

CONSTITUTION OF [REDACTED]

[REDACTED] (DRAFT)

1. The name of the corporation is [REDACTED].
2. The purposes of [REDACTED] are:
 - (a) To operate a non profit entity to facilitate the transition of the market for cannabis and cannabis products for medical purposes from an illicit one to a licit one, to ensure cannabis for medicinal use is accessible in a manner that is consistent with the highest standard of care, including but not limited to ensuring access to a wide variety of strains, methods of delivery and models of distribution;
 - (b) To ensure the availability of a supply of cannabis and cannabis products for medical purposes only that meets appropriate quality standards regarding un-adulteration, sanitation and other requirements;
 - (c) To provide a safe, friendly, supportive and secure environment for clients, herein synonymous with members, to receive cannabis for medical purposes only and on recommendation from an appropriately licensed physician and then only with the approval of the New Mexico Department of Health.
 - (d) To educate physicians, patients, politicians and the general public about the beneficial medical uses of cannabis and cannabis products;
 - (e) To raise funds and accept donations to encourage and facilitate research into all aspects of the medicinal use of cannabis of interest to those who use cannabis for medicinal purposes, excluding research that involves animal testing.
 - (f) To provide information to legislators and policy-makers to enable them to regulate the production, distribution, use and possession of cannabis and cannabis products in a manner that is consistent with the highest standard of care, including but not limited to

ensuring access to a wide variety of strains, methods of delivery and models of distribution;

(g) To provide access to and information regarding natural therapies;

(h) To participate in the approval, control and regulation of distributors and producers of cannabis and cannabis products for medicinal purposes, to ensure cannabis is accessible in a manner that is consistent with the highest standard of care, including but not limited to ensuring access to a wide variety of strains, methods of delivery and models of distribution;

(i) To provide for the lawful possession of cannabis and cannabis products for clients for medical purposes only and on recommendation from an appropriately licensed physician and then only with the approval of the New Mexico Department of Health.

(j) To operate with and to serve as a working model of alternatives and solutions, which includes the utilization of consensus decision-making.

3. Identity of [REDACTED] clients shall only be available to [REDACTED] directors or staff as necessary for the operation of the collective.

4. The purpose of [REDACTED] shall be carried out without purpose of gain for its members and any profits or other accretions to [REDACTED] shall be used for promoting its purposes.

On the winding up or dissolution of the [REDACTED] funds or assets remaining after all debts have been paid shall be transferred to a charitable institution in New Mexico or elsewhere in the United States with purposes similar to those of this [REDACTED] or, if this cannot be done, to another charitable institution recognized by the United States Internal Revenue Service.

6. Notwithstanding clause two of this constitution, all purposes shall be organized and operated exclusively on a non-profit basis.

7. No director or officer shall be remunerated for being or acting as a director or officer, but a director or officer may be reimbursed for all expenses necessarily and reasonably incurred by him or her while engaged in the affairs of [REDACTED]
8. No part of the income of [REDACTED] shall be payable or otherwise available for the personal benefit of any proprietor, member, director, officer or shareholder.

BYLAWS OF [REDACTED] (DRAFT-REVISED)

Here set forth, in numbered clauses, are the bylaws providing for the matters referred to in The Lynn and Erin Compassionate Use Act and all amendments thereto.

Part 1 - Interpretation

1. (1) In these bylaws, unless the context otherwise requires,
 - (a) "directors" means the directors of [REDACTED] for the time being;
 - (b) "**Act**" means the *Lynn and Erin Compassionate Use Act* of the State of New Mexico from time to time in force and all amendments thereto;
 - (c) "Registered address" of a member means his address as recorded in the register of members;
 - (d) "term" means the time between the annual general meeting and the immediate next annual general meeting;
 - (e) "officer term" has the same meaning as "term";
- (2) The definitions in the **Act** on the date these bylaws become effective apply to these bylaws.

2. Words importing the singular include the plural and vice versa; and words importing a male person include a female person and vice versa.

Part 2 - Membership

3. The members of [REDACTED] are:
 - (a) the applicants for incorporation of [REDACTED], and
 - (b) those persons who subsequently become members in accordance with the constitution and bylaws, and in either case, have not ceased to be members.

4. A person may apply to [REDACTED], and upon satisfaction of the guidelines for membership established by [REDACTED] and acceptance by the directors, the person becomes a member. Corporations are not eligible for membership in [REDACTED].
5. A voting member will be any member who has been a registered member for a period of one year or longer, and in order to vote,
 - (a) must be a member in good standing at the time of the vote;
 - (b) must not be suspended or otherwise barred from attending meetings;
6. A non-voting member will be any member who has been a registered member for a period of less than one year. A non-voting member has the same rights, duties, and obligations as a voting member except that:
 - (a) a non-voting member shall not vote, and
 - (b) the directors may determine that a non-voting member shall pay a different membership due than a voting member, and
 - (c) a non-voting member shall not become a director or officer of [REDACTED]
[REDACTED]
7. Every member shall uphold the constitution and comply with these bylaws.
8. The directors may determine the membership dues, if any, of voting members and of non-voting members.
9. A person shall cease to be a member of [REDACTED],
 - (a) by delivering his resignation in writing to the secretary of [REDACTED] or by mailing or delivering it to the address of [REDACTED], or
 - (b) on his death, or
 - (c) on being expelled for reasonable cause by the directors, or

- (d) on having been a member not in good standing for a period of six months, or
 - (e) when the member no longer qualifies for membership in accordance with these bylaws or the laws of the State of New Mexico.
- 10. In addition to expulsion by the directors pursuant to bylaw 9(c), a member may be expelled by a special resolution of the members passed at a general meeting.
In which case,
 - (a) The notice of special resolution for expulsion shall be accompanied by a brief statement of the reason or reasons for the proposed expulsion; and
 - (b) The person who is the subject of the proposed resolution for expulsion shall be given an opportunity to be heard at the general meeting before the special resolution is decided.
- 11. A member is no longer in good standing when he fails to pay his current annual membership fee or other subscription or debt due and owing by him to [REDACTED].
- 12. Every member of [REDACTED] who has not been suspended or otherwise barred from attending meetings shall be entitled to attend any general meeting of [REDACTED], and any voting member of [REDACTED] shall be entitled to vote at any general meeting of [REDACTED] at which the adopted rules of procedure require a vote, and to hold any office.
- 13. Membership in [REDACTED] shall not be transferable.

