

June 15, 2023

Christopher Kimball
Director, Office of Medical Marijuana Use
Florida Department of Health
4052 Bald Cypress Way, Bin M-01
Tallahassee, FL 32399

Re: Application for MMTC Licensure – Errors and Omissions Letter

Dear Mr. Kimball:

On May 26, 2023, we received an Errors and Omissions Letter from the Florida Department of Health regarding our application for MMTC licensure (the "Application").

We elect to proceed as **Esposito Nursery, Inc** as the applicant and resubmit **Form 1** as requested and a corrected Form 3(A). We also provide responses and documents related to the following additional errors and omissions:

1. Subsection 4.3.3, Level 2 Background Screening

Subsection 4.3.3 of the Medical Marijuana Treatment Center License Application Instructions, Requirements and Forms (the "Application Instructions") requires an applicant's owners and managers to submit a full set of fingerprints to a Livescan Service Provider for purposes of level 2 background screening.

The Department has not yet received an FDLE background report for the following individual, who is identified as an owner or manager in Subsection 4.3.3 of your Application:

435.09

RESPONSE:

A full set of fingerprints were successfully submitted to a Livescan Service Provider for purposes of level 2 background screening. The Provider submitted an incorrect ORI into the system. This issue has been resolved. The TCN for the above-named individual is

Additionally, Subsection 4.3.3 of the Application Instructions requires that the applicant submit a completed Form 2 (Waiver Agreement and Statement) for each owner or manager. **435.09** and **435.09** are listed as owners or managers in Subsection 4.3.3 of your Application.

However, our Application did not contain a completed Form 2 for **435.09** or **435.09**

RESPONSE:

Form 2 for **435.09** and **435.09** is attached to this letter.

2. Section 4.9, Medical Director

Section 381.986(8)(b)9., Florida Statutes, requires that an applicant for MMTC licensure demonstrate the employment of a medical director to supervise the activities of the MMTC. To implement this statutory requirement, Section 4.9 of the Application Instructions requires each applicant to submit information concerning the applicant's proposed medical director, including the submission of a completed Form 4 (Medical Director Acknowledgement).

The Application included two Form 4's for two different doctors. Additionally, each of the forms reflects that the doctor agrees to be the medical director for Pharm Pham, LLC, not for Esposito Nursery Inc. Please submit a completed Form 4 identifying the applicant as Esposito Nursery Inc.

Additionally, the information about two doctors as included throughout Subsections 4.9.1, 4.9.2, 4.9.3, 4.9.4, and 4.9.5 makes it unclear which doctor the applicant is putting forward as the primary medical director who will supervise the activities of the MMTC.

Please submit information clarifying which of the two identified doctors will serve as the applicant's Medical Director.

RESPONSE:

Form 4 for Vicari Erwin-Wilson, MD is attached to this letter. Dr. Erwin-Wilson will serve as the lead / primary Medical Director and will supervise the activities of the MMTC.

3. Subsection 4.12.1, Certified Financial Statements

Section 381.986(8)(b)7., Florida Statutes, requires that an applicant for MMTC licensure demonstrate "the financial ability to maintain operations for the duration of the 2-year approval cycle, including the provision of certified financial statements to the Department." Subsection 4.12.1 of the Application Instructions requires the submission of certified financial statements that are prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP") and audited in accordance with U.S. Generally Accepted Auditing Standards ("GAAS") by a Certified Public Accountant ("CPA"), licensed pursuant to Chapter 473, Florida Statutes, or licensed by another state.

The Application does not include certified financial statements of Esposito Nursery, Inc., as required by section 381.986(8)(b)7., Florida Statutes, and Subsection 4.12.1 of the Application Instructions.

Please provide certified financial statements for Esposito Nursery, Inc., as required by Subsection 4.12.1 of the Application Instructions.

RESPONSE:

Esposito Nursery, Inc. has the financial ability to maintain operations for the duration of the 2-year approval cycle and offers the attached documents for the Department's perusal:



4. Subsection 4.13.2, Ownership Information for Entity Applicants

All applicants must provide sufficient documentation to the Department to provide assurance that the applicant seeking licensure as an MMTC is in compliance with sections 381.986(8)(b) and 381.986(8)(e)2., Florida Statutes. Subsection 4.13.2 of the Application Instructions directs applicants to provide specific ownership information.

Although Subsection 4.13.2 of your Application includes ownership information, it does not include information about Esposito Nursery, Inc. It includes [REDACTED] 119.0715 [REDACTED]

Please provide the information for Esposito Nursery, Inc., as required by Subsection 4.13.2 of the Application Instructions.

RESPONSE:

[REDACTED]

5. Subsection 4.13.3, Capitalization Tables, Changes of Control, and Related Entities

All applicants must provide sufficient documentation to the Department to provide assurance that the applicant seeking licensure as an MMTC is in compliance with sections 381.986(8)(b) and 381.986(8)(e)2., Florida Statutes. Subsection 4.13.3 of the Application Instructions directs applicants to provide specific ownership information, such as a capitalization table, all as more fully described in Subsection 4.13.3 of the Application Instructions.

The information included in Subsection 4.13.3 of our Application did not include information about Esposito Nursery, Inc. It included ownership information about Pharm Pham LLC.

Please provide the information for Esposito Nursery, Inc., as required by Subsection 4.13.3 of the Application Instructions.

RESPONSE:

See attached Capitalization Table for Esposito Nursery Inc.

The above-requested documentation and information is submitted within twenty-one (21) calendar days of the date on which the Department emailed this Errors & Omissions Letter along with the Statement and List of Redacted Sections; and, a redacted electronic copy pursuant to the requirements outlined in Section 5.1 and Section 2.4 of the Application Instructions.

Sincerely,



Katherine Viker, Esq.

MMTC Application E&O LETTER RESPONSE - DOCUMENT CHECKLIST

☐ Statement and List of Redacted Sections

☐ FORM 1

☐ 435.09 - [REDACTED]

☐ FORM 2

☐ 435.09

☐ FORM 3(A)

☐ FORM 4

☐ Vicari Erwin-Wilson, MD

☐ CERTIFIED FINANCIAL STATEMENTS

☐ [REDACTED]

☐ [REDACTED]

☐ [REDACTED]

STATEMENT AND LIST OF REDACTED SECTIONS – APPLICATION FOR MMTC LICENSE
ESPOSITO NURSERY INC

This documents contains redacted personal information, trade secret information; and/or confidential information. The highlighted redacted sections below are exempted from public disclosure pursuant to ss 439.09; 815.045; and / or 381.83 F.S.

