



# Massachusetts Cannabis Control Commission

## Marijuana Cultivator

### General Information:

**License Number:** MC281622  
**Original Issued Date:** 04/30/2020  
**Issued Date:** 04/30/2020  
**Expiration Date:** 04/30/2021

## ABOUT THE MARIJUANA ESTABLISHMENT

**Business Legal Name:** ARL Healthcare Inc.

**Phone Number:** 781-277-0011  
**Email Address:** tshaw@marimedinc.com

**Business Address 1:** 167 John Vertente Blvd  
**Business City:** New Bedford  
**Business State:** MA  
**Business Zip Code:** 02745

**Business Address 2:**  
**Mailing Address 2:**

**Mailing Address 1:** 167 John Vertente Blvd  
**Mailing City:** Norwood  
**Mailing State:** MA  
**Mailing Zip Code:** 02745

## CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

**Certified Disadvantaged Business Enterprises (DBEs):** Not a DBE

## PRIORITY APPLICANT

**Priority Applicant:** yes  
**Priority Applicant Type:** RMD Priority  
**Economic Empowerment Applicant Certification Number:**  
**RMD Priority Certification Number:** RP201908

## RMD INFORMATION

**Name of RMD:** ARL Healthcare Inc.  
**Department of Public Health RMD Registration Number:** 15063925070  
**Operational and Registration Status:** Obtained Provisional Certificate of Registration only  
**To your knowledge, is the existing RMD certificate of registration in good standing?:** yes  
**If no, describe the circumstances below:**

## PERSONS WITH DIRECT OR INDIRECT AUTHORITY

### Person with Direct or Indirect Authority 1

**Percentage Of Ownership:**  
**Role:** Executive / Officer  
**Percentage Of Control:**  
**Other Role:** CFO

**First Name:** Jon                      **Last Name:** Levine                      **Suffix:**  
**Gender:** Male                                      **User Defined Gender:**  
**What is this person's race or ethnicity?:** White (German, Irish, English, Italian, Polish, French), Hispanic, Latino, or Spanish (Mexican or Mexican American, Puerto Rican, Cuban, Salvadoran, Dominican, Colombian)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 2

**Percentage Of Ownership:**                      **Percentage Of Control:**  
**Role:** Executive / Officer                      **Other Role:** COO  
**First Name:** Timothy                      **Last Name:** Shaw                      **Suffix:**  
**Gender:** Male                                      **User Defined Gender:**  
**What is this person's race or ethnicity?:** White (German, Irish, English, Italian, Polish, French)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 3

**Percentage Of Ownership:**                      **Percentage Of Control:**  
**Role:** Executive / Officer                      **Other Role:**  
**First Name:** Gerald                      **Last Name:** McGraw                      **Suffix:**  
**Gender:** Male                                      **User Defined Gender:**  
**What is this person's race or ethnicity?:** White (German, Irish, English, Italian, Polish, French)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 4

**Percentage Of Ownership:**                      **Percentage Of Control:**  
**Role:** Board Member                      **Other Role:** President  
**First Name:** Kenneth                      **Last Name:** Housman                      **Suffix:**  
**Gender:** Male                                      **User Defined Gender:**  
**What is this person's race or ethnicity?:** White (German, Irish, English, Italian, Polish, French)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 5

**Percentage Of Ownership:**                      **Percentage Of Control:**  
**Role:** Manager                                      **Other Role:**  
**First Name:** Romel                      **Last Name:** Velasco                      **Suffix:**  
**Gender:** Male                                      **User Defined Gender:**  
**What is this person's race or ethnicity?:** Hispanic, Latino, or Spanish (Mexican or Mexican American, Puerto Rican, Cuban, Salvadoran, Dominican, Colombian)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 6

**Percentage Of Ownership:**                      **Percentage Of Control:**  
**Role:** Executive / Officer                      **Other Role:** CEO  
**First Name:** Robert                      **Last Name:** Fireman                      **Suffix:**  
**Gender:** Male                                      **User Defined Gender:**  
**What is this person's race or ethnicity?:** White (German, Irish, English, Italian, Polish, French)

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 7

Percentage Of Ownership:

Percentage Of

Control:

Role: Manager

Other Role: Security

First Name: Wilfred

Last Name: Hill

Suffix:

Gender: Male

User Defined Gender:

What is this person's race or ethnicity?: Black or African American (of African Descent, African American, Nigerian, Jamaican, Ethiopian, Haitian, Somali)

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

Percentage of Control: 100

Percentage of Ownership: 100

Entity Legal Name: MariMed Inc.

Entity DBA:

DBA

City:

Entity Description: Delaware Corporation

Foreign Subsidiary Narrative:

Entity Phone: 774-634-8327

Entity Email:

Entity Website:

tshaw@marimedadvisors.com

Entity Address 1: 2711 Centerville Road

Entity Address 2: Suite 400

Entity City: Wilmington

Entity State: DE

Entity Zip Code: 19808

Entity Mailing Address 1: 2711 Centerville Road

Entity Mailing Address 2: Suite 400

Entity Mailing City: Wilmington

Entity Mailing State: DE

Entity Mailing Zip Code:

19808

Relationship Description: The officers of MariMed Inc. will manage the operations of ARL Healthcare Inc.

CLOSE ASSOCIATES AND MEMBERS

Close Associates or Member 1

First Name: Julie

Last Name: Dion

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Retail Manager at ARL Healthcare Inc.

Close Associates or Member 2

First Name: Stephen

Last Name: Evans

Suffix: Jr

Describe the nature of the relationship this person has with the Marijuana Establishment: Assistant Retail Manager at ARL Healthcare Inc.

Close Associates or Member 3

First Name: Andrew

Last Name: Pacheco

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Employee of ARL Healthcare Inc.

CAPITAL RESOURCES - INDIVIDUALS

No records found

CAPITAL RESOURCES - ENTITIES

Entity Contributing Capital 1

Entity Legal Name: MariMed Inc.

Entity DBA:

Email: tshaw@marimedinc.com

Phone:

Date generated: 12/03/2020

774-634-8327

Address 1: 10 Oceana Way

Address 2:

City: Norwood

State: MA

Zip Code: 02062

Types of Capital: Monetary/Equity, Land,  
Buildings

Other Type of  
Capital:

Total Value of Capital Provided:  
\$1500000

Percentage of Initial Capital:  
100

Capital Attestation: Yes

### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

#### Business Interest in Other State 1

Business Interest of an Owner or the Marijuana Establishment: Business Interest of the Marijuana Establishment

Owner First Name:

Owner Last Name:

Owner Suffix:

Entity Legal Name: First State Compassion Center

Entity DBA:

Entity Description: Cultivation and medical dispensary

Entity Phone: 302-543-2100

Entity Email:

Entity Website:

mlally@fscode.com

Entity Address 1: 37 Germany Dr

Entity Address 2:

Entity City: Wilmington

Entity State: DE

Entity Zip Code: 19804

Entity Country: USA

Entity Mailing Address 1: 37 Germany Dr

Entity Mailing Address 2:

Entity Mailing City:

Entity Mailing State: DE

Entity Mailing Zip Code:

Entity Mailing Country:

Wilmington

19804

USA

#### Business Interest in Other State 2

Business Interest of an Owner or the Marijuana Establishment: Business Interest of the Marijuana Establishment

Owner First Name:

Owner Last Name:

Owner Suffix:

Entity Legal Name: Kind Therapeutics USA LLC

Entity DBA:

Entity Description: Cultivation

Entity Phone:

Entity Email:

Entity Website:

240-452-1600

jkahan@kindtherapeuticsusa.com

Entity Address 1: 504 E 1st street

Entity Address 2:

Entity City: Hagerstown

Entity State: MD

Entity Zip Code: 21740

Entity Country: USA

Entity Mailing Address 1: 504 E 1st street

Entity Mailing Address 2:

Entity Mailing City:

Entity Mailing State: MD

Entity Mailing Zip Code:

Entity Mailing Country:

Hagerstown

21740

USA

#### Business Interest in Other State 3

Business Interest of an Owner or the Marijuana Establishment: Business Interest of the Marijuana Establishment

Owner First Name:

Owner Last Name:

Owner Suffix:

Entity Legal Name: The Harvest Foundation LLC

Entity DBA:

Entity Description: Cultivation

Entity Phone:

Entity Email:

Entity Website:

216-374-1205

burton.donnie@gmail.com

Entity Address 1: 3395 pinks place

Entity Address 2:

Entity City: Las vegas

Entity State: NV

Entity Zip Code: 89102

Entity Country: USA

Entity Mailing Address 1: 3395 Pinks Place

Entity Mailing Address 2:

Entity Mailing City: Las

Entity Mailing State: NV

Entity Mailing Zip Code:

Entity Mailing Country:

Vegas

89102

USA

Business Interest in Other State 4

Business Interest of an Owner or the Marijuana Establishment: Business Interest of the Marijuana Establishment

Owner First Name:            Owner Last Name:            Owner Suffix:  
Entity Legal Name: KPG of Anna LLC            Entity DBA: Thrive Anna  
Entity Description: Medical Dispensary  
Entity Phone:            Entity Email:            Entity Website:  
618-715-0887            rnaumovski@thriveil.com  
Entity Address 1: 87 Rich View Dr            Entity Address 2:  
Entity City: Anna            Entity State: IL            Entity Zip Code: 62906            Entity Country: USA  
Entity Mailing Address 1: 87 Rich View DR            Entity Mailing Address 2:  
Entity Mailing City: Anna            Entity Mailing State: IL            Entity Mailing Zip Code:            Entity Mailing Country:  
62906            USA

Business Interest in Other State 5

Business Interest of an Owner or the Marijuana Establishment: Business Interest of the Marijuana Establishment

Owner First Name:            Owner Last Name:            Owner Suffix:  
Entity Legal Name: KPG of Harrisburg LLC            Entity DBA: Thrive Harissburg  
Entity Description: medical dispensary  
Entity Phone: 618-715-0882            Entity Email:            Entity Website:  
gnaumovski@thriveil.com  
Entity Address 1: 105 veterans way            Entity Address 2:  
Entity City: Harrisburg            Entity State: IL            Entity Zip Code: 62946            Entity Country: USA  
Entity Mailing Address 1: 105 veterans way            Entity Mailing Address 2:  
Entity Mailing City:            Entity Mailing State: IL            Entity Mailing Zip Code:            Entity Mailing Country:  
Harrisburg            62946            USA

Business Interest in Other State 6

Business Interest of an Owner or the Marijuana Establishment: Business Interest of the Marijuana Establishment

Owner First Name:            Owner Last Name:            Owner Suffix:  
Entity Legal Name: GTI Rock Island LLC            Entity DBA: GTI  
Entity Description: Cultivation and dispensary  
Entity Phone:            Entity Email:            Entity Website:  
815-773-9300            info@gtigrows.com  
Entity Address 1: 875 N Michigan ave            Entity Address 2: suite 3400  
Entity City: Chicago            Entity State: IL            Entity Zip Code: 60611            Entity Country: usa  
Entity Mailing Address 1: 875 N Michigan ave            Entity Mailing Address 2: suite 3400  
Entity Mailing City: Chicago            Entity Mailing State: IL            Entity Mailing Zip Code: 60611            Entity Mailing Country:  
usa

Business Interest in Other State 7

Business Interest of an Owner or the Marijuana Establishment: Business Interest of the Marijuana Establishment

Owner First Name:            Owner Last Name:            Owner Suffix:  
Entity Legal Name: Canuvo            Entity DBA:  
Entity Description: Medical dispensary  
Entity Phone: 207-602-6130            Entity Email:            Entity Website:  
sage@canuvo.org

Entity Address 1: 4 Wellspring Rd Entity Address 2:  
 Entity City: Biddeford Entity State: ME Entity Zip Code: 04005 Entity Country: USA  
 Entity Mailing Address 1: 4 Wellspring Rd Entity Mailing Address 2:  
 Entity Mailing City: Biddeford Entity Mailing State: ME Entity Mailing Zip Code: 04005 Entity Mailing Country: USA

**DISCLOSURE OF INDIVIDUAL INTERESTS**

No records found

**MARIJUANA ESTABLISHMENT PROPERTY DETAILS**

Establishment Address 1: 167 John Vertente Blvd.  
 Establishment Address 2:  
 Establishment City: New Bedford Establishment Zip Code: 02745  
 Approximate square footage of the Establishment: 70000 How many abutters does this property have?: 3  
 Have all property abutters have been notified of the intent to open a Marijuana Establishment at this address?: Yes  
 Cultivation Tier: Tier 04: 20,001 to 30,000 sq. ft Cultivation Environment: Indoor

**FEE QUESTIONS**

Cultivation Tier: Tier 04: 20,001 to 30,000 sq. ft Cultivation Environment: Indoor

**HOST COMMUNITY INFORMATION**

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan to Remain Compliant with Local Zoning	ARL Healthcare Plan to Remain Compliant with Local Zoning.pdf	pdf	5c143bd3c9f8321ffd0609ee	12/14/2018
Community Outreach Meeting Documentation	New Bedford Community Outreach Attestation.PDF	pdf	5cf9286450e7af1803c1ecbb	06/06/2019
Community Outreach Meeting Documentation	ARL abutters list New bedford.pdf	pdf	5d03bd9f13edb917cc1fdc7a	06/14/2019
Community Outreach Meeting Documentation	NB outreach newspaper notice.pdf	pdf	5d03bf7bacc50017edd62ef1	06/14/2019
Certification of Host Community Agreement	updatedHCA20190712_121353.PDF	pdf	5d28b3e7742e9b04ecc38d6e	07/12/2019

Total amount of financial benefits accruing to the municipality as a result of the host community agreement. If the total amount is zero, please enter zero and provide documentation explaining this number.: \$

**PLAN FOR POSITIVE IMPACT**

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Positive Impact Plan revised (1).pdf	pdf	5dfa741dcb8cc6573ebd05f1	12/18/2019

**ADDITIONAL INFORMATION NOTIFICATION**

Notification: I Understand

### INDIVIDUAL BACKGROUND INFORMATION

#### Individual Background Information 1

Role: Executive / Officer      Other Role: Owner/COO

First Name: Timothy      Last Name: Shaw    Suffix:

