

TO: Humboldt County Cannabis Planning Department

Application for a Conditional Use Permit for Cannabis Processing, Manufacturing and Distribution

Applicant

IXXCO Incorporated

Roger Herrick, Chief Executive Officer and Corporate Secretary

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39057 State Highway 299

Willow Creek, CA 95573

APN 522-221-008

Site Plan Overview and Operational Plans for Cannabis Manufacturing, Processing and Distribution

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Humboldt Planning and Building Department
Cannabis Services Division
3015 H Street
Eureka, CA 95501

IXXCO Incorporated, DBA Humboldt Cannabis Club
39057 State Highway 299
Willow Creek, CA 95573
APN 522-221-008-000

Project Summary

IXXCO, Inc. (Applicant) is submitting this application for a Conditional Use Permit through the Cannabis Services Division and Planning and Building Department of the County of Humboldt. APN is 522-221-008. Property address is 39057 State Highway 299 Willow Creek, CA 95572. The CUP will permit Cannabis Distribution, Transportation, Cannabis processing, and non-Flammable Cannabis Manufacturing. There will be no storefront retail sales of any kind or any other public entrance to the facility whatsoever. Once Humboldt County has approved the Conditional Use Permit then the applications with the State of California will be submitted for approval.

There is a distinct need for Cannabis Support companies for the hundreds of compliant Cannabis Farmers. We can provide the distribution, processing, and manufacturing for those compliant Cannabis Farmers in Humboldt and Trinity County.



Local Summary

Cannabis Manufacturing and Distribution facilities are located in small town of Willow Creek (formerly, China Flat) Humboldt County, California. The population is approximately 1,910. The town is located around 30 miles (48 km) as the crow flies inland from county seat and harbor city Eureka. It is easily reached via State Highway 96 (the "Bigfoot Scenic Byway") and State Highway 299. The town, which is at the intersection of those Routes, is the Bigfoot capital of the world, and holds an annual "Bigfoot Daze" festival in September in honor of the creature, followed by various festivities in a local park. The region is the location of the Willow Creek American Viticulture Area. Organic gardens and vineries abound and welcome travelers. The town has small stores, restaurants, gas stations and a credit union.

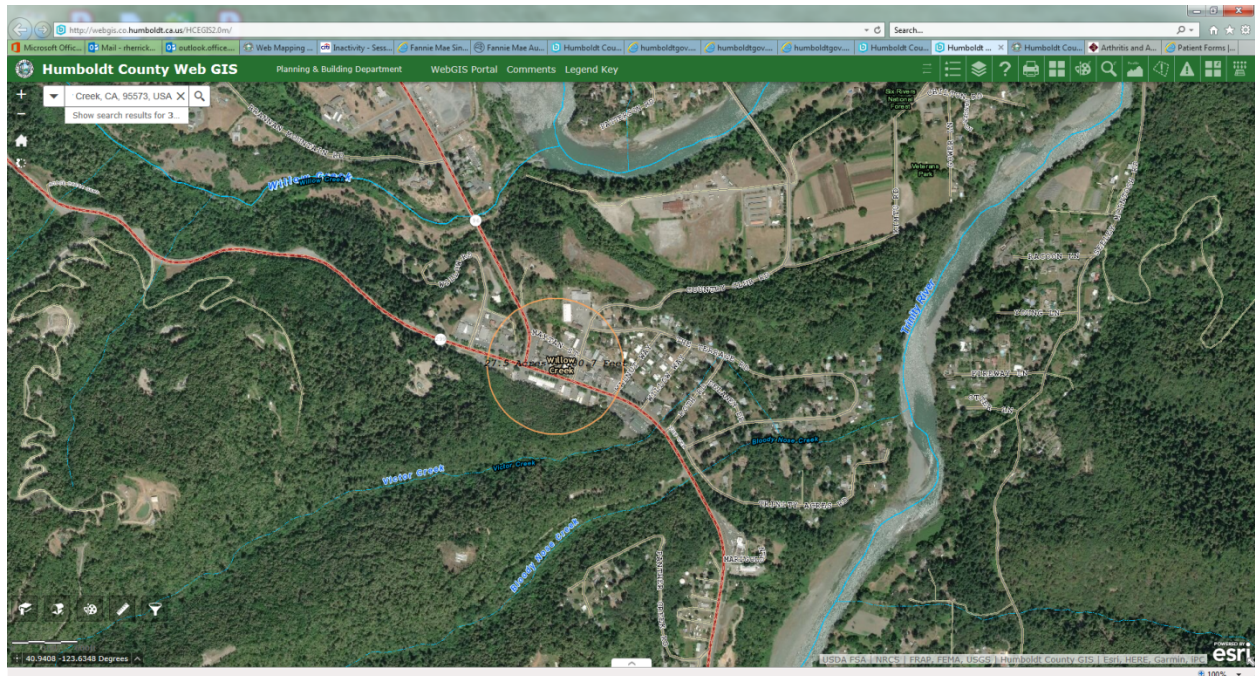
SITE AREA LOCATION WILLOW CREEK

600 FEET FROM CORNERS

APN 522-211-008-000

39057 State Highway 299

WILLOW CREEK, CA 95523



Business Information

IXXCO, Inc. was incorporated by Secretary of State in California on April 16, 2018 as a C Corporation.

See incorporation statements Exhibit A

The Owners and Managers

Roger W. Herrick

Compliance Manager - Stockholder – CEO – Corporate Secretary

Real Estate Broker and Compliance Manager, Roger W. Herrick has 31 years of continuous experience in the mortgage and real estate business. Roger has been licensed continuously since 1986 as a California Real Estate Broker. Educating and directing a large staff of real estate agents and mortgage originators in the office and the field. He has continued to service thousands of cases real estate compliance, accounting review, sales, marketing and activity report generation. He has extensive experience in loss mitigation pipeline experience, all real estate brokerage functions, short sale negotiations, real estate assessment, final disposition and escrow closings. Education, certification, current experience and licensed in VA and FHA government backed loans is important. He is certified as a Direct Endorsement Underwriter and a Certified Escrow Manager.

Roger has supervised thousands of successful real estate transactions. He is competent and experienced in real estate brokerage negotiations and transactional experience. Performing functions such as writing contracts, escrow management and execution, pipeline management originating, processing, underwriting, funding, mortgage brokerage, mortgage banking, secondary markets, compliance and office management. He is highly experience with working with city, county or state land development projects over the decades in the real estate construction, sales and lending business.

He is the compliance manager for the IXXCO Inc. Manufacturing and IXXCO Inc. Distribution. His input and direction will guide these operations to compliance with City, County and State regulations and requirements. Adherence to the new laws and compliance for a licensed cannabis manufacturing will be addressed and managed by Mr.Herrick. Planning operations and monitoring the functions and finances of the firm is his mission and forte.

Mark C. Schaeffer

Stockholder – CFO

Mark Schaeffer has been a licensed General, Solar, HVAC and Electrical contractor for the last 18 years. Mark has extensive experience in managing successful startup business's and making them prosper.

Mark is the CFO of IXXCO,Inc and he will manage and monitor the financial day to day business of the company, to ensure its success and financial compliance with City, County and State regulations and requirements.

Project Location

The parcel is located in the inland zone of Humboldt County in the unincorporated town of Willow Creek. The address on record is 39047 and 39057 Highway 299, Willow Creek California, 95573. The Assessor's Parcel Number APN is 522-221-008. It is on General Use Commercially zoned lot of 7405 square feet. The county zoning classification is noted per Sarah Atkins the architect designer of the building as S-1 and F-1 per the Humboldt County General Plan. All activities are conducted in an enclosed setting and there are no schools or bus stops within a 600-foot area from the corners of the lot. Manufacturing will be done with ice and water based and CO2 closed loop non-volatile processes.

The facility is a newly constructed building of 4500 square foot in the heart of the Emerald Triangle at the junction of Highway 299 and Highway 99. The building was recently completed, and the certificate of occupancy has been issued in June 2018. The facility meets all current building code standards and requirements for the Humboldt County Planning Commission.

This building was constructed and designed with licensed cannabis facilities in mind. There is sufficient parking, proper ingress and egress. The location has easy major

highway access. Large advertising or announcement signs will not be place on building.



IXXCO, Inc. has a lease for 36 months on the facility. The owner, Maple One LLC are a group that designed and built this County approved new building completed in July of 2018. The owner has given his consent for legal cannabis related activities to be conducted on the premises. The lease documents and all terms of the lease are attached. Within the lease on page one item C defines the permission to conduct cannabis related business activities in the leased premises permitted under applicable law pursuant to a license being issued by the County of Humboldt and the State of California (the Cannabis Permit"). Once again in the provision section 4c Lessor agrees not to interfere with, or hinder or obstruct Lessee's efforts to engage in all Cannabis Related Activities contemplated by this Lease to the extent such activities are compliant with California Cannabis Laws.

Hours of Operation

Processing, Manufacturing and Distribution will be open from 6:00 AM to 10:00 PM Monday through Saturday. The building and surroundings will be monitored 24 hours per day and the employees will be on no more than 8 hour shifts. There is a one hour overlap between shifts. Employee hours are verified through our employee fingerprint clocking equipment. The employees will be of a permanent nature as the operation will run throughout all seasons of the year. We expect from 4 -6 employees in total. The

number of daily incoming and outgoing deliveries will be between 2-10 on any workday. No persons under 21 will be permitted within the building. There is no storefront and only employees, vendors or invited guests will be allowed on the premises. Strict rules regarding visitors are implemented. Parking for a large commercial vehicle is provided on site at the loading area. Parking is also available on the curb.

