



# **Simplifya's Compliance Solution for Governments**



Simplifya was built in partnership with attorneys from Vicente Sederberg, **the law firm that led Colorado's Amendment 64 campaign** and drafted the original rules governing medical and recreational cannabis in Colorado.

Simplifya is the cannabis industry's leading regulatory and operational compliance software platform; our suite of products takes the guesswork out of the confusing and continually changing regulations. The straightforward, and completely customizable Self-Audit checklists give licensed operators the power to identify, track and mitigate potential issues before it's too late. Operators can save valuable time using our ready-to-go cannabis SOP templates, customized for each license type, and tied directly to the state regulations. And, the online Smart Cabinet document storage system safely organizes and saves all of your cannabis compliance and regulatory paperwork, so it's ready whenever you need it.

Designed for consultants, financial institutions, local governments and other compliance-focused companies serving the industry, our Oversight Portal provides a simple interface to access standardized and consistent Operator Audits and Remediation Reports, which are uploaded directly by licensed operators on a regular (monthly, quarterly, semi-annual or annual) basis, as determined and mandated by you.

Our newest product, Simplifya Verified has been designed to provide businesses with an independent verification system of cannabis licenses across the country. Simplifya Verified is a fast, easy-to-use search engine that provides all of the data points needed for cannabis license verification, taking the guesswork out of business transactions and delivering companies a much-needed risk management tool to confidently grow their businesses.

Initially launched to serve only licensed cannabis operators, today our focus has expanded based on demand for compliance oversight and regulation into multiple areas across the industry including financial institutions, insurance companies, MSOs and local governments.



# Simplifya Core Product Features



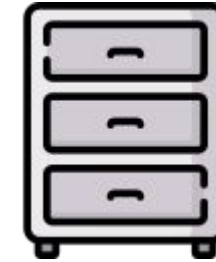
## SELF AUDIT CHECKLISTS

Take control of your compliance and proactively manage potential risks. Our straightforward **Self Audit “yes or no checklists”** of the regulations give you the power to identify, track and mitigate issues before it’s too late.



## SOP TEMPLATES

Save valuable time by using our ready to go cannabis SOP templates, **customized for each business type** and tied directly to the state regulations.