RMD Association: RMD Owner

Background Question: no

#### Individual Background Information 2

Role: Executive / Officer      Other Role: Owner/CFO

First Name: Jon      Last Name: Levine    Suffix:

RMD Association: RMD Owner

Background Question: no

#### Individual Background Information 3

Role: Executive / Officer      Other Role:

First Name: Gerald      Last Name: McGraw    Suffix:

RMD Association: RMD Owner

Background Question: no

#### Individual Background Information 4

Role: Manager      Other Role:

First Name: Romel      Last Name: Velasco    Suffix:

RMD Association: RMD Manager

Background Question: no

#### Individual Background Information 5

Role: Manager      Other Role:

First Name: Wilfred      Last Name: Hill    Suffix:

RMD Association: RMD Manager

Background Question: no

#### Individual Background Information 6

Role: Manager      Other Role:

First Name: Julie      Last Name: Dion    Suffix:

RMD Association: RMD Manager

Background Question: no

#### Individual Background Information 7

Role: Manager      Other Role:

First Name: Stephen      Last Name: Evans    Suffix: Jr

RMD Association: RMD Manager

Background Question: no

#### Individual Background Information 8

Role: Employee      Other Role:

First Name: Andrew      Last Name: Pacheco    Suffix:

RMD Association: RMD Staff

Background Question: no

Individual Background Information 9

Role: Other (specify) Other Role: President

First Name: Kenneth Last Name: Housmans Suffix:

RMD Association: RMD Manager

Background Question: no

Individual Background Information 10

Role: Other (specify) Other Role: CEO

First Name: Robert Last Name: Fireman Suffix:

RMD Association: RMD Owner

Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

Entity Background Check Information 1

Role: Parent Company

Other Role:

Entity Legal Name: MariMed Inc

Entity DBA:

Entity Description: Delaware Corporation

Phone: 774-634-8327

Email: tshaw@marimedadvisors.com

Primary Business Address 1: 2711 Centerville Road

Primary Business Address 2: Suite 400

Primary Business City: Wilmington

Primary Business State: DE

Principal Business Zip Code:

19808

Additional Information: ARL Healthcare is wholly owned by MariMed, Inc. Authority is exercised via appointing a Director to the ARL Healthcare Board.

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	Cert of Good Standing tax compliance ARL.pdf	pdf	5c17e2b7b8b513176571a867	12/17/2018
Secretary of Commonwealth - Certificate of Good Standing	Certificate of Good Standing.pdf	pdf	5c17e2b95c9a65176fa455f6	12/17/2018
Bylaws	FHBOSTON-#4887359-v2-ARL_Healthcare_-_Bylaws_(for_profit_MA_corp).pdf	pdf	5c17e2bf4b318f178325cc08	12/17/2018
Articles of Organization	Articles of Organization.pdf	pdf	5d024bb113edb917cc1fd937	06/13/2019

No documents uploaded

Massachusetts Business Identification Number: 001357092

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Proposed Timeline	ARL Operations Timeline.pdf	pdf	5cfe783313edb917cc1fd0c3	06/10/2019
Business Plan	Final Business Plan ARL Healthcare edited tier address.pdf	pdf	5d403c2ae230513892f81fd1	07/30/2019
Plan for Liability Insurance	insurance.pdf	pdf	5d4ac9ec385de033fc95e595	08/07/2019

### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Inventory procedures	ARL inventory procedures cultivation.pdf	pdf	5ced30a91dae681319ce8356	05/28/2019
Personnel policies including background checks	ARLs Personnel Policies Including Background Checks CMR.pdf	pdf	5ced30e541a4321320f26480	05/28/2019
Qualifications and training	Employee Qualifications and Training cultivation.pdf	pdf	5ced312169291617ba85e1fe	05/28/2019
Record Keeping procedures	Maintaining Records Plan Cultivation .pdf	pdf	5ced317213edb917cc1fb3af	05/28/2019
Prevention of diversion	Prevention of Diversion.pdf	pdf	5ced3198748dc71348c36764	05/28/2019
Quality control and testing	Quality Control and Testing.pdf	pdf	5ced31b3622b7c1357f6f61b	05/28/2019
Restricting Access to age 21 and older	Restricting Access to Age 21 and Older cultivation.pdf	pdf	5ced31cc64ca8317f4fc93ec	05/28/2019
Storage of marijuana	Storage Requirements C.pdf	pdf	5ced3214722cea17c125ec6f	05/28/2019
Dispensing procedures	Dispensing Marijuana Cultivation.pdf	pdf	5cf01411acc50017edd60e21	05/30/2019
Policies and Procedures for cultivating.	Cultivation Manufacturing Policies (Version 2).pdf	pdf	5cf69398fe6a8617e208dab1	06/04/2019
Separating recreational from medical operations, if applicable	Separating Medical and Adult.pdf	pdf	5cf6bef3fe6a8617e208db97	06/04/2019
Transportation of marijuana	Transport of Marijuana.pdf	pdf	5cf963ad50e7af1803c1edca	06/06/2019
Maintaining of financial records	Maintaining of Financial Records 730.pdf	pdf	5d403a44bc4ba7387cf4ec86	07/30/2019
Security plan	Security Measures.pdf	pdf	5d403cf8b0555e33d0bcdf24	07/30/2019
Diversity plan	ARL Healthcare Diversity Plan Retail revised (1).pdf	pdf	5dfa7475fe65bd5750700e07	12/18/2019

### ATTESTATIONS

I certify that no additional entities or individuals meeting the requirement set forth in 935 CMR 500.101(1)(b)(1) or 935 CMR 500.101(2)(c)(1) have been omitted by the applicant from any marijuana establishment application(s) for licensure submitted to the Cannabis Control Commission.: I Agree

I understand that the regulations stated above require an applicant for licensure to list all executives, managers, persons or entities having direct or indirect authority over the management, policies, security operations or cultivation operations of the Marijuana Establishment; close associates and members of the applicant, if any; and a list of all persons or entities contributing 10% or more of the initial capital to operate the

Marijuana Establishment including capital that is in the form of land or buildings.: I Agree

I certify that any entities who are required to be listed by the regulations above do not include any omitted individuals, who by themselves, would be required to be listed individually in any marijuana establishment application(s) for licensure submitted to the Cannabis Control Commission.:

I Agree

Notification: I Understand

I certify that any changes in ownership or control, location, or name will be made pursuant to a separate process, as required under 935 CMR 500.104(1), and none of those changes have occurred in this application.:

I certify that to the best knowledge of any of the individuals listed within this application, there are no background events that have arisen since the issuance of the establishment's final license that would raise suitability issues in accordance with 935 CMR 500.801.:

I certify that all information contained within this renewal application is complete and true.:

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

#### COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

#### COMPLIANCE WITH DIVERSITY PLAN

No records found

#### HOURS OF OPERATION

Monday From: 7:00 AM	Monday To: 11:00 PM
Tuesday From: 7:00 AM	Tuesday To: 11:00 PM
Wednesday From: 7:00 AM	Wednesday To: 11:00 PM
Thursday From: 7:00 AM	Thursday To: 11:00 PM
Friday From: 7:00 AM	Friday To: 11:00 PM
Saturday From: 7:00 AM	Saturday To: 11:00 PM
Sunday From: Closed	Sunday To: Closed

## ARL Healthcare's Plan to Remain Compliant with Local Zoning

ARL Healthcare plans to remain compliant with local zoning requirements set forth in the City of New Bedford's Zoning Ordinance. A local moratorium prohibiting the establishment of recreational marijuana facilities in New Bedford expired in October 2018. More specifically, Chapter 9 of the New Bedford Code of Ordinances, Comprehensive Zoning, was amended by inserting the following after Section 4900A: Section 4100B. Marijuana Establishments and Medical Marijuana Treatment Centers.

In accordance with the City of New Bedford's Zoning Ordinance ARL Healthcare's proposed growing and processing marijuana establishment in New Bedford is located in a IC district e.g., industrial zoning district (A [IA], B [IB], C [IC]), which allows for the siting of marijuana producers pursuant to issuance of a special permit. In compliance with 4143B of New Bedford's Zoning Ordinance, ARL Healthcare has received a Host Community Agreement and is in the process of special permitting from the New Bedford Planning Board.

Furthermore it meets 4131B.(ii)(a) qualifications in the ordinance as the proposed facility is not located within five hundred (500) feet of any public or private school providing education in grades 1-12, licensed day care center, nursery school, preschool, or building which operates as part of a public or private institute of higher learning, playground, park, public library, church... substance abuse treatment facility, Marijuana establishment, or Medical Marijuana Treatment Center or two hundred (200) of any dwelling unit.

ARL Healthcare will comply with all conditions and standards set forth in any local permit required to operate a marijuana establishment at 177 John Vertente Blvd. in New Bedford. In addition ARL Healthcare will comply with all criteria set forth in New Bedford's marijuana zoning amendment including 4132B through 4135. In accordance ARL Healthcare has convened and will continue to convene meetings with various municipal officials and boards to discuss plans for a proposed production establishment. ARL Healthcare has executed a Host Community Agreement with the City of New Bedford and strives to work cooperatively with various municipal departments, boards, and officials to ensure that its establishment remains compliant with all laws, regulations, rules, and codes with respect to design, construction, operation, and security.

ARL Healthcare has also retained counsel to assist with ongoing compliance with local zoning and regulatory compliance.

## Community Outreach Meeting Attestation Form

The applicant must complete each section of this form and initial each page before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant appear in italics. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).

I, Timothy Shaw, (insert name) attest as an authorized representative of ARL Healthcare Inc (insert name of applicant) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on 01/28/19 (insert date).
2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on 1/18/19 (insert date), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document*).
3. A copy of the meeting notice was also filed on 1/22/19 (insert date) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).
4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on 1/22/19 (insert date), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).

5. Information was presented at the community outreach meeting including:
  - a. The type(s) of Marijuana Establishment to be located at the proposed address;
  - b. Information adequate to demonstrate that the location will be maintained securely;
  - c. Steps to be taken by the Marijuana Establishment to prevent diversion to minors;
  - d. A plan by the Marijuana Establishment to positively impact the community; and
  - e. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.
  
6. Community members were permitted to ask questions and receive answers from representatives of the Marijuana Establishment.

SouthCoast Media Group

Payment Receipt

Tuesday, January 15, 2019

Transaction Type: Payment

Ad Number: 0000746088

Apply to Current Order: No

Payment Method: Credit Card

Bad Debt: -

Credit Card Number: \*\*\*\*\*7019 - AMEX

Credit Card Expire Date: January 2023

Payment Amount: \$377.30

Amount Due: \$0.00

Reference Number: 258705

Charge to Company: South Coast Media Group

Category: Classified

Credit to Transaction Number:

Invoice Text: 1/28 hearing: Marijuana Est - 167 John Vertente Blvd,

Invoice Notes: New Bedford/Pub in The Standard-Times on 1/18/19

Customer Type: Direct Bill Perm

Customer Category:

Customer Status: New Account

Customer Group:

Customer Trade:

Account Number: 49518

Phone Number: 7814010915

Company / Individual: Company

Customer Name: MARIMED ADVISORS

Customer Address: 10 OCEANIA WAY

NORWOOD, MA 02062 USA

Check Number:

Routing Number:

Attachment #

# Attachment B

EDUCATIONAL HEARING NOTICE CITY CLERKS OFFICE  
TOWN OF NEW BEDFORD, MA

**LEGAL NOTICE**

2019 JAN 22 P 1:30

**Town of New Bedford**

CITY CLERK

In accordance with 935 CMR 500.101.B(2)(e), **ARL Healthcare**, will hold a Community Outreach Hearing on January 28, 2019 at 6:00 - 8:00 PM at The Waypoint Event Center / Fairfield Inn & Suites 185 McArthur Drive. New Bedford, MA 02740 concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, *et. seq.* The address of the proposed activity is *167 John Vertente Blvd, New Bedford, MA 02745*. Interested residents may hear about the proposal and ask questions at the Community Outreach Hearing.

Ken Housman

President, **ARL Healthcare**

**Notification to Abutters under the Adult Use of Marijuana Regulations of the Cannabis Control Commission, 935 CMR 500**

In accordance with 935 CMR 500.101.B(2)(e), you are hereby notified of the following:

The applicant, ARL Healthcare, has filed a Notice of Community Outreach Hearing with the Town of New Bedford concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, *et. seq.* The address of the proposed activity is:

*167 John Vertente Blvd, New Bedford, MA 02745*

You are receiving this Notice because you are an abutter of the proposed address of the Marijuana Establishment; owner of land directly opposite on any public or private street or way; or an abutters to the abutters within three hundred feet of the property line of the proposed Marijuana Establishment as they appear on the most recent applicable tax list.

There will be a Community Outreach Hearing at which time interested residents may hear about the proposal and ask questions on January 28th, 2019 at 6:00 - 8:00 pm at Waypoint Event Center / Fairfield Inn & Suites 185 McArthur Drive. New Bedford, MA 02740.

Attachment C

EDUCATIONAL HEARING NOTICE

LEGAL NOTICE

Town of New Bedford Planning Board

In accordance with 935 CMR 500.101.B(2)(e), ARL Healthcare, will hold a Community Outreach Hearing on January 28, 2019 at 6:00 - 8:00 PM at The Waypoint Event Center / Fairfield Inn & Suites 185 McArthur Drive. New Bedford, MA 02740 concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, et. seq. The address of the proposed activity is 167 John Vertente Blvd, New Bedford, MA 02745. Interested residents may hear about the proposal and ask questions at the Community Outreach Hearing.