Part 3 - Meeting of Members

- 14. General meetings of [REDACTED] shall be held at such time and place, in accordance with the **Act**, as the directors decide.
- 15. (1) Notice of a general meeting shall specify the place, the day and the hour of the

meeting, and, in case of special business, the general nature of that business.

(2) The accidental omission to give notice of a meeting to, or the non-receipt of a notice by, any of the members entitled to receive notice does not invalidate proceedings at that meeting.

16. The first annual general meeting of [REDACTED] shall be held not more than 15 months after the date of incorporation and thereafter an annual general meeting shall be held at least once every calendar year and not more than 15 months after holding the last preceding annual general meeting.

Part 4 - Proceedings at General Meetings

17. (1) No business, other than the election of a chairperson and the adjournment or termination of the meeting, shall be conducted at a general meeting at a time when a quorum is not present.

(2) If at any time during a general meeting there ceases, to be a quorum present, business then in progress shall be suspended until there is a quorum present or until the meeting is adjourned or terminated.

(3) A quorum is 5 voting members present, or such greater number as the voting members may determine at a general meeting.

18. If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting, if convened on the requisition of members, must be terminated, but in any other case, it must stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, the voting members present constitute a quorum, provided there are at least 5 voting members present.

19. Subject to bylaw 21, the directors shall ensure that a facilitator, a parliamentarian and a recorder are designated for each general meeting.

20. If at a general meeting there is no director present and willing to lead the meeting, the voting members present shall choose one of their number to be chairperson.
21. (1) A general meeting may be adjourned from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) When a meeting is adjourned for 10 days or more, notice of the adjourned meeting shall be given as in the case of the original meeting.
- (3) Except as provided in this bylaw, it is not necessary to give notice of adjournment or of the business to be transacted at an adjourned general meeting.
22. (1) No resolution proposed at a meeting need be seconded, and the chairperson of a meeting may move or propose a resolution.
- (2) In the event the adopted rules of procedure at a general meeting require a vote, in case of an equality of votes, the chairperson shall not have a casting or second vote in addition to the vote to which he may be entitled as a member, and the proposed resolution shall not pass.
23. In the event the adopted rules of procedure at a general meeting require a vote:
- (1) A voting member in good standing present at a meeting of members is entitled to one vote.
- (2) Voting is by show of hands, unless the voting members otherwise decide.
- (3) Voting by proxy is permitted as provided in Part 13.
24. Special business is
- (a) all business at a general meeting except the adoption of rules of order, and
- (b) all business that is transacted at an annual general meeting, except

- (i) the adoption of rules of order,
- (ii) the consideration of the financial statements,
- (iii) the report of the directors,
- (iv) the report of the auditor, in any,
- (v) the election of directors,
- (vi) the appointment of the auditor, if required, and
- (vii) such other business as, under these bylaws, ought to be transacted at an annual general meeting, or business which is brought under consideration by the report of the directors issued with the notice convening the meeting.

Part 5 - Directors and Officers

25. [REDACTED] shall utilize current best practices in consensus process and consensus decision-making for decision-making throughout [REDACTED]. This bylaw requires that the directors and officers exercise all power vested in them by these bylaws, statute or otherwise, and do all such acts and things as [REDACTED] may exercise and do, utilizing current best practices in consensus process and consensus decision-making, which includes recognition of the directors and officers, and [REDACTED] employees, practitioners, and member representatives as essential stakeholders in that decision-making process, anything to the contrary in these bylaws notwithstanding.
26. (1) The directors may exercise all such powers and do all such acts and things as [REDACTED] may exercise and do, and which are not by these bylaws or by statute or otherwise lawfully directed or required to be exercised or done by [REDACTED] in general meeting, but subject, nevertheless, to the provisions of
- (a) all laws affecting [REDACTED]
 - (b) these bylaws, and
 - (c) rules, not being inconsistent with these bylaws, which are made from time to time by [REDACTED] in general meeting.
- (2) No rule made by [REDACTED] in general meeting invalidates a prior act of the directors that would have been valid if that rule had not been made.

27. (1) The offices of [REDACTED] are chairperson, vice chairperson, secretary, treasurer, and directors at large and these offices shall be held by the directors of [REDACTED] who shall, by consensus, appoint directors to these offices from time to time as may be required.
- (2) An officer must be a director and a voting member, and ceases to be an officer when he ceases to be a director or a voting member, or when the directors by majority vote decide to remove a director from an office.
- (3) There shall be a maximum of 11 and a minimum of 3 directors as determined by the voting members or appointed upon incorporation.
28. (1) At the first annual general meeting, there shall be elected three directors for a two year term and two directors for a one year term, or any other total number that the voting members may determine so long as the total number of directors is an odd number, and so long as approximately one-half of the directors serve a two year term and the other approximately one-half serve a one year term.
- (2) At each subsequent annual general meeting thereafter the directors shall be elected for each vacant seat for a two year term.
- (3) At least three months prior to each annual general meeting, the board and staff shall consense upon a nominating committee composed of one director, one staff, and one member representative who is not also a director or staff. The nominating committee shall solicit nominations for vacant board positions from the members and shall review potential candidates for compliance with selection criteria approved by the board. Only those applicants that the nominating committee agrees comply with the criteria will be presented to the membership as candidates. The nominating committee will circulate the names and biographical information of the candidates to the members with the notice of the annual general meeting or otherwise have them available at least one week prior to the annual general meeting. The candidates so selected shall be the only candidates eligible for election to the board.

