

Backpack Boyz JC LLC
Safety and Security Plan and Procedures

746 Grand Street, Jersey City, NJ, 07304

Submitted to the City of Jersey City

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Contact: Tony Gallo, Managing Partner
Phone: (214) 845-6838
Email: tgallo@sapphirerisk.com
www.sapphirerisk.com

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Security Mission

The security mission of Backpack Boyz (“Backpack Boyz”) is to distribute cannabis and cannabis products and medicinal marijuana in accordance with the highest standards for quality of products, services, and public safety. Every aspect of Backpack Boyz’s operation will have a strong emphasis on security and preventing the theft or diversion of cannabis and medicinal marijuana in compliance with the New Jersey Administrative Code (“N.J.A.C”) and the Ordinances of the City of Jersey City, N.J. (“Code”).

Backpack Boyz recognizes that cannabis and medicinal regulations are likely to be revised or updated from time to time as the cannabis and medicinal marijuana industries further develop in New Jersey. Backpack Boyz will communicate all concerns with the City of Jersey City (“City”), New Jersey, and will continually monitor changes in the laws, rules, and regulations in order to update this Safety and Security Plan and keep it current with all requirements. Backpack Boyz will position itself as an industry leader in security by working with the cannabis and medicinal marijuana communities to further improve security policies and procedures and will serve as a model for cannabis and medicinal marijuana businesses.

In accordance with N.J.A.C. §17:30(A)-9.7(b)(3), Backpack Boyz will implement security measures that protect the premises, registered qualifying patients, registered primary caregivers, principal officers, directors, board members, and employees of Backpack Boyz. Prior to the commencement of any operations, Backpack Boyz will obtain a written approval of their set security protocols from the Police Chief. In accordance with Code §84-50, the Police Chief will have authority to require additional safety and security measures if needed.

Professional Security Consultant

Backpack Boyz has contracted with Sapphire Risk Advisory Group, LLC (B07328001, Security Consultant, Texas) to assist in designing Backpack Boyz’s security program and strategy. Sapphire has extensive expertise implementing loss-prevention controls and processes that mitigate security threats from armed robbery and burglary. Sapphire has designed security operations for over 70 cannabis businesses in 35 states, including Terrascend and Justice Grown in New Jersey. Tony Gallo is the Managing Partner at Sapphire Risk Advisory Group. For the last 30 years, Gallo has been a Senior Loss Prevention Executive possessing both strategic and tactical experience in the multi-unit retail and financial loan service industries, as well as the auto parts industry. Gallo has proven his ability to reduce losses in not only the loss/asset prevention field, but also in audit, safety, risk management, disaster planning, and insurance.

Sapphire’s experience is implemented in this Safety and Security Plan through focusing on preventing crime before it occurs. While reactive methods of catching criminals are instituted, deterrence is a focus of this Safety and Security Plan. Internal theft is a forgotten, yet critical aspect of cannabis security, and its development into diversion can create an unpopular problem in any community. The installation of safes and other physical barriers, the conspicuous placement of cameras, the use of multi-lock metal doors, and the ease of reporting concerns to management anonymously are all tactics that are drawn from experiences in cannabis, medicinal marijuana, pawn, and other high-risk retail industries to demonstrate that investment in proactive security is the best investment in any business.



Backpack Boyz has also contracted with Crossroads Investigation Services. Crossroads Investigation Services is a research and investigative firm that conducts worldwide information gathering and investigations. Crossroads combines the skills of data searching, indexing and Investigative experience, in order to provide a full range of services. The professionals at Crossroads in New Jersey have been securing operations for over 30 years.

Scope of the Cannabis Business

Responsibilities of Employees

Each individual employed by Backpack Boyz will be designated a role title and have defined roles in implementing this Safety and Security Plan, including:

- General Manager (GM) – to create, implement, and manage this plan
- Assistant General Manager (AGM) – to help with implementation and management of this plan
- Employees – to assist with cleaning, beautification, and nuisance prevention
- Facility Manager – to implement the lighting and signage plans and to manage repairs in a timely manner
- Security Manager – to oversee the implementation of this plan by employees and security guards
- Security Guards – to ensure that the facility is safe, to manage nuisance problems, and to report needed repairs

Licensing and Regulatory References

The following licensing and regulatory texts were referenced in the creation of this Safety and Security Plan:

- Ordinance of the City of Jersey City, N.J., Chapter 84, 160, 304, & 345
- New Jersey Cannabis Regulatory Commission (“CRC”), Personal Use Cannabis Rules;
- Special Adopted New Rules: N.J.A.C. 17:30; Adopted: August 19, 2021, by New Jersey CRC, Dianna Houenou, Chair; Sections 17:30-9.10(b) & 17:30-14.2(e).

Facility Design and Management Statement of Purpose

Backpack Boyz shall dispense cannabis in a commercial area of Township. The location is 0.7 miles from the Jersey City Fire Department, 1.9 miles from Christ Hospital, and 0.4 miles from Jersey City Police Department: West District.

It is the role of Backpack Boyz’s GM to ensure that the retail facility will create a secure and sanitary environment for all employees, contractors, consultants, and clients, as well as for the surrounding community. Backpack Boyz’s goal is to fit seamlessly and safely into the community. Backpack Boyz will provide law enforcement and neighbors within 100 feet of Backpack Boyz with the name and phone number of a staff person (GM) to notify during and after operating hours to whom they can report problems with the establishment, in accordance with N.J.A.C. §17:30-9.10(b)(11).

Keeping the Sidewalks and Alleyways Clean

Every morning, midday, and as needed, a manager will ensure that staff members clear the outside areas adjoining the premises. This encompasses the spaces on all sides of the facility, including the entrances, sidewalks, and alleyways, which will be kept clear of all litter and debris. Each business day, a manager will check the front walkways for debris and will ensure that it is cleared in a timely manner, whenever needed, to prevent accidents.

Security guards will tidy up any minor litter during their regular rounds. If the debris is excessive, they will report to the GM or AGM, who will assign staff to remove it or will remove it themselves. This may require arranging for outside services to remove the trash and transport it to a landfill.

