



Explore Your Elements



ELEMENT 7 GUADALUPE
859 Guadalupe Street

INTERVIEW

- **BUSINESS PLAN**
- **LABOR, EQUITY, DIVERSITY & INCLUSION**
- **SAFETY**
- **SECURITY**
- **QUALIFICATIONS OF OWNERS**
- **NEIGHBORHOOD COMPATIBILITY**
- **COMMUNITY BENEFITS**
- **PROPOSED LOCATION**

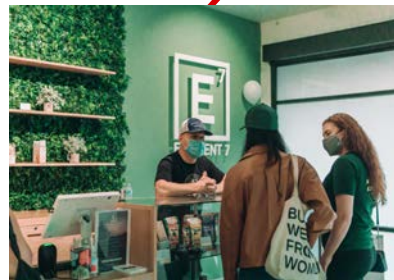


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BUSINESS PLAN



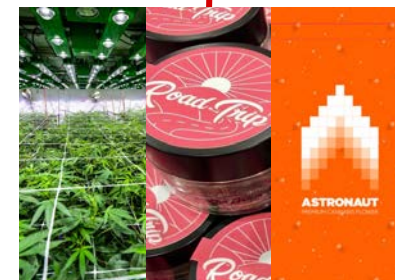
ELEMENT 7



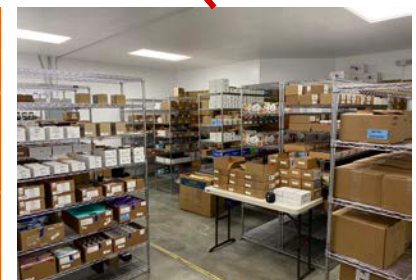
HOLISTIC WELLNESS LAB



INTERACTIVE LEARNING CENTER



VERTICALLY INTEGRATED BUSINESS MODEL



DELIVERY SERVICE

\$1.3M+ IN TAXES OVER 5 YEARS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
GROSS SALES	\$4.4M	\$5.6M	\$6.7M	\$7.7M	\$8.8M
COST OF GOODS SOLD	\$2.2M	\$2.8M	\$3.0M	\$3.2M	\$3.7M
OPEX*	\$1.9M	\$2.1M	\$2.3M	\$2.5M	\$2.7M
GROSS INCOME	\$0.3M	\$0.7M	\$1.4M	\$2.0M	\$2.4M
CITY BENEFIT FEE	\$0.17M	\$0.22M	\$0.26M	\$0.30M	\$0.35M

- \$1.3M in City Benefit Fees Over 5 Years (in lieu of a tax)
- 4% Gross Receipts



COMPLIANCE AT THE HEART OF OUR OPERATIONS



ELEMENT 7

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Retailers – Compliance Inspection Checklist

Section 1. General Information

Date of Inspection: _____
 Conducted By: _____
 Location: _____
 Licensee: _____
 1 - Notes: _____

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Section 1.	General Information
Section 2.	Access to Retail Premises
Section 3.	Hours of Operation
Section 4.	Sale of Goods
Section 5.	Return of Cannabis Goods
Section 6.	Free Cannabis Goods
Section 7.	Packaging and Labeling
Section 8.	Deliveries
Section 9.	Inventory
Section 10.	Security
Section 11.	Records Retention
Section 12.	Cannabis Waste
Section 13.	Retailer to Retailer Transfers

Legend	
3 CCR	Food & Agriculture Regulations
19 CA BPC	The Medicinal and Adult-Use Cannabis Regulation and Safety Act (the "Act")
16 CCR	Bureau of Cannabis Control Regulations
17 CCR	Manufactured Cannabis Safety Regulations
104 HSC	Health Safety Code
20 PRC	Public Resources Code
BCC	Bureau of Cannabis Control (Retailers, distributors, testing laboratories, microbusinesses, and temporary cannabis events)
CDFA	California Department of Food & Agriculture (Cultivation)
CDPH	California Department of Public Health (Manufacturing)
MCLS	Manufacturing Cannabis Licensing System