Ken Housman

President, ARL Healthcare

Notification to Abutters under the Adult Use of Marijuana Regulations of the Cannabis Control Commission, 935 CMR 500

In accordance with 935 CMR 500.101.B(2)(e), you are hereby notified of the following:

The applicant, ARL Healthcare, has filed a Notice of Community Outreach Hearing with the Town of New Bedford concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, et. seq. The address of the proposed activity is:

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7018 0360 0001 6356 9885

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**NEW BEDFORD, MA 02745**

Certified Mail Fee	\$3.45
Extra Services & Fees (check box, add fee as appropriate)	
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<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.50
<b>Total Postage and Fees</b>	<b>\$6.70</b>

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**NEW BEDFORD, MA 02740**  
 Postmark Here  
**JAN 22 2019**  
 01/22/2019

June 13, 2019  
Dear Applicant,

Please find below the List of Abutters within 300 feet of the property known as 177 John Vertente Blvd (Map: 135, Lot: 41). The current ownership listed herein must be checked and verified by the City of New Bedford Assessor's Office. Following said verification, the list shall be considered a Certified List of Abutters.

Please note that multiple listed properties with identical owner name and mailing address shall be considered duplicates and shall require only 1 mailing. Additionally, City of New Bedford-Owned properties shall not require mailed notice.

Parcel	Location	Owner and Mailing Address
135-40	JOHN (WS) VERTENTE BLVD	CITY OF NEW BEDFORD, 131 WILLIAM STREET NEW BEDFORD, MA 02740
135-27	JOHN (WS) VERTENTE BLVD	GREATER NEW BEDFORD, INDUSTRIAL FOUNDATION <del>227 UNION STREET RM 607</del> 1213 Purchase St. unit 2 NEW BEDFORD, MA 02740
135-22	JOHN (ES) VERTENTE BLVD	GREATER NEW BEDFORD, INDUSTRIAL FOUNDATION <del>227 UNION STREET RM 607</del> 1213 Purchase St. unit 2 NEW BEDFORD, MA 02740
135-6	DARTMOUTH LINE	GREATER NEW BEDFORD, INDUSTRIAL FOUNDATION <del>227 UNION STREET RM 607</del> 1213 Purchase St. Unit 2 NEW BEDFORD, MA 02740
135-5	DARTMOUTH LINE	BWC ORIGATION I, LLC, C/O SUN EDISON LLC 13736 RIVERPORT DRIVE STE 1000 MARYLAND HEIGHTS, MO 63043
135-43	JOHN (ES) VERTENTE BLVD	NEW BEDFORD REDEVELOPMENT AUTHORITY, 700 PLEASANT STREET NEW BEDFORD, MA 02740
135-41	JOHN (WS) VERTENTE BLVD	NEW BEDFORD REDEVELOPMENT AUTHORITY, 700 PLEASANT STREET NEW BEDFORD, MA 02740
135-2	JOHN (ES) VERTENTE BLVD	CITY OF NEW BEDFORD, 131 WILLIAM STREET NEW BEDFORD, MA 02740
135-15	RAILROAD (WS)	PILLAR LLC, 150 JOHN VERTENTE BOULEVARD NEW BEDFORD, MA 02745
135-3	BRALEY RD (WS-R)	ASHLEY MICHAEL G, 500 LAKEVIEW ROAD BARTON, VT 05822
135-47	JOHN (ES) VERTENTE BLVD	K & J DEVELOPMENT LLC, 135 JOHN VERTENTE BLVD NEW BEDFORD, MA 02745

**Legals**

**EDUCATIONAL HEARING NOTICE**

**LEGAL NOTICE**

**Town of New Bedford**  
In accordance with 935 CMR 500.101.B(2)(e), **ARL Healthcare**, will hold a **Community Outreach Hearing on January 28, 2019 at 6:00 - 8:00 PM at The Waypoint Event Center/Fairfield Inn & Suites 185 McArthur Drive, New Bedford, MA 02740** concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, et. seq. **The address of the proposed activity is 167 John Vertente Blvd, New Bedford, MA 02745.** Interested residents may hear about the proposal and ask questions at the Community Outreach Hearing.

Ken Housman  
President, **ARL Healthcare**

**Notification to Abutters under the Adult Use of Marijuana Regulations of the Cannabis Control Commission, 935 CMR 500**

In accordance with 935 CMR 500.101.B(2)(e), you are hereby notified of the following:

The applicant, **ARL Healthcare**, has filed a Notice of Community Outreach Hearing with the Town of New Bedford concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, et. seq. The address of the proposed activity is:

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There will be a Community Outreach Hearing at which time interested residents may hear about the proposal and ask questions on **January 28th, 2019 at 6:00 - 8:00 pm at Waypoint Event Center/Fairfield Inn & Suites 185 McArthur Drive, New Bedford, MA 02740.**


Jan. 18

## Host Community Agreement Certification Form

The applicant and contracting authority for the host community must complete each section of this form before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant and/or municipality appear in italics. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).

### Applicant

I, Timothy Shaw, (*insert name*) certify as an authorized representative of ARL Healthcare (*insert name of applicant*) that the applicant has executed a host community agreement with New Bedford (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on 6/5/2018 (*insert date*).

  
\_\_\_\_\_  
Signature of Authorized Representative of Applicant

### Host Community

I, Jan Mitchell, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for New Bedford, MA (*insert name of host community*) to certify that the applicant and New Bedford, MA (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on June 5, 2018 (*insert date*).

  
\_\_\_\_\_  
Signature of Contracting Authority or  
Authorized Representative of Host Community

# ARL Healthcare Inc. Positive Impact Plan

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## Introduction

The Cannabis Control Commission ("Commission") has identified certain communities in Massachusetts as "areas of disproportionate impact." New Bedford, MA, the location of ARL Healthcare, Inc.'s ("ARL") cultivation and product manufacturing facility is one such area. In addition, the Commission has also identified Taunton, MA as an area of disproportionate impact. Taunton, MA directly abuts Middleboro, MA, the location of ARL's retail facility.

As a critical part of its commitment to improve the lives of the residents of New Bedford and Taunton and share the tremendous benefits of the Commonwealth's nascent adult-use marijuana industry, ARL will work closely with local community organizations to hire residents of New Bedford and Taunton in addition to qualified candidates who have past drug convictions or who have parents or spouses with drug convictions (these individuals and residents of New Bedford and Taunton are referred to in this plan, collectively, as "Impacted Individuals").<sup>1</sup> In this way, ARL hopes that its organizational successes will become New Bedford and Taunton's successes.

## Positive Impact Goals

ARL will positively impact Impacted Individuals by providing employment opportunities and training, through real-world experience, with the ultimate goal of providing access to and opportunities for advancement within the Commonwealth's adult-use marijuana industry. ARL believes that by focusing its hiring efforts on these previously marginalized individuals, it can remove barriers to entry into the adult-use marijuana industry and ensure that the expected prosperity from a new industry will benefit people of all income levels and backgrounds, not merely those who have access to significant amounts of capital.

## Positive Impact Programs

ARL understands and appreciates that Impacted Individuals may not have received the same opportunities to develop the skills needed to be attractive candidates for employment in the adult-use marijuana industry. Accordingly, ARL will employ a multi-faceted approach to attracting and supporting Impacted Individuals.

First, in concert with its community partners, which currently include Bristol Community College, the Greater New Bedford Career Center, Associated Career Network, LLC, CareerOneStop, and SouthCoast Job Fair ("Community Partners"), ARL will participate at

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<sup>1</sup> For the avoidance of doubt, as used in this narrative, "Impacted Individuals" are defined to be: 1) residents of New Bedford; 2) residents of Taunton; 3) residents of other Massachusetts municipalities who have past drug convictions; and/or 4) residents of other Massachusetts municipalities or who have parents or spouses with drug convictions. Each of these groups has been identified in Commission guidance as "populations falling within areas of disproportionate impact." It is possible that a given individual may meet more than one of these criteria. In any event, this narrative targets only these Impacted Individuals, and does not target individuals that would fall within the scope of ARL's Diversity Plan.

community jobs fairs in the region, and broadcast open opportunities through its Communities Partners on a quarterly or more frequently based hiring demands. Evidence of ARL's communications with its Community Partners is attached hereto as Exhibit A. ARL will also give hiring preference to qualified Impacted Individuals. ARL's Human Recourse team will work with Community Partners to identify qualified Impacted Individuals to fill open positions within the company.

Second, to bolster its positive impact on the New Bedford and Taunton communities, ARL will also introduce an internship training program ("ARL Internship Program") during the first 2 years of operation of its facilities in New Bedford and Middleboro (the "Facilities"), where a limited number of skilled entry-level positions (e.g., trimmer and cultivation aide positions, retail assistants etc.) will be made available only to Impacted Individuals. ARL will work specifically with Bristol Community College<sup>2</sup> to identify students over the age of 21 interested in employment in the adult-use marijuana industry and small-business management. Interns will be trained on the different jobs involved in the cultivation and manufacturing processes (including growing, trimming and extracting) and/or the retail operations of a marijuana business. Interns will also be trained on applicable state and local requirements and restrictions relating to marijuana cultivation, product manufacturing and retailing, and they will be evaluated and given constructive feedback as they go through the training process. The ultimate goal of the ARL Internship Program is to educate and train Impacted Individuals who otherwise lack experience in the adult-use marijuana industry with the expectation that, upon completion of the internship program, interns will possess the job skills and experience to secure gainful employment at any adult-use facility within the Commonwealth. ARL will re-evaluate the success of the internship program after 2 years and expects that the ARL Internship Program will grow proportionally with the company.

Third, ARL will establish free, public training session for any Impacted Individuals who are interested in learning about the adult-use marijuana industry in both New Bedford and Taunton. The training sessions will be tailored to provide the basic skills and background information needed to secure employment and within the Commonwealth's adult-use marijuana industry. ARL will host these informative training sessions at Fairfield Inn located at 185 MacArthur Dr, New Bedford, MA 02740.

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## Positive Impact Measurement

ARL will track its positive impact and community outreach efforts. With its Community Partners, ARL will record and maintain (in accordance with the Commission's record keeping procedures) employment applications, for both full-time employment opportunities and ARL Internship Program positions, with the expectation that applications from Impacted Individuals will steadily increase during ARL's first 5 years of operation of its Facilities. In addition, ARL will record and document its participation at local job fairs and pledges to participate in at least 3 jobs fairs per year (at least one of which will be in Middleboro or Taunton, and the others in New Bedford). ARL will log and track communications with any Impacted Individuals occurring at these job fairs and also record any subsequent follow-up communications.

In addition, ARL will host at least one public training session within the first year of operations and will then reevaluate the program specifics and frequency of future training sessions based on feedback from attendees and its Community Partners.

ARL will also hire at least 2 interns as part of the ARL Internship Program during the first 2 years of operations of the Facilities, and expects that the company will hire more interns in future years, depending on the growth and success of the Facilities. During its first year of operations, ARL will hire at least one intern. Moreover, ARL's charitable support team will complete the first cycle of ARL's grant funding initiative within the first year of operations.

Finally, ARL's long-term target is to hire a working staff (i.e., all company positions below the level of manager) that is at least 50 % composed of Impacted Individuals by year 5 of operations. The Human Resources Manager will oversee progress toward this long-term hiring goal by obtaining annually, employee biographical data through self identifying surveys. ARL also intends to meet the following intermediate positive impact hiring goals in years 1-4 of operation:

**Commencement of Operations:** minimum 25% Impacted Individual employment.

**End of Year 1:** minimum 30 % Impacted Individual employment.

**End of Year 2:** minimum 35% Impacted Individual employment.

**End of Year 3:** minimum 40 % Impacted Individual employment.

**End of Year 4:** minimum 45 % Impacted Individual employment.

ARL's Human Resources Manager will include in the Annual Audit Report a narrative describing ARL's progress towards these interim and long-term positive impact hiring goals. These short-term metrics and will ensure that ARL is regularly evaluating progress toward its positive impact plan hiring goals and employing corrective actions if intermediary targets are not met.

## Positive Impact Plan Acknowledgments

ARL pledges to adhere to the requirements set forth in 935 CMR 500.105(4)(a) which provides the permitted advertising, branding, marketing and sponsorship practices for all Marijuana Establishments. ARL likewise pledges not to employ any of the prohibited practices articulated in 935 CMR 500.105(4)(b). Finally, none of the actions taken or programs instituted by ARL will violate the Commission's regulations with respect to limitations on ownership or control or any other applicable state laws.

B5017338.1





Commonwealth of Massachusetts  
Department of Revenue  
Christopher C. Harding, Commissioner

mass.gov/dor

Letter ID: L1913944192  
Notice Date: April 24, 2018  
Case ID: 0-000-552-315



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



ARL HEALTHCARE, INC.  
26 OSSIPPEE RD STE 201  
NEWTON MA 02464-1444

000043

### *Why did I receive this notice?*

The Commissioner of Revenue certifies that, as of the date of this certificate, ARL HEALTHCARE, INC. is in compliance with its tax obligations under Chapter 62C of the Massachusetts General Laws.

This certificate doesn't certify that the taxpayer is compliant in taxes such as unemployment insurance administered by agencies other than the Department of Revenue, or taxes under any other provisions of law.

**This is not a waiver of lien issued under Chapter 62C, section 52 of the Massachusetts General Laws.**

### *What if I have questions?*

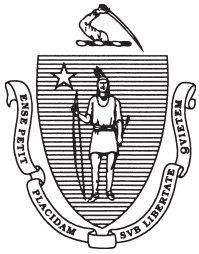
If you have questions, call us at (617) 887-6367 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 8:30 a.m. to 4:30 p.m..

### *Visit us online!*

Visit [mass.gov/dor](http://mass.gov/dor) to learn more about Massachusetts tax laws and DOR policies and procedures, including your Taxpayer Bill of Rights, and MassTaxConnect for easy access to your account:

- Review or update your account
- Contact us using e-message
- Sign up for e-billing to save paper
- Make payments or set up autopay

Edward W. Coyle, Jr., Chief  
Collections Bureau



*The Commonwealth of Massachusetts*  
*Secretary of the Commonwealth*  
*State House, Boston, Massachusetts 02133*

William Francis Galvin  
Secretary of the  
Commonwealth

Date: April 03, 2018

To Whom It May Concern :

I hereby certify that according to the records of this office,  
**ARL HEALTHCARE INC**

is a domestic corporation organized on **August 20, 2013**

I further certify that there are no proceedings presently pending under the Massachusetts General Laws Chapter 180 section 26 A, for revocation of the charter of said corporation; that the State Secretary has not received notice of dissolution of the corporation pursuant to Massachusetts General Laws, Chapter 180, Section 11, 11A, or 11B; that said corporation has filed all annual reports, and paid all fees with respect to such reports, and so far as appears of record said corporation has legal existence and is in good standing with this office.