Maintaining Adequate External Trash Receptacles (Non-Cannabis Waste)

Backpack Boyz will ensure that the entire premise is free of litter, debris, and trash at all times, in accordance with Code §84-50(B). The GM will ensure there are easily accessible garbage cans (both trash and recycling) for patrons and staff, both inside the facility and outside. If any cans need to be replaced or if additional cans are needed, the AGM will manage this task. The AGM will also ensure that there are always adequate trash bags for both internal and external, heavy-duty use. The GM will arrange for regular garbage pickup and any extra pickups needed, should an excess of trash or debris develop. The GM may assign the AGM to help arrange special trash pick-up services, using either the municipal waste management system or a private company to clear large amounts of garbage.

Graffiti Removal

The GM is responsible for supervising the removal of all graffiti from the premises within 72 hours of its application. City code allows 72 hours removal time after being given official Police or Planning Department notice, but Backpack Boyz will remove graffiti within 24 hours of its application in a quick and efficient manner so as to stop any trend towards graffiti. This will be done either by staff to remove and/or paint over any graffiti, consulting and utilizing the City's graffiti removal employees or vendors, or by hiring an outside graffiti removal or painting company. The GM will manage the clean-up plan but may assign the task to the AGM.

Maintaining a Nuisance Prevention Plan

The GM is responsible for creating, implementing, and updating the Nuisance Prevention Plan and reporting policies and procedures. The GM is responsible for taking all reasonable steps to discourage and correct nuisance on sidewalks, in alleys, and in surrounding areas. This includes traffic issues during business hours and when directly related to dispensary clients. Backpack Boyz will use the following definition of nuisance: *Nuisance includes but is not limited to disturbances of peace, open public consumption of cannabis or alcohol, excessive pedestrian or vehicular traffic, illegal drug activity, harassment of passersby, excessive littering, excessive loitering, illegal parking, excessive loud noises, especially late at night or early in the morning hours or, lewd conduct.*

Implementation of the Nuisance Prevention Plan

The shift manager, either the GM or AGM, is primarily responsible for implementing the Nuisance Prevention Plan. Security guards posted at the front of the facility will also be vigilant in observing the street and nearby areas for nuisance behaviors created by consumers, patients, or caregivers.

When on duty, security guards will observe consumers, patients, and caregivers as they approach and exit the facility. No nuisance behaviors will be allowed, either from consumers, patients, or caregivers, or by any visitor of Backpack Boyz.



Educating Consumers, Patients, and Caregivers About Nuisance Prevention

The GM and AGM will create a program to educate consumers, patients, and caregivers about nuisance prevention. This may include signs, handouts, and rules that are given verbally to new consumers, patients, and caregivers, both during their initial visit and at any other time needed. The AGM will train staff to provide this information to consumers, patients, and caregivers and employees will ensure that all handouts are given to purchasers and that information is also verbally explained.

Refusing Service for Nuisance Violations

Small, non-recurring violations of the nuisance policy are easy to manage with verbal warnings. If the violation is serious, such as lewd conduct, graffiti, or illegal drug activity, or if it requires the assistance of the police, the GM will immediately revoke the person's rights to service. The GM or their designee is responsible for assuring the person is removed from access to the Track and Trace sales system, and notice will be placed in their file noting they are no longer allowed entry. One or more small violations may also lead to a permanent revocation of a person's right to service.

When issuing refusals of service, it is possible that the recipient may get upset. For this reason, the responsibility falls to senior managers to communicate any revocation of service to individuals. This includes the GM, AGM, and Security Manager, who will walk the individual outside and inform them privately of any such revocation.

OSHA Guidelines and Compliance

Backpack Boyz will enter into an on-site consultation agreement with the Occupational Safety and Health On-Site Consultation Program maintained by New Jersey Department of Health Public Employees Occupational Safety and Health (PEOSH), as well as participate in the Safety & Health Achievement Recognition Program (SHARP). When possible, Backpack Boyz will follow OSHA's guidance for retail operations and workers to prevent the spread of COVID-19. This may include installing plexiglass partitions at consumer service windows and cash register lanes. Backpack Boyz will also establish protocols and provide supplies to disinfect frequently touched surfaces, as well as push bars and handles on any doors that do not open automatically.

Sanitation

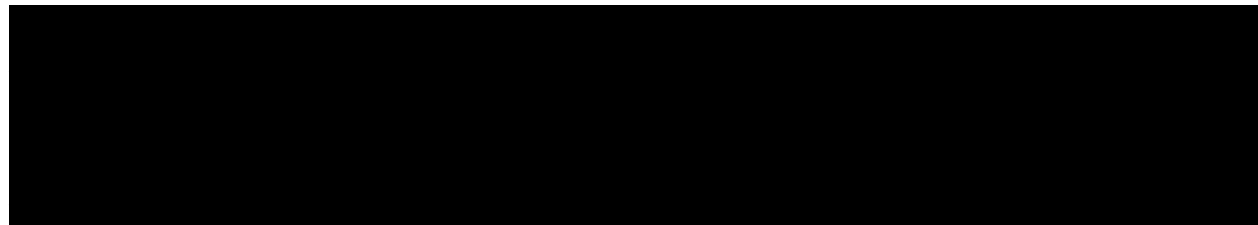
Backpack Boyz will follow PEOSH Sanitation Standards, adopted from the U.S. Department of Labor Sanitation Standard (OSHA) established in 29 CFR 1910.141 to maintain a clean and safe working environment. All floors, contacts, and work surfaces will be kept free of hazards and cleaned on a regular schedule. All work surfaces will be cleaned and sanitized prior to commencing, and after completing any activity involving cannabis or medicinal marijuana, using sanitizing agents registered by the Environmental Protection Agency. Safety data sheets will be easily accessible to employees. Cleaning and sanitation materials will be stored in fire-safe lockable containers. Spill-kits will be kept throughout the facility for easy access. Employees will be trained on the proper handling of cleaning materials. Waste receptacles will be emptied and cleaned no less than once per day. Backpack Boyz will have an adequate number of lavatories for the number of employees at the facility. Lavatories will be maintained in a sanitary condition and will be immediately available to employees.

Safety and Security Measures

General Security Policies

Backpack Boyz will operate in a manner to protect the premises and promote public safety. In compliance with Code §84-50(B), all areas of the premises will be maintained free of debris and kept clean and orderly on a regular basis. Trash will be properly removed daily from areas with cannabis or medicinal marijuana. Floors, walls, and ceilings will always be kept in good repair.

