

Medical Cannabis Application Review

Applicant: Silver Creek Trading Co., LLC / dba Cannabis Connection

To be completed by City of Brookings Staff

Reviewed & Approved by:

DocuSigned by: <u>Steve Britzman</u> City Attorney	<u>9/7/2022</u> Date
DocuSigned by: <u>Mike Struck</u> Community Development	<u>8/25/2022</u> Date
DocuSigned by: <u>Michael J Drake</u> Police Department	<u>9/7/2022</u> Date
DocuSigned by: <u>Pete Bolger</u> Fire Department	<u>9/7/2022</u> Date
DocuSigned by: <u>Jacob Meslike</u> Assistant City Manager	<u>9/8/2022</u> Date
DocuSigned by: <u>Paul Briseno</u> City Manager	<u>9/7/2022</u> Date
DocuSigned by: <u>Bonnie Foster</u> City Clerk	<u>9/9/2022</u> Date

Additional restrictions imposed by the City of Brookings: _____

BRING YOUR DREAMS.



**Medical Cannabis Application
Contact Information Form**

(PLEASE PRINT)

Silver Creek Trading Company LLC DBA: Cannabis Connection

Business Name

1304 6th St Brookings, SD 57006

Business Address

1741 Dakota Ave S STE 316

Mailing Address

605-350-4724

Business Phone

JSC.SoDak@gmail.com

Primary Email

Glenn Jungemann

Applicant's Name (PLEASE PRINT)

605-350-4724

Cell Phone

Applicant's Name (PLEASE PRINT)

Cell Phone

BRING YOUR DREAMS.



MEDICAL CANNABIS ESTABLISHMENT LICENSE APPLICATION

APPLICATION FOR:

MEDICAL CANNABIS CULTIVATION FACILITY LICENSE

MEDICAL CANNABIS TESTING FACILITY LICENSE

MEDICAL CANNABIS MANUFACTURING FACILITY LICENSE

MEDICAL CANNABIS DISPENSARY LICENSE

Return completed application to:

Bonnie Foster, City Clerk

520 3rd St., Suite 230

Brookings, SD 57006

605-692-6281 – bfoster@cityofbrookings-sd.gov

1) The non-refundable application fee in the sum of \$5,000.00 must accompany this application.

2) License Type Requested:

1. Medical Cannabis Cultivation Facility License

2. Medical Cannabis Testing Facility License

3. Medical Cannabis Manufacturing Facility License

4. Medical Cannabis Dispensary License

X

3) The legal name of the prospective medical cannabis establishment:

Silver Creek Trading Company LLC DBA: Cannabis Connection

4) The physical address of the prospective medical cannabis establishment that is not within one thousand feet of a public or private school existing before the date of this medical cannabis establishment application:

1304 6th St, Brookings, SD 57006

5) The name, address and date of birth of each owner, shareholder, LLC member, partner and manager, principal officer, and board member of the proposed medical cannabis establishment:

<u>Name</u>	<u>Address</u>	<u>Title</u>	<u>Date of Birth</u>
Glenn Jungemann	1914 Eilers CT Huron, SD 57350	Owner/CEO	5/12/1962

6) At least one principal officer must be a resident of South Dakota. The principal officer who is a resident of South Dakota is Glenn Jungemann, who resides at the following address:

1914 Eilers CT Huron, SD57350

- 7) A copy of the operating procedures consistent with rules for oversight of the proposed medical cannabis establishment established by the S.D. Department of Health must be attached, including procedures to ensure accurate record keeping and procedures to ensure adequate security measures are in place.
- 8) The prospective medical cannabis establishments will be located in Brookings Zoning District _____, and must comply with all zoning regulations for that district.
- 9) A site plan reflecting the boundaries of the proposed licensed premises must be attached to this Application.
- 10) A description of safety and security measures reflecting compliance with the City and State's operating requirements as required by Administrative Rule 44:90:03:02 must be attached to this Application.

Other Information

- 11) Have any of the principal officers or board members served as a principal officer or board member for a medical cannabis establishment that has had its registration certificate revoked?
If yes, provide the name of the officer and the name and address of the establishment: _____
- 12) Are any of the principal officers or board members under twenty-one years of age?
- 13) Will the medical cannabis establishment employ any person who is under twenty-one years of age?
- 14) Will the medical cannabis establishment employ any person who was convicted of a disqualifying felony offense?
- 15) Will the prospective medical cannabis establishment conduct a background check into the criminal history of each person who is or is seeking to become a principal officer, board member, agent, volunteer, or employee before the person assumes office or begins working at the medical cannabis establishment?
- 16) Does the medical cannabis establishment have appropriate security measures designed to deter and prevent the theft of cannabis and unauthorized entrance into any area containing cannabis?
- 17) **For medical cannabis cultivation, testing and manufacturing establishments**, will all cultivation, harvesting, manufacturing and packaging of cannabis take place in a secure facility at the physical address of the medical cannabis establishment?
- 18) **For medical cannabis cultivation, testing and manufacturing establishments**, will the secure facility only be accessed by agents of the medical cannabis establishment, emergency personnel, and adults who are twenty-one years of age and older and who are accompanied by a medical cannabis establishment agent?
- 19) **For medical cannabis manufacturing establishments**, will only cannabis product manufacturers produce cannabis concentrates, cannabis extractions and other cannabis products?
- 20) Will the medical cannabis establishment share office space with or refer a patient to a practitioner?
- 21) Will the medical cannabis establishment permit any person to consume cannabis on the property of a medical cannabis establishment?
- 22) Will the medical cannabis establishment allow inspection of the medical cannabis establishment by the City or Department of Health during business hours?

