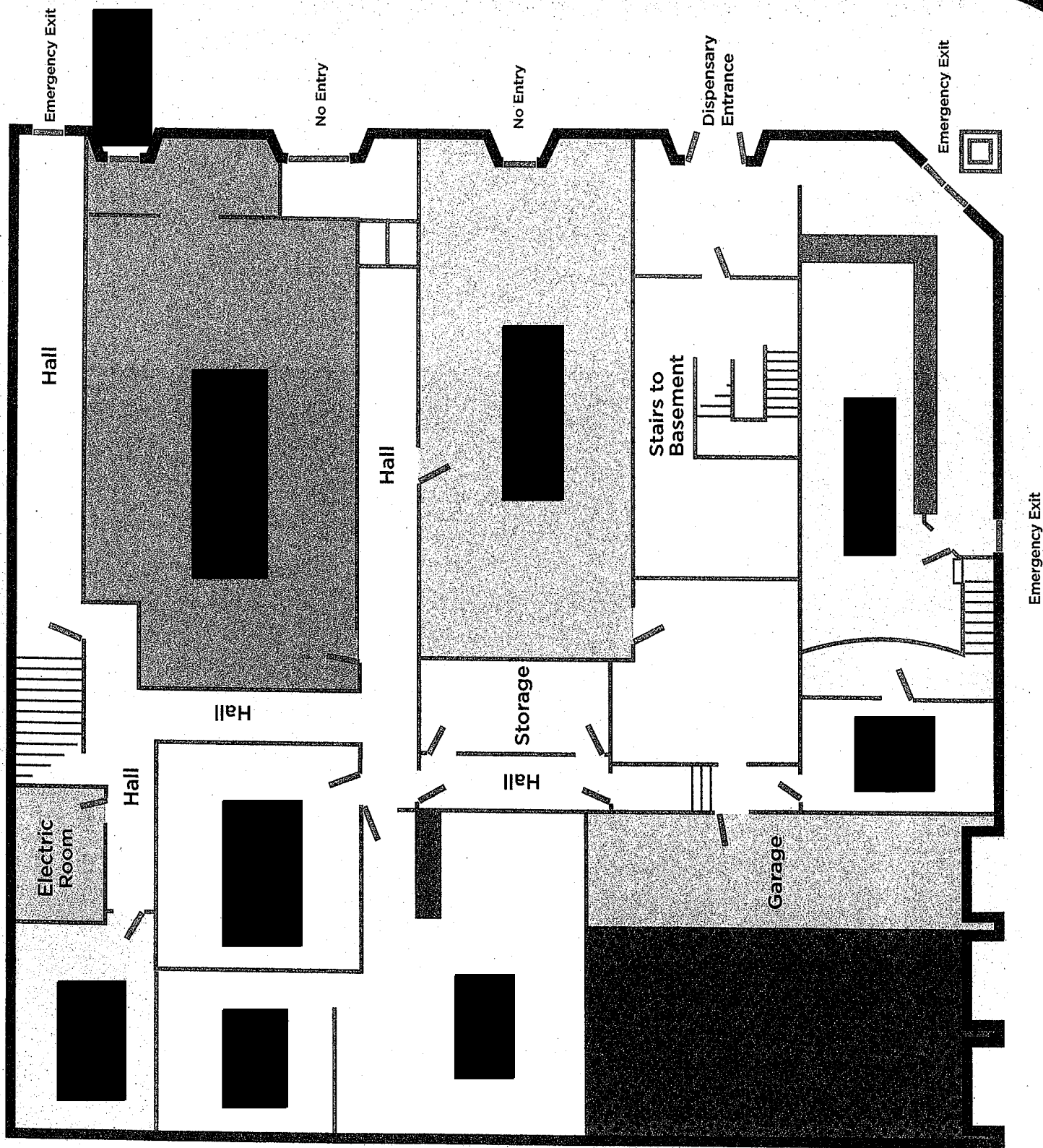




705 Broadway Boulevard



OAKLAND ORGANICS BUILDING INFORMATION

Location

Oakland Organics is located at 705 – 721 Broadway, Oakland, California. The usable portion of the building area is a total of 4295 square feet. Approximately 2,100 square feet are designated as the dispensing and patient processing areas. This building is zoned Central Business District – Commercial (CBD-C), a commercial designation that falls within the City of Oakland's Ordinance guidelines.

Parking

There are five complimentary designated parking spaces at the side lot of the dispensing collective and an additional 30 plus parking spaces for a fee within the same parking lot. Extra-metered parking is available on the street directly in front of the collective on Broadway, as well as the opposite side of the street and on 7th Street. This parking lot is easy to navigate and has ample parking for the patients we serve daily. Please see the attached parking lot map.

