

ALAMEDA PATIENTS GROUP

DBA EMBARC ALAMEDA

STANDARD OPERATING PROCEDURES

GENERAL

Commercial Cannabis Activity

All commercial cannabis activity shall be conducted between the retail store and other authorized licensees and with qualified customers as defined later in this document.

The retail store shall not conduct commercial cannabis activities on behalf of, at the request of, or pursuant to a contract with any person who is not licensed.

The retail store may conduct business with other licensees irrespective of the M-designation or A-designation on their licenses.

Products designated as “For Medical Use Only,” shall only be sold to medicinal customers.

Notification of Criminal Acts, Civil Judgments, Violations of Labor Standards, and Revocation of a Local License, Permit, or Other Authorization After Licensure

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of a criminal conviction of any owner, either by mail or electronic mail, within 48 hours of the conviction. The written notification to the Bureau shall include the date of conviction, the court docket number, the name of the court in which the licensee was convicted, and the specific offense(s) for which the licensee was convicted.

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of a civil penalty or judgment rendered against the licensee or any owner in their individual capacity, either by mail or electronic mail, within 48 hours of delivery of the verdict or entry of judgment, whichever is sooner. The written notification shall include the date of verdict or entry of judgment, the court docket number, the name of the court in which the matter was adjudicated, and a description of the civil penalty or judgment rendered against the licensee.

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of an administrative order or civil judgment for violations of labor standards against the licensee or any owner in their individual capacity, either by mail or electronic mail, within 48 hours of delivery of the order. The written notification shall include the date of the order, the name of the agency issuing the order, and a description of the administrative penalty or judgment rendered against the licensee.

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of the revocation of a local license, permit, or other authorization, either by mail or electronic mail, within 48 hours of receiving notice of the revocation. The written notification shall include the

name of the local agency involved, a written explanation of the proceeding or enforcement action, and the specific violation(s) that led to revocation.

For any notification required under this section, the retail store shall use and submit to the Bureau of Cannabis Control, the Notification and Request Form, BCC-LIC-027.

Notification of Theft, Loss, and Criminal Activity

The retail store shall notify the Bureau of Cannabis control and local law enforcement within 24 hours of discovery of any of the following situations:

- (1) The retail store discovers a significant discrepancy, as defined in section 5034 of this division, in its inventory.
- (2) The retail store discovers diversion, theft, loss, or any other criminal activity pertaining to the operations of the licensee.
- (3) The retail store discovers diversion, theft, loss, or any other criminal activity by an agent or employee of the licensee pertaining to the operations of the licensee.
- (4) The retail store discovers loss or unauthorized alteration of records related to cannabis goods, customers, or the licensee's employees or agents. (5) The licensee discovers any other breach of security.

The notification to the Bureau of Cannabis Control shall be submitted on the Notification and Request Form, BCC-LIC-027, and shall 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.

Record Retention

The retail store shall keep and maintain the following records related to commercial cannabis activity for at least seven years:

- (1) 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.
- (2) 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.
- (3) Training records including, but not limited to, the content of the training provided and the names of the employees that received the training.

- (4) Contracts with other licensees regarding commercial cannabis activity.
- (5) Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity.
- (6) Security records, except for surveillance recordings required pursuant to section 5044 of this division.
- (7) Records relating to the composting or destruction of cannabis goods.
- (8) Documentation for data or information entered into the track and trace system.
- (9) All other documents prepared or executed by an owner or their employees or assignees in connection with the licensed commercial cannabis business.

All required records shall be prepared and retained in accordance with the following conditions:

- (1) Records shall be legible; and
- (2) Records shall be stored in a secured area where the records are protected from debris, moisture, contamination, hazardous waste, fire, and theft.

All records are subject to review by the Bureau of Cannabis Control as well as other governmental agencies any time the retail store is exercising the privileges of the license or at any other time as mutually agreed to by the Bureau of Cannabis Control and the retail store. Prior notice by the Bureau to review records is not necessary. The Bureau may review records outside of the licensee's standard daily business hours.