YES	NO
	X
	X
NO	
NO	
X	
YES	
N/A	
N/A	
NO	
NO	
X	
YES	NO

23)	For medical cannabis dispensaries , will the prospective medical cannabis dispensary make a diligent effort to verify that the registry identification card or registration presented to the dispensary is valid?	X	
24)	For medical cannabis dispensaries , will the prospective medical cannabis dispensary make a diligent effort to verify that the person presenting the documentation is the person identified on the document presented to the dispensary agent?	X	
25)	For medical cannabis dispensaries , will the prospective medical cannabis dispensary make a diligent effort to only dispense an amount of cannabis to a person that would not cause the person to possess more than the allowable amount of cannabis?	X	
26)	For medical cannabis dispensaries , will the prospective medical cannabis dispensary make a diligent effort to verify that the dispensary is the current dispensary designated by the cardholder or nonresident cardholder?	X	
27)	A dispensary may not dispense more than three ounces of cannabis to a non-resident cardholder or a registered qualifying patient, directly or via a designated caregiver, in any fourteen-day period. Will the prospective medical cannabis dispensary ensure compliance with this limitation by maintaining internal, confidential records that include records specifying how much cannabis is dispensed to a nonresident cardholder or registered qualifying patient and that it is dispensed directly to a registered qualifying patient or to the designated caregiver?	X	
28)	Will the prospective medical cannabis dispensary be located within any building containing a dwelling unit, a pediatrician's office, hotel, motel or lodging facility?	X	
29)	Will the prospective medical cannabis dispensary have locked display cases only accessible to staff during business hours, and a locked vault or storage cage in which all cannabis and cannabis products be stored during hours the dispensary is closed?	X	
30)	Will the prospective medical cannabis establishment conform to the prevailing building and fire codes adopted by the City of Brookings?	X	
31)	Will all exterior entrances and exits and all parking areas of the prospective medical cannabis dispensary be lighted at all times after dark?	X	
32)	Will security cameras which comply with the South Dakota Administrative Rules for Medical Cannabis Dispensaries be utilized and the camera system securely store camera footage for no less than thirty (30) days?	X	
33)	Will the medical cannabis establishment have a functional commercial alarm system triggered by the press of a button, by the breaking of glass, and by forcing open a locked door?	X	
34)	Will any person be allowed entry into the medical cannabis dispensary without showing a valid picture identification?		X
35)	For medical cannabis dispensaries , will the facility be ventilated so that the odor of cannabis or cannabis products not be detected by a person with a normal sense of smell outside the medical cannabis dispensary or on any adjoining property?	X	
36)	Will all exterior signage associated with a medical cannabis dispensary comply with the zoning ordinances of the City and the Administrative Rules of the State of South Dakota?	X	
37)	Will all sales of medical cannabis be made in person, directly to the purchaser, within the medical cannabis dispensary?	X	
38)	Will all sales occur only in person, to the purchaser at the time of purchase within the medical cannabis dispensary?	X	
39)	Will the medical cannabis dispensary utilize drive up windows or other similar delivery processes be allowed?		X

- | | | |
|------------|---|---|
| | X | |
| | X | |
| | X | |
| | X | |
| | X | |
| unit error | X | ← |
| | X | |
| | X | |
| | X | |
| | X | |
| | X | |
| | | X |
| | X | |
| | X | |
| | X | |
| | X | |
| | | X |

directly to a dwelling unit - only single
any building
dwelling facility? ← "SIB"
"NO"
in cases only

- 40) For **medical cannabis dispensaries**, will the dispensary distribute or allow the distribution of any medical cannabis without charge for purposes of promotion, advertising or any other purpose?
- 41) By accepting a license issued by the City of Brookings, will the licensee waive any claim and release the City of Brookings, its officers, elected officials, employees, attorneys and agents from any liability for injuries or damages of any kind that result from any arrest or prosecution of business owners, operators, employees, clients or customers of the licensee for a violation of State or Federal laws, rules or regulations?
- 42) By accepting a license issued by the City of Brookings, will the licensee agree to indemnify, defend and hold harmless the City of Brookings and its officers, elected officials, employees, attorneys, agents, insurers against all liability, claims and demands on account of any injury, loss or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever arising out of or in any manner connected with the operation of the medical cannabis establishment that is the subject of the license?
- 43) Have each of the owners of the prospective medical cannabis establishment signed the license application form and the indemnification and waiver and release forms?

YES	NO
	X
X	
X	
X	

Under penalties of perjury, I declare that I have examined this Application, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of each owner of the Applicant's establishment

Date

Signature of each owner of the Applicant's establishment

Date

Signature of each owner of the Applicant's establishment

Date

Signature of each owner of the Applicant's establishment

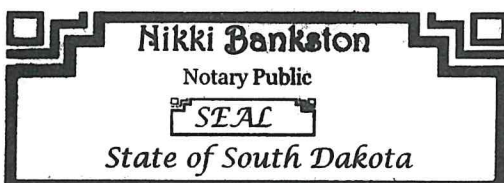
Date

Signature of each owner of the Applicant's establishment

Date

Subscribed and sworn to before me this 18 day of August, 2022.

(SEAL)



Yvonne Bankston
Notary Public, State of South Dakota
My commission expires Aug 17, 2027

MEDICAL CANNABIS ESTABLISHMENT INDEMNIFICATION AGREEMENT

This MEDICAL CANNABIS ESTABLISHMENT INDEMNIFICATION AGREEMENT (hereafter the "Agreement") is entered into this 19 day of August, 2022, by and between Silver Creek Trading Company LLC (the "Medical Cannabis Establishment License Applicant"), and the City of Brookings, South Dakota, a South Dakota Municipal Corporation ("City of Brookings").

1. Purpose of this Agreement. The Medical Cannabis Establishment Applicant has submitted an Application for a Medical Cannabis License to the City of Brookings. The purpose of this Agreement is to provide assurance that the Applicant agrees to provide indemnity protection for the City of Brookings, South Dakota for any liability including, but not limited to, attorneys' fees arising out of or in any manner connected with the operation of a medical cannabis establishment that is the subject of the Medical Cannabis License Application.