In testimony of which,  
I have hereunto affixed the  
Great Seal of the Commonwealth  
on the date first above written.

*William Francis Galvin*

Secretary of the Commonwealth

Certificate Number: 18040046450

Verify this Certificate at: <http://corp.sec.state.ma.us/CorpWeb/Certificates/Verify.aspx>

Processed by:

*As of [October \_\_], 2018*

**ARL HEALTHCARE INC.**

**BYLAWS**

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BYLAWS  
OF  
ARL HEALTHCARE INC.

ARTICLE I

ARTICLES OF ORGANIZATION

The name of the corporation shall be as set forth in the articles of organization. The corporation shall have the purpose of engaging in any lawful business, unless a more limited purpose is set forth in the articles of organization. The powers of the corporation shall be all powers as set forth in the Massachusetts Business Corporation Act (the “Act”), unless more limited powers or restrictions on any powers are set forth in the articles of organization. The powers of the corporation’s directors and Shareholders, or any class of Shareholders if the corporation has more than one class of stock, and all matters concerning the conduct and regulation of the business and affairs of the corporation shall be subject to such provisions in regard thereto, if any, as are set forth in the articles of organization. In the event of any inconsistency between the articles of organization and these bylaws, the articles of organization shall be controlling. All references in these bylaws to the articles of organization shall be construed to mean the articles of organization of the corporation as from time to time in effect.

ARTICLE II

SHAREHOLDERS

1. Annual Meeting.

The annual meeting of shareholders shall be held at 10:00 A.M., or at such other time as the board of directors shall determine, on June 30 in each year unless such date is a legal holiday. If such date is a legal holiday, then the annual meeting shall be held at the same hour on the next succeeding business day not a legal holiday. The purposes for which an annual meeting is to be held include the election of directors and transacting such other business as may properly be brought before such meeting.

2. Special Meetings.

A special meeting of shareholders may be called at any time by the president or by the directors. Upon written application of one or more Shareholders who hold in the aggregate at least ten percent of all votes, which written application or applications shall be signed and dated by such shareholders and shall state the purpose for which the meeting is to be held, a special meeting shall be called by the secretary, or in case of the death, absence, incapacity or refusal of the secretary, by any other officer. Each call of a meeting shall state the place, date, hour and purposes of the meeting.

### 3. Place of Meetings.

The place at which any special or annual meeting of shareholders shall be held shall be fixed by the board of directors. Meetings of shareholders may be held at any physical location in or outside Massachusetts. Any adjourned session of any meeting of the shareholders shall be held at the place designated in the vote of adjournment, or if no such place is designated, at the same place or by the same remote communication method as the adjourned meeting.

In addition, the board of directors may authorize any meeting to be held solely by remote communication with no fixed physical location, or may authorize that any shareholder or proxy not physically present at a meeting may participate in the meeting and be deemed present and entitled to vote. In the event that any shareholder or proxy is permitted to participate in a meeting by means of remote electronic communication: (a) the corporation shall implement reasonable measures to verify that each person present and permitted to vote at a meeting is a shareholder or proxy; (b) the corporation shall implement reasonable measures to provide such shareholders and proxies a reasonable opportunity to participate in the meeting and vote; and (c) if a shareholder or proxy votes or takes other action by remote communication at the meeting, a record of the vote or other action shall be maintained by the corporation.

### 4. Record Date for Purpose of Meetings.

The directors may fix in advance a time not more than 70 days before the date of any meeting of shareholders as the record date for determining the shareholders having the right to notice of and to vote at such meeting and any adjournment thereof. In such case only shareholders of record on such date shall have such right, notwithstanding any transfer of shares on the books of the corporation after the record date. If no record date is fixed, the record date for determining shareholders having the right to notice of or to vote at a meeting of shareholders shall be at the close of business on the day before the day on which notice is given. If any meeting is adjourned to a date more than 120 days after the date fixed for the original meeting, the directors shall fix a new record date.

### 5. Notice of Meetings.

Written notice of the place, day and hour of all meetings of shareholders shall be given by the secretary, the assistant secretary or an officer designated by the directors, at least seven days but no more than 60 days before the meeting, to each shareholder entitled to vote thereat and to each shareholder who, by the Act, under the articles of organization or under these bylaws, is entitled to such notice. Notice of an adjourned meeting shall be given only if a new record date is fixed, in which case notice shall be given to all shareholders as of the new record date. The notice of a meeting shall state the purposes of the meeting. At a special meeting of shareholders, only business within the purpose or purposes described in the meeting notice may be conducted. Notice may be given by leaving such notice with the shareholder or at his residence or usual place of business, by mailing it, postage prepaid, and addressed to such shareholder at his address as it appears in the books of the corporation, by facsimile telecommunication directed to a number furnished by the shareholder for the purpose, by electronic mail to the electronic mail address of the shareholder as it appears in the books of the corporation, or by any other electronic transmission (defined as any process of communication that does not directly involve the physical transfer of paper and that is suitable for the retention, retrieval and reproduction of information by the recipient). The

corporation shall be entitled to rely on the address of a shareholder last notified to the corporation. In case of the death, absence, incapacity or refusal of the secretary, the assistant secretary or the officer designated by the directors, such notice may be given by any other officer or by a person designated either by the secretary or by the person or persons calling the meeting or by the board of directors. Whenever notice of a meeting is required to be given to a shareholder under any provision of the Act or of the articles of organization or these bylaws, no such notice need be given to a shareholder, if a written waiver of notice, executed before or after the meeting by such shareholder or his attorney, thereunto authorized, is filed with the records of the meeting.

#### 6. Shareholders List for Meeting.

After fixing a record date for a meeting of shareholders, the secretary shall prepare an alphabetical list of all shareholders who are entitled to notice of the meeting. The shareholders list shall be available for inspection by any shareholder, his agent or attorney during the period beginning two days after notice of the meeting is given and continuing through the meeting at the corporation's principal office, at a place identified in the meeting notice or, if the meeting is to be held only by remote communication, on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting. A shareholder or his agent or attorney may copy the list at the principal office at his own expense as permitted by the Act.

#### 7. Quorum.

At any meeting of the shareholders, a majority in interest of all the shares issued, outstanding and entitled to vote upon a question to be considered at such meeting shall constitute a quorum for the consideration of such question, except that, if two or more voting groups are entitled to vote upon such question as separate voting groups, then, in the case of each such voting group, a quorum shall consist of a majority of the votes entitled to be cast by the voting group for action on that matter. Notwithstanding the foregoing, shareholders, by a majority of the votes properly cast upon the question whether or not a quorum is present, may adjourn any meeting from time to time, and the meeting may be held as adjourned without further notice. A share once represented for any purpose at a meeting is deemed present for quorum purposes for the remainder of the meeting and for any adjournment thereof, unless (a) the shareholder attends solely to object to lack of notice, defective notice, or the conduct of the meeting on other grounds, and does not vote the shares or otherwise consent that they are to be deemed present; or (b) in the case of an adjournment, a new record date is or shall be set for that adjourned meeting.

#### 8. Voting and Proxies.

Unless otherwise provided by the articles of organization, each shareholder shall have one vote for each share held by him of record on the record date and entitled to vote on the question or questions to be considered at any meeting of the shareholders according to the records of the corporation. Shareholders may vote either in person or by proxy appointed by written appointment form signed by the shareholder or his attorney in fact. An appointment form shall be valid for the period stated therein, or, if no period is stated, for a period of 11 months from the date the shareholder signed the form, or the date of its receipt by the secretary or his agent, if undated. Appointment forms shall be filed with the secretary or other officer or agent authorized to tabulate votes before being voted. Except as otherwise limited therein, appointment forms appointing

proxies for a particular meeting shall entitle the persons named therein to vote at any adjournment of such meeting but shall not be valid after final adjournment of such meeting.

#### 9. Action at Meeting.

When a quorum of a voting group is present for the consideration of a matter at any meeting of the shareholders, favorable action on a matter, otherwise than the election of directors, is taken by the voting group if a majority in interest of the shares present in person or by proxy and entitled to vote on such question votes in favor of the action, except where a larger vote is required by the Act, the articles of organization or these bylaws. Any election of directors by a voting group shall be determined by a plurality of the votes cast by shareholders in the voting group present in person or by proxy at the meeting and entitled to vote in the election. No ballot shall be required for such election unless requested by a shareholder present in person or by proxy at the meeting and entitled to vote in the election. Shares of the corporation are not entitled to vote if they are owned, directly or indirectly, by another entity of which the corporation owns, directly or indirectly, a majority of the voting interests. The corporation may, however, vote any shares, including its own shares, held by it, directly or indirectly, in a fiduciary capacity.

#### 10. Action without Meeting.

Any action required or permitted to be taken at any meeting of the shareholders may be taken without a meeting by all shareholders entitled to vote on the action, or if the articles of organization so provide, by shareholders having not less than the minimum number of votes necessary to take the action at a meeting at which all shareholders entitled to vote on the action are present and voting, as evidenced by written consents of such shareholders that describe the action taken, are signed by shareholders having the requisite votes, bear the date of the signatures of such shareholders, and are delivered to the corporation for inclusion with the records of meetings within 60 days of the date of the earliest dated consent delivered to the corporation. The corporation must, at least seven days before it takes any action in reliance on consent obtained in accordance with this provision, give written notice of its intended action to shareholders not entitled to vote on the action in any case where the Act would require such notice if the action were to be taken by voting shareholders at a meeting, and, if the action will be taken with less than unanimous consent, to all shareholders entitled to vote who did not consent to the action. Such notice shall be accompanied by the same material that the Act or these bylaws would require to be sent to such shareholders with a notice of meeting. The corporation may, for convenience, specify an effective date for such consents, provided that the corporation shall not take action in reliance upon such consents except in compliance with the articles of organization and these bylaws.

#### 11. Electronic Action.

Any vote, consent, waiver, proxy appointment or other action by a shareholder shall be considered given in writing, dated and signed if it consists of an electronic transmission that allows the corporation to determine: (a) the date the transmission was sent; and (b) that the sender of the transmission was the relevant shareholder, proxy, or agent, or a person authorized to act on any such person's behalf. The date on which the electronic transmission was sent shall be considered the date on which it was signed.

## ARTICLE III

### DIRECTORS

#### 1. Powers.

All corporate power shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, a board of directors, subject to any limitation set forth in the articles of organization or in a shareholders' agreement. In the event of a vacancy in the board of directors, the remaining directors may exercise the powers of the full board until the vacancy is filled.

#### 2. Size of Board.

The board of directors shall consist of at least one director. No director need be a shareholder.

#### 3. Vacancies.

Any vacancy in the board of directors, including a vacancy resulting from the enlargement of the board, may be filled by the shareholders, by the board of directors, or if the directors remaining in office constitute fewer than a quorum, they may fill the vacancy by the vote of a majority of all the directors remaining in office. If the vacant office was held by a director elected by a voting group of shareholders, only the shareholders of that voting group or directors elected by that voting group are entitled to fill the vacancy.

#### 4. Tenure.

Except as otherwise provided by the articles of organization or by these bylaws, each director shall hold office until the next annual meeting of shareholders and thereafter until such director's successor is elected and qualified or until such director sooner dies, resigns, is removed or becomes disqualified.

#### 5. Committees.

The directors may, by vote of a majority of all directors then in office, elect from their number an executive or other committees, provided however that if the articles of organization or these bylaws provide that the number of directors required to take board action is greater than a majority of all directors then in office, then the vote of such greater number shall be required to elect any committee. Except as the directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the directors or in such rules, its business shall be conducted as nearly as may be in the same manner as is provided by these bylaws for the directors. The directors may delegate to any committee some or all of their powers except those which they are prohibited from delegating by any provision of law or by the articles of organization or these bylaws. Without limitation of the foregoing, a committee may not (a) authorize distributions; (b) approve or propose to shareholders action that is required by law to be approved by shareholders; (c) change the number of the board of directors, remove directors from office or fill vacancies on the board of directors; (d) amend the articles of organization; (e)

adopt, amend or repeal these bylaws; or (f) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the board of directors.

#### 6. Meetings.

Regular meetings of the directors may be held without call or notice at such places and at such times as the directors may from time to time determine. Any or all of the directors may participate in a meeting of the directors or of a committee thereof by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting; and participation by such means shall constitute presence in person at any such meeting.

A regular meeting of the directors may be held immediately following the annual meeting of shareholders at the same place as such shareholders' meeting. Special meetings of the directors may be held at any time and place designated in a call of the meeting by the chairman of the board, if any, the president or two or more directors.

#### 7. Notice of Special Meetings.

Notice of the date, time and place of all special meetings of the directors shall be given to each director by the secretary, or assistant secretary, or by the officer or one of the directors calling the meeting. Notice shall be given to each director in person, by telephone, voice mail, facsimile telecommunication, telegram or other electronic means sent to his usual or last known business or home address or phone number or by electronic mail to the electronic mail address of the director as last notified to the corporation at least 24 hours in advance of the meeting or by mailing it to either such business or home address at least 48 hours in advance of the meeting. Notice need not be given to any director if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting, or to any director who attends the meeting without protesting, prior to or at the meeting's commencement, the lack of notice to him. A notice or waiver of notice of a directors' meeting need not specify the purposes of the meeting.

#### 8. Quorum.

At any meeting of the directors, a quorum of the board of directors shall be a majority of the directors in office immediately before the meeting begins. Any meeting may be adjourned from time to time by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

#### 9. Action at Meeting.

If a quorum is present when a vote is taken, the vote of a majority of the directors present is an act of the board of directors, unless the articles of organization or these bylaws require the vote of a greater number of directors.

#### 10. Action by Consent.

Any action required or permitted to be taken at any meeting of the directors may be taken without a meeting if all directors then in office consent to the action in a writing signed by each director, or by electronic transmission delivered to the corporation to the address specified by the

corporation for the purpose or, if no address is specified, to the principal office of the corporation addressed to the secretary or other officer or agent having custody of the records of proceedings of directors, provided that such written consents and/or electronic transmissions shall be included in the minutes or filed with the corporate records reflecting the action taken. Action taken by written consent is effective when the last director signs or delivers consent, unless the consent specifies a different effective date. Consents given in accordance with this provision shall be treated as a vote of the directors for all purposes.