Records shall be kept in a manner that allows records to be produced for the Bureau immediately upon request at the licensed premises in either hard copy or electronic form, whichever the Bureau requests.

Marketing and Advertising Placement

Any advertising or marketing, as defined in California Business and Professions Code section 26150, that is placed in broadcast, cable, radio, print, and digital communications:

1. Shall only be displayed after the retail store has obtained reliable up-to-date audience composition data demonstrating that at least 71.6 percent of the audience viewing the advertising or marketing is reasonably expected to be 21 years of age or older;
2. Shall not use any depictions or images of minors or anyone under 21 years of age;
3. Shall not contain the use of objects, such as toys, inflatables, movie characters, cartoon characters, or include any other display, depiction, or image designed in any manner likely to be appealing to minors or anyone under 21 years of age; and
4. Shall not advertise free cannabis goods or giveaways of any type of products, including non-cannabis products. This includes promotions such as:

- a. Buy one product, get one product free;
- b. Free product with any donation;
- c. Contests, sweepstakes, or raffles.

In addition to the requirements for advertising and marketing of this section, all outdoor signs, including billboards, shall:

1. Be affixed to a building or permanent structure;
2. Comply with the provisions of the Outdoor Advertising Act, commencing with section 5200 of the Business and Professions Code, if applicable; and
3. Not be located within a 15-mile radius of the California border on an Interstate Highway or on a State Highway that crosses the California border.

For the purposes of this section, “reliable up-to-date audience composition data” means data regarding the age and location demographics of the audience viewing a particular advertising or marketing medium. “Reliable up-to-date audience composition data” does not include data from the most recent United States decennial or special census, or the annual population estimate for California counties published by the Demographic Research Unit, State Department of Finance.

Immediately upon request, the retail store shall provide to the Bureau of Cannabis Control audience composition data as required in this section for advertising or marketing placed by the licensee.

If the Bureau of Cannabis Control determines that audience composition data for advertising or marketing provided by a licensee does not comply with the requirements of this section, or the licensee fails to provide audience composition data to the Bureau of Cannabis Control upon request, the licensee shall remove the advertising or marketing placement in question.

In construing and enforcing the advertising provisions of the Act and this division, any action, omission, or failure of an advertising agent, representative, or contractor retained by the licensee shall in every case be deemed the act, omission, or failure of the retail store.

Marketing Cannabis Goods as Alcoholic Products

The retail store shall not sell or transport cannabis goods that are labeled as beer, wine, liquor, spirits, or any other term that may create a misleading impression that the product is an alcoholic beverage.

Age Confirmation in Advertising

Prior to any advertising or marketing from the retail store involving direct, individualized communication or dialogue, the retail store shall use age affirmation to verify that the recipient is 21 years of age or older.

For the purposes of this section, direct, individualized communication or dialogue may occur through any form of communication, including in-person, telephone, physical mail, or electronic.

A method of age verification is not necessary for a communication if the retail store can verify that the retail store has previously had the intended recipient undergo a method of age affirmation and the retail store is reasonably certain that the communication will only be received by the intended recipient.

The retail store shall use a method of age affirmation before having a potential customer added to a mailing list, subscribe, or otherwise consent to receiving direct, individualized communication or dialogue controlled by a licensee.

Age Restriction

Employees or persons retained by the retail store to work or to handle cannabis goods shall be at least 21 years of age.

License Posting Requirement

The retail store shall prominently display the license on the licensed premises where it can be viewed by state and local agencies. If the licensed premises is open to the public, the license shall be displayed in an area that is within plain sight of the public.

Storage of Inventory.

All inventory stored on the licensed premises shall be secured in a limited-access area.

The retail store shall not store cannabis goods outdoors.

Employee break rooms, changing facilities, and bathrooms shall be separated from all storage areas.

Each location where cannabis goods are stored must be separately licensed.

Receiving Shipments of Inventory

The retail store shall receive a shipment of cannabis goods only from a licensed distributor or licensed microbusiness authorized to engage in distribution.

