

.

**Security Plan**

General Security Overview

Bud’s Goods & Provisions Corp. (“Bud’s”) will implement policies and procedures to maintain a secure facility and to prevent diversion or other loss of marijuana products in accordance with 935 CMR 500.110 as set out by the Cannabis Control Commission (“Commission”). These policies are intended to protect the general public, employees, and consumers. Bud’s will identify each individual seeking entrance into the marijuana establishment to ensure that only licensed and permitted marijuana establishment agents are allowed access. These policies will also provide for the proper storage and disposal of marijuana products. Bud’s will ensure that all excess marijuana is disposed of safely and will have in place the necessary storage areas and equipment for proper storage of marijuana, including established limited access areas. This equipment will include but is not limited to locked safes or vaults, keys, alarms, and cameras. In addition to these measures, Bud’s will ensure that all marijuana products are kept out of plain sight of public places outside of the marijuana establishment. Bud’s will also implement policies and procedures for situations following inadvertent diversion or loss of marijuana products. In addition, Bud’s will work cohesively with law enforcement authorities and fire services and will share Bud’s security plans, policies, and procedures with those authorities.

Access to the Premises

Bud’s will implement security protocols and procedures to limit access to the licensed premises to only individuals that have been positively identified as 21 years of age or older. Loitering will be strictly prohibited. Bud’s will ensure that only individuals engaging in activity expressly or by necessary implication permitted by the Commission or applicable laws are allowed to remain on the premises. All entrances to the facility will be clearly marked and secured with commercial grade locks, alarms and remain under clear surveillance 24 hours a day, 7 days a week to prevent unauthorized access.

Limited Access Areas

Bud’s will designate limited access areas by posting clearly visible signs, no smaller than 12” x 12” and which state: “Do Not Enter-Limited Access Area-Access Limited to Authorized Personnel Only” in lettering no smaller than one inch in height. Limited access areas will only be accessible to specifically authorized personnel limited to include only the minimum number of employees essential for efficient operation. Furthermore, limited access areas will be restricted toemployees, agents or volunteers specifically permitted by the Marijuana Establishment, agents of the Commission, state and local law enforcement and emergency personnel. All limited access areas will be clearly described by the filing of a diagram of the premises reflecting entrances and exits, walls, partitions, vegetation, flowering, processing, production, storage, disposal, and retail sales areas.

Bud’s will require all employees to wear employee identification badges at all times while inside the marijuana establishment.

Visitor Policy

All outside vendors, contractors and visitors will be logged in and out, and Bud’s will maintain this log and make it available to the Commission for periodic inspection. Prior to entering a limited access area, vendors, contractors and visitors will obtain a visitor badge and will be escorted at all times by a marijuana establishment agent authorized to enter the limited access area. Visitor badges will be visibly displayed at all times while the visitor is in any limited access area. Bud’s will ensure that all visitor identification badges are collected before visitors leave the premises.

Security and Alarm Requirements

Bud’s will ensure that all outdoor areas of the facility are properly secured against unauthorized access. Measures taken by Bud’s will include clear signage designating the area as a limited access area, commercial-grade locks, security alarms, and video cameras. The security alarm system will be continuously monitored by a third party and will alert employees of Bud’s within five minutes of a system failure. Bud’s will install video cameras at all entrances and exits as well as in any parking lot. Bud’s will ensure that all video surveillance footage is maintained in accordance with 935 CMR 500.110, can produce clear still photos with a date and time stamp embedded in all recordings, and can be stored in a standard format. 24-hour recordings from all video cameras will be made available for immediate viewing by the Commission. Recordings are retained for at least 90 calendar days and will not be destroyed or altered. Recordings are retained as long as necessary if Bud’s is aware of a pending criminal, civil or administrative investigation or legal proceeding for which the recording may contain relevant information. Bud’s will ensure that the security equipment is in good working order and will be inspected and tested at regular intervals, not to exceed 30 calendar days from the last test. On an annual basis, Bud’s will obtain a security audit by a vendor approved by the Commission. The security audit report will be provided to the Commission within 30 days of conducting the audit.