2. Indemnity and Release. To the fullest extent permitted by law, Applicant will indemnify and hold harmless the City of Brookings, and its officials, officers and employees, from and against liability, claims, damages, losses and expenses, including but not limited to attorneys' fees arising out of or in any manner that results from any arrest or prosecution of the Applicant's business owners, operators, employees, clients or customers of the licensee for a violation of State or federal laws, rules or regulations in the operation of a medical cannabis establishment the Applicant operates in the City of Brookings.

3. The issuance of a medical cannabis license by the City of Brookings pursuant to this section shall not be deemed to create an exception, defense or immunity for any person in regard to any potential criminal liability the person may have under State or federal law for the cultivation, possession, sale, distribution or use of marijuana.

4. In the event there is a claim against the City of Brookings, South Dakota or its officials, officers or employees who are indemnified under this Agreement brought by an employee of a Medical Cannabis Establishment Applicant, or its subcontractors, or anyone directly or indirectly employed by them or anyone for whose acts they may be liable, then this indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Medical Cannabis Establishment Applicant or its subcontractors or employees under the workers' compensation laws.

IN WITNESS WHEREOF, this Agreement has been entered into by the parties hereto. Each Owner of the Applicant's company must sign this Agreement.

**MEDICAL CANNABIS ESTABLISHMENT
APPLICANT**

Silver Creek Trading Company LLC DBA: Cannabis Connection

By: _____

Its: Owner

By: _____

Its: Owner

By: _____

Its: Owner

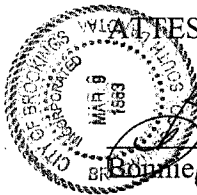
By: _____

Its: Owner

CITY OF BROOKINGS, SOUTH DAKOTA

Paul Briseno, City Manager

WITNESSES:



Bonnie Foster, City Clerk

May 27, 2022

Glenn Jungemann
Silver Creek, LLC
1914 Dakota Ave So, Suite 316
Huron, SD 57350

Re: 1304 6th St, Brookings, SD

Dear Shawn:

This letter is an update to the previous LOI and amendment, this update encompasses all changes to date and supercedes any prior agreements. This letter is to advise you that Silver Creek, LLC has an interest in leasing space at the above references location, based on terms and provisions consistent with the following:

- 1) Tenant: Silver Creek, LLC, 1914 Dakota Ave So, Suite 316, Huron, SD, 57350
- 2) Landlord: Sixth Street Centre & Condominiums, LLC, PO Box 63, Brookings, SD 57006
- 3) Premises: Approximately 1,556 square feet, located in the Sixth Street Centre.
- 4) Primary Term: 3 years
- 5) Primary Term Rent: \$18/square foot base rent, CAM estimated to be approximately \$5/square foot the first year which is based on the following percentages: residential pays 65%, commercial pays 35%. Of commercial's 35% 1304 6th St is responsible for 23%, so 1304 6th St is responsible for 23% of 35% of the CAM charges.
- 6) Security deposit: Equal to one month's base rent.
- 7) Landlord's Delivery Conditions: Landlord shall deliver to Tenant exclusive possession of the premises in its current physical condition. Landlord will leave the walk-in cooler in place, but the cooler will remain the property of the Landlord, although the Landlord may not remove the cooler as long as Silver Creek, LLC continues to be the Tenant. The current Tenant, Micro Doughnuts, has kitchen-related property in the premises at this time, that property will be removed prior to the possession date.
- 8) Possession Date: July 1, 2022
- 9) Tenant's Signage: Tenant shall have one space on the pylon sign, similar in size to the existing Tenants' spaces. Tenant shall be allowed to have one store-front sign, Tenant shall obtain approval from Landlord prior to ordering and installing said sign.

10) Utilities: Tenant shall be responsible for the utilities for 1304 6th St.

11) Premises Modifications: Following Tenant's initial improvements, Tenant may modify the premises in its sole discretion, provided however that Tenant shall be required to obtain Landlord's written consent to any modifications that are structural, or likely to materially or adversely affect the electrical, mechanical or plumbing systems.

12) Landlord is aware that Silver Creek, LLC will operate in this location as a Medical Cannabis Dispensary doing business as Cannabis Connection. Should city ordinance, or state law, require the landlord sign a letter of approval for the Tenant to operate as such, Landlord will not unreasonably withhold said approval.

13) Tenant may sublease, or DBA, to Cannabis Connection.

14) If recreational cannabis becomes legal in South Dakota, rent will increase \$5 per square foot the first full month following South Dakota's implementation of recreational cannabis.

15) Tenant will allow landlord to notify existing commercial tenants that a medical cannabis dispensary will be opening in the Sixth Street Centre prior to the landlord signing the lease.

16) If your broker asks for a broker fee, said fee will be paid by the tenant.

17) Primary Term Rent - Rent shall be adjusted annually based on the CPI change differential

18) No cannabis use will be allowed on the Sixth Centre Property.

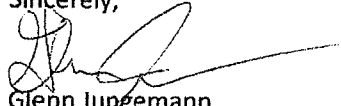
This letter is not intended to be, and does not constitute, an agreement or binding commitment or contract. Rather, it is only an expression of the basis of which Cannabis Connection would consider entering into a lease. Neither party shall have any obligation to the other, unless and until a formal written lease agreement is fully executed. This letter of intent does not create any obligation on the parties to negotiate.

The name and contact information of the Landlord's representative for the proposed lease is:

Shawn Storhaug
605-691-0667
shawn@brookingspm.com

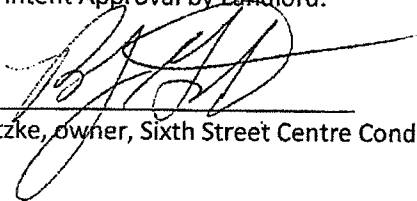
We appreciate your sensitivity to the confidentiality of the Tenant's identity and the proposed term thereof.