The retail store shall accept shipments of cannabis goods only between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.

During business hours, shipments of cannabis goods shall not enter the licensed premises through an entrance or exit that is available for use by the public*.

*A retail store whose licensed premises only has one entryway may be exempt from the requirements of of this section if the retail store obtains authorization from the local jurisdiction explicitly authorizing this activity. The retail store shall be required to provide this authorization to the Bureau of Cannabis Control.

Inventory Documentation

The retail store shall maintain an accurate record of its inventory.

The retail store shall provide the Bureau of Cannabis Control with the record of inventory immediately upon request.

The retail store shall keep a record of the following information for all cannabis goods the licensed retailer has in its inventory:

- (a) A description of each item such that the cannabis goods can easily be identified;
- (b) An accurate measurement of the quantity of the item;
- (c) The date and time the cannabis goods were received by the retail store;
- (d) The sell-by or expiration date provided on the package of cannabis goods, if any;
- (e) The name and license number of the licensed distributor or licensed microbusiness that transported the cannabis goods to the retail store; and
- (f) The price the retail store paid for the cannabis goods, including taxes, delivery costs, and any other costs.

Inventory Reconciliation

The retail store shall be able to account for all of its inventory.

In conducting an inventory reconciliation, the retail store shall verify that the physical inventory is consistent with the records pertaining to inventory.

The result of inventory reconciliation shall be retained in the retail store's records and shall be made available to the Bureau of Cannabis Control upon request.

If the retail store identifies any evidence of theft, diversion, or loss, the licensed retailer shall notify the Bureau and law enforcement.

If a significant discrepancy is discovered between the retail store's physical inventory and the retail store's inventory records, the retail store shall notify the Bureau of Cannabis Control and law enforcement.

The determination on whether a discrepancy in inventory is significant shall be made in accordance with the following:

(a) A significant discrepancy in inventory means a difference in actual inventory compared to records pertaining to inventory of at least 3 percent of the average monthly sales of the licensee.

(b) Average monthly sales shall be calculated by taking a per month average of the total sales for the previous 6 months. If the retail store has not been in operation for at least 6 months, only the months in which the licensee was operating shall be used in determining average monthly sales.

(c) The acquisition price shall be used to determine the value of cannabis goods in a licensee's inventory.

Retailer Premises to Retailer Premises Transfer

The retail store may arrange for the transfer of cannabis goods from one retail premises to another licensed retail premises if both retail licenses are held under the same ownership.

Cannabis goods transferred may be sold by the retail store receiving the cannabis goods only if the cannabis goods comply with all requirements found in this document

Any movement of cannabis goods under this section shall be properly entered into the state track and trace system.

Employee Badge Requirement

All agents, officers, or other persons acting for or employed by a retail store shall display a laminated or plastic-coated identification badge issued by the retail store at all times while engaging in commercial cannabis activity. The identification badge shall, at a minimum, include the retail store's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height.

Security Personnel

The retail store shall hire or contract for security personnel who are at least 21 years of age to provide on-site security services for the retail store during the hours of operation. All security personnel hired or contracted for by the retail store shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the California Business and Professions Code.

Track and Trace System

The retail store shall create and maintain an active and functional account within the track and trace system prior to engaging in any commercial cannabis activity, including the purchase, sale, test, packaging, transfer, transport, return, destruction, or disposal, of any cannabis goods.

The retail store shall designate one individual owner as the track and trace system account manager. The account manager may authorize additional owners or employees as track and trace system users and shall ensure that each user is trained on the track and trace system prior to its access or use.

The account manager shall attend and successfully complete all required track and trace system training, including any orientation and continuing education.

If the account manager did not complete the required track and trace system training prior to receiving their annual license, the account manager shall sign up for and complete state mandated training, as prescribed by the Bureau, within five calendar days of license issuance.

The account manager and each user shall be assigned a unique log-on, consisting of a username and password. The account manager or each user accessing the track and trace system shall only do so under his or her assigned log-on and shall not use or access a log-on of any other individual. No account manager or user shall share or transfer his or her log-on, username, or password, to be used by any other individual for any reason.