Section 4.1 – Applicant Information

Section 4.2 – Declaration of Exempt Information

Subsection 4.3.1 – Florida Business Registration

Subsection 4.3.2 – DACS Documentation

Subsection 4.3.3 – Level 2 Background Screening

Subsection 4.4.1 – Cultivation Plan

Subsection 4.4.2 – Cultivation Infrastructure

Subsection 4.4.3 – Ability to Secure Cultivation Infrastructure

Subsection 4.5.1 – Processing Plan

Subsection 4.5.2 – Processing Infrastructure

Subsection 4.5.3 – Ability to Secure Processing Infrastructure

Subsection 4.6.1 – Dispensing Plan

Subsection 4.6.2 – Dispensing Infrastructure

Subsection 4.6.2 Addendum

Subsection 4.6.3 – Ability to Secure Dispensing Infrastructure

Subsection 4.7.1– Premises Security

Subsection 4.7.1 Addendum

Subsection 4.7.2 – IT Security

Subsection 4.7.3 – Diversion, Unlawful Access, and Transportation

Subsection 4.7.4 – Personnel Screening and Training

STATEMENT AND LIST OF REDACTED SECTIONS – APPLICATION FOR MMTC LICENSE
ESPOSITO NURSERY INC

Subsection 4.7.5 – **Recalls**

Subsection 4.8.1 – Experience in the Marijuana Industry (Applicant)

Subsection 4.8.2 – Other Relevant Experience

Subsection 4.8.3 – **Business Plan**

Subsection 4.8.4 – Prior Enforcement Action

Subsection 4.9.1 – Experience in the Marijuana Industry (Medical Director)

Subsection 4.9.2 – Other Relevant Experience

Subsection 4.9.2 Addendum

Subsection 4.9.3 – Oversight

Subsection 4.9.4 – Managing Conflicts of Interest

Subsection 4.9.5 – Medical Director Acknowledgment and Certificate of Course Completion

4.10.1 – Personnel Qualifications

Subsection 4.10.1 Addendum

Subsection 4.10.2 – Drug-Free Workplace

Subsection 4.10.3 – **Personnel Training**

Subsection 4.11.1 – Diversity Plan

Subsection 4.11.2 – Implementation of Diversity Plan

Subsection 4.12.1 – **Certified Financial Statements**

Subsection 4.12.2 – **Available Funding**

Subsection 4.12.2 **Addendum**

Subsection 4.12.3 – **Projected Budget**

Subsection 4.12.3 **Addendum**

STATEMENT AND LIST OF REDACTED SECTIONS – APPLICATION FOR MMTC LICENSE
ESPOSITO NURSERY INC

Subsection 4.13.1 – Ownership Information for Individual (Natural Person) Applicants

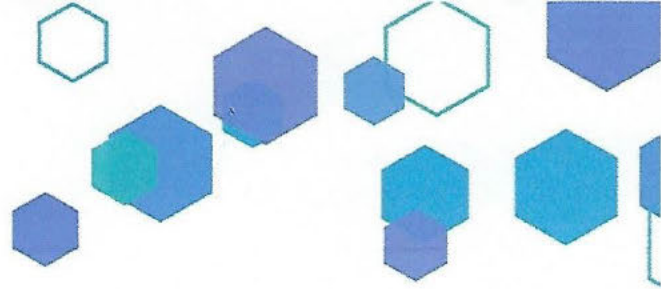
Subsection 4.13.2 – Ownership Information for Entity Applicants

Subsection 4.13.3 – Capitalization Tables, Change of Control, and Related Entities

Section 4.14 – Applicant Acknowledgment

Section 4.15 – Citrus Preference Documentation

Section 4.16 - *Pigford/BFL* Application Fee Transfer Request

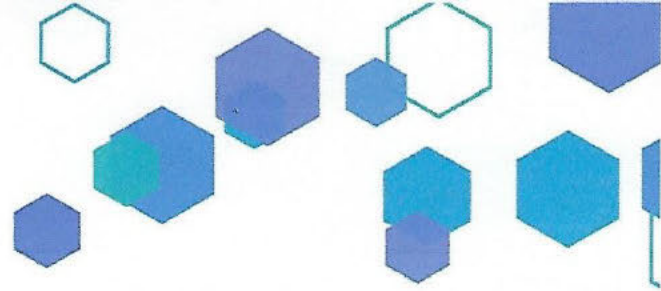


FORM 1: APPLICANT GENERAL INFORMATION

Applicant Information				
Applicant Name				
ESPOSITO NURSERY INC.				
Mailing Address				
2743 Capital Cir NE				
City	Apt/Ste #	State	ZIP Code	Country
Tallahassee		Florida	32308	USA

Contact Information		
First Name	Last Name	Middle Initial
KATHERINE	VIKER, Esq.	
Telephone Number	Designated Email (for Department/Applicant Communications)	

Medical Director Information		
First Name	Last Name	Middle Initial
VICARI	ERWIN-WILSON	
Florida Physician (MD or DO) License Number	Telephone Number	Email



**FORM 2: WAIVER AGREEMENT AND STATEMENT
For Criminal History Record Checks**

I hereby authorize the Livescan Service Provider of my choosing to submit a set of my fingerprints to the Florida Department of Law Enforcement (FDLE) for the purpose of accessing and reviewing Florida and national criminal history records that may pertain to me. I understand that my background report will be sent to the Florida Department of Health, Office of Medical Marijuana Use (OMMU), and that I would be able to receive any national criminal history record that may pertain to me directly from the Federal Bureau of Investigation (FBI) pursuant to Title 28, Code of Federal Regulations (CFR), sections 16.30-16.34, and that I could then freely disclose any such information to whomever I choose.

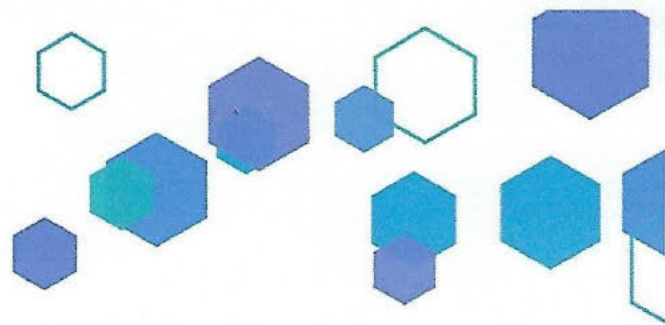
I understand that my fingerprints may be retained at FDLE and the FBI for the purpose of providing any subsequent arrest notifications to the OMMU. I further understand that, upon request, the FDLE may provide me a copy of the criminal history record report, if any, it receives concerning me and that I am entitled to challenge the accuracy and completeness of any information contained in any such report. I am aware that procedures for obtaining a change, correction, or updating of the FDLE or FBI criminal history are set forth in section 943.056, F.S., and Title 28, CFR, section 16.34.

I understand that the OMMU may disclose to the applicant for Medical Marijuana Treatment Center (MMTC) licensure listed below whether I am authorized to serve as an owner or manager for the MMTC upon licensure, as provided in section 381.986, F.S., Florida Administrative Code

435.09

Esposito Nursery Inc.

MMTC Applicant Name



**FORM 2: WAIVER AGREEMENT AND STATEMENT
For Criminal History Record Checks**

I hereby authorize the Livescan Service Provider of my choosing to submit a set of my fingerprints to the Florida Department of Law Enforcement (FDLE) for the purpose of accessing and reviewing Florida and national criminal history records that may pertain to me. I understand that my background report will be sent to the Florida Department of Health, Office of Medical Marijuana Use (OMMU), and that I would be able to receive any national criminal history record that may pertain to me directly from the Federal Bureau of Investigation (FBI) pursuant to Title 28, Code of Federal Regulations (CFR), sections 16.30-16.34, and that I could then freely disclose any such information to whomever I choose.

