



# SPRING 2023 **Merchandising Program Guide**

# Table of Contents



---

<b>What Guides Us</b>	<b>02</b>
<b>Application Process</b>	<b>03</b>
<b>Merchandising Guidelines</b>	<b>05</b>
• Commitments & Expectations	<b>05</b>
• Policies & Procedures	<b>06</b>
• Promotional Guidelines	<b>06</b>
• Payment Terms	<b>07</b>
<b>Merchandising Programs</b>	<b>08</b>
• Platinum	<b>09</b>
• Premium	<b>10</b>
• Studio	<b>11</b>
• Educational	<b>12</b>
• Discover	<b>13</b>
• Highly Visible Shelving (HVS)	<b>14</b>
• In-Store Digital	<b>15</b>
• Price Reduction Program	<b>16</b>
• Data Subscription Plan	<b>17</b>
<b>Appendix A – Web Banner Details</b>	<b>18</b>
<b>Appendix B – Platinum, Premium, and Studio Display Case Dimensions</b>	<b>19</b>
<b>Appendix C – Educational, Discover, Highly Visible Shelving (HVS), and At Cash Display Cabinet Dimensions</b>	<b>20</b>
<b>Appendix D – Price Reduction Program</b>	<b>23</b>
<b>Appendix E – Quarterly Social Media Strategy</b>	<b>25</b>
<b>Appendix F – Stanchion Sign</b>	<b>26</b>
<b>Appendix G – Limited Edition Products (LEP)</b>	<b>27</b>
<b>Appendix H – Featured Products</b>	<b>28</b>
<b>Cancellation Policy &amp; Contact Information</b>	<b>29</b>





## Our Vision

To be the preferred source of adult use cannabis.



## Our Mission

To provide customers with a retail experience that exceeds their expectations, foster an internal culture of engagement and wellness, and create value for all stakeholders.

## Strategic Pillars

**Business Results:** To become a key contributor to PEI's general revenue through business excellence and the continuous improvement in operational effectiveness and efficiency.



**Customer Experience:** To achieve and maintain high levels of customer satisfaction through sales channel accessibility, technical innovation, merchandising value, and high responsiveness to customer preferences.

**Corporate Citizenship:** To be an excellent corporate citizen with high brand equity achieved through the promotion of responsible cannabis consumption, ongoing stakeholder engagement, and internal CSR campaigns.

**People & Culture:** To foster a high-performing, customer-focused culture of engaged employees through open communication, learning & development, safe work environments, and overall wellness.

## Our Values



**Teamwork**

Always succeeding together.

**Passion**

Having fun going the extra mile.

**Accountability**

Reliably delivering on our commitments.

**Education**

Continuously learning.

**Empathy**

Everyone is important.

# Application Process



Please complete the Merchandising Program Application Form which was provided to you via email for Periods 1-3. Please see application submission deadlines below.

Please email your completed application form to [cmacdonald@peicannabiscorp.com](mailto:cmacdonald@peicannabiscorp.com).

PEI Cannabis will review all applications and provide Program Approval Notification via email.

Note: Current inventory and lead times for product delivery should be taken into consideration when submitting the Merchandising Program Application Form, to ensure sufficient stock is available to maximize the benefit of the program.

PEI Cannabis does encourage partners to book programs for all 3 periods to maximize exposure and ROI.

## MERCHANDISING PROGRAM TIMELINES

Period	Program Dates	Total Days	Total Weeks
1	April 1 – April 30	30	4
2	May 1 – May 29	29	4
3	May 30 – July 3	35	5

### DELIVERY OF MERCHANDISING MATERIALS

Materials must be delivered directly to stores (view store locations here: [peicannabiscorp.com/contact](https://peicannabiscorp.com/contact)).

### OFFICIAL PROGRAM SUBMISSION DEADLINES

All programs will need to be submitted for approval by the below dates for the program to run during the selected period.

It is important to note that once an application has been submitted and approved, there are key dates to ensuring the Program will be successfully displayed in market.

## OFFICIAL PROGRAM SUBMISSION DEADLINES

Period	App Submission Deadline	Static Rendering/ Digital Mock Due	Store Arrival Deadline Merch Assets
1	March 3	March 16	March 30
2	March 3	April 18	May 30
3	March 3	May 16	May 29

# Application Process



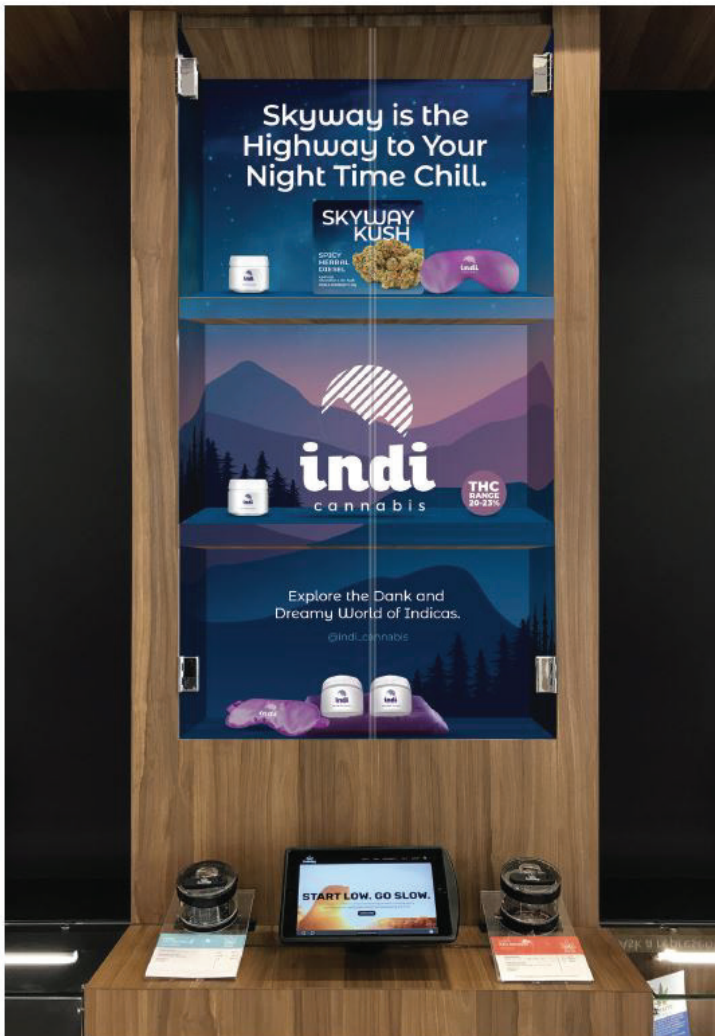
## DIGITAL MOCKS AND RENDERINGS

Upon approval of submitted programs it is mandatory that a digital mock or static rendering of all assets be submitted to [cmacdonald@peicannabiscorp.com](mailto:cmacdonald@peicannabiscorp.com) by the due dates provided on page 3.