The account manager shall maintain a complete, accurate, and up-to-date list of all track and trace system users, consisting of their full names and usernames.

The retail store shall monitor all compliance notifications from the track and trace system, and timely resolve the issues detailed in the compliance notification.

The retail store shall keep a record, independent of the track and trace system, of all compliance notifications received from the track and trace system, and how and when compliance was achieved.

If the retail store is unable to resolve a compliance notification within three business days of receiving the notification, the store shall notify the Bureau immediately, by submitting the Notification and Request Form, BCC-LIC-027 (New 10/18).

A retail store is accountable for all actions its owners or employees take while logged into or using the track and trace system, or otherwise while conducting track and trace activities.

Track and Trace Reporting

The retail store shall record in the track and trace system all commercial cannabis activity, including:

- (1) Packaging of cannabis goods.
- (2) Sale and transfer of cannabis goods.
- (3) Transportation of cannabis goods to a licensee.

- (4) Receipt of cannabis goods.
- (5) Return of cannabis goods.
- (6) Destruction and disposal of cannabis goods.
- (7) Laboratory testing and results.
- (8) Any other activity as required pursuant to this division, or by any other licensing authority.

The following information shall be recorded for each activity entered in the track and trace system:

- (1) Name and type of the cannabis goods.
- (2) Unique identifier of the cannabis goods.
- (3) Amount of the cannabis goods, by weight or count, and total wholesale cost of the cannabis goods, as applicable.
- (4) Date and time of the activity or transaction.
- (5) Name and license number of other licensees involved in the activity or transaction.
- (6) If the cannabis goods are being transported:

If there are any discrepancies between the type or quantity of cannabis goods specified in the shipping manifest and the type or quantity received by the licensee, the retail store shall record and document the discrepancy in the track and trace system and in any relevant business record.

If cannabis goods are being destroyed or disposed of, the retail store shall record in the track and trace system the following additional information:

- (A) The name of the employee performing the destruction or disposal.
- (B) The reason for destruction and disposal.
- (C) The entity disposing of the cannabis waste.

Description for any adjustments made in the track and trace system, including, but not limited to:

- (A) Spoilage or fouling of the cannabis goods.
- (B) Any event resulting in damage, exposure, or compromise of the cannabis goods.

All transactions must be entered into the track and trace system within 24 hours of occurrence.

The retail store shall only enter and record complete and accurate information into the track and trace system and shall correct any known errors entered into the track and trace system immediately upon discovery.

Loss of Connectivity

If at any point the retail store loses connectivity to the track and trace system for any reason, the retail store shall prepare and maintain comprehensive records detailing all commercial cannabis activities that were conducted during the loss of connectivity.

The retail store shall notify the Bureau of Cannabis Control immediately for any loss of connectivity, and shall not transport, receive, or deliver any cannabis goods until such time as connectivity is restored. Licensees shall submit such notices on the Notification and Request Form, BCC- LIC-027 (New 10/18).

Once connectivity has been restored, the retail store shall:

- (1) Within three calendar days, enter all commercial cannabis activity that occurred during the loss of connectivity into the track and trace system.
- (2) Document the cause for loss of connectivity, and the date and time for when connectivity to the track and trace system was lost and when it was restored.

Track and Trace System Reconciliation

In addition to other inventory reconciliation requirements, the retail store shall reconcile the physical inventory of cannabis goods at the licensed premises with the records in the track and trace database at least once every 30 calendar days.

If the retail store finds a discrepancy between its physical inventory and the track and trace system database, the store shall conduct an audit, and notify the Bureau of any reportable activity.

RETAIL

Access to Retailer Premises.

Prior to entering the retail establishment, a consumer or patients will be screened by security personnel to ensure they meet the requirements necessary to enter. Acceptable forms of identification include the following:

- (1) 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;
- (2) A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or
- (3) A valid passport issued by the United States or by a foreign government.

For adult use customers, access to the licensed premises shall be limited to individuals who are at least 21 years of age.