Sincerely,



Glenn Jungemann
Silver Creek, LLC
605-350-4724

Letter of Intent Approval by Landlord:



Brian Gatzke, owner, Sixth Street Centre Condominiums, LLC

6/4/2022

Date

SILVER CREEK TRADING COMPANY LLC

800 DAKOTA AVE N
HURON, SD 57350-4756

1007

78-4/914 180

8/17/22

Date

Pay to the
Order of City of Brookings

\$ 5,000 ⁰⁰/₁₀₀

Five Thousand Dollars and 00/100

Dollars



Photo
Safe
Deposit®
Details on back



Wells Fargo Bank, N.A.
South Dakota
wellsfargo.com

For Application Fee

MP

⑆091400046⑆ 1321688135⑈ 01007

Harland Clarke

GUARDIAN SAFETY® YELLOW

MEDICAL CANNABIS ESTABLISHMENT LICENSE APPLICATION
EXHIBITS/ATTACHMENTS

1. Non-refundable application fee in the sum of \$5,000.00, payable to the City of Brookings.
2. Copy of Operating Procedures per Section 7 of the Application.
3. Site plan per Section 8 of the Application.
4. Description of Safety and Security measures per Section 10.
5. Indemnification and Waiver Form.



DL224685

217-0531 04/11/2022 3:46PM REC'D BY SD SSS

Secretary of State
500 E. Capitol Ave
Pierre, SD 57501-5070
(605) 773-4845

ARTICLES OF ORGANIZATION

DOMESTIC LIMITED LIABILITY COMPANY
SDCL 47-34A-203, 212

Filing Fee: \$150

Total Fee: \$150

Please Type or Print Clearly in Ink
Please submit one Original
Make payable to the SECRETARY OF STATE

Article I

The name of the Company: **Silver Creek Trading Company, LLC.**

Article II

The address of the initial designated office in or out of the State of South Dakota where the company conducts its business:

Actual Street Address

**800 DAKOTA AVE. N
HURON, SD 57350**

Mailing Address

**1741 DAKOTA AVE S
STE 316
HURON, SD 57350**

Article III

SDCL 59-11-6

The South Dakota Registered Agent's Name:

South Dakota law permits the registered agent to be either (a) a noncommercial registered agent or (b) a commercial registered agent.

(a) The South Dakota Noncommercial Registered Agent's name

Name **Glenn Richard Jungemann**

Actual Street Address in this State

**800 DAKOTA AVE N
HURON, SD 57350**

Mailing Address in this State

**1741 DAKOTA AVE S
STE 316
HURON, SD 57350**

Article IV

The name and address of each organizer

Name

Address

Richard Glenn Jungemann**800 Dakota Ave N. Huron, South Dakota, 57350**

Article V

The duration of the company if other than perpetual is: **Perpetual**

If the document is not to be effective upon filing by the Secretary of State, the delayed effective date is: _____



0217-0532 04/11/2022 3:46PM Rec'd by SD SUS

Article VI

☒ Member-Managed ☐ Manager-Managed

Article VII

Beneficial Owners (optional): A beneficial owner is a person who has or in some manner controls an equity security. Please consult an attorney for legal advice if you have any questions concerning this entry. Any question under this heading is considered a request for legal advice and the secretary of state's office is, by statute, not permitted, to provide legal advice.

Signature/Authorization

The Articles of Organization must be executed by the organizers.

No person may execute this report knowing it is false in any material respect. Any violation may be subject to a criminal penalty (SDCL 22-39-36).

Glenn Richard
Jungemann

Glenn Richard Jungemann

Owner

04/11/2022

PRINTED NAME

SIGNATURE

TITLE

DATED

State of South Dakota

Office of the Secretary of State

Certificate of Organization

Domestic Limited Liability Company

I, **Steve Barnett**, Secretary of State of the State of South Dakota, hereby certify that the Articles of Organization for

Silver Creek Trading Company, LLC.

BUSINESS ID# DL224685

with an effective date of: April 11, 2022, duly signed and verified, pursuant to the provisions of the South Dakota Limited Liability Company Act, has been received in this office and is found to conform to law.

ACCORDINGLY, and by virtue of the authority vested in me by law, I hereby issue this Certificate of Organization and attach hereto a duplicate of the Articles of Organization.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of South Dakota, in Pierre, the Capital City, this day, April 11, 2022.

Steve Barnett

Steve Barnett
Secretary of State

04/11/2022 3:46 PM



DAVID V. NATVIG
DIRECTOR

STATE OF SOUTH DAKOTA
DIVISION OF CRIMINAL INVESTIGATION
OFFICE OF ATTORNEY GENERAL
GEORGE S. MICKELSON CRIMINAL JUSTICE CENTER
1302 EAST HIGHWAY 14, SUITE 5
PIERRE, SOUTH DAKOTA 57501-8505
PHONE (605) 773-3331
FAX (605) 773-4629

Law Enforcement Training
State Forensic Laboratory

May 27, 2022

JS CONSULTING, LLC
800 DAKOTA AVE. N
HURON, SD 57350

Dear Sir or Madam:

Please be advised that we have conducted a search of the Division of Criminal Investigation records for Glenn Jungemann with no South Dakota criminal history found.

The Division has received the \$26.75 per person processing fee and this letter serves as your receipt.

Please contact us if we can be of further assistance.