## ARTICLE IV

### OFFICERS

#### 1. Enumeration.

The officers of the corporation shall consist of a president, a treasurer, a secretary, and such other officers, if any, including a chairman and a vice chairman of the board of directors, one or more vice presidents, assistant treasurers and assistant secretaries, as the incorporators at their initial meeting or the directors from time to time may choose or appoint.

#### 2. Appointment.

The president, treasurer and secretary shall be appointed annually by the directors at their first meeting following the annual meeting of shareholders. Other officers, if any, may be appointed by the board of directors at such meeting or at any other time.

#### 3. Vacancies.

If any office becomes vacant by reason of death, resignation, removal, disqualification or otherwise, the directors may choose a successor or successors, who shall hold office for the unexpired term, except as otherwise provided by the Act, by the articles of organization or by these bylaws.

#### 4. Qualification.

The president may, but need not be, a director. No officer need be a shareholder. Any two or more offices may be held by the same person. Any officer may be required by the directors to give bond for the faithful performance of his duties to the corporation in such amount and with such sureties as the directors may determine.

#### 5. Tenure.

Except as otherwise provided by the articles of organization or by these bylaws, the president, treasurer and secretary shall hold office until the first meeting of the directors following the annual meeting of shareholders, and thereafter until such officer's successor is chosen and qualified; and all other officers shall hold office until the first meeting of the directors following the annual meeting of the shareholders or the special meeting in lieu thereof, unless a shorter term is specified in the vote choosing or appointing them, or in each case until such officer sooner dies, resigns, is removed or becomes disqualified.

## 6. Chairman and Vice Chairman of the Board.

A chairman or vice chairman of the board of directors shall have such powers as the directors may from time to time designate. Unless the board of directors otherwise specifies, the chairman of the board, or in his absence the vice chairman, shall preside at all meetings of the shareholders and of the board of directors. The chairman or vice chairman must be a director.

## 7. President and Vice President.

Except as otherwise determined by the directors, the president shall be the chief executive officer of the corporation and shall, subject to the direction of the directors, have general supervision and control of its business. Unless the board of directors otherwise specifies, in the absence of the chairman and vice chairman, if any, of the board of directors, the president shall preside, when present, at all meetings of shareholders and of the board of directors.

Any vice president shall have such powers as the directors may from time to time designate.

## 8. Treasurer and Assistant Treasurers.

The treasurer shall, subject to the direction of the directors, have general charge of the financial concerns of the corporation and the care and custody of the funds and valuable papers of the corporation, and books of account and accounting records. He shall have power to endorse for deposit or collection all notes, checks, drafts, and other obligations for the payment of money payable to the corporation or its order, and to accept drafts on behalf of the corporation.

Any assistant treasurer shall have such powers as the directors may from time to time designate.

## 9. Secretary and Assistant Secretary.

Unless a transfer agent is appointed, the secretary shall keep or cause to be kept the stock and transfer records of the corporation in which are contained the names of all shareholders and the record address and the amount of shares held by each. The secretary shall record all proceedings of the shareholders in a paper record, or in another form capable of conversion into a paper record within a reasonable time. Such records shall be kept at the principal office of the corporation or at the office of its transfer agent or of the secretary and shall be open at all reasonable times to the inspection of any shareholder.

If a secretary is elected, he shall record all proceedings of the directors in a paper record, or in another form capable of conversion into a paper record within a reasonable time. Any assistant secretary shall have such powers as the directors may from time to time designate. In the absence of the secretary from any meeting of the directors, any assistant secretary, or a temporary secretary designated by the person presiding at such meeting, shall record such proceedings.

## 10. Other Powers and Duties.

Each officer shall, subject to these bylaws, have in addition to the duties and powers specifically set forth in these bylaws, such duties and powers as are customarily incident to his office, and such duties and powers as the directors may from time to time designate.

## ARTICLE V

### RESIGNATIONS AND REMOVALS

#### 1. Resignation.

Any director or officer may resign at any time by delivering his resignation in writing to the chairman of the board, if any, the president, the treasurer or the secretary or to a meeting of the directors. Such resignation shall be effective upon receipt unless specified to be effective at some other time.

#### 2. Removal of Director.

A director (including persons elected by directors to fill vacancies in the board) may be removed from office (a) with or without cause by majority vote of the shareholder voting group entitled to appoint such director, or (b) with cause by vote of the greater of a majority of the directors then in office or of the number of directors otherwise required to take an action of the board, except that if a director is appointed by a voting group of shareholders, only directors appointed by that voting group may vote to remove him. A director may be removed by the shareholders or the directors only at a meeting called for the purpose of removing him and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the director.

#### 3. Removal of Officer.

The directors may remove any officer at any time with or without cause.

#### 4. No Right to Compensation.

No director or officer resigning and (except where a right to receive compensation shall be expressly provided in a duly authorized written agreement with the corporation) no director or officer removed, shall have any right to any compensation as such director or officer for any period following his resignation or removal, or any right to damages on account of such removal, whether his compensation be by the month or by the year or otherwise, unless in the case of a resignation, the directors, or in the case of a removal, the body acting on the removal, shall in their or its discretion provide for compensation.

## ARTICLE VI

### SHARES

#### 1. Amount Authorized.

The total number of authorized shares shall be as fixed in the articles of organization.

#### 2. Stock Certificates; Statements for Uncertificated Stock.

Shares of the corporation may be certificated or uncertificated. Each shareholder shall be entitled to: (a) for certificated stock, a certificate of the stock of the corporation setting forth the

number of shares and the class and the designation of the series in such form as shall, in conformity with law, be prescribed from time to time by the directors; and (b) for uncertificated stock, a written information statement setting forth the number of shares and the class and the designation of the series of the stock. Each certificate shall be signed by any two of the following officers: the president, any vice president, the treasurer, any assistant treasurer, the secretary or any assistant secretary, either by real or facsimile signatures, and may bear the corporate seal or its facsimile. In case any officer who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer at the time of its issue.

Every certificate or information statement for shares which are subject to any restriction on transfer pursuant to the articles of organization, these bylaws or any agreement to which the corporation is a party shall have the restriction noted conspicuously on the certificate or information statement and shall also set forth on the face or back either the full text of the restriction or a statement of the existence of such restriction and a statement that the corporation will furnish a copy thereof to the holder of such certificate or statement upon written request and without charge. Every certificate or statement issued when the corporation is authorized to issue more than one class or series of stock shall set forth on its face or back either the full text of the preferences, voting powers, qualifications and special and relative rights of the stock of each class and series authorized to be issued or a statement of the existence of such preferences, powers, qualifications and rights and a statement that the corporation will furnish a copy thereof to the holder of such certificate or statement upon written request and without charge.

### 3. Transfers.

Subject to the restrictions, if any, stated or noted on the stock certificates or information statements, shares may be transferred on the books of the corporation by: (a) for certificated stock, the surrender to the corporation or its transfer agent of the certificate therefor properly endorsed or accompanied by a written assignment and power of attorney properly executed, with necessary transfer stamps affixed, and with such proof of the authenticity of signature as the corporation or its transfer agent may reasonably require; and (b) for uncertificated stock, by delivery to the corporation or its transfer agent of an instruction with a request to register a transfer properly executed by the transferring shareholder, and with such proof of authenticity of signature as the corporation or its transfer agent may reasonably require. Except as may be otherwise required by the Act, by the articles of organization or by these bylaws, the corporation shall be entitled to treat the record holder of shares as shown on its books as the owner of such shares for all purposes, including the payment of dividends and the right to receive notice and to vote with respect thereto, regardless of any transfer, pledge or other disposition of such shares, until the shares have been transferred on the books of the corporation in accordance with the requirements of these bylaws.

### 4. Record Date for Purposes Other Than Meetings.

The directors may fix in advance a time not more than 70 days preceding the date for the payment of any dividend or the making of any distribution to shareholders or the last day on which the consent or dissent of shareholders may be effectively expressed for any purpose, as the record date for determining the shareholders having the right to receive such dividend or distribution or the right to express such consent or dissent. In such case only shareholders of record on such date shall have such right, notwithstanding any transfer of shares on the books of the corporation after the

record date. If no record date is fixed, the record date for determining shareholders shall be at the close of business on the day on which the board of directors acts with respect thereto.

5. Replacement of Certificates.

In case of the alleged loss or destruction or the mutilation of a stock certificate, a duplicate certificate may be issued in place thereof, upon such terms as the directors may prescribe.

ARTICLE VII

MISCELLANEOUS PROVISIONS

1. Fiscal Year.

The fiscal year of the corporation shall end on the date determined from time to time by the board of directors.

2. Seal.

The seal of the corporation shall, subject to alteration by the directors, consist of a flat-faced circular die with the word "Massachusetts", together with the name of the corporation and the year of its organization cut or engraved thereon.

3. Registered Agent and Registered Office.

The corporation shall continuously maintain in Massachusetts: (a) a registered agent who may be an officer of the corporation or another individual, a domestic corporation or not-for-profit domestic corporation, or a foreign corporation or not-for-profit foreign corporation qualified to do business in Massachusetts; and (b) a registered office, which may, but need not be, the same as any of its places of business. The business office of the registered agent shall also be the registered office of the corporation. The corporation shall record any change of its registered office or registered agent by filing a statement of change with the Secretary of the Commonwealth.

4. Execution of Instruments.

All deeds, leases, transfers, contracts, bonds, notes and other obligations authorized to be executed on behalf of the corporation shall be signed by the chairman of the board, if any, the president or the treasurer except as the directors may generally or in particular cases otherwise determine.

5. Voting of Securities.

Except as the directors may otherwise designate, the president or treasurer may waive notice of, act and appoint any person or persons to act as proxy or attorney in fact for this corporation (with or without power of substitution) at any meeting of the shareholders, members or other constituent parties of any other corporation, organization or entity in which the corporation holds securities or other type of ownership interest.

## 6. Corporate Records to be Maintained and Available to All Shareholders.

The corporation shall keep in Massachusetts at the principal office of the corporation, or at an office of its transfer agent, secretary, assistant secretary or registered agent, a copy of the following records: (a) its articles of organization and bylaws then in effect; (b) resolutions adopted by the directors creating classes or series of stock and fixing their relative rights, preferences and limitations, if shares issued pursuant to those resolutions are outstanding; (c) the minutes of all shareholders' meetings, and records of all action taken by shareholders without a meeting, for the past three years; (d) all written communications to shareholders generally during the past three years, including annual financial statements issued pursuant to the Act; (e) a list of the names and business addresses of its current directors and officers; and (f) its most recent annual report delivered to the Massachusetts Secretary of the Commonwealth. Said copies and records may be kept in written form or in another form capable of conversion into written form within a reasonable time. A shareholder is entitled to inspect and copy such records, during regular business hours at the office at which they are maintained, on written notice given at least five business days before the date he wishes to inspect and copy.

## 7. Indemnification.

The corporation shall, to the fullest extent permitted by law, indemnify each of its directors and officers (including persons who serve at its request as directors, officers, or trustees of another organization in which it has any interest as a shareholder, creditor or otherwise or in any capacity with respect to any employee benefit plan), against all liabilities and expenses, including amounts paid in satisfaction of judgments, in settlement or as fines and penalties, and counsel fees, reasonably incurred by him in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office or thereafter, by reason of his being or having been such a director or officer, if: (a) he conducted himself in good faith and in the reasonable belief that his conduct was in the best interests of the corporation or at least not opposed to the best interests of the corporation, and, in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful; or (b) he engaged in conduct for which he shall not be liable under the articles of organization; provided, however, that the corporation shall not indemnify or advance expenses to any person in connection with any action, suit, proceeding, claim or counterclaim initiated by or on behalf of such person. Such indemnification shall be provided although the person to be indemnified is not currently a director, officer, partner, trustee, employee or agent of the corporation or such other organization or no longer serves with respect to any such employee benefit plan.

Notwithstanding the foregoing, no indemnification shall be provided unless a determination has been made that indemnification is permitted by law for a specific proceeding:

(a) if there are two or more disinterested directors, by the board of directors by a majority vote of all the disinterested directors, a majority of whom for such purpose shall constitute a quorum, or by a majority of the members of a committee of two or more disinterested directors appointed by vote; or

(b) by special legal counsel selected either (i) in the manner prescribed in clause (a) above, or (ii) if there are fewer than two disinterested directors, by the board of directors, in which case directors who do not qualify as disinterested directors may participate in the selection; or

(c) by the holders of a majority of the corporation's outstanding shares at the time entitled to vote for directors, voting as a single voting group, exclusive of any shares owned by or voted under the control of any interested director or officer.

The right of indemnification hereby provided shall not be exclusive of or affect any other rights to which any director or officer may be entitled; nothing contained in this section shall affect any rights to indemnification to which employees, independent contractors or agents, other than directors and officers, may be entitled by contract or otherwise under law. As used in this paragraph, the terms "director" and "officer" include their respective heirs, executors and administrators, and an "interested" director or officer is one against whom in such capacity the proceedings in question or another proceeding on the same or similar grounds is then pending.

Any repeal or modification of the foregoing provisions of this section shall not adversely affect any right or protection of a director or officer of the corporation with respect to any acts or omission of such director or officer occurring prior to such repeal or modification.

#### 8. Advance of Expenses.

The corporation shall, before final disposition of a proceeding, and to the fullest extent permitted by law, advance funds to pay for or reimburse the reasonable expenses incurred by a director, officer or other person who is a party to a proceeding for which he would be or may be entitled to indemnification as set forth in these bylaws, provided that he delivers to the corporation a written affirmation of his good faith belief that he has met the relevant standard of conduct described in these bylaws, and his written undertaking to repay any funds advanced if he is not entitled to mandatory indemnification under applicable law and it is ultimately determined that he has not met the relevant standard for indemnification set forth in these bylaws.