These renderings will be used as the primary review tool for PEI Cannabis. Digital renderings are accepted in the below formats:

- Power Point
- PDF
- JPG

Below is an example of a Digital Mock-up for an approved Platinum Program.



Installation instructions on following page

Stanchion sign



At cash easel  
8.5" x 6" H

Skyway Kush empty packaging completes the at cash easel display.



# Merchandising Guidelines



Merchandising encompasses the way a product is presented to customers through display, pricing, promotion and education. At PEI Cannabis, it is important that our merchandising messaging be aligned with both our business goals and strategies and our supplier business goals and strategies, and be consistent across our retail and online platforms.

## Commitments and Expectations

PEI Cannabis is committed to achieving mutually-beneficial partnerships with our suppliers and partners. Approved merchandising programs will benefit from:

### **On-time implementation of displays and other merchandising program materials;**

- Tactful positioning of all retail area display opportunities; and
- Guaranteed visibility positioning of all Point of Sale (POS) materials.

### **To ensure the success of approved merchandising programs, PEI Cannabis:**

- Expects that suppliers will forward static and digital merchandising materials in a timely fashion to ensure period-by-period execution is not delayed; and
- Commits to carrying sufficient inventory to ensure the mutual success of each merchandising program.

### **Mock Packaging (Educational Displays)**

Mock Packaging (packaging without product inside; empty packaging or vanity packaging) is required for Educational Displays. Please send a sufficient amount of mock packaging for these display areas.

### **ASSET DELIVERY AND MANAGEMENT**

All physical merchandising materials must be shipped/delivered directly to PEI Cannabis retail locations. PEI Cannabis retail site employees will not accept materials from unauthorized personnel.

Store addresses can be found here: [peicannabiscorp.com/contact](https://peicannabiscorp.com/contact)

Printing and shipping of all physical merchandising materials will be the responsibility of the supplier.

**Please be advised that storage space in our 4 retail stores is limited.** All physical merchandising material and mock packaging that is no longer required for Merchandising Displays will be stored for 30 days. If you have any material or mock packaging that is not needed for future in-store displays, please let us know at the beginning of the Period if you will be arranging to have them picked up or if you would prefer we dispose of them.

# Merchandising Guidelines



The Brand & Communications Manager and the Category Manager of Cannabis & Cannabis Accessories are available to meet with suppliers and agents to help maximize customer engagement in supplier products, and to determine programs to help develop and maximize merchandising strategies with PEI Cannabis.

## Policies and Procedures

- PEI Cannabis looks for the following criteria when making its Merchandising selections:
  - Number of Periods applied for (i.e. one, two, or three)
  - Demonstrated Creativity and Appeal of Content
  - Inventory Availability and Replenishment Rates
  - Alignment between Proposed SKUs and Depletion Priorities
  - Past Participation in the Program
- Only PEI Cannabis-approved merchandising programs will be implemented either in-store or online.
- PEI Cannabis retail and online staff are not authorized to implement any merchandising program that is not approved by PEI Cannabis head office.
- PEI Cannabis values its business relationships with its suppliers. We implement a schedule of planned merchandising themes each year that suppliers are welcome to participate in and we are always interested in discussing customized merchandising programs.

**PLEASE NOTE:** Inactive suppliers (suppliers who currently do not have inventory and have not had any inventory with PEI Cannabis for at least 3 months) are not eligible to participate in merchandise programming.

## Promotional Guidelines

Agents/Suppliers have the opportunity to purchase advertising space in our PEI Cannabis retail stores and online that meets the following guidelines:

### Prohibited Promotion

The following types of promotion of cannabis products, accessories and services are prohibited:

- promotion in any manner that could reasonably appeal to a young person;
- the use of testimonials or endorsements in any manner;
- depictions of real or fictional characters;
- the use of brand elements relating that brand element to a positive or negative emotion or a way of life (including glamour, recreation, excitement, risk or daring).



# Merchandising Guidelines

---



- a promotion that includes false, misleading or deceptive information;
- a promotional activity based on inducements is not permitted under any circumstance. This means businesses cannot run lotteries, games or contests, or offer any products / accessories / services to consumers at no cost, where the goal is to induce purchases of cannabis or cannabis accessories.

## Permitted Promotion

Cannabis products and cannabis accessories can only be promoted if the following requirements are satisfied:

- The person promoting must be authorized to produce, sell or distribute cannabis
- Anyone authorized to produce, sell or distribute cannabis or cannabis accessories, can promote by means of informational promotion:
  - the communication is addressed to someone 19 years or older and is identified by name;
  - the promotion is done in a place where young persons are not permitted;
  - the person responsible for the content has taken reasonable steps to ensure that young people cannot access the content;
- Promotion located at a point of sale is permitted, but may only indicate product availability and/or price
- Cannabis or cannabis accessories can be promoted by displaying a brand element on a thing that is not cannabis or a cannabis accessory, other than on:
  - a thing associated with young persons;
  - a thing associated with a way of life (glamour, recreation, excitement, risk or daring)

## Payment Terms

- Invoices will be issued to Suppliers upon program completion.
- Net 30 days or n/30: Payment in full is due 30 days after the date of the invoice.
- If you require a PO number for invoicing purposes, you must provide the PO number when you are given formal notice that your merchandise program application submission has been approved.
- Please email [arcannabispeicmc@peicannabiscorp.com](mailto:arcannabispeicmc@peicannabiscorp.com) immediately if you have any invoice issues or concerns.
- If changes to your portfolio occur, please advise the brand and communications manager, so the changes can be made.
- PEI Cannabis may place your AR account on hold should your account become delinquent. No further promotional program participation will be allowed until the account is current.



# Merchandising Programs

PEI Cannabis has a variety of exciting merchandising opportunities available in each of its 4 retail locations for its supplier partners to showcase and promote their brands and products.

