# **Environmental Impact Plan**

Since its inception Loud Labs has and will continue to be a company that takes both the lab environment and the impact we make on the world to heart. We try to do everything within our power to ensure this by taking the following initiatives that puts both of those factors' first and foremost.

Loud Labs currently utilizes child proof packaging for all of our products. The use of Mylar allows for medicated product to be resealed in order to have the safest products possible. This type of packaging unfortunately doesnt have many recyclable options that are currently available, but the added safety and reusability makes up for that shortcoming. For certain products we do utilize recyclable cardboard as well as plastics such as our pods, and doob tubes. Another great thing about these specific cardbords is that they are made from plants utilizing renewable energy. When possible, we always choose the most eco friendly suppliers available. We ourselves are looking into what options are available to lower our electrical load by installing solar panels. This is going to be a focus in our design process for the building we will be purchasing in New Jersey. Luckily, our manufacturing processes do not require many other energy intensive applications such as high water usage or high cooling capacity.

Our Environmental Impact Plan applies to all Loud Labs team members, and all escorted guests at all times. This plan insurance a safe working environment for our employees so they are not exposed to potentially dangerous volatile organic compounds. This includes but not limited to the following:

- Lab Director
- Lab Manager(s)
- Lab Techs
- Product Packagers

In any lab environment there are certain risk factors that can be prevented such as the following: exposure to chemicals, cannabinoids, and cleaning solvents as well as exposure to potential allergens such as terpenes, and spills/slip and falls. Organizational responsibilities are broken down into the following:

### **Lab Director**

- Ensures implementation of the EIP program with all managers and personnel
- Participates in all incident reports
- Ensures all necessary PPE is in stock and available to personnel
- Informs all personnel of any changes made to the Environmental Impact Plan
- Has overall responsibility for the implementation of the program
- Oversees and manages all consumables, equipment, maintenance, and run logs

### Lab manager(s)

- Ensures Technicians are following the EIP
- Enforces health and safety rules
- Investigates and reports incidents to Director and asks for further investigation if necessary
- Informs Director if it is deemed necessary that any changes be made to the EIP
- Ensures personnel are trained in the use of all equipment and PPE
- Assigns work to Technicians
- Enforces the use of all required PPE

- Ensures personnel have read and have constant access to any applicable SOP and SDS relevant to assigned duties
- Performs any required maintenance on machines and supplies replacement PPE and documents it in the log

### Lab technicians

- · Report any hazardous or potentially unsafe conditions to any member of management
- Maintain an understanding of safe working procedures, SOP, and the EIP
- Comply with rules and procedures documented in the EIP
- Do not deviate from training of procedures and processes
- Inspect all equipment and PPE before use and report any need for replacement parts or equipment to management
- Accurately fill out any and all logs associated with daily procedures

### **Product Packagers**

- Report any hazardous or potentially unsafe conditions to any member of management
- · Maintain an understanding of safe working procedures, SOP, and the EIP
- Comply with rules and procedures documented in the EIP
- Do not deviate from training of procedures and processes
- Inspect all equipment and PPE before use and report any need for replacement parts or equipment to management

### Potential Hazards of the Processes

In the event of unsafe working practices, the following hazards may apply, but are not limited to:

- Electrical shock
- Explosion
- Solvent inhalation
- Frostbite or burns
- Broken glass

### Personal Protective Equipment (PPE)

- Safety glasses
- Lab coat
- Gloves
- Slip resistant shoes
- Earplugs
- Respirator

### **Monitoring**

Monitoring will be in place for fire safety and gas detection wherever necessary, including the following:

- Smoke detectors
- LPG gas 'sniffer' used to monitor the lower explosive limit (LEL) of the extraction environment

 Handheld gas detector to determine when crude and extracted biomass is safe to remove from the extraction booth

### **Contamination Control**

The following steps will be taken to keep contaminants out of the product throughout any and all processes the product is involved in:

