



TheCannaClub & Growers Co-Op

2021 MANIFESTO

THECANNACLUB.CO.ZA

DANKIPA ECO ESTATE, RIETVLEI RD, PLETTENBERG BAY, 6600

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AHEAD
PLANT MANAGEMENT SERVICES



**GREEN
HERIZON**



the design
guy



**HOUSE OF
RASTAFARI**
Growers Co-Op



JW ROUX
MEDICINAL CANNABIS CONSULTANT
REGISTERED TRADITIONAL HEALER

a) The CannaClub (www.thecannaclub.co.za) is the oldest Encod based private social Cannabis Club in S.A. that we are aware of and this means that The Club:

i) Is non profit based, with clear rapid economic transformation & empowerment strategies, Blog site, How to video channels and many other community advancement efforts.

ii) Has no offsite growers, and flowers a maximum of one organic strain specific Cannabis tree per member at any stage.

iii) Does not sign on members online.

iv) Does not provide delivery or courier services.

v) Does not do any secondary processing.

vi) Do not have dealers or franchises.

b) The CannaClub is blessed to have more than 1000 members at present and is fast approaching the ability to cultivate the maximum amount of trees in flower that our Constitution permits. (This would be 400 Sungrown, 400 Green House and 200 Aquaponic – all organic.) Also as per our Constitution when this happens we will not expand any further. We will not further increase our grow, appoint additional growers or set up dealers, franchises or other representatives. Thus The CannaClub will have a natural balance point where the harvested produce equals the members demand, or be without stock, forcing it to eventually regulate its membership total or to expand.

c) Instead of expanding we want to pass these opportunities on to emerging Black Insangu Growers, Black owned Insangu Social Clubs and Black owned Regional Insangu Hubs through a well planned and already proven support and infrastructure base. Having the experience of a sizeable functional eco wise existing operation in terms of cultivation, harvesting, processing, washing, pre trimming, drying, final trim, curing and packaging as well as Club House operation, admin, stock control, security ... we are in the ideal situation to develop a model for a regional hub, which can be copied (and improved on) anywhere else by using and upgrading our existing facilities through our existing partners and becoming more involved with Simon and the objectives of The Insangu Development Corporation which is in alignment with our own as per our Constitution.

d) Since its establishment in 2015 the Vision statement of The CannaClub via its Constitution have been the following:

The Vision of The CannaClub is to facilitate meaningful and lasting ways in order to redress some of the imbalances of the past and to address the current and future challenges to an integrated harmonious, educated, peaceful, thankful, healthy, spiritual and thriving society, by empowering deprived communities through:

- Loads of video's and information about eco wise solutions that are proven for our African environment on our website, CannaBlog, and on our Youtube channel.

- Direct Local Support and free consultations (on Friday's 9-11).
- On-site Training Courses.

- Fulfilling our Rapid Economic Transformation & Empowerment plans of which The Insangu Development Corporation has become the prime drive..

e) The CannaClub is proud to be associated with its partners (APMS, Green Herizon, GRRcc, JackPot, The Design Guy, and our affiliates (CannaTours, The Scissor Sisters, Simon's African Seed Bank, House of Rastafari and GROCGA)

f) The CannaClub is blessed to have a resident Medicinal Cannabis Consultant with over 20 years of experience with Cannabis medication and who is a registered Traditional healer - Master Gu (Johan Roux) .

A.1 THE NAME

The name of the Voluntary Association is: The CannaClub and Growers Co-op, hereafter called TheCannaClub, or simply the Club. The Club is in process of formal registration also as a Non Profit Association. (www.thecannaclub.co.za). This can be confirmed with Maggie Zeelie, a member of the Institute of Directors Southern Africa on maggie@maggiezeelie.co.za.

A.2 FOUNDING STATEMENTS

THE FOUNDING STATEMENTS OF THE CANNA CLUB WERE PROVIDED BY THE FOUNDERS IN 2017. THEY MAY BE EXPANDED BUT NOT AMENDED AND ARE:

MISSION STATEMENT

The Mission of The Cannaclub as a Social Cannabis Club and Grower's Co-op, is to:

- a. Provide a pristinely beautiful, eco wise and Cannabis friendly environment to it's members,
- b. that is intended as a model/ inspiration for other Communities and Clubs to improve on,
- c. whose members wishes to share friendship & fellowship, skills & knowledge, cultures and resources,
- d. in order to grow/ obtain/ share/ learn/ and educate about,
- e. and to consume high quality organic strain specific Cannabis produce, for private self medicating/ health/ recreational/ spiritual... purposes, g. and within the legal framework.

VISION STATEMENT

The Vision of The Cannaclub is to Facilitate meaningful and lasting ways in order to help with:

- a. Redressing the imbalances of the past,
- b. and the current/ future challenges,
- c. to an integrated harmonious, educated, peaceful, thankful, healthy, spiritual and thriving society,
- d. by empowering communities through loads of videos and information on our website and CannaBlog, Direct Local Support, Free Consultations (Friday's 9-11) & On-site Training Courses and by fulfilling our Rapid Economic Transformation & Empowerment plans.

A.3 BY RAPID ECONOMIC TRANSFORMATION AND EMPOWERMENT PLANS WE MEAN THE FOLLOWING:

We want to see the rapid economic and skills transformation of several black empowerment initiatives, to the point where they operate their own businesses and infrastructure. These will include:

- Black contract Cannabis Cultivators/ Growers.
- Black owned Insangu Social Clubs.
- Black owned Regional hubs.
- Associated industries such as:
 - (1) Caregivers
 - (2) Contract processors such as the Scissor sisters.
 - (3) CannaTourism
 - (4) Practical Club management/ Cultivation / processing Training programs.

We believe that private self medication with historically/ traditionally and overwhelmingly proven herbs is part of the solution to:

- The crises in modern western health such as cancer, poor immunity, etc.
- The crisis of alcoholism,
- The crisis of over-the-counter drug abuse,
- The crisis of Psychological problems, depression and anxiety ...,
- The crisis i.t.o. hard drugs like methamphetamines, heroin, cat, cocaine.

WE FURTHER BELIEVE THAT SMALL SCALE HIGH VALUE ECO WISE AGRICULTURE IS PART OF THE SOLUTION TO ERADICATING POVERTY AND CREATING SUSTAINABILITY IN OUR MOST DEPRIVED COMMUNITIES IN S.A. AND IN AFRICA.

As such we are Cannabis activists and are not interested in any illegal operations.

- A caregiver program where potential growers and clubs will be identified, supplied and supported, as previously indicated.

h. The Insangu Regional Hub is also where the grower's harvested product can be:

- Inspected by microscope for fungi/ mould/ pests

- Graded or Classed.

- Processed from wet harvest for those that does not have processing or drying facilities.

- Dried, Trimmed, Cured and Stored.

- THC and CBD % tested and certified.

- Manicured, packaged and distributed.

i. The establishment of Black owned private social Cannabis Clubs :

- In order to expand/ enable the Clubs, Caregivers will be trained. These are the same caregivers that support the growers as previously described, and represent the local Rastafari under Ras Ruben for the Bitou/ Eastern cape region and under Iman Maxi of the House of Judah for the Knysna/ Western Cape region.

j. The development of registered traditional healers ito :

- The use of organic hash and Dab in making tinctures and oils.

- The prescription of low THC high CBD medication for chronic conditions such as sleep deprivation, anxiety and pain management.

- The possibility of using zoom for online consultations.

k. To protect our land race genetics and practise ethical seed distribution.

A.4 GOALS

The Goals of The CannaClub are:

a. Firstly to: Educate, Cultivate, Share and Consume high quality organic Cannabis medicinally, recreationally, spiritually, socially, privately and legally.

b. Secondly to: LAUNCH, PROMOTE, EDUCATE, TRANSFER THE SKILLS AND ASSETS REQUIRED, AND TO ACTIVELY ENABLE The Insangu Development Corporation and the African Agricultural Awakening, especially in terms of our local communities and our Community transformation projects.

c. To establish an Insangu model regional hub for others to follow and improve on which will allow for the development of Black growers, Club owners and regional hub owners in many regions. Once a working model has been established, the profits if any, will be for the development of more such regional hubs.

d. Together with the main goals the Club is providing various African Agricultural Awakening initiatives, which are aimed to generate employment opportunities, as well as rapid sustainable community advancement and empowerment.

A.5 KEY OBJECTIVES

The Key Objectives of the Cannaclub are:

a. To promote the responsible, medicinal and holistic use of Cannabis as :

- A highly effective, safe, natural, medicinal herb for general health & skin conditions, many serious & chronic ailments, sleep & pain relief, and as a method of relaxation, de stressing....
- A proven method of dealing with withdrawal and detoxifying symptoms such as those of hard addictions like alcohol and heroin....
- A recreational and medicinal plant that helps to bring diverse people together, helps us to reconnect with nature, our bodies, our health, and our divine existence/ consciousness/ interconnectivity /spirituality....
- An effective method to enhance sleep/ appetite/ deep thought/ meditation, creativeness, spiritualism
- With the overall objective of leading a purposeful, fruitful, peaceful, loving, respectful, minimalistic, meaningful, and fulfilling life.

b. To continuously improve The CannaClub experience, quality and value offering for our members.

c. To actively engage in The African Agricultural Awakening opportunities with several distinct initiatives as indicated below and in much more detail in our Economic Transformation & Empowerment Plans.