Sincerely,

DAVID V. NATVIG, DIRECTOR

By: Dori Prince
Identification Coordinator

DVN:dp



COMMERCIAL
DRIVER LICENSE



4a LIC. NO. **00269469** 4a ISS **04/06/2018**
3 DOB **05/12/1962** 4b EXP **05/12/2023**
1 **JUNGEMANN**
2 **GLENN RICHARD**
8 20003 387TH AVE
WOLSEY, SD 57384-8433
9 CLASS **B3** 9a END **NP** 15 SEX **M**
12 RESTRICTIONS **BKN**
16 HGT **6'-00"** 17 WGT **260 lb** 18 EYES **BLU**
5 DO **00269469201804061034530**

♥DONOR

SILVER CREEK TRADING COMPANY LLC
CANNABIS CONNECTION
1741 DAKOTA AVE S STE 316
HURON, SD 57350-3931

May 31, 2022

Dear SILVER CREEK TRADING COMPANY LLC

Below is your current South Dakota tax license. It is non-transferable and shall be valid only for the person or entity named on the license. The license is for the transaction of business at the place designated on the license. The license is to be conspicuously displayed at the place of business.

Please review your information and contact our department if there are any changes in ownership, names, or addresses. If you have a Streamlined sales tax license any changes must be made through the Streamlined Registration System at www.streamlinedsalestax.org.

For more information, visit our website at <http://dor.sd.gov>, call the Department of Revenue at 1-800-829-9188 weekdays from 8:00 am to 5:00 pm Central Time or e-mail us at bustax@state.sd.us. Thank you.

Website: <http://dor.sd.gov>

SD EPath: <http://dor.sd.gov/EPATH>



<http://dor.sd.gov>

Having made proper application therefore, and upon compliance with all applicable laws and regulations of the state of South Dakota, this license is hereby issued to the below named. This license remains the property of the state of South Dakota and while in possession of the person to whom issued, entitles the licensee to transact whatever business or activity is specified on this license, until this license expires or is cancelled.

ISSUE DATE: 05/31/2022

EXPIRATION DATE:

LICENSE NUMBER: 1038-6992-ST

LICENSE TYPE: Sales Tax

ISSUED TO:

SILVER CREEK TRADING COMPANY LLC
800 DAKOTA AVE N
HURON, SD 57350

CANNABIS CONNECTION

1305 6TH ST

BROOKINGS, SD 57006

A handwritten signature in black ink, appearing to read "Mike Houdysheil", is written over a horizontal line.

Mike Houdysheil
Secretary of Revenue

NON-TRANSFERABLE

IRS DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
PHILADELPHIA PA 19255-0023

002712.427764.67001.32631 1 MB 0.485 530



SILVER CREEK TRADING COMPANY LLC
GLENN RICHARD JUNGEMANN SOLE MBR
1741 DAKOTA AVE S STE 316
HURON SD 57350

Date of this notice: 04-15-2022

Employer Identification Number:
88-1706615

Form: SS-4

Number of this notice: CP 575 G

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 88-1706615. This EIN will identify your entity, accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Taxpayers request an EIN for their business. Some taxpayers receive CP575 notices when another person has stolen their identity and are opening a business using their information. If you did not apply for this EIN, please visit, www.irs.gov/einnotrequested.

When filing tax documents, making payments, or replying to any related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

A limited liability company (LLC) may file Form 8832, Entity Classification Election, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, Election by a Small Business Corporation. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. This notice is issued only one time and IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.
- * Provide future officers of your organization with a copy of this notice.

Your name control associated with this EIN is SILV. You will need to provide this information, along with your EIN, if you file your returns electronically.

Safeguard your EIN by referring to Publication 4557, Safeguarding Taxpayer Data: A Guide for Your Business.

You can get any of the forms or publications mentioned in this letter by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions about your EIN, you can contact us at the phone number or address listed at the top of this notice. If you write, please tear off the stub at the bottom of this notice and include it with your letter. If you do not need to write us, do not complete, and return this stub.

Thank you for your cooperation.

002712

(IRS USE ONLY) 5756

04-15-2022 SILV 0 0509906753 SS-4



002712

Keep this part for your records.

CP 575 G (Rev. 1-2022)

Return this part with any correspondence
so we may identify your account. Please
correct any errors in your name or address.

CP 575 G

0509906753

Your Telephone Number Best Time to Call
() -

DATE OF THIS NOTICE: 04-15-2022
EMPLOYER IDENTIFICATION NUMBER: 88-1706615
FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE
PHILADELPHIA PA 19255-0023



SILVER CREEK TRADING COMPANY LLC
GLENN RICHARD JUNGEMANN SOLE MBR
1741 DAKOTA AVE S STE 316
HURON SD 57350

**Background Check
Medical Cannabis Application
City of Brookings**

Business Name: Silver Creek Trading Company LLC DBA: Cannabis Connection

Address: 1914 Eilers Ct Huron, SD 57350

Owner: Glenn Jungemann

Driver's License #: 00269469

Date of Birth: 05/12/1962

City/States Lived in for last ten (10) years: Wolsey, SD Huron, SD

Owner: _____

Driver's License #: _____

Date of Birth: _____

City/States Lived in for last ten (10) years: _____

Owner: _____

Driver's License #: _____

Date of Birth: _____

City/States Lived in for last ten (10) years: _____

TO: Brookings Police Chief
FROM: Brookings City Clerk
RE: Background Check Form

The above individuals have applied for a medical cannabis license within the City of Brookings. In accordance with State Law and City Policy, please conduct a background report for felony convictions and advise of your findings.