- Rules associated with personal hygiene to ensure employees are not bringing contaminants into the lab or products
- Scrubs, lab coats, and lab shoes will be worn at all times when handling product
- Lab clothing will remain in the lab unless being washed
- No outside shoes can be worn in the lab by visitors without appropriate shoe covers
- Gloves must be worn at all times when handling product
- Lab is cleaned daily to ensure there is no buildup of dust and or bacteria
- All lab utensils and glassware are cleaned and sterilized before use
- All lab equipment is cleaned immediately in the event of spills or splatters, and is cleaned daily or weekly regardless of incident
- Only lab personnel and managers are allowed in the lab outside of scheduled visits/tours with an escort
- Spill procedures in place to ensure product is properly handled in the event of a spill

### **Communication**

Telephones and emergency alarm pull switches will be available in every room, personnel will also understand basic hand signaling such as:

- Hand gripping throat = Out of air, can't breathe
- Grip on someone's wrist or placement of both hands around someone's arm = Leave area immediately, no debate
- Hands on top of head = Need assistance
- Thumbs up = Okay, I'm all right, I understand
- Thumbs down = No, negative

### **Emergency Response Plan**

- The Director will have in place an Emergency Response Plan which all personnel will be trained in. This plan will detail the steps taken in response to various emergency situations that may occur.
- The Director oversees the Emergency Response Plan and performs audits to determine that the plan is in effect and that all emergency requirements are met.
- In the event of an emergency, the Director or Manager will make contact with local emergency response personnel. In these contacts, the Director/Manager will inform response personnel about the nature of work on the site, the type of contaminants and associated health or safety effects, and the nature of the emergency, particularly if it is related to exposure to contaminants.
- The Director will review this plan, verify the emergency phone numbers listed, and have the hospital route pictured. The Director/Manager will enact this plan in the event that conditions on the site warrant its use.

- Site personnel are responsible for knowing the Emergency Response Plan and the procedures contained herein. Personnel are expected to notify Management of situations that could constitute a site emergency.
- All personnel will be instructed on proper emergency response procedures and locations
  of emergency telephone numbers. If an emergency occurs at the work area, including
  but not limited to fire, explosion, or significant release of gas into the atmosphere,
  immediate evacuation of all personnel is necessary due to an immediate or impending
  danger. All equipment will be shut down and all personnel will evacuate the work areas
  and assemble at a predetermined location.

### **Emergency Phone Numbers**

- Police, Fire, Ambulance 911
- Poison Control Center 800-252-5655
- EPA National Response Center 800-424-8802

### **Fire Prevention and Protection**

In the event of a fire or explosion, procedures will include immediately evacuating the work area, Management will immediately notify the local fire and police departments. No personnel will fight a fire beyond the stage where it can be put out with a portable extinguisher (incipient stage). Adhering to the following precautions will help to prevent fires:

- Good housekeeping and storage of materials
- Storage of flammable liquids and gasses away from oxidizers
- No smoking in the exclusion zone or any work area
- Use of Underwriters Laboratory approved flammable storage cans
- Fire extinguishers rated at least 10 pounds ABC dry chemical
- Yearly inspections of all fire extinguishers

### **Accident/Incident Reporting**

Any incident involving any of the following circumstances must be reported in writing to Management for review:

- Spills
- Broken glass or equipment
- Accidental LPG gas release
- Injuries or slip and falls
- Loss of product
- Theft
- Accidental alarm trip
- Medical emergencies
- Verbal confrontations

### Spill Control and Response

All small hazardous spills/environmental releases shall be contained as close to the source as possible. Whenever possible, the SDS will be consulted to assist in determining the best means of containment and cleanup. For small spills, sorbent materials such as sand, sawdust, or commercial sorbents should be placed directly on the substance to contain the spill and aid

recovery. Any liquid solvent spills should be diluted or neutralized carefully prior to attempting recovery. Earthen or sorbent materials can be used to contain the leading edge of the spills. Drains or drainage areas should be blocked. All spill containment materials will be properly disposed of as waste. An exclusion zone of 50 feet around the spill area should be established depending on the size of the spill.

The Manager should take the following steps:

- Determine the nature, identity, and amounts of major spill components.
- Make sure all unnecessary persons are removed from the spill area.
- Notify appropriate response teams and authorities.
- Use proper PPE
- If a flammable liquid, gas, or vapor is involved, remove all ignition sources and use non sparking and/or explosive proof equipment to contain or clean up the spill
- If possible, try to stop the leak with appropriate material.
- Remove all surrounding materials that can react or compound with the spill

### **Emergency Equipment**

The following minimum emergency equipment shall be kept and maintained on site.