## DOCUMENT STORAGE

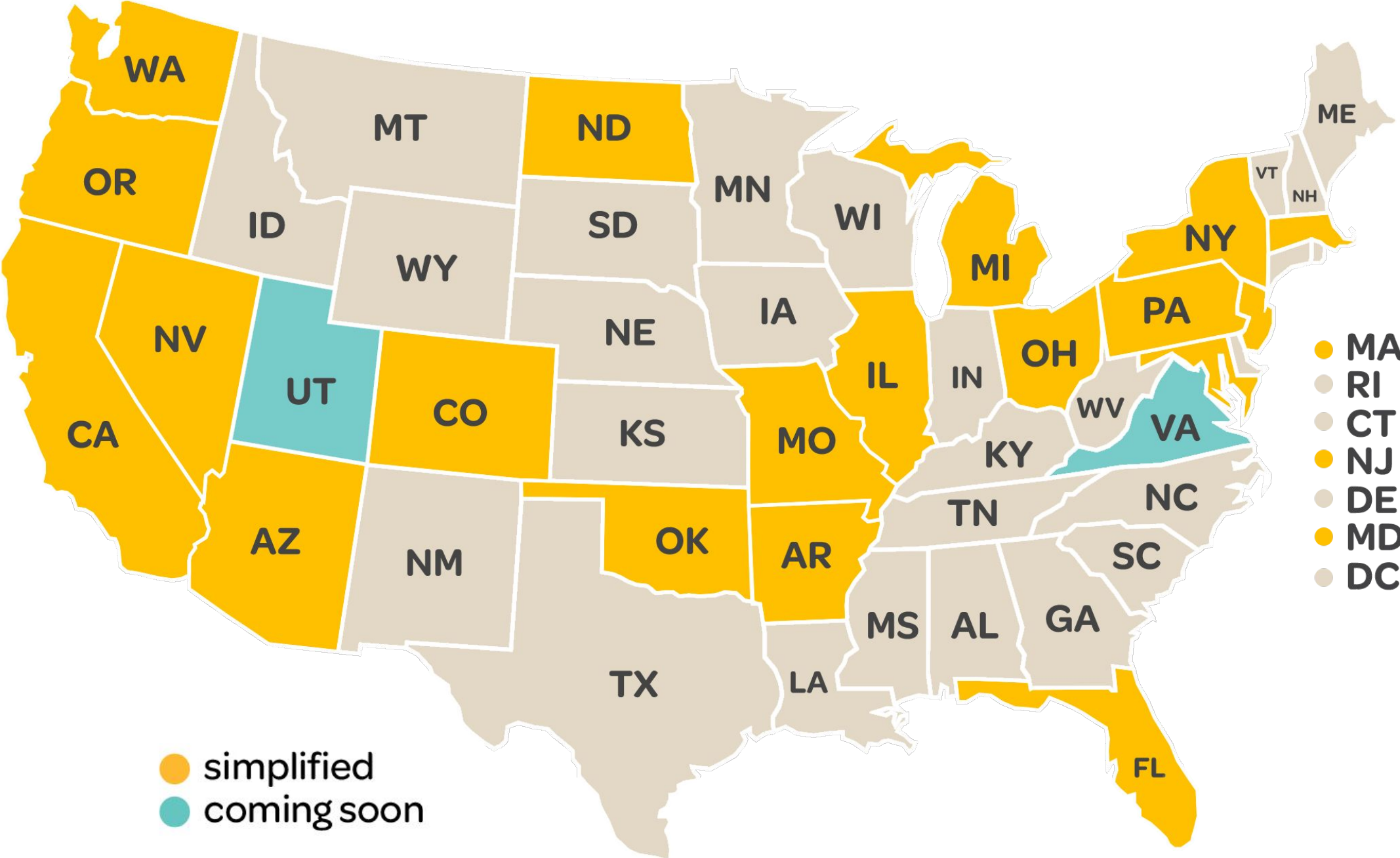
Never again spend endless hours searching for the documents you need. **Our Smart Cabinet comes loaded with a “cheat sheet” of all required documents** and safely organizes and saves all of your cannabis compliance and regulatory paperwork, so it’s ready whenever you need it.



## LICENSE TRACKER

Simplifya helps you **track expiration and renewal dates for every document and permit** from your state license to your fire extinguisher, so nothing lapses or falls out of compliance.

# States we've Simplified:



# Content we Simplify:



**STATE REGULATIONS**

**LOCAL REGULATIONS**

**EMERGENCY COVID-19  
GUIDELINES**

**FEDERAL CDC & OSHA  
COVID GUIDELINES**



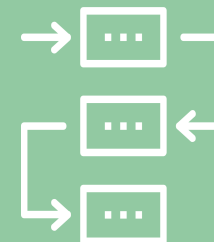
225+ agencies  
monitored



31 states



15,000+ pages of  
regulations simplified



9,100,000+ words of  
regulations processed



117 state & local  
jurisdictions covered

# The Situation



At both the state and local levels, cannabis regulatory and enforcement agencies are charged with the expensive and time-consuming task of ensuring that the licensed operators within their jurisdictions are operating in compliance with the regulations. With limited manpower and resources, many agencies are outsourcing the compliance checks and operator auditing to partner consultants, who can charge a premium for their time and expertise.

**Simplifya's** robust **Regulatory Compliance Content** is derived directly from the state and local regulations by the experts in our regulatory affairs department, processed and made available to LOs through a simple “yes or no” checklist...allowing them to perform a self-audit of their operation as often as they (or you) want.

Additionally, **Simplifya's Oversight Portal** provides a seamless, easily organized repository for Governments to collect, review and track both audits and any necessary remediation reports from licensed operators.