(4) Election procedures at the annual general meeting shall be determined by the voting members present.

(5) The directors may choose to offer the membership the opportunity to vote for candidates for the board by mail-in ballot. The board shall determine the procedures for mail-in ballots. Any ballot mailed or emailed and received in, or delivered to the offices of [REDACTED] on or before the date of the annual general meeting shall be counted in the election of directors.

29. (1) The directors may at any time appoint a voting member as a director to fill a vacancy in the directors, provided that member meets the criteria set out in the selection criteria policy and has been vetted by the nominating committee.

(2) The directors may at any time appoint a director to fill any officer vacancy.

30. (1) If a director or officer ceases to hold office, the remaining directors shall appoint a replacement in accordance with these bylaws.

(2) A director so appointed holds office until the next annual general meeting.

(3) No act or proceeding of the directors is invalid only by reason of there being less than the prescribed number of directors in office.

(4) A director may be removed from the board by the other directors if the director fails, without reasonable excuse, to attend three consecutive meetings of the directors.

31. The voting members may by special resolution remove a director before the expiration of his office and may elect a successor to serve to the next annual meeting.

32. In accordance with paragraph 7 of the constitution, no director or officer shall be remunerated for being or acting as a director or officer, but a director may be reimbursed for all expenses necessarily and reasonably incurred by him while engaged in the affairs of [REDACTED].

Part 6 - Proceedings of Directors

33. Subject to bylaw 26:

(1) The directors may meet together at such places as they think fit for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they see fit, and may hold meetings, in whole or part, by internet, telephone or telephone conference call.

(2) The directors may from time to time fix the quorum necessary for the transaction of business, and unless so fixed the quorum shall be a majority of the directors then in office plus one. Directors participating by internet, telephone or telephone conference call shall be considered part of the quorum.

(3) The director holding the office of chairperson shall facilitate all meetings unless the directors decide otherwise.

(4) A director may at any time, and the secretary on the request of a director shall, convene a meeting of the directors.

34. A director who may be absent temporarily from New Mexico, may send or deliver to the address of [REDACTED] a waiver of notice, which may be by letter, telegram, telex or cable, of any meeting of the directors and may, at any time, withdraw the waiver, and until the waiver is withdrawn

(a) no notice of meetings of directors shall be sent to that director, and

(b) any and all meetings of the directors of [REDACTED], notice of which has not been given to that director, shall, if a quorum of the directors is present, be valid and effective.

35. (1) A resolution in writing, signed by all the directors and placed with the minutes of the directors, is as valid and effective as if regularly passed at a meeting of directors.

36. Subject to bylaw 26:

(1) The directors may delegate any, but not all, of their powers to committees consisting of the director or directors as they think fit, or may delegate to committees consisting of other persons as they see fit.

(2) A committee so formed in the exercise of the powers so delegated shall conform to any rules that may from time to time be imposed on it by the directors, and shall report every act or thing done in exercise of those powers to the directors.

37. Subject to bylaw 26 and to directions of the directors, the committee shall determine its own procedure.

38. Subject to bylaw 26, the members of a committee may meet and adjourn as they see fit.

Part 7 - Duties of officers

39. (1) The chairperson shall preside at all meetings of the directors unless the members or directors otherwise decide.

40. The vice-chairperson shall carry out the duties of the president during his absence.

41. The secretary shall supervise

- (a) the correspondence of [REDACTED],
- (b) issuance of notice of meetings of [REDACTED] and directors,
- (c) the keeping of minutes of all meetings of [REDACTED] and directors,
- (d) custody of all records and documents of [REDACTED] except those required to be kept by the treasurer,
- (e) custody of the common seal of [REDACTED], and
- (f) maintenance of the register of members.

42. The treasurer shall ensure that

- (a) [REDACTED] keeps such financial records, including books of account, as are necessary to comply with the Act, and
- (b) the financial statements are presented to the directors, members and others when required.

43. (1) The offices of secretary and treasurer may be held by one person who shall be known as the secretary/treasurer.

(2) The offices of [REDACTED] may be held by any of the directors who are members, and more than one office may be held by one director.

(3) The directors or members may add additional duties to any director or officer or transfer duties among directors or officers.

44. In the absence of the secretary from a meeting, the directors shall appoint another person to act as secretary at the meeting.

45. Each director shall

- (a) act honestly and in good faith and in the best interests of [REDACTED]
- (b) exercise the care, diligence and skill of a reasonable and prudent person in exercising power and performing functions as a member of the directors;
- (c) comply with [REDACTED] code of ethics;
- (d) comply with [REDACTED] conflict resolution process;
- (e) work within [REDACTED] governance structure;

and in the event that a director is deemed to have failed in any of these duties he may be removed from office by a majority vote of the board of directors.

46. A director who is directly or indirectly interested in a proposed contract or transaction with [REDACTED] shall disclose fully and promptly the nature and extent of his interest to the directors and otherwise comply with the requirements of the **Act** and the conflict of interest policy of [REDACTED]. A director is deemed to be indirectly interested in a proposed contract or transaction if he or she, or any member of his or her family, or any business associate stands to benefit financially or otherwise from the proposed transaction or contract.

