

Cottonmouth Dispensary LLC

10 E Clements Bridge Road
Runnemede, NJ 08078

Standard Operating Procedures

Safety and Security Plan

Executive Summary:

In accordance with N.J.A.C 17:30-9.10, Cottonmouth Dispensary provides systems, controls, and procedures to effectively guard against unauthorized access to Cottonmouth's premises and electronic systems through the use of its security plan. Cottonmouth's security plan utilizes both equipment and standard operating procedures to guard against theft, illegal entry, record tampering, and diversion of cannabis.

Facility Access

Access to the facility will be controlled by a managed access control system. This fully customizable system will provide biometric access control, real-time monitoring, and recording. Movement throughout the facility by both staff and visitors will be strictly monitored and controlled at all times. The security system is cloud based, with minimal equipment stored on site, and is therefore secure against loss of information even in the case of a catastrophic event onsite. All secure areas of the facility will be equipped with electronic monitoring, video cameras, and alarms. Any and all areas where cannabis is held or stored will be strictly limited to authorized personnel. All visitor and staff entry into the facility will occur through the main front door. The main front door will remain locked at all hours of non-operation.

Entrance and Exit:

Cottonmouth visitors, employees, and contractors will enter and exit the facility through the main front door, which will be secured with a commercial grade lock. During all hours of non-operation, the main entrance door will be securely locked with all keys and/or keycodes solely in the possession of authorized Cottonmouth representatives. The main front entrance will also be equipped with a fully operational alarm system, which will be activated at all hours of non-operation anytime there is not an authorized agent physically present on site. The main front entrance will also be equipped with high definition video surveillance covering all points of entry and exit. Video surveillance will be capable of recording in both low-light and high-light conditions.

Stationed in front of the main entrance, will be a trained Dispensary Agent during all hours in which Cottonmouth is open for business. This Dispensary Agent will check to make sure that anyone entering the premises is either above the age of 21, accompanied by and supervised by a parent or legal guardian, or otherwise permitted by law. The main front entrance will open into a reception area equipped with video surveillance and staffed by a trained Dispensary Agent. Entry beyond the reception area, into the point of sale area, will be controlled by the trained Dispensary agent located in the reception area. Sales will only be designated or allowed to occur in the point of sale area. All access into the point of sale area will be secured with a door equipped with Keycard or FOB access. Access will only be granted by either using an employee badge or by being buzzed in by the receptionist.

The point of sale area will be equipped with alarms and continuous video surveillance. The point of sale area will be adequately staffed to properly observe and serve all Cottonmouth visitors. In addition to dispensing personnel, at all times in which Cottonmouth is open for business, a Dispensary Security Agent will be located in the Point of Sale area for the safety and security of Cottonmouth's customers. Access beyond the Point of sale area will not be permitted for visitors.

Cannabis product transporters carrying a delivery to Cottonmouth will enter through the rear door. The rear door will be equipped with a commercial grade lock, continuous video surveillance, and alarms. The rear door shall only be used for deliveries and will remain closed with the alarm activated at all other times.

Trained Dispensary Agents

All Agents will be direct employees of Cottonmouth Dispensary.

- Retired Runnemedde Police officers will be given priority for all agent openings.
- Present Runnemedde Police officers will be given priority for all agent openings.

Access for Staff into the Point of Sale Area

The staff entering the point of sale area must:

- Check in with the Dispensary Agent stationed out front the main entrance.
- Enter ONLY through the main entrance into the reception area.
- Use Fob/card to enter through the secured, controlled-access door into the point of sale area.
- Clock in using the company personnel management system.

Access for Customers in to the Point of Sale Area

Customers entering the point of sale area must:

- Check in with the Dispensary agent stationed out front of the main entrance for verification of age.
- Enter only through the main entrance into the reception area.
- Dispensary Agent will verify the customer's age.
- Dispensary Agents will ensure Dispensary is not above capacity.
- If the customer is qualified and the dispensary is not overcrowded, Dispensary Agent will provide customer entry through the secured, controlled-access door into the Point of Sale area.
- All access to any area designated for sales will be secured at all times. Customers may only enter the Point of Sale area by checking with the Dispensary Agent stationed in the reception area, who will use a door buzzer to allow access for qualified individuals.

Access for Contractors

- All Vendor-Contractors working at Cottonmouth must either furnish a Cannabis Business Identification Card or be escorted by a Cottonmouth employee or owner with a Cannabis Business Identification Card.
- Contractors may only enter the facility through the main entrance.
- Prior to entering the facility, Contractors must check-in with the Dispensary agent stationed out front of the main entrance.
- All Contractors working with Cottonmouth Must be at least 21 years of age.
- Cottonmouth Contractors may not proceed into the Point of Sale area until after they have checked in with the designated Dispensary Agent in the reception area.
- Prior to checking in a Contractor, the designated Dispensary Agent in the Reception Area will confirm the Contractor's age, identity, and purpose for visit.
- Contractor Identity and age shall be verified using an official government issued ID.
- Contractor purpose for visit shall be confirmed by locating the related maintenance request or by confirming with Cottonmouth management.
- After confirming the Contractor's age, identity, and purpose for visit, the designated Dispensary Agent will issue the Contractor a temporary ID badge to signify that the contractor has checked in.
- Only contractor's who have been issued temporary ID badges may be allowed past the reception area.