An onsite staff person is available during all hours of operation. That person can be reached by phone 707-502-5454, at the location or via email at mark@humboldtcannclub.com.

Display of Cannabis CUP, State License and Signs

IXXCO shall display all local, state, cannabis and tax permits issued inside the main entrance. The permit shall be displayed at all times in a conspicuous place so it can be readily seen by all persons entering the site. At the entrance an 8x10 sign shall be posted and state. "Juveniles are prohibited from entering this site." "This site is not open to the public." Large advertisement signs will not be posted on the building.

Public Services

Water

The building has a direct connection to local Willow Creek Community Services water. There is one meter for the building and one meter for the fire sprinkler systems. Will serve letters, approximate water use estimates and water conservation policies have been obtained from Willow Creek Community Services District.

See Exhibit C

Sewer

The building has new and approved septic systems behind the building. Whitson Plumbing takes care of pumping out tank as necessary. Division of Environmental Health through the Humboldt County will have a CMM clearance for the DEH. Referrals will be made to that department for approval.

Electricity

The building electricity is supplied directly by Pacific Gas and Electric. The energy use performance standards have been met by Pacific Gas and Electric. There are no external generators or solar generating systems. The building is heated and air conditioned by electricity.

See Exhibit D

Roads, Egress, Ingress and Parking

The building is on Highway 299 with curbs and two street entrances to the 5 car parking lot on the premises. There is also 1 handicap designated parking spot of the 5. There is also street parking along that area. See pictures. There is 1 parking space on the curb directly in front of the building. There are also several addition parking spaces on the curb to the east of the building.

See Plot Map



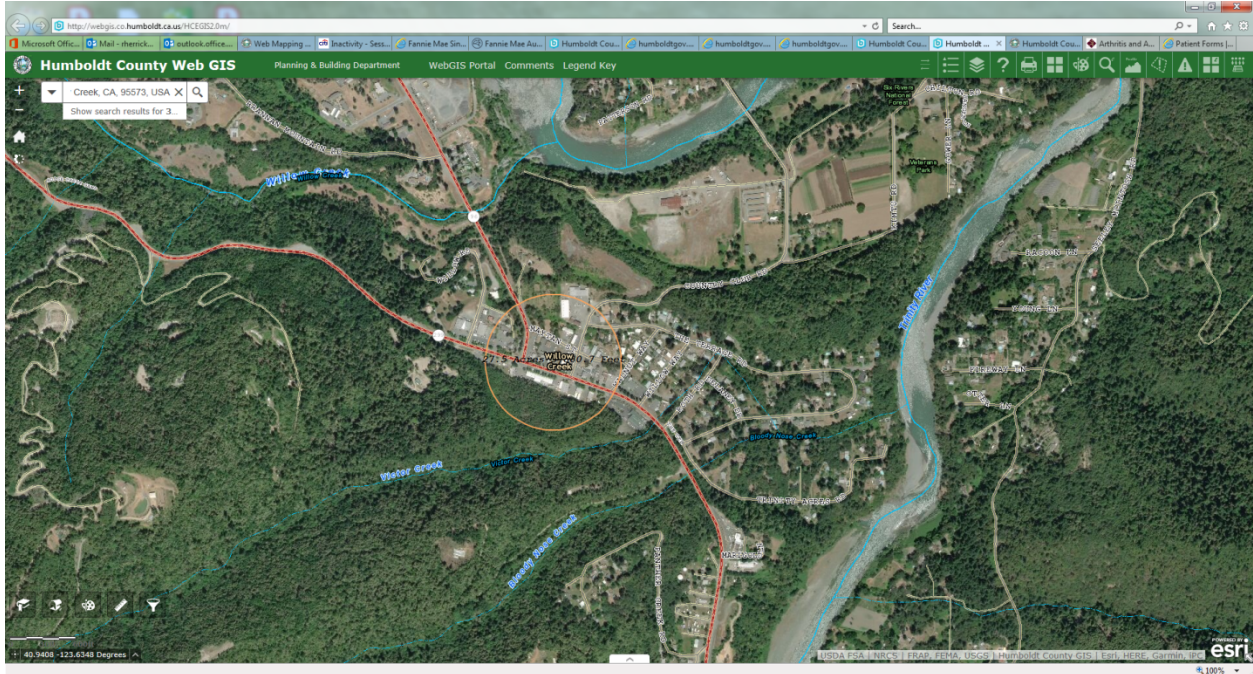
Ingress from State Highway 299



Egress to State Highway 299

Schools

It is not within 600 feet of any school or educational center. See the GIS map and all properties within that distance.



Security Plan

IXXCO, Inc.

39057 Highway 299

Willow Creek, CA 95573

This Security Plan will describe and address the following IXXCO, Inc. requirements.

Training:

There will be Security training that will be required for all personnel during the hiring process. This manual will be made part of training and employees file noted that they have been trained in this area.

Personnel:

All Personnel will be vetted for criminal activity and background checks required. The personnel will be any person engaged in the performance or supervision of operation of the manufacturing or distribution premises and will include fulltime employees, part-time employees, temporary employees, contractors and volunteers. All will undergo security training as a requirement of employment and that will include the licensee and owner-operators.

Points of Entry and Access:

The commercial grade door and access locks are on all doors and exterior access points. Identity verification through updated passcodes and security cards and will be issued. All entrance and exits are monitored 24/7.

Hours of Operation:

The business will operate Monday through Saturday throughout the year. Hours are from 6am to 10pm. All Federal Holidays will be honored. The hours will fluctuate depending on the shifts and employee availability.

Visitors:

Registration Required:

All visitors must be show ID and register with name, company, phone and email address. In addition, the purpose and duration of the visit is noted. Checking in on Visitor Sheet and Checking out required.

Visitor Badges:

At check-in, every visitor is given a photo company issued ID badge. The visitor's badge must be worn at all times. All visitors must be accompanied by the employee(s) they are visiting for the duration of their stay. This requirement does not apply to employees, owners, or management. Special arrangements must be cleared with the Security Director. Any employee who notices a visitor without a badge should immediately bring it to the attention of the designated manager. The manager has first-line responsibility for enforcing the visitor management policy. In the event of an emergency evacuation, managers are responsible for accounting for all visitors.



Security Cameras:

Security surveillance cameras and video recording system are installed to monitor all doors into the building on the site, the parking area, loading areas, and all property

adjacent to public rights of way. The cameras and recording system are of adequate quality, color rendition and resolution to allow the identification of any individual present at the site. The camera resolution is 1280x1024 pixels and the system is capable of recording all surveillance areas in any lighting conditions. It records continuously twenty-four hours per day and more than 20 frames per second. The cameras are installed so they prevent intentional obstruction, tampering or disabling.



Camera Monitoring and 24-Hour Response.

The system will notify and record incidents where physical barriers have been breached. Any suspicious activities are identified the appropriate onsite managers or authorities are immediately contacted. The video surveillance system can be monitored through a passcode and system by the owners and managers of the operation 24 hours per day 7 days per week. The recordings display the current date and time of recorded events and does not obstruct view or recorded images. Time measured by US NIST standards. The surveillance system recordings are maintained for on hard drives for 60 days. It supports immediate and remote access by licensee or manager.

Areas covered:

1. All areas where cannabis is stored, weighed, quarantined, prepared, moved within the premises, loaded or unloaded for transportation
2. The interior and exterior of all entrances and exits to the building
3. The monitoring equipment is secured in a access controlled lockbox set
4. That access controlled lockbox and any access point to the monitoring equipment has camera
5. Areas of any cannabis waste and where cannabis material is destroyed has camera
6. All limited access areas, storage vessels, refrigerators, and inventory control areas

The facility is alarmed with an audible interior and/or exterior silent alarm system that is operated and monitored by a recognized security company. Contact information regarding the cannabis facility's security company is Advanced Security Systems, phone 707-443-6366.



Emergency Contact Information:

Posted in window both inside and out of building in large letters.

In Case of Emergency - Call 911

**Poison Control Center
Emergency Help and Prevention
Phone: 1-800-222-1222**

**24 / 7 Response Contact
CFO Mark C Schaeffer**

Standard Operating Procedures

IXXCO shall enforce and maintain operating procedures that are easily accessible to onsite personnel. The standard operating procedures shall, at minimum, include the following:

- ❖ Any policies or procedures developed in accordance with the security plan required to which personnel must adhere;
- ❖ Emergency response procedures including personnel training.
- ❖ Policies and procedures for Good Manufacturing Practices and Production and Process Control
- ❖ Procedures for complying with the track-and-trace requirements
- ❖ Inventory control procedures in compliance.
- ❖ Destruction procedures in compliance.

Training Program.

