very stringent security and operational procedures are put in place at a craft grower facility. NBGC Partners, LLC (“NBCG”), applied for a craft grower license and on August 2, 2021 received a craft grower license

Description of Property as it Exists Today

The property is approximately 140,699 square feet (3.23 acres) with a building that is approximately 59,446 square feet. The property is currently vacant and was previously occupied by AGSCO and used for the manufacturing and distribution of industrial minerals, abrasives, blasting equipment, and related materials and services. The property was recently purchased and is owned by Green Rose Management, LLC (“Owner”).

Proposed Use of Property

NBCG is seeking zoning approval to operate a craft grow facility at 160 W. Hintz Road. The existing building is 59,446 square feet and sits on 3.23 acres. NBCG has permission from the Owner to operate a craft grower facility at the property, contingent upon NBCG receiving a Special Use Permit from the Village. The building currently has 6 interior docks, 2 drive-in doors, and 9 man doors.

NBCG will build-out the interior of the building for its use but will not make any changes to the site or exterior of the building except for the addition of security cameras.

In order to accommodate HVAC equipment, the existing 89 parking spaces will be reduced to 61 parking spaces, still more than sufficient for NBCG’s use.

There will be no meaningful difference in automobile traffic in the area as a result of NBCG’s operations.

Key Members of Ownership Group and Management

- The General Manager (“GM”) has extensive experience managing large-scale commercial cannabis cultivation centers with robust extraction lab and kitchen operations. The GM, currently the Chief Operating Officer of a vertically integrated cannabis company, is a seasoned and performance-driven executive known for managing the needs for resource allocation alongside growth and innovation. He brings over 20 years of business leadership, operations, cultivation, compliance and training experience where meticulous execution has led to extraordinary success in operational and human capital.
- The Cultivation Manager (“CM”) has extensive cannabis experience. CM served as Vice President of Operations and Cultivation for a Colorado cultivation center from 2009 to 2014. In his role as VP of Operations and Cultivation, the CM oversaw facility designs and buildouts, designed and integrated the facilities irrigation system and nutrition injection, pest and disease management and seed and clone germination. In addition to those tasks, the CM was responsible for operational management of the day to day activities, drafting a implementing cultivation and employee

training manuals and procedures and maintaining regulatory compliance with both state and local policies.

- Chief Compliance Officer (“CCO”) is a small business owner of eleven years and operator of two of the fifty-five medical marijuana licenses awarded in Illinois. In 2009, the CCO became the proud owner and operator of a small woman-owned retail business in Illinois that offered quality kitchen cabinets and surface countertops. While running her own entrepreneurial operation, the CCO took on a new position with an Illinois dispensary company as Operations Manager of their two locations in 2015. As Operations Manager, she coordinated all human resource activities and staffing requirements of the organization and aligned all resources to provide patient education and assistance for participation in the Illinois medical cannabis program. The CCO was also responsible for planning, directing, and coordinating the organizations activities to ensure compliance with regulatory standards and maintained and submitted operating agreements and annual and quarterly reports required by state regulators.
- Inventory Manager (“IM”), in light of the fundamental importance of creating and maintaining accurate inventory records, product chain of custody, and preventing and mitigating theft and diversion, the IM role is one of the most important at the Company. The IM plays a critical role in ensuring that NBCG’s inventory is accounted for, accurate, and compliant. The IM played an important financial role for numerous companies. Working as an accountant provided her a strong knowledge base of practical business insights. While managing the financial well-being of multi-million to multi-billion-dollar business operations, the IM would perform duties like risk assessments and run compliance testing. As a certified public accountant, she performed and presented conclusions to complex accounting topics. In addition to overseeing the company financials, the IM supervised and trained less experienced staff members on auditing practices, testing and proper documentation.
- Green Rose Advisors, LLC will advise the ownership group on all aspects of operating a craft grow as well as its design and construction. Green Rose Advisors and its principal, Ross Morreale, has extensive and comprehensive experience with all aspects of building and operating medical cannabis cultivation centers in Illinois.

Description of Craft Grow Operations

A craft grow is a facility licensed by the Illinois Department of Agriculture to cultivate or grow cannabis and to extract raw cannabis materials to create processed cannabis oil to create concentrate products or to infuse into edibles and other infusible products. Within the building, there will be various grow rooms used to grow plants; the Mother Room, the Clone Room, the Vegetative Growth Rooms, and the Flower Rooms. Once the plants are harvested, they are moved to the Trim Room for further processing. After the plants are harvested and trimmed, the harvested cannabis will be sent to the Dry Room for about 10 days. After drying, cannabis flower will be designated as Flower to Sell or as Flower to Extract. Flower to Sell will be placed in special sealable 5-gallon cannabis storage buckets and moved to the Cure Room where they will be stored for about 30 days. After the Flower to Sell has cured it will be sent to the Packaging Department to be weighed and packaged for sale to Illinois licenses dispensaries. Flower to Extract will be sent to the Extraction Room to be extracted. The

processed cannabis oil that is created through the extraction process will be stored until it is needed to make concentrate or infused products to be sold to Illinois licensed dispensaries.