#### 9. Amendments to Bylaws.

These bylaws may at any time be amended by vote of the shareholders or may be amended by vote of a majority of the directors then in office, except that bylaw provisions dealing with quorum or voting requirements for shareholders, including additional voting groups, may not be adopted, amended or repealed by the board of directors. Notice of any change to these bylaws by the directors, stating the substance of such change, shall be given to all shareholders entitled to vote on amending these bylaws not later than the time that notice of the shareholders' meeting next following such change is required to be given.

#### 10. Director Conflict of Interest

A conflict of interest transaction is a transaction with the corporation in which a director has a material direct or indirect interest (an "Interested Director"). Without limiting the interests that may create conflict of interest transactions, a director has an indirect interest in a transaction if another entity in which he has a material financial interest or in which he is a general partner is a party to the transaction (a "Related Party"), or if another entity of which he is a director, officer, or trustee or in which he holds another position is a party to the transaction and the transaction is or should be considered by the board of directors of the corporation.

A conflict of interest transaction is not voidable by the corporation solely because of the director's interest in the transaction if: (a) the material facts of the transaction and the director's interest were disclosed or known to the board or a committee of the board, and the board or

committee authorized, approved or ratified the transaction by the vote of a majority of the directors on the board or committee who have no direct or indirect interest in the transaction, but a transaction may not be authorized, approved, or ratified by a single director; (b) the material facts of the transaction and the director's interest were disclosed or known to the shareholders entitled to vote and they authorized, approved, or ratified the transaction by the vote of a majority of the shares entitled to vote or (c) the transaction was fair to the corporation. In the case of clause (b) above, shares owned by or voted under the control of any Interested Director or Related Party shall not be entitled to vote.



The Commonwealth of Massachusetts  
William Francis Galvin

Minimum Fee: \$35.00

Secretary of the Commonwealth, Corporations Division  
One Ashburton Place, 17th floor  
Boston, MA 02108-1512  
Telephone: (617) 727-9640

Articles of Organization  
(General Laws, Chapter 180)

Federal Employer Identification Number: 463459666 (must be 9 digits)

ARTICLE I

The exact name of the corporation is:

ARL Healthcare Inc

ARTICLE II

The purpose of the corporation is to engage in the following business activities:

The corporation, formed pursuant to MGL Ch. 180, was established as a non-profit entity to engage in activities that promote health care services, wellness, education, both charitable and otherwise in Massachusetts, and to do everything incidental and necessary thereto and allowable by law.

ARTICLE III

A corporation may have one or more classes of members. If it does, the designation of such classes, the manner of election or appointments, the duration of membership and the qualifications and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

ARTICLE IV

Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

*(If there are no provisions state "NONE")*

None

*Notes: The preceding four (4) articles are considered to be permanent and may only be changed by filing appropriate Articles of Amendment.*

ARTICLE V

The by-laws of the corporation have been duly adopted and the initial directors, president, treasurer and clerk or other presiding, financial or recording officers, whose names are set out on the following page, have been duly elected.

ARTICLE VI

The effective date of organization of the corporation shall be the date approved and filed by the Secretary of the Commonwealth. If a *later* effective date is desired, specify such date which shall not be more than *thirty days* after the date of filing.

## ARTICLE VII

The information contained in Article VII is not a permanent part of the Articles of Organization.

a. The street address (**post office boxes are not acceptable**) of the principal office of the corporation **in Massachusetts** is:

No. and Street: 193 Oak Street No 507  
 City or Town: Newton State: MA Zip: 02464 Country: USA

b. The name, residential street address and post office address of each director and officer of the corporation is as follows:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code	Expiration of Term
President	Kenneth A. Housman	193 Oak St. #507 Newton, MA 02464 USA	December 31, 2016
		193 Oak St. #507 Newton, MA 02464 USA	
Treasurer	Kenneth A. Housman	193 Oak St., #507 Newton, MA 02464 USA	December 31, 2016
		193 Oak St., #507 Newton, MA 02464 USA	
Clerk	Kenneth A. Housman	193 Oak St. #507 Newton, MA 02464 USA	December 31, 2016
		193 Oak St. #507 Newton, MA 02464 USA	
Director	Kenneth A. Housman	193 Oak St. #507 Newton, MA 02464 USA	December 31, 2016
		193 Oak St. #507 Newton, MA 02464 USA	
Director	Jon Levine	15 Sullivan Way Canton, MA 02021 USA	December 31, 2013
		15 Sullivan Way Canton, MA 02021 USA	

c. The fiscal year (i.e., tax year) of the business entity shall end on the last day of the month of:  
**January**

d. The name and business address of the resident agent, if any, of the business entity is:

Name: Robert Fireman, Esq.  
 No. and Street: 26 Ossipee Road  
 City or Town: Newton State: MA Zip: 02464 Country: USA

## Filer's Contact Information

(Enter a contact name, mailing address, and email and/or phone number.)

Contact Name: Kenneth Housman  
 Business Name: ARL Healthcare, Inc.  
 No. and Street: 193 Oak Street  
 City or Town: Newton State: MA Zip: 02464 Country: USA  
 Contact Phone: (617) 413-3500 ext:  
 Contact Email: newtonken@aol.com

Please provide an email address to receive an expedited response from the Corporations Division. If the filing is rejected for any reason, you will be contacted. If no email address is provided, correspondence from the Division will be sent by mail.

**I/We, the below signed incorporator(s), do hereby certify under the pains and penalties of perjury that I/we have not been convicted of any crimes relating to alcohol or gaming within the past ten years. I/We do hereby further certify that to the best of my/our knowledge the above-named officers have not been similarly convicted. If so convicted, explain:**

Kenneth A. Housman

**IN WITNESS WHEREOF AND UNDER THE PAINS AND PENALTIES OF PERJURY, I/we, whose signature(s) appear below as incorporator(s) and whose name(s) and business or residential address(es) beneath each signature do hereby associate with the intention of forming this business entity under the provisions of General Law, Chapter 180 and do hereby sign these Articles of Organization as incorporator(s) this 20 Day of August, 2013. (If an existing corporation is acting as incorporator, type in the exact name of the business entity, the state or other jurisdiction where it was incorporated, the name of the person signing on behalf of said business entity and the title he/she holds or other authority by which such action is taken.)**

Kenneth A. Housman

ARL Healthcare, INC.

## BUSINESS PLAN

06/05/2019

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## **1. EXECUTIVE SUMMARY**

### **1.1 Mission Statement**

ARL Healthcare Inc. (“ARL”) is committed to producing and providing safe, dignified and affordable access to the highest-quality medical and adult-use marijuana.

### **1.2 Vision**

ARL envisions being a community-oriented organization that provides registered patients and customers over the age of 21 with safe access to high quality marijuana, wellness services and educational resources.

ARL foresees the Middleboro facility serving as a model marijuana retailer in the Commonwealth comprised of experts from a diverse range of backgrounds that will adhere to strict compliance with all state and local regulations, while maintaining the highest standards of safe and professional operation.

As a company with roots in the community, ARL is committed to creating sustainable value for its employees and its customers by drawing inspiration from the traditions of authenticity, hard-work, family and community.

### **1.3 Product**

ARL will offer high-grade marijuana and extract products consistent with the limits, quality and testing standards set forth by the Cannabis Control Commission (the “Commission”). In addition to traditional sativa, indica, and hybrid marijuana flower, ARL will offer marijuana-infused products containing THC in weights and dosages consistent with Commission limits, quality and testing standards, tracking and traceability, other regulatory standards, and consumer demands for safe and regulated products.

### **1.4 Customers**

Target customers include qualified registered patients and consumers who are over the age of 21. ARL intends to serve all demographics equally and without differentiation by creating an experience appealing to anyone with an interest in purchasing high quality marijuana products.

## **2. COMPANY DESCRIPTION**

### **2.1 Structure**

ARL is a Massachusetts domestic for-profit corporation applying for a licenses from the Massachusetts Cannabis Control Commission (the “Commission”) to operate Collocated Marijuana Operations (“CMO”); specifically, a Tier 4 Marijuana Cultivator, a Marijuana Product Manufacturer, and Marijuana Retailer in the Commonwealth for both medical and adult-use marijuana. ARL currently has a provisional Certificate of Registration for a Registered Marijuana Dispensary for a Retail Dispensary in Middleboro (Harding Street) and a Cultivation and Processing Facility in New Bedford. ARL is currently in good

standing and in compliance with the RMD operational and security requirements and any other conditions imposed by the Commission to ensure the RMD will operate in accordance with applicable Massachusetts laws and regulations.

The location for ARL's retail facility will be located at 29 Harding Street, Middleboro, MA, formerly the Kahian's Furniture store. We are proud to be taking a formerly productive community business that was vacant and revitalize it so it can once again be a productive respected local business. MariMed, Inc. ("MariMed"), ARL's parent company, purchased the 8,000 square foot facility in August of 2017, and will lease the facility to ARL.

In accordance with G.L. c. 94G, § 5(b)(3) and § 8.5.5.2.a of the Middleboro Zoning Ordinance, ARL's proposed facility is not located within five hundred (500) feet of any public or private school or daycare center. Moreover, ARL's Middleboro marijuana retailer facility will not adversely affect any libraries, playgrounds, parks, martial arts and dance studios, houses of worship, pediatric medical offices, toy stores, or comic bookstores. In addition, ARL's Middleboro marijuana retailer facility will not cause a public nuisance and shall otherwise operate in accordance with § 8.5.7 of the Marijuana Zoning Ordinance.

The site build-out will consist of completing a construction program to build the infrastructure specified in its site design specifications. Cosmetic and functional modifications will be based on the recommendations of design consultants. The build out includes electrical upgrades, design and remodel of the dispensary portion of the building, HVAC upgrades and plumbing installation.

The location of ARL's cultivation and manufacturing facility will be located at 177 John Verdent Blvd, New Bedford, MA. The building was previously home to Aerovox Corp. The Facility is approximately 70,000 square foot, owned by Marimed and leased to ARL.

In accordance with the City of New Bedford's Zoning Ordinance ARL Healthcare's proposed growing and processing marijuana establishment in New Bedford is located in a IC district e.g., industrial zoning district (A [IA], B [IB], C [IC]), which allows for the siting of marijuana producers pursuant to issuance of a special permit. In compliance with 4143B of New Bedford's Zoning Ordinance, ARL Healthcare has received a Host Community Agreement and is in the process of special permitting from the New Bedford Planning Board.

Furthermore it meets 4131B.(ii)(a) qualifications in the ordinance as the proposed facility is not located within five hundred (500) feet of any public or private school providing education in grades 1-12, licensed day care center, nursery school, preschool, or building which operates as part of a public or private institute of higher learning, playground, park, public library, church... substance abuse treatment facility, Marijuana establishment, or Medical Marijuana Treatment Center or two hundred (200) of any dwelling unit.

ARL will file, in a form and manner specified by the Commission, an application for licensure as a CMO consisting of three packets: an Application of Intent packet; a Background Check packet; and a Management and Operations Profile packet (in addition to submission of the required fees).

## **2.2 Operations**

ARL intends to be a vertically integrated CMO, operating under both an RMD registration pursuant to 935 CMR 501.000: *Medical Use of Marijuana*, and under a Marijuana Establishment license pursuant to 935 CMR 500.00: *Adult Use of Marijuana*, on the same premise. As a CMO, retail operations will be conducted at the Middleboro facility, and the cultivation and product manufacturing will be conducted at our New Bedford facility.

ARL will establish inventory controls and procedures for conducting inventory reviews and comprehensive inventories of marijuana products in the process of cultivation and finished, stored marijuana. ARL will tag and track all marijuana seeds, clones, plants, and marijuana products, using a seed-to-sale methodology in a form and manner to be approved by the Commission. Please see ARL's Inventory Procedures for greater detail.

No marijuana product, including marijuana, will be sold or otherwise marketed that is not tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000.

ARL will maintain records, including all records required in any section of 935 CMR 500.000, which will be available for inspection by the Commission, upon request. The records will also be maintained in accordance with generally accepted accounting principles. Please see ARL's Recordkeeping Procedures for greater detail.

ARL will obtain and maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, and product liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, except as provided in 935 CMR

500.105(10)(b) or otherwise approved by the Commission. The deductible for each policy shall be no higher than \$5,000 per occurrence.

ARL will provide adequate lighting, ventilation, temperature, humidity, space, and equipment, in accordance with applicable provisions of 935 CMR 500.105 and 500.110.

All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Organic material, recyclable material, solid waste, and liquid waste containing marijuana or by-products of marijuana processing will be disposed of in compliance with all applicable state and federal requirements.

ARL will demonstrate consideration of the factors for Energy Efficiency and Conservation outlined in 935 CMR 500.105(15) as part of its operating plan and application for licensure.

Prior to commencing operations, ARL will provide proof of having obtained a surety bond in an amount equal to its licensure fee payable to the Marijuana Regulation Fund to ensure payment of the cost incurred

for the destruction of cannabis goods necessitated by a violation of St. 2016, c. 334, as amended by St. 2017, c. 55 or 935 CMR 500.000 or the cessation of operation of and agents will comply with all local rules, regulations, ordinances, and bylaws.

ARL has already received:

1. RMD Priority Applicant Status for its Marijuana Establishment license applications;
2. Provisional Certificate of Registration for RMD status;
3. Host Community Agreements for its proposed facilities; and
4. Retail License Bond (\$5,000).

### **2.3 Security**

ARL will contract with a professional security and alarm company to design, implement, and monitor a comprehensive security plan to ensure that the facility is a safe and secure environment for employees and the local community.

The state-of-the-art security system will consist of perimeter windows, as well as duress, panic, and holdup alarms connected to local law enforcement for efficient notification and response in the event of a security threat. The system will also include a failure notification system that will immediately alert the executive management team if a system failure occurs.

A redundant alarm system will be installed to ensure that active alarms remain operational if the primary system is compromised.

Security personnel will be on-site during business hours, and all interior and exterior HD video surveillance of all areas that contain marijuana, entrances, exits, and parking lots will be operational and

monitored 24/7 and available to local law enforcement for review and monitoring as well. These surveillance cameras will remain operational even in the event of a power outage.

The exterior of both facilities will be sufficiently lit, and foliage will be minimized to ensure clear visibility of the area at all times.