- A. IXXCO shall implement a training program to ensure that all personnel present at the premises are provided information and training that, at minimum, covers the following topics:
 - a. Within 30 days of the start of employment:
 - i. Health and safety hazards;

- ii. Hazards presented by all solvents or chemicals used at the licensed premises as described in the material safety data sheet for each solvent or chemical;
 - b. Emergency procedures;
 - c. Security procedures;
 - d. Record keeping requirements; and
 - e. Training requirements.
- B. Prior to independently engaging in any cannabis manufacturing process:
- a. An overview of the process and standard operating procedure(s);
 - b. Quality control procedures;
 - c. Hazard analysis and control procedures as appropriate;
 - d. Proper and safe usage of equipment or machinery;
 - e. Safe work practices applicable to an employee's job tasks, including appropriate use of any necessary safety or sanitary equipment;
 - f. Cleaning and maintenance requirements;
 - g. Emergency operations, including shutdown; and
 - h. Any additional information reasonably related to an employee's job duties.
- C. Additionally, a IXXCO that produces edible cannabis products shall ensure that all personnel who prepare, handle, or package edible products successfully complete a food handler course accredited by the American National Standards Institute (ANSI) within 90 days of commencing employment at the premises and again every three years during employment. For IXXCOs in operation pursuant to Section 40140, applicable personnel shall complete the ANSI-accredited food handler course no later than 90 days after the effective date of the license. IXXCO shall obtain documentation evidencing the fulfillment of this requirement.
- D. IXXCO shall ensure that all personnel receive annual refresher training to cover, at minimum, the topics listed in this section. This annual refresher training must be completed within 12 months of the previous training completion date.
- a. The IXXCO shall maintain a record which contains at minimum:
 - i. An annual attestation by the IXXCO that he/she has received and understood all information and training provided in the training program.
 - ii. A list of all personnel at the premises, including at minimum, name and job duties of each.
 - iii. Documentation of training topics and dates of training completion for all personnel.
 - iv. Training topics and dates of refresher training completion for all personnel.
 - v. The signature of the individual personnel and the IXXCO verifying receipt and understanding of each training or refresher training completed by the personnel.

- vi. Any official documentation attesting to the successful completion of required training by personnel.
- b. IXXCO may assign responsibility for ensuring compliance by individual personnel with the requirements of this section to supervisory personnel. Assigned supervisory personnel must have the education, training, or experience (or a combination thereof) necessary to ensure the production of clean and safe cannabis products by all personnel. The designated training personnel shall sign and date a document on an annual basis attesting that he or she has received and understood all information and training provided in the training program. This documentation shall be maintained as part of the record requirements.

Equipment and Utensils.

- A. All cannabis manufacturing equipment and utensils used in manufacturing cannabis products shall be so designed and of such material and workmanship as to be adequately cleanable and shall be adequately maintained to protect against allergen cross-contact and contamination.
- B. Equipment and utensils shall be designed, constructed, and used appropriately to avoid the adulteration of cannabis products with lubricants, fuel, metal fragments, contaminated water, or any other contaminants.
- C. Equipment shall be installed so as to facilitate the cleaning and maintenance of the equipment and of adjacent spaces.
- D. Cannabis product-contact surfaces shall be corrosion-resistant when in contact with cannabis products.
- E. Cannabis product-contact surfaces shall be made of nontoxic materials, designed to withstand the environment of their intended use, and, if applicable, cleaning compounds, sanitizing agents, and cleaning procedures.
- F. Cannabis product-contact surfaces shall be maintained to protect cannabis products from allergen cross-contact and from contamination by any source, including prohibited additives.
- G. Seams on cannabis product-contact surfaces shall be smoothly bonded or maintained so as to minimize accumulation of particles, dirt, and organic matter and thus minimize the opportunity for growth of microorganisms and allergen cross contact.
- H. Equipment in areas where cannabis products are manufactured and that do not come into contact with cannabis products shall be constructed so that they may be kept in a clean and sanitary condition.
- I. Holding, conveying, and manufacturing systems, including gravimetric, pneumatic, closed, and automated systems, shall be of a design and construction that enables them to be maintained in an appropriate clean and sanitary condition.
- J. Each freezer and cold storage compartment used to store and hold cannabis products, ingredients, or components capable of supporting growth of

microorganisms shall be fitted with an indicating thermometer, temperature-measuring device, or temperature-recording device so installed as to show the temperature accurately within the compartment.

- K. Instruments and controls used for measuring, regulating, or recording temperatures, pH, acidity, water activity, or other conditions that control or prevent the growth of undesirable microorganisms in cannabis products, ingredients, or components shall be accurate and precise and adequately maintained and calibrated, and be provided in an adequate number for their designated use(s).
- L. Compressed air or other gases mechanically introduced into cannabis products or used to clean cannabis product-contact surfaces or equipment shall be treated in such a way that cannabis products shall not be contaminated with prohibited additives.

Production and Process Controls

- A. Appropriate quality control operations shall be employed to ensure that cannabis products are suitable for human consumption or use, and that cannabis product-packaging materials are safe and suitable.
- B. Overall sanitation of the premises shall be under the supervision of one or more competent individuals assigned responsibility for this function.
- C. Adequate precautions shall be taken to ensure that production procedures do not contribute to allergen cross-contact and to contamination from any source.
- D. Chemical, microbial, or extraneous-material testing procedures shall be used where necessary to identify sanitation failures or possible allergen cross-contact and cannabis product contamination.
- E. Any cannabis product that has become contaminated to the extent that it is adulterated shall be rejected.

Cannabis Processing Activities

IXXCO will offer local licensees' access to post-harvest processing activities. The addition of the processing center will allow IXXCO to be a prime destination for cultivators to trim, process, package, manufacture and distribute their harvests. This will allow for greater process controls and increase supply chain coordination while decreasing costs for all parties.

Processor services that will be offered:

- A. Coordinate with Distribution arm to facilitate transportation of harvested cannabis goods to the facility
- B. Intake will consist of cataloguing all cannabis that is brought into the facility to be processed and recorded into METRC

- C. Cannabis storage will be provided in locked cannabis storage areas that are under surveillance 24/7
- D. Cannabis will be hand or machine processed
- E. Cannabis will be sent to a last mile distributor for all testing activities.

Processing activities will occur on the 1st floor of the building. All inventory will be track and traced through the system and placed in a secured storage area until the flower is ready to be processed further

Quality of Raw Materials and Ingredients.

IXXCO has established and implement written policies and procedures to ensure the quality of raw materials and ingredients as follows:

- A. Raw materials and other ingredients shall be inspected, segregated or otherwise handled as necessary to ensure that they are clean and suitable for processing into cannabis products, and shall be stored under conditions that protect against allergen cross-contact and contamination, and in such a way as to minimize deterioration.
- B. Raw materials must be washed or cleaned as necessary to remove soils and other contaminants. Water used for washing, rinsing, or conveying cannabis product ingredients must be safe and of adequate sanitary quality.
- C. Raw materials and other ingredients shall not contain levels of microorganisms that render the cannabis product injurious to human health, or shall be pasteurized or otherwise treated during manufacturing so that they no longer contains levels of microorganisms that would cause the cannabis product to be adulterated.
- D. Raw materials and other ingredients susceptible to contamination with aflatoxin or other natural toxins shall not exceed generally acceptable limits set by the U.S. Food and Drug Administration for aflatoxins, other natural toxins, pest contamination, undesirable microorganisms, or extraneous materials for those materials or ingredients, before these raw materials or other ingredients are incorporated into finished cannabis products.
- E. Raw materials and other ingredients shall be held in bulk, or in containers designed and constructed so as to protect against allergen cross-contact or contamination, and shall be held at such temperature and relative humidity and in such a manner as to prevent the cannabis products from becoming adulterated.
- F. Frozen raw materials and other ingredients shall be kept frozen. If thawing is required prior to use, it shall be done in a manner that prevents the raw materials and other ingredients from becoming adulterated.
- G. Raw materials and other ingredients that are food allergens shall be identified and held in a manner that prevents cross-contact with other raw materials or ingredients.

Manufacturing Operations.

IXXCO has established and will implement these manufacturing operation procedures to ensure the following:

- A. That all cannabis product manufacturing shall be conducted under such conditions and controls as are necessary to minimize the potential for the growth of microorganisms, allergen cross-contact, contamination of cannabis products, and deterioration of cannabis products.
- B. That cannabis products capable of supporting the rapid growth of undesirable microorganisms shall be held at temperatures that prevent the cannabis product from becoming adulterated during manufacturing, processing, packing and holding.
- C. That measures such as sterilizing, irradiating, pasteurizing, cooking, freezing, refrigerating, controlling pH, or controlling water activity that are undertaken to destroy or prevent the growth of undesirable microorganisms shall be adequate under the conditions of manufacture, handling, and transfer to prevent the cannabis product from being adulterated. For purposes of this section, “water activity” (a_w) is a measure of the free moisture in a manufactured cannabis product and is the quotient of the water vapor pressure of the substance divided by the vapor pressure of pure water at the same temperature.
- D. That work-in-process shall be handled in a manner that protects against allergen cross-contact, contamination, and growth of microorganisms.
- E. That effective measures shall be taken to protect finished cannabis products from allergen cross-contact and from contamination by raw materials, other ingredients, rejected components, or refuse. When raw materials, other ingredients, or refuse are unprotected, they shall not be handled simultaneously in a receiving, loading or shipping area if such handling could result in allergen cross-contact or contaminated cannabis products. Cannabis products transported by conveyer shall be protected against allergen cross-contact and against contamination as necessary.
- F. That equipment, containers, and utensils used to convey, hold, or store raw materials and other ingredients, work-in-process, or other cannabis products shall be constructed, handled, and maintained during manufacturing, processing, packing, and holding in a manner that protects against allergen cross-contact and contamination.
- G. That adequate measure shall be taken to protect against the inclusion of metal or other extraneous material in cannabis products.
- H. That adulterated cannabis products, raw materials, and other ingredients shall be disposed of in a manner that protects against the contamination of other cannabis products.
- I. That steps such as washing, peeling, trimming, cutting, sorting and inspecting, mashing, dewatering, cooling, shredding, extruding, drying, whipping, defatting, and forming shall be performed so as to protect cannabis products against allergen

cross-contact and contamination. Cannabis products shall be protected from contaminants that may drip, drain, or be drawn into the cannabis product.