These CannaClub initiatives and projects are intended to: Transform, inspire, educate, assist & motivate, especially our deprived communities, with regards to the African Agricultural Awakening and rapid advancement opportunities in terms of small scale, high value, organic, sun grown Cannabis cultivation and includes:

- The Insangu Development Corporation
- Short term training solutions including specialist courses for traditional healers, with a vision to opening a practical Cannabis training academy for The Insangu Development Corporation.
- Direct support to local Communities.
- By providing and maintaining a CannaBlog, Grow gallery and YouTube Channel that contains authentic grow videos and photo's of all aspects of small scale, high value, low cost, organic cultivation and processing - that are proven for our African environment, climate and challenges.
- By providing and maintaining a gallery of Medicinal Plants of the Western Cape and the traditional medicinal use thereof.

d. To under promise and to over deliver.

e. To establish and develop a fully functional Insangu Model Regional Hub based in Plettenberg Bay, that is intended as a pilot project or a model/ inspiration / training centre for expansion into other Communities, regions, cities - to improve on - , and which is supported by the dep. of agriculture, national, regional and local government.

f. The Insangu Regional Hub is required to provide in- house training for Insangu Caregivers:

- Volunteer based education with free board and lodging.
- In service practical education on growing, harvesting, processing, packaging and Club Housemanagement.
- Aimed at developing these candidates so that they may be able to identify and provide support to both Growers and Clubs.
- The caregivers become partners of the Insangu Regional Hub in every region. • These caregivers which will:
 - Identify possible Clubs/ growers.
 - Sign them on , provide training as well as the starting package for a Club or a grower. - Support the Clubs. The marketing, setting up and training of Clubs. - Deliver the Club's stock as ordered from the hub.
 - Support and Inspect the Club or grower for correct operation.

g. The Insangu Regional Hub is required to establish, support & develop small to medium scale black Cannabis Cultivators/Growers through the provision of:

- High value feminized seeds / clones at low or no cost,
- Starter packs or grow kits, which contain seeds, nutrients, insect/ pesticides...at no or low cost
- Regular, free growing and processing consultations - every Friday 9-11 in the "Garden with Weedin", at the regional Hub, provided by the partners of the regional Hub in every Region.
- Loads of videos and information on the website, Cannablog and Youtube channel, on all aspects of African Ecco wise cultivation & processing - with The Insangu Development Corporation continuous updates, as provided by the Insangu Regional Hub partners.

2021 MANIFESTO

CONSTITUTION

THE DANKIPA CLUBHOUSE & IT'S FACILITIES



TheCannaClub
& Growers Co-Op

THE DANKIPA CLUB HOUSE AND IT'S FACILITIES are a work in progress, are being provided, maintained and upgraded by GRRcc (Garden Route Retreat Property Management & Accounting services), and are for the use and enjoyment of the CannaClub's members as well as the residents/ visitors of the DankiPa Eco Estate.

DankiPa means to give thanks to the most High.

The Club house is open from from 09:00 – 19:00 every day, and we will always be working towards supporting the crafts/ products of our local people. Training sessions, business/ group meetings and the like will need to be booked in advance.

2021 MANIFESTO
CONSTITUTION
CLUBHOUSE RULES



TheCannaClub
& GrowersCo-Op

- a.** Don't be a doos.
- b.** Respect : Yourself, your family...Others. Their: Opinions/ culture/ religion/ beliefs/ belongings/ sexual orientation....Nature and all life. (Refer to rule 1).
- c.** No illegal substances (... to rule 1).
- d.** No under 18's in the Clubhouse or smoking areas. (... 1.)
- e.** Members (and their guests) may not roam around on the DankiPa Estate, or leave the the CannaClub's entertainment areas, unless guided. (yip still ... 1)
- f.** Members can enjoy our peaceful, secure and pristinely beautiful eco- and Cannabis friendly environment, with up to 2 non member friends, provided that they can do so respectfully, harmoniously and within the Canna Club rules. Members are responsible for their guests. (... 1)
- g.** Members can bring their kids, picnic basket/ alcohol and enjoy it responsibly, respectfully, on their own risk and within the legal framework on the CannaClub premises, unless a private function has been booked.
- h.** Your appearance / behaviour / conduct must reflect our efforts to destigmatize Cannabis and the users thereof - our highly valued members.

a. In order to become a member of The CannaClub and growers Co-op, a person has to visit the Club House in person with an ID or drivers licence, so that we can verify their age & existence. On arrival you will be directed to the information area of the Club House. Here you will find our Club Constitution and other introductory documents such as the Club rules and membership agreements. Once you have read these, understand what The CannaClub is about, and want to join and support our cause, you may indicate that you wish to join the Club. If so, you will be invited to join the CannaClub by the Club house manager of the day, and will become a member by signing a membership agreement in his/her presence, or in that of any management committee member.

b. No minors are accepted as members, or inside the Club House. They are most welcome to the Kiddie area and entertainment areas of the Club.

c. It is free to join at this time. An initial donation of R100 is welcome if possible, and will exclusively be used for the purchases of seeds, for new strain and mother plant development. Any other donations received will be directed towards our African Agricultural Awakening Initiatives, transparently and traceably.

d. As a member, you appoint the CannaClub, to use its best endeavours to cultivate a maximum of one fully organic, high grade, strain specific, Cannabis plant at any stage on your behalf, as part of our Stokvel grow or Growers Co-op.

Stokvels are invitation-only clubs of twelve or more people serving as rotating credit unions or saving schemes in South Africa.

e. No Cannabis may be sold by the CannaClub, its founders, the Co-Op partners, or by any of our Club members. You may however barter/ trade with other members regarding the cost of plant management fees, but not of the Cannabis itself.

f. The Club does not sell any Cannabis product – The members have agreed to be liable for and to reimburse the actual costs of: The care, nurturing, harvesting, trimming, drying, curing, processing, packaging, handling and secure storage – or the plant management fees, if satisfied with the quality thereof and only if the Growers Co Op partners are successful in cultivating high grade, strain specific, organic medicinal Cannabis in the Club's private grow Patch called "The Garden with Weedin". The risk of crop/ re-imburement failure, however remains with the Co-Op partners and not with the members.

g. RESPONSIBLE USE: By responsible use, we mean that you must have respect for the herb, as with all other medicines. If you over-consume high THC Cannabis - to be on a constant high - you will be depriving yourself from many of the actual benefits, and end up "munging" - over eating, overthinking, dreaming (having "espliffanies" or "gedaggates"), procrastinating, and getting nothing done in real life.

While not harmful like alcohol, or most over-the-counter drugs, long-term, constant high THC use may lead to confusion, disorientation, sleeplessness, agitation, and underachievement, which cause a whole range of other stress factors in life and in health, negating the reason you started using the herb in the first place.

The above is even more true and potentially more harmful for minors where the brain, thought, and lifestyle patterns, are still developing.

You cannot over-consume cannabis, as it will make you sick, or give you the "greenies" - with a good measure of paranoia. You have to consume High THC Recreational Cannabis responsibly, just like alcohol or other medication.

High CBD – low THC medicinal Cannabis products do not give you a "high" sensation. Unheated or unactivated, high-THC material, such as in a veggie juice, also does not give you a "high" sensation.

B.1 CANNABIS SOCIAL CLUBS

A Cannabis Social Club, sometimes called a Teapad is a model of legal regulation of the Cannabis market. Established as non-profit organisations in which Cannabis is cultivated and enjoyed collectively, Cannabis Social Clubs became popular in the United States during prohibition.

A Cannabis Social Club is a concept of the pan-European, non-government organisation ENCOD, conceived in 2005 as a way to enable legal production and distribution of Cannabis for adults. Cannabis Social Clubs facilitate the professional, collective cultivation of limited amounts of cannabis - just enough to cover the personal needs of their club members.

These places differ from Cannabis coffee shops in that those openly sell cannabis, while social clubs are not selling cannabis, and are only accessible to members. Today Cannabis Social Clubs can be found in New Zealand, Spain (where more than 200 cannabis clubs exist in the area of Barcelona alone,) Belgium, France, The Netherlands, Slovenia, Austria, Germany, Switzerland, United States..... and it is gaining momentum all over SA and Africa.

The CannaClub is the oldest ENCOD based Social Cannabis Club in South Africa that we are aware of.

B.2 WHAT ARE THE ADVANTAGES OF A CANNABIS CLUB?

Cannabis Clubs have many advantages, but the biggest is that they provide safety since they do away with the need to obtain medicinal or recreational Cannabis on the black market. As a result of the entire process, from seed to harvest, being under the eyes of the Co-Op partners of the Club, there are no low quality, stretched, moulded or laced products and no high prices. In addition, the beneficial social aspects and the community transformation possibilities of a Club cannot be understated. The Club's members, documentation and it's website educate and advise other members and the general public on safe Cannabis use.