For medical cannabis patients, access to the licensed retail premises shall be limited to individuals who are at least 18 years of age and have a valid physician's recommendation for medicinal cannabis, and individuals who are at least 21 years of age.

Customer Access to the Retail Area

Individuals shall be granted access to the retail area to purchase cannabis goods only after an security and a store employee has confirmed the individual's age and identity and properly checked them in

At least one employee shall be physically present in the retail area at all times when individuals who are not employees of the licensed retailer are in the retail area.

All sales of cannabis goods must take place within the retail area of the licensed premises, except for cannabis goods sold through delivery.

Hours of Operation

The retail stores shall sell and deliver cannabis goods only between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.

Requirements While Not Open for Business

At any time the business is not open for retail sales, a licensed retailer shall ensure that:

- (a) The licensed premises is securely locked with commercial-grade, nonresidential door locks;
- (b) The licensed premises is equipped with an active alarm system which shall be activated when the licensed retailer or its employees are not on the licensed premises; and
- (c) Only employees of the licensee and other authorized individuals are allowed access to the licensed premises. Authorized individuals include individuals employed by the

licensee as well as any outside vendors, contractors, or other individuals conducting business that requires access to the licensed premises.

Retail Customers

The retail store shall only sell adult-use cannabis goods to individuals who are at least 21 years of age after confirming the customer's age and identity by inspecting a valid form of identification provided by the customer as required by subsection (c) of this section.

The retail store shall only sell medicinal cannabis goods to individuals who are at least 18 years of age and possesses a valid physician's recommendation after confirming the customer's age, identity, and physician's recommendation as required.

Acceptable forms of identification include the following:

- (1) 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;
- (2) A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or
- (3) A valid passport issued by the United States or by a foreign government.

Cannabis Goods Display

Cannabis goods for inspection and sale shall only be displayed in the retail area.

Cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection. The containers shall not be readily accessible to customers without assistance of retailer personnel. A container must be provided to the customer by the licensed retailer or its employees, who shall remain with the customer at all times that the container is being inspected by the customer.

Cannabis goods removed from their packaging for display shall not be sold, shall not be consumed, and shall be destroyed when the cannabis goods are no longer used for display.

Cannabis Goods for Sale

The retail store shall not make any cannabis goods available for sale or delivery to a customer unless:

- (a) The cannabis goods were received by the retail licensee from a licensed distributor or licensed microbusiness authorized to engage in distribution;

- (b) The licensed retailer has verified that the cannabis goods have not exceeded their best- by, sell-by, or expiration date if one is provided;
- (c) In the case of manufactured cannabis products, the product complies with all requirements of California Business and Professions Code section 26130 and California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13;
- (d) The cannabis goods have undergone laboratory testing as required by the Bureau of Cannabis Control;
- (e) The batch number is labeled on the package of cannabis goods and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing;
- (f) The packaging and labeling of the cannabis goods complies with California Business and Professions Code Section 26120 and all applicable regulations within this division as well as California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13; and
- (g) The cannabis goods comply with all applicable requirements found in the California statute and applicable state and local regulations.

Sale of Non-Cannabis Goods

In addition to cannabis goods, the retail store may sell only cannabis accessories and branded merchandise.

The retail store may provide customers with promotional materials.

Sale of Live Plants and Seeds

The retail store shall only sell live, immature cannabis plants and cannabis seeds if all of the following requirements are met:

- (1) The plant is not flowering;
- (2) The plant or seed originated from a nursery that holds a valid license from the Department of Food and Agriculture or a licensed microbusiness authorized to engage in cultivation; and
- (3) A label is affixed to the plant or package containing any seeds which states “This product has not been tested pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act.”

The retail store may not sell any other live plants.

The retail store shall not apply nor use any pesticide, nor cause any pesticide to be applied nor used, on live plants.

Daily Limits

The retail store shall not sell more than the following amounts to a single adult- use cannabis customer in a single day:

- (1) 28.5 grams of non-concentrated cannabis.
- (2) 8 grams of cannabis concentrate as defined in Business and Professions Code section 26001, including cannabis concentrate contained in cannabis products.
- (3) 6 immature cannabis plants.