Front Lobby Check-In

Patients are comfortably accommodated in the front lobby area until they are verified as current patient members or until they qualify to gain membership. There is comfortable seating and refreshments available for those that must wait for their doctor to verify their recommendations. Flat screen security monitors are located in the lobby area to alert the patients that a camera security system protects them. Please see attached map.

Dispensing Collective Area

The area designated for the dispensing collective is spacious and set up for the patient to feel comfortable in their surroundings. Because we do not allow onsite consumption of medicine, patients are encouraged to move in and out of this area in a prompt, efficient manner. The dispensing process is streamlined to help patients make their medicine choice and exit the premises efficiently to avoid any perceived loitering. On average, we have streamlined our process to approximately 7 minutes per patient, which avoids parking lot back up, and/or excessive waiting. Please see attached building layout for dispensing area location.




Management Office

The management office is where all business and personnel paperwork is processed. The management office also houses a large security flat screen monitor that constantly rotates, showing all views of the building within seconds. These cameras are monitored throughout the day to ensure the safety of the patients and the staff. Please see attached building layout for the location of the management office.




ADA Bathroom

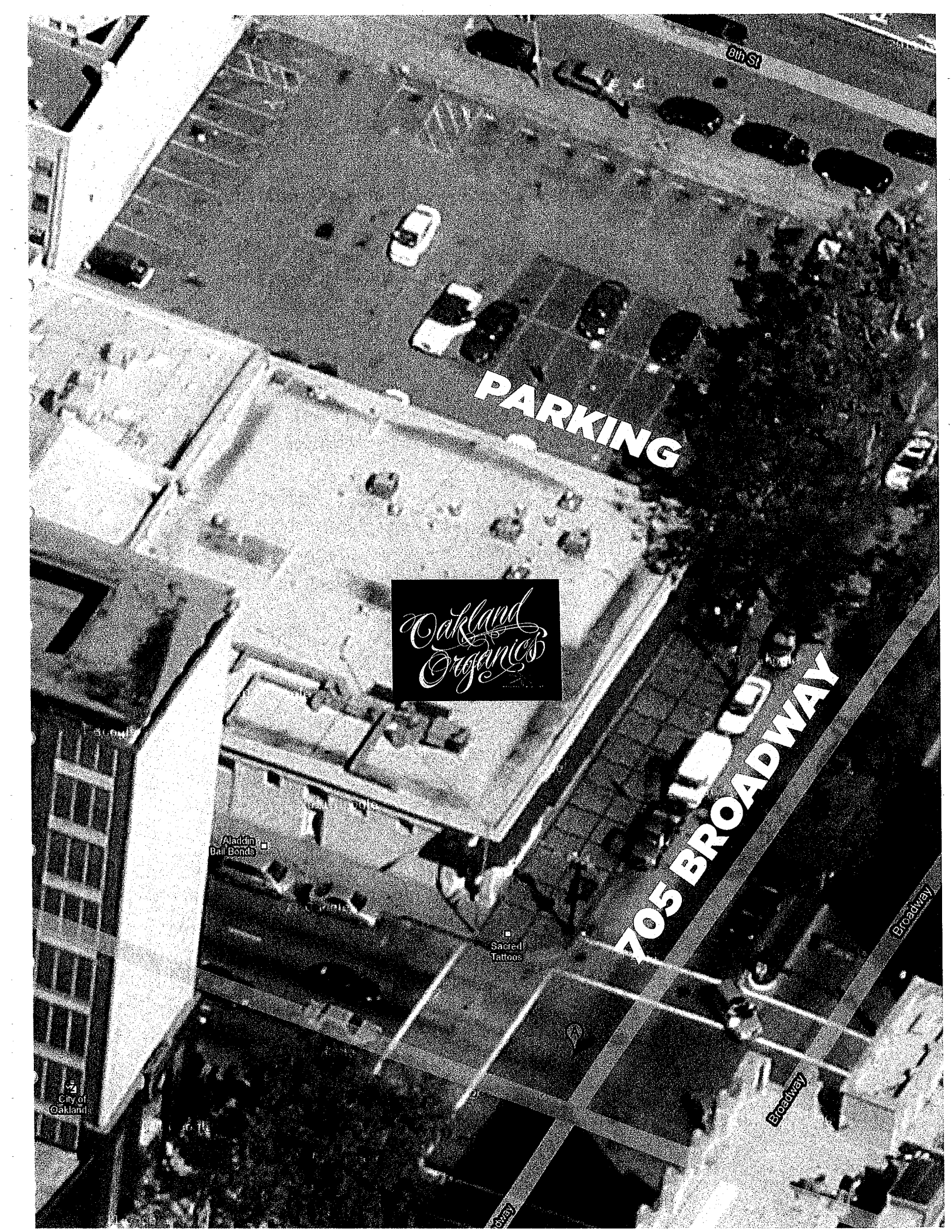
ADA restrooms are available to the public on an "as needed" basis. The restrooms are located just outside the dispensing area for patients to use if necessary. Safety personnel will escort any patient that needs to use the restroom. Please see attached building layout for the location of the ADA restrooms.