## How our software helps Governments:

- ✓ **Oversight Portal Tool** makes compliance monitoring of licensed operators simple, consistent, effective and efficient
- ✓ Drastically lower your costs and increase the effectiveness of your customer's regulatory and operational compliance obligations
- ✓ Manage, monitor and track all of your LOs in one easy-to-use tool
- ✓ Manage all communication and due diligence requirements in one place
- ✓ Monitor the compliance health of your LOs on an ongoing basis
- ✓ Receive standardized audit and remediation reports from your LOs
- ✓ Receive alerts when your LOs have not performed audits and haven't remediated their areas of noncompliance so that you can take action, if necessary

# The Oversight Portal



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Licensed Operator Tools

COMPLIANCE AUDITS

REMEDATION REPORTS

LICENSE VERIFICATION VIA  
SIMPLIFYA VERIFIED

We are never between you and your client. We have tools for both you (Government entity) and your customer (licensed operator). Your relationship with your client is direct. We simply work behind the scenes to mitigate risks for you while helping to keep your clients compliant with state and local regulations.



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Government Tools

OVERSIGHT PORTAL

SIMPLIFYA VERIFIED



# How it Works: Oversight Portal

**Licensed Operator A**  
opts out of Simplifya



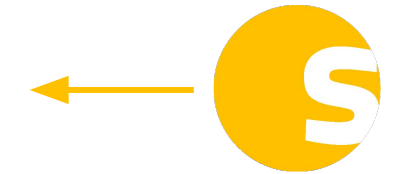
**Subject to third party audits**



**Licensed Operator B**  
opts in to Simplifya



**Monitor Compliance via Oversight Portal**



Simplifya assists LO's during onboarding.

- Governments contract with **Simplifya** for **Oversight Portal** access for a low, flat monthly fee (just \$300)!
- As a government or regulatory agency, you can give LOs two options for compliance & audit management:
  1. Mandate the use of Simplifya so they can manage their own compliance auditing and reporting, and you can monitor their compliance electronically via the Oversight Portal
  2. LOs can choose to not implement Simplifya, but will then be subject to more robust (and costly!) third-party audits from your agency or its representatives
- We will help set up your Oversight Portal, and we will also help your licensed operators manage their accounts to your requirements.
- We will work with your licensed operators to onboard them onto the Simplifya platform, help them understand their compliance reporting responsibilities -- including the need to submit regular self audits to the Oversight Portal to demonstrate their compliance efforts.
- And, we can help you manage your LO accounts to the level and extent that works best for your organization.
- That's it! You're now on your way to affordable, efficient, streamlined, cannabis compliance management