Background Check Findings:

☒ No Felony Convictions
☐ Felony Convictions Reported (please identify)
None

DocuSigned by:

Michael J Drake

8/23/2022

Brookings Police Department

Dated

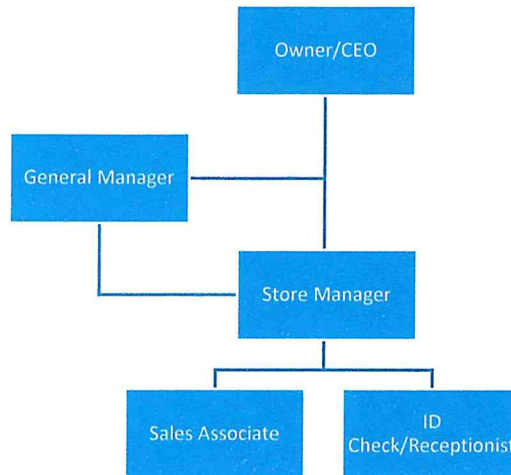
Cannabis Connection Procedures/Security Plan

Dispensary – Operating Procedures

Management Plan

- Roles of Personnel
 - Owner/CEO/General Manager – Glenn Jungemann
 - Oversee all operations.
 - Provide solutions to the changing business needs.
 - Store manager-
 - Oversee SOP's, staff, evaluating performance, and training.
 - Create the schedule and ensure proper staffing.
 - Work along with the Department of Health to ensure compliance in inventory, electronic funds management, reporting, and regulatory protocols.
 - Oversee the facility including repairs and cleanliness.
 - Build/maintain relationship with vendors.
 - Spearhead marketing initiatives that fit city and state guidelines.
 - Keep up to date on current and evolving laws and regulations.
 - Oversees security and safety.
 - Work with employees to ensure they are up to date on all safety and security procedures.
 - Report all necessary inventory and product information in compliance with state laws and regulations, manages relationships with suppliers, performs regular audits, and manages seed-to-sale tracking.
 - Maintain proper licensure on the local, state, and federal level.
 - Train staff on proper compliance.
 - Perform regular audits to ensure all dispensary operations are fully compliant.
 - Sales associate-
 - Provide service for patients/caregivers, including education on products, consumption methods, and paraphernalia for medical cannabis.
 - Handle electronic payment and enter transactions into dispensary POS system.
 - Maintain appearance of retail sales floor, including merchandise, restocking inventory, and cleaning the sales area.
 - Continue cannabis education to maintain up-to-date product knowledge.
 - ID check/receptionist-
 - Greet patients/caregivers as they enter the facility.
 - Verify identification and ensure that the patients/caregivers are 21 or over.
 - Guide patients/caregivers to the waiting area until they are allowed to enter the sales floor.
 - As business progresses, more personnel may be added as needed. If so, management will need to be further broken down. Additional sales associates will be considered as well.
 - One employee may have multiple roles in the day-to-day operations depending on staffing availability.

- Organizational chart provided



- Procedures to Recruit and Train Employees
 - Each applicant will subject to an in-depth interview, background, and reference check will be conducted.
 - Management will train employees in dispensary operation and management from that point forward.
- Procedures to Acquire Equipment
 - Vendor options are (ie- MJ Wholesale) and pricing from POS (ie- Flowhub) to security (ie- Dakota Surveillance and CMS Monitoring) and anything else the dispensary requires.
 - SF Partnership will make the purchases. The security system will be set up by Dakota Surveillance. The POS hardware and software will be set up by JS Consulting. Please note that Flowhub is one of the first and top-rated POS systems for dispensaries that is compatible with the METRC seed to sale tracking system.

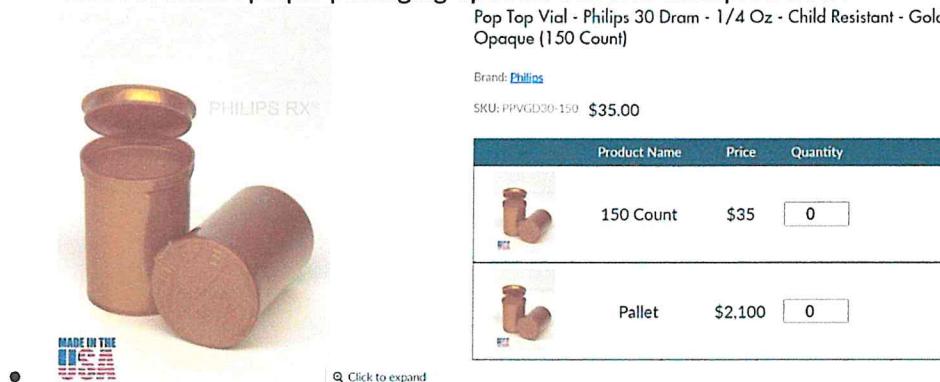
Operating Days and Hours

- Days and hours of normal operation are specified
 - Within the hours specified by the City of Brookings and State of South Dakota.
- Site will have personnel present during normal business hours for purposes of inspections
 - Personnel will be present during normal business hours.
- Any anticipated deviations (e.g., holidays) are explained
 - Dispensary will be closed on all federal holidays, holidays designated by Brookings, SD City Counsel, and Sunday's

Marketing Practices

- Applicant identifies the types of products to be dispensed
 - Flower, tinctures, edibles, pre-rolls, and concentrates plus all necessary cannabis supplies.
- Applicant identifies whether it will package bulk cannabis or cannabis products at the point of sale

- Everything will be pre-packaged from the grow facility from a single ounce down to the gram.
 - The display product will be in a locked display case.
 - As display product reaches the end of shelf date, it will be relabeled and sold at a discounted price at the dispensary.
- *If packaging at point of sale*, applicant describes tamper-evident, child-resistant, opaque packaging
- All supplies will be purchased from MJ Wholesale. This includes all their ATSM classified child resistant opaque packaging options. See one example below.



- Applicant identifies a licensed source of cannabis and cannabis products
 - The licensed source of cannabis is the Dakota Natural Solutions Grow facility, Wessington, SD.
- Applicant identifies the size and content of signs to be placed onsite
 - There will be 1-2 signs on the property within specific location.
 - Size will be determined within Brookings, SD city ordinance.
- Applicant specifies procedures for verifying identification
 - Upon entry, patients/caregivers will see an ID check/reception area. Not only will the ID be checked physically, but it will also be scanned with Flowhub's software. Flowhub verifies the authenticity of card and age of patient/caregiver. It also notifies of a new or returning customer. This ensures that no fake or invalid IDs are used.
- Applicant specifies procedures for limiting purchases to legal amounts
 - Flowhub software has built in purchase limits that communicate with METRC. This allows both the sales associate and patient/caregiver to focus on the product and experience rather than the amount. The acceptable amount by the state is built into the system. As each item is scanned, it informs you of the amount of product remaining to purchase until the max is reached.
- Applicant identifies point-of-sale software
 - Flowhub is the POS software chosen to best fit this facility.
- Applicant describes how location promotes patient access (e.g., easy to get to)
 - The dispensary would be easily accessible
- Dispensary signs may not appeal to persons under 21 years of age, make specific medical claims, or depict cannabis consumption
 - Signage doesn't appeal to anyone underage and does not make any specific medical claims.