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Retailers – Compliance Inspection Checklist

Section 4. – Sale of Goods

Questions	Ref	Yes	No
4a. A licensed retailer or at least one employee is physically present in the retail area at all times when individuals/customers who are not employees of the licensed retailer are in the retail area?	16 CCR § 5403(b)		
4b. All sales of cannabis goods take place within the retail area of the retailer's licensed premises and no sales are made through a drive-in or drive-through window, except as noted below?	16 CCR § 5403(c) 16 CCR § 502(c)(2)		
Exceptions to Drive-up/Drive-through Window, if Prior to June 1, 2018:			
4b. (i). The retail licensee or applicant received a license or permit from the local jurisdiction for a premise including a drive-in/drive-through window that was disclosed on the local application.		Yes	No
4b. (ii). The retail licensee or applicant submitted an application to the local jurisdiction for a license or permit which, at the time of submission, included information that a drive-in/drive-through window was already part of, or proposed to be part of, the premises, and after June 1, 2018, the local jurisdiction approved the premises with a drive-in/drive-through window.			
4c. Cannabis goods for inspection and sale are only displayed in the retail area.	16 CCR § 5403(e)		
4d. While cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection, the containers may not be readily accessible to customers without assistance of retailer personnel. In this regard, containers are provided to customers by the licensed retailer or its employees, who remain with the customer at all times while the container is being inspected by the customer.	16 CCR § 5403(d)		
4e. Cannabis goods removed from their packaging for display shall not be sold or consumed, and such cannabis no longer used for display is destroyed in accordance with all applicable waste management laws?	16 CCR § 5403(c)		
4f. A licensed retailer shall not make any cannabis goods available for sale or delivery to a customer unless:	16 CCR § 5408		
Requirements			
4f. (i). The cannabis goods were received by the retail licensee from a licensed distributor or licensed microbusiness authorized to engage in distribution.		Yes	No
4f. (ii). The licensed retailer verified the cannabis goods have not exceeded their best-by, sell-by, or expiration date if one is provided.			
4f. (iii). In the case of manufactured cannabis products, the product complies with all requirements of The Act and applicable Regulations.			
4f. (iv). The cannabis goods have undergone laboratory testing as required.			
4f. (v). The batch number is labeled on the package of cannabis goods and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing.			

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Retailers – Compliance Inspection Checklist

Section 2. – Access to Retail Premises

Questions	Ref	Yes	No
2a. For retailers with only an A-designation, access to the licensed premises is limited to individuals who are at least 21 years of age.	16 CCR § 5403(e)		
2b. For retailers with only an M-designation, access to the licensed premises is limited to individuals who are at least 18 years of age and have a valid physician's recommendation for medicinal cannabis, and individuals who are at least 21 years of age.	16 CCR § 5403(b)		
2c. For retailers with both an A-designation and an M-designation, access to the licensed premises is permitted to individuals both noted in 2a. and 2b., above.	16 CCR § 5403(c)		
2d. Access may be granted to an individual to the retail area to purchase cannabis goods only after the retailer or an employee of the retailer has confirmed the individual's age and identity by inspecting the following valid forms of identification:	16 CCR § 5403(e) 16 CCR § 5404		
I.D. Requirements			
2d. (i). A document issued by a federal, state, county, or municipal government, or a political subdivision or agency, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person.		Yes	No
2d. (ii). A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo.			
2d. (iii). A valid passport issued by the United States or by a foreign government.			
2 - Notes:			

Section 3. – Hours of Operation

Questions	Ref	Yes	No
3a. As a licensed retailer, sales and deliveries of cannabis goods are only made between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.	16 CCR § 5403		
3 - Notes:			

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Retailers – Compliance Inspection Checklist

