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October 3, 2018

Via First Class Mail and Email
Logan Township Council
Logan Township Municipal Complex
125 Main Street
Bridgeport, New Jersey 08014

**Re: Parea BioSciences of New Jersey, Inc.
Updated Proposal for an Alternative Treatment Center in Logan
Township, New Jersey
Our File No.: CG-806-M**

Dear Logan Township Council,

On behalf of Parea BioSciences of New Jersey, Inc. (“PBNJ”), I would like to submit this proposal to establish an Alternative Treatment Center (an “ATC”) under the New Jersey Compassionate Use Medical Marijuana Act (the “Act”) to be located within Logan Township, New Jersey. Pursuant to the Act, ATCs must obtain a license from the Department of Health of the State of New Jersey (the “Department”) to permit the research, development, cultivation, and dispensing of medical cannabis (medical marijuana) to qualifying medical patients residing within the State of New Jersey. To obtain a license from the Department, an ATC must first establish a relationship with its local community to obtain approval for its proposed location. This proposal seeks to establish the grounds for a strong relationship between PBNJ and Logan Township and approval from the local community for PBNJ’s proposed location.

As you are aware, in August 2018, I recently submitted a proposal to establish an ATC within Logan Township, New Jersey on behalf of Compassionate Care Health and Wellness Company, Inc. (“CCHW”). Since the initial proposal, CCHW joined forces with Parea BioSciences, a female-owned medical company that operates a medical cannabis cultivation facility in Coal Township, Pennsylvania and medical cannabis dispensary in Williamsport, Pennsylvania. Our newly-formed entity, Parea BioSciences of New Jersey, Inc., submitted an application for a license to operate an ATC in Logan Township with the State of New Jersey on August 31, 2018. This proposal is meant to amend and supplement the prior proposal due to changes regarding (1) the corporate structure of the business and (2) the proposed ATC location.

Introduction and Company Overview

PBNJ combines local, homegrown values, a dedication to customer service, and the professional business acumen of CCHW with the healthcare expertise, medical cannabis cultivation and dispensary experience, and diverse workforce and employment practices of Parea BioSciences (“PB”). The key contributors of CCHW and PB joined forces to form PBNJ, a New Jersey corporation created for the purposes of researching, developing, cultivating, manufacturing, processing, and dispensing medical cannabis. The primary focus of PBNJ is its patients. PBNJ is dedicated to helping those patients suffering from the debilitating effects of serious illnesses and diseases through specialized, individually-focused medical cannabis

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treatments to promote and facilitate long term health and wellness. PBNJ has a simple goal for its patients: to improve quality of life. With a focus on the individual patient's needs, PBNJ plans to revolutionize the medical cannabis industry by providing onsite health assessments by licensed healthcare professionals. By targeting specific ailments and symptoms, PBNJ's licensed professionals will have the ability to recommend specific strains and forms of medical cannabis to cater to the patient's condition(s) and needs. Through the advice and recommendations of its reputable and medically-acclaimed Medical Advisory Board, PBNJ employees and professionals alike will have the opportunity to offer cutting-edge solutions to qualifying patients to improve their overall health and quality of life.

Medical Benefits of Cannabis

Cannabis is composed of more than four hundred (400) different chemical compounds, more than sixty (60) of which are cannabinoids. Cannabinoids are the active constituents of the cannabis plant, many of which have proven to relieve symptoms associated with various diseases, illnesses, and ailments. Medical research has proven that responsible use of the cannabis plant can provide significant medical benefits to those suffering from such diseases, illnesses, and ailments, including addiction. Following is a sample list of medical benefits derived from various clinical research studies:

(1) treatment for chronic pain; (2) treatment for muscle spasms; (3) improvement in lung capacity (when inhaled); (4) treatment for glaucoma; (5) reduces the frequency of epileptic seizures; (6) reduces the effects of Dravet Syndrome; (7) stops the spread of cancer in cell cultures; (8) decreases anxiety (in low doses); (9) slows the progression of Alzheimer's disease; (10) eases the pain associated with multiple sclerosis; (11) increases the effective treatment of Hepatitis C; (12) treatment for inflammatory bowel diseases; (13) relieves arthritic pain; (14) treatment for obesity; (15) soothes tremors associated with Parkinson's disease; (16) treatment for post-traumatic stress disorder (PTSD); (17) protects the brain after a stroke; (18) protects the brain from the effects of concussions and head trauma; (19) helps to alleviate nightmares; (20) reduces pain and nausea associated with chemotherapy; (21) improves appetite; (22) alleviates alcoholism; (23) reduces opioid use; (24) treatment for symptoms associated with AIDS; (25) treatment for amyotrophic lateral sclerosis (ALS); (26) treatment for migraines; (27) treatment for and muscular dystrophy; (28) treatment for Tourette's syndrome; and (29) treatment for cancer.

Ongoing research suggests that there are more medicinal purposes and uses for cannabis that have yet to be discovered. Medicinal cannabis research is in the infancy stages of development. PBNJ seeks to facilitate and implement further research and development of cannabis to promote health and wellness in Logan Township and beyond. Currently, cannabis is legal for medicinal use in thirty (30) states and the District of Columbia and recreational use in nine (9) states and the District of Columbia. The current trend in the United States is to

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implement a medicinal program at the state level. Upon successful implementation of medicinal programs, states are likely to introduce bills for legal, recreational use. New Jersey is likely to follow the same trend.

ATC Facility Location

The PBNJ ATC facility will be located on Block 501, Lot 7 on Barker Avenue in Bridgeport, New Jersey, within proximity to the Logan Township Municipal Complex (the “Premises”), which is headquarters to the Logan Township Police Department. The Premises rests on 25.89 acres of land that will have the capacity for PBNJ’s plans to construct a one hundred thirty-seven thousand square-foot (137,000 sq. ft.) facility. The initial phase of development consists of: a vertically-integrated indoor cannabis cultivation facility (20,000 sq. ft.); an adjoining greenhouse (10,000 sq. ft.); an adjoining manufacturing and processing facility (10,000 sq. ft.); and an adjoining cannabis dispensary, complete with business offices, security offices, a welcome room, consultation rooms, and point of sale stations (3,000 sq. ft.). Based upon the projected expansion of the New Jersey Medical Marijuana Program, the Premises will have the ability for ATC expansion, including an adjacent indoor cannabis cultivation facility (30,000 sq. ft.) with an adjoining manufacturing and processing facility (14,000 sq. ft.) and multiple greenhouses (50,000 sq. ft.) (if feasible).

The ATC is designed to expand cultivation capabilities and operations to meet the increase in demand for medical cannabis as the number of qualifying patients increases, and subsequently recreational cannabis (if permissible), pursuant to current executive orders and projected legislative acts.

Security

Security of the Premises is of utmost importance to the safety and security of ATC personnel, ATC patients, and the local community. The Premises will be subject to 24-hour surveillance, seven (7) days per week, three hundred sixty-five (365) days per year via digital, high-definition security cameras, which will be continuously monitored by an offsite third party. The Premises will also be monitored by the State of New Jersey pursuant to the Act.

The Premises will also be secured, at minimum, by two (2) professionally-trained security guards during business operating hours. The security guards will be military veterans, retired Logan Township police officers, or a combination thereof. PBNJ will request Logan Township police officers to perform routine surveillance of the Premises during non-business hours. The Premises will also contain numerous police triggers, which can be used by ATC personnel to notify the Logan Township Police Department in the event of an emergency.

The Premises will also contain numerous safes and vaults for the storage of on hand cash and medical cannabis products. The safes and vaults will be further secured by remote controlled locking doors, which will only be accessible by authorized ATC personnel. The cultivation facility and dispensary will also incorporate remote

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controlled locking doors, which will include access panels for authorized ATC personnel for entrance with a card or fab.

Revenue

ATC revenues shall be subject to federal, state, and local tax codes pursuant to the Act. While local tax revenues are not subject to disbursement upon recommendations by the ATC, such tax revenues will alleviate the tax burden on Logan Township residents. Increased tax revenues can be used for education, public works, parks and recreation, the Logan Youth League, and various government programs that can directly benefit the citizens of Logan Township.