As the facility gets up and running, the following operations and space will be added:

- Ethanol of CO2 Extraction Lab will be added where certain cannabis materials will be placed into an extraction machine where the cannabinoids in that cannabis material will be extracted and processed cannabis oil will be created.
- Food Grade commercial kitchen will be added to infuse processed cannabis oil into various products like chocolates, gummy bears, and topicals.
- An additional 9,000 square feet of Flower Rooms are planned to be added as authorized by the Department.

Hours of Operations and Number of Employees

The craft grower facility will operate from 7:00 AM through 6:00 PM Monday through Friday and will be open on Saturday as needed to effectively operate the facility. The facility is expected to be closed on Sundays.

NBCG will hire approximately ten employees for its initial operations. By the spring of 2022, NBCG expects to hire an additional 7-10 employees bringing the total to approximately 20 employees. By the end of 2022, NBCG expects to have approximately 40 employees.

Security

1. Security Introduction

Applicant's goal is to mitigate, and hopefully completely eliminate, unlawful loss, theft, and diversion of cannabis, and to ensure the safety of our staff, purchasers, facility, and community. To that end, Applicant has designed and intends to implement a Security Plan exceeding the requirements of the Cannabis Regulation and Tax Act (the "Act") and the Administrative Rules that is based on best security practices, both for the cannabis industry and beyond. Our security policies and procedures have been vetted and approved by our highly experienced security team members and third-party expert consultants.

The Chief Security Officer (CSO) will be responsible for overseeing all aspects of NBCG Partners, LLC's (NBCG) Security Plan, including cannabis storage and waste matters and ensuring employee safety protocols. In addition, the CSO will be responsible for:

- Establishing protocols for overall safety and security operations and management, including protection of staff, the facility, and the community as appropriate;
- Administration of security systems and processes;
- Serving as the primary security contact for all staff, product suppliers, service providers, the general public, the Department, the ISP, and other law enforcement agencies;
- Ensuring that all staff and approved vendors/visitors comply with Company policies and State and local laws;
- Ensuring Applicant maintains a secure, safe environment, both inside and outside our facility;
- Reviewing and updating security SOPs on at least a quarterly basis;
- Coordinating with Security Staff and management to confirm pre-authorization of visitors and vendors;

- In the event of a physical security risk or incident, initiating security incident response procedures;
- Meeting with the Department, the ISP, local law enforcement, or other designated and authorized government representatives regarding any security-related measures or issues;
- Ensuring policy enforcement and compliance by:
 - Auditing and enforcing security compliance internally;
 - Maintaining an updated emergency contact roster with personal contact information for all agents to be kept on file in the Records Storage Room;
 - Working with the Chief Education and Training Officer to implement staff security training, and keeping records of completed and verified training of new employees;
 - Performing scheduled and unannounced safety and security-related drills on a quarterly basis, and compiling results into reports for incorporation into future drills;
 - Conducting a semiannual security audit;
 - Training in the protection of a crime scene and theft/diversion investigations; and
 - Maintaining safety signage, including but not limited to notifying the public that firearms are not permitted on or near the facility's property and non-consumption warnings in the facility and parking lot.

Under the guidance of the CSO, NBCG, will also hire a team of highly trained, professional Security Staff to provide onsite security services during all operating hours (expected to be Monday through Sunday, 7:00 a.m. through 6:00 p.m.), as well as one (1) hour before the facility opens and one (1) hour after the facility closes. The Security Staffs' primary responsibilities include:

- Continuously monitoring of video surveillance system feed;
- Conducting daily inspection of surveillance feeds and reporting of any issues to the Security Manager;
- Processing authorized vendors/visitors upon arrival, including granting access (with Department authorization) or denying access;
- Immediately reporting any security emergency to law enforcement, or other emergency responders, and management;
- Reporting violations or non-emergency incidents to the Security Manager and the CSO;
- Monitoring all shipment preparation activities and all opening/closing procedures;
- Monitoring cash handling procedures;
- Monitoring all activities related to cannabis handling;
- Patrolling the facility, including adjacent parking areas;
- Inspecting each authorized visitor and authorized vendor, including any bags/purses if necessary, deterring diversion and illegal or unwanted conduct;
- Implementing alarm response procedures and protocols;
- Engaging in conflict resolution activities;
- Contacting emergency responders in the event of a security incident;
- Conducting and/or participating in security incident and diversion investigation (and remediation, if applicable);

- Conducting and/or participating in security-related training for non-Security Staff members;
- Escorting authorized visitors/vendors while on the premises;
- Escorting personnel and purchasers to their vehicles, upon request; and
- Implementing disaster/emergency action plans and remediation efforts.

2. Design, Construction, and Layout

Robust access controls begin with well thought out and secure design and construction. In compliance with the Act, our facility will be laid out and constructed to prevent unauthorized entry through a combination of intelligent design and advanced security features. NBCG will adopt best security practices approved by our CSO, our in-house security expert, and our local law enforcement partners. Each room within the facility will be access-controlled to maintain an efficient facility flow, provide a safe and secure environment and control access to where cannabis is cultivated, handled, manufactured, and stored. Accordingly, every door will be locked/alarmed at all times except when access is specifically authorized. Only those with proper security clearance may enter each room.