I understand that my fingerprints may be retained at FDLE and the FBI for the purpose of providing any subsequent arrest notifications to the OMMU. I further understand that, upon request, the FDLE may provide me a copy of the criminal history record report, if any, it receives concerning me and that I am entitled to challenge the accuracy and completeness of any information contained in any such report. I am aware that procedures for obtaining a change, correction, or updating of the FDLE or FBI criminal history are set forth in section 943.056, F.S., and Title 28, CFR, section 16.34.

I understand that the OMMU may disclose to the applicant for Medical Marijuana Treatment Center (MMTC) licensure listed below whether I am authorized to serve as an owner or manager for the MMTC upon licensure, as provided in section 381.986, F.S., Florida Administrative Code Chapter 64-4, and applicable emergency rules.

435.09

Signature

Date

Esposito Nursery Inc.

MMTC Applicant Name

MMTC Waiver Statement and Form.Revised

Final Audit Report

2023-06-05

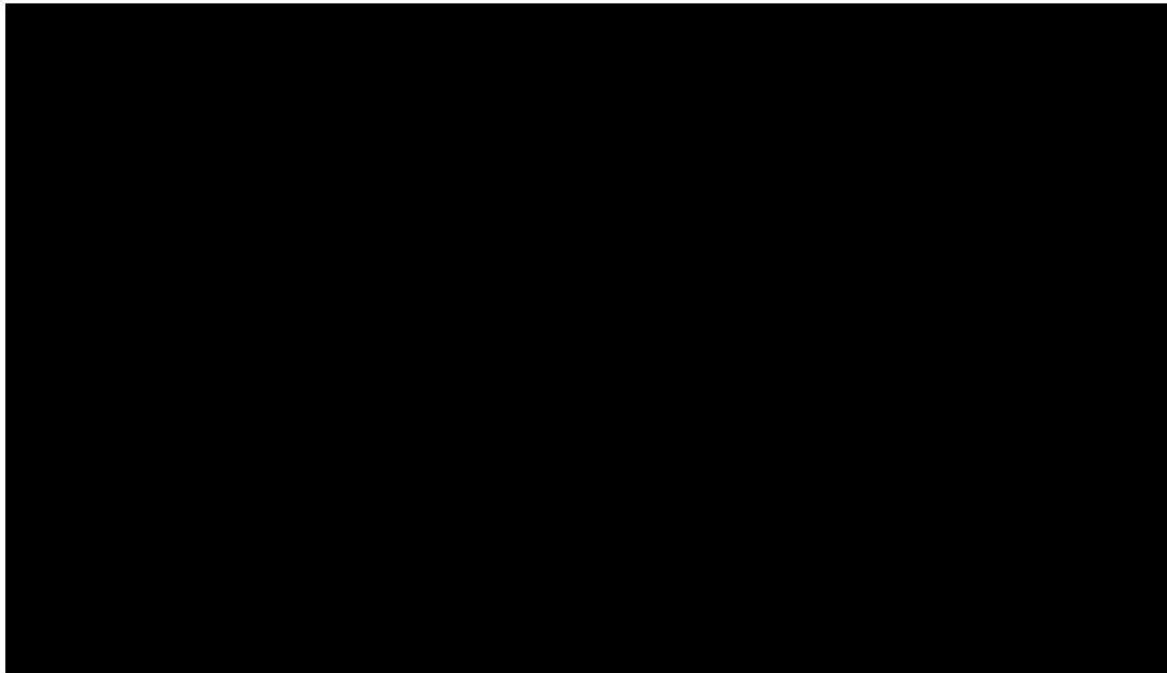
Created: 2023-06-05

By: **435.09**

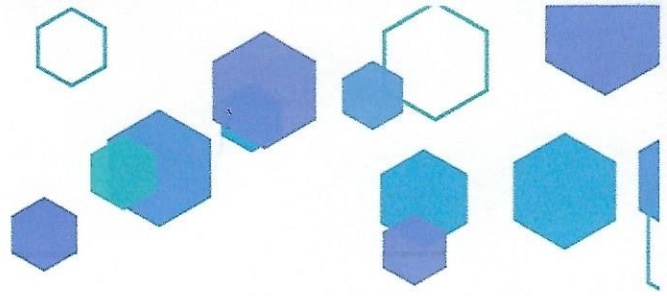
Status: Signed

Transaction ID: CBJCHBCAABAAHi7W9mMp3qhUNtCQjvxSmljOLmrNu1c5

"MMTC Waiver Statement and Form.Revised" History



Adobe Acrobat Sign



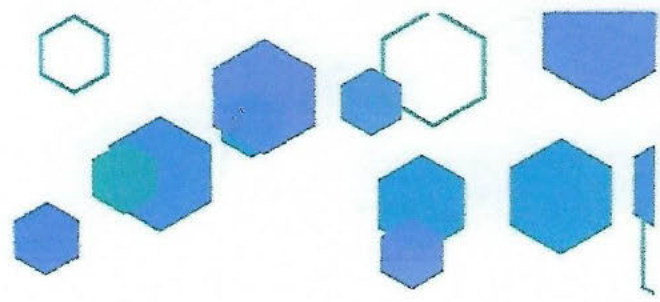
FORM 3(A): ENTITY APPLICANT ACKNOWLEDGMENT AND STATEMENT OF UNDERSTANDING

I, **RALPH ESPOSITO**, the undersigned representative, hereby represent and warrant that I am authorized to submit this application on behalf of the entity listed on the application (the Applicant) and to attest to the following on behalf of the Applicant.

- All information included in the application is true and correct. Applicant understands that the Department will rely on such information, and that any material misrepresentation in this application is grounds for licensure denial. Further, Applicant understands that if the applicant knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty, the applicant may be found guilty of a misdemeanor of the second degree, punishable as provided in sections 775.082 or 775.083, F.S.
- Applicant understands that this application for licensure creates neither an entitlement to, nor a vested right in, licensure.
- No individual or entity that owns, controls, or holds power to vote 5 percent or more of the voting shares of the Applicant has any direct or indirect ownership or control of a voting share of any currently licensed MMTC.
- No individual or entity that owns, controls, or holds power to vote 5 percent or more of the voting shares of any currently licensed MMTC has any direct or indirect ownership or control of a voting share of the Applicant.
- No currently licensed MMTC has any direct or indirect ownership or control of any voting shares or other form of ownership of the Applicant.
- The Applicant does not have any direct or indirect ownership or control of any voting shares or other form of ownership of a currently licensed MMTC.



Office of **MEDICAL**
MARIJUANA Use

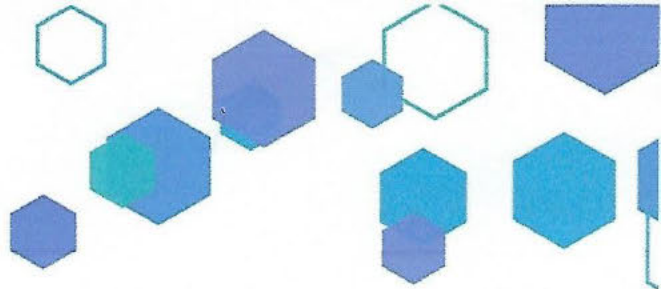


- Notwithstanding the contents of the application, upon licensure, Applicant agrees to abide by, and be bound to, all the requirements of section 381.986, F.S., and all Department rules relating to medical marijuana and medical marijuana treatment centers.
- Applicant understands and agrees that if the Department determines at any point after licensure that the application contained a material misrepresentation, then the license will be revoked.