The retail store shall not sell more than the following amounts to a single medicinal cannabis patient, or to a patient's primary caregiver purchasing medicinal cannabis on behalf of the patient, in a single day*:

- (1) 8 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.
- (2) 12 immature cannabis plants.

*If a medicinal cannabis patient's valid physician's recommendation contains a different amount than the limits listed in this section, the medicinal cannabis patient may purchase an amount of medicinal cannabis consistent with the patient's needs as recommended by a physician and documented in the physician's recommendation.

The limits provided shall not be combined to allow a customer to purchase cannabis goods in excess of any of the limits provided.

The retail store shall be responsible for determining that the amount of cannabis concentrates found in manufactured cannabis products sold to customers and ensure they comply with the requirements set forth above.

Customer Return of Cannabis Goods

“Customer Return” means a customer's return of cannabis goods that were purchased from the retail store, back to the same retail store the cannabis goods were purchased from. If this definition is met then:

1. The retail store may accept customer returns of cannabis goods that were previously sold to a customer.
2. The retail store shall not resell cannabis goods that have been returned.

3. The retail store shall treat any cannabis goods abandoned on the licensed retailer premises as a customer return.
4. Defective manufactured cannabis products returned by customers to the retail store may be destroyed pursuant to approved waste disposal practices or returned to the licensed distributor from whom the cannabis goods were obtained.

Free Cannabis Goods

The retail store shall not provide free cannabis goods to any person.

The retail store shall not allow individuals who are not employed by the store to provide free cannabis goods to any person on the licensed premises.

In order to provide access to medicinal cannabis patients who have difficulty accessing medicinal cannabis goods the retail store may provide free medicinal cannabis goods if the following criteria are met:

- (1) Free cannabis goods are provided only to a medicinal cannabis patient or primary caregiver for the patient in possession of an identification card issued.
- (2) The cannabis goods comply with all applicable laboratory testing requirements under this division.
- (3) Prior to being provided to the patient or primary caregiver, the cannabis goods have been properly recorded in the track and trace system.
- (4) The cannabis goods shall not leave the licensed premises unless placed in a resealable child-resistant opaque package as required for purchased cannabis goods.
- (5) The cannabis goods shall be applied toward the daily purchase limit for a medicinal cannabis customer.
- (6) The event shall be properly recorded in the licensed retailer's inventory records and the track and trace system.

In addition to the provision of free cannabis goods for medical patients in this section, the retail store may donate cannabis goods and the use of equipment in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction.

Prohibition on Packaging and Labeling

The retail store shall not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale.

The retail store shall not package or label cannabis goods.

The retail store may place a barcode or similar sticker on the packaging of cannabis goods to be used in inventory tracking. A barcode or similar sticker placed on the packaging of a cannabis goods shall not obscure any other required labels.

Cannabis Goods Packaging and Exit Packaging

All cannabis goods sold by the retail store shall be in compliance with the packaging requirements.

Beginning January 1, 2020, a package containing cannabis goods shall be resealable, tamper-evident, and child resistant.

All cannabis goods purchased by a customer shall not leave the retail store premises unless the goods are placed in an opaque exit package.

Notwithstanding the above, immature plants and seeds sold by a licensed retailer are not required to be placed in resealable, tamper-evident, child resistant packaging.

Delivery

All deliveries of cannabis goods shall be performed by an employee of the retail store.

Employee shall be at least 21 years of age.

All deliveries of cannabis goods shall be made in person. A delivery of cannabis goods shall not be made through the use of an unmanned vehicle.

The process of delivery begins when the delivery employee leaves the delivery premises of the retail store with the cannabis goods for delivery and the process of delivery ends when the delivery employee returns to the retail store after delivering the cannabis goods, or attempting to deliver cannabis goods, to the customer(s).

During the process of delivery, the delivery employee may not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops.