By design, all supporting production spaces will also be grouped together and equipped with access-control measures between each space. This way, we can better manage which persons have authorized access to designated security zones of the facility while also mitigating the potential for diversion, cross-contamination, and a host of other operational issues.

3. Physical Security

a. Interior lighting

Interior areas of the facility will be fully illuminated (other than production areas which require lights to be off and, as an energy conservation measure, when no movement is detected in a particular area) to create a safe and efficient working environment and to ensure that agents and Security Staff are able to effectively monitor the entire facility each day (note, however, that all cameras will allow for clear viewing in low-light and no-light conditions). Security staff will inspect all interior and exterior lighting as part of opening and closing procedures to ensure all lights are functioning properly. Lighting equipment that is not functioning properly will be repaired immediately. All lighting will exceed industry requirements to illuminate all areas and ensure all images captured on the surveillance system are sharp and capable of high-resolution reproduction.

b. Main Entryway

For maximum security, the facility will have a single, dedicated main entryway. This entry point will consist of a “man trap,” which will allow NBCG to verify each individual’s credentials and legal ability to enter the facility. The man trap will be steel-framed and include commercial-grade reinforced steel doors with reinforced steel hinges and shatter-proof film over the security glass for viewing of entrants by security personnel upon entry. The vestibule between the interior and exterior doors will be equipped with cameras connected to our continuously-recording video surveillance system. These cameras will be angled to clearly capture faces and documents. The vestibule camera will be viewed at the main entryway and attached security office. Security professionals will have the ability to open both the exterior and interior man trap doors remotely from the security office and the security post directly inside the interior man trap door. Once through the man trap, the entrant will move into the hallway leading to other areas of the facility.

c. Exterior Windows

Although NBCG's facility will not contain many exterior perimeter windows, any such windows will be coated with shatterproof, tinted security film to mitigate unauthorized access. NBCG will utilize tinted 3M Safety Series shatterproof security film at 14 mm thickness, providing intrusion resistance for 2 minutes or longer. The tint reduces 60% of the heat coming through the window and filters 97% of the sun's infrared rays and 99.9% of harmful UV rays, also providing environmental benefits by not taxing our air conditioning and heating systems. Since this window film is opaque, **no cannabis inside our facility will ever be visible to the public**. Additionally, all windows will be equipped with UL-listed glass break security contacts that immediately report unauthorized access by audible alarm and e-mail and text notifications.

d. Doors and Door Locks

All external and internal doors will be steel-core security doors with steel frames and steel-reinforced hinges. All doors and frames will meet or exceed the American Society for Testing and Materials ("ASTM") F3038 standard for 30 minutes forced entry prevention (other than the Vault door, the specifications for which are included below). All doors will be equipped with commercial-grade self-closing and self-locking hinges and closers.

All doors will have high-security locks that meet or exceed UL Standard 437, which requires that a lock be able to resist picking or other forms of attack for a minimum of 10 minutes. These locks are also compliant with DEA Office of Diversion Control guidelines. All exterior doors with exposed hinge pins on the outside of the door will have non removable hinge pins. All doors will have electronic door locks that are incorporated into our Electronically-Engineered Access Control System ("EEACS"). All exterior doors and doors leading to areas where cannabis and records may be handled or stored will also be incorporated into the alarm system.

NBCG will utilize Medeco 3 32 Series LFIC (Large Format Interchangeable Core) locks that are UL-437 listed. Medeco 3 32 LFIC locks feature a removable core system that allows for quick and easy "re-keying" when needed and Applicant will encourage "re-keying" on a scheduled basis to enhance the integrity of the key security program. All locks will be inspected monthly to ensure they are kept in good working order. The keys for these locks will have patented key control for added security. Note, however, that every interior and exterior door in the facility (other than restrooms) will have electronic swipe card and pin-pad access control (with additional biosecurity requirements for sensitive rooms like the Vault and the Security/Surveillance Office).

e. Public Areas

The only individuals permitted to access NBCG's facility will be agents working for NBCG; Department staff performing inspections; Department of Public Health staff performing inspections; State and local law enforcement or other emergency personnel; Department-approved contractors working on jobs unrelated to cannabis, such as installing or maintaining security devices or performing electrical wiring; transporting organization agents as provided in the

Act; or participants in the incubator program, individuals in a mentoring or educational program approved by the State; or other individuals as provided by rule. 410 ILCS 705/30-30(c). However, Applicant's front parking lot will be accessible to the public and, for

security categorization purposes, is considered a Public Area. By carefully monitoring the Public Area 24 hours per day, 7 days per week (using in-house and outsourced security monitoring resources), Applicant will ensure that no individuals access or remain in the Public Area unless they have a legitimate purpose, and are legally permitted, to enter the facility.

