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## Exhibit A

KG WELLNESS #1, LLC, et al., \* IN THE

Plaintiffs \* CIRCUIT COURT

V.

\* FOR

MARYLAND CANNABIS ADMINISTRATION, et al.

\* ANNE ARUNDEL COUNTY

*Defendants* \* Case No. C-02-CV-24-000701

\* \* \* \* \* \* \* \* \* \* \*

## AFFIDAVIT OF ANDREW GARRISON

I, Andrew Garrison, state as follows:

- 1. I am over 18 years of age, have personal knowledge of the matters stated herein, and am otherwise competent to testify.
- 2. I am the Chief of the Office of Policy and Government Affairs for the Maryland Cannabis Administration (the "Administration").
- 3. In my role as Chief of the Office of Policy and Government Affairs, I have overseen the Administration's execution of the cannabis licensing application process for the first round of adult-use cannabis licensing in Maryland, as set forth in and consistent with § 36-404(d) of the Alcoholic Beverages and Cannabis Article.
- 4. I have reviewed and am familiar with the applications for KG Wellness #1, LLC, KG Wellness #2, LLC, KG Wellness #3, LLC, KG Wellness #5, LLC, KG Wellness #6, LLC and KG Wellness #8, LLC ("Plaintiffs").
- 5. From October 9 to November 27, 2023, the Administration and the Office of Social Equity provided 11 trainings sessions on how to complete a cannabis business

license application. At each of these training sessions, accuracy in the application was emphasized.

- 6. On November 1, 2023, the Administration published a document describing the evaluation process and criteria that the Administration would apply when reviewing applications for the first round of cannabis licenses. This document is attached as an exhibit to Plaintiffs' motion for a preliminary injunction.
- 7. Among other things, this document explained that the Administration would evaluate Attachment B–Business Plan Template ("Attachment B") of the application "to ensure that the applicant has accurately calculated the total costs of their proposed business by adding each line item of the worksheet." The document also explained that an application would fail if, in Attachment B, "the individual line items did not accurately equate to the total assumed pre-tax profits projected."
- 8. As the instructions note, the actual dollar amounts that an applicant lists in Attachment B are not part of the pass-fail evaluation. Rather, the ability of applicants to accurately calculate costs is the material consideration.
- 9. The Administration applied the evaluation criteria, including that evaluation criteria for Attachment B, consistently across all applications that it reviewed.
- 10. All Plaintiffs appear to have utilized the same consultant to assist with their applications. Several of the individuals named in the applications of KG Wellness #1, LLC, KG Wellness #2, LLC, KG Wellness #3, LLC, KG Wellness #5, LLC, KG Wellness #6, LLC and KG Wellness #8, LLC share an email domain name ending in

- "@kanagrove.com." Many individuals associated with Plaintiffs already have cannabis businesses in other states.
- 11. After the application period closed on December 12, 2023, the Administration reviewed all timely applications to determine which applicants were eligible to be entered into the lottery. Those that were deemed ineligible were entitled to a records review. I participated in the records reviews for Plaintiffs KG Wellness #2, LLC, KG Wellness #3, LLC, KG Wellness #5, LLC, KG Wellness #6, LLC and KG Wellness #8, LLC.
- 12. During these records reviews, Administration staff explained to Plaintiffs that their applications were determined to be ineligible for the lottery because they failed to accurately calculate the figures in Attachment B of their applications.
- 13. Currently, the Administration is vetting the applicants who were selected in the lottery to ensure the veracity of statements made in their applications. The Administration has hired a third-party contractor, Verity, LLC, to assist with that additional review. Verity is currently reviewing materials for the applicants selected in the lotteries that took place on March 14, 2024. The delay in conducting the lotteries for Standard Dispensary Licenses in Calvert and Talbot Counties will mean that Verity will have to perform work over a longer period of time, which will increase costs to the Administration.
- 14. The Administration all applicants whose applications did not meet the minimum requirements for entry into the lottery, including Plaintiffs, a refund of their application fees or the option or to have their application fees applied to the next licensing round.

I certify under penalty of perjury according to the laws of the State of Maryland that the foregoing is true and correct.

Signed this 15th day of April 2024 at Linthicum, Maryland.

Andrew Garrison

Chief of the Office of Policy and Government Affairs

Maryland Cannabis Administration