A delivery employee shall, during deliveries, carry a copy of the current commercial cannabis license, the employee's government-issued identification, and an identification badge.

Prior to providing cannabis goods to a delivery customer, a delivery employee shall confirm the identity and age of the delivery customer as required by the identification verification procedures contained in this document.

The retail store shall maintain an accurate list of the delivery employees and shall provide the list to government agencies as requested.

Deliveries Facilitated by Technology Platforms.

The retail store shall not sell or otherwise transfer any cannabis goods to a customer through the use of an unlicensed third party, intermediary business, broker, or any other business or entity.

Notwithstanding the previous section, the retail store may contract with a service that provides a technology platform to facilitate the sale and delivery of cannabis goods, in accordance with all of the following:

- (1) The retail store does not allow for delivery of cannabis goods by the technology platform service provider.
- (2) The retail store does not share in the profits of the sale of cannabis goods with the technology platform service provider, or otherwise provide for a percentage or portion of the cannabis goods sales to the technology platform service provider.
- (3) The retail store shall not advertise or market cannabis goods in conjunction with the technology platform service provider, outside of the technology platform, and shall ensure that the technology platform service provider does not use the retail store license number or legal business name on any advertisement or marketing that primarily promotes the services of the technology platform.
- (4) The retail store shall ensure the following information is provided to customers:
 - (A) Any cannabis goods advertised or offered for sale on or through the technology platform shall disclose, at a minimum, the retail store's business name and license number.
 - (B) Customers placing an order for cannabis goods through the technology platform shall be able to easily identify the retail store that each cannabis good is being ordered or purchased from. This information shall be available to the customer prior to the customer placing an order or purchasing the cannabis goods.
- (5) All required sales invoices and receipts, including any receipts provided to the customer, shall disclose, at a minimum, the retail stores legal business name and license number.
- (6) All other delivery, marketing, and advertising requirements under this division are complied with.

Delivery to a Physical Address

A delivery employee may only deliver cannabis goods to a physical address in California.

A delivery employee shall not leave the State of California while possessing cannabis goods.

A delivery employee shall 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. This prohibition applies to

land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

A delivery employee may deliver to any jurisdiction within the State of California provided that such delivery is conducted in compliance with all delivery provisions of this division.

A delivery employee shall not deliver cannabis goods to a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center.

Delivery Vehicle Requirements

The retail store delivery employee, carrying cannabis goods for delivery, shall only travel in an enclosed motor vehicle. Any vehicle used in the delivery of cannabis goods shall be operated by a delivery employee of the retail store.

A vehicle used in the delivery of cannabis goods shall not have any marking or other indications on the exterior of the vehicle that may indicate that the delivery employee is carrying cannabis goods for delivery.

Only retail store employee shall be in the delivery vehicle.

While carrying cannabis goods for delivery, an employee shall ensure the cannabis goods are not visible to the public. Cannabis goods shall be locked in a fully enclosed box, container, or cage that is secured on the inside of the vehicle. No portion of the enclosed box, container, or cage shall be comprised of any part of the body of the vehicle or trailer. For purposes of this section, the inside of the vehicle includes the trunk.

The employee shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system.

Any cannabis goods left in an unattended vehicle must be stored in a container.

The vehicle used for the delivery of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery.

The device shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery.

At all times, the retail store shall be able to identify the geographic location of all delivery vehicles that are making deliveries and document the history of all locations traveled to by a delivery employee while engaged in delivery.

The retail store shall provide this information to the Bureau of Cannabis Control as well as other government agencies upon request. The history of all locations traveled to by a delivery

employee while engaging in delivery shall be maintained by the retail store for a minimum of 90 days.

The retail store shall provide the Bureau of Cannabis Control and other government agencies with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicles registration information.

Any motor vehicle used by a licensed retailer to deliver cannabis goods is subject to inspection by the Bureau. Vehicles used to deliver cannabis goods may be stopped and inspected by the Bureau at any licensed premises or during delivery.

Cannabis Goods Carried During Delivery

The retail store delivery employee shall not carry cannabis goods in the delivery vehicle with a value in excess of \$5,000 at any time.

