



LIC-4008-FORM

General Instructions. Applicants shall disclose all ownership, primary personnel, and financial interest holder information as instructed below. Please provide the names and titles/roles of all Primary Personnel and Owners associated with the Applicant Entity seeking licensure. Check the applicable box(es) to identify if the Person is a Primary Personnel, Owner, Indirect Owner or Financial Interest Holder. Please attach additional pages if necessary and number accordingly. In addition, please attach a chart(s), using the format below, that discloses the ownership of the Applicant until only individuals remain. Please note that providing false or misleading information, or failing to disclose a material fact, may be grounds for denial of the license application. Additionally, if after licensure, DCR determines that a Licensee provided false or misleading information, or omitted material facts, DCR may suspend or revoke the License, or take other administrative action permitted by law.

Please review all definitions contained in this form and instructions. Any terms not defined herein shall have the meanings set forth in Los Angeles Municipal Code (LAMC) Section 104.01. For example, “individual” means a natural person as defined in LAMC Section 104.01(a)(26).

“Indirect Owner” means a Person with an ownership interest in an entity that has a direct or indirect ownership interest of at least a 20% aggregate ownership stake or equity interest in an Owner of the Applicant or Licensee, unless the interest is solely a security, lien, profit sharing, or encumbrance. Aggregate means the total ownership interest held individually or through an entity. The amount of indirect ownership in the Applicant or Licensee that is held by any other entity is determined by multiplying the percentage of ownership interest at each level. For example, an individual owning 50% of an entity that owns 50% of a cannabis business would have a 25% aggregate ownership interest in the cannabis business. (LAMC § 104.01(a)(20).)

“Financial Interest Holder” means an agreement to receive a portion of the profits of a commercial cannabis business and/or an investment into a commercial cannabis business that is not an ownership equity interest and/or a loan provided to a commercial cannabis business, and/or any ownership equity interest in a commercial cannabis business more than 5%, but less than 20%.

“Owner” means a Person with at least a 20% ownership stake or equity interest in the Applicant or Licensee, unless the interest is solely a security, lien, profit sharing, encumbrance or held through another Person. (LAMC § 104.01(a)(29).)

“Person” includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular. (LAMC § 104.01(a)(30).)

“Primary Personnel” means any of the following: (i) a natural person with at least a 20% aggregate ownership stake or equity interest in the in the Person applying for a License or a Licensee, unless the interest is solely a security, lien, profit sharing, or encumbrance; (ii) a natural person who manages, directs, or controls the operations of the commercial cannabis business, including but not limited to: a chief executive officer, president, vice president, officer, general manager, a member of the board of directors, a general partner, a managing member or a non-member manager, and/or a trustee(s) or persons who have control of the trust; (iii) if the Applicant or Licensee is owned in whole or in part by an entity and the entity includes natural persons who manage, direct, or control the operations of the Applicant or Licensee, those natural persons shall also be disclosed as Primary Personnel; and (iv) DCR may determine, in its sole discretion on a case-by-case basis, that additional natural persons have the ability to manage, direct, or control the commercial cannabis business and meet the criteria of Primary Personnel. (LAMC § 104.01(a)(31).)