Backpack Boyz will only sell to consumers within the premises and will not sell through a window or slide-out tray to the exterior of the premises. Additionally, Backpack Boyz will not operate a drive-in or drive-through. In accordance with N.J.A.C. §17:30-13.2(f), all cannabis goods sold will be contained in properly labeled, tamper-evident, and child-resistant packaging which meets the requirements of the Poison Prevention Packaging Act of 1970, 16 CFR Part 1700, as well as all other requirements of N.J.A.C. §17:30-13.5. Pursuant to N.J.A.C §17:30-9.10(b)(7), entrances into the store will be always locked with entry strictly controlled by security guards.



[REDACTED]

Cooperation with Laws and Law Enforcement

Backpack Boyz will cooperate with the City's Police Department to coordinate the security strategies of both the police and the retailer. Understanding that cooperation with City staff and Police Department personnel is key to maintaining the integrity of the community, Backpack Boyz will fully participate in all requested inspections or investigations relevant to the enforcement of laws and regulations. Furthermore, Backpack Boyz's Safety and Security Plan has been developed with the assistance of a professional consultant specializing in retailer and cannabis security to ensure full compliance with the Code of the City, as well as N.J.A.C. §17:30, issued by the CRC. Backpack Boyz will continually monitor changes in the laws, rules, and regulations to update this Safety and Security Plan and keep it current with all applicable requirements. Backpack Boyz will cooperate with the City whenever it makes a request, without prior notice, to inspect or audit the effectiveness of this Safety and Security Plan or any other requirement of any state or local law.

[REDACTED]

Prohibitions

Backpack Boyz will only sell usable cannabis and cannabis products that are packaged and labeled in accordance with N.J.A.C. §17:30-13.2 and 13.3. Persons under the age of 21 will not be allowed to purchase cannabis, in accordance with N.J.A.C. §17:30-12.2(d, e), or consume it, as per Code §84-47(C). In accordance with Code §84-49(C), Backpack Boyz will post visible signage within the premises that addresses age requirements.

All cannabis items will be stored indoors and on-site. Backpack Boyz will do so by utilizing the Secure Room Product Storage Area. In compliance with Code §84-49(A), no cannabis items will be visible to the public eye. All cannabis items shall be stored indoors and on-site.

Pursuant to Code §345-60.5(3)(E), any outside generators or other mechanical equipment used for any kind of power supply, cooling, or ventilation system will be enclosed. Additionally, baffles, mufflers, and/or other noise reduction system will be used to mitigate any noise pollution.

In compliance with N.J.A.C. §17:30-12.2, Backpack Boyz will not cultivate cannabis or produce, manufacture, or otherwise create cannabis products. Smoking, ingestion, or consumption of cannabis in a public place will be prohibited at Backpack Boyz, in compliance with Code §84-47(A, B). In accordance with Code §84-49(C), Backpack Boyz will post visible signage within the premises that addresses the prohibitions of using cannabis or medicinal marijuana in public and on the facilities. Backpack Boyz will not sell, store, or allow the consumption of any alcohol, tobacco, or nicotine products on or at the premises. No employee or volunteer will be under the influence of a controlled substance.

Cannabis Waste Disposal and Waste Handling Procedures

Backpack Boyz's Waste Disposal and Sanitation SOP will describe Backpack Boyz's processes for disposing of cannabis items and maintaining a sanitary and safe environment in compliance with N.J.A.C. §17:30-9.14, as well as New Jersey Public Employees' Occupational Safety and Health (PEOSH) standards. This plan will be documented within Backpack Boyz's Operations Manual, which will be maintained on the premises, in compliance with N.J.A.C. §17:30-9.6.

Prior to destruction/disposal of any cannabis item, Backpack Boyz will document through written record the weight and/or quantity of each cannabis item and update the inventory record to reflect the destruction. The cannabis waste will then be disposed of in accordance with local and state regulations, in accordance with N.J.A.C. §17:30-9.14(a). Within 10 days of the destruction or disposal of cannabis items, Backpack Boyz will notify the CRC in writing, detailing the form, weight, and quantity of cannabis items destroyed, pursuant to N.J.A.C. §17:30-9.14(c). All cannabis destruction/disposal records will be maintained by Backpack Boyz for 2 years, in compliance with N.J.A.C. §17:30-9.7(h). Backpack Boyz will prohibit employees from disposing of cannabis items in general trash receptacles. Acceptable methods of rendering the waste unusable and unrecognizable include thermal treatment or melting, shredding, grinding, or tearing, and incorporating the cannabis waste with other waste. Waste destruction/disposal will always occur under direct video surveillance and will be observed by management and one other employee. Destroyed cannabis waste will promptly be transported to a permitted waste landfill or processed at a permitted resource recovery facility or incinerator.

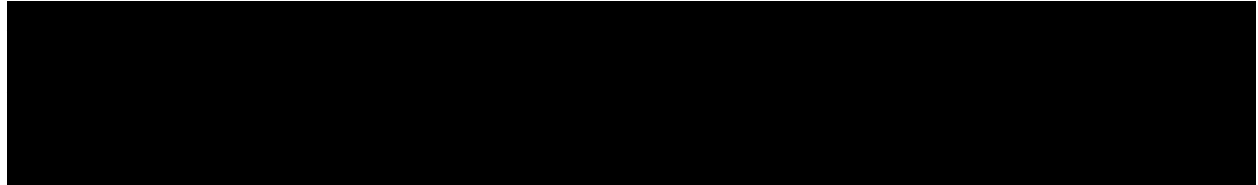
Odor

In accordance with Code §84-48 and §345-60.5(3)(D), Backpack Boyz will implement odor control devices and techniques to ensure that cannabis odors are not detectable off-site. Backpack Boyz will provide a sufficient odor absorbing ventilation and exhaust system with carbon filters, so that odor generated inside the facility is undetectable anywhere outside Backpack Boyz building. Carbon filters will be replaced regularly to mitigate odor. Backpack Boyz will have all ventilation systems approved by the City of Jersey City Department of Health and Human Services.