- Industrial first aid kit
- Eve wash station
- Fire extinguishers
- Absorbent material

### **Postings**

The following information shall be posted or readily visible and available at conspicuous locations throughout the site.

- Emergency telephone numbers
- Hospital Route Map

### **Training Requirements**

Laboratory personnel will be trained on all equipment and procedures by the Lab Manager. Each piece of equipment has its own manual and SOP for the process that it is involved in. Ancillary equipment and PPE must also be trained on in order to successfully carry out the processes properly. The ETS extraction equipment requires formal training by ETS for personnel to be allowed to operate the equipment per regulation.

### First Aid

- In the event of an injury there are First Aid kits located in the bathrooms.
- Simple First Aid may be carried out by personnel or the injured person.
- In the event of severe injuries medical personnel should be contacted to notify them of the incoming patient.
- If the person is critically injured, immediately call 911 to have an ambulance respond.

#### Logs and Reports

On-Site logs will be kept daily to record all processes, materials used, and consumables used. Logs will also be kept in regard to incidents, accidents, spills, and accidental gas discharge. Safety Data Sheets (SDS) will be available and accessible to all personnel and all personnel should be familiar with all associated SDS for materials they will be handling. Daily and weekly safety reports will be generated by the Director to be bundled together with production reports to be reviewed by upper management.

### SDS and Procedural Manuals (SOP) Location

All SDS and SOP, as well as equipment manuals and safety information, are located behind the Lab Director's desk on the wall. Extraction solvent SDS are also located outside the extraction booth.

### Safety & Security Plan

Loud Labs of NJ LLC is committed to being a leader in New Jersey's adult-use cannabis industry and a trusted resource for the communities we serve. Essential to fulfilling this commitment is our ability to effectively protect our product from criminal repurposing.

This Security, Surveillance and Diversion Prevention Plan details the physical and electronic security measures we employ at our Processor Facility to deter, detect, and inhibit the theft, diversion, and loss of adult use marijuana, and to prevent unauthorized conduct with respect to the storage and dispensing of adult use marijuana.

### In Accordance with N.J.A.C. 17:30-9.10 Section (b) 1. (i.)(ii.):

Loud Labs of New Jersey utilizes a commercial-grade security alarm system around the perimeter and all possible points of entry to detect motion and identify unauthorized access to the facility in order to prevent and detect diversion, theft, or other loss of adult-use marijuana. Our security alarm system will be professionally monitored by a licensed third-party. 24 hours a day, 7 days a week. Our alarm system shall, upon attempted unauthorized entry, transmit a signal directly to law enforcement and a third-party central protection company which has a legal duty to respond. Notification shall also be transmitted to management.

Burglary Alarm: Our Hard-wired burglar alarm system will cover the following areas of our facility: (1) All entrances/exits, overhead doors or loading bays; (2) All rooms with interior windows or walls (sound activation); (3) Roof hatches, skylights and retractable roof mechanisms; (4) Storage rooms, including those that contain adult use marijuana; (5) Rooms containing vaults, premises access control hardware, and security surveillance equipment and (6) Rooms used to store adult use marijuana.

Components of this system include: Door contacts; 360-degree motion sensors; Overhead door contacts; Roof hatch contact; Sirens; Alarm keypads with built in proximity readers; System link software to allow for the communications between all aspects of the system; and integrated alarm panel with ethernet connectivity.

**Automatic Emergency Message:** Our alarm system will also send a pre-recorded voice message, when activated, over a telephone line, text, email, radio, or other communication device to law enforcement, public safety, or emergency personnel requesting dispatch. We expect the Department to require this, which like all alarm functions here, is integrated within our sophisticated and unified security control and alarm system that supports the triggering of an automatic emergency message through the touch of a single button on a mobile device.

False Alarm: Our alarm system will be equipped with technology to limit false alarms.

Separate Security Alarm system for Surveillance Equipment: If the department mandates it, we will maintain a secondary alarm system, one that is seperate from our facilities primary system, to cover our security and surveillance equipment room where we store surveillance equipment.