47. The directors shall ensure that there is entered in the register the names of applicants for incorporation and the name of every person admitted as a member of [REDACTED], together with the following particulars of each:

- (a) the full name and residence address;
- (b) the date on which a person is admitted as a member;
- (c) the date on which a person ceases to be a member.

48. The directors shall supervise the preparation of all reports, including financial reports, required by law to be prepared by [REDACTED] for the annual meeting.

49. The directors shall ensure that [REDACTED] files all financial and other reports that have to be filed after the annual meeting as required by the **Act** and or other law.

50. The directors may ensure [REDACTED] has at least one account with a chartered bank, credit union or trust company for the deposit of funds.

51. The directors, on behalf of [REDACTED], shall ensure that proper accounting records are kept in respect of all financial or other transactions and, without limiting the foregoing, shall ensure that [REDACTED] maintains records of

- (a) all money received and disbursed by [REDACTED] and the manner in respect of which the receipt and disbursement took place;
- (b) every asset and liability of [REDACTED];

- (c) every other transaction affecting the financial position of [REDACTED]

Part 8 - Seal

52. The directors may provide a common seal for [REDACTED] and they shall have the power from time to time to destroy it and substitute a new seal in place of the seal destroyed.
53. The common seal shall be affixed only when authorized by a resolution of the directors and then only in the presence and with the signatures affixed of the persons prescribed in the resolution or, if no persons are prescribed, in the presence and with the signatures affixed of the president and secretary or president and secretary-treasurer.

Part 9 - Borrowing

54. In order to carry out the purposes of [REDACTED], the directors may, on behalf of and in the name of [REDACTED], raise or secure the payment or repayment of money in such manner as they decide, and in particular, but without limiting the generality of the foregoing, by the issue of debentures.
55. No debenture shall be issued without the sanction of a special resolution.
56. The voting members may by special resolution restrict the borrowing powers of the directors, but a restriction so imposed expires at the next annual general meeting.

Part 10 - Auditor

57. This part applies only where [REDACTED] is required or has resolved to have an auditor.
58. The first auditor shall be appointed by the directors who shall also fill all vacancies occurring in the office of auditor.
59. At each annual general meeting [REDACTED] shall appoint an auditor to hold office until he is re-elected or his successor is elected at the next annual general meeting.

60. An auditor may be removed by ordinary resolution.
61. An auditor shall be informed forthwith in writing of appointment or removal.
62. No director and no employee of [REDACTED] shall be auditor.
63. The auditor may attend general meetings.

Part 11 - Notices to Members

64. A notice may be given to a member either personally, by email or by mail to him at his registered address.
65. A notice sent by mail shall be deemed to have been given on the second day following that on which the notice is posted, and in proving that notice has been given it is sufficient to prove that the notice was properly addressed and put in a United States Post office receptacle.
66. (1) Notice of a general meeting shall be given to
- (a) every member shown on the register of members on the day notice is given, and
 - (b) the auditor, if Part 10 applies.
- (2) No other person is entitled to receive a notice of general meeting.

Part 12 - Bylaws

67. After being admitted a member is entitled to a copy of the constitution and bylaws upon paying the sum of \$1.00.
68. These bylaws shall not be altered or added to except by special resolution.

Part 13 - Proxy Voting

69. Unless the directors otherwise determine, the instrument appointing a proxy holder and the power of attorney or authority, if any, under which it is signed or a notarially certified copy thereof shall be deposited at a place specified for that purpose in that notice convening the meeting not less than forty-eight (48) hours before the time for holding the meeting at which the proxy holder proposes to vote, or shall be deposited with the chairperson of the meeting prior to the commencement of the meeting.

70. A vote given in accordance with the terms of an instrument of proxy is valid notwithstanding the previous death or incapacity of the member or revocation of the proxy or of the authority under which the proxy was executed, provided no notice in writing of the death, incapability, or revocation has been received at the registered office of the collective or by the chairperson of the meeting before the vote was given.

71. Unless, in the circumstances, the **Act** requires any other form of proxy, an instrument appointing a proxy holder, whether for a specified meeting or otherwise, shall be in the form following, or in any other form that the directors shall approve:

[REDACTED]

The undersigned hereby appoints _____ of _____
(or, failing her/him _____ of _____) as
proxy for the undersigned to attend at and vote for and on behalf of the
undersigned at the general meeting of [REDACTED] to be held on the _____ day
of _____, 20____.

Signed this _____ day of _____, 20____.

72. A proxy is valid for only one meeting or any adjournment thereof and a person may not be the proxy holder for more than one member per meeting or any adjournment thereof. In the event a proxy holder purports by written instrument to hold the proxy for more than one member per meeting, all such instruments shall be deemed invalid for purposes of that meeting or any adjournment thereof.

SCC Number: [REDACTED]

Tax & Revenue Number:

Incorporation Date: JANUARY 26, 2009, in NEW MEXICO

Corporation Type: DOMESTIC NONPROFIT

Corporation Status: NEW

Good Standing: In GOOD STANDING through 3/6/2009

Purpose: CARRY OUT LYNN & ERIN COMPASSIONATE USE ACT

CORPORATION DATES

Taxable Year End Date:

Filing Date:

Expiration Date:

SUPPLEMENTAL POST MARK DATE

Supplemental:

MAILING ADDRESS

[REDACTED]

PRINCIPAL ADDRESS

PRINCIPAL ADDRESS (Outside New Mexico)

REGISTERED AGENT

[REDACTED]

[REDACTED]

Agent Designated:

Agent Resigned:

COOP LICENSE INFORMATION

Number:

Type:

Expiration Year:

INCORPORATORS

[REDACTED]

DIRECTORS

Date of Election of Directors:

[REDACTED]

[REDACTED]
INITIAL BOARD OF DIRECTORS:

PRESIDENT- [REDACTED]
VICE-PRESIDENT- [REDACTED]
TRESURER- [REDACTED]
SECRETARY- [REDACTED]
DIRECTOR- [REDACTED]
DIRECTOR- [REDACTED]
DIRECTOR- [REDACTED]

[REDACTED] proposal for license to produce medical cannabis.