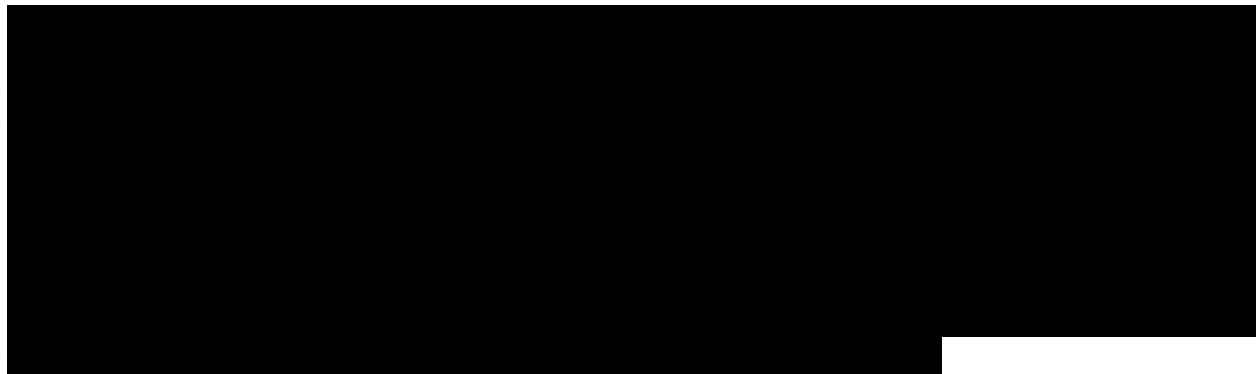
Perimeter Security

Lighting Plan

Lighting will cover all entrances and exits, all possible points of intrusion, adjoining sidewalks, and facades, provided in compliance with N.J.A.C. §17:30(A)-9.7(b)(13), immediate surrounding areas, and exterior walls of the facility.



In compliance with the Jersey City Municipal Code, Section 25-14.1, the level of illumination at ground level will “never exceed 0.5 of a foot candle at the property line, nor 0.3 of a foot candle at any property line abutting a property used by or zoned for residential use.” The GM is responsible for measuring the light after installation through an experienced contractor and then on a regular basis to ensure that this standard is met. The GM will work with the Planning Board or Zoning Board of Adjustment to ensure that the lighting plan suits the needs of Backpack Boyz, the neighbors, and the security of the facility. The GM will work with an architect to ensure that all areas of the premises will be identified on the site plan with the minimum level of illumination set forth in Subsection 25-14.3 of the Jersey City Municipal Code. Backpack Boyz will stay nimble to make any adjustments needed or required, at any time, including repairing or replacing any broken light fixtures immediately.

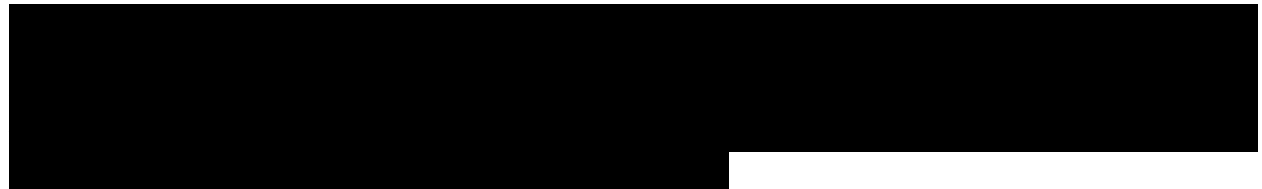


In accordance with N.J.A.C. §17:30(A)-9.7(b)(8)(i), Backpack Boyz will keep the outside areas of the premises and its perimeter well-lit and will install exterior lighting that is sufficient to deter nuisance and criminal activity and facilitate surveillance that will not disturb surrounding businesses or neighbors.

Exterior Loitering and Security

Businesses that permit loitering may garner a negative reputation in the community as loitering can signal to potential criminals that crime is tolerated or easily achieved. Deterrence of loitering, pursuant to Code §84-50(B), is essential to Backpack Boyz’s mission of becoming a security leader and positive influence in the community.

In compliance with N.J.A.C. §17:30(A)-9.7(b)(7), Backpack Boyz will keep access from outside the premises to a minimum and ensure that access is well controlled. In compliance with N.J.A.C. §17:30(A)-9.7(b)(12), Backpack Boyz will consistently and systematically prevent loitering, that is, the presence of persons who are not on-duty personnel of Backpack Boyz and who are not engaging in authorized activity.



Parking

Employees will only park in the areas designated for employee parking. Employees will only be on the premises during scheduled shifts. Backpack Boyz will prevent employees and individuals from remaining on the premises if they are not engaging in an activity related to Backpack Boyz.

Security Personnel

Security Leadership

Backpack Boyz will designate a Security Manager to provide leadership and training to ensure a secure environment and to prevent product diversion, theft, and loss. The Security Manager will

conduct security and emergency preparedness staff training by developing, scheduling and/or facilitating training for employees to ensure that all employees meet and exceed all security requirements. The Security Manager will provide oversight of the security guards and continual evaluation of the Safety and Security Plan for the continuous improvement of safety conditions.

The Security Manager will be responsible for monitoring the performance of security vendors and the behavior of employees. The Security Manager will lead efforts to ensure that burglar, fire, and panic alarms are operational and will gather contact information for each licensed security company under contract and all facility managers to send to City officials or the CRC as needed. The Security Manager will also be responsible for evaluating the performance of security guards and confirming the location and availability of emergency supplies. This Security Manager will also be the designated security liaison to the City of license location. The Security Manager will be available to meet with the City Manager or his/her designee(s) regarding any security related measures and/or operational issues.

Security Guards

Backpack Boyz, upon approval from the Police Department, plans to contract with an experienced cannabis third-party security guard provider who will staff at least one uniformed security guard to secure the premises during all hours of operation.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Alarm System

Alarm System Overview

In accordance with N.J.A.C. §17:30-9.10(b)(1), Backpack Boyz will install, maintain in good working order, and operate an alarm system that will provide suitable protection against theft and diversion at the licensed premises. Backpack Boyz will contract with a professional licensed third-party security monitoring company to install, maintain, and monitor the real-time alarm system.

