



OKLAHOMA MEDICAL MARIJUANA AUTHORITY

OWNERSHIP DISCLOSURE INSTRUCTIONS

Website: OMMA.ok.gov | Email: OMMA@ok.gov | Phone: (405) 522-OMMA

Title 63 at Sections 421(A), 422(A) and 423(A), states that "An applying entity may show ownership of non-Oklahoma residents, but that percentage ownership may not exceed twenty-five percent (25%). For the purposes of establishing the percentage of ownership shares controlled by Oklahoma Residents, OMMA prepared a template file in Excel titled "Ownership List." This file is available on the OMMA Business Application Information [website](#). The file provides a format to list the First and Last names of all Persons of Interest, any combined direct and indirect ownership share in the applicant, and/or their role in the whether they are (Use this file or your own similar variation. Please save the file with the Entity Name followed by "Ownership List" (i.e. "MMProcessors Ownership List.xlsx"). This file also serves as a checklist for the supporting documents required for each Owner, Member, Manager and Board Member.

Ownership shares can be either direct or indirect. If an owner has direct ownership interest, they have direct control of shares in the business entity seeking a license (the Applicant). A person has indirect ownership shares in the business entity seeking a license when they have shares in another business entity that controls shares in the **Applicant**.

Company A is the Applicant seeking a license

Bob Doe is a direct owner and controls 60% of the shares in Company A

Company B is an Associated Entity and controls 20% of the shares in Company A

John Doe controls 50% of the shares in Company B
Jane Doe controls 50% of the shares in Company B

Company C is an Associated Entity and controls 20% of the shares in Company A

John Smith controls 50% of the shares in Company C
Jane Smith controls 50% of the shares in Company C

The percentage of indirect ownership interest in the licensee is determined by multiplying the percentages of ownership in each entity. Since John Doe owns 50% of the ownership shares in Company B, which controls 20% of the ownership shares in the **Applicant**, John Doe's **Effective Ownership Interest in the Applicant** equals 10%. This is indirect ownership and is calculated by multiplying the associated entity shares by the individual shares in the associated entity ($0.20 \times 0.50 = 0.10$). John Doe's **Effective Ownership % in Applicant** is 10%. His **Ownership % in the Associated Entity** is 50%.

The Person of Interest (POI) form on the OMMA application portal will ask for an individual's Role, Effective Ownership % in Applicant, Associated Entity/Entities, and Ownership % in the Associated Entity.

- **Applicant:** The business entity that is seeking a license.
- **Associated Entity:** a business entity that controls a portion of shares in the Applicant.
- **Effective Ownership % in Applicant:** Enter 100 for an Individual owner or Sole Proprietorship. This is the combined direct and indirect ownership share the POI has in the Applicant. Enter a number from 0 to 100. If the POI is not a shareholder, enter 0.
- **Ownership % in the Associated Entity:** This is the combined direct and indirect ownership share the POI has in the Associated Entity. Enter a number from 0 to 100. If this is not applicable enter 0.
- **Person of Interest or POI:** An Owner, Member, Manager Board Member or other person named in the application.
- **Role:** Enter Owner, Member, Manager Board Member, a combination of these, or other.
- **Certificate of Good Standing:** Unless you are a [Sole Proprietorship or General Partnership](#), submit a copy of the Oklahoma Secretary of State's certificate of good standing document. For more information, visit the Oklahoma Secretary of State at www.sos.ok.gov