Section 7. – Packaging and Labeling

Questions	Ref	Yes	No
7b. We do not package or label cannabis goods, except that we may place a barcode or similar sticker on the packaging of cannabis goods to be used in inventory tracking. A barcode or similar sticker placed on the packaging of a cannabis goods shall not obscure any labels required by the law.	16 CCR § 5412(b)(2)		
7c. All cannabis goods sold at our licensed retail operation shall be in compliance with packaging requirements* including:	19 CA BPC 28070.7 16 CCR § 5413		
Requirements			
7c. (i). Cannabis or cannabis products purchased by a customer do not leave the licensed retail premises unless they are placed in an opaque seal package.		Yes	No
7c. (ii). Beginning January 1, 2020, a package containing cannabis goods shall be resealable, tamper-evident, and child resistant.			
* Notwithstanding subsections 7c(i) and 7c(ii) above, immature plants and seeds sold by a licensed retailer are not required to be placed in resealable, tamper-evident, child resistant packaging.			
7 - Notes:			

Section 8. – Deliveries

Questions	Ref	Yes	No
8a. Deliveries of cannabis goods are performed by a delivery employee who is directly employed by the licensed retailer.	16 CCR § 5415(a)		
8b. Each delivery employee of the licensed retailer is at least 21 years of age.	16 CCR § 5415(b)		
8c. Are all deliveries of cannabis goods made in person and not through the use of an unmanned vehicle?	16 CCR § 5415(c)		
8d. As a licensed retailer we ensure that during the process of delivery, our delivery employee does not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops?	16 CCR § 5415(d)		
➤ Note: The process of delivery begins when the delivery employee leaves the retailer's licensed premises with the cannabis goods for delivery. The process of delivering ends when the delivery employee returns to the retailer's licensed premises after delivering the cannabis goods, or attempting to deliver cannabis goods, to the customer(s).			

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Element 7 Quarterly Audit Scorecard

LABOR, EQUITY, DIVERSITY & INCLUSION



**WE CREATE
CAREERS.
NOT JOBS.**



**Labor Peace
Agreement with
UFCW**



**Job Fairs with NDICA
and EDD**



**Comprehensive Staff
Handbook**



**Annual Performance
Reviews**



**Job Promotions –
Hire from Within**



**Dedicated HR &
Training Leader**



THE ACADEMY OF
CANNABIS
SCIENCE



ELEMENT 7
UNIVERSITY

WE CREATE
CAREERS.
NOT JOBS.

Living Wages at
\$19.50 an hour

401K
Contributions

Stock Option
Plans

Health Care &
Dental

Continuous
Learning Benefits

80-Hours of
Class-room
Training

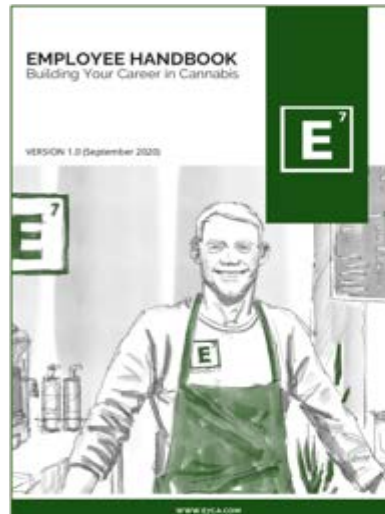
Internships at Rio
Dell / Marina
facilities

100% Staff Hired
Locally

Partnership with
The Academy of
Cannabis Science



ELEMENT 7



SAFETY



Incident Report

Document workplace incidents and injuries using the front and back of this report.

Name (Affected Individual)	Date
Time	Site / Location of Event (Address)
Name of Other Persons Involved	Name and Phone Number (Person Filling Out Report)

- Incident Type:
- Injury - First Aid
 - Injury - Medical/Emergency Treatment
 - Property Damage
 - Equipment Failure
 - Theft

Specific Location of Event (e.g. On third floor of Building A, near elevator shaft)	Emergency Services or Police called? Y/N Reason why/why not:
Incident Description (include all events that led up to the incident and resolution efforts following the incident)	Root Cause (Check all that apply)