- J. That, when required in the preparation of cannabis products capable of supporting microbial growth, heat blanching shall be effected by heating the cannabis product to the required temperature, holding that temperature for the required amount of time, and then either rapidly cooling the cannabis product or passing it to subsequent manufacturing without delay. Growth and contamination by thermophilic microorganisms in blanchers shall be minimized by the use of adequate operating temperatures and by periodic cleaning and sanitization as necessary.
- K. That batters, breadings, sauces, gravies, dressings, dipping solutions, and other similar preparations that are held and used repeatedly over time shall be treated or maintained in such a manner that they are protected against allergen cross-contact and contamination, and in a manner that minimizes the potential growth of undesirable organisms.
- L. That filling, assembling, packaging, and related operations shall be performed in such a way that the cannabis product is protected against allergen cross-contact, contamination and growth of undesirable microorganisms.
- M. That cannabis products that principally rely on the control of water activity (a_w) for preventing the growth of undesirable microorganisms (such as dry mixes, nuts, intermediate moisture cannabis products, and dehydrated cannabis products) shall be processed and maintained at a safe moisture level. For purposes of this section “safe moisture level” is a level of moisture low enough to prevent the growth of undesirable microorganisms in the finished product under the intended conditions of manufacturing. The safe moisture level for an edible cannabis product is related to its a_w . An a_w will be considered safe for a manufactured cannabis product if adequate data is available to demonstrate that at or below the given a_w the manufactured cannabis product will not support the growth of undesirable microorganisms
- N. That, when ice is used in contact with cannabis products, it shall be made from water that is safe and of adequate sanitary quality in accordance with Section 40240 subdivision (a), and shall be used only if it has been manufactured in accordance with current good manufacturing practices as outlined in this part.

Hazard Analysis.

IXXCO has conducted a hazard analysis to identify or evaluate known or reasonably foreseeable hazards for each type of cannabis product produced at their facility in order to determine whether there exist any hazards requiring a preventive control. The hazard analysis shall include:

- A. The identification of potential hazards, including:
 - a. Biological hazards, including microbiological hazards;

- b. Chemical hazards, including radiological hazards, pesticide(s) contamination, solvent or other residue, natural toxins, decomposition, unapproved additives, or food allergens; and/or
 - c. Physical hazards, such as stone, glass, metal fragments, hair or insects.
- B. The evaluation of the hazards identified in order to assess the severity of any illness or injury that may occur as a result of a given hazard, and the probability that the hazard will occur in the absence of preventive controls.
- C. The hazard evaluation shall consider the effect of the following on the safety of the finished cannabis product for the intended consumer:
 - a. The sanitation conditions of the manufacturing premises;
 - b. The product formulation process;
 - c. The design, function and condition of the manufacturing facility and its equipment;
 - d. The ingredients and components used in a given cannabis product;
 - e. The operation's transportation and transfer practices;
 - f. The facility's manufacturing and processing procedures;
 - g. The facility's packaging and labeling activities;
 - h. The storage of components and/or the finished cannabis product;
 - i. The intended or reasonably foreseeable use of the finished cannabis product.
 - j. Any other relevant factors.

Preventive Controls.

Upon completion of the hazard analysis, IXXCO will identify and implement preventive controls to provide assurance that any hazards requiring a preventative control will be significantly minimized or prevented such that the manufactured cannabis product is not adulterated or misbranded. The preventive controls shall include the following components:

- A. The identification of critical control points. The points, steps or procedures in a given process in which control can be applied, and as a result, a hazard can be prevented, eliminated, or reduced to acceptable levels.
- B. The establishment of critical limits for each critical control point. The maximum or minimum value to which a physical, biological, or chemical hazard must be controlled in order to prevent, eliminate, or reduce to an acceptable level the occurrence of an identified hazard. For example: the establishment of specific limits on temperature, humidity, or pH.
- C. The establishment and implementation of monitoring procedures in order to use monitoring results to adjust a given process and maintain control. This shall include specifying the frequency and documentation requirements for monitoring.
- D. The establishment and implementation of corrective actions to be taken when monitoring indicates there is a deviation from an established critical limit. This shall include procedures for ensuring:

- a. Appropriate action is taken to identify and correct a problem that has occurred with implementation of a preventative control;
- b. Appropriate action is taken, when necessary, to reduce the likelihood that a problem will recur;
- c. All affected material(s) or product(s) are evaluated for safety;
- d. All affected material(s) or product(s) are prevented from entering into commerce if the safety or quality of that material(s) or product(s) cannot be verified.
- e. The establishment and implementation of record keeping procedures to document hazard analyses and control plans, identify the person responsible for each step, and identify the corrective actions that were taken upon the discovery of a deviation. These records shall be subject to verification and records review by the Department.
- f. The establishment and implementation of verification procedures in order to validate that preventative controls are consistently implemented and are effective in minimizing or preventing identified hazards; that monitoring activities are being conducted as required; and that appropriate decisions about corrective actions are being made.

Equipment and Machinery Qualification.

- A. IXXCO has established and will implement procedures to ensure that each piece of equipment and machinery is suitable for its intended use prior to operation. These procedures include, but are not limited to:
 - a. Procedures for validating that all equipment and machinery has design specifications, operating procedures, and performance characteristics appropriate for its intended use by IXXCO.
 - b. Procedures for validating that all equipment and machinery are built and installed in compliance with design specification, not limited to: built as designed with proper materials, capacity, and functions, and properly connected and calibrated.
 - c. Procedures for validating that all equipment and machinery perform in accordance with quality requirements in all anticipated operating ranges using IXXCO's standard operating procedures. Operating ranges shall be shown to be capable of being held as long as would be necessary during routine production.
 - d. The establishment of a schedule for routine re-verification of all equipment and machinery.
- B. IXXCO shall maintain verification records for all equipment and machinery, which contain at minimum:
 - a. Documentation of successful verification of each piece of equipment and machinery dated and signed by the person conducting the verification.

- b. Documentation of successful re-verifications of each piece of equipment and machinery upon any modification to the equipment or machinery, intended use, or standard operating procedure.
- c. A log detailing and documenting the verification and re-verification of all equipment and machinery in operation on the licensed premises.

Master Manufacturing Protocol.

IXXCO has established and will follow a written master manufacturing protocol for each unique formulation of cannabis product manufactured, and for each batch size, to ensure uniformity in finished batches and across all batches produced.

The master manufacturing protocol shall:

- A. Identify specifications for the points, steps, or stages in the manufacturing process where control is necessary to ensure the quality of the cannabis product and that the cannabis product is packaged and labeled as specified in the master manufacturing protocol; and
- B. Establish controls and procedures to ensure that each batch of cannabis product manufactured meets the specifications identified in accordance with subsection (A) of this section.
- C. The master manufacturing protocol shall include:
 - a. The name and intended cannabinoid(s) concentration per serving of the cannabis product to be manufactured, and the strength, concentration, weight, or measure of each ingredient for each batch size;
 - b. A complete list of components to be used;
 - c. An accurate statement of the weight or measure of each component to be used;
 - d. The identity and weight or measure of each ingredient that will be declared on the ingredients list of the cannabis product;
 - e. A statement of theoretical yield of a manufactured cannabis product expected at each point, step, or stage of the manufacturing process where control is needed to ensure the quality of the cannabis product, and the expected yield of the finished product, including the maximum and minimum percentages of theoretical yield beyond which a deviation investigation of a batch is necessary and material review is conducted and disposition decision is made;
 - f. A description of packaging and a representative label, or a cross-reference to the physical location of the actual or representative label;
 - g. Written instructions, including the following:
 - i. Specifications for each point, step, or stage in the manufacturing process where control is necessary to ensure the quality of the cannabis product and that the cannabis product is packaged and labeled as specified in the master manufacturing record;

- ii. Procedures for product and/or batch sampling and a cross-reference to procedures for tests or examinations of products and/or batches;
- iii. Specific actions necessary to perform and validate points, steps, or stages in the manufacturing process where control is necessary to ensure the quality of the cannabis product and that the cannabis product is packaged and labeled as specified in the master manufacturing record.
- iv. Such specific actions shall include verifying the weight or measure of any component used in the finished cannabis product, and verifying the addition of any component; and
- v. For manual operations, such specific actions shall include:
 - 1. One person weighing or measuring a component and another person verifying the weight or measure; and
 - 2. One person adding the component and another person verifying the addition.
- h. Special notations and precautions to be followed; and
- i. Corrective action plans for use when a specification is not met.

Batch Production Record.