In addition, the beneficial social aspects and the community transformation possibilities of a Social Club cannot be understated. The Club's members, documentation and it's website educate and advise other members and the general public on safe Cannabis use.

Not everyone has the ability, means, health, space, interest, security, skills.... required to grow their own – much less a variety of high quality organic produce - Very few has drying, trimming and curing facilities. For this reason many (especially those that rely on it medicinally) will want to appoint a Club to be their gardener and processor, or to do this on their behalf, as per the Club Constitution.

B.3 WHY WAS THE CANNA CLUB FOUNDED AND BY WHO?

The CannaClub and growers Co-Op was founded in 2015 by father & son - Herman and Herries. Formalized in 2017, (with our Constitution, membership agreements and the like) and with 7 initial members, after the historic March 2017 W/Cape High Court ruling, because people that wants to / needs to use Cannabis for medicinal purposes, are forced to buy/ transport the product illegally and this has great risk as well as much negative impact :

Risk factors:

- a.** You generally have to deal with criminal elements, resulting in many dangers such as being robbed, or being constantly enticed into dangerous, addictive, hard chemical drugs... In dodgy areas that have its own risk factors.
- b.** Once in your possession you have to transport it and from taking possession you are committing a crime for which you can still easily be arrested. If arrested you will be treated like a criminal and you may be locked up with many other true criminals some wanting to abuse you, or entice you into criminal activity while you are vulnerable. If found with a large quantity you will be dealt with as a drug dealer – forcing you to do many small quantity high risk trips.
- c.** If you happen to be black you are even more likely to be stopped/ searched/ locked up double that if you are a practicing Rastafari (which is a peaceful, cultural, traditional healing and religious community based on

the rules of the arc bearers/ Levites as commanded in the Bible and not a lazy, rebellious and Ganja smoking clan as has been portrayed for a long time)

d. Then there is the produce itself which may be cut/ laced/ sprayed/ mixed with anything from drain detergent to Tik/ Mandrugs. Alternatively due to inadequate storage and handling practises it is common to end up with produce that have mould/ fungi / bugs or bacteria infestation, or with low quality plant produce, or that has been exposed to chemical spray/ treatments/ sunlight – having little medicinal value.... you just cannot be certain unless the plants are grown and processed where the environment is controlled/ regulated.

The Greater negative impact is that you are supporting organized crime to the long term detriment of society as a whole.

B.4 SUPPLY FOLLOWS DEMAND

The Club through it's growers Co-op partners, and within the limitations of the Constitution, is unlikely to ever grow more Cannabis than its members require. If it does, such product will be destroyed by chipping and composting, or transferred to our empowerment initiatives transparently and tracably. The demand of the members, which number in excess of 1000, is broadly known. This allows the Co-Op partners to attempt to produce the expected quantities as required for all the members. From this the following objectives and key expectations were derived by the Management Committee, in addition to the growers mandate.

B.5 GROWERS MANDATE

The Stokvel or Growers Co-Op produce of all members, is available to any member at the plant management fees, in limited quantity per strain and within the legal limitations. No warranty of any amount or quality of member's product is implied or made other than it will be an honest and transparent effort to make exceptional, organic, medicinal and recreational plant produce available to our members at the following target plant management fees, which serves as the official growers mandate and plant management fee targets, from the members, and depending on quantity withdrawn by a member:

a. ORGANIC FLOWER - CULTIVATED WITH NO BOTTLED NUTRIENTS, INSECTICIDES OR PESTICIDES. WASHED, DRIED AND CURED :

- i.** R25 – R30 /g for High grade, organic, mixed strain recreational Value option.
- ii.** R60 - R80/g for finest grade, organic, Sun Grown, strain specific in both Recreational and Medicinal (CBD).
- iii.** R80 – R100/g for finest grade, Green House, strain specific in both Recreational and Medicinal (CBD).

b. STRICTLY PRIMARY PROCESSING ONLY, NO ISOLATES, SOLVENTS, ALCOHOL, BHO, CO2 OR CHEMICAL EXTRACTION PROCEDURES. THE CLUB DOES NOT HAVE A LAB GRADE ENVIRONMENT AND CAN AS SUCH NOT ENTERTAIN ANY SECONDARY PROCESSING REQUIREMENTS SUCH AS MAKING OIL/ CONCENTRATES / EXTRACTIONS.

- i.** R10 – R20 /g for dry pre grinded, finest grade, organic House Blend Cannabis for Tea, smoking or making oils, creams, edibles in both Recreational and Medicinal (CBD) strains.
- ii.** R150 - R250 / g for organic, strain specific, dry sieve, HIPPIE HASH. **iii.** R200 - R250 / ½ g for FLOWER ROSIN.
- iv.** R120 – R150 / 150 ml. BODY BUTTER for external use.
- v.** R500 - 800 /g for MOON ROCK. (Bud with Club Rosin and Hippie Hash)
- vi.** R40 – R80 p/1g for pre rolled Club joint.
- vii.** Animal CBD products to be developed.

B.6 KEY GROW OBJECTIVES & MEMBER EXPECTATIONS

a. Current and Future grow space planning and requirements:

- i. Outdoor:** To cultivate a maximum of 400 high-grade, organic, Sun grown strain specific Cannabis plants, which constitutes less than half a tree per member, at any time, in the Club's grow patch called "The Garden with Weedin".
 - ii. Green House:** To cultivate a maximum of 400 high-grade, organic, Green House strain specific Cannabis plants, which constitutes less than half a tree per member in the Club's future Green House grow patches.
 - iii. Eco Indoor:** To cultivate a maximum of 200 high-grade, hydroponic, organic, Eco Indoor strain specific Cannabis plants, with the aim to develop this into a aquaphonic organic indoor grow, which constitutes less than a quarter tree per member in the Club's Eco Indoor grow area. This area has just become available since our new nursery area is in operation and will be developed by Green Herizon in due course.
 - iv. Grow Limit:** The above constitutes a maximum of a 1000 plant grow limit imposed by the constitution of The CannaClub. The CannaClub will have a natural balance point where the harvested produce equals the members demand, or be without stock, forcing it to eventually regulate it's membership total or to expand.
- b.** To provide a nursery area for clones, seedlings and planters. The amount of seedlings will not be limited. The best specimens are exclusively for the Club's grow patches / areas and any that will not be used will be available to members (at the plant management fee thereof), or donated to Insangu contract growers, or chipped and composted if needed to be destroyed.
- c.** To provide a wide variety of medicinal strains that are verifiable and traceable in origin.
- d.** To ensure that the end cost to the member is at the target plant management fees as defined by the growers mandate – which is at around half the cost for a comparable organic product available elsewhere.
- e.** To engage in effective and rapid Community transformation and empowering initiatives as opposed to further expanding the Clubs own franchise options.

B.7 WHAT IS MEANT BY TRANSFORMATION & EMPOWERMENT INITIATIVES AS OPPOSED TO CLUB EXPANSION?

In basic terms the club has many business opportunities such as to expand our grow operations or to sell "franchises" throughout South Africa Like many others are pursuing, as well as to establish an open membership on-line presence and the like.

Due to our commitment towards our economic transformation & empowerment initiatives such as the insangu development corporation, we will instead develop and pass such opportunities on to these initiatives, with our full support and remain to be an exclusive small scale closed membership only club with a limited grow operation. The insangu development corporation was founded to serve this purpose.

For more information see The CannaClub's Economic Transformation & Empowerment Initiatives in the Economic Transformation Plans section of our website.

B.8 WHAT ARE OUR RAPID ECONOMIC TRANSFORMATION & EMPOWERMENT PLANS?

a. Since its establishment in 2015 the founding statements of The CannaClub Constitution have included the following:

The Vision of The CannaClub is to facilitate meaningful and lasting ways in order to redress some of the imbalances of the past and to address the current and future challenges to an integrated harmonious, educated, peaceful, thankful, healthy, spiritual and thriving society, by empowering deprived communities through loads of video's and information on our website, educational YouTube series and CannaBlog, Direct Local Support, Free Consultations (on Friday's 9-11) & On-site Training Courses and by fulfilling our Rapid Economic Transformation & Empowerment plans.

b. BY RAPID ECONOMIC TRANSFORMATION AND EMPOWERMENT PLANS WE MEAN THE FOLLOWING:

We want to see the rapid economic and skills transformation of several black empowerment initiatives, to the point where they operate their own businesses and infrastructure. These will include:

- i) Black contract Cannabis Cultivators/ Growers.
- ii) Black owned Insangu Social Clubs.
- iii) Black owned Regional hubs.
- iv) Associated industries such as:
 - (1) Caregivers (2) Contract processors such as the Scissor sisters. (3) CannaTourism
- v) Practical Club management/ Cultivation / processing Training programs.