Suppliers have discretion, contingent on the approval of PEI Cannabis management, to merchandise their brands and products as they desire to ensure ongoing consistency with their evolving corporate objectives surrounding product and brand development. Bundled and stand-alone merchandising opportunities are segmented into various static and digital display options across twelve merchandising periods per annum.

# Platinum



**With 360 degrees of in-store brand exposure, this package offers:**

## **In Stores:**

- A three-shelf lockable display cabinet in all 4 retail stores. Limit 3 SKUs per shelf – maximum 9 SKUs total. See Appendix B for display dimensions.
- Showcased product displayed via two multi-sensory cannabis pods and an interactive tablet at the base of the display cabinet.
- Tier A (top shelf) product display space within our highly visible, At Cash Display Cabinets at each fulfillment terminal. See Appendix C for At Cash Display Cabinet dimensions.\*
- One educational display case in our flagship Charlottetown store. Maximum of 3 SKUs. See Appendix C for educational display dimensions. NOTE: Mock packaging required for educational display case.
- One branded stanchion sign per store. See Appendix F for example.

## **Digital:**

- Email Marketing – Custom message sent to our email subscribers via our monthly newsletter.
- One web banner on the home page of peicannabiscorp.com. See Appendix A for details.
- One “Featured Product” displayed on the home page of peicannabiscorp.com
- Quarterly post on PEI Cannabis social media platforms. See Appendix E for details.

## **Plus:**

- An opportunity to participate in our Limited Edition Products Program online and in stores. See Appendix G for more details.
- Price Reduction Program (PRP) flat fee waived if listing Price Reductions during the Period. See page 14 and Appendix D for PRP details.
- PEI Cannabis Data Subscription Plan (DSP) fees waived. See page 15 for DSP details.
- An exclusive opportunity to engage directly with our valued staff and customers through an In-Store Education Session held during peak business hours. Please contact Colin MacDonald, Brand & Communications Manager, at cmacdonald@peicannabiscorp.com for more details and session arrangements.

**\*PLEASE NOTE:** POS staging cabinets are administered at the discretion of PEI Cannabis retail teams based on merchandising priorities. Depending on size constraints, at-cash (POS) staging areas may, or, may not include supplier-provided fixtures.





# Premium



Elevate your brand to the next level with this highly engaging package which includes:

## In Stores:

- A three-shelf lockable display cabinet in two of our retail stores (Charlottetown & Montague). Limit 3 SKUs per shelf – maximum 9 SKUs total. See Appendix B for display dimensions.
- Showcased product displayed via two multi-sensory cannabis pods and an interactive tablet at the base of the display cabinet.
- Tier B (middle shelf) product display space within our highly visible, At Cash Display Cabinets at each fulfillment terminal. See Appendix C for At Cash Display Cabinet dimensions. \*
- One discover display case adjacent to the Premium display cabinet in our flagship Charlottetown store. Maximum of 3 SKUs. See Appendix C for Discover display dimensions.
- One branded stanchion sign per store. See Appendix F for example.

## Digital:

- One web banner on the home page of peicannabiscorp.com. See Appendix A for details.
- One “Featured Product” displayed on the home page of peicannabiscorp.com
- Quarterly post on PEI Cannabis social media platforms. See Appendix E for details.

## Plus:

- An opportunity to participate in our Limited-Edition Products Program online and in stores. See Appendix G for more details.
- Price Reduction Program (PRP) flat fee waived if listing Price Reductions during the Period. See page 14 and Appendix D for PRP details.
- PEI Cannabis Data Subscription Plan (DSP) fees waived. See page 15 for DSP details.
- An exclusive opportunity to engage directly with our valued staff and customers through an In-Store Education Session held during peak business hours. Please contact Colin MacDonald, Brand & Communications Manager, at cmacdonald@peicannabiscorp.com for more details and session arrangements.

**\*PLEASE NOTE:** POS staging cabinets are administered at the discretion of PEI Cannabis retail teams based on merchandising priorities. Depending on size constraints, at-cash (POS) staging areas may, or, may not include supplier-provided fixtures.





Offering an excellent opportunity to showcase your products, this package includes:

**In Stores:**

- A three-shelf lockable display cabinet. Limit 3 SKUs per shelf – maximum 9 SKUs total. See Appendix B for display dimensions.
- Tier B (middle shelf) product display space within our highly visible, At Cash Display Cabinets at each fulfillment terminal. See Appendix C for At Cash Display Cabinet dimensions. \*

**Digital:**

- One “Featured Product” displayed on the home page of peicannabis-corp.com (Studio-Gold subscribers only)

**Plus:**

- Price Reduction Program (PRP) flat fee waived if listing Price Reductions during the Period. See page 14 and Appendix D for PRP details.
- PEI Cannabis Data Subscription Plan (DSP) fees waived. See page 15 for DSP details.
- An exclusive opportunity to engage directly with our valued staff and customers through an In-Store Education Session held during peak business hours. Please contact Colin MacDonald, Brand & Communications Manager, at cmacdonald@peicannabiscorp.com for more details and session arrangements.

**\*PLEASE NOTE:** POS staging cabinets are administered at the discretion of PEI Cannabis retail teams based on merchandising priorities. Depending on size constraints, at-cash (POS) staging areas may, or, may not include supplier-provided fixtures.

**GOLD**

---

**TBD**  
P1, P2, or P3

Locations: Charlottetown  
Summerside & O’Leary

**SILVER**

---

**TBD**  
P1, P2, or P3

Locations: Charlottetown  
& Summerside





# Educational



**This package, which allows our retail teams and our customers to learn more about your brand, includes the following:**

**In Stores:**

- 3 tablets, 6 cannabis pods and a glass display case. Maximum 3 SKUs. See Appendix C for display dimensions.
- Tier C (bottom shelf) product display space within our highly visible, At Cash Display Cabinets at each fulfillment terminal. See Appendix C for At Cash Display Cabinet dimensions. \*

**Plus:**

- Price Reduction Program (PRP) flat fee waived if listing Price Reductions during the Period. See page 14 and Appendix D for PRP details.
- PEI Cannabis Data Subscription Plan (DSP) fees waived. See page 15 for DSP details.
- An exclusive opportunity to engage directly with our valued staff and customers through an In-Store Education Session held during peak business hours. Please contact Colin MacDonald, Brand & Communications Manager, at cmacdonald@peicannabiscorp.com for more details and session arrangements.