1. [REDACTED] understands and acknowledges that at any time production shall not exceed ninety-five(95) mature plants and seedlings and an inventory of useable cannabis that reflects current patient needs. Also, no increase in production or possession or changes in plan to distribute or dispense cannabis will occur until the Department of Health has approved the increase and issued a license for the increased production or possession or approved changes to the manner of distribution or dispensing of cannabis[7-34-4-8 section I, subsection(4)].
2. Proof has been included to show [REDACTED] is a non-profit corporation.
3. [REDACTED] has included the appropriate non-refundable fees.
4. Included is a list of starting board members (and their background checks) which verifies that at least 3 are patients currently qualified under the Lynn and Erin Compassionate Use Act, and one other is a doctor.
5. [REDACTED] will use two(2) production facilities whose total plant count shall not exceed the ninety-five(95) plants allotted for production. One location at [REDACTED] owned by [REDACTED] ([REDACTED] President [REDACTED] fully supportive in-laws), and a second location at [REDACTED], owned by board members [REDACTED] and [REDACTED]. Both locations have spare rooms/closets/bathrooms to help ensure a continual and perpetual harvest. Having 2 production sites allows for the greatest security in that it backs up genetic material and preserves strains. If something unforeseen(such as fire, Federal or State raid where medicine or valuable mother plants are destroyed, pests, thieves, wilt, blight, molds, mildews, temperature control failure, or other occurrence) happens to one garden, the other survives and continues.
6. [REDACTED] has included proof that neither location for production is within 300 feet of any school, church, or day care center.
7. [REDACTED] will provide qualified members a menu, updated regularly, that educates patients and caregivers as to the quality('s) of the products available.
8. For maximum security [REDACTED] will operate as a delivery only cannabis medicine provider. Scheduled days and hours of delivery will be established and maintained as needed. Initially a few days a week or 3 to 5 half days will be established. Deliveries will be made by 2 delivery agents, a driver and a delivery person. All first meetings will be made without product. This will be to meet and

greet, establish paperwork, become familiar with drop off points, etc. Delivery agents will be limited in amount of medicine and cash they carry, limiting risk. We will establish irregular drops to all 4 corners of the state as needed to assist more rural patients/caretakers. A delivery/dispensing procedures paper has been included with this proposal.

9. [REDACTED] will provide qualified members a Cannabis Information Guide that includes ingestion methods. A copy of the Information Guide has been included.

10. [REDACTED] will provide qualified members a Cannabis Information Guide that includes safe smoking techniques. A copy of the Information Guide has been included.

11. [REDACTED] will provide qualified members a Cannabis Information Guide that includes potential side effects. A copy of the Information Guide has been included.

12. [REDACTED] will make sure that members understand their rights and limitations under the Lynn and Erin Compassionate Use Act. One of the main topics of discussion upon initial meeting and copy's of the actual law upon request.

13. [REDACTED] will use standard packaging for all it's cannabis products. Dried flowers will be placed in plastic bags and tinctures in dropper bottles. Everything gets a [REDACTED] label showing strain used, batch, lot, quantity, and a statement that the product is for medical use only. [REDACTED] has included sample labels.

14. [REDACTED] will keep confidential sale records and monitor all sales to ensure that there is no re-distribution. The State Department Of Health has determined an amount of useable medicine per/patient, per/3 month period. [REDACTED] will not exceed this limit for members.

15. [REDACTED] reserves the right to refuse service to any one for any reason deemed appropriate by the board or it's agents. Information on right to refuse included in our membership form, which is also included with this proposal.

16. Both production locations will be secured with security system with perimeter sensors and registered notification agents within [REDACTED] and backup with APD notification. Extra security provided by dogs(not guard, just barkers) and most importantly anonymity. Locations of production facilities are need to know basis only. Only [REDACTED]

Manager and Staff will know locations (and those that have access to this proposal).

17. Our production manager understands that safety and security are the two key elements to ensure the safe production and delivery of cannabis medicines. No light spills(visible signs), no smells escaping, no excessive noise, no outward sign of a production facility.

First, all areas of production where artificial high intensity discharge lights are used will be completely sealed for light leaks. Blacking out windows from the inside using reflective materials, while keeping blinds/curtains closed give the illusion that the windows/blinds are just drawn, while not allowing any light spills. Visible bright light from indoors can alert the outside world of just what is going on inside. Second, it is essential to scrub all exiting air from a production area. Escaping smells can attract unwanted attention. All exiting air from production facilities will be controlled via fans, ducting, and most importantly carbon filters. When air is properly scrubbed thru carbon filtration no scent escapes production facilities, and is therefore not a security risk. Third, all noise kept to a minimum. Exhaust fans positioned and insulated properly so no sounds heard. Lastly, no visible signs of excessive gardening at production sites. No piles of dirt, or fertilizers or piles of trash on site. Production sites will blend well with surroundings and look just like any other structure on the block. Again, anonymity is a must.

████████████████████ will immediately start safety and security dry runs and drills to facilitate quick response to any incidents. Part of our safety plan is simulating incidents and practicing and timing responses. All scenarios from robbery of delivery personnel, robbery of production facilities, raid by state or federal agents(including incarceration scenarios, bail, dealing with our lawyer), and Fire and natural disaster , will be further explored, practiced, and strict protocols established.

