

Dear Vermonter,

My name is Colin Reynolds and I am a co founder and CEO of Elmore Mountain Therapeutics. If you are a CBD consumer or any sort of stake holder in the cannabis industry you've probably heard of our little company or our president, my wife and business partner, Ashley Reynolds. I'm writing to you today not to push our products or tout the merits of cannabis inclusion in everyday life. No, today I've something far more important and impactful to all of us and I feel it my responsibility to share.

Since the passage of S54, Vermont's legal cannabis bill, and the subsequent formation and congregation of the cannabis control board I have heard the call to get involved and help shape Vermont's agricultural future. Regardless of your personal opinion on legalized cannabis, a controlled adult use market is coming and with it, a once in a lifetime economic and agricultural opportunity for Vermonters. Unfortunately, for reasons incomprehensible to me, this legislation contains provisions that drastically favor large scale out of state interests and limit the possibility of locally owned, homegrown enterprises competing at the highest level.

For those not versed in the burgeoning national cannabis market, multi state operators, or MSOs, are large scale venture backed or in some cases publicly traded corporate interests akin to big pharma or big tobacco. Some of these folks, namely Curaleaf, iAnthus Capital and Slang Worldwide, have purchased all of the current medical cannabis cultivation and dispensary licenses in our state. Fair is fair. These folks legally purchased their businesses and have every right to operate them here in Vermont. We all must accept their presence like a McDonalds or Dunkin Donuts and know our only recourse is to support our neighborhood establishments. However, their work hasn't stopped at a change of ownership. Seemingly they have successfully lobbied the appropriate individuals in Vermont's halls of power and influence, manipulated ancient language in S54 and hijacked the CCB.

S54 had been batted around down in Montpelier for quite some time before its 10/21 passage. From it's early days there was a bit of language involving some preferential treatment for the medical dispensaries should VT ever choose to legalize. The intent of this language was to give back to the Vermont owned dispensaries that had been legally limited to operate as non profit organizations while they served Vermont patients for years. Unfortunately, this small detail went largely overlooked as medical licenses were sold off to MSOs and the new owners, and their legal teams, have had a field day interpreting this language and creating a pretty sweet market for themselves. The most glaring inequity and massive advantage for the MSOs in all of this is a mechanism referred to by those in the know as the market "kickstart". This "kickstart" will automatically grant existing medical cannabis license holders an integrated adult use license with the ability to cultivate 15,000 square feet for adult use on top of unlimited medical square footage. This advantage not only hands out perhaps the most valuable state license in history to out of state interests ahead of Vermonters but will allow MSOs to cultivate cannabis for adult use sales months in advance while regular folks get tangled in the bureaucracy of a brand new application process for grows capped at 2000 square feet. Furthermore, these integrated adult use licenses will be limited to only 5 statewide, all of which will be held by MSOs on account of this kickstart leaving no room for any Vermonter to build and grow a vertically integrated business. Such a scenario will force small farmers and value add processors to depend on MSOs for access to the market. I will reiterate my belief that the MSOs currently operating in Vermont are here legally and have every right to conduct business. However, I find it despicable that those involved in the creation of this "kickstart" would even consider handing out these valuable licenses to MSOs only.

Earlier I mentioned my wife Ashley. Ashley was granted the honor of serving Vermont as an advisory committee member to the CCB and has had a front row seat to the tragic unfolding of operationalizing s54. To fully understand what has played out over the last few months we

must start with the statutory obligation of the CCB to utilize a consultant familiar the start up of legal cannabis markets. As required, the CCB engaged with a consultant, the National Association of Cannabis Businesses or NACB. The NACB is a nationally recognized trade association with ties to many of the MSOs in states all over the country. Their approach to designing a market has been to dictate what topics require discussion and to stuff the needs and wants of Vermonters into a predetermined template that has been engineered by MSOs to stack the deck in favor of entities with vast resources and an intent to limit competition. When members of the advisory committee began to offer input based on their areas of expertise and deep understanding of Vermont culture, the NACB was stunned at how far from their vision of a legal market Vermonters are. Recognizing a threat to their big money, flat lander agenda they cultured a fear of litigation from MSO and out of state social equity candidates amongst board members. So much so that the critical residency requirement for access to a legal market was scrapped. Furthermore, the NACB advised board members that the advisory committee, comprised of individuals appointed by Vermont's highest level elected officials, was a political nightmare and that the board had no legal obligation to hear the committee and ought to simply move forward without their input. Exactly how the NACB was chosen to consult is still a mystery to me however, it is very clear that the requirement for them to be involved in the first place was a blunder by the drafters of S54 and the agenda they've applied to the CCB is very much that of MSOs.

Currently, in the green mountains, cannabis access is high and enforcement low. We all want to fully lift the veil but at what cost? Are we really willing to lose control of an industry before it starts to uphold antiquated language in S54 that only benefits 3 non Vermont companies? Why has the legislature and the CCB allowed this to play out? Are you afraid of fight? Or a lawsuit? All decisions surrounding legal cannabis are at our sole discretion, there is no road map, we can learn from other states but ultimately do whatever suits us. Not only is this a great economic opportunity but we have the chance to do something revolutionary, a market not yet seen, to be leaders in the space. I for one think this isn't something that's going to come around again and it pains me to think we've almost let it go.

I recently turned 40 and have found myself regularly ruminating on time and change; Vermont's future is often a theme of my musings. A few years back Ashley and I stood on the statehouse lawn and watched as a new statue of agriculture was ceremoniously hoisted atop the golden dome. Although in that instance "new agriculture" was quite literal, for me, its symbolic voice is loud and clear. Add to this the retirement of Sen. Leahy and the drying up of his financial life support for our dairy industry and I question what's to come. As I understand it, tradition is not the worshipping of ashes but keeping a flame alive and it is our responsibility to uphold that tradition. We, Vermonters, must keep our fields and forests working and continue supporting ourselves and our neighbors on the back of the green mountains. I can't say that cannabis alone will be our savior but it will certainly be a significant piece of the puzzle moving forward. It would be down right sad if we let this opportunity, so perfectly in line with our agricultural values and so perfectly placed in our history get bought up and corrupted by out of state interests. If we let this go so too goes our reputation of agricultural excellence as MSOs cannot possibly compete with the craft quality that has existed here for years.

Vermonters, please, whether you're a cannabis industry stakeholder or not, understand what's truly at stake here and reach out of to your local legislators. Get a dialog started as soon as possible and let's delay the roll out of this market until we have developed a level playing field, one where Vermont benefits. Your time is near, the mission's clear, it's later than we think.

Colin Reynolds