B.9 THE CANNACLUB IS HEALTH ORIENTATED

We specialize in organic cultivation, without the use of potentially harmful bottled: Pesticides, insecticides, nutrients/ feeds or any other chemicals, while continuously improving the soil we grow in, and in primary traditional processing - no solvent extraction/ concentrates (alcohol, CO2, oils or Butane) - of the produce. In a similar way, we are aiming to educate about problematic use of recreational Cannabis. Safe and responsible consumption is one of our highest priorities.

The CannaClub is blessed to have a resident Medicinal Cannabis Consultant with over 20 years of experience with Cannabis medication and chronic ailments, who is a registered Traditional healer - Mr JW Roux. Please contact him to arrange an appointment if needed - He is also willing to travel in certain circumstances.

B.10 OPEN DIALOGUE WITH AUTHORITIES AND OTHER CLUBS

Constructive dialogue with authorities is welcomed and actively encouraged. We strongly believe that the international ENCOD model for social cannabis clubs will work for SA COMMUNITIES, as well as it has elsewhere, but in the S.A. context Black growers, Clubs and hubs will have to be allowed to:

- a)** Sign on members online. Many Clubs are already doing this.
- b)** Transport the member's stokvel produce. This should be allowed with limits under the new private consumption Bill.
- c)** Have off site growers. There is currently a test case about this ("The Haze Club") In our opinion it is logical that Black growers and Clubs should be allowed this as previously explained.

B.11 AMENDMENTS TO THE CONSTITUTION AND DISSOLUTION

The founding statements of 2017 may be expanded but not amended. The terms of this Constitution may be amended, the name of the Association may be changed and the Association may be dissolved by Management Committee resolution under the following conditions:

- i. Any CannaClub partners or office bearers adversely affected shall continue to earn their reimbursement fees in terms of all Stokvel produce that are in secure storage until fully repaid and can retain any equipment which they can prove ownership of. Similarly any income from media platforms will continue to be shared with the partners involved until the media no longer exists and all employment contracts (if any) will have to be dissolved in accordance with the labour relations act. Our agreement with regards to termination of our volunteer program is that all long term volunteers will receive a minimum of 60 day notice and all short term volunteers will conclude their booked stay.
- ii. Should managing members wish to dissolve their association a minimum of a 12 month notice of such dissolution must be given to all other management committee members.
- iii. Should the association be wound up or dissolved, any assets remaining after all its liabilities have been met, shall not be paid to or distributed amongst members or management committee members, but shall be transferred by donation to some other non-profit organization which the management committee considers appropriate such as The Insangu Development Corporation.

B.12 INDEMNITY

- a. Subject to the provisions of any relevant statute, club members of the Management Committee and other office bearers shall be indemnified by the Association for all acts done by them in good faith on its behalf. Club members, management committee members or office-bearers do not become liable for any of the obligations and liabilities of the organisation solely by virtue of their status as members, management committee members, or office-bearers of the organisation;
- b. Subject to the provisions of any relevant statute, no Club member or member of the Management Committee or other office bearer of the Association shall be liable for the acts, receipts, neglects or defaults of any other member or office bearer, or for any loss, damage or expense suffered by the Association, which occurs in the execution of the duties of his or her office, unless it arises as a result of his or her dishonesty, or failure to exercise a common practice degree of care & diligence.

B.13 DISPUTES

In the event of a serious disagreement between the members of the Management Committee regarding the interpretation of this constitution then any Management Committee member of the Association shall be entitled to declare a dispute. Such declaration shall be in writing, state the issue in dispute, and be addressed to the Management Committee.

- a. The Management Committee shall consider such declaration within two (2) weeks of receiving it. Should the Management Committee not be able to resolve the dispute to the satisfaction of the majority of the Management Committee, the dispute shall be referred to a mediator.
- b. Should the dispute be referred to a mediator, the person(s) declaring the dispute and the Management Committee must agree on a suitable mediator and to the costs of such mediation. A mediator may recommend an appropriate resolution of the dispute.

B.14 MANAGEMENT COMMITTEE

a. Powers

- i. The affairs of the Association shall be controlled and managed by the Management Committee. Subject to the terms of this constitution, the Management Committee may exercise all the powers of the Association.
- ii. Any member of the Association may request a review of any decision taken by the Management Committee but no resolution of the Association shall invalidate any prior or future action taken by the Management Committee in accordance with the provisions of this Constitution.

GENERAL ADMINISTRATIVE AND INVESTMENT POWERS:

- To employ staff and hire professional and other services.
- To institute or defend any legal or arbitration proceedings and to settle any claims made by or against the Association.
- To open and operate accounts with registered banks & institutions.
- To make and vary investments and re-invest the proceeds of such investments on condition that any investments made by the Association shall be for the advancement of our founding statements.
- To accept donations made to the Association and apply them to our African Agricultural initiatives trace-ably and transparently.
- To guarantee the performance of contracts or obligations of any person on condition that any such person is primarily engaged in activities which further the objectives of the Association.
- To execute any act or deed in any deeds registry, mining titles or other public office.
- To work in collaboration with other organizations and specifically with our Co-Op partners.
- To amalgamate with any organization with the same or similar objectives and duties to those of the Association.
- To exercise all the management and executive powers that are normally vested in the Board of Directors of a Company.
- To exercise all the powers and authority of the Association not only in the Republic of South Africa but in any other part of the world.
- With regard to movable and immovable property and tangible and intangible assets of whatsoever nature:
 - to purchase or acquire property and assets;
 - to maintain, manage, develop, exchange, lease, sell, or in any way deal with the property and assets of the Association;
 - to donate and transfer the property and assets of the Association to organizations with the same or similar objectives and duties to those of the Association, or for the benefit of the Association.
 - To borrow and to use the property or assets of the Association as security for borrowing.

b. Election

The Management Committee consists of managing members and of partnership members who are all part of the management committee of The CannaClub.

- i. Managing members shall be founder members which at present are Herman (CEO), Herries (GM), and Heidi (CFO). There will at all times be at least two managing members. In addition to these, The CannaClub partners will be management committee members.
- ii. The members of the Management Committee shall hold office until they resign, or are asked to resign, or are no longer Co-Op partners for whatsoever reason.

c. Composition

The Management Committee shall comprise of at least 4 but not more than 8 members. The membership of the Management Committee currently comprises of:

- i. the Chief Executive Officer; Herman – Founder member, Managing member, Co-op partner. the Club's management partner.
- ii. the General Manager and Club Ambassador; Herries – Founder member, Managing member, Master Grower, Co-Op partner (GREEN Herizon). Infrastructure and automation partner.
- iii. the Chief Financial Officer; Heidi, Founder member, Managing member, Co-Op partner (GRRcc). Bookkeeping and admin partner.



iv. Strain, Cultivation & Processing Partners; Wayne (Master grower and chiefly responsible for vegetation including seeds, clones & planters) & Don (Master grower and chiefly responsible for flowering, harvesting & processing), Co-Op partners (APMS). Cultivation & processing partners of The CannaClub, Management committee members.

v. Media Partner, Bertie, TheDesignGuy, Co op partner & Management committee member, as well as Media management partner of The CannaClub.

Vi. Retail Partner, Tian, JackPot, Co op partner & Management committee member, as well as the venue & retail manager of The CannaClub and it's Club House.

d. Management Committee Member Vacating Office

The office of a Management Committee member shall be vacated if a member:

i. resigns; or

ii. becomes unfit and/or incapable of acting as such; or

iii. is no longer a Co Op partner for whatever reason; or

iv. is removed by agreement between the Managing Members.

v. The Management Committee shall not be obliged to furnish reasons for its decision/s regarding removal except to the member removed.

vi. Should a position on the Management Committee fall vacant, the managing members, by resolution adopted, may appoint a replacement member to fill the vacancy.

e. Procedure at Management Committee Meetings

The Management Committee shall conduct it's meetings and regulate it's proceedings as it finds convenient, provided that:

i. A quorum is achieved when all managing members are present, as well as a video/sound recording of the meeting has been set up by the media partner of The CannaClub.

ii. This recording shall be loaded onto the Club's cloud space after such meetings. In addition a brief email which highlights any decisions taken will be circulated to all management committee members within 7 days by the managing members, whereupon they can reply if not in agreement.

iii. Any of the Managing Members shall chair all meetings of the Management Committee which he or she attends unless otherwise delegated.

iv. The Managing Members shall convene a meeting of the Management Committee, at the request of any of the members of the association, or of the Management Committee and may convene such a meeting at any other time.

v. The authority necessary for the transaction of any business by the Management Committee shall be vested in the Managing Members, or in any other Management Committee member delegated for the specific transaction by them, provided that the CFO is the only party that can action/ authorize any payments at any given time and that any goods or money received will be handed over to the CFO at the first opportunity.

vi. At meetings of the Management Committee each member shall have one (1) vote.

vii. Questions arising shall be decided first by agreement between the Managing Members. If not unanimous then by a majority of Management Committee votes. Should there be an equality of votes the CEO shall have a casting or second vote.

vi. A resolution signed by the CEO or GM or CFO of the Management Committee shall be as valid as if passed at a duly convened meeting of the Management Committee.

f. The Management Committee may delegate any of its powers to any of its members, or to a special purpose committee. The member, committee, employee or agent to whom such delegation is made shall conform to any regulations and procedures that may be stipulated by the Management Committee from time to time.

g. The Management Committee may appoint other officers and employees as it may consider necessary from time to time upon such terms and conditions as it may consider appropriate.