Employee Break Room

A door located  This door has a numeric coded lock for safety and throughout the day, the door is kept closed. It has an "Employees Only" notification on it. This area is spacious and allows the employees to relax during their break times. Please see attached building layout for the location of the employee break room.

Plant Emporium Area

The plant emporium is located 
 Patients are checked in for arrival at the front security desk and then they are escorted and "buzzed in" to  Please see attached building layout for the location of the plant emporium.



PARKING

Oakland Organics

705 BROADWAY

8th St

Broadway

Broadway

Sacred
Tattoos

Aladdin
Bail Bonds

City of
Oakland

OAKLAND ORGANICS PATIENT MEDICINE SUPPLY

Collective Suppliers of Dry Cannabis, Medicated Foods and Concentrated Cannabis Byproducts:

Oakland Organics obtains all medical grade cannabis from our patient collective. Members are asked to bring in their excess cannabis at specific appointment times for evaluation. During this evaluation, an Oakland Organics medical cannabis inspection expert will visually inspect the cannabis for purity and possible acceptance.

The inspection includes discovery/elimination of unwanted contaminants such as mold, mildew, pet/human hair, foreign objects etc. If the medical grade cannabis is presented with any of the above faults or conditions, the medicine is immediately rejected and deemed not usable for medical cannabis patient purposes.

It is the wish of the Oakland Organics staff, management and patient collective members that an aggregate cultivation facility becomes an eventual reality. This will help in quality control and testing.

All of the above is inclusive for obtaining the medical cannabis concentrated byproducts.

On Site Aggregated Cannabis Cultivation:

At present, Oakland Organics has no onsite cultivation taking place. It is the hope of Oakland Organics to be able to predominantly supply our collective with self-cultivated medicine. We believe this is the only method of absolutely knowing the quality controls that are in place for safe and reliable cannabis medicine.

Production of Medicated Foods:

Oakland Organics concentrates and medicated food products are made in house or are produced by carefully selected patients from within the collective. All of our food handlers must be safety certified and hold their food safety certification. We produce all products in a certified commercial kitchen and label our products with ingredient and caution labels. It is the desire and hope of Oakland Organics that the Food and Drug Administration steps forward soon to regulate this aspect of our industry. Until that day, we strive to present a product to our patients that is clean, safe and of the utmost quality.



OAKLAND ORGANICS FINANCIALS

Please find the last six months of financials for the Oakland Cannabis Institute, LLC in the envelope marked confidential.

OAKLAND ORGANICS RECORD KEEPING

Oakland Organics complies with all local and state laws. Every aspect of our medical cannabis dispensing collective is operated just as is any other business licensed to operate in the State of California. Oakland Organics responsibly pays Federal Income Tax, State Income Tax, Social Security Tax, Medicare, City of Oakland Business Tax, Workers Compensation, and State Board of Equalization Sales Tax. We hold liability insurance and medical insurance for our employees.

Bookkeeper

Jeanine Vatalaro is our on staff bookkeeper that maintains every detail of the incoming and outgoing income of the business. Jeanine is also responsible for banking duties and for oversight of the inventory systems.

Payroll Accountant

Gerling and Lee is the accounting firm that handles the payroll of Oakland Organics. We pay our employees biweekly by check or direct deposit. This accounting firm also attends to the employee medical and dental benefits as well as our workers' compensation insurance.

Certified Public Accountant

Constance Austring is the Certified Public Accountant for Oakland Organics. Because tax issues are sometimes difficult and confusing, we prefer to have an expert do our tax work to assure perfection when dealing with government entities.

Record Storage

All financial records are kept at the above-mentioned individuals' business offices for their safekeeping. All records are available for viewing at the request of the City of Oakland with a 24-hour notice.