ELEMENT 7

SECURITY



Security Shutters & Panic Buttons



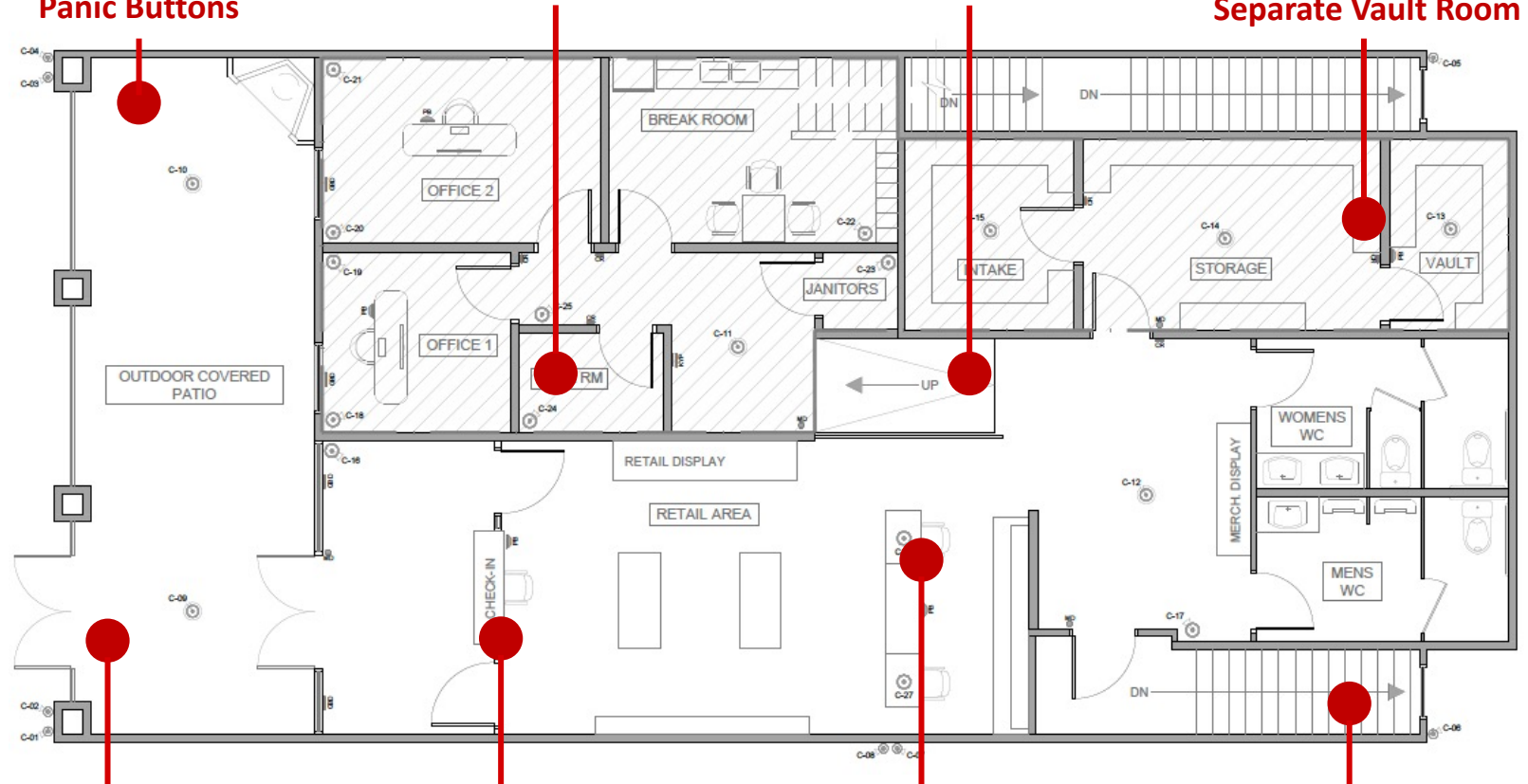
Secure Data Room



Steel Plated Walls



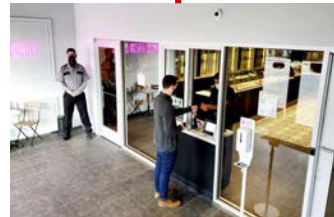
Secured Storage & Separate Vault Room



ELEMENT 7



Door Access Controls



'Man Trap' Lobby & Guard



Transactions Monitored



36 x 4K Cameras

QUALIFICATIONS



**CALIFORNIA'S LARGEST &
MOST LOCAL RETAILER**



ROBUST RETAIL OPERATIONS



Element 7 Rio Dell
Southern Humboldt Flagship Store



Element 7 South San Francisco
400+ Deliveries a Day



Element 7 Marina
Monterey County Store



Element 7 Express Port Hueneme
Ventura County Store



ROBUST RETAIL OPERATIONS



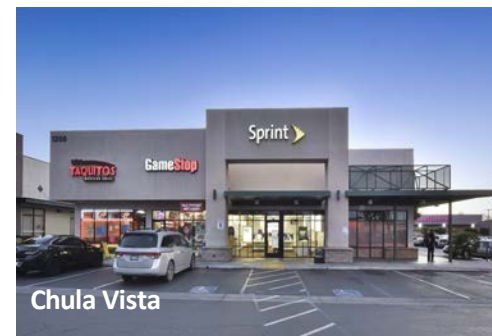
The Bakery by Element 7 Fort Bragg
Mendocino County Store



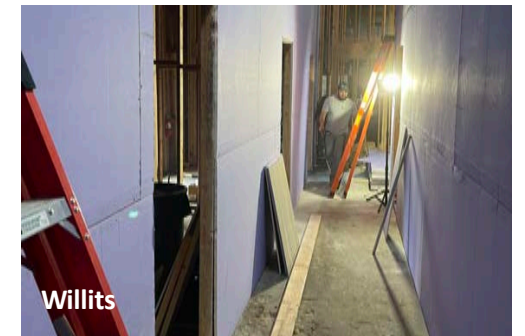
Element 7 Firebaugh
Fresno County Store (+ Manufacturing)



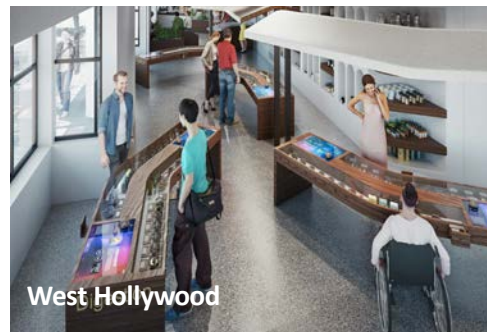
Mendota



Chula Vista



Willits



West Hollywood

4 Other Stores & Cultivation Site Under Construction
Opening March – May 2022



