

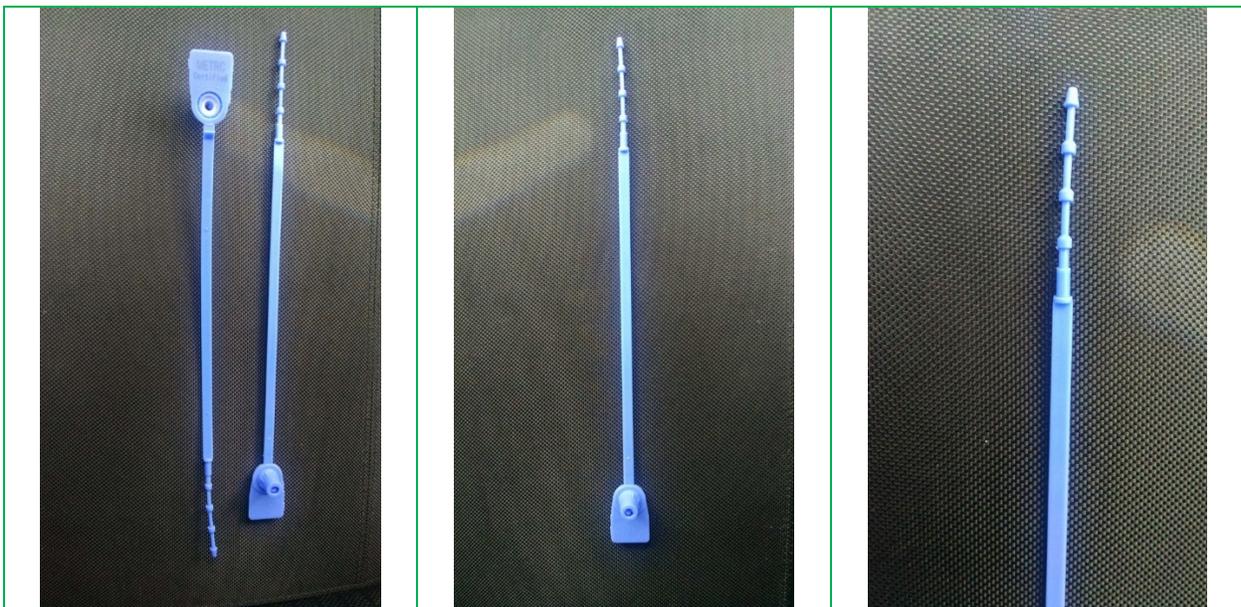
May 23, 2015

The *metrc*[™] team is happy to announce updated straps for plant tags, a new feature in the system and also provide some process clarification. We have added a Manicure option in the Vegetative section of *metrc*[™] and the function is now live. Additionally, we are offering clarification in the following areas: Manicure vs. reporting waste and combining packages. All of the details are listed below.

New Plant Tag Straps

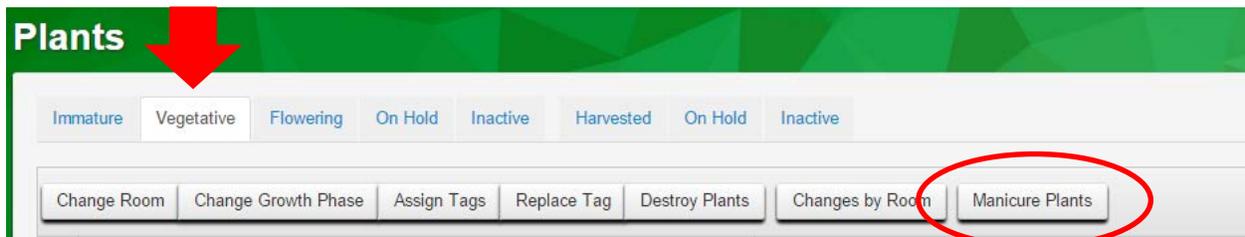
Working with feedback from the MED and Licensees, Franwell has redesigned the straps for plant tags to offer you the opportunity to reposition the strap on the plant as it grows. There will now be 4 locking knots or “bumpers” at the end of each strap. When first attached to a plant, you will lock the strap on the lowest bumper. If the strap needs to be repositioned, you can simply cut the strap above that bumper then reposition it using the next bumper on the strap.

Additionally, there is now a notch at the top that will hold the tag more securely when being used as a stake in the early vegetative phase. Please see the New Strap Instruction Guide attached to this email.



Manicure in Veg. New Feature

You will now have the opportunity to Manicure during the Vegetative phase in *metrc*[™]. The functionality is the same as the Manicure function in Flowering (see image below). When working in the Vegetative tab of your Plants grid, you can click on the Manicure Plants button and select the plants you want to manicure. The weight of the manicured material will be entered as well as any waste associated with the Manicure and the date the Manicure took place.



Process Clarifications

We have worked with the MED on the following two processes. This clarification is designed to bring definition and commonality to both of these areas, and to provide written documentation for you to use as ongoing reference material.

Manicure vs. Waste Reporting:

The Manicure plant process is designed for a business that may remove parts of a plant before harvest with the **intention of selling** what was removed. This is before the primary harvest while the plant is still in its life cycle. The manicure process could also be used if a **usable or sellable** part of the plant was broken off prior to harvest. The manicure plants feature is **not used for waste reporting**. Parts of a plant that fall off, are trimmed, or pruned while the plant is still in its life cycle should be weighed and entered into a waste log kept on site but not entered into metrc.

Combining Packages:

Packages may be **combined as long as they are strain specific when it is bud/trim or item specific for concentrate, edible, and non-edible products**. Additionally here are some guidelines that you can consider and refer to as well:

- ◆ The one pound package regulation is a shipping rule, so the weight of a package is not a concern once it has been received by a Medical Marijuana Center or Retail Marijuana Store.

- ◆ Limit the number of packages that you combine into one. Combining multiple packages makes it more difficult to ensure the correct harvest/production batch is indicated on the label at the point of sale. In addition, limiting the number of packages combined into one may help to save product from being unnecessarily included in a recall situation.
- ◆ Do not continue to repackage your repacks. If you maintain a combined package for an extended period of time and continue to repackage new and existing products into one bulk package, you run the risk of losing accurate tracking of drying and waste, leaving product unaccounted for. For instance: You combine packages 001, 002 and 003 of AK47 into one package (004); deplete and finish 004. Do not receive in a new package (110) then repack 004 and 110 together.
- ◆ Keep the original tags together for documentation/proof of originating packages until package is depleted and Finished.