- Point-of-sale software must be interoperable with tracking system
 - Flowhub POS software is a leader in the cannabis industry. It was one of the first as the industry took off. It is compatible with METRC and is used in multiple other states.
- *If packaging at point of sale*, scales used for determining sale prices must have a certificate of conformance from a National Type Evaluation Program approved laboratory (DPS requirement)
 - The NTEP approved scale purchased from Summit Measurement is also METRC compatible

Ohaus Ranger 3000 Compact NTEP Bench Scale

- Capacity: 30 lb/15 kg, 60 lb/30 kg
- Resolution: 0.001 lb/0.0005 kg
- Platform Size: 8.9 in x 11.8 in
- NTEP, RS232, Below Balance Weighing, METRC Compatible



Workplace Safety

- **Safety plan submitted**
 - Each establishment agent shall receive training in all aspects of the establishment's security protocol.
 - The training will focus on each agent's role in deterring and preventing theft and preventing unauthorized access to the premises.
 - Training will also focus on what to do should there be any unlawful actions or dangerous situations.
 - In case of emergency, exits will be clearly labeled and visible.
 - Exit plans will be placed in each room.
 - Employees will help guide patients/caregivers in emergency situations to the exits and keep a head count.

Security Plan

Exterior

- Exterior lights will be installed if needed. Outdoor lighting and streetlights are already present for leased building.
- Motion sensors are placed on all entrances to the dispensary.
- Security cameras are placed near the entrance/exit of the dispensary.
- If an alarm is tripped, our alarm monitoring services will be notified.

Interior

- Security cameras will be placed in all areas that have cannabis present or cannabis passes through.
- Secure, Bluetooth enabled Smart Locks will be placed on all ingress/egress doors and where cannabis is present or passed through.

- Smart Lock and a door motion sensor will be placed on the doors to enter the Cannabis and Cash Storage Room which is where the on-site security storage of the surveillance system will be located.
- Complete and full access to the Cannabis Storage Room will be limited to the Management Team. All remaining employees will have limited access to each room depending on their job responsibilities.

To Mitigate Employee Theft

- Each entrance to a room where cannabis is located will have a Smart Lock entrance. These Smart Locks track every entry/exit to each room. The security cameras will be located throughout the dispensary, and strategically located in potentially high-risk theft areas.

To Mitigate Off-Site, Hacker Intrusion

- WIFI password onsite will be changed monthly.
- Also, we are partnering with InfoTech Solutions of Madison, SD to be our Managed IT Services Provider further ensuring our network and technological components are secure and up to date.
- We will be using two factor authentication on our account. IE to log in one would need access to a business email and cell phone to log in.
- Ensure that the application or hardware is continuously updated as updates come in to ensure the best, and newest protection the system has to offer.
- Ensuring that the IP security cameras has updated firmware whenever it is available to download.
- Cameras will not be wireless as they are hard wired in a closed-circuit system so no exterior components can be hacked.

Maintenance and Testing

- The dispensary's security systems and equipment shall be properly maintained and tested to ensure its continuous and effective operation.
 - Maintenance is performed in accordance with the manufacturer's recommendations and guidance.
- Alarm company responsible for installing and monitoring alarms is named
 - We will be using Dakota Surveillance Faulkton, SD for installation purposes (video surveillance install, alarm system install, and alarm sensor install). For reference purposes, here is their website: <https://www.dakotasurveillance.net/>. Also we will be using CMS Monitoring Farmingdale, NY. For reference purposes, here is their website: <https://cmsmonitoring.com/>.
 - Illustrates all windows and doors have alarm sensors present
 - All sensors are indicated on the attached site plan.
 - *If site plan indicates public parking outdoor lighting is indicated.*
 - Exterior lights will be installed if needed. Outdoor lighting and city streetlights are already installed for the leased building.
 - Diagram illustrates placement of all security cameras
 - Cameras are indicated on the attached site plan.
 - Security cameras at all exterior doors and gates
 - Cameras are indicated on the attached site plan.

- Security cameras at doors separating sales floor from nonpublic areas
 - Cameras are indicated on the attached site plan.
- Security cameras at doors set to record outside normal business hours
 - Cameras will record 24 hours a day, 7 days a week.
- Security cameras positioned to provide coverage of all activities involving cannabis
 - See the attached site plan. The only areas where cameras aren't present are in the rest rooms.
- Storage of security footage is identified as onsite or on third-party server
 - Security footage will be located on site.
- *If security footage is onsite*, storage device is protected by locks and sensors
 - The storage hardware and footage are in the Cannabis Room with a Smart Lock entrance and an alarm sensor on the door to enter the room.

- All persons with access to security footage are listed
 - CEO/Owner, General Manager, and Store Managers
- Written procedures for protecting footage are listed
 - WIFI password onsite will be changed monthly.
 - We are partnering with InfoTech Solutions out of Madison to be our Managed IT Services Provider further ensuring our network and technological components are secure and up to date.
 - We will be using two factor authentication on our account. IE to log in one would need access to a business email and cell phone to log in.
 - Ensure that the application or hardware is continuously updated as updates come in to ensure the best, and newest protection the system has to offer.
 - Ensuring that the IP security cameras has updated firmware whenever it is available to download.
 - Cameras will not be wireless as they are hard wired in a closed-circuit system so no exterior components can be hacked.