Representative Name (Printed): RALPH ESPOSITO

Representative Signature: 

MMTC Applicant Name: ESPOSITO NURSERY INC



FORM 4: MEDICAL DIRECTOR ACKNOWLEDGMENT

I, **VICARI S. ERWIN-WILSON, MD**, have consented to be employed as the medical director for **ESPOSITO NURSERY INC**, an applicant for MMTC licensure pursuant to section 381.986, F.S. I have successfully completed the 2-hour course and examination for medical directors offered by the Florida Medical Association or Florida Osteopathic Medical Association concerning the requirements of section 381.986, F.S. I understand and agree that, upon licensure by the Department, I am responsible for supervising the activities of the MMTC. I understand that if I knowingly make a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty, that I may be found guilty of a misdemeanor of the second degree, punishable as provided in sections 775.082 or 775.083, F.S.

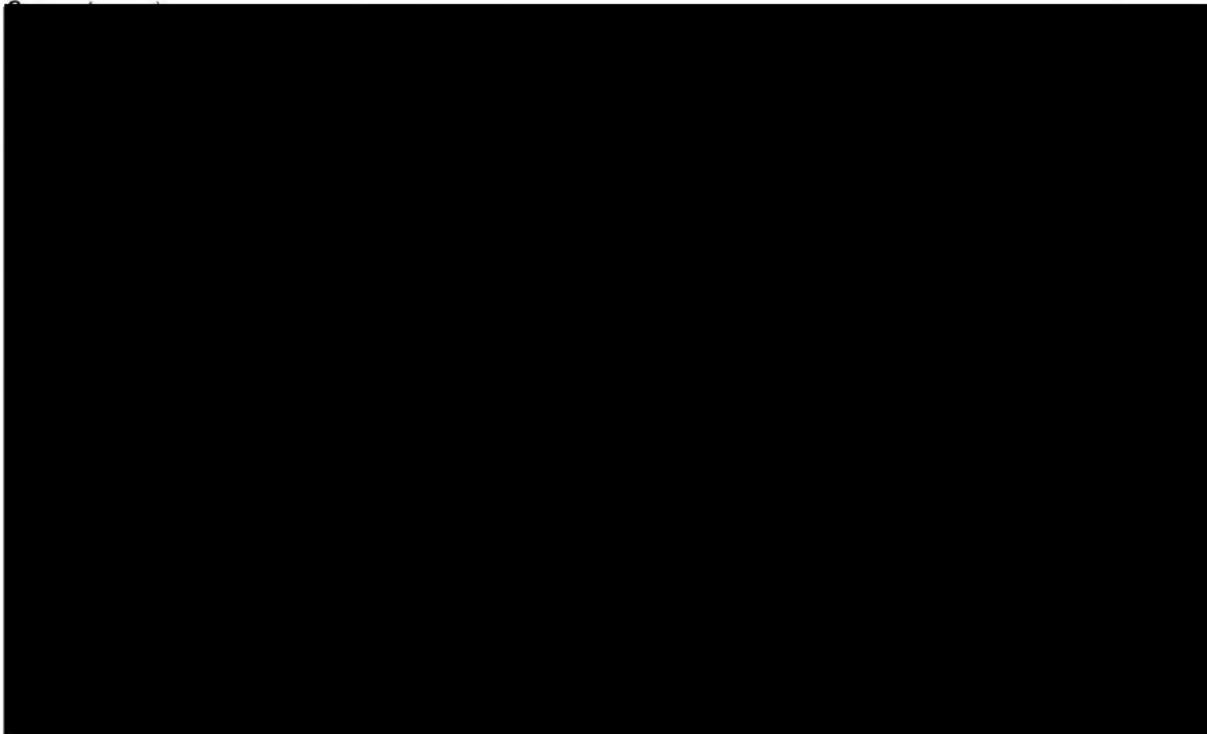
Name (Printed): **VICARI S. ERWIN-WILSON, MD**