- A. IXXCO shall prepare a written batch production record every time a batch of a cannabis product is manufactured. The batch production record shall accurately follow the appropriate master manufacturing protocol, and each step of the protocol shall be performed in the production of the batch.
- B. The batch production record shall document complete information relating to the production and control of each batch, including all of the following details:
 - a. The batch number of the finished batch of cannabis product and the unique identifier number(s) of all cannabis products used in the batch.
 - b. The lot number assigned for each of the following:
 - i. Each lot of finished cannabis product from the batch;
 - ii. Each lot of cannabis product from the finished batch of cannabis product that is transferred to another licensed manufacturer for packaging or labeling;
 - iii. The identity of equipment and processing lines used in producing the batch;
 - iv. The date and time of the maintenance, cleaning, and sanitizing of the equipment and processing lines used in producing the batch, or a cross-reference to records, such as individual equipment logs, where this information is retained;
 - v. The identification number assigned to each component (or, when applicable, to a cannabis product received from a supplier for packaging or labeling as a cannabis product), packaging, and label used;

- vi. The identity and weight or measure of each component used;
- vii. A statement of the actual yield and a statement of the percentage of theoretical yield at appropriate phases of processing;
- viii. The actual results obtained during any monitoring operation;
- ix. The results of any testing or examination performed during the batch production, or a cross-reference to such results; and
- x. Documentation, at the time of performance, of the manufacture of the batch, including:
 - 1. The date on which each step of the master manufacturing protocol was performed; and
 - 2. The initials of the persons performing each step, including:
 - c. The initials of the person responsible for weighing or measuring each component used in the batch;
 - d. The initials of the person responsible for verifying the weight or measure of each component used in the batch;
 - e. The initials of the person responsible for adding the component to the batch; and
 - f. The initials of the person responsible for verifying the addition of components to the batch.
- C. Documentation, at the time of performance, of packaging and labeling operations, including:
 - a. An actual or representative label, or a cross-reference to the physical location of the actual or representative label specified in the master manufacturing record;
 - b. The expected number of packaging and labels to be used, the actual quantity of the packaging and labels used, and, when label reconciliation is required, reconciliation of any discrepancies between issuance and use of labels; and
 - c. The results of any tests or examinations conducted on packaged and labeled cannabis products (including repackaged or relabeled cannabis products), or a cross-reference to the physical location of such results.
- D. Documentation at the time of performance that quality control personnel have:
 - a. Reviewed the batch production record;
 - b. Reviewed all required monitoring operation(s) required by this article;
 - c. Reviewed the results of all tests and examinations, including tests and examinations conducted on components, in-process materials, finished batches of cannabis product, and packaged and labeled cannabis products;
 - d. Either approved and released--or rejected--the batch for distribution; and
 - e. Either approved and released--or rejected--the finished cannabis product, including any repackaged or relabeled cannabis product.
- E. Documentation at the time of performance of any required material review and disposition decision.
- F. The batch production record shall:

- a. Contain the actual values and observations obtained during monitoring and, as appropriate, during verification activities;
- b. Be accurate, indelible, and legible;
- c. Be created concurrently with performance of the activity documented;
- d. Be as detailed as necessary to provide history of work performed; and:
 - i. Include information adequate to identify the associated manufacturing plant or facility (e.g., the name, and when necessary, the location of the plant or facility);
 - ii. Include the date and, when appropriate, the time of the activity documented;
 - iii. Include the signature or initials of the person performing the activity; and
 - iv. Where appropriate, include the identity of the product and the lot number or batch identifier, if any.

Track-and-Trace Requirements

- A. IXXCO shall enter the following events into the track-and-trace database:
 - a. Receipt of cannabis material.
 - b. The transfer to or receipt from another licensed operator for further manufacturing.
 - c. Transfer of cannabis products to a distributor.
- B. The following information shall be recorded for each event entered into the track-and-trace database:
 - a. The licensed entity from which the cannabis material or product is received, including that entity's license number, and the licensed entity to which the cannabis product is transferred, including that entity's license number.
 - b. The name and license number of the transporter who transported the cannabis material or cannabis product.
 - c. The type of cannabis material or cannabis product received or transferred.
 - d. The weight of the cannabis material or cannabis product received or transferred.
 - e. The date of receipt or transfer.
 - f. The unique identifier assigned to the cannabis material or cannabis product.
 - g. Any other information required by other applicable licensing authorities.

Record Keeping Requirements

- A. The IXXCO shall have the following documents available on the premises at all times and shall make the documents available to the Department and any enforcement agency upon request:
 - a. The valid state license issued by the Department;

- b. Any other valid license issued by a state cannabis licensing agency;
 - c. The valid license, permit, or other approval issued by the local jurisdiction;
 - d. The premises diagram;
 - e. The current standard operating procedures as defined in Section 40275;
 - f. Shipping manifests;
 - g. Employee records, including evidence of employee qualifications and training procedures and logs; and
 - h. Any other record or documentation required to be kept pursuant to this Division.
- B. The records required pursuant to section (A) shall be maintained in a manner immediately accessible on the premises to the Department and any enforcement agencies upon request for a period of two (2) years, except that outdated standard operating procedures shall not be accessible to onsite employees. After two (2) years, records may be maintained by the IXXCO in an alternate manner, provided that the records can be made available to the Department or enforcement agency no later than 48 hours following a request and that the records are retained for a period of 7 years in total.
- C. All documentation shall be maintained in English.

IXXCO Processing Plan and Safety Practices

Personnel Sanitation and Waste Destruction Requirements.

IXXCO, Inc. has established a written procedures manual for all personnel. The procedure manual will be part of their training and will be noted in their employee file as completed prior to hire.

Cleanliness:

All persons working in direct contact with cannabis products, cannabis product contact surfaces and cannabis packing materials shall conform to hygienic practices to the extent necessary to protect against allergen cross contact and contamination of cannabis product while on duty. Sanitation will be addressed and is the responsibility of the manager on duty.

The methods for maintaining cleanliness include but is not limited to:

- Wearing appropriate outer garments such as a smock or company issued outer medical coat in order to protect against allergen cross contact and contamination of cannabis products, contact surfaces, and or packaging materials.

- Washing hands thoroughly in the bathroom with sanitizing soap before starting work, and after each absence from the workstation, and at any time when the hands may have become soiled or contaminated.



- Removing all unsecured jewelry and other objects that may fall into cannabis products, equipment or containers and removing hand jewelry. If hand jewelry cannot be removed, it must be covered by gloves in sanitary condition.
- Rubber gloves will be worn by all employees that handle any cannabis material throughout the process. Replacing gloves as necessary and maintaining gloves in clean sanitary conditions is required. Where appropriate, caps, headbands, hairnets, beard covers, or hair restraints will be recommended and required.
- Storing clothing and personal belongings will be designated area away from exposure to cannabis products and equipment. Lockers for clothing and personal will be provided.

Tobacco products or any cannabis products are not permitted to be consumed on the premise. There will be a designated tobacco smoking area that will be in the front of the building and a designated area of the parking lot. No cannabis products will be consumed on the premises.

There will be a cleanliness checklist that will be maintained before and after each shift. That checklist will identify all areas of the building and grounds that may need to be addressed and cleaned prior to beginning of the next shift. Inspection, cleaning, extermination and all other reasonable care shall be exercised to eliminate, any pests, dirt or filth that pose a source of cannabis product contamination.

Grounds

The policy and procedures will ensure that the grounds of the premises are kept in a condition that prevents the contamination of equipment and cannabis products. The method for maintenance of the grounds shall include but not limited to:

The road is on a maintained highway and the parking lot has spaces for 4 vehicles a handicap space and a loading dock. None of these areas constitute a source of contamination.

Proper storage of equipment and removal of litter or waste is monitored. This is to prevent and minimize the attraction, breeding place or harborage for pests. All cleaned equipment will have a place that they are returned to. The litter will be placed in the appropriate trash container and picked up by a Tom's local trash service once per week. It is stored inside in area noted for trash and waste. Cannabis waste will be weighed, noted on chart and placed in the appropriate sealed waste container for proper removal. A cannabis waste hauler will be contracted for hauling in addition to self-hauling cannabis waste to a local waste disposal facility.



The waste is contracted through:

Tom's Trash (530) 629-2070

41865 Highway 299

Willow Creek, CA 95573

Tom's will be picking up the trash in their locked trash bin weekly. The trash bin will have a combination lock that they will have that combination so they can dump this trash. There will be some biomass from the water-based hash production. This will not be put into the trash bins provided by Tom's trash. This will be kept inside the premise in a locked and sealed container. We have an agreement with local worm farmer that uses this as compost for their worm farm. That is picked up every two weeks. The used biomass will not be put into trash cans nor any other items that they do not permit. See below.

List of Things that cannot be put into a dumpster:

- Batteries
- Thermostats that contain liquid mercury
- Lamps (fluorescent, HID, neon, mercury vapor, high pressure sodium & metal halide lamps)
- Agricultural pesticides
- Hazardous wastes: toxic, corrosive, flammable, irritant, strong sensitizer (generates pressure thru decomposition, heat or other means)
- Low level radioactive

- Electronics, computers, etc.
- Medical waste
- Demolition and construction waste (No sheetrock, Roofing material, Metal)
- Abandoned vehicles and parts thereof
- White goods and other bulky waste,
- Dewatered, treated or chemically fixed sewage sludge
- Recyclables
- Large amounts of metal
- Bulky waste: appliances, furniture, trees, branches, stumps

Things that can be put into a dumpster:

Solid waste:

- Garbage – All kitchen and table food waste, and animal or vegetable waste that results from storage, preparation, cooking or handling of food.
- Recovered materials: discarded metal, glass, or plastic, clothing, house wares, toys, tools.
- Rubbish: ashes, paper, cardboard, tin cans, yard clippings, wood, glass, bedding, crockery, plastics, rubber by-products and litter.

The building is equipped with connection to a sewer system and metered fresh water. There is adequate draining in the building to prevent contamination by seepage, filth or the breeding of pests due to unsanitary conditions.

Employees and Guests will have access to bottled drinking water. The drinking water will always be available to as individual bottles or a larger drinking water dispenser and with cups provided.

Smell / Odor Plan

The building is completely enclosed and has two glass doors and one large locking garage door. Most of the smell if not all smells will be contained in the insulated and enclosed building. However, inside the facility we will have four 14x40 inch carbon air filters. One will be placed in each room and cannabis storage space of the interior. In addition all hoods for any manufacturing will have similar carbon air filters.