OAKLAND ORGANICS PATIENT SERVICES AND OUTREACH

We have designed the following services to benefit the dispensing collective members as well as the local community.

Standardized Cannabis Medicine:

The purpose of Oakland Organics is to bring quality, clean and safe organic medicine to our collective members. By cultivating a plant that produces consistent medicine each time, patients can depend on the potency and cleanliness of the medicine provided. As it stands, research of the cannabis plant is extremely limited by the world governments. It is the intention of Oakland Organics to study and produce a standardized method of plant production to assure efficacy and patient safety every single time.

Clean Medicine Testing:

All Oakland Organics cannabis medicine is tested for molds, mildews and pesticides. A gas chromatograph also tests the purity and strength of the medicine. This testing process helps to assure that patients are receiving the highest quality and cleanest medicine available.

Mandatory Food Safety Classes and Labeling:

All medicated food products are produced and handled by officially trained and certified food handlers. Dosage information is also available for safe intake of the medicine. All cannabis medicine and food products are discretely packaged and safety labeled with "keep out of reach of children and pets".

Patient Rights and Responsibilities:

Patients are given free information about their rights and responsibilities concerning how they carry their medicine, cannabis possession limitations, cannabis cultivation limitations, cannabis storage and safekeeping. We provide this information via free handout materials as well as information on free classes held at nearby collectives.

OAKLAND ORGANICS DISCOUNT DAYS

Over 55 and Veteran Discount Days:

Tuesday, Thursday and Sunday, all veterans and over 55'ers receive a ten percent discount.

Wednesday Edible Day:

On Wednesdays, all edible medicine is discounted by ten percent.

Every Day Discount:

Every day is ten percent discount day if a patient purchases more than \$150 worth of medicine and they receive 20 percent off if their purchase exceeds \$450. All purchases are discounted by this amount and are elevated if the day is an over 55 or veteran discount day as well.

Patient Compassion Medicine Day:

Each Wednesday, patients that are low income or are in need, receive free medicine that is provided to them from the collective members as a whole. This free medicine will also be provided when the aggregated cultivation facility is in full working mode.

Complimentary Safe and Ample Parking:

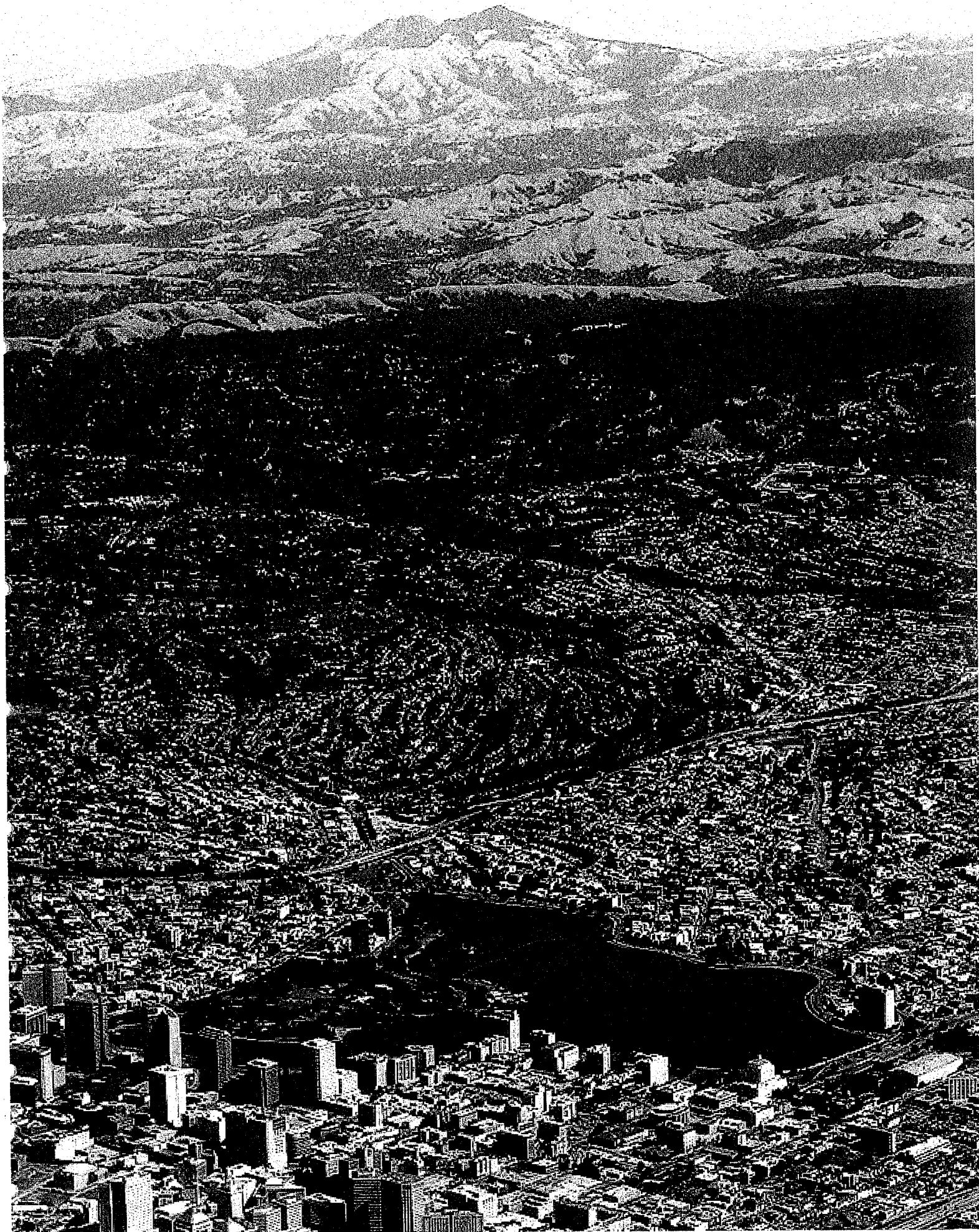
Although there is free ample parking in the Oakland Organics dispensing collective parking lot, patients are encouraged to take public transportation, bicycle or walk to the collective. Transit and bicycle maps are available onsite for the patients.