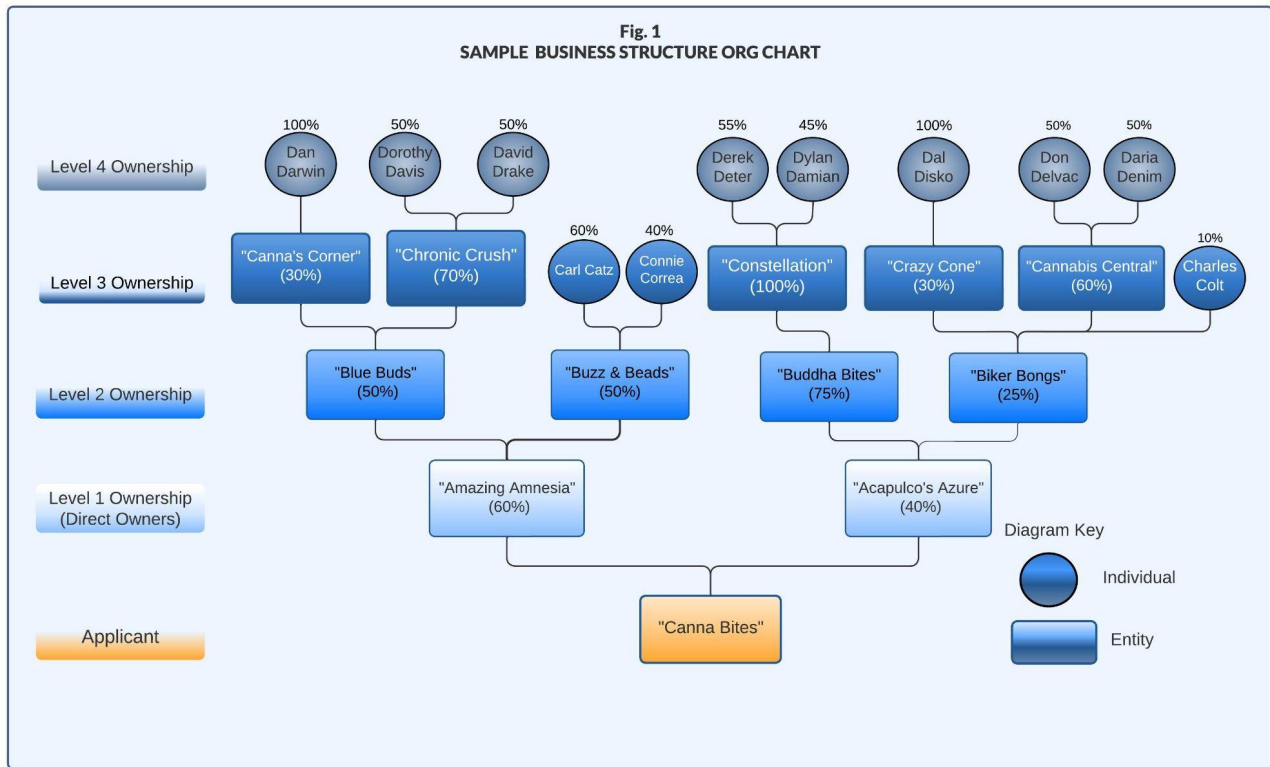
SECTION A. Applicant Information. If the Applicant is a business entity, complete Sections A through D. If the Applicant is an individual, check the box for "Individual" and complete Sections A, C and D.

Legal Business Entity Record No. _____
Business Premises Location: _____
Applicant (Business Entity Name): _____ Individual Entity
Accela Contact Reference ID No. _____ CA Entity No: _____ FEIN No. _____
(if applicable)

SECTION B. Application Ownership Disclosure. Please provide the Applicant's ownership information in the tables provided in this form. Please see Figure 1 for a sample business structure organization chart. If additional tables are necessary to disclose entities and/or individuals, make the necessary number of copies, number each page and provide the total number of pages on the bottom right-hand corner of each page. **You must provide both: (1) a table or tables that comport with the format of Figure 1 and provide detail down to the individual level; and (2) the information requested on later pages of this form.**

- **Ownership Level and Ownership Information:** Identify the Ownership Level at the top of each box in Table 1 for every business entity or individual and provide ownership information in accordance with Figure 1. For example, two entities are required to disclose ownership information at Level 1 and four entities are required to disclose ownership information at level 2. Using Fig.1, two boxes would be completed for Level 1, one for "Amazing Amnesia" which owns 60% of "Canna Bites" and one for "Acapulco's Azure" which owns 40% of "Canna Bites". Similarly, four entities would be required to disclose ownership information at Level 2. Five entities and three individuals would be required to disclose ownership information at Level 3 and so on. Individual ownership percentages in the Applicant shall be disclosed. Using Fig.1, "Blue Buds" owns 50% of "Amazing Amnesia" which owns 60% of "Canna Bites." Therefore, "Blue Buds" owns 30% (50% multiplied by 60%) of "Canna Bites." Using Fig.1, "Chronic Crush" owns 70% of "Blue Buds." "Blue Buds" owns 50% of "Amazing Amnesia" which owns 60% of "Canna Bites." Therefore, "Chronic Crush" owns 21% (70% multiplied by 50% multiplied by 60%) of "Canna Bites."
- **Accela Contact Reference ID:** Every Owner and Indirect Owner (entities and individuals) are required to have a user profile in Accela that is linked to the Legal Business Entity record. Each individual and business entity will have a unique Accela Contact Reference Identification Number. Please provide the Accela Contact Reference ID for every individual and business entity.
- **Owner Type:** Identify whether the Owner on the individual level is a verified Social Equity Individual Applicant ("SEIA").
- **Ownership Interest:** State the Owner's equity or profit-sharing interest percentage in the Applicant or in the Person who is an Owner of the Applicant and provide the entity name. If an individual is an Owner but not but does not have an equity or profit-sharing interest, write "N/A."
- **Other Information.** If necessary, attach additional records or charts to complete disclosure of Owners, Primary Personnel, Indirect Owners and Financial Interest Holders.