The value of cannabis goods carried in the delivery vehicle for which a delivery order was not received and processed by the licensed retailer prior to the delivery employee departing from the licensed premises may not exceed \$3,000.

The value of cannabis goods shall be determined using the current retail price of all cannabis goods carried by, or within the delivery vehicle of, the retail store's delivery employee.

A delivery employee must depart and return to the same retail store before taking possession of any cannabis goods from another retail store perform deliveries.

The retail store delivery employee shall not leave the retail store with cannabis goods without at least one delivery order that has already been received and processed by the retail store.

Before leaving the retail store the delivery driver must have a delivery inventory ledger of all cannabis goods provided to the delivery driver.

For each cannabis good, the delivery inventory ledger shall include the type of good, the brand, the retail value, the track and trace identifier, and the weight, volume or other accurate measure of the cannabis good.

All cannabis goods prepared for an order that was received and processed by the retail store prior to the delivery driver's departure from the retail store must be clearly identified on the inventory ledger.

After each customer delivery, the delivery inventory ledger must be updated to reflect the current inventory in possession of the delivery driver. Delivery inventory ledgers may be maintained electronically.

The delivery driver shall maintain a log that includes all stops from the time the delivery driver leaves the retail store to the time that the delivery driver returns to the retail store, and the reason for each stop. The log shall be turned in to the delivery manager when the driver returns to the retail store. The retail store must maintain the log as a commercial cannabis activity record as required by The Bureau of Cannabis Control. The log may be maintained electronically.

Prior to arrival at any delivery location, the retail store must have received a delivery request from the customer and provided the delivery request receipt to the delivery driver electronically or in hard copy.

The delivery request receipt provided to the licensed retailer's delivery driver shall contain all of the information previously described in this document, except for the date and time the delivery was made, and the signature of the customer.

Immediately upon request by the Bureau of Cannabis Control or any law enforcement officer, the delivery driver shall provide:

- (1) All delivery inventory ledgers from the time the driver left the retail store up to the time of the request;
- (2) All delivery request receipts for cannabis goods carried by the driver, in the delivery vehicle, or any deliveries that have already been made to customers; and
- (3) The log of all stops from the time the delivery driver left the retail store up to the time of the request.

If the driver does not have any delivery requests to be performed for a 30-minute period, the driver shall not make any additional deliveries and shall return to the retail premises. Required meal breaks shall not count toward the 30-minute period.

Upon returning to the retail store, all undelivered cannabis goods shall be returned to inventory and all necessary inventory and track-and-trace records shall be updated as appropriate that same day.

Cannabis Consumption During Delivery

A delivery employee shall not consume cannabis goods while delivering cannabis goods to customers.

Delivery Request Receipt

A retail store shall prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods.

The delivery request receipt shall contain the following:

- (1) The name and address of the retail store;
- (2) The first name and employee number of the delivery employee who delivered the order;
- (3) The first name and employee number of the employee who prepared the order for delivery;
- (4) The first name of the customer and a customer number for the person who requested the delivery;
- (5) The date and time the delivery request was made;
- (6) The delivery address;
- (7) A detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;
- (8) The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and
- (9) Upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who received the delivery.

At the time of the delivery, the delivery employee shall provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The delivery employee shall retain a hard or electronic copy of the signed delivery request receipt for the licensed retailer's records.

An employee number is a distinct number assigned by the retail store to an employee that would allow the retail store to identify the employee in documents or records using the employee number rather than the employee's full name. The retail store shall be able to identify the employee associated with each employee number upon request from the Bureau of Cannabis Control.

A customer number is a distinct number assigned by the retail store to a customer that would allow the retail store to identify the customer in documents or records using the customer number rather than the customer's full name. The retail store shall be able to identify the customer associated with each customer number upon request from the Bureau of Cannabis Control.

Delivery Route

While making deliveries of cannabis goods, a delivery employee shall only travel from the retail store to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the retail store.

A delivery employee shall not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.