Signature: _____

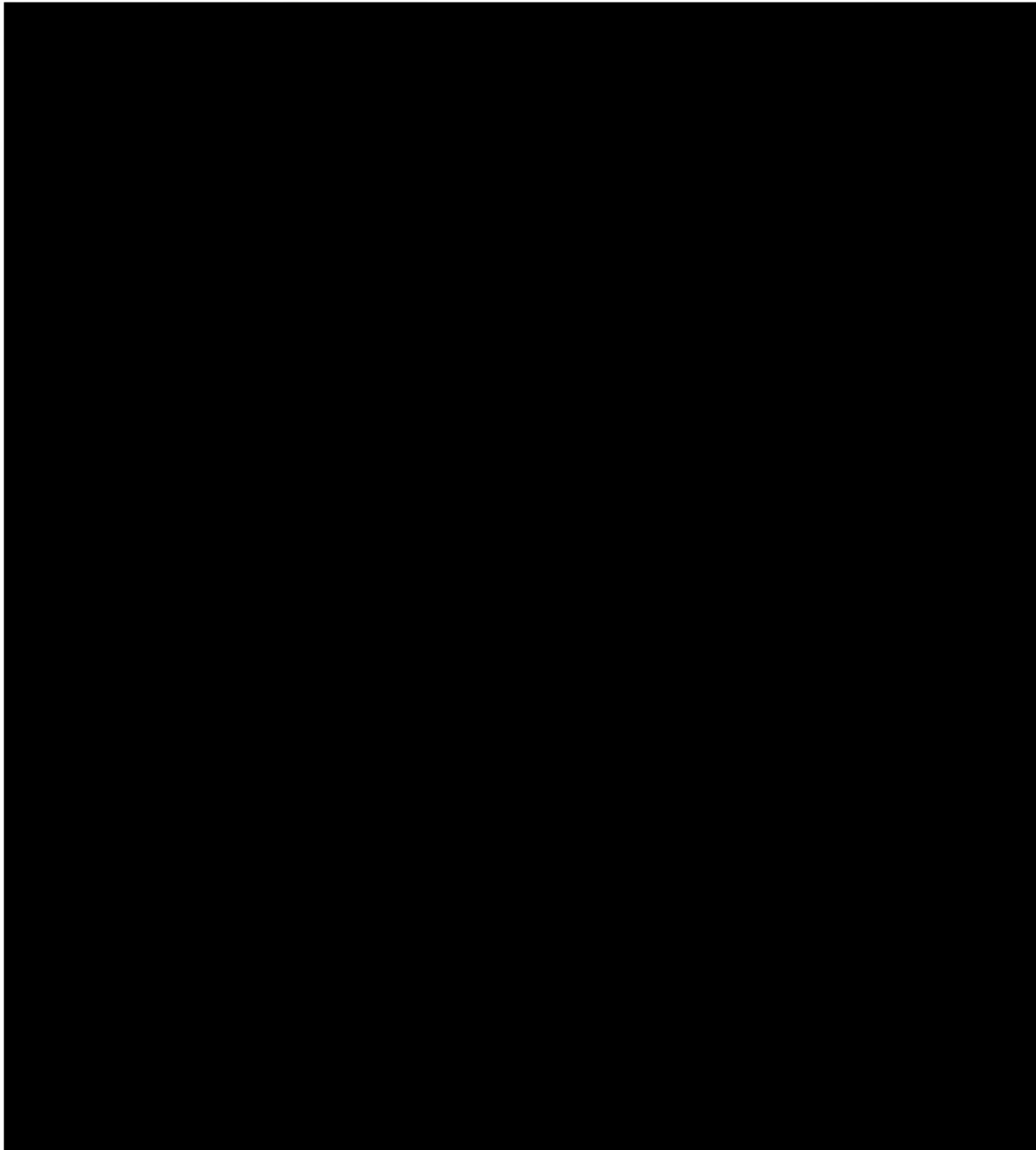
Florida MD or DO License #: _____

Esposito Nusery, Inc
Balance Sheet
December 31, 2022

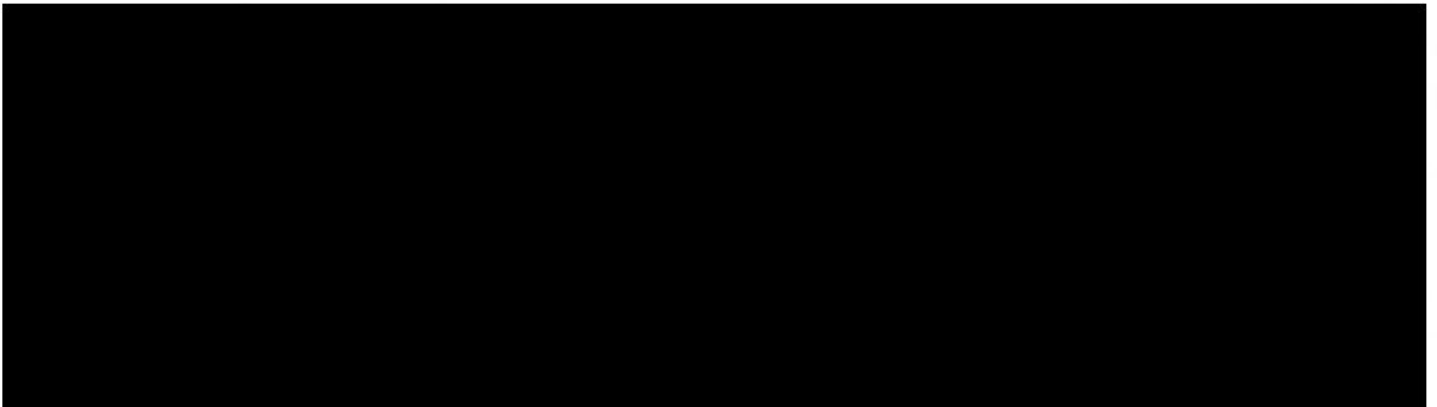
Assets



Esposito Nursery, Inc
Statement of Cash Flows
Year ended December 31, 2022



Esposito Nusery, Inc
Statement of Operations and Changes in Members' Equity
Year ended December 31, 2022



Form **1120-S**

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

▶ Do not file this form unless the corporation has filed or
is attaching Form 2553 to elect to be an S corporation.

▶ Go to www.irs.gov/Form1120S for instructions and the latest information.

2021

For calendar year 2021 or tax year beginning

, 2021, ending

, 20

A. Selection effective date

Name

D. Employer identification number

B

C

G

H

I

J

K

L

M

N

O

P

Q

R

S

T

U

V

W

X

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AH

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AJ

AK

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AM

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Schedule B Other Information (see instructions) *(continued)***Yes** **No**
X

X

X

96.

51.