Alarm System:

Cottonmouth will have a fully functional alarm system capable of operation at all times. The system will be armed at all times when Cottonmouth is closed for business. All entrances, exits, and areas where cannabis products or digital records are stored will be equipped with intrusion alarms. Additionally, the lobby and all areas where cannabis products are stored will be equipped with motion detectors as well as microphone noise detection which shall be activated during all

hours of non-operation. For the safety of all Cottonmouth employees and visitors, all areas where employees regularly work, including the lobby, any area where cannabis products are stored, and the point of sale area will be equipped with Panic and Hold-up alarms. Employees will be trained to use the Panic Alarm to signal that a life threatening or emergency situation is in progress requiring immediate law enforcement response. Employees will be trained to use the silent Hold-up alarm in case of a robbery in progress. The control panel for the alarm system will also be equipped with a duress alarm, which employees will be trained to use in the case of needing to trigger an alarm without alerting a potential intruder. These alarm systems will be equipped with digital communicators which will be programmed with pre-recorded voice messages to alert law enforcement to dispatch emergency services as needed. An unauthorized breach of either the intrusion alarms or motion detectors will automatically alert nearby law enforcement as well as Cottonmouth management. Fire Alarms will be installed and maintained according to all applicable fire codes. A triggering of the fire alarm systems will automatically alert the appropriate fire department. A triggering of the hold up or panic alarms will trigger law enforcement. These alarm systems will be equipped with battery-backup or generators to continue service for at least one day in case of power failure. Cottonmouth will also install a backup system that activates immediately and automatically upon a loss of electrical support and that immediately issues either automatic or electronic notification to facility personnel and state or local police agencies of the loss of electrical support.

Alarms will be inspected every 30 days at a minimum to ensure continued availability. All inspections will be documented and signed by Cottonmouth's security contractor and retained onsite and offsite for inspection. At each inspection all aspects of the alarm system will be tested. After each inspection, a report documenting the results of the inspection will be generated, summarizing the results of the inspection and including listing any equipment which needs repair. The report will document any equipment which needs repair or replacement and include necessary steps to be taken to regain functionality of the equipment. If no equipment needs repair, the report will reflect that all equipment was tested and is in good working order.

In the event of any failure of the security alarm system due to a loss of electrical support or mechanical malfunction that is expected to last longer than eight hours, Cottonmouth will notify the Commission pursuant to N.J.A.C. 17:30-9.11 and close the operation until the security alarm system can be repaired or until alternative security measures are approved by the Commission.

Video Surveillance:

Pursuant to N.J.A.C 17:30-9.10 (b), Cottonmouth will install a closed circuit video monitoring system consisting of: digital video recorders, digital archiving devices, and remote monitoring. Pursuant to N.J.A.C 17:30-9.10 (c), The system will be continuously monitored 24 hours a day, seven days a week. Cottonmouth will make footage from the digital video recorders available to the Commission through a secure, web-based portal for remote viewing. Cottonmouth's video

surveillance system will have playback capabilities and be able to alert authorized Cottonmouth representatives of any loss of video recording coverage. All video recording systems for Cottonmouth will be equipped with a UPS battery back-up providing for at least eight-hours of continuous recording coverage in the event of a power outage. All video recording systems will be equipped with enough memory to allow for continual storage of video recordings and internet access in order to upload video footage to an off-site backup at the end of every day. Digital archives from video recordings will be archived securely both on-site and off-site for at least 30 days.

Video recording systems in Cottonmouth will record all critical activities of Cottonmouth, including; accepting deliveries, packaging, sales and transactions, entry and exit into the facility, and data storage areas. Cottonmouth video recording systems will record continuously 24-hours a day, 7 days a week. All cameras utilized by Cottonmouth will record at sufficient speed and high-definition resolution necessary to efficiently identify all critical activities and will be able to do so under low-light and high-light conditions. Camera recording will not stop unless maintenance is required on an individual camera. While any camera surveillance is down, no licensed privileges (possessing, storing, transferring, or receiving cannabis products for example) may occur in any area which is not surveilled. Camera footage will be stored in an easily accessible and usable format with applicable time and date stamps to identify the recordings. Time and date stamps on each recording will be located in such a position as to not obscure the footage.