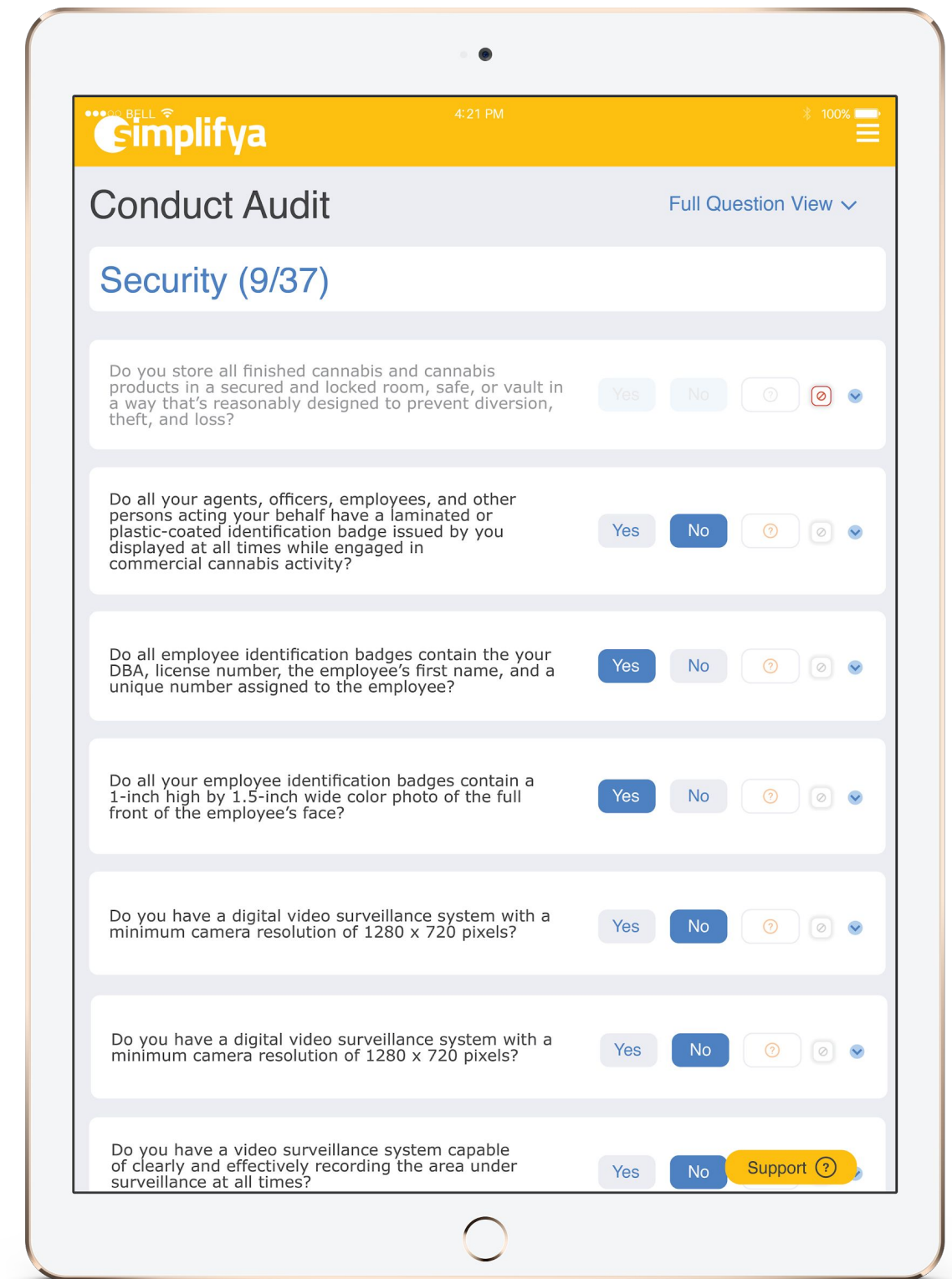


# How it Works: Regulatory Agencies

Regulatory Agencies and Third-Party Auditors can leverage Simplifya's easy-to-use compliance platform to perform comprehensive audits based on state and local cannabis regulations.

Now, government agencies no longer have to spend time interpreting audit reports or action items from third party consultants. Simplifya provides enforcement agencies the ability to automate, customize, track, and manage compliance via a streamlined, user-friendly online portal.

Featuring customizable audit content, Simplifya's easy-to-read audits and remediation reports empower agencies to more efficiently and effectively view the state of compliance of any licensed operator.



# Oversight Portal

**VIEW OVERSIGHT PORTAL-PIED PIPER CANNABIS COMPANY**

**Pied Piper Cannabis Company**  
john+demo@simplifya.com

Share Documents | View in Oversight Portal

**Company Licenses By Facility**  
Licenses shared with you by Pied Piper Cannabis Company.

▼ Pied Piper - Denver Store (6)

License Number	License Type	Expires	Renew By	Status	
402-02162T	Center	07/25/2020	06/25/2020	Valid	View Document   Download
402R-04880T	Store	07/25/2020	06/25/2020	Valid	View Document   Download
403-07600T	Optional Premise Cultivation	07/25/2020	06/25/2020	Valid	View Document   Download
403R-00992T	Cultivation	07/25/2020	06/25/2020	Valid	View Document   Download
404-00447T	Infused Product Manufacturer	07/25/2020	06/25/2020	Valid	View Document   Download
404R-00973T	Product Manufacturer	07/25/2019	06/25/2019	Past Due	View Document   Download