The product will be in sealed bags and other smell proof containers in almost all cases. There will be no cultivation on this property and the type of smells that may happen as a result of cultivation activities.

The building is sealed on all areas accept the two entrance doors and the garage door. This is a metal building that is fully insulated throughout and smell cannot permeate. All

doors will be locked and have security systems on the so that they will never be left open for any length of time.

We appreciate our neighbors and our operations will not have unwanted smells in any surrounding areas.



Noise Plan

Most of the work is done by hand. Any and all work will be done in the closed building. The building is completely enclosed and has two glass doors and one large locking garage door. Most of the noise if not all noise will be contained in the insulated and enclosed building.

The building is sealed on all areas except the two entrance doors and the garage door. This is a metal building that is fully insulated throughout. All doors will be locked and have security systems on them so that they will never be left open for any length of time. Newer equipment will be used that has sound reduction on all units. Very little sounds are from water and closed loop CO2 extraction. Packaging noises are also very limited.

We appreciate our neighbors and our operations will be mindful of noise and reduce or eliminate it in any surrounding areas. The noises from the operations are fairly minimal. Furthermore the operation will run from 6AM to 10PM. This will also limit the hours for any noise issues.



Packaging Plan

IXXCO, Inc. understands need for transparency and disclosure and packages all product to meet these required consumer standards for packaging and labeling.

Assembly Bill 266 was passed and includes the following regulations for packaging and labeling:

(a) Prior to delivery or sale at a dispensary, medical cannabis products shall be labeled and, in a tamper-evident package. Labels and packages of medical cannabis products shall meet the following requirements:

- Cannabis flower and cannabis product packages and labels shall not be made to be attractive to children.
- All medical cannabis product labels shall include the following information, prominently displayed and in a clear and legible font:
 - Manufacture date and source.
 - For cannabis: **"GOVERNMENT WARNING: THIS PACKAGE CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS MAY ONLY BE**

POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION."

- For cannabis products: **"GOVERNMENT WARNING: THIS PRODUCT CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS PRODUCTS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF CANNABIS PRODUCTS MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS PRODUCTS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION."**
- Prop 65 Warning: **"WARNING: Cancer – www.p65warnings.ca.gov"**
- All packages will display the Universal Symbol as provided by the California Department of Public Health
- For packages containing only dried flower, the net weight of cannabis in the package.
- A warning if nuts or other known allergens are used.
- List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.
- Clear indication, in bold type, that the product contains cannabis.
- Identification of the source and date of cultivation and manufacture.
- Any other requirement set by the bureau.
- Information associated with the unique identifier issued by the Department of Food and Agriculture pursuant to Section 11362.777 of the Health and Safety Code.
- Only generic food names may be used to describe edible medical cannabis products.

Cannabis Transportation Plan and Requirements



The following requirements will be applied by IXXCO, Inc. when transporting cannabis goods between licensees or licensed premises:

1. Transportation shall only be conducted by IXXCO, Inc. that holds a distributor license under the Act, or employees of IXXCO, Inc.
2. All IXXCO, Inc. vehicles transporting cannabis goods for hire have a motor carrier permit pursuant to Chapter 2 (commencing with Section 34620) of Division 14.85 of the Vehicle Code.
3. Cannabis goods shall only be transported inside of a vehicle or trailer and shall not be visible or identifiable from outside of the vehicle or trailer.
4. Cannabis goods shall be locked in a box, container, or cage that is secured to the inside of the vehicle or trailer. Inside of the vehicle includes the trunk.
5. Non-edible cannabis products that do not meet the THC limits per package specified by the State Department of Public Health in regulation may be transported and sold.
6. While left unattended, all vehicles and trailers shall be locked and secured.
7. IXXCO, Inc. shall not leave a vehicle or trailer containing cannabis goods unattended in a residential area or parked overnight in a residential area.
8. IXXCO, Inc. shall have a vehicle alarm system on all transport vehicles and trailers. Motion detectors, pressure switches, duress, panic, and alarms.
9. Packages or containers holding cannabis goods shall not be tampered with, or opened, during transport.
10. IXXCO, Inc. while transporting cannabis goods shall only travel between licensees shipping or receiving cannabis goods and its own licensed premises when engaged in the transportation of cannabis goods. IXXCO, Inc. may transport multiple shipments of cannabis goods at once in accordance with applicable laws. IXXCO, Inc. shall not deviate from the travel requirements described in this section, except for necessary rest, fuel, or vehicle repair stops.

11. Under no circumstances may non-cannabis goods, except for cannabis accessories and licensees' branded merchandise or promotional materials be transported with cannabis goods.
12. Vehicles and trailers transporting cannabis goods are subject to inspection by the Bureau at any licensed premises or during transport at any time.
13. If it is not operationally feasible to transport cannabis goods inside of a vehicle or trailer because the licensed premises that the cannabis goods will be transported from and the licensed premises that will be receiving the cannabis goods are located within the same building or on the same parcel of land, the cannabis goods may be transported by foot, hand truck, fork-lift, or other similar means. A shipping manifest that complies with this division is required when transporting cannabis goods pursuant to this subsection.

REFERENCE: Authority: Section 26013, Business and Professions Code.

Reference: Section 26070, Business and Professions Code.

REQUIRED TRANSPORT VEHICLE INFORMATION

In addition, any IXXCO, Inc. who will be or is transporting cannabis goods shall provide the following information to the Bureau:

1. Proof that IXXCO, Inc. owns or holds a valid lease for each vehicle and trailer used to transport cannabis goods;
2. The year, make, model, license plate number, and numerical Vehicle Identification Number (VIN) for each vehicle and trailer used to transport cannabis goods; and
3. Proof of insurance for each vehicle and trailer used to transport cannabis goods will be carried in the vehicles and available at the office.
4. IXXCO, Inc. shall provide the Bureau with the information required by this section in writing for any new vehicle or trailer that will be used to transport cannabis goods prior to using the vehicle or trailer to transport cannabis goods.
5. IXXCO, Inc. shall provide the Bureau with any changes to the information required by this section in writing within 30 calendar days.

REFERENCE: Authority: Section 26013, Business and Professions Code.

Reference: Section 26070, Business and Professions Code.

TRANSPORT PERSONNEL REQUIREMENTS

No person under the age of 21 years old shall be in a commercial vehicle or trailer transporting cannabis goods; and

Only a licensee, an employee of IXXCO, Inc., or security personnel that meets the requirements of section 5045 of this division, shall be in a vehicle while transporting cannabis goods.

REFERENCE: Authority: Section 26013, Business and Professions Code.

Reference: Section 26070, Business and Professions Code.

SHIPPING MANIFESTS

Prior to transporting cannabis goods, IXXCO, Inc. shall generate a shipping manifest through the track and trace system for the following activities:

- Testing and sampling
- Sale of cannabis goods to a license
- Destruction or disposal of cannabis goods. Any other activity, as required pursuant to this division, or by any other licensing authority
- IXXCO, Inc. shall transmit the shipping manifest to the Bureau and the licensee that will receive the cannabis goods prior to transporting the cannabis goods. This can be done by email.
- IXXCO, Inc. shall ensure and verify that the cannabis goods being taken into possession for transport at the originating licensed premises are as described and accurately reflected in the shipping manifest. For purposes of this section, IXXCO, Inc. may verify that the cannabis goods are accurately reflected in the shipping manifest by confirming that the number of boxes of cannabis goods, type of cannabis goods, weight and or units of cannabis goods, matches the label on the boxes containing the cannabis goods.
- IXXCO, Inc. shall not take into possession or transport any cannabis goods that are not on the shipping manifest; or any cannabis goods that are less than or greater than the amount reflected on the shipping manifest.
- IXXCO, Inc. is responsible for any discrepancies between the shipping manifest and the cannabis goods in its possession during transport, and subject to any enforcement or disciplinary action related to such discrepancy.
- IXXCO, Inc. shall not void or change a shipping manifest after departing from the originating licensed premises.

A shipping manifest shall accompany every transport of cannabis goods.

TRACK AND TRACE

Once a licensee gains access to METRC, the following will also apply:

- A shipping manifest, printed from METRC, shall accompany every transport of cannabis goods.
- Notwithstanding the previous section, if a distributor has NOT obtained access to the track and trace system, IXXCO, Inc. shall complete the shipping

manifest outside of the track and trace system and transmit it to the Bureau and the licensee receiving the shipment by electronic mail.

- If IXXCO, Inc. has access to the track and trace system and the licensee receiving the shipment has not obtained access to the track and trace system, IXXCO, Inc. shall complete the shipping manifest in the track and trace system and transmit it to the Bureau as well as the licensee that will receive the cannabis goods prior to transporting the cannabis goods.
- IXXCO, Inc. shall ensure and verify that the cannabis goods being taken into possession for transport at the originating licensed premises are as described and accurately reflected in the shipping manifest.
- IXXCO, Inc. shall not take into possession or transport any cannabis goods that are not on the shipping manifest.
- Any cannabis goods that are less than or greater than the amount reflected on the shipping manifest.
- Shipping manifest will be generated in the track and trace system and will include:
 - The name, license number, and premises address of the originating licensee.
 - The name, license number, and premises address of the licensee transporting the cannabis goods.
 - The name, licensee number, and premises address of the destination licensee receiving the cannabis goods into inventory or storage.
 - The date and time of departure from the licensed premises and approximate date and time of departure from each subsequent licensed premises, if any.
 - Arrival date and estimated time of arrival at each licensed premises.
 - Driver's license number of the personnel transporting the cannabis goods, and the make, model, and license plate number of the vehicle used for transport.