Parlier



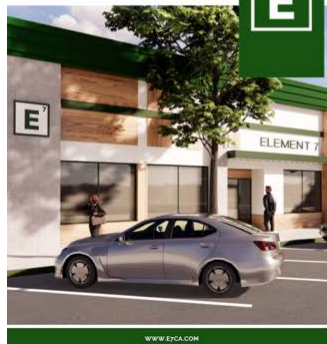
NEIGHBORHOOD COMPATIBILITY



ELEMENT 7

GUADALUPE HOLISTIC CANNABIS WELLNESS CENTER

ELEMENT 7 CORONA
www.e7ca.com



WE WANT TO ACTIVELY ADDRESS YOUR CONCERNS

Dear Neighbors, Residents, and Guadalupe City Partners,

As you may be aware, the City of Guadalupe has recently adopted its cannabis ordinance. Element 7 is applying for a retail license to operate a **Cannabis Wellness Center** and I wanted to make you aware of our plans.

Cannabis, as an alternative form of medicine has continually been discussed, proposed, and prescribed for a range of ailments and conditions across California for over two decades. I appreciate that Corona is both a conservative and unique community and that cannabis, for some, causes discomfort and concern. Rather than sit back and watch this industry come into Corona, we have proactively looked at how we, as parents, entrepreneurs, and wellness advocates, can influence cannabis ordinance in the City and other communities nearby.