B.15 MEMBERSHIP STRUCTURE

- a. The members of the association are The members of The CannaClub - whom had all signed up in person, at the Club House in order to join The CannaClub and Growers Co op - which number in excess of 1300 - and whose names appear on the Membership List as updated from time to time.
- b. The Management Committee may admit further members: Subject to due compliance with any conditions of membership (including payment of any membership fees) which the Management Committee may stipulate from time to time; and
- c. The Management Committee may suspend or terminate the membership of any member provided that: Written notice is given to the member concerned. The notice shall invite the member to make written or verbal representations as the member may consider appropriate.
- d. The decision rests with the Management Committee to invite, or admit an applicant to membership, or to suspend or to terminate a membership. Suspension will be reviewed monthly and termination quarterly by the Management Committee.
- e. Neither the Management Committee nor the Association shall be required to give reasons for their decisions with respect to membership, unless to the member concerned.
- f. If a Member's membership is suspended or terminated they will be notified by e-mail / sms. The Member shall have the right to appeal on e-mail directed to the management committee which will reconsider such appeal within 14 days to make a final determination. Suspension will be reviewed monthly and termination quarterly by the Management Committee.

C.1 THE LEGAL STATUS

The Association is a body corporate with its own legal identity which is separate from its individual members. The Association shall continue to exist even if the members change.

C.2 NON PROFIT DISTRIBUTING CHARACTER

The income and property of the Association shall be used solely for the promotion of its stated objectives. The members, partners and the office-bearers shall have no rights to the property or other assets of the Association solely by virtue of them being members, partners or office-bearers. No portion of the income or property of the Association shall be paid or distributed directly or indirectly to any person (otherwise than in the ordinary course of undertaking any public benefit activity) or to any member of the Association or Management Committee, except as:

- a. Reasonable compensation for services actually rendered to the Association;
- b. Reimbursement of actual costs or expenses reasonably incurred on behalf of the Association.
- c. Upon the dissolution of the Association, after all debts and commitments have been paid, any remaining assets shall not be paid to or distributed amongst members, but shall be transferred by donation to some other non-profit organization which the management committee considers appropriate such as The Insangu Development Corporation.

C.3 THE CANNA CLUB'S CO-OP PARTNERS

The Management Committee has appointed several Co-Op partners to manage and enable the CannaClub & Growers Co-op, and to keep thorough records of all expenses relating to plant management or production and handling costs thereof.

All partners of The CannaClub started off as volunteers, providing their skills / time / expertise / investment / commitment in pursuing a common passion & goals which are reflected by the constitution of The CannaClub.

1. HERMAN

• Herman is a co-founder & the Managing member (CEO) of The CannaClub.

He is a key partner providing full time, qualified & experienced managerial services to manage the Co-Op partners and the affairs of The CannaClub.

- He is prepared to take the risk, invest expert time @ zero cost for the first year and thereafter from 1 August 2020 @ R15 000.00 p.m.

The total is therefore deemed at R180 000 p.y.

- In terms of providing these products and services in advance, and over time, at his own cost and at his personal risk i.t.o. recuperation/ crop failure, the agreement is that Herman can recover the above at 5% of all plant management fees, as and when withdrawn by Club members, until settled, if at all. At year end the outstanding amounts will be cleared with no carry over for the next year.

- All of the above to be traceable & controlled by VEND and Xero Accounting as implemented by GRRcc.

- Any surpluses will go towards the Insangu Development Corporation initiative.

2. GREEN Herizon



Hydro Cultivation, Infrastructure & Automation Partner.

All aspects of infrastructure provision including: Premises (outdoor & indoor) with secure electric fencing, Ideal outdoor grow patches with automated: Drip irrigation, Control tank, Mixing tank, Worm & Comfrey farm. Indoor secure: Cloning, Nursery, Processing, Washing, Drying, Curing, Storage and Packaging areas as well as some of the equipment associated therewith.

- Green Herizon is owned & managed by Herries, and who has been developing the remainder of The DankiPa Eco Estate since 2012 with a mandate to continuously improve the soil or the assets involved while sharing some profit if any with GRRcc in terms of rental fees. He is the G.M. and a Co-Founder member of The CannaClub and has provided all premises, infrastructure & automation for The CannaClub. He also owns the Grow shop.

- Green Herizon was The CannaClub's initial cultivation partner until APMS was selected as our primary cultivation partner due to the growing demand & dedicated support we have received from our members. During this development the existing Green Herizon facilities were provided to The CannaClub and its Cultivation Partner APMS.

- This included the use of his existing indoor grow space as a nursery area for The CannaClub under the condition that once the new nursery has been completed he will have the full use of the facilities again in addition to the right to develop an indoor, hydro-range for The CannaClub's Members.

- Green Herizon is a key Co-Op partner and is providing all infrastructure and automation for the Club's facilities. He is under no obligation to provide any further upgrades or maintenance even though he regularly helps to improve the facilities or to resolve any problems.

- He is the only person with the authority for and on behalf of GRRcc to connect/ erect or direct to be connected/ constructed any electrical / irrigation / alternative energy / security / water management/ control & automation/ greenhouse or other structures/ as well as any animal farming activities on the Eco Estate.

- Green Herizon is developing a hydro grow area with the aim to eventually establish an organic aquaponic grow area, and will eventually be able to flower a maximum of 200 trees in this area, at any time on behalf of the Members of The CannaClub, as per our Constitution.

- In terms of empowerment actions: Green Herizon has offered a long term volunteership to Ayabonga in terms of which he will be provided with in house training with respect to Hydroponic Cannabis farming over the next two years.

- In terms of the INSANGU Development Corporation, Green Herizon will be a key partner in developing Club Caregivers and Grow Caregivers. www.tidc.co.za

- Herries is also The CannaClub's Ambassador and is involved in our Media efforts and YouTube channel as well as communications with all interested parties.

- He is prepared to take the risk, has invested money in his facilities, expert time as well as to provide the use of the existing specialist Green Herizon facilities that he has been developing at great cost over 3 years, on the same location, to the Co-op partners with a long term lease agreement.

- These include : Secure: Grow patches, nursery and cloning facilities as well as indoor: Processing, trimming, washing, drying, curing, dispatching and storage areas.

The value or budget for this input has been pre – agreed to not exceed the following, inclusive of automatic

- Secure, exclusive 400 plant Grow patch: "Garden with Weedin" including electric fencing, drip irrigation, worm farms.... and automation @ R15 000 p.m. which includes water and electricity supply within the limitations as agreed to.
- Secure indoor areas including: Primary processing, trimming, washing, pre - drying, drying and storage areas, and including all equipment associated therewith, and water as well as electricity usage, @ R6 500 p.m. within the limitations as agreed to.
- Secure indoor nursery area with supplemental lights, including: Cloning & seedling as well as planter areas with automated lights and irrigation....@ R10 500 p.m. which includes water and electricity use within the limitations agreed to.

The total is therefore deemed at R384 000 p.y.

- In terms of providing these products and services in advance, and over time, at his own cost and at his personal risk i.t.o. recuperation/ crop failure, the agreement is that Green Herizon can recover the above at 15% of all plant management fees, as and when withdrawn by Club members, until settled, if at all. At year end the outstanding amounts will be cleared with no carry over for the next year.
- All of the above to be traceable & controlled byVEND and Xero Accounting as implemented by GRRcc.
- Any surpluses will go towards the Insangu Development Corporation Initiative.

The Club Ambassadors fund is for time, travelling and other expenses of the Club Ambassador.

- Herries is the General Manager and Ambassador of The CannaClub.
- The budget for this service has been set at a maximum of R120000 p.y.
- In terms of providing these services in advance, and over time, at his own cost and at his personal risk i.t.o. recuperation/ crop failure, the agreement is that Herries can recover the above at 5% of all plant management fees, as and when withdrawn by Club members, until settled, if at all. At year end the outstanding amounts will be cleared with no carry over for the next year.
- Any surpluses will go towards the Insangu Development Corporation initiative.
- Herries will carry his own costs for the first 6 months until 1 August 2020, where after the above will come into affect.

Media Agreement

- The CannaClub provides & maintains a website and a Facebook page for Green Herizon provided that at least 5 photos or videos be posted on average per week on this facebook page. Our Media Co-Ordinator will share content which will allow your page to grow consistently and have good quality material.
- The costs for the Wix platform (R120 per month) is for GREEN Herizon. • The domain (www.greenherizon.co.za) cost is R80 per year.

3. GRRcc

GRRcc: (Garden Route Retreat – Bookkeeping, Admin and Property management services) Provides bookkeeping & admin services and ensures transparency and non profit based operation of The CannaClub.