### In Accordance with N.J.A.C. 17:30-9.10 Section (b) 2.3.4.5:

**Physical Security Measures:** We use the following physical measures at our facility to deter and detect the theft and diversion of adult use marijuana:

- a. Strict Enforcement of Access Restrictions: We limit access to our facility and access authorities within our facility. This includes a permanent barrier (wall with steel door for access) between public areas (entry) of our facility and non-public areas of the facility as required by N.J.A.C..
- b. Other than the vestibule of our Processor Facility, which is the only area accessible to the general public, access to our entire facility is limited because it contains adult-use marijuana. The vestibule entryway is the only "public or common area" of our facility.
- c. There are two types of access areas within our facility: (1) Limited Access Areas; and (2) Restricted Access Areas.

The entire facility is a restricted access area. Our facility is not open to the public, and unlike a provisioning center, we do not maintain any limited access areas within our Processor Facility. The area just beyond the vestibule entry area is a restricted access area that may only be accessed by registered employees, employees of the New Jersey Cannabis Regulatory Commission, law enforcement, and authorized visitors.

Key Employee: We will designate certain trusted employees as Key Employees. Only those Key Employees who we deem to be essential to surveillance operations will have access to the Security and Surveillance Equipment Room. As an additional check and balance, no Key Employee will have authority to delete video surveillance recordings. Additionally, only those Key Employees who are essential to dispensing functions will have access to the Vault storing marijuana (Lab Supervisor/CEO/Inventory Manager). All access to the security and surveillance equipment room is tracked by the security and surveillance equipment room access log, showing the name, date, reason, authorizing manager, and time in/out of this room.

**Locks:** All locks within our facility are commercial grade. All doors abutting, and all doors of interior rooms containing marijuana, will be equipped with a locking hardware that requires an electronic security card for entry. These locks integrate with the access control system to inhibit unauthorized movement throughout production areas. All door strikes are Fail Secure,

meaning the door remains securely locked in the event of a power failure. During hours of operation, all doors except the front entrance are securely locked. All exterior doors are commercial grade and electronic, secured by two (2) locking devices, one in the door handle, and a second by a commercial grade deadbolt device.

**Lighting:** We will maintain adequate interior and exterior lighting to facilitate security. Our exterior lighting coverage will clearly illuminate all persons and objects in close proximity to the building structure, especially near the all points of ingress and egress. We maintain exterior dusk to dawn lighting. This lighting will serve as a deterrent to unauthorized intruders, and aid in the use of video surveillance systems.

**Proper functioning of security and surveillance equipment:** At all times, there is one employee present within the Processor Facility who is responsible for continuously monitoring the proper functioning of all security and surveillance systems, including the failure notification system.

Annual Security Compliance and Risk Audit: We will engage in an Annual Security Compliance and Risk Audit to review the functionality of these security systems and equipment, and to review the threats, hazards, and assets within our overall security plan. Here is a list of the areas we review during this audit: Incident trends; Interior, exterior and perimeter; Doors, windows, and openings; Access control systems; Employee adherence to Inventory Tracking System (ITS) input; Effectiveness of security employees, equipment, and contractors; Cash handling procedures; Employee background checks; Facility opening and closing procedures; Threats from the community; Adherence to Department's rules; Employee adherence to security protocols; Management of security emergencies; and more as necessary. If, during our first year of operation, we experience any more than an insignificant number of security events related to employee conduct, we will separately audit this type of employee conduct as well, and consider integrating an Employee Compliance Committee to participate in anti-diversion efforts in order to increase overall employee "buy in" of compliance with our security procedures.

Third Party Audit of Equipment and Systems: We will annually submit to an inspection and audit by an independent third party to ensure that all security equipment is in good working order, during which, ALL security and surveillance systems will be inspected and tested.

### In Accordance with N.J.A.C. 17:30-9.10 Section (b) 6 (i)(ii):

**Failure Notification System:** The alarm and surveillance system will be equipped with a failure notification system to provide either an audible, text, or visual notification in the event of

any system failure within five (5) minutes of the failure. The failure notification will be sent directly to on-site security personnel and to the CEO for response.