The following signs will be conspicuously posted and clearly visible and legible from the parking area Public Area, as well as at each entrance of the facility:

- “PERSONS UNDER 21 YEARS OF AGE NOT PERMITTED ON THESE PREMISES”; and
- “THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE”.

f. Restricted Areas

The entirety of the perimeter of the facility, as well as every room within the facility, is a Restricted Area (“RA”). Although RAs will have various levels of security (e.g., the Vault is a more highly-secured area than an interior hallway), only agents working for Applicant; Department staff performing inspections; Department of Public Health staff performing inspections; State and local law enforcement or other emergency personnel; Department-approved contractors working on jobs unrelated to cannabis, such as installing or maintaining security devices or performing electrical wiring; transporting organization agents as provided in the Act; or participants in the incubator program, individuals in a mentoring or educational program approved by the State; or other individuals as provided by rule are permitted in any RA. 410 ILCS 705/30-30(c). Additionally, no individual other than craft grower agents and Department staff performing inspections will be permitted in any RA unsupervised.

All RAs will be under continuous video surveillance. During business hours, security personnel will surveil all RAs by fixed post, roving patrol, and video monitoring. All RAs will be identified by a clear and legible sign that is a minimum of 12” Å~ 12” stating: “Do Not Enter – Restricted Area – Access Restricted to Authorized Personnel Only.” All agents and authorized visitors will be required to display their identification on their person in an unobstructed fashion at all times while in any RA. This will enable agents and security to readily identify authorized personnel in an RA. Any individual without properly displayed identification will be challenged and/or removed by Security Staff.

All RAs will be secured with locking devices, and access will be granted via electronic card readers and pin-pads, with unique cards and pin numbers for each agent. Only agents with a need to be in a particular RA will be granted access to the RA in the EEACS. To eliminate or mitigate theft, loss or diversion, access to the Vault, Security/Surveillance Office, where IT/Security equipment is located, will be limited to Board of Managers, the General Manager, Cultivation Manger, Inventory Manager (the “IM”), and the Security Manager. These rooms will also require entrants to use biometric scanners to obtain access as an additional level of security. As described further below, the EEACS and video monitoring system will provide a complete and real-time history of all movement in all RAs. Consistent with Administrative Rule 1300.10, cannabis will only be grown, cultivated, harvested, stored, weighed, packaged, sold or processed for sale, or under Applicant’s control in an RA. Ensuring only authorized personnel are allowed to enter the RAs of the facility will mitigate and/or eliminate theft, loss, and diversion.

g. Vault

NBCG's facility will include a dedicated and highly secure Vault where finished product will be stored pending inhouse and independent laboratory testing for cannabinoids, purity, and safety prior to preparation for sale and/or use in the extraction and infusion process. All cannabis and cannabis products stored in the dedicated Vault will be at least 6" off the ground on stainless steel shelves and dunnage racks and away from all other chemicals, lubricants, pesticides, fertilizers, and other potential contaminants. Similarly, cannabis which is outdated, damaged, deteriorated, misbranded, adulterated shall be stored separately until it is destroyed. Our highly secure and environmentally controlled Vault will meet federal specification AA-V-2737. The AA-D-600D-rated vault door will:

- Be Class 5-B Ballistic door resistant to 20 man-hours surreptitious entry;
- Be 30 man-minutes covert entry;
- Be 10 man-minutes forced entry; and
- Be ballistic resistant.

The Vault will be customized and will be UL-rated with DEA-approved locks and alarm wiring for integration into our security systems. The walls and ceiling will be alarmed and the room will be constructed with 18-gauge structural studs made of galvanized sheet metal meeting the requirements of ASTM A1003; 9-gauge Type II, Class 1 carbon steel security mesh and attachment clips meeting ASRM F1267 on either side of the studs; and an interior covered by UL and ULC classified Type X (per ASTM C1658) impact-resistant, moisture-resistant, noncombustible gypsum board tested to ASTM E136 standards. The floor of the Vault will be 8" of poured concrete with #4 rebar at 6" on center (O.C.) minimum. An environmental control system will ensure we maintain product integrity using ideal storage conditions within the room (60.F-70.F, 60%-65% relative humidity).

Strict measures to control access to, and within, the Vault are a means to prevent the unlawful diversion or theft of our cannabis inventory as well as to ensure the integrity and stability of our products. The Vault will be access-controlled using bio-metric access and swiped-card readers (two-factor authentication) so only those agents with proper credentials may enter. Agents will only be granted access to the Vault depending on their particular job responsibilities and specific authorizations, and only for the minimum amount of time necessary to perform their duties. Our EEACS will keep a digital record in our electronic access control system of the dates/times and identities of those who entered the Vault for historical recordkeeping purposes (i.e., at least 5 years), which will be useful in any investigation into an actual or suspected security incident. Such technology will also guarantee absolute control over who may enter/exit the Vault at all times as we can update access authorization remotely at a moment's notice.