They also provide bookkeeping services for APMS, GREEN Herizon, the empowerment & transformation projects, and manage all of the operational funds and Co-Op partner reimbursements of the Club as well as all Acannadation and overnighting accommodation on the DankiPa Eco Estate.

- Garden Route Retreat cc is owned by Heidi. She is a founder member and the CFO of The CannaClub.
- GRRcc is a key partner providing Bookkeeping, Admin and Property management services and represents the property owners, as well as provides bookkeeping and admin services for a number of entities including The CannaClub and it's Co-Op partners.
- She is prepared to take the risk, invest expert time as well as to provide the use of her office and office stationary/equipment @ R15 000 p.m. for her time and office use.

The total is therefore deemed at R180 000 p.y.

- In terms of providing these products and services in advance, and over time, at her own cost and at her personal risk i.t.o. recuperation/ crop failure, the agreement is that GRRcc can recover the above at 10% of all plant management fees, as and when withdrawn by Club members, until settled, if at all. At year end the outstanding amounts will be cleared with no carry over for the next year.

- All of the above to be traceable & controlled by VEND and Xero Accounting as implemented by GRRcc.
- Any surpluses will go towards the Insangu Development Corporation initiative.
- GRRcc also manages the various Co-Op transactions and all payments by the Club as well the Operational Club funds.

Media Costs: The costs for the Wix platforms of GRRcc, HVDW TRUST, and Acannadation) is for GRRcc as well as their domains.

The Club Services fund is for the water/electricity/security/inventory control/etc. which is redeemed from the plant management fees at 5%. Should these exceed the budgets as allocated additional costs will be shared by all Co-Op partners as determined by Management Committee resolution on the issue, and which will be revised every three months. At Least 50% of all income from the 50/50 Promotion / Day Fees must be directed to avoid activating emergency funds, as outlined above.

4. APMS / AHEAD PLANT MANAGEMENT SERVICES



Cultivation, Processing & Packaging Partner.

All aspects of Organic Cannabis Cultivation including: Seedlings, Clones, Strain selection & development, Mother Plants, Planters, Vegetation, Flowering, Nutrient & feeding, Insect & pest management, Crop management, harvesting, as well as all aspects of primary processing including: Pre trimming, drying, curing, storage, and packaging.

- APMS is a key Co-Op partner and is an owner managed equal partnership between long time tried and trusted friends Don and Wayne.

- Both are dedicated CannaClub certified master growers who started out by leasing grow-lines from The CannaClub and then impressed the founding members so much so through their passion, dedication and commitment that they managed to obtain an exclusive cultivation partnership from The CannaClub in terms of a maximum of 400 plant organic sun grow, and a 400 plant organic green house at any stage as per the Constitution of The CannaClub over time. This is the maximum that our constitution allows and their contract has been extended from 2 to 10 years.

- In addition they have taken over the processing and packaging operation of The CannaClub over time and in accordance with our Constitution.

- They are prepared to take the risk and invest their own money and specialist time in advance in order to cultivate, process and package the Club's Stokvel grow.

- The value of their expert time has been pre agreed as follows:

2 persons at R500 each and 1 worker at R190 = R1 190 per session. A session is 4 hours minimum.

- There are 6 sessions every week. Therefore 52 weeks @ R7140 on average = R371 280 p.y.

- With regards to processing & packaging the services are sub contracted to The Scissor Sisters which is an APMS & The CannaClub empowered & trained company owned by Yonela Mtshotwana. A provision of 2 people @ R175 per day, plus 1 team leader @ R200 per day, for 5 days a week Therefore 52 weeks @ R1350 on average = R70 200 p.y. have been allocated towards subcontracting fees allocated towards The Scissor Sisters.

The value or budget for their operational financial input has been pre – agreed to not exceed the following per year:

- Organic Nutrient budget R 20 000

- Organic insect control measures R 16 000

- Cover crop budget R 7 500

- Companion plant budget R7 500

- Transport for Club needs R12 500

- Training and grow exploration R 35 000

- Compost R25 000

- The total i.t.o. the above additional financial input is R123 500

- The full total of their contribution is R564 980 p.y. (Plant Management Labour R371 280 p.y. + Processing Contracts R70 200 + Costs R123 500)

- In terms of providing these services in advance and over time at their own cost and at their risk, the agreement is that APMS can recover the above at 30% (cultivation fee) plus 5% (processing fee) + 5% (packaging fee) = 40% of all plant management fees, as and when withdrawn by Club members, until they have been repaid, if at all. They will also bear the cost of the packaging material. At year end the outstanding amounts will be cleared with no carry over for the next year.

- All of the above to be traceable & controlled by VEND and Xero Accounting as implemented by GRRcc.

- Any surpluses will go towards our the Insangu Development Corporation initiative.
 - They are in full control of the Cultivation and processing aspects and have agreed to sub contract these services to empowerment initiatives. In the case of processing services this is currently subcontracted to The Scissor Sisters. In the case of planting projects these services are subcontracted PLANT projects which is owned by David and which is an APMS & GRRcc empowered black owned start up company providing contract labour for gardening & planting projects.
 - APMS has the right to process products from other growers under The Insangu Model Regional Hub business plan & constitution in The CannaClub's existing processing facilities .
 - APMS has the right to develop seeds both on & off site (all males) provided that The CannaClub's members will always enjoy the top strains, that 25% of any income generated thereof be paid over to the The CannaClub, that every effort would be made to develop low cost high value seed supply to communities and to support South African strain development and ethical seed production also with regards to protection of existing land race species.
 - In terms of their cultivation contract APMS can grow a maximum of 400 trees sun grown & 400 trees greenhouse at any stage on behalf of the members. They have to make investments for the further development of the new nursery area. This also includes two additional water tanks and possibly extra dry room storage.
 - In terms of clones & planters APMS can supply any member of The CannaClub with any Stokvel stock which they may have excess of, and retain 50% of the income from the plant management fees associated with this. The remainder to be directed towards The CannaClub's Nursery Fund.
- The expenses of this fund is managed by APMS and again the understanding is that every effort would be made to make high value feminized clones / planters available to communities at low or no cost when able to.
- All of the above to be traceable & controlled by VEND and Xero Accounting as implemented by GRRcc.

• **In terms of empowerment:**



1. APMS and The CannaClub have agreed that all processing & packaging services will be exclusively subcontracted to an empowerment start up company. In this regard APMS has trained Yonela Mtshotwana and she is now the owner of The Scissor Sisters which is currently their exclusive contractor for APMS packaging & processing, and has trained a variety of Sisters from her deprived community which are on call



2. APMS and The CannaClub have agreed that all planting projects will be exclusively subcontracted to an empowerment start up company. In this regard APMS has trained David * and he is now the owner of PLANT Projects which is currently their exclusive contractor for APMS planting projects, and he has a number of skilled labourers available.

• **Media Agreement**

The CannaClub provides & maintains a website for APMS provided that at least 5 photos or videos be posted on average per week on The CannaClub's Instagram page to grow consistently and have good quality material. The Media Co-Ordinator will instruct APMS on how to achieve this if necessary.

5. JACKPOT

Retail & Provision Management partner.



The Club Retail Management fund that is for the operational costs and stock requirements of the Club House & entertainment areas.

- In terms of providing these services 10 % of all plant management services, as and when withdrawn by members will be directed towards this fund.
- Tian joined The CannaClub as a volunteer ClubHouse Tender during which time he managed to obtain the exclusive partnership agreement to provide and maintain the ClubHouse on behalf of The CannaClub and its Members.
- At year end this will be cleared with no carry over for the next year.
- The retail management of the Club has been subcontracted to a Co-Op partner - JackPot – Managed & owned by Tian - as from the end of October 2020. Tian secured a 10 year contract both from GRRcc and from The CannaClub for the exclusive use of the DankiPa Eco Estate Clubhouse and its surrounding / entertainment areas.
- Tian is a Co-Op partner, management committee member & the Retail manager of The CannaClub.
- In addition to the above he will have a share of 5% of all online reimbursements once the Club is able to do deliveries, as well as a 10% share of all water wise garden plants, (the rest to be shared between Heidi and Leon at 45% each), and a 100% share of all income from the Club kiosk.
- All of the above to be traceable & controlled by VEND and Xero Accounting as implemented by GRRcc.
- Tian will be responsible for all activities, maintenance and upgrades of the Club House & it's entertainment areas.
- JackPot has offered a long term volunteership to Sihle as Club House Tender which enables him to have a salary with accommodation whilst being able to run his own business : CannaTours.
- In terms of future planning the following opportunities exist: Alcohol, Kombucha, Edibles and Munchies, medicinal, food forest.
- The costs for the Wix platform (R120 per month) is for JackPot. • The domain (www.gojackpot.co.za) cost is R80 per year.

6. THE DESIGN GUY



Media Manager.

The Club Media Management fund that is for the operational costs and salaries of the Club's media management.

• In terms of providing these services 5% of all plant management services, as and when withdrawn by members will be directed towards this fund.

• At year end this will be cleared with no carry over for the next year.