Failed Components: We maintain our alarm and video surveillance equipment in good repair. In the event of any alarm/video surveillance component failure, we will repair or replace it within 24 hours of the failure, unless the department otherwise grants us an extension of time. We provide to the Department and local Law Enforcement Written Notice, within 24 hours of discovery of evidence of the following 'triggering events:' (1) actual loss, theft or diversion of adult use marijuana; (2) any alarm activation; (3) any other event which requires public safety response; (4) any breach of security; (5) the failure of the security alarm system due to loss of electrical support or mechanical support; (6) fire; (7) any incident involving hazardous material; and (8) any incident that requires an emergency response.

Content of 24 Hour Written Notice: Within 24 hours of discovery of a triggering event, a Type 1 Key Employee prepares a Written Notice that contains the estimated time of the triggering event, the precise location where it occurred, and a detailed description of the circumstances of the event. The notice is signed by the Type 1 Key Employee. If the triggering event involves the loss, theft, or diversion marijuana, the Written Notice will also include an accurate inventory of the quantity and type of adult use marijuana that is unaccounted for.

### In Accordance with N.J.A.C. 17:30-9.10 Section (b) 7.8.:

### **Physical Security Measures and Access Control:**

This is our Security Plan that establishes policies and procedures to ensure a secure, safe facility, and to prevent theft, loss or other diversion.

Department Issued Identification Cards: All owners, officers, board members, employees, administrators, and agents will likely be required to apply to the department for employee ID cards. Employees may not commence employment prior to receipt of their ID card which must be visible at all times while in the facility. We immediately report to the department the discovery of an ID card that has been lost, stolen or destroyed.

Visitor Access is Limited: Only registered employees and authorized visitors are allowed entry to the facility. We maintain a daily schedule of authorized visitors. Individuals seeking entry who have not been pre authorized must be approved by the CEO or Lab supervisor prior to entry. The criteria for approval of a visitor is determined according to whether their presence is related to security, facility maintenance, or the delivery, testing or dispensing of adult-use marijuana. Individuals whose presence is unrelated to those activities are not allowed access to any Restricted Access Area.

Visitor Log: We will strictly adhere to the Department's rules regarding visitor access within areas of our facility containing adult-use marijuana, including use of a Visitors Log. All

visitors must present a government-issued photo identification showing they are over 18 years of age. We photocopy the ID and retain the copy with the log. Visitors are issued an ID badge which must be worn at all times. Unlike employee badges, visitor identification badges do not provide access to locked doors throughout the facility. Visitors are escorted and monitored when in limited or restricted access areas and are instructed not to touch any adult use marijuana. The visitor badge includes the visitor name, company name if any, date and time of arrival/departure, the assigned registered employee escort, the purpose of the visit, and the visitor badge identification number if applicable. Visitors must visibly display their ID Card at all times and return the badge upon departure. The Visitor Log is available upon request to the Department of law enforcement. We retain visitor logs for a minimum of four (4) years.

### **Facility Structure and Design:**

We have incorporated interrelated physical security measures, including the structure and design of our facility, to prevent theft and diversion of marijuana.

Vault: We store adult-use marijuana in our pharmaceutical-grade vault that is permanently affixed to the cement floor. All usable adult-use marijuana on the licensed premises will be stored in our Vault during hours our Processor Facility is not operational as required by the commission. Our commercial vault is U.L. approved to withstand severe torch and tool attacks. There is a video surveillance camera inside the Vault Room and outside the room directed at the door. Employee access to this room is limited to Key Employees. Our vault room is both temperature and climate controlled to ensure product integrity.

**Single Point of Access:** All individuals enter and exit the building through a single door. All goods will be received and shipped through a single commercial door.

**No Direct Access to Marijuana:** None of the exterior doors to the facility provide direct access to any area containing marijuana. Thus, even if the fence and an exterior door are breached, other locked doors prevent an intruder from directly accessing marijuana. No room containing marijuana can be seen from the exterior. The exterior landscaping of our facility is free of large brush, shrubs or other debris that could possibly conceal intrusion from observation and video recording of threats.