**\*PLEASE NOTE:** POS staging cabinets are administered at the discretion of PEI Cannabis retail teams based on merchandising priorities. Depending on size constraints, at-cash (POS) staging areas may, or, may not include supplier-provided fixtures.

**Mock Packaging is required for the Educational Displays.**

**TBD**  
P1, P2, or P3  
Charlottetown & Summerside



# Discover



**An opportunity to showcase your brands and products in eye catching glass display cases near our Platinum and Premium display cabinets.**

**In Stores:**

- 1 glass display case adjacent to the Platinum & Premium display cabinets. Maximum of 3 SKUs. See Appendix C for display dimensions.
- Tier C (bottom shelf) product display space within our highly visible, At Cash Display Cabinets at each fulfillment terminal. See Appendix C for At Cash Display Cabinet dimensions.\*

**Plus:**

- Price Reduction Program (PRP) flat fee waived if listing Price Reductions during the Period. See page 14 and Appendix D for PRP details.
- PEI Cannabis Data Subscription Plan (DSP) fees waived. See page 15 for DSP details.
- An exclusive opportunity to engage directly with our valued staff and customers through an In-Store Education Session held during peak business hours. Please contact Colin MacDonald, Brand & Communications Manager, at [cmacdonald@peicannabiscorp.com](mailto:cmacdonald@peicannabiscorp.com) for more details and session arrangements.

**\*PLEASE NOTE:** POS staging cabinets are administered at the discretion of PEI Cannabis retail teams based on merchandising priorities. Depending on size constraints, at-cash (POS) staging areas may, or, may not include supplier-provided fixtures.

**GOLD**

**TBD**

P1, P2, or P3

Locations: All 4  
Retail Stores

**SILVER**

**TBD**

P1, P2, or P3

Locations: Charlottetown  
& Montague





# Highly Visible Shelving (HVS)



Talk about prime merch real estate! The Highly Visible Shelving package is our most recent merchandise program and consists of the following:

## In Stores:

- 4 open wall shelves. One shelf per store. Shelves are mounted to a wall behind the POS locations in each of our 4 stores. Shelves can be easily viewed by customers located anywhere in the store. See Appendix C for shelf dimensions.

## Plus:

- Price Reduction Program (PRP) flat fee waived if listing Price Reductions during the Period. See page 14 and Appendix D for PRP details.
- PEI Cannabis Data Subscription Plan (DSP) fees waived. See page 15 for DSP details.
- An exclusive opportunity to engage directly with our valued staff and customers through an In-Store Education Session held during peak business hours. Please contact Colin MacDonald, Brand & Communications Manager, at [cmacdonald@peicannabiscorp.com](mailto:cmacdonald@peicannabiscorp.com) for more details and session arrangements.



# In-Store Digital



**Grab the customers attention by showcasing your brands on our highly visible, 85-inch digital screens.**

## In Stores:

- Two large screens per store.
- Digital Merchandising terms are one month in duration, can be static digital images (1-4 images), or, 15-30 seconds of interactive video content (no audio), and run in rotation with other content through PEI Cannabis's Content Management System (CMS).

## Plus:

- Price Reduction Program (PRP) flat fee waived if listing Price Reductions during the Period. See page 14 and Appendix D for PRP details.
- PEI Cannabis Data Subscription Plan (DSP) fees waived. See page 15 for DSP details.
- An exclusive opportunity to engage directly with our valued staff and customers through an In-Store Education Session held during peak business hours. Please contact Colin MacDonald, Brand & Communications Manager, at [cmacdonald@peicannabis-corp.com](mailto:cmacdonald@peicannabis-corp.com) for more details and session arrangements.

## SPECIFICATIONS:

### Static Images:

1920 x 1080 pixels. Files must be JPG format. Maximum files: 1-4 jpg images. Horizontal.

### Videos:

Size: 1920 x 1080 pixels. Files must be MP4 format. Maximum file size: 500 MB. Maximum duration: 15 – 30 seconds. No audio. Horizontal.



# Price Reduction Program (PRP)



Suppliers may apply for price discounts each Period. Price discounts can be in the form of a Single-Buy (one SKU discounted) or a Multi-Buy (multiple SKUs discounted).

## For Multi-Buys, suppliers may choose any of the following options:

- Mix and Match (Buy any two SKUs at a discounted price).
- Mix and Match (Buy any three SKUs at a discounted price).
- Buy two of the same SKU and size at a discounted price.
- Buy three of the same SKU and size at a discounted price.

See Appendix D for Multi Buy examples.

## Price Reduction Program Guidelines:

1. The amount of allowable Price Reductions and SKU types per supplier per Period is at the discretion of PEI Cannabis based on current merchandising and product depletion priorities.
2. Once a Period has begun, the Price Reduction list is final. No additions or removals will be accepted.
3. PRP prices will be frozen for the duration of the Period.
4. If a supplier wishes to continue a Price Reduction past a Period end date, they may do so. A Price Reduction can remain active for a maximum of 2 consecutive Periods.
5. Multi-Buy purchases may not exceed 30 grams of dried cannabis (or its equivalent).
6. Price floors will be taken into consideration on any multi-buys' suppliers apply for.

## PEI Cannabis PRP Merchandising:

1. Each Period, Price Reductions will be displayed on the Price Reduction page of our website.
2. Each Period, Price Reductions will be displayed in each store on 85-inch screens, on monitors in the reception areas and on multiple iPads located throughout stores and at cash.

## PRP Participation costs to suppliers:

- The PRP has a flat fee per Period as noted in the price below.
- Suppliers will also be invoiced for the Price Reduction variance in the number of retail units sold based on the Price Reduction price variance. (See Appendix D for example)
- Suppliers will be invoiced for the cost of Price Reductions along with any other merchandise programming fees. (Note: PRP flat fee will be waived if participating in a merchandising program)





# Data Subscription Plan (DSP)



PEI Cannabis is pleased to offer active suppliers access to its fiscal 2023 Data Subscription Plan which provides valuable insights into sales performance and supply chain positioning for each supplier and their full suite of competitors.

In addition to the provision of sales data in raw format, a summarized dashboard is also provided that highlights overall category performance and trends. Further, an inventory report is provided with a 4-week rolling weeks-on-hand metric built in.

The fees associated with the DSP are TBD per supplier per merchandising period. These fees are waived with the purchase of any static or digital display package (i.e. excluding the Price Reduction Program). PEI Cannabis reserves exclusive rights to sell and/or distribute its weekly data package, and suppliers are not authorized to re-sell or re-distribute the weekly data package without permission from PEI Cannabis.