The alarm system will utilize commercial grade equipment to prevent and detect diversion, theft, or loss of cannabis and cannabis products. [REDACTED]

In the event of a failure of the security alarm system or surveillance system due to a loss of electrical support or mechanical malfunction that is expected to last longer than eight hours, Backpack Boyz will notify the CRC pursuant to N.J.A.C. §17:30A-9.8, and provide alternative security measures approved by the CRC or close the authorized physical addresses impacted by the failure or malfunction until the security alarm system is restored to full operation, in accordance with N.J.A.C. §17:30-9.10(b)(6)(i, ii) and N.J.A.C. §17:30(A)-9.7(b)(6)(i, ii). Backpack Boyz will conduct maintenance inspections and tests of the security alarm system every 30 days in compliance with N.J.A.C. §17:30-9.10(b)(5) and N.J.A.C. §17:30-9.10(b)(4) and data may be provided to the City within 24 hours of the request.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Example Alarm Devices and Hardware

[REDACTED]

Video Surveillance System

Video Surveillance System Overview

In accordance with N.J.A.C. §17:30-9.10(b)(9)(i), Code §84-50(A), and Code §345-60.5(3)(F), Backpack Boyz will implement a state-of-the-art 24-hour video surveillance system, utilizing commercial grade equipment to clearly monitor all critical control activities of the cannabis

business and will be in working order and always operating. The CRC will have access for remote viewing and the system will be approved by the CRC before license issuance.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Surveillance Camera Technology

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

- [Redacted]

Security Equipment and Video Recordings

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Security System Inspection and Repair

[Redacted]

[Redacted]

[REDACTED]

[REDACTED]

Access and Visitor Control

Regulation of Entry

All persons who enter Backpack Boyz will have their identification verified by an employee or security guard before being permitted to purchase cannabis, cannabis products, or medicinal marijuana. Consumers, patients, and caregivers will be immediately greeted in the Check In Area by a Backpack Boyz employee or security guard, who will verify that the person may remain on the premises and will direct them as necessary (e.g., to sign into the visitor’s log or await entry into the Retail Area). Any unauthorized person will be denied access to the Retail Area and will be required to vacate the premises.

Access Control Overview

In compliance with N.J.A.C. §17:30-9.10(b)(7), Backpack Boyz will keep access from outside the premises to a minimum and ensure that access is well controlled.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Access Authorization

Employees will visibly wear a CRC-issued Cannabis Business Identification Card and a company-issued access card/badge on their person at all times while on the premises. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Limited Access Entry Points

In compliance with N.J.A.C. §17:30-9.10(b)(8), Backpack Boyz will establish limited-access areas only accessible to authorized personnel. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

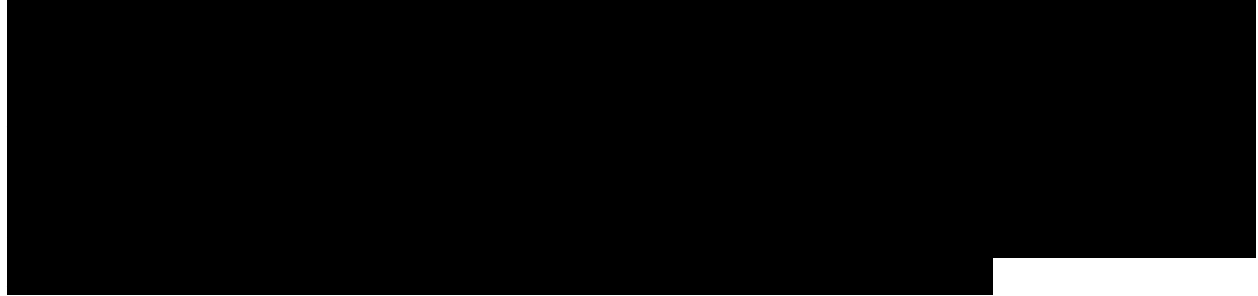

[REDACTED]

[REDACTED]

Commercial Doors and Door Locks

A door alarm will be connected to all entry points to ensure that employees and security guards are aware of the ingress and egress of consumers, patients, caregivers, visitors, or any individuals affecting the total capacity of the retailer.

[REDACTED]





Age Verification and Diversion Awareness of Consumers

To dispense adult-use cannabis, employees and security guards in the Check In Area will verify the age and all necessary documentation of each consumer to ensure the consumer is of legal age to purchase cannabis, in accordance with N.J.A.C. §17:30-12.3(a). Government-issued identification cards will be verified using an identification-authentication system which not only checks the individual's age, but also checks the individual against lists and alerts for fraud and excessive purchases. An acceptable form of ID will be limited to a government-issued passport, a state-issued driver's license, a New Jersey-issued identification card, or any other identification card issued by a state, territory, or possession of the United States or the District of Columbia, that bears a picture of the person, the name of the person, the person's date of birth, and a physical description of the person. Backpack Boyz will not dispense adult-use cannabis to any person who is not 21 years of age or older, in accordance with N.J.A.C. §17:30-12.2(e) and §17:30-9.5(d). If the transaction employee or senior management believes diversion by a consumers, patient, or caregiver is occurring, an investigation will be opened. Identification will be verified again before purchase of any product or merchandise.

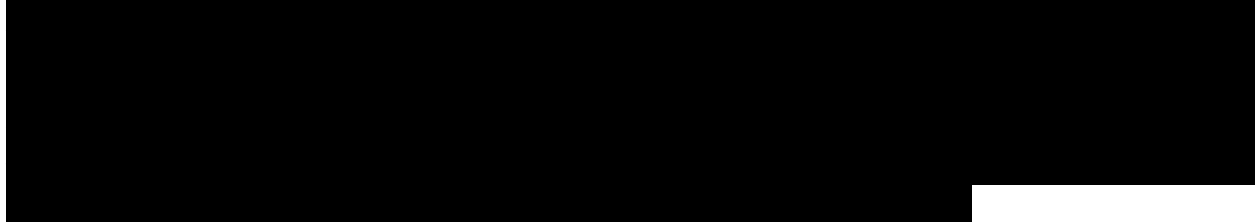
Visitor Security

A person that is not a holder of a valid Cannabis Business Identification Card is prohibited from accessing the facility unless they receive authorization and obtain a visitor identification badge from the facility.