**Exterior Lighting:** We will utilize exterior lighting sufficient to ensure that all outside areas are well lit. By all doors, including garage doors, we will install LED security flood lights which will be lit from dusk to dawn. The parking lot and entry areas will be lit with appropriately sized security flood lights. Our well-lit exterior will function both as a powerful deterrent to potential burglars and trespassers, and will serve to assist security personnel in making security assessments in otherwise poor lighting conditions.

**Employee Related Security Measures:** Employee theft is a preventable source of diversion. We guard against employee theft by properly screening employee applicants and by limiting and monitoring employee movement throughout our facility.

**Employee Access:** Employee access to the facility is limited to working hours. This policy is enforced by the access control system which limits employee access throughout the facility to areas where they work during their working hours.

### In Accordance with N.J.A.C. 17:30-9.10 Section (b) 9 (i)(ii):

**Electronic Security - Surveillance System:** We Utilize a commercial grade security surveillance system to monitor the entire premises with a 24 hour live feed with motion-activated recording capabilities. The system will be operational 24 hours a day, 7 days a week.

Our video surveillance system will consist of the following: digital video recordings; motion activated digital video surveillance cameras; video monitors; digital archiving device; a printer capable of producing clear, color, still digital photographs from any camera image; a failure notification system; and backup power. Our surveillance cameras will be of sufficient quality to capture a clear, high resolution photo of individuals in all lighting conditions.

**Interior Surveillance:** We will utilize fixed cameras throughout the entire facility targeting the following interior areas to record a clear, high resolution image of all individuals and activities, including all:

- Entrances and exits
- Rooms where adult use marijuana is stored or handled
- Security and surveillance equipment room
- Designated adult use marijuana waste destruction area
- Rooms containing exterior windows, room hatches, or skylights; and safes and vaults.

  Exterior Surveillance: We will utilize fixed cameras targeting the exterior of the facility to record a clear, high resolution image of all individuals and activities, including all:
  - Points of ingress and egress
  - Parking areas; and
  - Other areas within 15 feet of the exterior of the perimeter of the facility.

**Embedding of Date/Time:** The date and time of each video recording will be set and shall be embedded onto all surveillance recordings without significantly obscuring the picture.

Image Resolution and Lighting: Our video surveillance cameras will be calibrated and properly focused to enable maximum quality of recorded images. All recordings will provide a sufficient image resolution. We will install additional lighting where necessary to enable picture clarity/brightness.

**Exporting capabilities:** Production of Still PHotos: Each camera will have the ability to immediately produce a clear and color still photograph, at a minimum of 9600 dpi, from any camera image (live.recorded). This still image can be exported from our video surveillance

system in an industry standard image format easily used by the department (.jpg, .bmp and /or .gif). All exported video will have the ability to be achieved in a proprietary format to ensure both authentication of the video and that no alteration of the image has occurred in the process, and to be saved in an industry standard file format that is playable on standard computer operating systems.

**Video Retention:** We digitally store all video surveillance recordings on our encrypted server, and at an off-site location as required by N.JA.C. 17:30-9:10,(b) 9 (i)(ii), for a minimum period of 30 day s(or longer if mandated by the Department).

### In Accordance with N.J.A.C. 17:30-9.10 Section (b)10 (i)(ii):

1. See response to above section: N.J.A.C. 17:30-9.10 Section (b) 2,3,4,5

Clear and unobstructed View: All surveillance cameras are carefully placed to ensure that each camera has a clear, unobstructed, 360-degree view of the surrounding area. In processing rooms, this means placing cameras above any adult who uses marijuana. For exterior cameras, this means ensuring there are no trees, bushes or shrubbery that could obstruct the camera's view of potential threats and/or trespassers.

### In Accordance with N.J.A.C. 17:30-9.10 Section (b)11:

Emergency Notification List/Call Tree: We maintain several emergency telephone number lists and calling trees, depending upon the type of emergency. These lists include contact information for the Department, law enforcement, managers of various departments (home and cell), emergency responders, authorized security system vendors, computer and data security vendors, local utilities, and more. Our calling trees are labeled according to the type of emergency and provide step-by-step instructions that are easily followed by someone who is under the stress of an emergency. These calling trees and other emergency instructions are readily accessible in every department within our facility. The number of our managers/Key Employees will be provided to both local law enforcement, and neighbors within 100 feet of our facility.