▼ Pied Piper - Santa Ana Store (3)

Recent Uploads | Past Due | **Upcoming** | My Documents

Show all upcoming

DOCUMENT TYPE	APPLIED PERIOD	DUE DATE	NEEDED FOR
Quarterly Facility Audit	Q3	10/15/2019	2 location(s)
Quarterly Remediation Report	Q3	10/30/2019	2 location(s)

Showing 1 to 2 of 2 entries

Sort to view recently added audit reports, as well as upcoming or past due audits.

Easily see the status of all license types related to each facility.

# Audit Reports

Quickly see audit items that are in compliance as well as those that are non-compliant or pending further action.

## OVERVIEW

The following is a breakdown of all categories covered in the audit and the compliance status of the questions asked.

Category	TOTAL	COMPLIANT	NON-COMPLIANT	PENDING
All	235	76	159	0
Advertising	10	9	1	0
Books and Records	25	3	22	0
Concentrates	1	1	0	0
Cultivation	31	10	21	0
Facilities	9	6	3	0
Inventory Management	33	21	12	0
Inventory Tracking	31	6	25	0
Manufacturing	1	1	0	0
Packaging and Labeling	2	2	0	0
Reporting Requirements	4	3	1	0
Retail	1	0	1	0
Sanitation	14	2	12	0
Security	38	3	35	0
Signage	4	2	2	0
Testing	17	1	16	0
Transportation	9	4	5	0
Visitors	1	1	0	0
Waste	4	1	3	0

### CULTIVATION

TOTAL	COMPLIANT	NON-COMPLIANT	PENDING
31	10	21	0

**36. Are all immature plants tracked in METRC, even though the immature plants are not required to have an RFID tag and do not count against the Licensee's plant count?**

**NON-COMPLIANT**

References : CCR 212-2 R 103 (2019), CCR 212-1 M 103 (2019)

Answer: No

ACTION ITEMS:

Track all immature plants in METRC, even though the immature plants are not required to have an RFID tag and do not count against the Licensee's plant count. [OPEN]

**Immature Plants kept in cultivation containers?**

References : CCR 212-1 M 103 (2019), CCR 212-2 R 103 (2019)

Track all Immature Plants in cultivation containers. [OPEN]

**Immature Plants at the OPC kept in cultivation containers that are no larger than two inches in height and that are sealed on the sides and bottom?**

References : CCR 212-1 M 103 (2019)

Track all Immature Plants in cultivation containers that are no larger than two inches in height and that are sealed on the sides and bottom. [OPEN]

**Is reclaimed water for any marijuana production activities?**

References : CCR 212-1 M 504(B)(10) (2019), CCR 212-2 R 504(B)(10) (2019)

**Do you get seeds or immature plants from a source besides your own Medical Marijuana?**

References : CCR 212-1 M 501(H) (2019)

**How many times a year do you harvest?**

References : CCR 212-2 R 506(D)(1) (2019), CCR 212-1 M 506(D)(1) (2019)

**Do you harvest more than two times a year?**

References : CCR 212-2 R 506(D)(2) (2019), CCR 212-1 M 506(D)(2) (2019)

**Do you check your plant inventory and ensure you are only growing an amount of plants that is within the range authorized by your license and tier?**



TEST ANCILLARY COMPANY

## AUDIT REPORT

BUSINESS AUDITED:	Test Cannabis Co.
AUDIT #:	0325TP030719003591
DATE:	03/07/2019 05:36 pm
AUDITOR:	John Morgan, Test Ancillary Company
LOCATION ADDRESS:	825 Dahlia St., Denver, CO 80220
LICENSE(S) AUDITED:	Cultivation - (I, Optional Premise Cultivation - (120420421)
REGULATION AUDITED:	State and Local (Cannabis)

This audit covering all categories for the given license and locality.