The Vault will be securely locked at all times. The door will be equipped with contact switches, and the Vault will be equipped with complete electrical lacing of the floors, walls, and ceilings, including sensitive, ultrasonic or infrared sensors, a sensitive sound accumulator system, or similar devices or equipment. The Vault and alarm systems will be monitored by our onsite security team and our continuously-recording surveillance system, as well as by our third-party security monitoring service provider through live surveillance feeds. The Vault will be equipped with both an internal and external alarm system that will alert in-house security, our third-party security provider, the ISP, and local law enforcement of any

intrusion. The walls will be equipped with an alarm system which will transmit an alarm directly to in-house security, our third-party security provider, the ISP, and local law enforcement of any intrusion. Holdup/panic alarm actuators will be placed at strategic points in the Vault, and throughout the facility, accessible to craft grower agents.

The interior of the Vault will be equipped with a ceiling-mounted, fish-eye camera that captures all individual movements in and out of the Vault, as well as strategically-placed ceiling-mounted cameras. The cameras will view the entire room and provide images clear enough to detect any unauthorized activity. An additional camera will be mounted outside the Vault and angled to capture a full image of all individuals entering and exiting the Vault. The camera will have the ability to capture an image suitable for facial recognition and, like all cameras in our facility, will exceed the requirements of Administrative Rule 1300.385(a). All ventilation openings into the Vault will be equipped with security mesh to inhibit access through those openings.

Within the Vault NBCG will install one or more DEA-approved, alarmed, and access-controlled safes for finished product and cash. The combination lock on the safe door will be a multiple-position Group 1R combination lock relocking device and will be constructed of special metal alloy that resists carbide drilling. The safe door will not open without the correct safe combination, the correct alarm code to disarm the safe alarm, and valid two-factor authentication on the access control system. Safe combinations will be changed quarterly.

The Vault entry door will be equipped with a 12-inch-by-12-inch sign reading: “Do Not Enter Highly Restricted Access Area—Access Limited to Authorized Personnel Only.”

h. Secure and Enclosed Delivery Vehicle Loading/Shipping Room

To prevent theft, loss, and diversion, Applicant’s facility will have a Secure and Enclosed Delivery Vehicle Loading/Shipping Room for safe, effective, and efficient loading of delivery vehicles; checking manifests; confirming delivery amounts; and, if necessary, exchanging currency. The Secure and Enclosed Delivery Vehicle Loading/Shipping Room will have a security-grade roll-up door, automatic security bollards, motion sensors, cameras, a video monitoring screen, and a security vestibule, or man trap, restricting access to the interior of the facility. The Secure and Enclosed Delivery Vehicle Loading/Shipping Room will be large enough for cannabis delivery vehicles.

4. Professionally Designed, Installed, and Maintained Access Control and Security Surveillance Systems

a. Overview

Applicant will install a security surveillance system to prevent and detect theft, loss, and diversion of cannabis, currency, and unauthorized intrusion into the facility. Applicant will install a professionally-engineered security surveillance system consisting of the following components: video surveillance system, video network recorder, electronically engineered access control system (“EEACS”), electronic door locks, perimeter alarm, duress alarms, motion sensors, overnight monitoring, failure notification system, glass and door security contacts, and tinted shatterproof glass film. Applicant will use best-in-class equipment and components. All security components will be

UL-listed, commercial-grade, and installed and serviced by an Illinois private alarm contractor or private alarm contractor agency licensed under Section 10-5 of the Private Detective, Private Alarm, Private Security, Fingerprint and Locksmith Act of 2004.

b. System Control Access

Access to surveillance monitoring and recording equipment and control panels for alarm, duress, and other emergency systems shall be limited to persons who are essential to surveillance operations, law enforcement authorities acting within their jurisdiction, security system service personnel, and the Department. A current list of authorized craft grower agents and service personnel who have access to this sensitive equipment will be made available to the Department upon request. All such equipment components will be locked and secured in a highly secured Security/Surveillance Office with dual-authentication card swipe and biometric access requirements. Recorders and servers will be in locked and tamper-proof cabinets.

c. Video Surveillance and Recording System

NBCG will install UL-listed, commercial-grade video surveillance equipment, installed and serviced by an Illinois private alarm contractor or private alarm contractor agency licensed under Section 10- 5 of the Private Detective, Private Alarm, Private Security, Fingerprint and Locksmith Act of 2004. The system will meet, and in many instances exceed, the requirements of Administrative Rule 1300.385(a) and will provide continuous electronic video monitoring of the entirety of the craft grower facility, including the entire perimeter.

NBCG will maintain unobstructed and continuously-recording video surveillance of all enclosed areas in the facility, unless prohibited by law, including all points of entry and exit; visibility will be supported by appropriate lighting conditions of the area under surveillance, although all cameras will be able to be used in low- and no-light conditions. Cameras will be directed so all areas are captured, including but not limited to all production rooms, hallways and corridors, the Cannabis Waste Storage and Destruction Room, Quarantine Room, Vault, safes, and every room and area where cannabis may be stored, handled, packaged, extracted, or destroyed. Cameras will be angled to allow for facial recognition and configured to maximize the quality of facial and body images, avoiding backlighting and physical obstructions. Cameras will provide a consistent recorded image of all areas, as well as capture clear and certain identification of any person entering or exiting any room or area and in lighting sufficient during all times of night and day.