Fire Prevention Plan

For IXXCO Incorporated

10/14/2018

I. OBJECTIVE

The purpose of this Fire Prevention Plan is to eliminate the causes of fire, prevent loss of life and property by fire, and to comply with the Occupational Safety and Health Administration's (OSHA) standard on fire prevention, 29 CFR 1910.39. It provides employees with information and guidelines that will assist them in recognizing, reporting, and controlling fire hazards.

II. BACKGROUND

IXXCO Incorporated is committed to minimizing the threat of fire to employees, visitors, and property.

IXXCO Incorporated complies with all applicable laws, regulations, codes, and good practices pertaining to fire prevention. *IXXCO Incorporated's* separate Emergency Action Plan spells out the procedures for responding to fires.

This Fire Prevention Plan serves to reduce the risk of fires at *IXXCO Incorporated* in the following ways:

- A. identifies materials that are potential fire hazards and their proper handling and storage procedures;
- B. distinguishes potential ignition sources and the proper control procedures of those materials;
- C. describes fire protection equipment and/or systems used to control fire hazards;
- D. identifies persons responsible for maintaining the equipment and systems installed to prevent or control ignition of fires;
- E. identifies persons responsible for the control and accumulation of flammable or combustible material;
- F. describes good housekeeping procedures necessary to insure the control of accumulated flammable and combustible waste material and residues to avoid a fire emergency; and
- G. provides training to employees with regard to fire hazards to which they may be exposed.

III. ASSIGNMENT OF RESPONSIBILITY

Fire safety is everyone's responsibility. All employees should know how to prevent and respond to fires and are responsible for adhering to company policy regarding fire emergencies.

A. Management

Management determines the *IXXCO Incorporated* fire prevention and protection policies. Management will provide adequate controls to provide a safe workplace and will provide adequate resources and training to its employees to encourage fire prevention and the safest possible response in the event of a fire emergency.

B. Plan Administrator

Roger Herrick shall manage the Fire Prevention Plan for *IXXCO Incorporated*, and shall maintain all records pertaining to the plan. The Plan Administrator shall also:

1. Develop and administer the *IXXCO Incorporated* fire prevention training program.
2. Ensure that fire control equipment and systems are properly maintained.
3. Control fuel source hazards.
4. Conduct fire risk surveys (see Appendix A) and make recommendations.

C. Supervisors

Supervisors are responsible for ensuring that employees receive appropriate fire safety

training, and for notifying *Roger Herrick* when changes in operation increase the risk of fire. Supervisors are also responsible for enforcing *IXXCO Incorporated* fire prevention and protection policies.

D. Employees

All employees shall:

1. Complete all required training before working without supervision.
2. Conduct operations safely to limit the risk of fire.
3. Report potential fire hazards to their supervisors.
4. Follow fire emergency procedures.

IV. PLAN IMPLEMENTATION

A. Good Housekeeping

To limit the risk of fires, employees shall take the following precautions:

1. Minimize the storage of combustible materials.
2. Make sure that doors, hallways, stairs, and other exit routes are kept free of obstructions.
3. Dispose of combustible waste in covered, airtight, metal containers.
4. Use and store flammable materials in well-ventilated areas away from ignition sources.
5. Use only nonflammable cleaning products.
6. Keep incompatible (i.e., chemically reactive) substances away from each other.
7. Perform “hot work” (i.e., welding or working with an open flame or other ignition sources) in controlled and well-ventilated areas.
8. Keep equipment in good working order (i.e., inspect electrical wiring and appliances regularly and keep motors and machine tools free of dust and grease.
9. Ensure that heating units are safeguarded.
10. Report all gas leaks immediately Mark Schaeffer shall ensure that all gas leaks are repaired immediately upon notification.
11. Repair and clean up flammable liquid leaks immediately.
12. Keep work areas free of dust, lint, sawdust, scraps, and similar material.

13. Do not rely on extension cords if wiring improvements are needed and take care not to overload circuits with multiple pieces of equipment.
14. Ensure that required hot work permits are obtained.
15. Turn off electrical equipment when not in use.

B. Maintenance

Mark Schaeffer will ensure that equipment is maintained according to manufacturers' Specifications. *IXXCO Incorporated* will also comply with requirements of the National Fire Protection Association (NFPA) codes for specific equipment. Only properly trained individuals shall perform maintenance work.

The following equipment is subject to the maintenance, inspection, and testing procedures:

1. Equipment installed to detect fuel leaks, control heating, and control pressurized Systems;
2. Portable fire extinguishers, automatic sprinkler systems, and fixed extinguishing systems;
3. Detection systems for smoke, heat, or flame;
4. Fire alarm systems; and
5. Emergency backup systems and the equipment they support.

C. TYPES OF HAZARDS

The following sections address the major workplace fire hazards at *IXXCO Incorporated's* facilities and the procedures for controlling the hazards.

A. Electrical Fire Hazards

Electrical system failures and the misuse of electrical equipment are leading causes of workplace fires. Fires can result from loose ground connections, wiring with frayed insulation, or overloaded fuses, circuits, motors, or outlets.

To prevent electrical fires, employees shall:

1. Make sure that worn wires are replaced.
2. Use only appropriately rated fuses.
3. Never use extension cords as substitutes for wiring improvements.
4. Use only approved extension cords [i.e., those with the Underwriters Laboratory

(UL) or Factory Mutual (FM) label].

5. Check wiring in hazardous locations where the risk of fire is especially high.
6. Check electrical equipment to ensure that it is either properly grounded or double insulated.
7. Ensure adequate spacing while performing maintenance.

B. Office Fire Hazards

Fire risks are not limited to *IXXCO Incorporated's* industrial facilities. Fires in offices have become more likely because of the increased use of electrical equipment, such as computers and fax machines. To prevent office fires, employees shall:

1. Avoid overloading circuits with office equipment.
2. Turn off nonessential electrical equipment at the end of each workday.
3. Keep storage areas clear of rubbish.
4. Ensure that extension cords are not placed under carpets.
5. Ensure that trash and paper set aside for recycling is not allowed to accumulate.

C. Flammable and Combustible Materials

Roger Herrick shall regularly evaluate the presence of combustible materials at *IXXCO Incorporated* (see Appendix D).

Certain types of substances can ignite at relatively low temperatures or pose a risk of catastrophic explosion if ignited. Such substances obviously require special care and handling.

1. Class A combustibles.

These include common combustible materials (wood, paper, cloth, rubber, and plastics) that can act as fuel and are found in non-specialized areas such as offices.

To handle Class A combustibles safely:

- a. Dispose of waste daily.
- b. Keep trash in metal-lined receptacles with tight-fitting covers (metal waste baskets that are emptied every day do not need to be covered).
- c. Keep work areas clean and free of fuel paths that could allow a fire to spread.

- d. Keep combustibles away from accidental ignition sources, such as hot plates, soldering irons, or other heat- or spark-producing devices.
- e. Store paper stock in metal cabinets.
- f. Store rags in metal bins with self-closing lids.
- g. Do not order excessive amounts of combustibles.
- h. Make frequent inspections to anticipate fires before they start.

Water, multi-purpose dry chemical (ABC), and halon 1211 are approved fire extinguishing agents for Class A combustibles.

2. Class B combustibles.

These include flammable and combustible liquids (oils, greases, tars, oil-based paints, and lacquers), flammable gases, and flammable aerosols.

To handle Class B combustibles safely:

- a. Use only approved pumps, taking suction from the top, to dispense liquids from tanks, drums, barrels, or similar containers (or use approved self-closing valves or faucets).
- b. Do not dispense Class B flammable liquids into containers unless the nozzle and container are electrically interconnected by contact or by a bonding wire. Either the tank or container must be grounded.
- c. Store, handle, and use Class B combustibles only in approved locations where vapors are prevented from reaching ignition sources such as heating or electric equipment, open flames, or mechanical or electric sparks.
- d. Do not use a flammable liquid as a cleaning agent inside a building (the only exception is in a closed machine approved for cleaning with flammable liquids).
- e. Do not use, handle, or store Class B combustibles near exits, stairs, or any other areas normally used as exits.
- f. Do not weld, cut, grind, or use unsafe electrical appliances or equipment near Class B combustibles.
- g. Do not generate heat, allow an open flame, or smoke near Class B combustibles.
- h. Know the location of and how to use the nearest portable fire extinguisher rated for Class B fire.

Water should not be used to extinguish Class B fires caused by flammable liquids.

Water can cause the burning liquid to spread, making the fire worse. To extinguish a fire caused by flammable liquids, exclude the air around the burning liquid. The following fire-extinguishing agents are approved for Class B combustibles: carbon dioxide, multi-purpose dry chemical (ABC), halon 1301, and halon 1211.

(NOTE: Halon has been determined to be an ozone-depleting substance and is no longer being manufactured. Existing systems using halon can be kept in place.)

D. Smoking

Smoking of any substance is prohibited in all *IXXCO Incorporated* buildings. Certain outdoor areas may also be designated as no smoking areas. The areas in which smoking is prohibited outdoors are identified by NO SMOKING signs. Those signs of 8 x 10 inches will state "Smoking, ingesting, or consuming cannabis on or within 20 feet of this site is Prohibited."