One on One Education:

By appointment, patients may meet with our cultivation experts to learn and ask questions about sustainable and organic cultivation practices. Patients may bring in small plant samples and/or photos of their garden for evaluation and suggestions on how they can improve or change their cultivation practices.

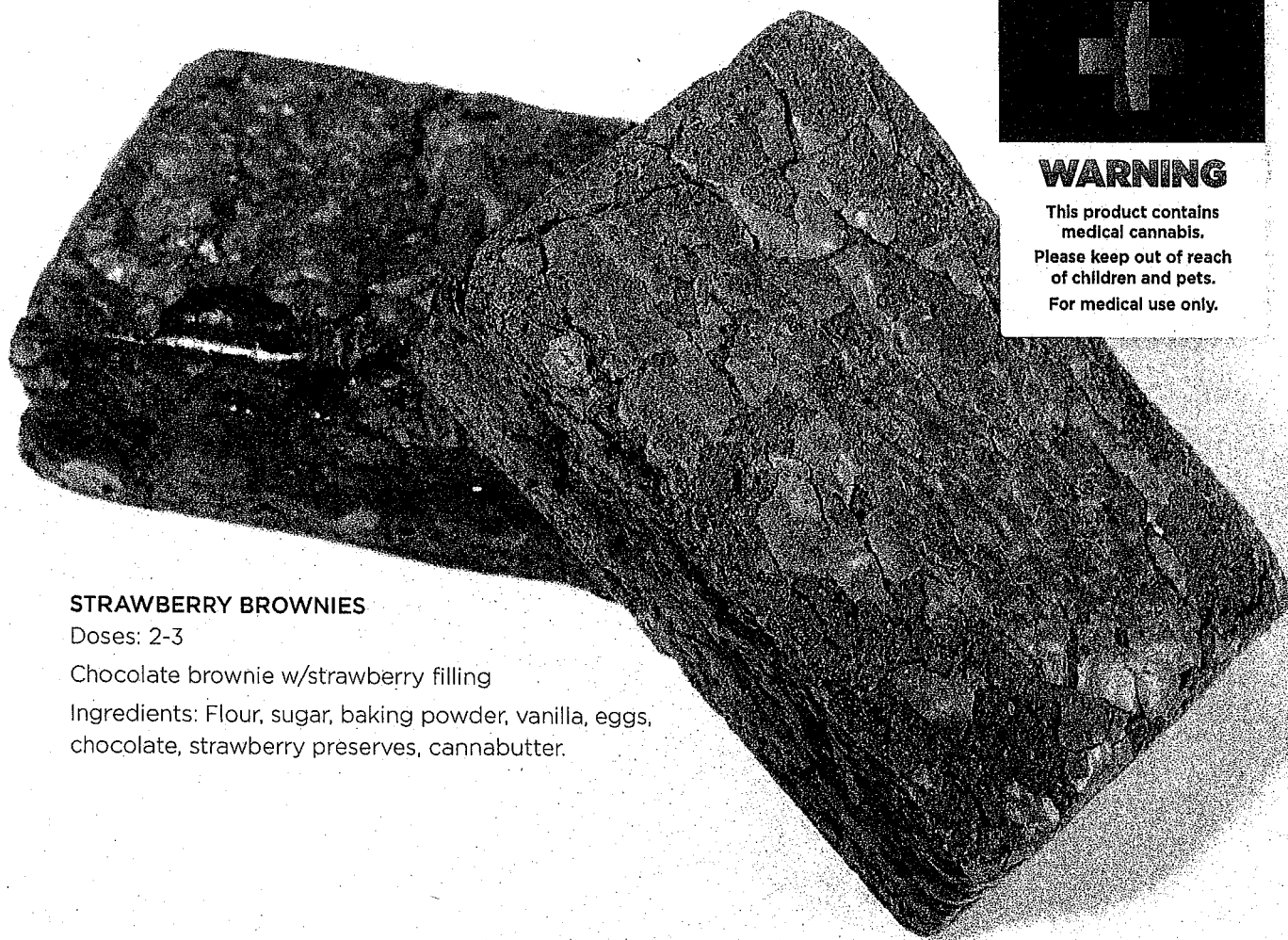
Quarterly and Holiday Patient Appreciation Days:

Each quarter and on holidays, collective staff puts on "patient appreciation day". Patients are invited to a free lunch and are requested to provide staff and management with feedback about how we can better serve the collective. This has proven to be a very effective method for improving relationships and growing friendships between staff, management, patients and



Production of Medicated Foods:

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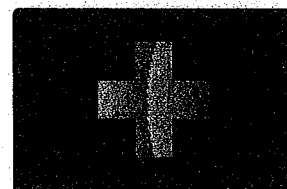


STRAWBERRY BROWNIES

Doses: 2-3

Chocolate brownie w/strawberry filling

Ingredients: Flour, sugar, baking powder, vanilla, eggs, chocolate, strawberry preserves, cannabutter.



WARNING

This product contains
medical cannabis.

Please keep out of reach
of children and pets.

For medical use only.

OAKLAND ORGANICS DIVERSION PREVENTION

Patient Medicine Diversion:

Because of the expense of the medicine obtained through city permitted cannabis dispensing collectives, patient diversion of this medicine is a rare occurrence. At our collective, cannabis medicine has tax and business overhead included in the patient cost. Diversion for profit would be difficult and not a strategically sound business practice for those endeavoring to succeed in purchasing medicine to make a profit. The "Black Market" would be a far more appealing method for those working toward the profitable business of cannabis redistribution.

Employee Medicine Diversion:

The "Cash Register Express" point of sale (POS) system used by Oakland Organics tracks all inventory and transactions. At all times we are aware of in stock inventory items. It would be delightful to think that no employee steals from their employer, but the truth is that careful monitoring must be rigorously maintained daily to prevent employees from helping themselves to the cannabis medicine and money. The POS system helps with this monitoring as well as security cameras and security staff. Any employee caught diverting money or medicine is terminated immediately.

OAKLAND ORGANICS PATIENT MONITOR AND TRACKING SYSTEM

Below is a description of the complete process a patient undergoes to become a member of our collective.

Initial Visit:

If a patient does not possess an Oakland Patient ID Center Card, on the first visit, the new patient comes to Oakland Organics, before they can enter the building, they are greeted by the safety staff and asked to show their valid California drivers' license or a valid California identification card. No patient may enter with an expired DL/ID or any other form of identification. We will ONLY accept these two forms of identification. Unfortunately, patients under the age of 18 years old are not allowed membership in our collective. Because there are many collectives in the outlying areas of Oakland that will serve these patients, we recommend them to these collectives.

Doctor's Recommendation:

The patient must next provide the safety staff with a valid (current) doctor's recommendation. This recommendation must be a full size embossed document. We will not accept cards issued by a doctor's office or minimized documents.

Entry into the Collective:

After presenting the aforementioned valid documents, our potential new member is invited into the waiting room and is asked to fill out our membership agreement, and to read and sign our rules and regulations documents (see attached).

While the patient does this, our administrative staff verifies on the Medical Board of California website that the patients doctor is in good standing. We then call the doctor's office to verify that the patients' recommendation is valid and that the doctor did indeed recommend that this patient use cannabis as medicine.

If we cannot verify any of the above documents or if any of the documents are deemed unacceptable for any reason, the patient is turned away and asked to return with valid documentation.