Fig. 1 Ownership Table



Provide Information for each business entity and individuals in the organization at each level in accordance with Fig. 1. One box must be completed for each entity or individual at each level. Do not combine multiple entities or individuals in a box. Attach additional pages if necessary.

Ownership Level: _____ Business Entity Name: _____ <input type="checkbox"/> SEA Individual Name: _____ <input type="checkbox"/> SEIA Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B _____	Accela Contact Ref. ID: _____
Ownership Level: _____ Business Entity Name: _____ <input type="checkbox"/> SEA Individual Name: _____ <input type="checkbox"/> SEIA Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B _____	Accela Contact Ref. ID: _____
Ownership Level: _____ Business Entity Name: _____ <input type="checkbox"/> SEA Individual Name: _____ <input type="checkbox"/> SEIA Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B _____	Accela Contact Ref. ID: _____

Legal Business Entity Disclosure Form

Legal Business Entity Record No.:

Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	
Ownership Level: _____	Accela Contact Ref. ID: _____
Business Entity Name: _____	<input type="checkbox"/> SEA
Individual Name: _____	<input type="checkbox"/> SEIA
Owns ____% equity, direct and indirect, of Legal Business Entity No. (Applicant): LA-B	

You may attach additional pages to provide all required Financial Interest Holder information for both Individuals and/or entities, but must follow the format reflected above.

SECTION C. Financial Interest Holder Disclosure List. For the purposes of this form, a Financial Interest Holder means any of the following:

1. A Person with an ownership stake greater than five percent and less than 20 percent.
2. A Person providing a loan to the commercial cannabis business.
3. A Person entitled to receive 10 percent or more of the profits of the commercial cannabis business, including:
 - a. An employee who has entered into a profit share plan with the commercial cannabis business.
 - a. A landlord who has entered into a lease agreement with the commercial cannabis business for a share of the profits.
 - b. A consultant who is providing services to the commercial cannabis business for a share of the profits.
 - c. A Person acting as an agent for the commercial cannabis business, such as an accountant or attorney, for a share of the profits.
 - d. A broker who is engaging in activities for the commercial cannabis business for a share of the profits.
 - e. A salesperson who earns a commission.
2. A Person that has entered into an intellectual property licensing agreement for a share of the profits.

Notwithstanding the above, an Individual or entity does not need to be disclosed as a financial interest holder if it/she/he is:

1. A bank or financial institution whose interest constitutes a loan;
2. Persons whose only financial interest in the commercial cannabis business is through an interest in a diversified mutual fund, blind trust, or similar instrument;
3. Persons whose only financial interest is a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business; or
4. Persons who hold a share of stock that is less than 10 percent of the total shares in a publicly traded or privately held company.

Financial Interest Holders (FIH).

1. FIH Name/Entity: _____
 Contact Information: _____
 Describe Financial Interest in Applicant: _____

2. FIH Name/Entity: _____
 Contact Information: _____
 Describe Financial Interest in Applicant: _____

SECTION C. Financial Interest Holder Disclosure List.

____. FIH Name/Entity: _____
Contact Information: _____
Describe Financial Interest in Applicant: _____

____. FIH Name/Entity: _____
Contact Information: _____
Describe Financial Interest in Applicant: _____

____. FIH Name/Entity: _____
Contact Information: _____
Describe Financial Interest in Applicant: _____

____. FIH Name/Entity: _____
Contact Information: _____
Describe Financial Interest in Applicant: _____

____. FIH Name/Entity: _____
Contact Information: _____
Describe Financial Interest in Applicant: _____

You may attach additional pages to provide all required Financial Interest Holder information for both individuals and/or entities, but must follow the format reflected above.

SECTION D. Financial Interest Holder Disclosure List.

Name	Title/Role	Owner	PP

You may attach additional pages to provide all required Financial Interest Holder information for both Individuals and/or entities, but must follow the format reflected above.