# Remediation Reports

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**Resolved**

This section covers Action items that have been resolved since the report was initially finalized, and the dates and users attached to each Action item.

1. Do you keep and maintain copies of your standard operating procedures for Sampling Manager?
 

*Citations : CCR 212-2 R 507(H) (2019), CCR 212-1 M 508(G) (2019), CCR 212-1 M 606(G) (2019)*
2. Do the records indicate, at a minimum, whether each Sampling Unit was used for quality control development?
 

*Citations : CCR 212-2 R 507(H) (2019), CCR 212-1 M 508(G) (2019), CCR 212-1 M 606(G) (2019)*

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## REMEDIATION REPORT

**Simplifya Remediation Reports provide easy to read and understand status updates in order to monitor issues and ensure the operator returns to full compliance.**

**Test Ancillary Company**

### TEST CANNABIS CO.

<b>Audit #:</b>	<b>0325TP030719003591</b>
<b>DATE:</b>	<b>03/07/2019 05:36 pm</b>
<b>AUDITOR:</b>	<b>John Morgan, Test Ancillary Company</b>
<b>LOCATION ADDRESS:</b>	<b>825 Dahlia St., Denver, CO 80220</b>
<b>LICENSES AUDITED:</b>	<b>Cultivation - (), Optional Premise Cultivation - (420420421)</b>

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**Unresolved**

This section covers Action items that are still unresolved since the report was initially finalized, the dates and users attached to each Action item (if any), existing comments on the Action item (if any).

1. Do you properly designate each Sampling Manager in the Inventory Tracking System before giving them any Sampling Units?
 

*Citations : CCR 212-2 R 309(I)(7) (2019), CCR 212-1 M 509(J)(7) (2019)*
2. Do you fully and accurately track the transfer of each Sampling Unit by identifying it with the name and license number of the Sampling Manager?
 

*Citations : CCR 212-2 R 309(I)(8) (2019), CCR 212-1 M 509(J)(8) (2019)*
3. Do you always use METRC to enter each Sampling Unit as well as the net contents of each Sampling Unit?
 

**Note:** For example, when a user enters 1 unit of Retail Marijuana Product that contains 100 mg of Retail Marijuana Product, then the Inventory Tracking System User shall also identify that each unit contains 100 mg.

*Citations : CCR 212-2 R 309(I)(9) (2019), CCR 212-1 M 309(J)(9) (2019)*
4. Do you track all sampling units in the Inventory Tracking System until they are transferred to a Sampling Manager?
 

*Citations : CCR 212-2 R 503(F)(1) (2019), CCR 212-1 M 503(B)(1) (2019), CCR 212-2 R 603(B)(1) (2019)*
5. Before providing any Sampling Units to a Sampling Manager, do you provide them with standard operating procedures that explain all the regulations and requirements surrounding sampling procedures?
 

**Note:** Requirements can be found at CCR 212-2 R 507 (2019), CCR 212-2 M 508 (2019), C.R.S. 44-12-403(6), and C.R.S. 44-12-404(10).

*Citations : CCR 212-2 R 507(A)(4) (2019), CCR 212-1 M 508(A)(5) (2019), CCR 212-2 R 606(A)(4) (2019), CCR 212-1 M 606(A)(5) (2019)*
6. Do you pay excise tax on every Sampling Unit of flower or trim based on the average market rate of unprocessed marijuana?
 

*Citations : CCR 212-2 R 507(C) (2019)*
7. Do you ever transfer a Sampling Unit that is not packaged and labeled according to the same rules as the product from which the sample was taken?
 

*Citations : CCR 212-2 R 507(D)(1) (2019), CCR 212-1 M 508(C)(1) (2019), CCR 212-1 M 606(C)(1) (2019), CCR 212-2 R 606(C)(1) (2019), CCR 212-2 R 601(C)(1)(b)(ii) (2019), CCR 212-1 M 601(C)(1)(b)(ii) (2019)*

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**Thank you**

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