# Appendix A

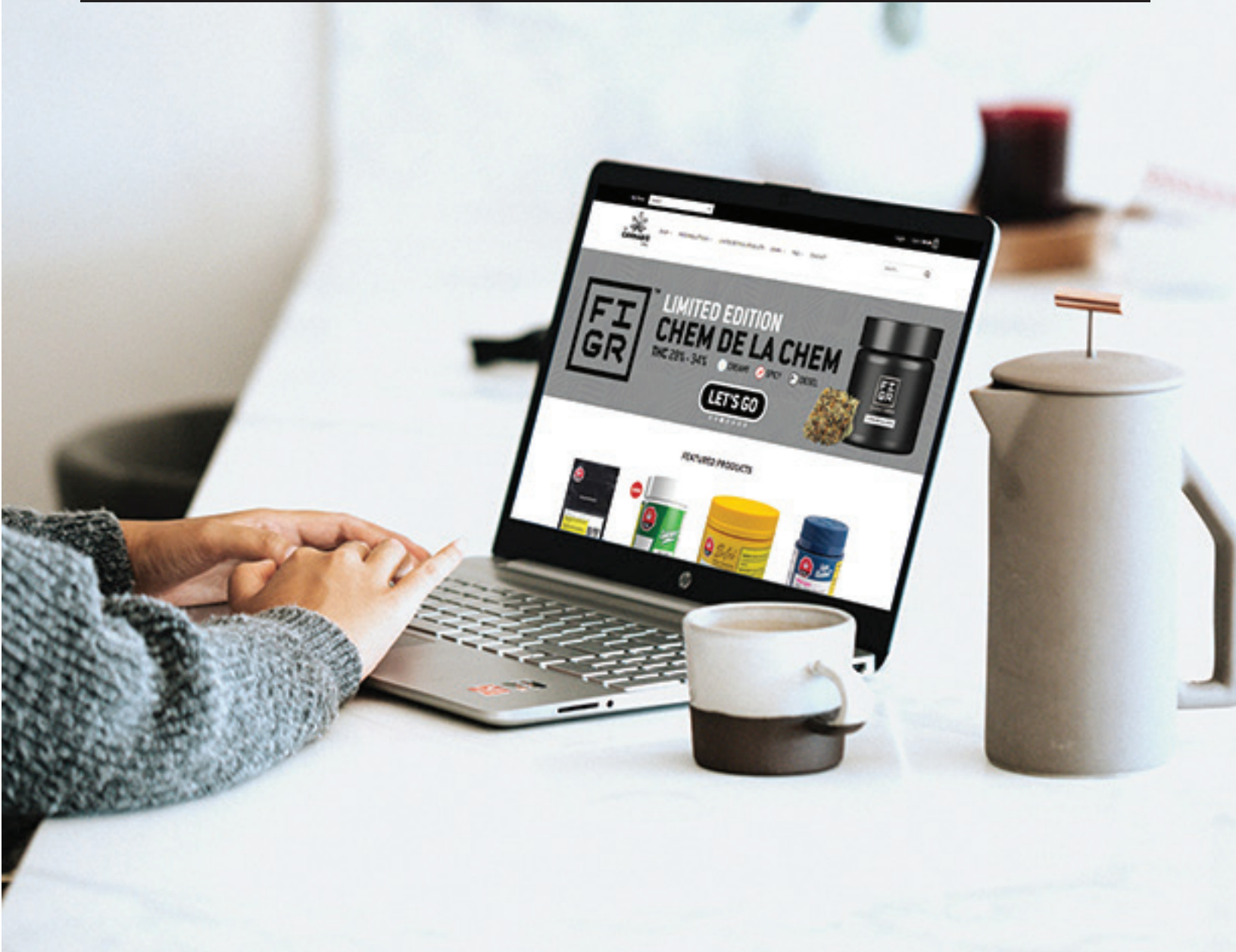


## Web Banner Details

Supplier branded web banners will be displayed on the homepage of the PEI Cannabis website - **peicannabiscorp.com**. The web banners also display on interactive tablets located throughout our 4 stores. See web banner specifications below for reference.

### SPECIFICATIONS:

- Size: 1366px x 384px - jpg format (horizontal)





## Platinum and Premium Display Case Dimensions:

### Charlottetown:

Top: 24"w x 17.75"h x 8.25"d  
 Middle: 24"w x 13.25"h x 8.25"d  
 Bottom: 24"w x 12.625"h x 8.25"d

### Summerside:

Top: 23.875"w x 15"h x 8.25"d  
 Middle: 23.875"w x 15"h x 8.25"d  
 Bottom: 23.875"w x 14.75"h x 8.25"d

### Montague:

Top: 23.875"w x 15"h x 8.25"d  
 Middle: 23.875"w x 15"h x 8.25"d  
 Bottom: 23.875"w x 15"h x 8.25"d

### O'Leary:

Top: 22"w x 17.75"h x 8.25"d  
 Middle: 22"w x 13.25"h x 8.25"d  
 Bottom: 22"w x 12.75"h x 8.25"d



## Studio Display Case Dimensions:

### Charlottetown:

Top: 38.5"w x 19.75"h x 9.75"d  
 Middle: 38.5"w x 20.125"h x 9.75"d  
 Bottom: 38.5"w x 21.25"h x 9.75"d

### Summerside:

Top: 35.5"w x 19.75"h x 9.75"d  
 Middle: 35.5"w x 20"h x 9.75"d  
 Bottom: 35.5"w x 19.75"h x 9.75"d

### O'Leary:

Top: 44.5"w x 20.5"h x 9.375"d  
 Middle: 44.5"w x 20.75"h x 10.25"d  
 Bottom: 44.5"w x 20.5"h x 10.25"d





## Educational Display Case Dimensions:

### Charlottetown:

58.125"w x 7"h x 7.125"d

(Note: Light fixture disrupts height)

### Summerside:

58.125"w x 7"h x 7"d

(Note: Light fixture disrupts height)

- Please note: Materials and graphics that are intended to cover the entire base of the glass display case cannot exceed 2 inches in height to ensure it does not cover the case's LED lighting, and brand elements / fixtures cannot exceed the maximum height of the display case,