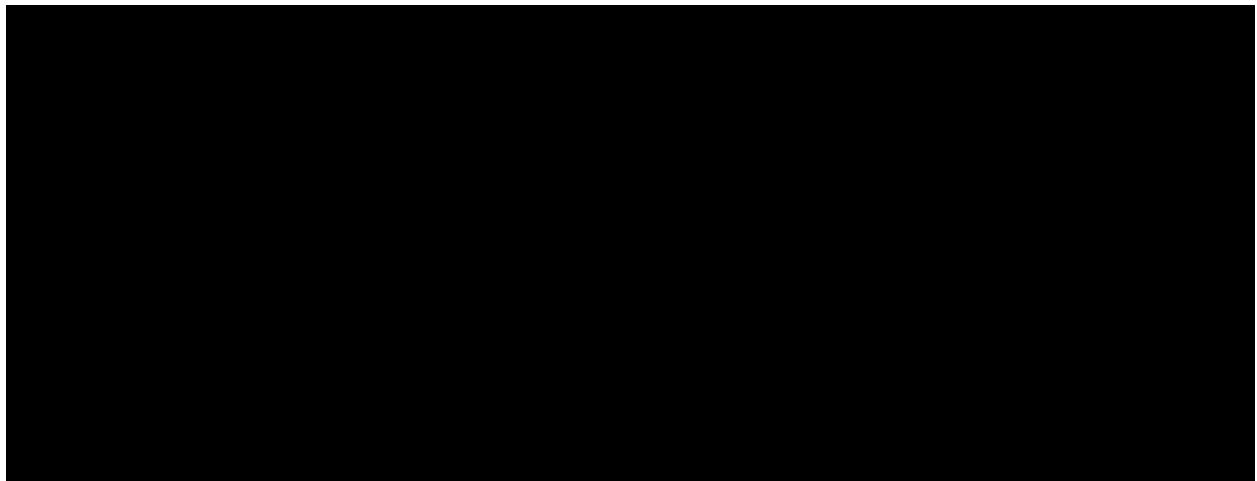
Emergency Vehicle and Personnel Access



Inventory Control and Secure Storage

Inventory Control Overview

In accordance with N.J.A.C. §17:30-9.13(a)(1), Backpack Boyz will utilize the inventory tracking system designated by the CRC to track the purchase, sale, transfer, transport, return, destruction, or disposal of any cannabis goods. This system will ensure compliance with state law, produce historical transactional data for review, and document the location, amounts, and descriptions of all cannabis. All inventories, procedures, and other documents related to inventory control will be maintained on the premises and made available immediately upon request to the City or law enforcement. Backpack Boyz will have in place a POS system to track and report on all aspects of the business proceedings, including cannabis tracking, inventory data, gross sales (by weight and by sale), and other information which may be deemed necessary by the City. The POS system's information will be compatible with the City's record-keeping systems. In addition, the system will be able to produce historical transactional data for review.



[REDACTED]

[REDACTED]

Secure Storage Room Design and Construction

In compliance with N.J.A.C. §17:30(A)-10.2(b)(i, ii, iii, iv, v, vi), Backpack Boyz will ensure that the storage of usable marijuana prepared for dispensing to patients is in a locked area with adequate security. "Adequate security," at a minimum, will be assessed, established, and maintained based on:

[REDACTED]

[REDACTED]

In accordance with N.J.A.C. §17:30-12.7, Backpack Boyz will store all cannabis products that are ready for sale in a locked Secure Room Product Storage Area where access to the area is limited in such a manner as to prevent diversion, theft, or loss.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Display Cases

All cannabis and cannabis products will be stored in locked and secured display cases designed to protect the product. Locked cannabis display cases will have an interior alarm system installed that will activate when the display case doors are opened without turning off the alarm. [REDACTED]

[REDACTED]

No cannabis or cannabis products or medicinal marijuana will be visible from the front window display.

Cannabis Waste Storage and Destruction

In accordance with N.J.A.C. §17:30-9.14, cannabis which is considered unusable, undesired, excess, unauthorized, misbranded, or deteriorated (waste) may still be subject to theft and diversion while it is scheduled for disposal; thus, waste will be ground and incorporated with 50% non-cannabis waste and stored in a secured waste container. The secured waste container will be securely locked with a commercial grade lock until disposal. All cannabis waste will be tracked accordingly in the inventory control system and will remain separate from usable or quarantined cannabis. Backpack Boyz will contract with a private disposal company to dispose of cannabis waste. Within 10 business days after destroying the marijuana, Backpack Boyz will notify the CRC, in writing, of the amount of marijuana destroyed, in accordance with N.J.A.C. §17:30(A)-9.10(b).

Recordkeeping and Cybersecurity

Backpack Boyz will keep a complete and accurate record of all cannabis item sales and deliveries made to consumers to improve operations, manage finances, assist internal and external audits, and provide the City, the CRC, or local law enforcement with information in compliance with N.J.A.C. §17:30-12.5(a) and N.J.A.C. §17:30-9.7(b). In accordance with N.J.A.C. §17:30-9.7(e), Backpack Boyz will maintain accurate books and records in an electronic format, detailing all the revenues and expenses of the business, and all its assets and liabilities. Records will be secured and backed up daily on an encrypted cloud service to prevent tampering, theft, or destruction of records. Records will have safeguards against unauthorized erasures and changes in data after the information has been entered and verified by Backpack Boyz. All physical documents, such as transaction records, inventory records, security records, audit records, business records, financial records, and any other required under N.J.A.C. §17:30-9.7 will be stored electronically in redundant and geographically dispersed tier-rated data centers to provide the maximum level of security and compliance with all state and federal document storage and confidentiality rules. All records will be kept for at least 4 years, in compliance with N.J.A.C. §17:30-9.7(a)(1).

Pursuant to N.J.A.C. §17:30-12.5(b), Backpack Boyz will collect and report to the CRC for each calendar year at least the following statistical data:

- The number of consumers who purchased each cannabis item sold by the cannabis retailer.
- Total number of cannabis item transactions.
- Taxes collected; and
- Such other information as the CRC may require in the administration and enforcement of this chapter.

Backpack Boyz will produce relevant data or documents no later than 24 hours within the time requested after receipt of the City's request unless otherwise stipulated.

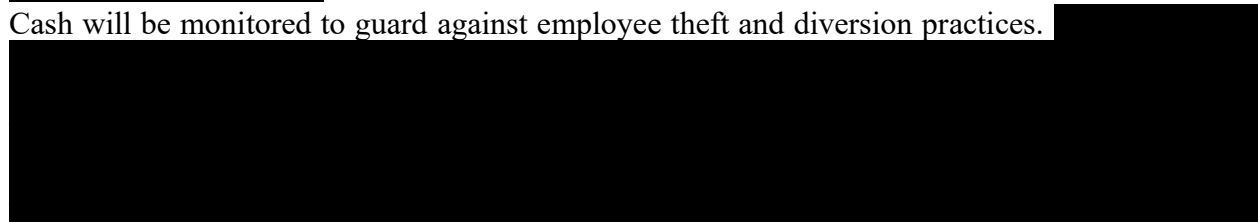
Backpack Boyz will take all necessary steps to protect the information of its consumers, patients, employees, owners, board members, vendors, and other individuals who have shared sensitive information.