Only registered agents and other authorized visitors (e.g. contractors, vendors) will be allowed access to limited access areas of the facility, and a visitor log will be maintained in perpetuity.

All agents and visitors will be required to visibly display an ID badge and will maintain a current list of individuals with access.

On-site consumption of marijuana by employees and visitors will be strictly prohibited.

## 2.4 Benefits to the Municipality

ARL looks forward to working cooperatively with the local municipalities to ensure that we operate as a responsible, contributing member of the community. ARL anticipates establishing a mutually beneficial relationship with the community in exchange for permitting ARL to site and operate in Middleboro and New Bedford. Each community stands to benefit in various ways, including but not limited to the following:

- **Additional Revenue.** Generating substantial tax (including local marijuana tax and real estate taxes) revenues, as well as significant monetary donations required by the Host Community Agreement.
- **Jobs.** The dispensing facility in Middleboro will add approximately 20-25 full-time jobs, the cultivation facility in New Bedford will have an additional 50-100 full and part-time jobs in addition to hiring qualified, local contractors and vendors.
- **Quality Products.** Will provide the opportunity for qualified consumers in the Commonwealth to obtain high quality marijuana and marijuana products that are diligently tested for cannabinoid content and contaminants.<sup>s</sup>
- **Security and Controls.** In addition to strict compliance with the Commission's security regulations, work closely with local Police Departments and other municipal departments that have oversight over the security systems and processes.
- **Economic Development.** Ensuring the continued use of important commercial property as part of the ongoing development efforts in both New Bedford and the Town of Middleboro. The build-out and occupancy of the property will also contribute to the revitalization of the surrounding area and further contribute to the overall economic development of the local community.

## 2.5 Competitive Advantage

Experience is one of ARL's major competitive advantages over its competition. Our team of executives has decades of combined experience in highly-competitive retail markets including the marijuana

industry. Additionally, ARL is an affiliate of MariMed, a publicly-traded company involved nationwide in operating and consulting for all aspects of the marijuana industry—cultivating, extracting, infusing, retail, wholesale, medical, and recreational. MariMed has significant experience advising and managing marijuana cultivation and dispensing sites. MariMed is affiliated with 11 marijuana licenses across five states—two in Delaware, two in Illinois, one in Nevada, three in Maryland, one in Rhode Island (the Thomas C. Slater Compassion Center, the largest not-for-profit medical marijuana facility in RI).

Equally as important, ARL's purpose-driven mission and brand messaging will create a competitive advantage over other marijuana retailers in the Commonwealth. Similarly, we believe commitment to source product from our own local cultivation and manufacturing facility will provide the highest quality products that will resonate with consumers and differentiate us from the competition. So too will the quality and uniqueness of the shopping experience and superior customer service. ARL will utilize state-of-the-art technology and showcase products in a beautifully designed interior retail space modeled after the proven high-end marijuana retailer affiliates of MariMed.

### **3. MARKETING AND PRICING**

ARL will engage in reasonable marketing, advertising, and branding practices that are not otherwise prohibited in 935 CMR 500.105(4)(b) that do not jeopardize the public health, welfare or safety of the general public or promote the diversion of marijuana or marijuana use in individuals younger than 21 years old. Any such marketing, advertising and branding created for viewing by the public shall include the statement "Please Consume Responsibly," in a conspicuous manner on the face of the advertisement and shall include a minimum of two of the warnings, located at 935 CMR 500.105(4)(a), in their entirety in a conspicuous manner on the face of the advertisement.

All marketing, advertising and branding produced by or on behalf of ARL shall include the following warning, including capitalization, in accordance with M.G.L. c. 94G, § 4(a½)(xxvi): "This product has not been analyzed or approved by the Food and Drug Administration (FDA). There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. **KEEP THIS PRODUCT AWAY FROM CHILDREN.** There may be health risks associated with consumption of this product. Marijuana can impair concentration, coordination, and judgment. The impairment effects of edible marijuana may be delayed by two hours or more. In case of accidental ingestion, contact poison control hotline 1-800-222-1222 or 9-1-1. This product may be illegal outside of MA."

The goal of ARL is to provide a high-quality product that will be recognized and sought after by consumers and among adult use dispensaries in Massachusetts. Our focus on branding and brand messaging, and our commitment to quality will differentiate our product in the marketplace.

ARL is planning a responsible, targeted and integrated marketing program to raise awareness, interest and understanding of ARL's brand, its sustainability mission, its products and its educational resources. The program will include fully integrated website and digital marketing tools, proprietary search engine optimization techniques, social media, direct marketing and partnership programs with uncompromised attentiveness to only targeting adult markets per Commission regulations.

The ARL service model, shopping experience, variety of products and its plan to feature locally-sourced products combine to create unique selling opportunities, driving profitability. ARL also plans to offer loyalty programs and other incentives for high-volume customers.

Our locations will enable us to keep costs down and we anticipate that our pricing will be extremely competitive in the adult-use market. Pricing will also depend on a variety of factors including the availability of product in an emerging market.

### **4. CAPITALIZATION & FINANCIAL PROJECTIONS**

#### 4.1 Capitalization.

ARL currently has a provisional Certificate of Registration for a Registered Marijuana Dispensary for a Medical Marijuana Retailer facility in Middleboro and Cultivation in New Bedford and does not require additional funding to pursue a Marijuana Establishment license pursuant to 935 CMR 500.00: *Adult Use of Marijuana*, on the same premise as a CMO.

#### 4.2 Projected Income Statement Years 1-5.

	2019	2020	2021	2021	2022
Revenue					
Flower Revenue	\$226,549	\$4,881,359	\$6,510,955	\$8,175,463	\$10,368,464
Product Revenue	\$60,413	\$1,301,696	\$1,736,255	\$2,180,124	\$2,764,924
Concentrate Revenue	70,482	1,518,645	2,025,630	2,543,477	3,225,744
Revenue Adult Use					
Flower Revenue	257,250	3,519,265	4,463,279	5,300,122	5,972,310
Product Revenue	102,900	1,407,706	1,785,312	2,120,049	2,388,924
Concentrate Revenue	120,050	1,642,324	2,082,864	2,473,390	2,787,078
Non-Cannabis Sales	3,524	75,932	101,282	127,174	161,287
Total Revenue	841,169	7,701,700	10,272,840	12,899,064	16,359,133
Cost of Goods Sold					
Sales Tax	-	-	-	-	-
Community Host Tax					
Merchant Processing Fees		7,360	67,390	89,887	112,867
Cultivation Costs	658,971	1,940,071	2,677,901	3,116,985	3,536,399
Flower Purchases	77,947	538,448	682,261	802,968	911,898
Product Purchases	31,179	215,379	272,904	321,187	364,759
Concentrate Purchases		36,375	251,276	318,389	374,719
Accessory purchase	3,374	31,302	41,412	51,793	65,686
Total Cost of Goods Sold	190,394	291,486	372,173	427,891	497,606
Gross Margin	25,963	4,657,835	6,190,085	8,118,545	10,911,697
Gross Margin %	11.50%	95.40%	95.10%	99.30%	105.20%
Other Administrative Costs					
Direct Salaries	\$93,638	\$720,794	\$1,006,051	\$1,362,958	\$1,567,046
Direct Payroll Taxes	\$18,301	\$115,337	\$158,986	\$213,593	\$244,818

Executive Salaries	4,444	27,600	28,568	29,572	30,614
Executive Payroll Taxes	496	513	500	469	449
Benefits	9,364	72,079	100,605	136,296	156,705
Outside Security and Monitoring	-	-	-	-	-
Legal Fees	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Accounting/Audit	\$5,000	\$10,250	\$10,763	\$11,301	\$11,866
Government Relations	3,000	3,000	3,000	3,000	3,000
Consulting Disp	\$0	\$0	\$0	\$0	\$0
Consulting Grow	\$0	\$0	\$0	\$0	\$0
Office Supplies	\$5,500	\$9,120	\$9,485	\$9,864	\$10,259
Software Expense	\$2,700	\$5,670	\$5,954	\$6,251	\$6,564
Rent	212,500	352,750	357,000	361,250	367,625
Rent Expense Premium	10,588	8,118	18,217	37,186	60,000
Common Area Maintenance	71	73	75	76	78
Property Insurance	\$22,500	\$23,400	\$24,570	\$25,799	\$27,088
Real Estate Tax	\$16,864	\$17,370	\$17,891	\$18,428	\$18,981
Utilities	\$58,350	\$61,268	\$64,331	\$67,547	\$70,925
Leasehold/Office Expenses	250	500	500	500	500
Facility Maintenance	\$3,500	\$10,200	\$10,710	\$11,246	\$11,808
Insurance GL/WC/Umb	500	1,350	1,445	1,546	1,654
Licensing Fees & Permits		\$0	\$0	\$0	\$0
Marketing & Outreach	-	2,575	2,652	2,732	2,814
Community Contributions		\$0	\$77,017	\$102,728	\$128,991
Total Other Administrative Costs	\$95,054	\$130,993	\$171,826	\$229,033	\$274,348
EBITDA	(\$481,529)	\$3,115,735	\$4,151,908	\$5,421,822	\$7,684,010
Working Capital P&I	-	-	-	-	-
Depreciation	-	-	-	-	-
Net Surplus	-481,529	3,115,735	4,151,908	5,421,822	7,684,010

## 5. TEAM

### 5.1 General

ARL has put together an experience executive management team to implement the operations of the CMO. Its Board of Directors has decades of experience in running successful businesses in the Commonwealth.

## **5.2 Executive Team**

### **President**

*Kenneth Housman*

Mr. Housman is a lifetime Newton resident and Divisional President of Armatron International—a Massachusetts-based company owned and operated by the Housman family since its founding in 1920. Mr. Housman directs all business strategy, and oversees all company activity including sales, production, and budgeting.

### **Property Owner and Local Consultant**

*Ronald Simons*

Mr. Simons has been active in the real estate industry since 1964 as a development consultant and general contractor, who has contributed to numerous projects in Newton, MA. For the past thirty-two (32) years, Ronald has been president of Bodwell Pines Corporation, a construction management company and real estate brokerage. Throughout his career, Ronald has owned, developed and managed approximately two hundred fifty-four (254) properties including rental and homeowner housing units, nursing homes, retail space, and commercial office space. Mr. Simons recently acquired the property located at 1114 Beacon Street, Newton, MA which consists of a 6,100SF empty restaurant and 73 parking spaces on a 52,000SF lot. Mr. Simons has also completed Commonwealth Residences, a fifty-two (52) unit residential rental development, and in 2013 he completed Eleven West, a fifty (50) unit 6-story residential rental housing development with 8,257SF of commercial space.

### **CEO**

*Gerald McGraw*

Mr. McGraw has been the CEO of the Thomas C. Slater Center in Providence, R.I since its opening in 2011. The Slater Center is a nationally-acclaimed medical cannabis facility. It services 17,000 licensed medical patients with safe, consistent cannabis medicines and products. The Slater Center creates a safe and secure environment for its patients while maintaining positive relations with local residents and law enforcement.

### **CFO**

*Jon Levine*

Mr. Levine has over ten years' experience in the operation and financial oversight of cannabis dispensaries. He will be directly responsible for all financial operations, marijuana tax reporting and marijuana regulatory requirements for ARL. He is a proven executive with over 25 years management experience in finance, human resources, real estate development and healthcare management. Mr. Levine worked for over 17 years at Equity Industrial Partners Corp., a Massachusetts commercial real estate development company that has managed and sold over 50 million SF in the US.

### **COO**

*Timothy Shaw*

Mr. Shaw is the Chief Operating Officer of MariMed, bringing over 20 years of business leadership and operational excellence to the company, along with deep-rooted technical expertise in agriculture, cultivation, hydroponics, processing, facilities management and product development. He provides day-to-day leadership and management to the organization, while ensuring proper operational controls, reporting procedures, and people systems are in place to effectively grow the organization and to ensure financial strength and operating efficiency. His meticulous execution has led to extraordinary success in

operational and human capital, always producing top results and creating maximum value for company stakeholders.

**VP, Operations**

*Brian Staffa*

Mr. Staffa's experience contributes to a well-rounded, in-depth understanding of the similarities and differences between a myriad of state and country marijuana programs. He founded a marijuana consulting firm that has advised clients around the country in all aspects of marijuana licensing, facility design, buildout and operational management. Experience gained while leading marijuana conglomerate Palliatech through the build out and licensing phases of their vertically-integrated flagship facility in New Jersey served as a catalyst, allowing Mr. Staffa to map and streamline process operations from blueprint to sale leading up to and throughout Palliatech's first year of production. He designed systems to drive down the cost of pharmaceutical grade medical marijuana production to what remains one of the lowest costs in New Jersey to date.



# Personnel Policies

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## **Personnel Policies Including Background Checks**

### *Introduction*

ARL Healthcare Inc. (“ARL”) will maintain personnel records as a separate category of records due to the sensitivity and importance of information concerning any marijuana establishment agent (“Agent”), including registration status and background check records. At a minimum, ARL will maintain the following personnel records:

1. Job descriptions for each employee and internship as well as organizational charts consistent with the job descriptions.
2. Personnel records for each Agent in accordance to commission regulations.
3. A staffing plan that will demonstrate accessible business hours and safe conditions for all positions at ARL’s facilities in Middleboro (retail) and New Bedford (cultivation and manufacturing).
4. Personnel policies and procedures and all background check reports obtained in will be in accordance with 935 CMR 500.030.

### *Marijuana Establishment Agent Personnel Records*

Personnel records for each Agent as defined in 935 CMR 500.002 will be maintained for at least twelve (12) months after termination or other separation of the Agent from ARL and will include at a minimum, the following:

5. All materials submitted to the Commission pursuant to 935 CMR 500.030(2).
6. Documentation of verification of references.
7. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision of the Agent.
8. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters.
9. Periodic performance evaluations and or any notice of disciplinary action against the Agent.
10. Notice of completed responsible vendor and eight-hour related duty training.
11. Results of initial background investigation, including CORI reports and documentation of all security related events (including violations) and the results of any investigations and description of remedial actions, restrictions, additional training required as a result of an incident. These personnel records will be kept in a secure location and accessible only by ARL’s Director of Security and executive management team.