VI. TRAINING

Roger Herrick shall present basic fire prevention training to all employees upon employment, and shall maintain documentation of the training, which includes:

- A. review of 29 CFR 1910.38, including how it can be accessed;
- B. this Fire Prevention Plan, including how it can be accessed;
- C. good housekeeping practices;
- D. proper response and notification in the event of a fire;
- E. instruction on the use of portable fire extinguishers (as determined by company policy in the Emergency Action Plan); and
- F. Recognition of potential fire hazards.

Supervisors shall train employees about the fire hazards associated with the specific materials and processes to which they are exposed and will maintain documentation of the training. Employees will receive this training:

- A. at their initial assignment;
- B. annually; and
- C. when changes in work processes necessitate additional training.

VII. PROGRAM REVIEW

Mark Schaeffer shall review this Fire Prevention Plan at least annually for necessary changes.

Appendix A

Fire Risk Survey

IXXCO Incorporated

Type of Fire Hazard Location Emergency Actions Required PPE

Completed by: _____ Date: _____

Appendix B

IXXCO Incorporated

General Fire Prevention Checklist

This checklist is used to ensure fire prevention measures conform to the general fire prevention requirements found in OSHA standards.

Is the local fire department acquainted with your facility, its location, and specific hazards?

☐ Yes ☐ No

If you have a fire alarm system, is it tested at least annually?

☐ Yes ☐ No

If you have interior standpipes and valves, are they inspected regularly?

☐ Yes ☐ No

If you have outside private fire hydrants, are they on a routine preventive maintenance schedule and flushed at least once a year?

☐ Yes ☐ No

Are fire doors and shutters in good operating condition?

☐ Yes ☐ No

Are fire doors and shutters unobstructed and protected against obstructions, including their counterweights?

☐ Yes ☐ No

Are automatic sprinkler system water control valves, air pressure, and water pressure checked weekly or periodically?

☐ Yes ☐ No

Has responsibility for the maintenance of automatic sprinkler systems been assigned to an employee or contractor?

☐ Yes ☐ No

Are sprinkler heads protected by metal guards?

☐ Yes ☐ No

Is proper clearance maintained below sprinkler heads?

☐ Yes ☐ No

Are portable fire extinguishers provided in adequate number and type?*

☐ Yes ☐ No

Are fire extinguishers mounted in readily accessible locations?*

☐ Yes ☐ No

Are fire extinguishers recharged regularly with the recharge date noted on an inspection tag?

☐ Yes ☐ No

Are employees periodically instructed in the use of extinguishers and fire protection procedures?

☐ Yes ☐ No

*(NOTE: Use of fire extinguishers is based on company policy regarding employee firefighting in your Emergency Action Plan and local fire code.)

Completed by: _____ Date: _____

Appendix C

IXXCO Incorporated

Exits Checklist

Use this checklist to evaluate *IXXCO Incorporated's* compliance with OSHA's standard on emergency exit routes.

☐ Yes ☐ No

Is each exit marked with an exit sign and illuminated by a reliable light source?

☐ Yes ☐ No

Are the directions to exits, when not immediately apparent, marked with visible signs?

☐ Yes ☐ No

Are doors, passageways, or stairways that are neither exits nor access to exits, and which could be mistaken for exits, marked "NOT AN EXIT" or other appropriate marking?

☐ Yes ☐ No

Are exit signs provided with the word "EXIT" in letters at least five inches high and with lettering at least one inch wide?

☐ Yes ☐ No

Are exit doors side-hinged?

☐ Yes ☐ No

Are all exits kept free of obstructions?

☐ Yes ☐ No

Are there at least two exit routes provided from elevated platforms, pits, or rooms where the absence of a second exit would increase the risk of injury from hot, poisonous, corrosive, suffocating, flammable, or explosive substances?

☐ Yes ☐ No

Is the number of exits from each floor of a building and from the building itself appropriate for the building occupancy? (NOTE: Do not count revolving, sliding, or overhead doors when evaluating whether there are sufficient exits.)

☐ Yes ☐ No

Are exit stairways that are required to be separated from other parts of a building enclosed by at least one-hour fire-resistant walls (or at least two-hour fire-resistant walls in buildings over four stories high)?

☐ Yes ☐ No

Are the slopes of ramps used as part of emergency building exits limited to one foot vertical and 12 feet horizontal?

☐ Yes ☐ No

Are glass doors or storm doors fully tempered, and do they meet the safety requirements for human impact?

☐ Yes ☐ No

Can exit doors be opened from the direction of exit travel without the use of a key or any special knowledge or effort?

☐ Yes ☐ No

Are doors on cold storage rooms provided with an inside release mechanism that will release the latch and open the door even if it's padlocked or otherwise locked on the outside?

☐ Yes ☐ No

Where exit doors open directly onto any street, alley, or other area where vehicles may be operated, are adequate barriers and warnings provided to prevent employees from stepping into the path of traffic?

☐ Yes ☐ No

Are doors that swing in both directions and are located between rooms where there is frequent traffic equipped with glass viewing panels?

☐ Yes ☐ No

Completed by: _____ Date: _____

Appendix D

IXXCO Incorporated

Flammable and Combustible Material Checklist

Use this checklist to evaluate *IXXCO Incorporated's* compliance with OSHA's standards on flammable and combustible materials:

☐ Yes ☐ No

Are combustible scrap, debris, and waste materials such as oily rags stored in covered metal receptacles and removed from the worksite promptly?

☐ Yes ☐ No

Are approved containers and tanks used for the storage and handling of flammable and combustible liquids?

☐ Yes ☐ No

Are all connections on drums and combustible liquid piping vapor and liquid tight?

☐ Yes ☐ No

Are all flammable liquids kept in closed containers when not in use?

☐ Yes ☐ No

Are metal drums of flammable liquids electrically grounded during dispensing?

☐ Yes ☐ No

Do storage rooms for flammable and combustible liquids have appropriate ventilation systems?

☐ Yes ☐ No

Are NO SMOKING signs posted on liquefied petroleum gas tanks?

☐Yes ☐No

Are all solvent wastes and flammable liquids kept in fire-resistant covered containers until they are removed from the worksite?

☐Yes ☐No

Is vacuuming used whenever possible rather than blowing or sweeping combustible dust?

☐Yes ☐No

Are fuel gas cylinders and oxygen cylinders separated by distances or fire resistant barriers while in storage?

☐Yes ☐No

Are fire extinguishers appropriate for the materials in the areas where they are mounted?*

☐Yes ☐No

Are appropriate fire extinguishers mounted within 75 feet of outside areas containing flammable liquids and within 10 feet of any inside storage area for such materials?*

☐Yes ☐No

Are extinguishers free from obstruction or blockage?*

☐Yes ☐No

Are all extinguishers serviced, maintained, and tagged at least once a year?*

☐Yes ☐No

Are all extinguishers fully charged and in their designated places?*

☐Yes ☐No

Where sprinkler systems are permanently installed, are the nozzle heads directed or arranged so that water will not be sprayed into operating electrical switchboards and equipment?

☐Yes ☐No

Are NO SMOKING and other city and state required signs posted in areas where flammable or combustible materials are used or stored?

☐Yes ☐No

Are safety cans utilized for dispensing flammable or combustible liquids at the point of use?

☐Yes ☐No

Are all spills of flammable or combustible liquids cleaned up promptly?

☐Yes ☐No

Are storage tanks adequately vented to prevent the development of an excessive vacuum or pressure that could result from filling, emptying, or temperature changes?

☐ Yes ☐ No

*(NOTE: Use of fire extinguishers is based on company policy regarding employee fire fighting in your Emergency Action Plan and local fire code.)

Completed by: _____ Date: _____

Fire Extinguishers and California Code of Regulations

IXXCO, Inc. will provide fire extinguishers. CCR (the California Code of Regulations) Title 8 – Section 6151 – contains certain details for the regulation of fire extinguisher standards in Humboldt County. The four recommended 10 pound A-B-C fire extinguishers are serviced by Eureka Humboldt Fire Extinguisher Company.



Cal OSHA mandates the various distribution requirements within each building for the different fire extinguisher classes. For instance, it stipulates that: Classes A and D extinguishers should be installed every 75 feet (or less)

Mounting

Signs posted All fire extinguishers securely on a wall with easy access in case of fire. There is no storage material or furniture blocking access to fire extinguishers.

There are 4 fire 10 pound fire extinguishers. There is one mounted on the wall next to each entrance. There is one mounted next to the loading dock. There is one mounted up stairs in the storage area. Training is provided for all employees on the locations of the fire extinguishers.

Testing, Maintenance, and Inspection

Additionally, the California code on fire also requires regular testing, maintenance, and inspection of fire extinguishers. All fire extinguishers are fully charged and that they are in working condition.

It is also mandatory for an annual recharge and maintenance check, which should be performed by a trained and certified company/individual. To ensure that they work optimally a hydrostatic test is performed after every 5 or 12 years using the right testing facilities and equipment. Annual service is documented on the service tag for each fire extinguisher.

California code requires fire extinguishers are inspected every month. The inspection should ensure that the fire extinguishers are free of dents, signs of damage, and leaks so they can be operated correctly.

The pressure gauge arrows, on the other hand, should be in the green charged zone while the inspector's initials and the date of inspection must be marked on the service tag.

Employee Training

Employees are trained on fire hazards. The training covers the basic principles of using fire extinguishers, the hazards that are typically involved with firefighting and more.

Similarly, training includes the process for reporting a fire, how to evaluate the size of a fire, how to use a fire extinguisher, as well as keeping the exit route in good condition.

This training is provided to every new employee, for employees assigned to emergency response teams, and to all other employees on an annual basis. The records for the training are recorded and documented.