## Discover Display Case Dimensions:

### Charlottetown:

30.75"w x 6.5"h x 9.5"d

### Summerside:

29.5"w x 8.5"h x 8"d

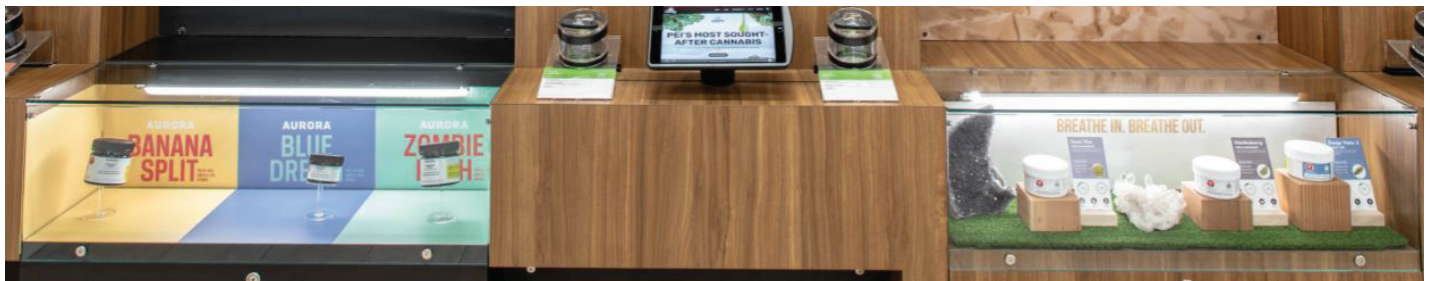
### Montague:

3 - 29.75" w x 8.75" h x 8" d

1 - 35.5" w x 8.75" h x 8" d

### O'Leary:

30.75"w x 8.5"h x 9.5"d





## Highly Visible Shelving Dimensions:

4 open wall shelves. One shelf per store. Shelves are mounted to a wall behind the POS locations in each of our 4 stores. Shelves can be easily viewed by customers located anywhere in the store.

### Charlottetown:

47" w x 12" h x 10" d

(Note: 12" between bottom and top shelf)

### Summerside:

28.5" w x 11.5" h x 9.5" d

(Note: 11.5" between bottom and top shelf)

### Montague:

18" w x 11.75" h x 9.75" d

(Note: 11.75" between bottom and top shelf)

### O'Leary:

18" w x 12" h x 10" d

(Note: 12" between bottom and top shelf)

\*See example below of Highly Visible Shelving in Charlottetown.







## At Cash Display Cabinet Dimensions:

### Charlottetown:

Tier A (top shelf): 35.5" w x 10" h x 14.25" d  
Tier B (middle shelf): 35.5" w x 11" h x 16.75" d  
Tier C (bottom shelf): 35.5" w x 11" h x 19.5" d

### Summerside:

Tier A (top shelf): 18" w x 10" h x 6.5" d  
Tier B (middle shelf): 18" w x 11.5" h x 5.5" d  
Tier C (bottom shelf): 18" w x 11.5" h x 5.5" d

### Montague:

Tier A (top shelf): 18" w x 10.18" h x 13.75" d  
Tier B (middle shelf): 18" w x 11.31" h x 16.68" d  
Tier C (bottom shelf): 18" w x 11.5" h x 20.5" d