Our proposal contemplates a holistic wellness cannabis dispensary with a focus on medicine, plant based therapies, and education. Patients and customers would be separated from the dispensary by a fully secured lobby and the business will have strict operating procedures, check-in policies, and a fully integrated neighborhood management plan focused on creating positives from the business, keeping you informed, and **constantly listening to your feedback**.

While the operation in Guadalupe would be locally managed, staffed, operated, and designed to fit seamlessly within the unique community that is in the City. The one thing that makes Element 7 very different from other cannabis companies is our approach to management and compliance - we operate with a very local footprint supported by a focused head office team in Los Angeles and San Francisco that oversees compliance, regulation, training and other backend operations to ensure that the business operates appropriately and to the highest industry standards. Our recent store opening in Rio Dell is one of Northern California's premium stores.

I can be reached at any time if you would like to discuss any aspect of our application further. We are committed to ensuring that any operation in the City of Guadalupe includes the very best industry practices to ensure that we are the very best operator that we can be.

Yours sincerely,
Robert
Robert Divito
Co-Founder and CEO

CREATING A DATA-DRIVEN CANNABIS RETAIL EXPERIENCE

Element 7 Fort Bragg isn't just another cannabis retail store - with a striking design, the dispensary includes industry leading sales optics, customer data collector, SKU management programs, and a range of compliance and control metrics that pave the way for optimal revenue management & experience.



WE WILL SUPPORT & EXPAND LOCAL CULTURE

We are committed to nurturing and supporting the culture and character of Guadalupe and have committed to an annual beautification budget for the local neighborhood.

This budget will be overseen and managed by the Community Advisory Board that holds Element 7 accountable to the commitments it has made to the local community and will be used for both existing and new programs approved by the community and Board.



COMMUNITY BENEFITS



A County in California's Central Valley is Hosting A Clinic To Help People Expunge Drug-Related Criminal Records



"Diversity is the element that powers innovation," said Robert D'Elia, CEO of Element 7. "It is absolutely critical that the cannabis industry be reflective of the individuals and groups people want an increasingly open, inclusive, and generous together so that we can collectively shape the cannabis industry in the best way possible. We hope this clinic serves as a step toward making Fresno residents contribute to the cannabis industry and light the average day in life."



ELEMENT 7



CANNABIS WITH A CONSCIENCE

Cannabis Education Events

Staff Volunteer Program

Young Leaders Mentorship Program

Annual Expungement Clinic

Youth Education with Law Enforcement

Local Community Engagement Manager

75% of Suppliers Locally Sourced

Local Producers Preference

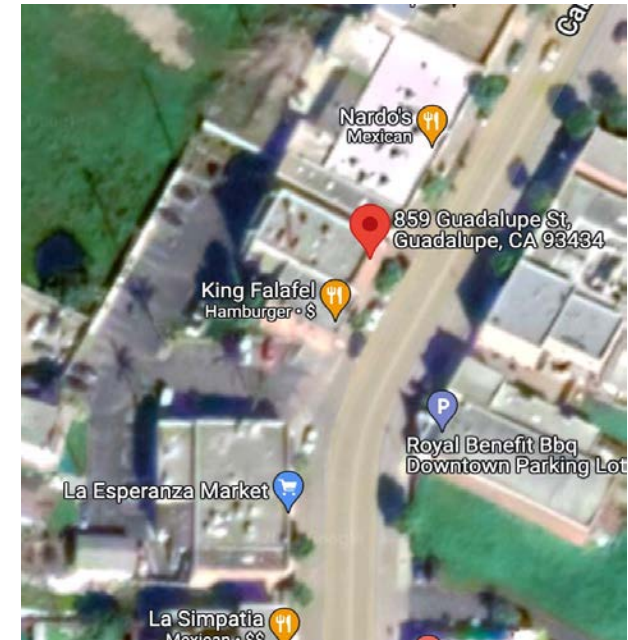
5-Person Community Advisory Board



ELEMENT 7



PROPOSED LOCATION





Robert DiVito

Robert@e7ca.com

(312) 823 7638