NBCG will also have unobstructed and continuously-recording video surveillance of the entirety of the facility perimeter, the parking lot, any outside storage areas, and all exterior doors and windows that shall be appropriate for the normal lighting conditions of the area under surveillance. Exterior cameras will be angled to allow for facial recognition and configured to maximize the quality of facial and body images avoid backlighting and physical obstructions. Exterior cameras will provide a consistent recorded image of all areas, as well as capture clear and certain identification of any person entering or exiting any room or area and in lighting sufficient during all times of night and day. Exterior cameras will also be configured to read license plates of vehicles in the parking lot. Applicant will ensure all trees, shrubs, bushes, and foliage are trimmed and well-maintained to ensure external cameras remain unobstructed and persons are unable to conceal themselves from sight.

d. **Video Recordings: Network Video Recorder**

Applicant will install Avigilon Network Video Recorders (“NVRs”) that have the ACC VMS preloaded and configured for maximum performance and reliability. Avigilon fourth-generation HD NVRs have the highest capacity retention, and throughput, of any product on the market, providing secure, reliable, and scalable platforms for high performance end-to-end security solutions. The NVRs come standard with Avigilon Appearance Search™ technology pre-loaded and pre-configured for plug-and-play deployment. Avigilon ACC electronic surveillance products are all-in-one devices that bring edge intelligence to a broad range of video surveillance deployments. These solutions provide embedded storage, video analytics, and remote management capabilities for centralized monitoring applications.

All video surveillance captured on the video monitoring system will be stored on an NVR. Twenty-four hour recordings from all video cameras will be available for immediate viewing by the Department upon request. Recordings will not be destroyed or altered and will be retained for 90 days on-site and an additional 90 days off-site (in the cloud). All video surveillance data captured will be in 6 megapixel resolution greater than D1 at 30 frames per second. Recordings will be maintained as long as necessary if Applicant becomes aware of potential loss or theft of cannabis or a pending criminal, civil, or administrative investigation or legal proceeding for which the recording may contain relevant information.

e. **On-Site Video Monitoring**

NBCG’s facility will have a dedicated Security/Surveillance Office in which all on-site live security video monitoring will be conducted. Applicant will exceed State requirements by having two 50-inch security monitors to clearly view all facility cameras on site. As more cameras are added, NBCG will add additional monitors to ensure clear, optimal on-site live viewing. The Security/Surveillance Office will also contain a video printer capable of producing a clear, still photo from any video camera.

f. **Secure Remote Camera Viewing for the Department and ISP**

NBCG’s video surveillance system allows for secure remote camera viewing for the Department and the ISP. Applicant will provide remote live viewing of all facility cameras to the Department and the ISP 24 hours a day, 7 days a week. All video recordings will also be available to the Department and the ISP 24 hours a day, 7 days a week via a secure web-based portal with reverse functionality. All video data (live and achieved) will be delivered at 6 megapixels, greater than 1DP, 30 frames per second. Access to both live and achieved video data will be granted via web-based portal with an encrypted VPN and white-listed IP address, allowing access only to ISP and the Department. This will ensure the data is not hacked, compromised, or altered during transmission.

5. Intrusion Detection/Alarm System

a. **Overview**

NBCG will install a UL-listed Burglar and Hold-Up Alarm System in accordance with UL Standard number UL681. This system will achieve the highest grade alarm protection. Our licensed alarm contractor will also issue a Grade AA alarm certificate to indicate the system is installed using the highest grade protection, similar to the protection utilized in banks and

jewelry stores. This will also allow UL to provide a certificate and scheduled inspections of the system on a monthly basis.

The system will integrate: (1) high security alarm contacts on all access points, (2) high security glass-break detection on all exterior windows, (3) strategically-placed alarms (duress/hold-up), (4) motion detection, (5) Vault monitoring, (6) environmental monitoring, (7) 24-7 monitoring of all surveillance equipment by trained security professionals, (8) signal system redundancy, and (9) electronic door locks. This multi-layered system will prevent unauthorized access and instantly alert law enforcement, Applicant, and Applicant's security personnel to all alarm events.

b. Alarm Placement

NBCG's facility will be protected at all exterior entrances by door contacts. The Vault and all access-controlled rooms will be protected by door contacts. All exterior windows will be protected by high security glass-break protection. Interior motion sensors and fixed duress/hold-up alarms will be strategically placed throughout the facility as well. Employees will be assigned mobile duress fobs to alert for help. The Vault will be equipped with a Vault detection system, which is able to detect penetration to the Vault's walls, ceiling, floor, and doors. All interior and exterior doors will have electronic locks restricting access to those with proper credentials. NBCG will also install a perimeter alarm on all access points. High security alarm contacts will be installed using high-biased door, safe, and cabinet contacts that thwart the ability of an inside person to disable this protection using a magnet. The wiring will use the VPlex UL-listed (UL 634 Level I) high security serial point of protection that will eliminate the ability for the wiring system to these contacts to be compromised and will generate an alert in the event of tampering.