### O'Leary:

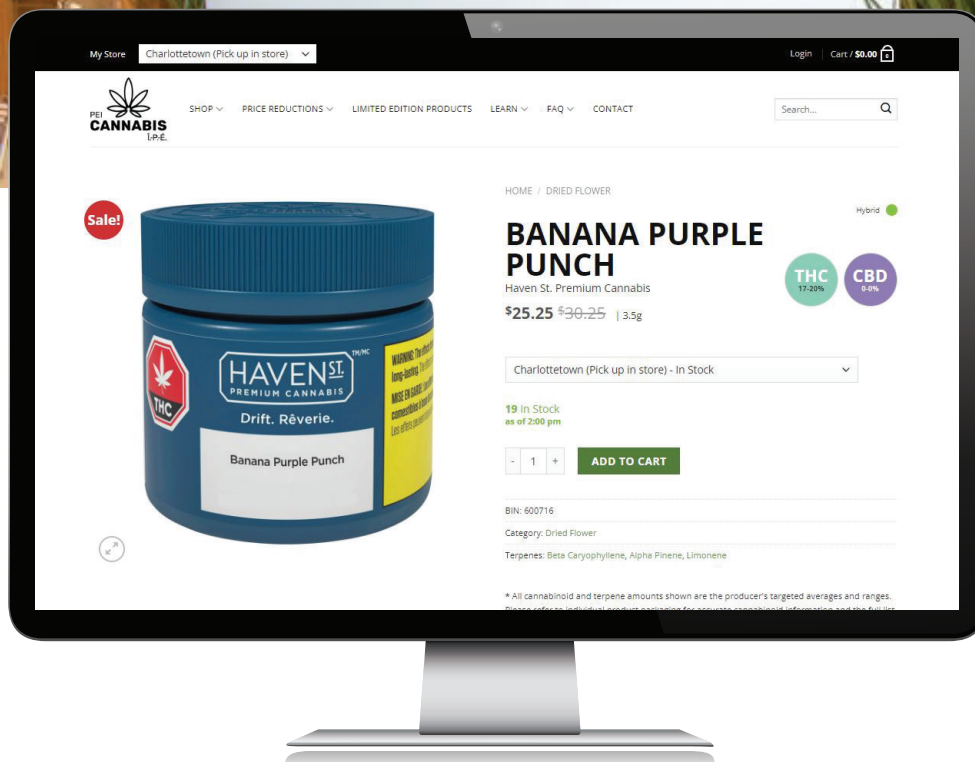
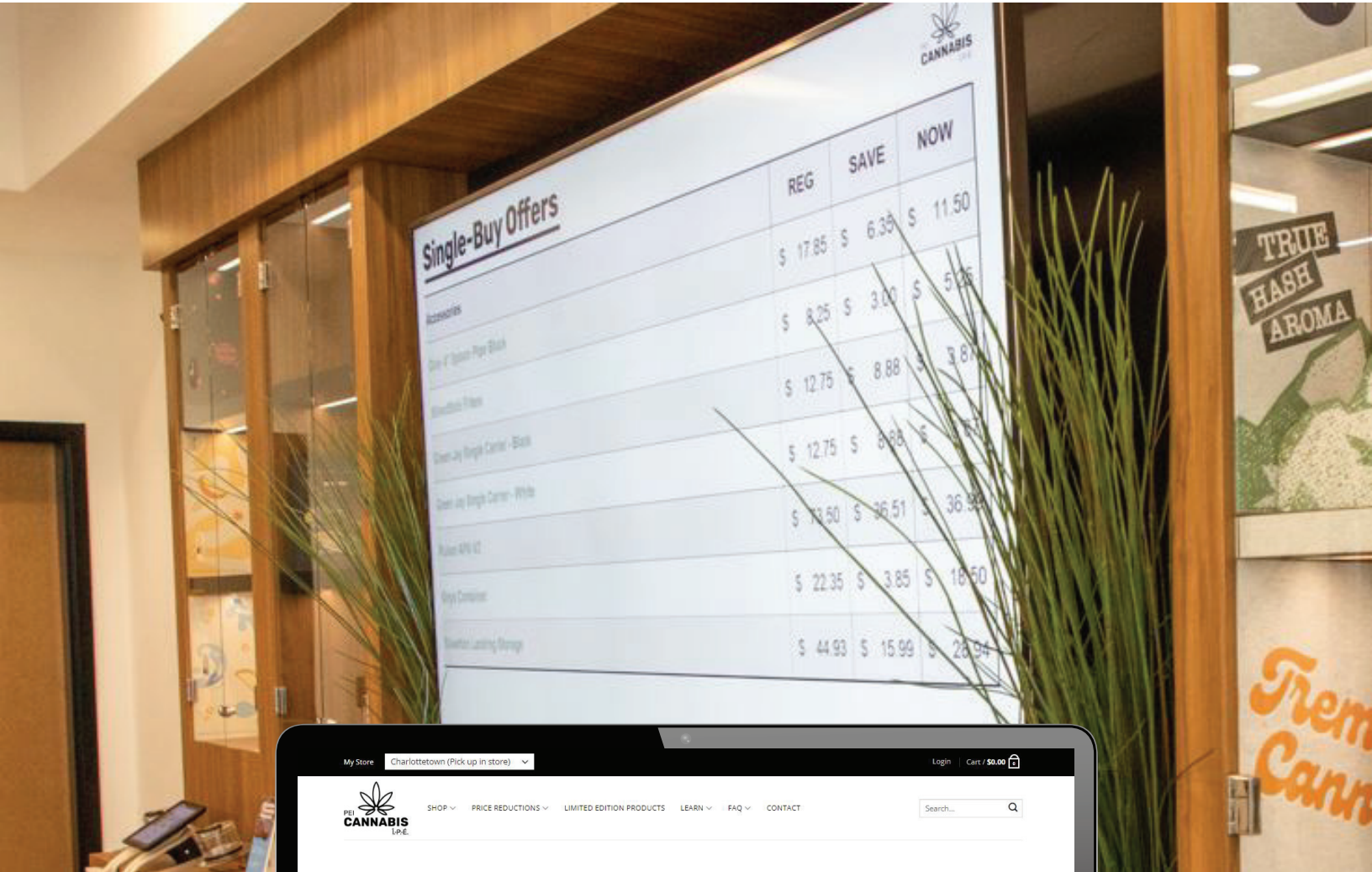
Tier A (top shelf): 35.75" w x 10.5" h x 13.75" d  
Tier B (middle shelf): 35.75" w x 11.25" h x 16.625" d  
Tier C (bottom shelf): 35.75" w x 11.5" h x 20" d





## Price Reduction Program (PRP)

Price Reductions are displayed on our website and on the digital screens in our stores.





## Price Reduction Program (PRP)

Suppliers will also be invoiced for the PRP variance in the number of retail units sold based on the PRP price variance. Please see the following Period Billing example:

PRP Calculation in Isolation							
Supplier	Product Name for SKU on Price Reduction	Size	Regular Before-Tax Retail	Price Reduction Before-Tax Retail	Before-Tax Price Reduction Savings	Units Sold During Period	Subtotal Charge to Supplier*
Supplier A	Pre-Roll X	1 x 0.5g	\$ 6.00	\$ 5.00	\$ 1.00	3000	\$ 3,000
Supplier B	Flower A	3.5g	\$ 30.00	\$ 25.00	\$ 5.00	1000	\$ 5,000
Supplier C	Ingested Extract Z	25ml	\$ 30.00	\$ 28.00	\$ 2.00	800	\$ 1,600

Multi Buy Calculation							
Supplier	Product Name for SKU on Bundling Multi Buy	Size	Multi Buy Program	Regular Before-Tax Retail	Multi Buy Discount Savings	Multi Buy Transactions	Subtotal Charge to Supplier
Supplier A	Ingested Extract A	25ml	Buy 2 Save \$5.00	\$ 25.00	\$ 5.00	50	\$ 250.00
Supplier B	Pre-Roll B	1x1g	Buy 3 Save \$10.00	\$ 40.00	\$ 10.00	60	\$ 600.00

Merchandising Programming Purchased			
Supplier	Program	Cost	Subtotal
Supplier A	Platinum - with PRP*	\$5,000	\$5,000
Supplier B	Discover - with PRP*	\$500	\$500
Supplier C	PRP only	\$300	\$300

\*PRP fees waived if subscribed to a Platinum, Premium, Studio, Discover, Educational or In-Store Digital program.

Total Charges for Merchandising Period Invoiced to Supplier					
Supplier	PRP Fees	Merchandising Program Fees	Subtotal	HST	Total Invoice
Supplier A	\$ 3,250	\$ 5,000	\$ 8,250	\$ 1,237.50	\$ 9,488
Supplier B	\$ 5,600	\$ 500	\$ 6,100	\$ 915.00	\$ 7,015
Supplier C	\$ 1,600	\$ 300	\$ 1,900	\$ 285.00	\$ 2,185



# Appendix E



## Quarterly Social Media Strategy

Our strategy with this exercise is not to advertise a supplier's product or products via social media, but rather to engage our social media audience with a thoughtful, promotionally compliant educational post paired with a subtly branded, generic supplier image.

- Any supplier branding included in the social media image provided must be very subtle in nature. See image examples below.
- The supplier is responsible for developing the caption content, which should directly coincide with the image elements.
- The caption must be promotionally compliant and contain content which is educational, socially responsible or even light-hearted in nature.
- The image provided by the supplier will be tagged in the post with supplier's name.
- Post will appear on Facebook, Twitter and Instagram.