- The alarm system must give an audible warning.
 - An audible buzzer will go off if the alarm is tripped.

- Battery backup for the alarm system must provide four hours minimum run time.
 - Battery backup for the alarm system with at least these minimum specifications is included in the alarm system package from Dakota Surveillance Faulkton, SD.
- Security camera resolution must be 720 pixel minimum.
 - The cameras will have resolution up 5 megapixels far exceeding the recommended 720 pixel minimum.
- Cameras must record 15 or more frames per second.
 - Cameras will record at minimum 15 frames per second.
- The camera system must be IP compatible and support live viewing by department.
 - The State Department overseeing dispensaries will need to view the live feed. Our system will allow for this capability.
- The camera system must provide date and time stamps.
 - The camera system will provide date and time stamps.
- Battery backup for video recording must be two hours minimum.
 - Battery backup for video recording will be a minimum of two hours.

- Video storage capability must be minimum of 90 days.
 - Video storage will be capable of storage at least 90 days.

Additional Precautions/Prevention of Diversion

- Applicant specifies how dried cannabis and cannabis products will be secured when site is unoccupied
 - Along with the security system installed (sensors, cameras, and monitoring service) all products will be secured and locked in the inventory room where cash is also located. Alarm sensors will be placed everywhere that product is locked away. Display product will be placed back in the secured cannabis cash room after hours as well.
- Applicant specifies procedures to prevent employee theft (e.g., working in pairs, searching bags)
 - Audits will be performed regularly throughout the day, both for product and money by management.
 - All will be monitored through cameras and in pairs.
 - No bags other than for food and drink will be brought into the facility. Those items will remain in a location always specified for employees only and visible to cameras.

Waste Management Plan

- Waste management
 - Little to no waste is expected. Should there be any waste:
 - If cannabis waste is present, it will be packaged, loaded, tracked, and documented from the dispensary in a secured vehicle for transport. Driver, amount of product, how it's stored, time leaving the dispensary, and time of arrival will all be documented. Time stamps and signatures will be collected. Copies of documentation will be provided. This will be done by JT Carrier L.L.C. Huron, SD.
 - General everyday waste/non-cannabis materials will be placed in appropriate bins emptied by the city as usual on expected pickup days.
- Applicant identifies types of cannabis waste that will be produced
 - All products will come pre-packaged from the grow facility.
 - The only product opened there will be for display.
 - As that product reaches its shelf life, it will be offered at a discount price. Should the product not sell, it will be secured in a waste bin in the cannabis room. Amount and specifics of product will be documented when disposed of.
 - Considering how little product we will have unpackaged simply for display, and the fact that we will sell it at a discount as shelf life is affected, we plan to have little to no waste at all.
- Applicant identifies the type(s) of non-cannabis materials to be mixed with cannabis waste
 - Woodchips and/or sawdust will be mixed with cannabis waste.
- Applicant specifies how cannabis waste will be protected from diversion
 - If a transport option is used a secured vehicle will be used for transport. The vehicle itself will have a locked container that is mounted in the vehicle. From the time the waste is taken from the vault, it will be documented. The time will be written leaving the facility, vehicle and its information, driver information, amount of waste, contact to local law enforcement and waste facility to inform them of transport.

Wastewater Plan

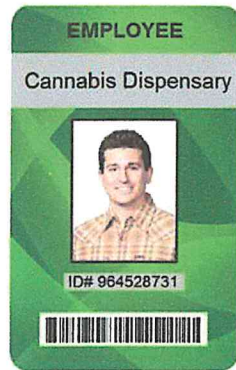
- Wastewater Plan
 - There will be no cannabis wastewater to consider.
- Applicant specifies whether it will connect to a public wastewater system, use an onsite wastewater system (septic system), or have wastewater hauled
 - The facility will connect to the public wastewater system and be compliant with all city rules and regulations.
 - Employees and customers will have access to facility bathrooms. Our water usage per day (flushing, washing, and other everyday use) is estimated to be around 200 gallons. This is based on the number of employees and customers we estimate per day and the efficiency of our plumbing fixtures.

Pre-Employment Screening Procedures

- Pre-employment screening procedures are specified
 - Pre-employment assessments to determine abilities related to the role, verification, and credentials screenings will be conducted.
- At minimum, screening includes a state criminal background check
 - State criminal background checks will be conducted for every employee.
- Written policy prohibits, at minimum, hiring of anyone with disqualifying felony
 - No one with a disqualifying felony will be hired.

Control of Access to Site

- Applicant has written procedures prohibiting unauthorized access to nonpublic areas, including a prohibition of anyone under 21 years of age
 - Yes, an ID check/reception area is the first thing seen when coming through the front entrance. Until the ID check has been completed for the assumed card holder, no one is allowed past the secured door to the sales floor. If a card and age isn't verified, they will be asked to leave. The only public area beyond the ID check/reception area is the sales floor and restrooms. Patients and caregivers are not allowed anywhere beyond the front entrance, sales floor, and restrooms.
 - The only cards accepted will come from the South Dakota Department of Health. Cards issued from anywhere other than South Dakota Department of Health will not be accepted.
 -
- Applicant has procedures for allowing authorized access, including a visitor log, checking of identification, issuing of visitor badges, and accompanying visitors while onsite
 - Employees will be provided with an agent identification badge including photographs 2"x 2" in size, in high resolution and color, no filters, plain white background, matte/glossy quality paper, and laminated which will allow them access to the site. Example below:



- Authorized personnel such as technicians, electrician, etc. will be provided with visitor badges and always monitored.
- All visitors/authorized personnel will be subject to checking of identification and must be logged.



- The written procedures for all visitors will be available and visible on signage.
- ☐ Applicant specifies who has keys/codes for entry
- All employees will have access to the facility but there will be different levels of security that gives different employees access to specific areas.
 - Only management will have keys/codes to secured rooms such as inventory and cash.