### In Accordance with N.J.A.C. 17:30-9.10 Section[c](1):

**Security Monitoring:** Our security alarm system will be professionally monitored by a licensed third-party. 24 hours a day, 7 days a week. Our alarm system shall, upon attempted unauthorized entry, transmit a signal directly to law enforcement and a third-party central

protection company which has a legal duty to respond. Notification shall also be transmitted to management.

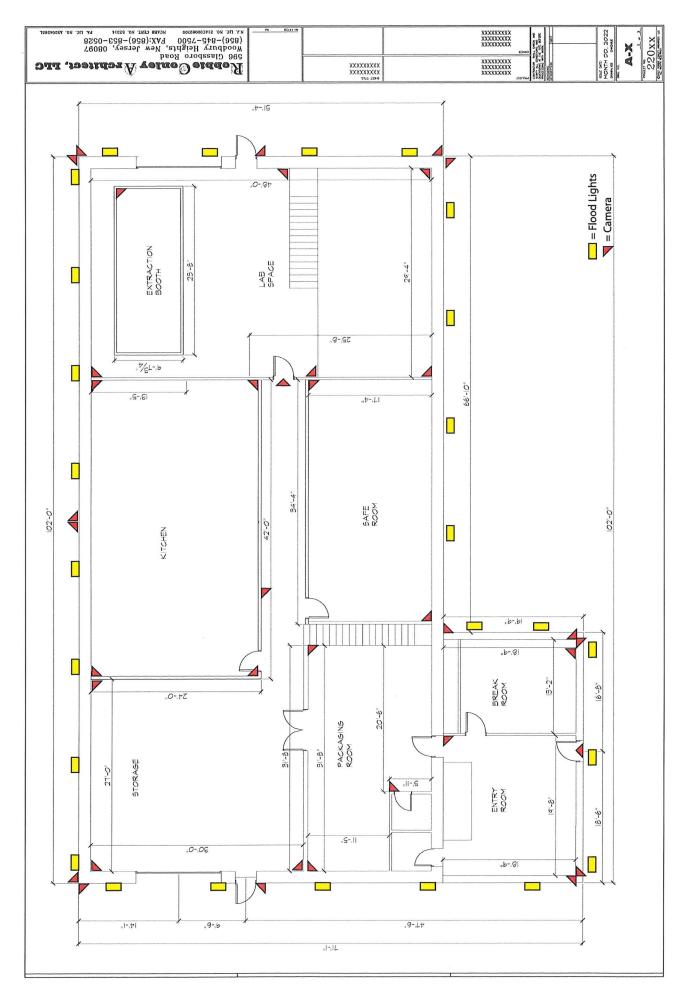
### **OSHA Regulations:**

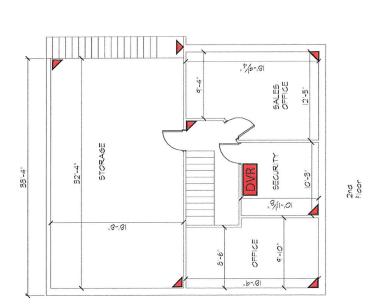
Loud Labs complies with all applicable OSHA rules and regulations. Loud Labs has also enrolled into checks with New Jerseys Department of Labor and Workforce Development. These yearly checks will help make sure Loud Labs is always in compliance with OSHA rules.

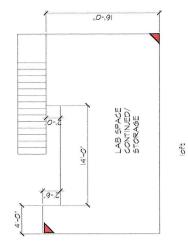
### **Workmans Comp:**

Loud Labs has always carried workmans comp insurance and luckily has never had to use it. Hopefully we can keep this trend going in the State of New Jersey as well.

Example A - Security Plan







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### Waste Disposal/Sanitation

### In Accordance With N.J.A.C.17:30-9.14 (a):

Destruction of cannabis: Loud Labs of New Jersey ensures that all waste disposal must be in accordance with local regulations. All information herein is subject to change based on those regulations. All waste must be recorded, logged, signed, and initialed by the person disposing of it. All weights and associated tags must be recorded.