Cottonmouth's surveillance system will be capable of storing video recordings for up to a year or longer if requested by the Commission or other applicable government or law enforcement agency. All recordings will be made available to the Commission or other applicable government or law enforcement agency upon request. Cottonmouth will ensure that its security alarm system and video surveillance system are continuously monitored. Video surveillance system components will be regularly inspected and tested by a contracted service professional at least once every 30 days to ensure they are in good working order. All inspections/tests will be documented and signed by the security contractor and retained onsite and offsite for inspection. The system will be capable of providing access for remote viewing by the Commission. All recordings will be stored at a secure, offsite location with an archive of at least 30 days.

Cybersecurity

Information technology systems will have layers of security maintained by industry professionals. Servers and networking gear will have regular maintenance and ongoing support to ensure that systems stay up-to-date and are protected against the latest threats. Cottonmouth will engage a local technology service firm to monitor the facility's IT infrastructure through a local, offsite NOC (Network Operations Center). Firewall rules, switch configurations, and server policies will maintain industry best practices over time via regular maintenance programs

to ensure strong cyber safety practices. Cottonmouth staff will undergo annual training to protect against phishing attacks, Malware, and other cybersecurity threats.

Lighting

Lighting is an effective security measure for deterring incidents of nuisance or criminal activity and for facilitating effective surveillance. All entrances and exits of Cottonmouth, as well as the parking lot, and perimeter of the building, will be equipped with sufficient LED lighting to deter potential intruders and provide for the safety of Cottonmouth employees and visitors. Lighting will also be used to support Cottonmouth's video surveillance system to ensure the efficacy of all video camera recordings.

Neighbor Notifications:

Cottonmouth will provide law enforcement and neighbors within 100 feet of the business with the name and phone number of all Cottonmouth managers. This contact information can be used to notify Cottonmouth's managers of any problem, disturbance, nuisance, or other issue during operating hours.

Required Notification Procedures:

Cottonmouth and its employees, upon becoming aware of any reportable loss, inventory discrepancy, diversion, or theft, will immediately notify the appropriate law enforcement authorities by telephone, and will notify the Commission no later than three hours after discovery of the event.

Upon any of the following events, Cottonmouth will notify the Commission within 24 hours of the event as well as send a follow-up notification regarding the event to the Commission by email within five (5) days: 1. An alarm activation or other event that requires response by public safety personnel; 2. A breach of security; 3. The failure of the security alarm system due to a loss of electrical support or mechanical malfunction that is expected to last longer than eight hours. All notifications provided to the Commission will include all corrective measures taken.

Staffing:

Cottonmouth will have adequate staff on the premises at all times to ensure efficient operation while maintaining adequate surveillance. Cottonmouth will hire experienced security personnel from the local community and will perform extensive background checks before making any offer of employment. Upon being hired, the Applicant will undergo a comprehensive security training program. Cottonmouth will have security onsite during all business hours.

Storage of cannabis

Pursuant to **N.J.A.C 17:30-9.12**, all Cannabis products will primarily be stored in locked and secured areas which are only accessible to authorized employees. These areas will be rooms or cages secured with keycard access which will function as vaults. Only Cottonmouth employees authorized to dispense marijuana products, Management, and security will have keycode access to cannabis product storage areas.

All areas where any cannabis product is stored will be locked, secured, and under constant video surveillance. Cottonmouth's point of sale area will be adequately staffed during all hours of business to adequately observe and attend to every visitor who enters the point of sale area. Cottonmouth's onsite security team will be present in the Point of Sale Area during all hours of operation.

Emergency Plan

In the event of a fire or emergency situation, the facility manager will ensure that all employees are notified as soon as possible using the building alarm system (which includes both audible and visual alarms 24 hours a day). Fire extinguishers will be located throughout the facility and their locations will be familiar to all employees. Emergency evacuation escape route plans will be prominently posted in several locations throughout the facility. Evacuation drills will be conducted in coordination with local police and fire departments at least once a year. Additional drills will be conducted if physical properties of the business change or as otherwise deemed necessary. All employees will undergo training in case of armed robbery. Armed robbery training will include prioritizing the safety of human life above all else, and will include proper training on the use of the hold-up alarms.

No Loitering Policy

Patrons or employees of Cottonmouth Dispensary will only be allowed on premise for the amount of time necessary to complete their legal transaction or employment duties. Loitering, disruption, or obstruction of the free passage of persons or vehicles in the immediate vicinity of the property will not be allowed and will be monitored by Cottonmouth Security. Visible signage will be placed at various location on premises allowing for strict enforcement.

Noise and Smell Controls

There is not a need for any noise control of manufacturing and growing equipment as all cannabis consumption products items are grown, manufactured, and packaged off site. There also is not any need for any special system to control outdoor orders as all cannabis-based products are pre-packaged off site the delivered to premises. The internal HVAC systems will have charcoal filters to allow for and prevent any odors from a possible defective package.