

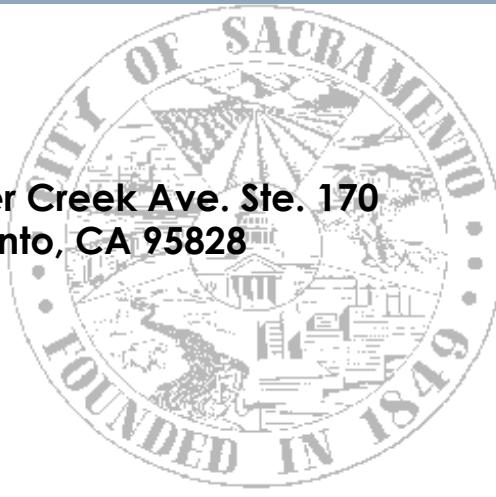


City of Sacramento
CANNABIS NON-STOREFRONT DISPENSARY
(Delivery Only)
Business Operating Permit

Permit Holder: **SOVA INC**

Permit Number: **20-OP-00172-6**

Address of Operation: **8880 Elder Creek Ave. Ste. 170
Sacramento, CA 95828**



Issue Date: **April 17, 2022**
Expiration Date: **April 16, 2023**

A handwritten signature in blue ink that reads "Davina S. Smith".

Davina S. Smith, Cannabis Manager, Office of Cannabis Management

Conditions:

1. This permit must be posted in a conspicuous place at the place of business and all persons transporting cannabis and cannabis products for the business must carry a copy of the permit in the authorized transport vehicle at all times.
2. The permit holder shall adhere to ALL operating requirements in accordance with Sacramento City Code section 5.150.
3. The permit holder shall secure approval from the Office of Cannabis Management for any changes to approved delivery permit type according to gross receipts and floor plans submitted with the Business Operating Permit (BOP) application.
4. The permit holder shall obtain and maintain all applicable State and local permits including modifications to a Conditional Use Permit (CUP) and necessary building permits for any changes to the premises, as needed.
5. The permit holder shall timely pay all permit fees and taxes, including the City of Sacramento Business Operations Tax (pursuant to Chapter 3.08 of the Sacramento City Code) and state sales tax. Tax payments shall be remitted on the first day of each month for the prior month. The permit holder shall remit within 30 days of notification, any past due or under-reported Business Operations Taxes identified by the City.
6. The permit holder shall submit a Business Information Change (BIC) form to the City for any change in the business structure, ownership, ownership composition, and "Doing Business As" or trade name, within 30 days of the change and ensure that all persons have cleared a background check. A copy of the approved BIC shall be retained onsite and shall be made available for Code inspections.
7. Loading and unloading of cannabis products shall only take place within the designated and approved secured loading area.
8. The permit holder is responsible for ensuring that all persons transporting cannabis or cannabis products have been background checked and have a valid driver's license and all vehicles carry a valid registration and insurance. All documentation related to this requirement shall be kept onsite for Code inspections.
9. The permit holder shall not submit falsified documentation or misleading information to the City.
10. City officials may inspect the delivery-only dispensary premises at any reasonable time, may demand copies of records maintained by the dispensary and no dispensary shall refuse or interfere with any inspection.
11. The permit holder shall maintain a written accounting of all income and expenditures, including cash and in-kind transactions, reimbursement, and compensation; and an inventory record documenting the dates and amounts of cannabis received, stored, sold, and distributed.
12. The permit holder shall maintain its business records for at least three years and produce them to the city within 24 hours after receipt of the City's request.

I AGREE TO THE CONDITIONS LISTED ON THIS PERMIT:

Printed Name/ Title

(Conditions continue on reverse side)

Signature

13. The permit holder shall maintain a Point-of-Sale system that can interface with the State's Track-and-Trace system.
14. The permit holder shall within 24 hours of occurrence, notify the Office of Cannabis Management of any and all security breaches, alarm activations, private security responses and any other security-related calls for service responded to by the Sacramento Police Department or other law enforcement agencies.

Security Conditions:

1. Management shall hold employee safety meetings **quarterly** (at a minimum) to address security concerns and review security policies and procedures (e.g., opening and closing procedures, etc.). The meeting date and time, topics addressed, and names of attendees shall be kept in a log maintained on site.
2. ALL exterior doors shall be equipped with a metal latch guard (plate), to protect the locking mechanism and prevent/deter intrusion via crowbar.
3. ALL cannabis products, with the exception of cannabis in the stages of processing (cultivation), **shall** be stored in a secure storage area during non-business hours.
4. Doors accessing all areas designated as **secure storage for cannabis products and/or cash** shall be equipped with metal door/frame plates, allowing the plate(s) to be locked with a circular "hidden shackle padlock(s)." These areas shall be locked during all non-business hours. These areas shall remain unlocked during business hours. The shackle padlock(s) should be locked and secured nearby, to the wall, during business hours.
5. The premises shall be equipped with Live Video Monitoring Analytics for **each** side of the structure on which there is an entrance/exit leading to the business. The system shall allow for the monitoring company to audibly engage suspects on the property. Monitoring shall be performed by a licensed third party Alarm Company Operator (ACO) or Private Patrol Operator (PPO). Live Video Monitoring shall be operational during ALL non-business hours.
6. The business shall be equipped with and maintain a security system with:
 - An alarm system with a valid UL Certificate in accordance with ANSI/UL Standard 681-2014 (Standard for Installation and Classification of Burglar and Holdup Alarm), **Extent Number 2** with line security.
 - A Video Assessment and Surveillance System (VASS).
7. Holdup/Distress alarm system shall be employed near the:
 - transport area
 - manager's office
 - lobby
 - safe(s)
8. Burglar alarms shall cause the dispatch of a properly licensed private patrol.
The monitoring center will be instructed to notify both the on-site security officer assigned (if applicable) and/or a duly licensed private patrol operator. Security will be responsible for providing a timely response, **not to exceed 20 minutes**. The private patrol operator will be instructed and equipped to notify the Security Director in the event of a breach in security (open door).
9. The Security Director or its designee shall be able to respond to assist in evaluating the activation **within one hour**. Where evidence of criminal activity is discovered by the private patrol operator or the responding Security Manager (or designee), those responding shall retreat to a position of safety and observation, shall alert local law enforcement and shall assist law enforcement with all necessary access to and within the facility as is needed to investigate.
10. Holdup alarms shall cause the dispatch of the Sacramento Police Department.
11. Security system shall be equipped with at least 24 hours of continued operation time in case of power failure.
12. Security system shall be equipped with cellular back-up in case of phone line disruption.
13. A log shall be maintained that shows when the alarm system was armed and disarmed, and by whom.
14. The following are Specifications / Conditions for Video Assessment and Surveillance System (VASS):
 - VASS must provide comprehensive coverage of:
 - safe(s)
 - areas of ingress and egress
 - parking lot, loading areas
 - coverage of all four (4) exterior sides of the property
 - adjacent public rights of way
 - VASS storage must be:
 - kept off-site or in a secured area accessible only to management
 - capable of storing no less than 30 days' worth of activity (CA State currently requires 90 days of retention),
 - capable of exporting footage to common media in a standard viewing format
 - shall not require proprietary software for third party viewing
 - The manager with access to the VASS storage shall be able to respond to any activation within one hour.
 - Cameras shall be day/night capable with a resolution of no less than two (2) megapixels and a minimum frame rate of 15 frames per second.
15. Monitors displaying the employee parking area and property perimeter shall be mounted in a visible location near the door from which employees will arrive and depart so that employees may monitor the outside environment prior to departing the facility.