Loud Labs will maintain and keep on hand a detailed waste log noting: Date/Tag#/Type of Waste/#of Bags/Tech Initials/Tech Name.

Any waste produced at the facility, whether it be extracted biomass, or waste oil fractions from processing, must be mixed at least at a 50/50 ratio or higher with inert and/or absorbent materials.

- 1. For oil based waste, absorbent clays must be used (Such as Oil-Dri products, clay based cat litter, etc.) as a mixing medium. A bucket is to be lined with a high mil thickness black garbage bag, and the bottom of the bag filled with 3 inches of granular clay medium.
- 2. Make a small bowl shape in the clay to avoid oil spilling over to the side of the bag. Pour an appropriate amount of oil waste into the clay medium, do not overfill. Allow the oil to soak into the clay partially.
- 3. Add more clay to the outside edge pouring inward towards the oil puddle in the center. Completely cover the top, adding enough media to make another bowl of clay media.
- **4.** Repeat steps 1 through 3 until the bag is manageably full, avoid filling more than 40 lbs. Tie the bag tightly.
- **5.** Once all of the materials have mixed, it can be disposed of in the gated and/or locked trash dumpster.

All biomass must be agitated and off gassed until the gas detection meter is no longer reading vapors coming from the material before being taken out of the C1D1 area and disposed of.

- 1. Biomass must be off gassed completely and mixed with inert materials (Such as dirt, clay media, etc.) at a 50/50 ratio or higher.
- 2. Determine the total amount of biomass being disposed of via tag records. Use a high mil thickness black trash bag and fill it approximately ¼ full of biomass, add on top an equivalent or higher weight of inert materials.
- 3. Mix the inert material with the biomass until it is evenly dispersed.
- **4.** Repeat steps 2 and 3 until the bag is appropriately filled, avoid filling more than 40 lbs. Tie the bag tightly.

**5.** Once all of the materials are mixed, it can be disposed of in the gated and/or locked trash dumpster.

### In Accordance With N.J.A.C.17:30-9.14 (b):

In the unlikely event that Loud Labs of New Jersey's license should expire without being renewed or is revoked, Loud Labs of New Jersey shall:

- 1. Immediately discontinue any production or sale of cannabis items;
- **2.** Weigh any cannabis in its inventory and update it in the inventory prior to disposal or destruction;
- **3.** Destroy or dispose of all unused cannabis or surplus inventory in its possession by providing it to the Commission for destruction within 72 hours of the license expiring; and
  - 4. Create and maintain a written record of the disposal of cannabis.

### In Accordance With N.J.A.C.17:30-9.14 (c):

Within 10 business days after destroying the cannabis, Loud Labs of New Jersey shall notify the Commission, in writing, of the amount of cannabis destroyed, including the form, weight, quantity, and any other information requested by the Commission.

## **Odor Plan**

### **Odor Plan:**

Loud Labs NJ LLC is committed to being a leader in New Jersey's medical/recreational cannabis industry and a trusted resource for the communities, doctors, caregivers and patients we serve. Essential to fulfilling this commitment is our ability to effectively protect our community from various odors produced via the production of cannabis products.

Fortunately for us, the extraction and production of cannabis concentrates does not produce any noticeable order to the various buildings and businesses surrounding our facility. From our experience around the country, the only businesses that produce any odor are the ones that are physically growing the plant. All this being said, our building has been overbuilt in accordance with the New Jersey building department. Our state of the art mechanical system that moves air throughout the building is equipped with the highest quality particle filters to keep the air fresh and odorless throughout the premises. If by some chance there are complaints about any odors emanating from our business we have a plan in place. The plan includes adding even greater filtration techniques such as installing carbon filters in various areas throughout the building.

https://www.homedepot.com/p/Honeywell-Home-20-in-x-25-in-x-4-in-FPR-10-Air-Cleaner-Filter-CF20 0D2025/203781265

https://www.amazon.com/Activated-Charcoal-Australian-Charcoal-Great-Hydroponics/dp/B06X6GDH Q2/ref=sr\_1\_4?crid=1WWMA1VPN4DMQ&dchild=1&keywords=carbon+air+filters+for+grow+room&qid=1588111121&sprefix=carbon+air+filters+%2Caps%2C217&sr=8-