Listed below is the beginning of these protocols for a couple of scenarios.

Safety/Security Responses:

Scenario 1: Robbery, Break in with no Alarm, discovered after the fact.

Contact all board members possible to alert and possible use as support.

Contact Command Center. Not one of the production facilities predetermined location. All contacts made at this location. (Operational safe land line and all contact numbers on site.)

Person at ground zero (discoverer of the infraction) ascertains damage and missing items or if not

comfortable calls another board member (or all starting with president/vice-pres/secretary/treasurer and then officers) for help with this.

If no one hurt, and no uncontrolled damage (fire, electrical hazard, water line break, ect.), several board members available will then proceed to the site to ascertain damage and losses. At this time remaining board member(s) at Command Center call and alert our lawyers.

Once all damage ascertained and safety concerns addressed board will decide whether to contact authorities. (If authorities called, follow Authority Contact Protocols).

Scenario 2: Robbery with alarms (weather accidental or purposeful)

If alarms tripped and no threat of violence/or hurt members, and no uncontrollable damage, we may have a chance to divert official intervention (since they call board members first before calling authorities) and may decide to do so, or at least postpone. If this is the case follow steps for Break in with no alarm.

Scenario 3: Robbery with alarms, or uncontrolled damage, or bodily harm.

If alarms tripped and authorities in route or on site (weather needed or just routine) all board members to follow Authority Contact Protocols.

If uncontrolled damage or bodily harm immediately contact authorities (weather police, fire, ambulance, or all above) then contact all other board members possible, then call all of our lawyers.

Authority Contact Protocols (A brief overview, more to come as we go thru dry runs and perfect.)

Emergency Contact:

If contact with Authorities of the emergency nature (robbery with no choice, robbery with bodily harm, any uncontrolled damage) then board members or any employees on site asked to comply with arriving authorities in any way possible to remedy the situation. No questions pertaining to the business of the [REDACTED] to be answered without lawyer present, but

any and all information about altercation to be answered.

If time permits board members on site to call all other board members and all lawyers.

If such a call received by other board member(s), then first contacted member becomes liaison (since they have positive contact. If line able to be left open, for permanent contact, then do so and use second line to immediately take over calling rest of board members and the lawyers . If no second line call lawyers and rest of board members and then immediately call back board members on site.

As soon as possible a board member, who was not at the scene initially, will head to the scene to also begin relaying info to and from scene as necessary to keep eye on location and what authorities are doing, even engaging with authorities to gain info on members at scene. We will assume they will be detained and moved into custody and will already have our lawyers working on remedying this situation.

Several members to remain at Command Center and help coordinate between scene/negotiator/lawyers/ and possibly media as necessary

Authority Contact: Non-Emergency Contact (Fed. /State Raid)

First rule: No Warrant, No Entry. Applies to all federal or state agencies that might want to visit production sites (only exception is DOH and our agreement with them). No Warrant /No Entry.

If no warrant, then thank them for visiting and ask that they politely return with one if they want entry. Discuss nothing with them but ask them to leave. No opening doors for this conversation even. Talk thru the door and make sure deadbolts fastened. Do not leave site or open door, unless they show a warrant. Warrant must be seen prior to any doors being unlocked or any members going outside.

Once the authorities leave members on scene, contact all board members and lawyers immediately.

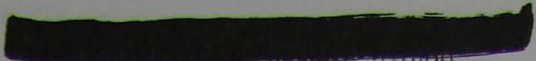
If they don't leave and instead decide to illegally enter then broken doors/deadbolts help show

this and not the word of a federal agent saying he/she was let in. In this case all members instructed to cooperate but request his/her legal rights. All members to memorize and fully understand his/her rights under the law. All members to follow our strict protocols in this instance. All any member/employee need say in this instance is:

1. I want to call my lawyer and a member of my family.
2. I want to exercise my right to remain silent and to consult with my lawyer without exception.
3. I do not even want to talk about giving up my rights until I have consulted my lawyer.
4. I do not consent to a search of any kind.

If the Federal/State agency has a warrant then do not resist open doors and follow instructions, but repeat 1-4 above. Members will call lawyers and other board member to alert (or a family member who then knows how to alert the rest of [REDACTED], all preplanned and rehearsed). If incarceration happens we will be guided by the expert advice of our lawyers and follow the best course of action to help detained members gain freedom and proceed from there.

18. [REDACTED] has included a copy of it's articles of incorporation and by-laws.
19. [REDACTED] of Directors are the only persons having direct or indirect authority over the management or policies of the facilities.
20. Only the Board of Directors have ownership in the facilities.
21. There are no creditors holding a security interest in the facilities.
22. [REDACTED] has included background checks for all it's board members.


MENUS-Last updated 2/10/09

KALI MIST-Sativa 90%- Powerful, clear, uplifting and energetic effects. Spicy/hazy taste. Suspected Cambodian/Haze/Afghan. Cannabinoid profile unknown.

P-3 -Sativa- Mild and clear effects. Subtle sativa with a hint of indica. Good in A.M. Earthy/tobacco/mossy taste. Cross of Papaya and Power Plant. Cannabinoid profile unknown.

Train Wreck -Sativa- Strong mostly sativa originally from California. Up, productive, strong and heavy, with a bit of a indica tail-end. Pungent earthy, vitamin, lemon-limey flavor.

Chamisa -Sativa- Strong, clear, uplifting, alert effects. Very hazy hybrid. Spicy/hazy/fresh taste. S.A.G.E. crossed with the P-3.

(Other Sativas available occasionally: Flo, Chocolope, Thai, Neville's Haze, Super Silver Haze, Mako Haze, Somaui, Strawberry Haze, Congo Haze.)