If all documentation is valid and all forms are signed and completed, the patient is accepted as a member of the collective. Next, the patient is invited to the cannabis dispensing area.

Tracking Software:

Oakland Organics uses "Open Trac Software Systems", a software system used to monitor each patient visiting the dispensing collective. Each and every member is checked into the system every single time they visit. Patients are allowed one visit per day and this software sends an error alarm, should the patient try to enter twice.

Open Trac software allows us to track daily visits as well as the patients' photograph, California identification number, date of birth, expiration of their doctor's recommendation (usually one year) and city of residence. This software also allows us to annotate any pertinent information about that patient that we may need to access in case of emergency, etc.

Entry into the Dispensing Area:

In the dispensing area, we give new patients a quick tour of the area and we then verbally remind them of the rules and regulations about redistribution.

Medicine Amounts Per Patient and Monitoring Redistribution:

Oakland Organics allows our patients to purchase up to one ounce of dried cannabis flowers per day, seven concentrates per day and up to ten medicated edibles per day. This amount is convenient for patients that can only visit once a week or once per month. Should we encounter a patient that is purchasing this maximum daily amount more than once per week, we quietly ask the patient to come into the management office and remind the patient that diversion of their medicine is illegal.

Because of sales tax and the cost of a doctor's recommendation, it is a rare occasion that we encounter patient redistribution. Due to the aforementioned, the high cost of the patients medication stalls redistribution for profit, making profiteering nearly impossible. "Black Market" street sales that have no overhead or taxation are far more appealing to those looking to redistribute for profit.

OAKLAND ORGANICS RULES and REGULATIONS

It is the policy of Oakland Organics to update our rules and regulations from time to time to reflect changes in the law.

The facilities of Oakland Organics are designed to provide a safe, friendly environment for our clients. We also seek to give each of our clients the highest level of confidentiality we can. The following rules and regulations are strictly enforced at all times.

Oakland Organics is a smoke-free facility. Extinguish all smoking materials prior to entering the facility parking lot and please do not smoke until you are off the facility property.

It is understood by all parties that membership of Oakland Organics is a privilege not a right.

Membership may be revoked at any time by management for violation of any action not covered by the rules and regulations that, in the opinion of management, brings discredit or unwelcome public attention to our organization.

NO cell phones, recording devices or cameras are permitted in any Oakland Organics facility at any time. All devices must be left in your vehicle, in the parking lot.

NO person under the age of 18 is allowed on the premises even with a valid recommendation for medical cannabis, as well as a valid California Identification Card or California Driver's License.

Members agree NOT to operate motor vehicles or other mechanical devices while medicated.

Members agree NOT to consume or open their cannabis purchase within 1000 feet of the premises of Oakland Organics or in any other place prohibited by law.

Members agree NOT to sell or attempt to sell any medical cannabis acquired from Oakland Organics.

Members are allowed ONE visit per day.

Members agree to uphold the restrictions on amounts of medical cannabis in their possession according to SB420, local regulations, and their physician.

Members must NOT bring any weapons or anything that can be used as a weapon on the premises. Pocket knives, tools etc. must be left in your vehicle or surrendered to security while in the building.

It is the member's responsibility to make sure any and all passengers are aware and subjected to the rules and regulations of Oakland Organics.

It is the member's responsibility to keep an up-to-date recommendation. Our staff members are not expected to remind you of your expiration date.

MEDICINAL MEDICINE FAQ

What is the difference between THC, CBD and CBN?

THC, CBD and CBN are all in a class of compounds known as cannabinoids.

- Delta-9-Tetrahydrocannabinol or (THC) is responsible for 70-100% of the effects experienced by the user.
- It possesses mild to moderate analgesic effects it is used for pain relief, relaxation and appetite stimulation.
- High quality strains range from 15-25% THC with very potent and carefully prepared strains reaching upwards of 30%.
- Recent research suggests that patients with a predisposition to schizophrenia should avoid high THC cannabis.

Cannabidiol or (CBD) occurs in many strains, especially those originating from Afghanistan and Pakistan.

- The genetics of THC and CBD result in concentrations that are normally 0-50% of the cannabinoids present.
- It has analgesic, sedative and antibiotic properties.
- Some researchers feel it lessens the anxiety-related effects some users experience with cannabis.
- It is recommended for patients who seek relief from inflammation, anxiety, convulsions and nausea.
- CBD has also been shown to inhibit cancer cell growth.

Cannabinol or CBN is an oxidative degradation product of THC. It may result from improper storage or curing and extensive processing, such as when making concentrates.