• The Media management of The CannaClub has been subcontracted to a Co-Op partner - TheDesignGuyZa, Bertie - at the end of October 2020 after he first joined The CannaClub as a volunteer specifically for this position until he was awarded the contract on a full time basis.

• Bertie is a Co-Op partner, management committee member & the Media manager of The CannaClub.

• In addition to the above he will have a share of 10% of all online reimbursements once the Club is able to do deliveries, as well as a 5% share of all Accannadation bookings.

• In terms of monetization of media such as YouTube, Bertie will have the right to retain 75% of all income generated from this. The remaining 25% will go to Herries, who is also instrumental in the design & production the above.

• All of the above to be traceable & controlled by VEND and Xero Accounting as implemented by GRRcc.

• Bertie is responsible for : Membership admin, Facebook, Instagram, YouTube channel, upkeep of Website, CannaBlog & the media presence & expansion of The CannaClub.

• Leon Meyer is a long term volunteer sponsored by The CannaClub and who has been appointed as Media Co-Ordinator of The CannaClub and which functions under the Media Manager. Leon is also being empowered in terms of a new start up company : Experience 420, as well as taking on the management of the Garden Route Organic Growers Association (GROCGA), The CannaCup & Festival – all of which have been empowered by The CannaClub.

• The costs for the Wix platform (R120 per month) is for The Design Guy. • The domain (www.thedesignguyza.co.za) cost is R80 per year.



7. CANNATOURS

- Canna Tours is owned & operated by Sihle Sibentu which is a black owned start up company empowered by The CannaClub & it's partners, and has obtained the exclusive rights to provide guided tours, at no share to The Club, in The CannaClub's cultivation areas such as The Garden with Weedin.

- Sihle has extensive experience in terms of Cannabis cultivation all over South Africa and Transkei, which enables him to have intimate conversations with cultivators, educators and guests. We may explore growing practices, genetics, harvesting, medicinal applications, and the unique cultural and social aspects of the emerging Cannabis market...

- Sihle joined the CannaClub as a volunteer, became a master trimmer and later on a Clubhouse Tender. Sihle is part of our long term volunteer development programs especially in terms of CannaTours and The INSANGU Development Corporation Initiative.

Media Agreement

The CannaClub provides & maintains a website and a facebook page for CannaTours provided that at least 5 photos or videos be posted on average per week on this facebook page. Our Media Co-Ordinator will share content which will allow your page to grow consistently and have good quality material.

- The costs for the Wix platform (R350 per month) is to allow bookings of tours, and is sponsored by The CannaClub.

- The domain (www.thecannaclub.co.za + www.acannadation.co.za) cost is R160 per year, and is sponsored by The CannaClub.



**CANNA
TOURS**

8. JW ROUX

Mr JW Roux has been appointed as a secondary processing partner of The CannaClub. In terms of this agreement the following:

- Mr Roux may use the Members Stokvel stock in order to manufacture tinctures, oils and the like for the Members.
- These products will only be available to The CannaClub's Members.
- The initial consultation, diagnosis & a trial supply of product will not exceed R450. Thereafter a full month's supply of product will cost R400 p.m for sleep and pain treatment, and R500 p.m for chronic ailments. These fees do not include additional consultations (R250 per half hour) or travelling (R10 per Km, there and back - travelling and time), if necessary.
- The costs for the product mentioned above will be 25% of the product fee, payable to The CannaClub for the plant management fees of the Member's product utilized.
- Mr Roux can appoint agents to help him with the above, and especially i.t.o developing animal CBD and edibles for our Members.
- Mr Roux will register the Owner of The Scissor Sisters, Yonela Mtshotwana as an assistant traditional healer, and do everything in his power to develop her in this field.
- 60% of The CanaPax Plettenberg Bay Franchise will be transferred to Mr Roux, the remainder will be kept by Herman (who currently owns 100%) which will allow Mr Roux to have access to all the Cape Bush Doctor traditional medicines as provided by The CanaPax Group, provided that The CanaPax Group is in agreement with this appointment.
- All of the above to be traceable & controlled by VEND and Xero Accounting as implemented by GRRcc. w
- The costs for the Wix platform (R120 per month) is for JW Roux.
- The domain (www.cbdconsultant.co.za) cost is R80 per year.
- The CannaClub will provide upgrades & maintenance at no charge.
- With regards to a Facebook page The CannaClub will provide one if Mr Roux requires it.
a + www.acannadation.co.za) cost is R160 per year, and is sponsored by The CannaClub.



9. CROP PATROL

- Crop Patrol is a black owned start up empowerment company empowered by The CannaClub & it's partners.
- Crop Patrol is owned by Themba **. He is a grade c qualified & registered security guard. However Crop patrol do not provide any security services. Their operation is to observe and report any problems, not to engage or to deter. This function is to be provided by local armed response connected to our alarm & panic button.
- He provides night patrols and is self posting via bicycle which was sponsored The CannaClub.
- Themba Sobekwa has the right to employ other suitable candidates and to expand this service offering to other clients.
- The CannaClub will supply a Facebook page for this, once he is ready.



C.4 WHAT LOANS DOES THE CLUB HAVE IF ANY?

a. The CannaClub has only one initial investor/ financier which is GRRcc and that was for a contribution towards the initial establishment/ upgrades of the Club house and grow patches

b. Clubhouse upgrades R 48 000

c. Grow Patch establishment:

i. Irrigation: @ R156 x 300 R 46 800

ii. Tank, pump, electricity, automated control Including water supply, rental 8 x R1 750 R 14 000

iii. Compost R200 x 300 R 60 000

d. Website development 15 x R500 R 7 500

e. Initial Club House stock R 25 000

f. Total initial investment R 201 300

g. In terms of servicing this loan, which is rent bearing @ 10% p.y., a 5% share of all plant management fees, as and when withdrawn by Club members, will be applied. At year end the outstanding amount with rent will be carried over for the next year, until settled.

h. Once settled this share will be redistributed to The Club Management fund.

C.5 TRANSPARENCY AND ZERO PROFIT BASE

a. GRR Accounting has agreed to provide fully transparent admin and bookkeeping services via Wave accounting, and will be managing and effecting all payments. Partners as well as any interested and approved persons can have on line direct access to all transactions. GRR Accounting does not own any of the product – it simply provides admin services.

b. When a stokvel member withdraws stock the member will pay for the plant management and handling services as described – not for the plant produce.

c. GRRcc Accounting will cash up daily and make weekly payments to all Co-Op partners and operational Club funds as summarized below:

1. The Cultivation, processing & packaging fund. 40% (30% + 5% + 5%)
2. The Infrastructure fund 15%
3. The Bookkeeping & admin fund 15%
4. The Retail Management fund. 10%
5. The Media Management fund. 5%
6. The Club management fund 5%
7. The Club ambassadors fund 5%
8. The start up loan payment 5%

THIS OPERATIONAL FUND STRUCTURE WAS ADOPTED BY THE MANAGEMENT COMMITTEE IN OCTOBER 2020.

C.6 BANK ACCOUNT

GRRcc has opened a bank account in the name of the CannaClub.

All financial transactions must be conducted by means of a bank or cash account as controlled by the existing VEND and XERO Accounting systems which are constantly under further development & implementation by GRRcc.

Bank: FNB Plett
Acc Holder: The CannaClub
Acc No: 62804687434
Branch Code: 210-514

C.7 SIGNATURES & PAYMENTS

All promissory notes and other documents requiring signature on behalf of the Club will be signed by GRRcc. All payments will be made by GRRcc.

C.8 FINANCIAL YEAR END

The Association's financial year end shall be: February every year.

C.9 FINANCIAL RECORDS

GRRcc shall ensure that the Association keeps proper records and books of account which fairly reflect the affairs of the Association.

C.10 ANNUAL FINANCIAL STATEMENTS

a. GRRcc shall ensure that the Association prepares an Annual Financial Statement for each financial year. The Annual Financial Statements shall conform with generally accepted accounting principles.

b. After drawing up the Annual Financial Statements, GRRcc shall ensure that the books of account and financial statements are audited and certified by Havenga Auditors in the customary manner as an independent practicing auditor/ chartered accountant.

c. A copy of the Annual Financial Statements is available to all Management Committee members, or authorities as soon as possible after the close.