Currently, the average New Jersey ATC (each of which is a nonprofit corporation) brings in roughly \$315,000.00 in state tax revenue in medical marijuana sales at the current sales tax rate of 6.625%. Portions of such tax revenue are distributed to the respective local municipalities in which the ATCs operate. With the expanding medical marijuana patient base and the introduction of for-profit ATC entities, such tax revenues are likely to increase dramatically, resulting in greater tax revenues for local municipalities. Furthermore, when the State of New Jersey determines to implement a recreational cannabis program, the tax rate on recreational sales is likely to increase to nearly twenty-five percent (25%), thereby increasing the tax revenue for the state and local municipalities. Should Logan Township decide that it is within its best interests to allow PBNJ to operate an ATC in the community, lucrative tax revenues are a likely result.

Corporate Responsibility and Job Creation

As a member of the local community, PBNJ promises to commit its best efforts to implementing a community impact plan, social responsibility among its owners, directors, officers, and employees, and community activism through good will and philanthropy. PBNJ seeks to participate in local activities such as Logan Day, the Logan Township Tree Lighting and Holiday Parade, and Logan Youth League events. PBNJ also plans to donate funds to some of its favorite charitable organizations such as the Epilepsy Foundation, Children's Hospital of Philadelphia, and St. Jude Children's Research Hospital, among others, to further the research and development of alternative treatments to those suffering from the debilitating conditions of life-threatening illnesses.

PBNJ will also create jobs and career paths for citizens of Logan Township through its corporate and educational training programs. Local citizens will have the first opportunity to apply and interview for available positions with the ATC. Selected candidates will learn the basics of the cannabis culture, furthering their interests and education through a vigorous corporate training program, which may include visits to operating ATCs throughout the state. Career opportunities are likely to include: dispensary managers, cultivation managers, cultivation assistants, customer care specialists, patient advisors, security personnel, public relations personnel, marketing personnel, manufacturing and processing managers, manufacturing and processing assistants, edible chefs, personal assistants, secretaries, attorneys, accountants, risk assessment personnel, compliance officers, environmental assessment personnel, audio/visual technicians, IT personnel,

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POS technicians, among others. Local businesses are also likely to benefit from PBNJ's facilities as local vendors, suppliers, and contractors will be needed to compliment the ATC's operations. These include: construction contractors, electrical contractors, HVAC, flooring and carpeting, carpenters, attorneys, accountants, plumbers, engineers, land surveyors, farmers, grocers, IT personnel, landscapers, corporate cleaning services, dry cleaners, hazardous waste management services, biotech industries, medical services, uniform and apparel services, secure transport services, CDL operators, interior designers, among others. As the ATC grows, so will jobs and opportunities to the benefit of Logan Township citizens.

Through its Medical Advisory Board, PBNJ will create and implement educational seminars to be held at local high schools, including Kingsway Regional High School, local hospitals, community centers, drug and alcohol addiction centers, and counseling facilities throughout Logan Township and the surrounding communities. The Medical Advisory Board, through its contacts with Rowan University and the University of the Sciences in Philadelphia, seeks to implement and develop programs to research, develop, and test cannabis. If successful, PBNJ will provide updates within the local community regarding its medical findings in its efforts to reduce opioid addiction and use, and to further educate and aid citizens throughout the state.

PBNJ also plans to implement patient registration services and an educational outreach program for underserved and underdeveloped communities within the State of New Jersey. In addition, PBNJ will provide discount prices and subsidized programs for indigent patients of the ATC.

As a longtime resident and advocate of Logan Township, I proudly submit this proposal on behalf of Parea BioSciences of New Jersey. We hope that you will be intrigued by our proposal and find, as we believe, that our company will be a positive, inspirational, educational, and health-minded resource for the citizens of our community.

Thank you for your time and consideration regarding our proposal to establish an ATC in Logan Township.

Sincerely,

Eisenberg, Gold & Agrawal, P.C.

By: *Christopher J. Macchi, Esq.*
Christopher J. Macchi, Esq.