- CBN has some psychoactivity, but it is less than THC.
- CBN is thought by some researchers to enhance the dizziness and disorientation some users of cannabis experience.

GUIDE TO UNDERSTANDING MEDICINAL CANNABIS TESTING

THC-CBD potency testing helps you choose the right medicine

- THC has analgesic, euphoric, appetite stimulation and relaxation properties.
- CBD has analgesic, sedative, antibiotic properties and may inhibit the growth of cancer cells.
- High CBD medicines are recommended for patients who seek relief from inflammation, anxiety, convulsions, nausea or who are undergoing treatment for cancer.
- High CBD medicines also prolong the duration of the effects of the THC present in the medicine, according to recent research.

Expected levels of THC in medicinal flowers*

Good Cannabis 5- 10%

Very Good Cannabis 10-25%

Excellent Cannabis 25-32%

Expected levels of THC in medicinal concentrates*

Hash 25-70%

Bubble Hash 25-85%

Pressed Kief 45-85%

Kief 45-85%

Our testing program

- Testing program for THC/CBD/CBN, mold and fungus ensures the safety of the medicine.
- Testing performed by the Bay Area's only independent lab owned and operated by real scientists using precision equipment.
- Sources: GW Pharmaceuticals, NORML-MAPS Marijuana Potency Testing Project.

DELIVERY OF MEDICAL CANNABIS TO OAKLAND ORGANICS PATIENTS

Unless specifically requested, delivery services to Oakland residents will be on a limited emergency basis only. This service is only available to those patients in the surrounding areas that are homebound or have absolutely no other means of transportation to obtain their medicine.

Because of the dangers of delivery services and because verification of the patients valid doctors recommendation is essential, we will require an initial visit from the patient and/or their caregiver to our Oakland Organics facility.

During this initial visit, we will verify that the patient and/or caregiver are current in their doctor's recommendation and identification. We will then obtain a copy of their credit or debit card. There will be no cash transactions for delivery services. We will make several copies of their recommendation and will also copy their California driver's license or California identification card.

For delivery, the patient will simply make a call to our collective or go to our website, place their order and we will make every attempt to make a same day delivery. No more than one ounce of medicine will be delivered to any one patient/caregiver.

We will use the patient/caregiver credit card on file to fill the order. We will attach the receipt to the bag and we will also attach the patient/caregiver recommendation to the bag.

When we arrive at the patient/caregiver address, they must provide the same valid driver's license or identification card that they initially presented when they came to the collective to sign up for the delivery process. If they cannot do this, the delivery order will be returned to the facility and cancelled. No exceptions.



Client/Caregiver Membership Agreement

Welcome to Oakland Organics. You are about to become a member of a collective group of individuals that exchange and use cannabis as medicine.

Your signature below is explicit consent that you choose to become a member of the collective group called Oakland Organics.

We ask that you be a good neighbor at all times, abide by all of the collective rules and regulations and never re-distribute your medicine.

Member's Name _____

Address _____

City _____ Zip _____

Phone _____

I swear under penalty of perjury under the law of the State of California that I am a person legally entitled to obtain medical cannabis in that I have been advised by my physician documented on my recommendation that I will medically benefit from the medical use of cannabis and that I lack the means to fully provide medical cannabis for myself.

I hereby authorize my referring physician to release to Oakland Organics any and all necessary information to confirm my referral.

In addition, I verify that I am not a member nor working for a law enforcement agency.

I agree as a condition of my membership to obey all the rules and regulations of Oakland Organics and agree that my client/caregiver membership agreement will be terminated should I violate any of those rules and regulations.

I verify the above facts are true and correct under the penalty of perjury and I understand that any disclosure regarding the collective or its members will result in civil liability.

MEMBER'S SIGNATURE

____/____/____
DATE

Private Emergency Assistance:

Through experience, we have noted that patients and employees find themselves in situations where they need assistance and have nowhere else to turn. A few examples of this is assisting in the costs for flights for a death in the family, lost rent money, medication needed but not afforded, family burials, attorneys fees, etc. Management determines the validity of the need, and then either donates or loans whatever is necessary to remedy the patient or employee need.

Many dispensing collectives believe that offering services such as massage, acupuncture, yoga, etc. benefit the patients and the community. Whereas we find these events helpful, we would rather spend our time and collective monies (energy) in providing our needy clients with medicine and services that help in their daily life. It is also our focus to concentrate on bringing clean, safe cannabis to our collective members rather than misuse our extra funding on external lavishness such as massage or yoga. The patients that we assist each week agree.



Oakland
Organics

NATURAL MEDICINE