D.1 HISTORY - SUMMARY

a. The CannaClub and Growers Co-op was founded by father & son, Herman and Herries in 2015 and formalized in 2018, after the historic March 2017 W/Cape High Court ruling, because people that want to / needs to use Cannabis for medicinal purposes are forced to buy/ transport the product illegally and this has great risk as well as much negative impact. The CannaClub and Grower's Co-Op was founded to:

i. Educate members in all aspects including responsible consumption and organic cultivation, with the intent to enable the African Agricultural Awakening through high value small scale Cannabis Cultivation.

ii. Allow members thereof to have access to a limited amount of high quality Cannabis plants/ produce, grown on behalf of them, for their own medicinal/ recreational purposes, in a shared environment.

iii. Enable members that may be in need of finding the: Grow space, time, knowledge, skills, inclination, access to facilities/ water/ funds/ security..... This is especially true in our deprived communities.

iv. Enable members that does not have the health/ physical ability / desire/ inclination to grow plants of their own with love and dedication, much less with the very best of medicinal plant strains, and in the best of modern, secure, hygienic, eco wise, organic growing conditions.....

b. We were successful with the Stokvel/ Communal Club grow until the end of July of 2018, when The CannaClub got raided and 5 members were arrested. In the end the charges were dropped and our equipment was returned. We had operated within the law, but all our highly valued strains and medicine were sadly lost - the experience led us to look for more secure alternatives.

c. In March 2019 one of the founder members – Herman - in partnership with some investors bought the Canapax franchise (at the time it was the 42th franchise of the CanaPax group) opportunity for Plett. The founders allowed the Plett Canapax dispensary franchise to open up in a section of the Clubhouse, via a rental agreement, on the condition that:

- All members will continue to sign up as CannaClub members,

- and that the Club will continue with it's efforts to establish a non profit based growers Co Op, specifically for the needs of our Club members.

d. After being in operation for 5 months, the shareholders of CanaPax Plett, closed it the day after it became known that the Master franchisor, Russel de Beer had been arrested. The Club got raided the day after, in November 2019. The Managing Member of The CannaClub was arrested. Again all our plants and strains were lost including the 50 plant grow patch that was rented under formal contracts by the House of Rastafari Community.

e. The special investigations officers however made it clear to us that they have to arrest the Managing Member due to the current confusion with the private consumption law and would not have had a problem with the Club, or it's foundations and operations had it not been for the CanaPax connection, even though CanaPax Plett was not operational.

f. The Club's outdoor grow patch known as "The Garden with Weedin" was re- established with top strains and is being continuously upgraded and cultivated by the Co-Op partners.

g. The Club's processing, washing, drying and curing facilities were established and is being continuously upgraded by the Co-Op partners.

h. The Exciting African Awakening initiatives and our very extensive and educational website that is aimed at rapid advancement of skills and knowledge for African eco wise Cannabis cultivation through video/ photo/ blogs have been completed and are in process of being launched.

i. Our transformation and empowerment projects have been launched and several empowerment plans has been agreed upon by all Management Committee members, thus all Co – Op partners.

Please find out more about this on our website.

j. We are thankful to report that the case against the President of The CannaClub (Herman van der Watt) regarding the member's trees & produce that was confiscated during a raid in November 2019, by SIU, as well all charges relating to Canapax Plett was withdrawn in October in the local magistrate court. We greatly attribute this fact to our social cannabis club based non profit operation & constitution. Sincere appreciation to our attorney Mr Carl Jeppe.

k. Also in October we welcome two new Co-Op partners as confirmed by management committee adoption, these are Bertie van Jaarsveldt from The Design Guy as the Club's Media Manager & Co-Op partner and Tiaan van der Watt as the Club's Retail Manager & Co-Op partner.

l. The Scissor sisters is owned by a black lady: Yonela Mtshotwana who was trained by the Cannaclub i.t.o. trimming and primary processing for the purposes of establishing the company: The Scissor sisters. We have since trained 2 more scissor sisters Sinazo Mfabana and Oyama Mtshowtswana. In addition Yonela and some Scissor sisters are being trained in processing hash, packaging and even in making hand rollies.

m. The Club's Instagram page was established, we got our first seed donations from Black Flag Genetics & our membership number has exceeded 800.

n. Sihle joined us in November 2020 and we trained him as a Club House tender as well as to empower him to have his own business : CannaTours

o. In November 2020 we launched the Garden Route Organic Growers Association (GROCGA) and the first ever Garden Route CannaCup

p. We launched our YouTube page in December 2020 and exceeded 1000 members.

q. In January 2021 we were blessed with a resident Medicinal Cannabis Consultant with over 20 years of experience with Cannabis medication and chronic ailments, who is a registered Traditional healer - Master Gu (Johan Roux) . Please contact him to arrange an appointment - He is also willing to travel in certain circumstances.

r. In February 2021 we launched The Insangu Development Corporation with it's powerful rapid economic transformation & empowerment initiatives.

s. Yonela has now trained 7 scissor sisters as master trimmers, and 3 have qualified as skilled processors (3 month course).

t. Our new nursery is in operation and Green Herizon has taken control of it's eco indoor space in order to start with the development of our hydro eco indoor product series on behalf of our members as per our constitution.

u. We have launched our Volunteer programme and Acannadation offerings and have started developing the main house of the estate into an education & accommodation centre.

v. We have had a great summer harvest and APMS have figured out many improvements not only in our cultivation but also in our processing, packaging, as well as our empowerment efforts. They remain to be a cornerstone of our operation, and we are blessed to have them.

X. GRRcc has implemented VEND and XERO accounting, and will continually upgrade this which will greatly enhance our transparency, control & management.

Y. We have submitted our application for registration as a non profit organization & have greatly upgraded our Insangu Development Corporation Initiative as well as it's exposure throughout all government departments. This is an ongoing process which we believe will allow us the opportunity to show that we will be able to provide true black empowerment by way of establishing black growers and black owned clubs on the Garden Route as proposed by the initiative and it's pilot project plan.

All glory to the Most High.

D.2 HISTORY OLDER

a. Herman:

i. First got interested in the medicinal properties of African Natural herbs such as Cannabis after he experienced, first hand, and over many years, how many desolate people from all over South Africa were being healed by St Engenas Hospital and community on the ZCC community farm, of the Z.C.C. (Zion Christen Church) at Zion city, Morea, Limpopo Province - using mostly faith and traditional herbal teas consisting of Cannabis and some other herbs.

ii. Bishop Barnabas Lekganyane and Herman's parents, (Hennie and Mercia) were good friends, business partners in cattle farming/ breeding and feedlots, and had neighbouring farms for over 20 years. Herman had met many ZCC devotees whom had decided to stay, and devote their lives to the St Helena Hospital community, and to ZCC, after having been saved, and cured from serious illnesses during this time. As a consequence Herman continues to bear witness to these remarkable, knowledgeable and consistent achievements that he himself had observe, and that has continued thereafter, and is still as inspirational and as successful today!

iii. During the last 10 years on the farm, both Hennie and Mercia got cancer one after the other. Towards the end it was clear that medicine was not working for his father. Local ZCC devotees urged us to use Cannabis tea many times. Herman's own self-study of peer reviewed scientific evidence over some years clearly showed that natural medications such as Cannabis, is an effective treatment for cancer, but they relied on the best modern facilities/ knowledge and professionals.... After him, his mother followed the same route.

iv. Chemo didn't work for either of them, but destroyed their health, quality of life, dignity and savings in the awful process. To be clear we are definitely not against true science, modern medicine and open deliberation, just against current conventional treatment options for some serious illnesses such as cancer/ diabetes and high blood pressure, as they simply do not work effectively enough. In fact from a holistic long term view, they much worsen many of the aspects concerned, in our opinion and personal experience.

v. Herman and his family have noticed many others suffer the same situation since, irrespective of race/ religion/ gender..... After being diagnosed as at risk himself, due to the high occurrence of cancer/ high blood pressure, early deaths and diabetes in his family history, they started using medicinal Cannabis products extensively and in many forms.

vi. Ever since, they have seen and experienced its many benefits for over a decade, also in their own health. They believe that part of the solution to the crisis in modern health, is private self medicating with historically and scientifically proven plants and herbs – especially the overwhelmingly proven Cannabis plant.

b. Herries:

i. He had known that he wanted to be a farmer since early childhood and had been experimenting with animals and plants since he was a small boy. When he finished primary school he was already fully qualified as a reptile handler and breeder after having worked at the local reptile farm almost every weekend/ holiday for 2,5 years.

ii. After primary school he went to Bay College and obtained an international IGCSE certification at 16. By this time he had been experimenting with hydroponic Cultivation extensively and had realized in order to be successful he was going to have to concentrate on small scale high value produce. Soon after he found that he has a true passion for growing Cannabis.

iii. He started working for GRRcc as the maintenance manager of the estate and was highly instrumental with the development of the estate. Through this he qualified himself extensively in carpentry, building, plumbing, irrigation, control etc. while continuously improving and expanding his grow skills.

iv. After he completed his 5 year contract, he decided to become a Yacht Master and to go see the world while he awaits the changes in the legal environment that would allow him to Cultivate Cannabis legally. He completed all the "extreme yacht master" courses at Langebaan successfully at 21, and started working in



v. The successful Gareth Prince court case in 2018 was what he had been waiting for and he promptly returned whereupon he and his father founded The CannaClub and he continues with the development of Cultivation/ processing facilities and the automation & control thereof to this day.

vi. Eventually after two and a half years Herries will be able to grow again himself as his Eco Indoor grow area is available again to him since the completion of The CannaClub's new nursery area as per club constitution. He is greatly excited about this and the club is looking forward to eventually being able to enter the Eco Indoor product area, and more especially with such an established Hydro grower, founder member and ambassador of the Club.