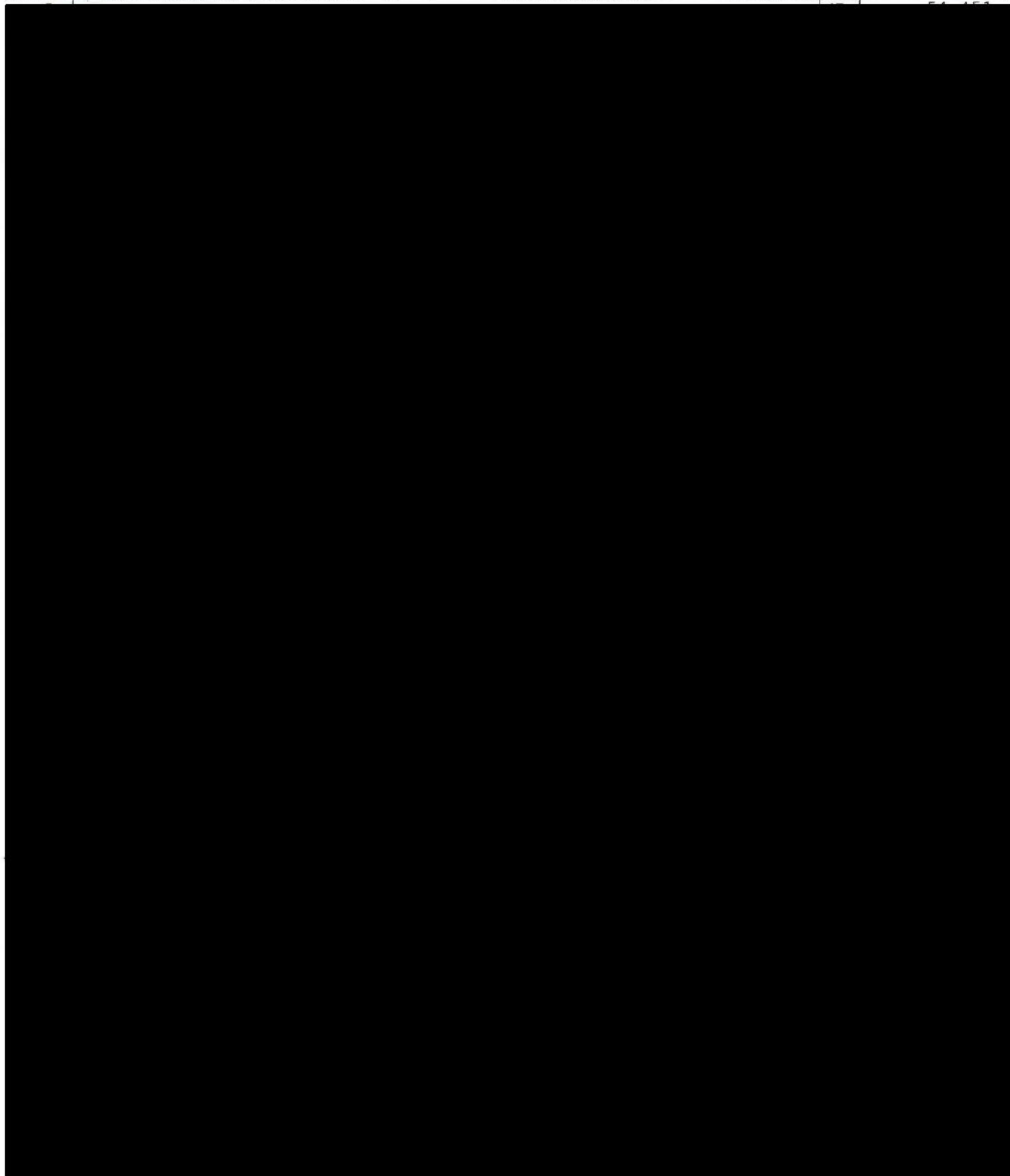
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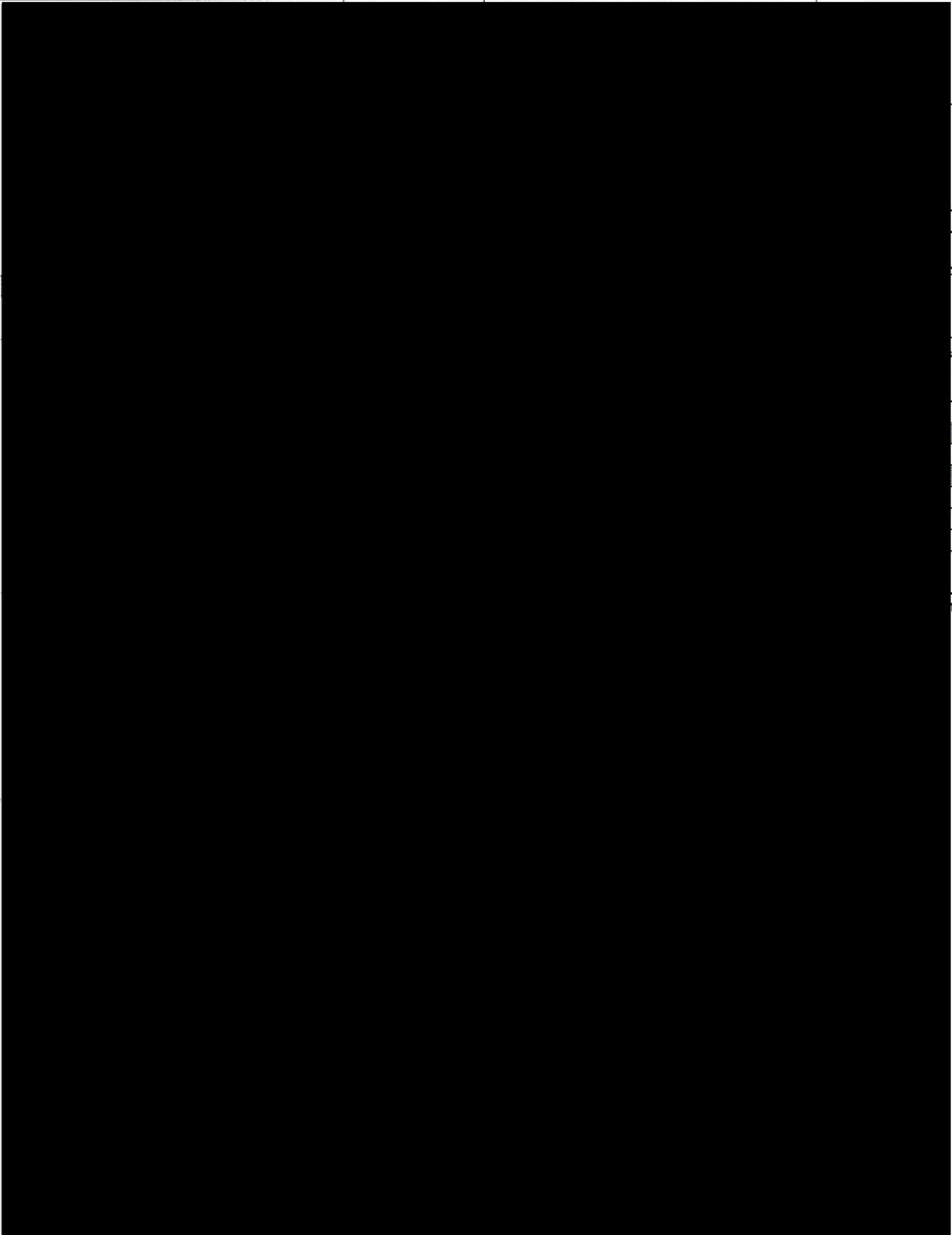
(2021)

Schedule K	Shareholders' Pro Rata Share Items (continued)	Total amount
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Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3. See instructions.



Form **1125-A**

(Rev. November 2018)
Department of the Treasury
Internal Revenue Service

Cost of Goods Sold

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.
▶ Go to www.irs.gov/Form1125A for the latest information.

OMB No. 1545-0123

Name

Employer identification number

[Redacted area]

Schedule K-1
(Form 1120-S)Department of the Treasury
Internal Revenue Service**2021**

For calendar year 2021, or tax year

beginning / / 2021ending / / **Shareholder's Share of Income, Deductions,
Credits, etc.**

▶ See separate instructions.

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items

1

2

3

4

5a

Part I Information About the Corporation

A Corporation's employer identification number

B

C

D

P

E

F

G

H

I Loans from shareholder

Beginning of tax year

\$

End of tax year

\$

For IRS Use Only

18

19

This image is a scan of a blank white piece of paper. It contains no text, figures, or tables. There are a few small, dark specks scattered across the surface, which appear to be dust or scanning artifacts.

Compensation of Officers

OMB No. 1545-0123

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-REIT, 1120-RIC, or 1120S.

▶ Information about Form 1125-E and its separate instructions is at www.irs.gov/form1125e.

Name

Employer identification number

[Redacted area]

