



Dear Sirs:

Regretfully, while Etain is fully committed to the larger goals of the NYMCIA to maintain and expand the medical marijuana program and assist New York State in creating a responsible adult recreational program, I must regretfully tender my resignation and withdrawal from the Association for the following reasons.

As stated in our meetings, since Etain is a women-owned business (“WBE”), we must decline to participate in the NYMCIA’s Industry Association’s proposals to commit to fully fund “incubator” monies in support of MWBEs. These proposals unfortunately create insurmountable barriers to Etain’s continuing Association participation.

Etain’s participation in NYMCIA’s proposals relating to WBEs would, minimally, create the appearance of impropriety, and Etain cannot place itself in such a situation, regardless of how well intentioned these proposals may be.

Etain supports this initiative and fully comprehends and suffers all the difficulties associated with being a WBE with limited resources to capital and cannot commit to the NYMCIA’s proposed pledge of \$2.5 million per RO under any formula. While we wish it were otherwise, and in addition to the conflict here, such a commitment is not presently within our grasp. In fact, this past year Etain sought and was unsuccessful in obtaining NYS Grant allocations. To participate in a circular investment would be unethical.

Lastly, Etain agreed to join the Association’s original efforts by pledging up to \$50,000.00 to promote and protect the quality product commitments already made by each of the existing RO’s. Etain, again, cannot commit to ongoing or escalating financial commitments for a program that creates conflicts for requirements for the same reasons as listed above. We must conserve our capital for targeted purposes to remain sustainable in this industry.

I am truly regretful that this initiative, while very much needed in our industry, has prevented for Etain’s continued Association involvement.

Thank you for the opportunity to serve, but I do not see any option for navigating this issue than tendering my resignation as President of the NYMCIA. If circumstances change in the future, Etain would love to continue or reinstate our role in the association. However, under the current circumstances, Etain will withdraw from the Association to allow the Association to proceed with its independent plans.

Sincerely,
Hillary Peckham