ESSIE -Sativa/Indica- Strong hybrid displaying both sativa and indica traits. Flo crossed with the Great White Shark. Very pungent/candied fruit(pineapple) taste.

Jack Herer -Sativa/Indica- Classic Hybrid vigor from this honed Haze/N.L. #5/Skunk cross. Very strong up, clear, sativa presence.

Q -Indica/Sativa- A classic N.L.#5 x Skunk #1. Extremely pungent/sweet/skunky taste. Medium narcotic effects.

(Other hybrids available occasionally: Blueberry, San Fran, Sour Cream, BuKu, Cheese, Quirkle, G-13/Haze x's, Enchantment, Kushage, MK-Ultra,)

Mango -Indica- A medium narcotic/mellow body sensation effect.

Sensi Star -Indica- A strong indica with a complex experience that relaxes the body and also exhibits some mentally stimulating/ cerebral effects. Pungent lemon zest/fresh/hashy taste.

Black Domina- Indica- A powerful indica that embodies classic indica traits. B.D. has very strong narcotic/body relaxation/sleepy effects. Its taste is very hashy/spicy/peppery.

(Other Indicas occasionally available: Chocolate Chunk, Romulan, Slyder, Buddha's Sister, Bubba Kush, Northern Lights #5, Reclining Buddha, Violator Kush.)

"Brick/Schwagg"- Typically a mild, compressed sativa product. Special order only. Inquire.

TINCTURES

Sativa Tincture(made with mild P-3)- \$

Blended Tincture(made with mixed hybrids)-\$

Indica Tincture(made with Sensi Star)- \$

Indica Tincture(made with Mango)- \$

CONCENTRATES

Sativa Bubble Hash- \$/gram

Indica Bubble Hash- \$/gram

Financial System Overview

Inventory is maintained in gram quantities.

When a patient places an order an invoice is generated for the quantity requested


Strain, quantity, unit price and total price are listed as well as the total money due.

As invoices are generated inventory is adjusted accordingly

When payment is received the invoice is marked as paid.

The payments are kept as a cash account against which all expenses are deducted.

Patients are provided with statements of their activity on request.

All Patient records are kept using first name and last initial and  identification number

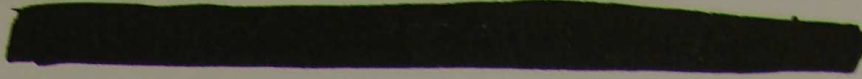
All data is stored digitally using a password known only to the treasurer and one other board member, and records not accessible from outside of the local computer on which those records are stored.

SAMPLES OF [REDACTED] LABELS FOR BAGS/CONTAINERS/TINCTURES

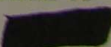
MEDICINAL CANNABIS B-
Distributed Under the Lynn & Erin
Compassionate Use Act L-
NOT FOR RESALE

MEDICINAL CANNABIS B-
Distributed Under the Lynn & Erin
Compassionate Use Act L-
NOT FOR RESALE

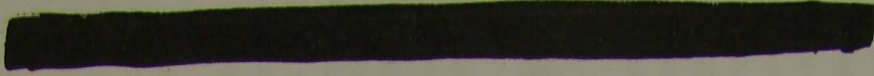
MEDICINAL CANNABIS B-
Distributed Under the Lynn & Erin
Compassionate Use Act L-
NOT FOR RESALE



Procedures for Dispensing/Delivery of Medical Cannabis

1. Approved client calls given phone number to place order.
2. Order taker verifies that we have the requested product on hand.
3. Deliveries will be made on two varying days per week, i.e. Tuesday and Friday, or Monday and Thursday.
4. Normal delivery hours will be from 10am to 4pm. Other times can be arranged on a case by case emergency basis.
5. Emergency deliveries outside the specified days and times will incur a \$5.00 surcharge.
6. Two people shall make the delivery. One shall drive and stay with the vehicle and the other will deliver the product to client.
7. Delivery personnel shall maintain contact via radio or cellphone with home base during the delivery run.
8. Upon delivery, client must pay in full with the exact amount of cash and sign receipt for product.
9. Upon return, delivery personnel shall turn over receipts and cash to the Collective Treasurer or other person as designated by the  Board of Directors.





Patient Interviewed By: _____

Program Coordinator Contacted By: _____

Verified: Yes No Date: _____ Time: _____

Last Name: _____

Middle: _____

First Name: _____

Home Address: _____

Address 2: _____

City, State, Zip: _____ , _____

Date Of Birth: ____/____/____ Phone #: (____) _____

New Mexico Medical Cannabis ID #: _____ Expiration Date: _____

Cannabis Indica

Indica plants are normally shorter and stockier plants, reaching 1-2 meters in height with wide deeply serrated leaves and a compact and dense flower cluster.

The effects of *indicas* are predominantly physical although the relief of certain physical symptoms can have an emotional result as well. These effects can be characterized as **relaxing, sedating, and pain-reducing**. *Indicas* are generally best for later in the day and before bed.

Some benefits:

- Reduces pain
- Relaxes muscles
- Relieves spasms
- Reduces inflammation
- Aids sleep
- Reduces anxiety and stress
- Reduces nausea
- Stimulates appetite
- Relieves headaches and migraines
- Reduces intra-ocular pressure
- Anti-convulsant
- Reduces seizure frequency
- Expectorant

Active Ingredients

The following information reflects the current knowledge, based on limited research.

Each strain of cannabis contains different ratios of "cannabinoids", natural drug components, which work synergistically to provide its therapeutic effects.

The main active ingredient in marijuana is **delta-9-tetrahydrocannabinol (THC)**. THC has euphoric, stimulant, muscle-relaxing, anti-epileptic, anti-emetic, anti-inflammatory, appetite stimulating, bronchiodilating, hypotensive, antidepressant & analgesic effects.