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

OMB No. 1545-0172

2021

Attachment
Sequence No. **179**

Name(s) shown on return

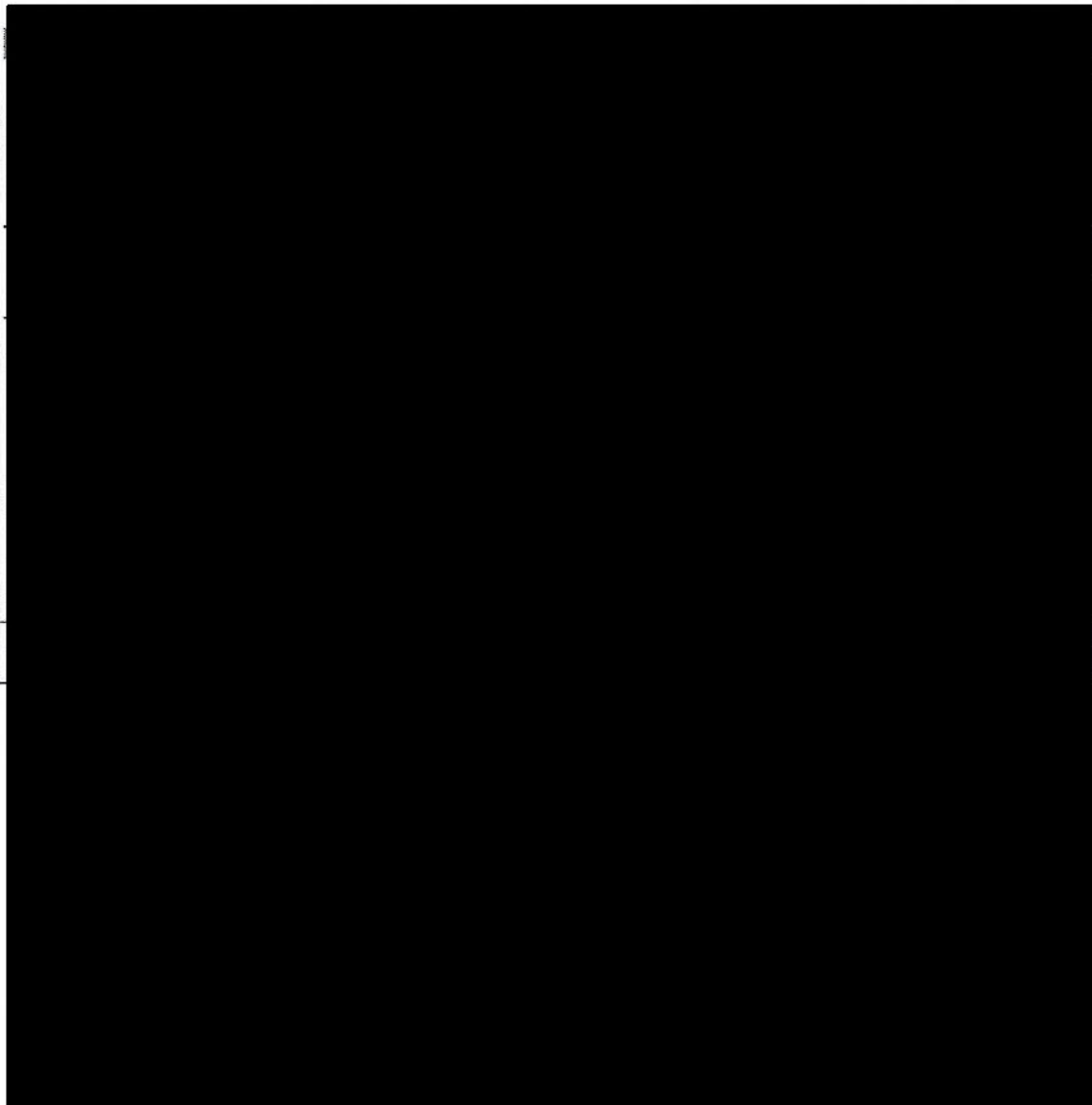
Business or activity to which this form relates

Identifying number

[Redacted content]

QuickZoom to Other Copy _____

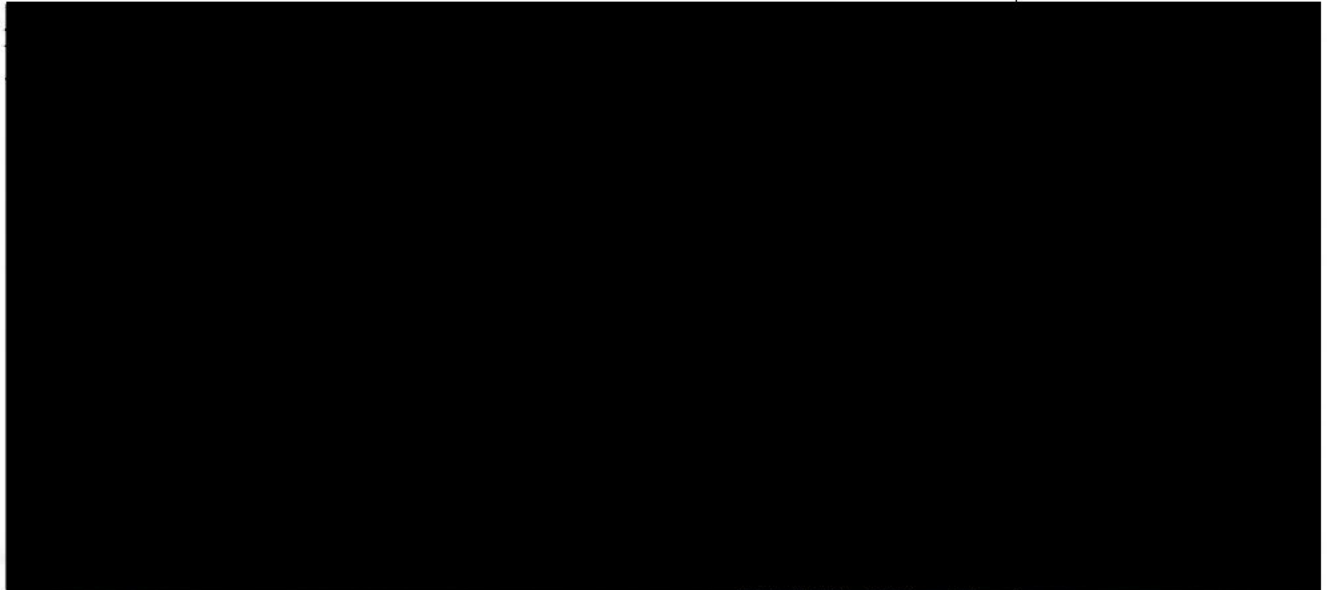
Page 1



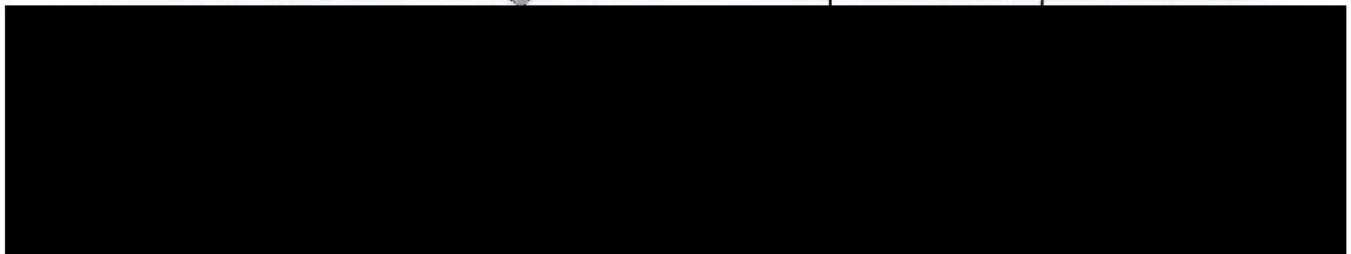
DO

Name

Employer ID Number

		
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Employer ID Number

[illegible]

Other Liabilities:	Beginning of tax year	End of tax year
Total to Form 1120S, Schedule L, line 21 ▶		

Adjustments to Shareholders' Equity:	Beginning of tax year	End of tax year
Total to Form 1120S, Schedule L, line 25 ▶		

199A Worksheet by Activity

► Keep for your records

2021

Corporation's name

Corporation's EIN

[Redacted area]

DO

Section 179 Carryover Detail for this Activity

Tentative Section 179 deduction from current year assets

Part I: Prior Year Carryovers by Year and Category

A Before 2018
 B 2018
 C 2019
 D 2020
 Total prior year carryovers to this year

Section 179 Regular Tax	Section 179 QBI
	0.
	0.
0.	0.