Cash Handling Procedures

Cash Protocols for Sales

Cash will be monitored to guard against employee theft and diversion practices.



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Transportation Techniques

Receiving Shipments from Distributors

Backpack Boyz's procedures for receiving shipments will guarantee safe and efficient transfer of cannabis and will enable its employees to transport cannabis safely and quickly from the transport vehicles. Backpack Boyz will work with the Police Department and security professionals to select the most secure method of loading/unloading. These procedures will minimize any potential for diversion of cannabis, loss of cannabis, or mistake in shipment details.



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Employee Training

Employment Policies and Disciplinary Actions

Backpack Boyz will conduct a criminal history background check on any prospective employee, principal, director, board member, or owner prior to hiring, appointing, or permitting investment from that individual pursuant to N.J.A.C. §17:30-7.12. Owners, managers, investors, and operators will provide the City Manager, or his/her designee, with evidence of the completion of a criminal background check for all persons in their employment. Backpack Boyz will keep records of the results of the criminal history background checks and make the confirmation of criminal history background checks available for inspection upon request by the City or authorized persons, in compliance with N.J.A.C. §17:30-9.7(i)(6). Backpack Boyz intends to enlist the services of a professional background check agency.

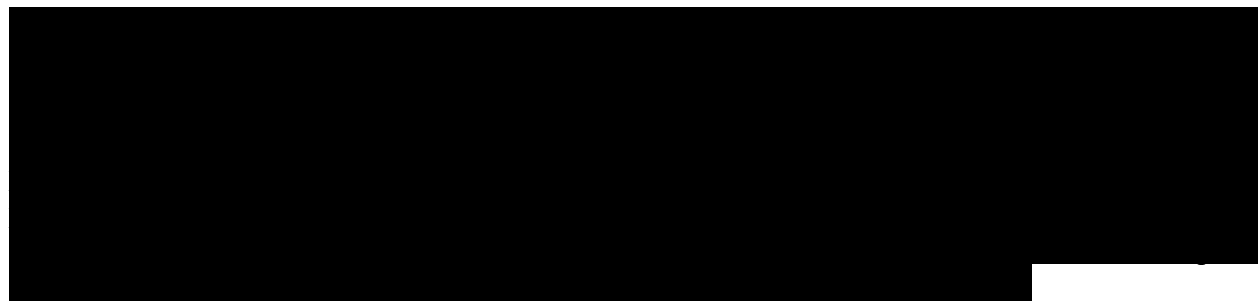
Backpack Boyz will not employ an individual that is less than 21 years of age, nor allow an individual less than 21 years of age to volunteer at the licensed premises or for deliveries. A copy of government-issued identification showing the employee or volunteer's age will be taken and placed in the employee or volunteer's file before their first day of work. All Employee Records will be maintained for at least two years from the date of that employee or volunteer's last work day and will be made available to City officials upon request.

Backpack Boyz will have a policy in place that requires employees to report any new or pending charges or convictions. In accordance with N.J.A.C. §17:30-9.7(i), Backpack Boyz will maintain a current register of the names and the contact information of the officers, managers, employees, agents, and volunteers currently employed or otherwise engaged by Backpack Boyz, as well as anyone owning or holding an interest in the business. The register will be provided to the City Manager, upon a reasonable request. Backpack Boyz will establish minimum training standards for all employees. The City Manager, or his/her designee, will have the discretion to require other training for the business operations should the City identify deficiencies or non-compliance issues with City or state requirements.

Backpack Boyz is committed to the safety and health of its employees, consumers, patients, and the local community. Backpack Boyz will refuse to tolerate any form of violence in the workplace and will make every effort to prevent violent incidents from occurring. Backpack Boyz will require

prompt and accurate reporting of all violent incidents whether a physical injury has occurred or not. Backpack Boyz will prohibit discrimination against victims of workplace violence. Violence initiated by an employee will result in termination.

If an employee is no longer employed by Backpack Boyz, senior management will remove access and permissions to the dispensary. When an employee is terminated or suspended: Backpack Boyz will ensure all passwords, key locks, and combinations of a terminated employee are changed upon termination; the implementation of additional security measures, such as consultation with a threat assessment professional, may be used when an employee of concern is terminated; a terminated or suspended employee will surrender their security access card/identification badge immediately; and management will review with the employee the consequences of their actions as well as other fraudulent activity which could occur after the termination or during the suspension.



Reporting

It is the responsibility of every employee who witnesses or suspects criminal activity at the retailer to report it immediately to senior management or the authorities. In accordance with N.J.A.C. §17:30-9.11, Backpack Boyz, immediately upon discovery, will report to the Police Department, the CRC, and the City Manager within 24 hours of the discovery of the following situations:

- An alarm activation or other event that requires response by public safety personnel.
- A breach of security.
- 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; and
- Corrective measures taken, if any.

Backpack Boyz will also provide written notice within five days of the criminal activity to the Police Department and the CRC after the discovery of the activity. This written report will detail the following: Date and time of the discovery of the occurrence, the circumstances of the criminal activity, an accurate inventory of the quantity and brand names of the cannabis, cannabis products or other items diverted, stolen, lost, destroyed, or damaged, confirmation that the Police Department was notified, and measures being taken to prevent further criminal activity. Backpack Boyz will provide the Police Department with the current name and telephone number(s) of at least one 24-hour on-call manager to address and resolve complaints and to respond to emergency operating problems or concerns associated with the company. Backpack Boyz will maintain and make available all documentation related to an occurrence that is reportable and will cooperate with any law enforcement investigations or directives from the CRC. In accordance with N.J.A.C. §17:30-9.7(g), Backpack Boyz will keep and maintain these records and all records related to commercial cannabis activity for a minimum of two years.