High potency cannabis contains at least 15% **THC**. **Cannabidiol (CBD)** lessens the psychoactive effects of THC and has sedative and analgesic effects. **Cannabichromene (CBC)** promotes the analgesic effects of THC and has sedative effects.

Cannabigerol (CBG) has sedative effects and antimicrobial properties, as well as lowering intra-ocular pressure. It is the biogenetic precursor of the other cannabinoids. **Cannabinol (CBN)** is a mildly psychoactive degradation of THC; its primary effects are to lower intra-ocular pressure and antiepileptic.

Effective Use of Medicinal Cannabis



New Mexico

Cannabis Sativa

Generally, the *sativa* plant is the taller and lankier variety, reaching heights of over 5-6 meters. It is characterized by narrow serrated leaves and loose spear-like flower clusters that can be extremely resinous.

Primarily, the effects of *sativas* are on the mind and emotions. In this regard they tend to be more **stimulating, uplifting, energizing and creativity enhancing**. These benefits can be particularly helpful for the psychological component of many illnesses. *Sativas* are generally better for daytime.

Some Benefits:

- Reduces depression
- Relieves headaches and migraines
- Energizes and stimulates
- Reduces awareness of pain
- Increases focus and creativity
- Reduces nausea
- Stimulates appetite
- Supports immune system
- Expectorant

Strain

Crosses

indica x *sativa* ~ *sativa* x *indica*

Hybrids are the result of cross-pollination of various strains. The characteristics, and hence the effects, of one strain will usually be dominant. For example, *indica*-dominant crosses are good for pain relief, with the *sativa* component helping with energy and activity levels. *Sativa*-dominant crosses are good for stimulating appetite, with the *indica* component helping to reduce body pain and increase relaxation.

Modes of Ingestion

Self-titration is easiest with smoking cannabis. The effects are usually first felt within 30-60 seconds and develop fully within 5-15 minutes. These effects may last from 30 minutes to 3 hours. Take 1-2 puffs and wait 15 minutes in order to find the right dosage. The effects of ingested cannabis may be felt within the first 30 minutes to 2 hours (if the stomach is full, the effects may take longer) and may last for 2-8 hours. Effects from baked goods vary depending on what strain is used for the preparation, but tend to be somewhat more sedative and considerably more psychoactive. Due to strength, cannabis preparations should be eaten by starting with a small bite, waiting an hour or two and, if needed, increasing the dose very gradually throughout the day. For tinctures, take 3 drops and wait 1 hour. Increase or decrease as needed. Tinctures may also be taken in drops under the tongue for an effect similar to smoked cannabis. They are made with various strains.

Strain selection &

Dosage

The efficacy of cannabis is directly related to strain selection, therefore we recommend care be taken in selecting appropriate strains to meet your needs. Potency varies with strains. In terms of dosage, the ideal is to smoke as little as possible in order to reduce costs and respiratory irritation. You will need to smoke less of a high-potency cannabis to reach the desired effect. If you find yourself needing to smoke greater quantities or more often in order to achieve the desired effect, reduce or stop intake for a time. Changing the variety of cannabis normally used will also help you to return to a minimized effective dosage level. Ask us for advice on strain selection.

Side Effects

There are some effects of cannabis that are not therapeutic and can be mitigated through awareness: Cannabis may cause dizziness upon standing due to lowered blood pressure. Initial increase in heart rate and/or blood pressure may be problematic for those with heart conditions or severe anxiety. Cannabis may cause a decrease in coordination and cognition, and short-term memory loss while medicated. There are no significant withdrawal effects when cannabis use is ceased or decreased. However, symptom relief will also be decreased. Effects vary from person to person.

Using the whole plant

Many of cannabis' active ingredients are extractable into fat and alcohol. Cannabis-infused oils, alcohol, and butters can be used for making baked goods and tinctures to provide relief to those who are unable to smoke, or as a preference, complement, or alternative to smoking. The whole cannabis plant may be efficiently utilized. The flower ("bud") is the most potent part of the plant, therefore the bud is preferable for smoking. The leaves ("shake") and stems are less potent and should not be smoked. Shake is preferable for baking and tinctures since it is less costly and its potency is increased by these modes of ingestion.

Options for Smoking

Cannabis may be ground or cut and then rolled into a "joint". We recommend using hemp or rice-based rolling papers for both health reasons and to avoid using tree paper. Pipes can be used to avoid smoking paper and are useful when smoking small quantities. We recommend glass pipes. Water pipes can be used to cool the temperature of inhaled plant matter. Vaporizers can be used as a smokeless alternative and also provide a uniquely "clear" psychoactive effect. A blend of herbs that soothe the lungs can be smoked with cannabis.

Use Cannabis Safely

- Do not drive or operate heavy machinery if impaired by cannabis (*indicās* can be especially sedating.).
- Cannabis mixed with alcohol may cause vomiting and nausea.
- Those receiving digitalis or other cardiac medications should use cannabis under careful supervision by their medical doctor.
- Heavy smoking with no harm reduction techniques (i.e. smoking small amounts of high potency organic cannabis) may lead to respiratory irritation.
- Hold shared joints and other shared smoking implements so as not to touch your lips to them.
- Cultivators should properly dry the cannabis to minimize molds and fungi. Stems should break easily making an audible snapping sound.
- It is still illegal under federal law to possess, grow, or distribute cannabis. Know your rights and take precautions to avoid the harmful effects of arrest, cannabis seizure, imprisonment and criminal record.
- Choose organic cannabis whenever possible to minimize exposure to radioactivity and chemicals. This is especially important for people with compromised immune systems.