The interior of the establishment shall have video cameras in all areas that contain marijuana and directed at all safes, vaults, and sales areas. All cameras shall be angled as to allow for the capture of clear and certain identification of any person entering or exiting the establishment. Bud’s facility will be equipped with a perimeter alarm on all building entry and exit points and perimeter windows. A duress, panic or hold up alarm connected directly to local public safety or law enforcement authorities will be installed in the vault and security surveillance area, at a minimum. Bud’s security and alarm system will remain operational during a power outage.

Bud’s will demonstrate to the Commission’s satisfaction the safeguards that are in place to ensure continuous operation of a security system. All security system equipment and recordings will be maintained in a secure location to prevent theft, loss, destruction and alterations. Access to security system equipment and recordings will be limited to the Director of Security and authorized agents requiring access in accordance with their operational responsibilities.

Waste Disposal

In accordance with Bud’s waste disposal policies and procedures, all waste will be disposed of in compliance with 935 CMR 500.105(12). Liquid waste containing marijuana or marijuana byproducts will be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers. Solid waste containing marijuana or marijuana byproducts will be ground and mixed with other organic material such that the resulting mixture renders the marijuana unusable for its original purpose. Once such marijuana waste has been rendered unusable, the mixture may be composted or digested at an aerobic or anaerobic digester at an operation that is in compliance with the requirements of 310 CMR 16.00: Site Assignment Regulations for Solid Waste Facilities. Solid waste containing marijuana will be ground up and mixed with solid wastes such that the resulting mixture renders the marijuana unusable for its original purposes. Once such marijuana waste has been rendered unusable, it will be brought to a solid waste transfer facility or a solid waste disposal facility that holds a valid permit issued by the Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located. A minimum of two marijuana establishment agents will be present and properly document the disposal of marijuana waste in accordance with 935 CMR 500.105(12)(d).

Storage and Facility Security

All finished marijuana and marijuana products will be securely stored in a locked safe or vault accessible to a limited number of authorized individuals to prevent diversion, theft or loss. Bud’s safes and vaults and any other equipment or areas used for the production, cultivation, harvesting, processing, or storage of marijuana and marijuana products will be securely locked. In accordance with Bud’s security policies and procedures, the safes, vaults and any other areas or equipment aforementioned will be securely locked using commercial grade equipment and protected from entry, except for the actual time required to remove or replace marijuana. Bud’s will keep all locks and security equipment in good working order. Keys, if utilized by Bud’s, will be prohibited from being left in locks and stored or placed in an area accessible to persons other than specifically authorized personnel. In addition, Bud’s will maintain a list of individuals with

Emergency Policies and Incident Reporting

Bud’s will develop emergency policies and procedures for securing all product following any instance of diversion, theft or loss of marijuana, and conduct an assessment to determine whether additional safeguards are necessary. All security policies and procedures will be shared with local law enforcement authorities and fire services and periodically if the plans or procedures are modified in a material way.

Bud’s will immediately notify law enforcement authorities and the Commission of any security breach including, but not limited to, discovery of discrepancies identified during inventory, diversion or loss of any marijuana product, any criminal action involving or occurring on or in the Marijuana Establishment premises, any loss or unauthorized alteration of records related to marijuana, suspicious actions involving the sale, cultivation, distribution, processing or production of marijuana by any person, unauthorized destruction of marijuana, failure of an alarm system due to a loss of electrical power or mechanical malfunction that is expected to last more than eight hours, activation of an alarm system or other event that requires response by public safety personnel or security personnel, or any other breach of security. Notification will be immediate, and in no instances, more than 24 hours after the incident occurs. Bud’s will provide written notice in the form of an incident report to the Commission within ten calendar days of any incident described in 935 CMR 500.110(7)(a). Bud’s will maintain records and documentation of any reportable incident for at least one year or the duration of an open investigation, whichever is longer, made available to the Commission and law enforcement authorities upon request.

All written safety and security measures developed under 935 CMR 500.105(7) will be treated as security planning documents, the public disclosure of which would jeopardize public safety.

Business Hours:

Open Daily 8:00 am – 8:00 pm

After-Hours Contact

Mr. Alex Mazin,CEO

Phone: 774-239-2200

alex@budsgoods.com