## Stanchion Sign

PEI Cannabis stanchion signs are displayed in all 4 retail store locations. The stanchion sign holders contain space for a 8.35" x 10.75" double sided branded sign.

Please note: There is a 1 inch black frame which borders each stanchion sign holder. This black frame will cover 1 inch of the measurements above leaving 7.35" x 9.75" of viewable print area.





## Limited Edition Products (LEP)

Platinum and Premium subscribers have an opportunity to showcase two exclusive products outside of their main product portfolio. These products must be competitively priced in order to qualify as LEP's.

### LEP Guidelines:

1. LEP duration is two consecutive Periods only.
2. Maximum of two SKU's on as an LEP per two Period duration. SKU types are at the discretion of PEI Cannabis based on current merchandising priorities.
3. LEP prices will be frozen for the full two Periods.
4. Any unsold LEP inventory at the end of the two Periods must be returned to the supplier. Suppliers will be charged back landed costs from their accounts payable account for this unsold inventory. (Please see page 7 in our Supplier Manual for full chargeback details. [www.peicannabiscorp.com/pages/suppliers](http://www.peicannabiscorp.com/pages/suppliers))
5. If a supplier wishes to have an LEP set up in our system, a product set-up application must be submitted to the Category Manager two (2) months ahead of the Periods the LEP will be running in.

### PEI Cannabis LEP Merchandising:

1. LEP's will be displayed on a Limited Edition Products page of our website.
2. LEP's will be displayed in each store on 85-inch screens, on monitors in the reception areas, on the dynamic menu board screens and on multiple iPads located throughout stores and at cash.

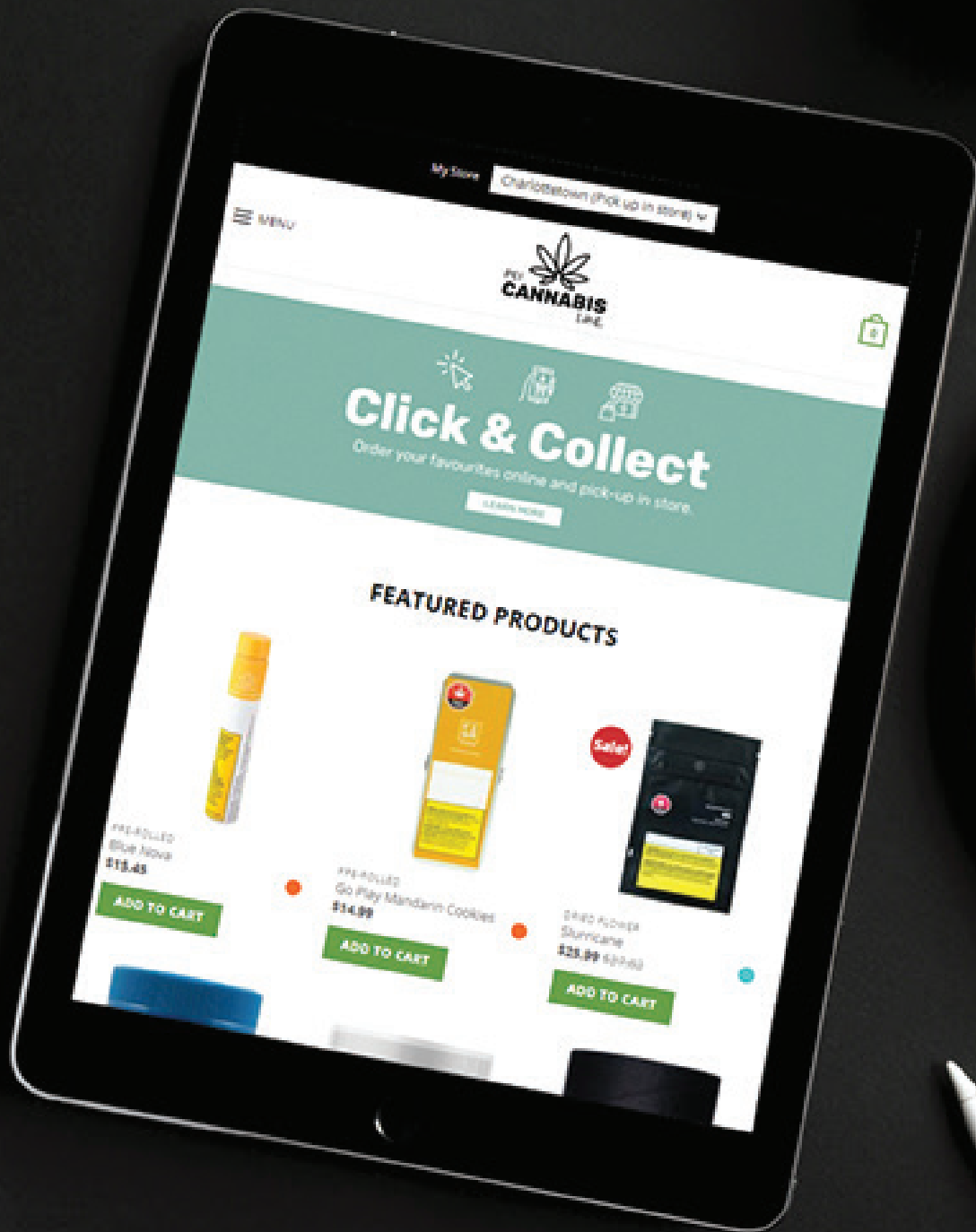




## Featured Products

One “Featured Product” is included in the PEI Cannabis Platinum, Premium and Studio-Gold Packages. The featured product is displayed on the home page of peicannabiscorp.com and on the screens in all 4 PEI Cannabis retail stores.

See example below of how the Featured Products are displayed on the home page of peicannabiscorp.com





# Cancellation Policy

---

PEI Cannabis is committed to providing our valued suppliers with exceptional merchandising opportunities. However, when a supplier cancels an agreed upon merchandising program selection, a cancellation fee may apply.

To create an environment of respect and professionalism, and to be fair to our customers, and to other suppliers we have the following cancellation policy:

Program cancellations made in any given Period with less than 30 days' notice will result in a charge of 100% of the program fee.

# Contact Information

---

If you have any questions or comments regarding the PEI Cannabis Merchandising Program Guide, please contact:

*Colin MacDonald*

Brand & Communications Manager

[cmacdonald@peicannabiscorp.com](mailto:cmacdonald@peicannabiscorp.com)

(902) 368-5551