

Capitalization Table Instructions & Guidance

Overview: At a minimum, applicants must develop a capitalization table for the proposed licensed entity. This capitalization table **MUST** accurately reflect all direct owners of the proposed licensed entity at the time of application submission. If the capitalization table for the proposed licensed entity identifies any entities (i.e. not natural persons) as holding direct ownership interest in the proposed licensed entity, you must provide a capitalization table for that entity as well. Do so by duplicating the capitalization table template and completing it to reflect all owners of that direct owner entity. Repeat this step until every entity with direct and indirect ownership interest in the proposed licensed entity is disclosed. Each capitalization table must identify 100% of the ownership of any entity identified.

Direct and Indirect Ownership: For ANY entity identified in ANY capitalization table, the applicant is responsible for fully and completely disclosing all individuals with ownership interest. This process **MUST** be repeated until ALL natural persons with any proposed ownership interest have been identified. **Applications that do not identify ALL natural persons with proposed ownership of the license will not be considered by the MCA.**

Instructions:

The Capitalization Table(s) must be submitted using the template provided by the MCA. Information should **ONLY** be entered into cells highlighted **Yellow**.

Capitalization tables with errors identified within the sheet may not be considered by the MCA. Any entity with direct or indirect ownership interest in the proposed licensed entity **MUST** complete a capitalization table demonstrating ownership for that entity, using the MCA's template. The templates may not otherwise be altered by the applicant. Social equity applicant status is only considered for the prospective licenced entities ownership, please do not complete social equity applicant information for any entities with direct or indirect owners.

Terms Defined:

“Direct owner” means an individual, business entity, or trust that holds shares, units, or a percentage holding in the applicant entity.

“Indirect owner” means an individual, business entity, or trust that holds shares, units, or a percentage in an entity other than the applicant entity who has ownership or control over entities directly owning or controlling the applicant.

“Ownership interest” means a direct or indirect equity interest in an applicant for a cannabis license, including in its shares or stock.