6. Battery and Generator Back-up

To ensure the facility remains in operation during the loss of power, the NBCG will utilize an Uninterrupted Power Supply (UPS) battery back-up system and an on-site generator with auto switch located on the exterior rear of the building. Once power is lost, the UPS activates immediately ensuring there is no lapse in power and all electrical systems and components remain operational and stay online. NBCG will exceed requirements by installing a UPS battery back-up system that will provide enough back-up power to run all facility electrical components, including all security components (security surveillance equipment, alarms, motion detection, access control, and electronic door locks), for 8 hours. If power is not restored after 8 hours, NBCG's generator will kick in, which can maintain power indefinitely.

7. Failure Notification System

NBCG will install a failure notification system that will immediately alert designated craft grower agents, NBCG's monitoring center, and Security Staff when any security component fails or becomes inoperable. Components include the security video monitoring system, network video recorder, live monitoring of video, access control system, alarms, panic buttons/hold-up alarms, and monitoring center. The failure notification will provide an alert by telephone, e-mail, and text message (SMS) to designated craft grower agents immediately after the failure. Additionally, the failure notification system will provide an audible and visual notification in the facility of the failure of any of these critical systems.

8. Theft, Loss, or Diversion

In the event of theft, loss, or diversion, NBCG will immediately activate its emergency policies and procedures for securing all cannabis and currency. Upon discovery, the CSO, Security Manager, or on-site Security Staff will immediately contain the area and secure all cannabis and currency in the Vault to prevent further theft, loss, or diversion. Security will request all potential witnesses to remain on premises and mandate all employees remain. NBCG will begin an investigation to determine the source of the theft, loss or diversion. The General Manager and IM will conduct a comprehensive inventory to determine the amount of missing cannabis or currency. Security will review the security and surveillance system, interview employees and witnesses, and may request the assistance of local law enforcement. All activities and information obtained will be thoroughly documented. Any evidence collected will be properly recovered and a chain of custody for all evidence will be established and retained in the Vault quarantined from all other items. Once the incident is resolved, NBCG will conduct an after-action review, document all lessons learned, and take corrective actions to ensure the incident does not happen again.

9. Inventory Monitoring and Control

Comprehensive inventory controls are integral to mitigating product loss, theft, and diversion. Inventory management and control policies provide for a clear, comprehensive, and perpetual recorded chain of custody over the entire cultivation, production/manufacturing, packaging, and shipping lifecycle—from seed/clone through ultimate dispensation to a purchaser (or until a product is destroyed and disposed of as waste, as the case may be).

NBCG's approach to inventory monitoring and control extends far beyond cannabis and cannabis-infused products: it meticulously tracks and monitors the flow of all goods into, within, and out of our facility. To generate and maintain clear and comprehensive electronic inventory records, NBCG will utilize BioTrackTHC, the same inventory tracking system used by the State of Illinois. BioTrackTHC is a widely utilized, proprietary seed-to-sale inventory tracking and recordkeeping system which several members of our team have been using in practice for many years and which Illinois has used since the inception of its Medical Cannabis Pilot Program.

BioTrackTHC will track cannabis from the moment it enters our facility or is created as a clone until it is lawfully sold/transferred to a cultivation center, infuser, craft grower, dispensing organization, or approved laboratory, or compliantly destroyed. Every action taken to every plant, product, batch, or lot, including the individual(s) who performed such action, as well as the historical and current location of the plant or product, will be maintained in BioTrackTHC.

Coordinating and Disposal of Waste

Applicant is aware that destruction and disposal activities present a unique diversion and theft opportunity for nefarious actors; without proper monitoring and communication, individuals with criminal intent could take advantage, removing products prior to destruction without detection. To guarantee that this does not take place at our facility, Applicant has developed a Waste Destruction Plan which requires the timely destruction of materials cleared for disposal and includes meticulous tracking and communication with the Department and the ISP in accordance with

Administrative Rule 1300.810. All destruction and disposal activities will be in accordance with Subpart I of the Administrative Rules (i.e., Sections 1300.800 through 1300.840).

All cannabis waste, including expired, adulterated, diseased, and/or contaminated items, will be weighed, recorded, entered into BioTrackTHC and transferred to quarantine prior to destruction. Once earmarked for destruction and verified by the IM, our QAD/RC will transmit to the Department and the ISP notice of intended destruction through the State's traceability program at least 7 days prior to rendering the product unusable and disposing of the product. In addition, for our own recordkeeping purposes, a competent craft grower agent will complete a Notice of Intended Waste Destruction Report, which includes:

- Date and time the materials were moved into quarantine and designated for destruction;
- Details of the proposed method of destruction;
- Name and weight/quantity of the cannabis waste;
- Name and weight/quantity of the non-cannabis compostable waste (or noncompostable waste, if applicable);
- Names and ID numbers of the agents who moved the waste into quarantine;
- Name and ID number of the manager who will oversee the destruction/disposal activities;
- Date and time Applicant intends to dispose of the waste; and
- Name and address of the local health department-approved waste hauler, municipal waste landfill, resource recovery facility, or incinerator to whom Applicant intends to send the unusable and unrecognizable cannabis waste.

All of the information contained in the report will be communicated to the Department and the ISP through the traceability system in accordance with Administrative Rule 1300.810 and 1000.400.