Backpack Boyz will provide effective controls and procedures to guard against theft and diversion of marijuana including, when appropriate, systems to protect against electronic records tampering, in accordance with N.J.A.C. §17:30(A)-9.7(a). In compliance with N.J.A.C. §17:30(A)-9.8(a)(1, 2), Backpack Boyz, upon becoming aware of a reportable loss, discrepancies identified during inventory, diversion, or theft, whether or not the medicinal marijuana, funds, or other lost or stolen property is subsequently recovered and/or the responsible parties are identified and action taken against them, will 1) Immediately notify appropriate law enforcement authorities by telephone; and 2) Notify the permitting authority immediately, but no later than three hours after discovery of the event.

In compliance with N.J.A.C. §17:30(A)-9.8(b)(1, 2, 3, 4), Backpack Boyz will notify the permitting authority within 24 hours by telephone at (609) 826-4935, followed by written notification within 10 business days, of any of the following: 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; and 4) Corrective measures taken, if any.

Backpack Boyz will maintain documentation in an auditable form for a period of at least two years after the reporting of an occurrence that is reportable pursuant to this section, in accordance with N.J.A.C. §17:30(A)-9.8(c).

Employee Theft and Diversion Prevention

Backpack Boyz will always have a manager on the premises during hours of operation, or at any time another person who is not an owner is on-site. To protect the premises for consumers, visitors, and employees, and pursuant to N.J.A.C. §17:30-9.10(a) Backpack Boyz will create and operate under a set of specific, written procedures which will be presented to employees upon hire.

[REDACTED]

[REDACTED]

[REDACTED]

[Redacted]

Emergency Services Plan

Emergency Services Overview

The manner in which companies handle significant events can have a long-term effect on their business operations. It is imperative that agents prepare for unfavorable events to avoid panic, handle a situation optimally, and resume work promptly. By implementing training for stressful events, agents can act dutifully and more confidently should the scenario occur.

[Redacted]

[Redacted]

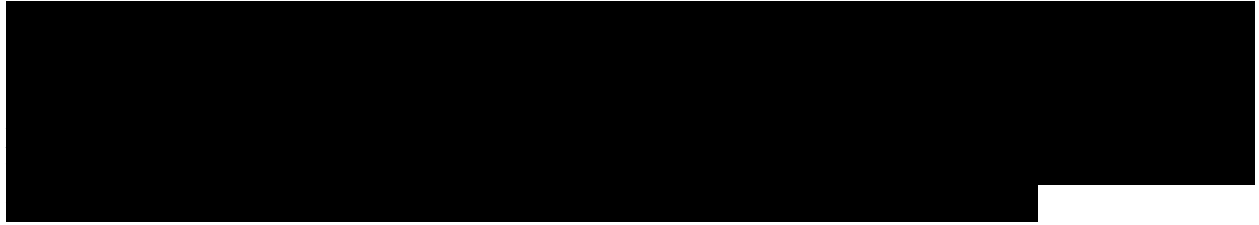
Evacuation Protocol

[Redacted]

[Redacted]



Severe Weather Shelter Protocol



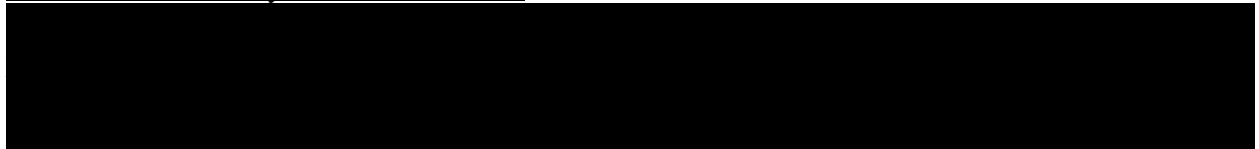
Workplace Violence

Backpack Boyz is committed to the safety and health of its employees, patients, caregivers, consumers, and the local community. Backpack Boyz will refuse to tolerate any form of violence in the workplace and will make every effort to prevent violent incidents from occurring by implementing a Workplace Violence Prevention Program (WVPP). All managers and employees will be responsible for implementing and maintaining the WVPP. Backpack Boyz will require prompt and accurate reporting of all violent incidents whether a physical injury has occurred or not. Backpack Boyz will prohibit discrimination against victims of workplace violence. All employees, including managers, are responsible and accountable for using safe work practices, for following all directives, policies, and procedures, and for assisting in maintaining a safe and secure work environment.

Training employees using online resources and onsite drills ensures employees are well-versed in the policies that will best protect them during an incident of workplace violence. Training topics include: examples of workplace violence; company policies; safe confrontation and communication; crisis reporting; and mediation training for management to encourage healthy communication and conflict resolution among employees. Backpack Boyz will provide resources for employees to seek counseling for issues such as anger management.

Backpack Boyz will not tolerate unsafe non-physical behavior such as stalking, harassment, or other attempts at intimidation by employees and contractors or by consumers or patients and caregivers, who may intentionally or unintentionally violate Backpack Boyz's Zero-Tolerance Policy for acts of workplace violence or harassment. If another employee, visitor, vendor, or a guest becomes aggressive or violent, a manager will be notified immediately. Management will be trained by a security consultant on how to deal with workplace violence. Violence initiated by an employee will result in termination.

Active Threat Nearby: Lockout Protocol



[Redacted]

Active Threat Inside: Lockdown Protocol

[Redacted]

Armed Robbery Response Training

[Redacted]

[Redacted]

[Redacted]

Civil Unrest and Looting

[Redacted]



Power Outage



Annual Security Review

All security policies and procedures will be reviewed annually to ensure that they are complying with regulations and requirements for all applicable local and state agencies and adequately reflect Backpack Boyz’s business policies. Any recommended security policy revisions or updates will be presented to senior management for approval.

On an annual basis, Backpack Boyz will undergo a security risk assessment review by an outside security contractor. A security recap will be submitted to senior management no later than 30 calendar days after the review has been conducted. If the assessment identifies concerns related to Backpack Boyz’s security procedures, the security contractor will submit to senior management a plan to mitigate those concerns.

Sapphire Risk will assist Backpack Boyz in the following services: 1) security master planning; 2) build-out security systems installation; 3) staff training online and/or offsite; 4) development of tailored SOPs; 5) operational analysis; 6) diversion investigations; 7) security vendor key performance indicators (KPIs) and; 8) annual risk assessments. Backpack Boyz will utilize Sapphire's extensive experience in crime prevention in developing this key element of Backpack Boyz's Safety and Security Plan.