Part II: 179 Deduction Allowed by Year and Category

Total 179 deduction allowed for this activity in current year
 A Amount allowed from 2021
 B Amount allowed from before 2018
 C Amount allowed from 2018
 D Amount allowed from 2019
 E Amount allowed from 2020

Section 179 Regular Tax	Section 179 QBI

Part III: Total Carryforward to 2022 by Year and Category

A Carryforward from 2021
 B Carryforward from before 2018
 C Carryforward from 2018
 D Carryforward from 2019
 E Carryforward from 2020
 Total carryforward to next year

Section 179 Regular Tax	Section 179 QBI
	0.
0.	0.
0.	0.

Additional information from your 2021 US Form 1120S: Income Tax Return for S Corp**Form 1120S: S-Corporation Tax Return****Other Income****Continuation Statement**

Description	Amount
-------------	--------

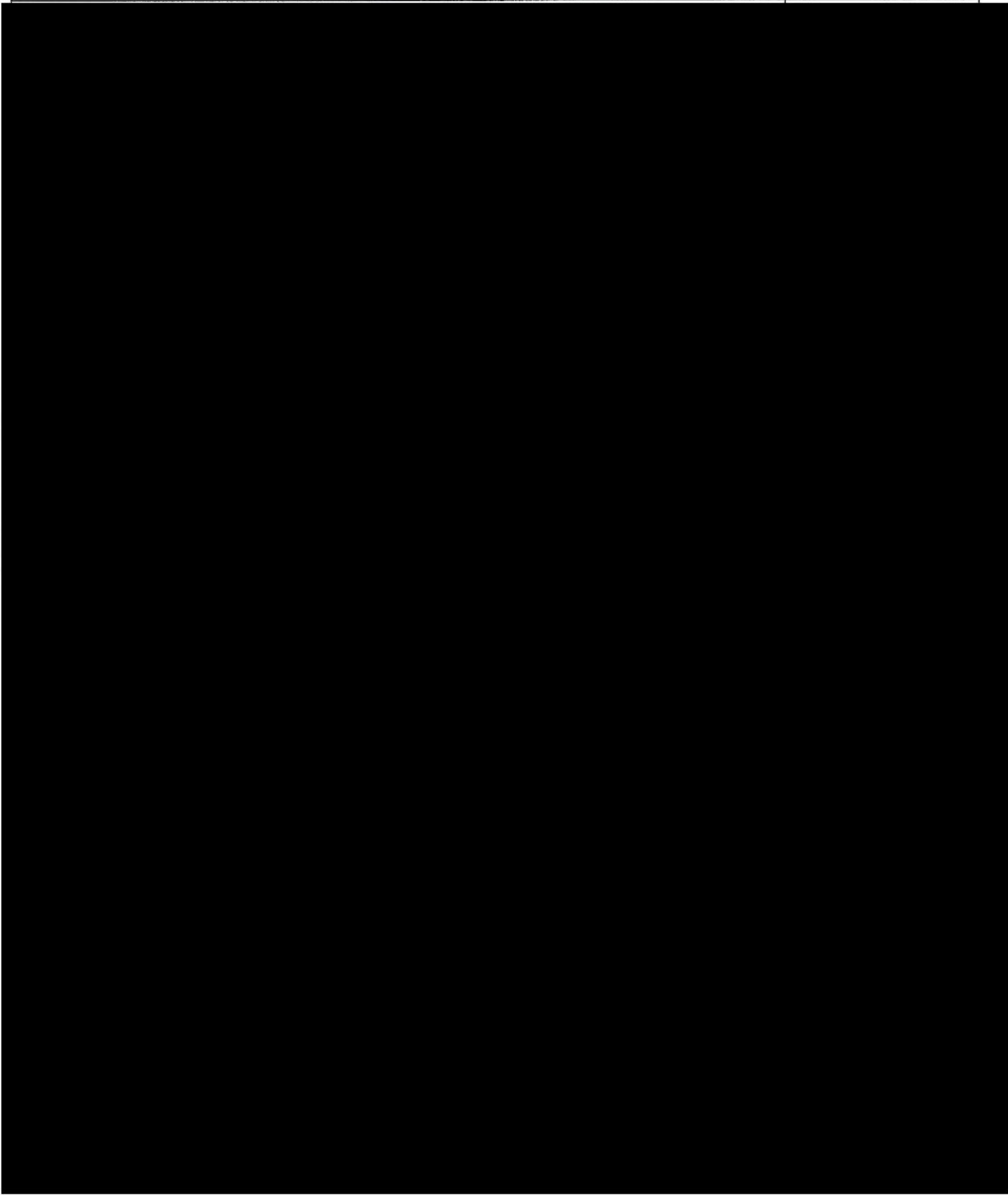
Form 1120S: S-Corporation Tax Return**Other Deductions****Continuation Statement**

Description	Amount
-------------	--------

Form 1125-A: Cost of Goods Sold
Other Costs Statement

Continuation Statement

Other Cost	Other Amount
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Form 4562 (Form 1120S Retail Sales): Depreciation and Amortization

Line 26 Additional Listed Property Statement

Continuation Statement

(a) Type of property	(b) Svc Date	(c) Use %	(d) Cost basis	(e) Depr. Basis	(f) Rec. Period	(g) Method	(h) Depr. Deduc.	(i) Elected Section 179 Cost
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June 1, 2023

Esposito Nursery Inc.
c/o Ms. Katherine Viker, Esq.
2743 Capital Circle NE
Tallahassee, Florida 32308

Dear Ms. Viker:

This Equity Commitment Letter will confirm the commitment of Team DTC, LLC on behalf of one or more of its affiliated funds or managed accounts to be designated (the "**Equity Sponsor**") to purchase or cause to be purchased shares of capital stock of Esposito Nursery Inc for an [REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED] [REDACTED] [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Agreed and accepted as of the date first
written above:

[REDACTED]

[REDACTED]

Schedule K-1
(Form 1120-S)Department of the Treasury
Internal Revenue Service

2021

For calendar year 2021, or tax year

beginning / / 2021 ending / / Shareholder's Share of Income, Deductions,
Credits, etc.

▶ See separate instructions.

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	13	Credits
	943,796.		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		

Part I Information About the CorporationA Corporation's employer identification number
59-1790709B Corporation's name, address, city, state, and ZIP code
Esposito Nursery, Inc.2743 Capital Circle NE
Tallahassee FL 32308C IRS Center where corporation filed return
Ogden, UT 84201-0013

D Corporation's total number of shares

Beginning of tax year

End of tax year

Part II Information About the Shareholder

E Shareholder's identifying number

F Shareholder's name, address, city, state, and ZIP code

G

H Shareholder's number of shares

Beginning of tax year

End of tax year

I Loans from shareholder

Beginning of tax year \$

End of tax year \$

For IRS Use Only

18 ☐ More than one activity for at-risk purposes*19 ☐ More than one activity for passive activity purposes*

* See attached statement for additional information.

Esposito Nursery Inc. Capitalization Table – MMTC

Member	Initial Capital Contribution	Ownership
<div></div>	<div></div>	<div></div> <div></div> <div></div> <div></div>