All destruction and disposal activities will be conducted in the Applicant's secure and enclosed Cannabis Waste Storage and Destruction Room by at least two craft grower agents (one of whom is a supervisor who will verify all activities) and will take place within view of our continuously recording video surveillance system. All destruction and disposal actions taken will also be recorded in our inventory management system for recordkeeping purposes, including:

- Date and time of the destruction;
- Name and weight/quantity of the cannabis waste (both before and after destruction);
- Name and weight/quantity of the non-cannabis compostable waste (or non-compostable waste, if applicable);
- Names and ID numbers of the agents conducting the destruction and disposal activities;
- Name and ID number of the manager overseeing the destruction and disposal activities;
- Details of the method of destruction;
- Date and time of the disposal; and
- Name and address of the local health department-approved waste hauler, municipal waste landfill, resource recovery facility, or incinerator which accepted the waste for disposal.

Disposal records will be maintained for at least 5 years from the date of disposal (or longer if the Department requires) in accordance with Administrative Rule 1300.830 and will be made immediately available (in hardcopy or digitally) for the Department's and/or the ISP's review upon request.

Immediately after waste has been destroyed in accordance with waste destruction protocols, a craft grower agent will complete (and transmit to the Department and ISP, if permitted) a Waste Destruction Confirmation Report confirming that destruction has taken place in accordance with protocol and providing any additional detail on disposal to the extent it differs from the initial Notice of Intended Waste Destruction Report.

All cannabis waste, including expired, adulterated, diseased, and/or contaminated products will be weighed, recorded, entered into our inventory management system, and transferred to quarantine prior to destruction. Once earmarked for destruction, the waste will be transferred from quarantine to an adjacent dedicated, restricted-access Cannabis Waste Storage and Destruction Room and promptly rendered unusable and unrecognizable.

To minimize our carbon footprint and mitigate our impact on the environment, our preferred method of destruction will be to pulverize, grind, and mix the cannabis waste with ground compostable waste, which includes food waste, yard waste, and vegetable-based grease or oils, such that the resulting mixture is at least fifty percent non-cannabis waste by volume. Such resulting cannabis waste will qualify as unusable and unrecognizable only when all components of the waste are completely and totally indistinguishable and incapable of being ingested, inhaled, injected, swallowed, or otherwise consumed by any person. **Cannabis waste will never be sold.** Applicant will use a commercial waste shredder, such as JWC's Monster Industrial 1-SHRED-H-0800, to grind and pulverize waste.

Once mixed, the waste will be placed in secure heavy-duty locking 65-gallon garbage containers and removed from the facility to the adjacent secure and fenced-in Cannabis Waste (Rendered Unusable) Storage Area on the exterior of the facility which will be under 24/7 recorded surveillance until picked up by a permitted solid waste facility. To deter criminal activity, the cannabis waste stored in the Cannabis Waste (Rendered Unusable) Storage Area will be stored in secured containers outside the facility. The unusable and unrecognizable resulting mixture will be disposed of at an appropriate permitted solid waste facility which can dispose of compostable materials and is approved by the jurisdictional health department. Applicant intends to have all waste generated by our facility picked up and removed from the property on a regular basis; however, upon the discovery of widespread contamination, a craft grower agent will make arrangements for a special pick-up to ensure materials are removed from the premises as soon as practical to prevent further spread of contamination.

All agents handling cannabis waste will be properly equipped with gloves, goggles, face mask, and other protective gear to ensure their safety and to mitigate cross-contamination and sanitation. After handling waste, agents will be cleaned, decontaminated, and sanitized before reentering the operational areas of the facility. Failure to abide by this policy will grounds for discipline, up to and including suspension or termination. Given Applicant's cultivation, fertigation, irrigation, and manufacturing practices, Applicant does not intend to generate any waste meeting the definition of nutrient-enriched grow media waste, liquid waste, or hazardous or chemical waste. However, to the extent it does generate any such waste, nutrient-enriched grow media will be disposed of as required by the Illinois Environmental Protection Act and the associated rules, or land applied at agronomic rates, liquid waste will be disposed of in accordance with the Illinois Environmental Protection Act

and waste meeting the definition of hazardous waste as defined in Administrative Code 721.103 and any chemical waste will be disposed of in a manner consistent with federal, State, and local laws.

Truck or Van Pick-Ups and Deliveries

All deliveries will occur inside the building. All cannabis delivery vehicles will be parked inside the building when not in use.

For deliveries that NBCG makes to dispensary customers, we expect to initially have one delivery vehicle and plan to use a non-descript Ford Transit or similar type van. In the second or third year of operations we may add a second delivery van. A craft grow is licensed to produce cannabis products for sale to any adult use dispensary in the State of Illinois. We plan to make deliveries 4-5 days per week, including on weekends from time to time. All deliveries will be made according to a pre-planned route with multiple stops and, as such, the delivery vehicles will be loaded with enough product for a day's worth of deliveries. Accordingly, we only expect a couple trips per day, in and out of the facility, per delivery vehicle.

For deliveries that we receive from suppliers and other vendors, we expect to have a few deliveries a week and these will mostly occur at the exterior dock.