### ***Marijuana Establishment Agent Background Checks***

In addition to completing the Agent registration process required by the Commission, all Agents hired to work for ARL will undergo a detailed background investigation prior to being granted access to any of ARL's facilities or beginning work duties. Background checks will be conducted on all Agents in their capacity as employees pursuant to 935 CMR 500.100 and will be used by the Director of Security, who will be registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration and the Commission for purposes of determining the suitability of individuals for registration as a marijuana establishment agent with the licensee.

For purposes of determining suitability based on background checks performed in accordance with 935 CMR 500.101(1), ARL will consider:

1. All conditions, offenses, and violations are construed to include Massachusetts law or like or similar law(s) of another state, the United States or foreign jurisdiction, a military, territorial or Native American tribal authority, or any other jurisdiction.
2. All criminal disqualifying conditions, offenses, and violations include the crimes of attempt, accessory, conspiracy, and solicitation. Juvenile dispositions will not be considered as a factor for determining suitability.
3. Where applicable, all look-back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802, shall commence upon the date of disposition; provided, however, that if such disposition resulted in incarceration in any institution, the look-back period will commence upon the date of release from incarceration. ARL will make employment suitability determinations in accordance with the procedures set forth in 935 CMR 500.800.
4. In addition to the requirements established in 935 CMR 500.800, ARL will:
  - a. Comply with all guidance provided by the Commission and 935 CMR 500.802: Tables B through D to determine if the results of the background reviews are grounds for Mandatory Disqualification or Presumptive Negative Suitability Determination;
  - b. Consider whether offense(s) or information that would result in a Presumptive Negative Suitability Determination under 935 CMR 500.802. In the event a Presumptive Negative Suitability Determination is made, will consider the following factors:
    - i. Time since the offense or incident.
    - ii. Age of the subject at the time of the offense or incident.
    - iii. Nature and specific circumstances of the offense or incident.
    - iv. Sentence imposed and length, if any, of incarceration, if criminal.
    - v. Penalty or discipline imposed, including damages awarded, if civil or administrative.
    - vi. Relationship of offense or incident to nature of work to be performed.
    - vii. Number of offenses or incidents.
    - viii. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered.

- ix. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including but not limited to, professional or educational certifications obtained; and
- x. Any other relevant information, including information submitted by the subject.

Consider appeals of determinations of unsuitability based on claims of erroneous information received as part of the background check during the application process in accordance with 803 CMR 2.17: Requirement to Maintain a Secondary Dissemination Log and 2.18: Adverse Employment Decision Based on CORI or Other Types of Criminal History Information Received from a Source Other than the DCJIS. Upon an adverse determination for a particular applicant, ARL will provide the applicant a copy of his/her background screening report and a pre-adverse determination letter and provide the applicant with a copy of his/her right to dispute the contents of the report, whom to contact in order to do so, and the opportunity to provide a supplemental statement to ARL. After 10 business days, if the applicant does not dispute the contents of the report and no applicant-provided statement gives cause to alter the suitability determination, an adverse action letter will be issued providing the applicant with information on the final determination made by ARL along with any legal notices required. All suitability determinations will be documented in compliance with all requirements set forth in 935 CMR 500 *et seq.* and applicable guidance provided by the Commission.

All ARL background screenings will be conducted by an investigative firm holding the National Association of Professional Background Screeners (NAPBS®) Background Screening Credentialing Council (BSCC) accreditation and capable of performing the searches required by the Commission's regulations and any applicable guidance provided by the Commission. Any references provided by the applicant will be verified at the time of hire. As deemed necessary, individuals applying to be hired for key positions with unique and sensitive access (e.g., members of the executive management team and security staff) will undergo additional screening, which may include ARL's conducting of interviews with prior employers and/or colleagues. As a condition of continued employment or business relationship with ARL, Agents, contractors, and subcontractors are required to renew their Registration Cards (as that term is defined in 935 CMR 500.002) annually and submit to other background screening as may be required by ARL or the Commission.

### ***Staffing Plan and Business Hours***

#### ***Hiring and Recruitment***

ARL's Human Resources Manager will work with the executive management team on a regular basis to determine if vacancies are anticipated at ARL's facilities in Middleboro and New Bedford and determine whether specific positions need to be created in response to company needs. ARL's hiring practices will include but are not limited to the following and apply to all types of workforce determinations including hiring, firing, promotions, harassment or discrimination complaints, training, wages and benefits:

1. Equal Employment Opportunity Commission (EEOC) Compliance.
2. ARL's Diversity Plan.
3. ARL's Positive Impact Plan.
4. Background checks and references.
5. Mandatory reporting of criminal convictions (and termination if necessary).
6. The Federal Family and Medical Leave Act and analogous state law.
7. State and Federal Workplace Safety Laws;
8. State and Federal Minimum Wage Requirements.
9. Non-Disclosure and Non-Compete Agreements.

### *Standards of Employee Conduct*

ARL's mission is to provide a professional workplace free from harassment and discrimination for all employees. ARL has a zero-tolerance policy against harassment or discrimination based on sex, race, color, national origin, age, religion, disability, sexual orientation, gender identity, gender expression, or any other trait or characteristic protected by any applicable federal, state, or local law or ordinance. Harassment or discrimination on the basis of any protected trait or characteristic contravenes ARL's employee policies. A broad range of behavior could constitute harassment and/or discrimination. In general, harassment is any verbal or physical conduct that:

1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment.
2. Has the purpose or effect of unreasonably interfering with an individual's work performance.
3. Adversely and unjustifiably affects an individual's employment opportunities.

ARL Employees are expected to maintain the highest degree of professional behavior. Any harassment or discrimination by ARL employees is strictly prohibited. Furthermore, harassing or discriminatory behavior of non-employees (including customers, vendors or other visitors to ARL's facilities) directed at ARL employees or ARL customers also will also be condemned and promptly addressed.

### *Violence and Weapons in the Workplace*

Any and all acts of violence in the workplace will result in immediate removal of the employee, customer, or offending parties from ARL's premises. Any ARL employee engaging in acts of violence in the workplace will be terminated. Local police (either Middleboro P.D. or New Bedford P.D., depending on the location of the incident) and other law enforcement authorities, as applicable, will be contacted immediately in the case of a violent event. Weapons are not permitted at any of ARL's facilities by employees, customers, or any other persons. Agents (including employees) found carrying weapons at any ARL facility will be immediately terminated. Vendors or other visitors to the facility found carrying weapons on the premises will be asked to leave and/or the local police department will be notified accordingly.

### *At-Will Employment*

In the state of Massachusetts, employment is assumed to be at-will unless otherwise stated. At will employment implies that employer and employee alike may terminate the work relationship at any given moment and for any legitimate purpose. Wrongful termination may be more difficult to prove in an at-will arrangement because of the freedom that each party has to end the employment. However, there are still many instances wherein a termination or discharge can be called wrongful, even in an at-will employment.

### *Workplace Attire*

The required attire for registered marijuana agents at ARL varies based upon the facility at which the employee works (Middleboro v. New Bedford) and the employee's job functions. New hire training will define appropriate attire for each role and the Human Resources Manager will be responsible for ensuring employee compliance.

## ***Overview of Personnel Policies and Procedures***

### *Standard Employment Practices*

ARL values and thrives off of the contributions of its management and staff positions. ARL intends to be a market leader in workplace satisfaction by offering competitive wage and benefits packages and by nurturing a corporate culture that values meaningful work-life balance, complete transparency and accountability and service to the community. Please see ARL's Diversity Plan and Positive Impact Plan for greater detail on ARL's plans to serve the communities of Middleboro and New Bedford.

### *Employee Advancement Practices*

ARL's facilities in Middleboro and New Bedford will be structured in a relatively flat manner, with promotional opportunities available within each department. Participation in training and bi-annual performance evaluations will be a prerequisite for any promotions or pay increases. ARL pledges to be an equal opportunity employer and advancer of its employees.

ARL's written employment policies will address the Family and Medical Leave Act ("FMLA"), the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), equal employment opportunity, discrimination, harassment, the Employee Retirement Income Security Act ("ERISA"), disabilities, maintenance of personnel files, privacy, email policy, 935 CMR 500.000 et. seq., holidays, hours, sick time, personal time, overtime, performance reviews, disciplinary procedures, working hours, pay rates, overtime, bonuses, veteran preferences, drug testing, personnel policies, military leaves of absence, bereavement leave, jury duty, CORI checks, smoking, Health Insurance Portability and Accountability Act ("HIPAA"), patient confidentiality, and compliance hotline.

### *Compliance Investigations*

ARL will develop policies and procedures to investigate any complaints or concerns identified or raised internally or externally in order to remain compliant with 935 CMR 500.000 et. seq.

### *Designated Outside Counsel*

ARL may retain counsel specializing in employment law to assist the Human Resources Manager with any issues and questions.

### *Job Status*

#### *Job Classifications*

Positions at ARL are categorized by rank and by department. ARL's executive management team will oversee the overall success of achieving the company's mission. ARL's CEO is responsible for implementation of the mission and the larger executive management team is responsible for ensuring that all departments are properly executing their functions and responsibilities. Job classification is comprised of three rank tiers: 1) executive management; 2) managers/supervisors; and 3) non-manager employee staff.

#### *Work Schedules*

Work schedules will be part-time, full-time, or salaried, depending of the specific position. Schedules will be set according to the needs of each department as determined by the applicable department manager in consultation with the executive management team. It is the department management's duty and responsibility to develop a work schedule that provides necessary duty and personnel coverage but does not exceed what is required for normal operations of the facility. Department managers will also ensure that adequate coverage occurs on a daily basis and does not lead to unnecessary utilization of overtime coverage.

#### *Mandatory Meetings*

ARL will convene a mandatory, reoccurring, company-wide meeting on a quarterly basis. This meeting may be held at either the Middleboro facility, New Bedford facility, or any other convenient location. All full-time employees will be notified of their required attendance.

#### *Breaks*

Daily breaks, including lunch breaks, will comply with the laws of the Commonwealth of Massachusetts.

#### *Performance Reviews*

Performance reviews will be conducted by the ARL executive management team or department managers. Reviews will be conducted at three-month intervals for new employees during the first year of employment and at 6-month intervals thereafter. A written review will be provided to, and signed by, the employee under review. All review documentation will be saved in employee personnel files and treated as a personnel record in accordance with ARL's records

maintenance policies. Performance reviews must take into account positive performance factors and areas requiring improvement.

### *Leave Policies*

ARL's leave policies will comply with all applicable state and federal laws. All full-time employees will receive two 40-hour weeks of paid vacation per year. Additional leave must be requested in writing at least 2 weeks in advance and must be approved by the department management or executive management team in consultation with the Human Resources Manager. ARL will offer paid maternity leave. Additional leave will not be paid and must be approved by the department manager. ARL's executive management team will determine which holidays will be observed and which departments will not be required to work on those. The holidays currently recognized and observed by ARL are:

1. New Years
2. Martin Luther King Day
3. Presidents Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Thanksgiving
8. Christmas

### *Disciplinary Policies*

#### *Purpose*

ARL's disciplinary policies and procedures are designed to provide a structured and uniform corrective action process to improve and prevent a recurrence of undesirable employee behavior and/or job performance issues. The steps outlined below have been designed for consistency with ARL's organizational values, industry best practices, and applicable employment laws. ARL reserves the right to combine or skip steps depending upon facts of each situation and the nature of the offense. Each offense will be reviewed and remediated on a case-by-case basis. The level of disciplinary intervention may also vary. The procedure outlined below is intended to provide guidance to the Human Resources Manager and executive management team and not bind them in any given disciplinary scenario. Some of the factors that will be considered depend upon: 1) whether the offense is repeated despite coaching, counseling, and/or training; 2) the employee's work record; and 3) the overall impact of the conduct and performance issues on ARL as a company.

#### *Procedure*

##### *Step 1: Informal Counseling and Verbal Warning*

Step 1 creates an opportunity for the immediate supervisor/manager to schedule a meeting with an employee to bring attention to an existing performance, conduct, or attendance issue. The supervisor/manager should discuss with the employee the nature of the problem or violation of

company policies and procedures. The supervisor/manager shall clearly outline expectations and steps the employee must take to improve performance or resolve the problem. Within five business days, the supervisor/manager will prepare written documentation of the preliminary meeting. The employee will be asked to sign the written documentation to demonstrate: 1) that the meeting took place; and 2) that the employee understands the issue and, if applicable, any corrective action that is needed.

### *Step 2: Written Warning*

A written warning involves a more formal documentation of the performance, conduct, or attendance issue and potential consequences.

At Step 2, the employee's immediate supervisor and a department manager or an executive team member will meet with the employee and review any additional incidents or information about the performance, conduct, or attendance issues as well as any prior relevant corrective action plans implemented at Step 1. Management staff will then outline the consequences for the employee of his or her continued failure to meet performance and/or conduct expectations. A formal performance improvement plan ("PIP") formally implementing corrective action(s) will be issued within five business days of a Step 2 meeting. Management staff may also include in the PIP a written warning explaining that the employee may be subject to additional discipline up to and including termination if immediate and sustained corrective action is not taken.

### *Step 3: Suspension and Final Written Warning*

There may be egregious performance, conduct, or safety incidents requiring the temporary removal of the employee from the workplace while the offending conduct is being investigated or remediated. When immediate action is necessary to ensure the safety of the employee or others, the employee's immediate supervisor may suspend the employee pending the results of an investigation. Suspensions that are recommended as part of the normal progression of this progressive discipline policy and procedure are subject to approval from the executive management team and the Human Resources Manager.

Depending upon the seriousness of the infraction, the employee may be suspended without pay in full-day increments consistent with federal, state and local wage-and-hour employment laws. Nonexempt/hourly employees may not substitute or use an accrued paid vacation or sick day in lieu of the unpaid suspension. Due to Fair Labor Standards Act ("FLSA") compliance issues, unpaid suspension of salaried/exempt employees is reserved for serious workplace safety or conduct issues. The Human Resources Manager will provide guidance so that the discipline is administered without jeopardizing ARL's FLSA exemption status. Pay may be restored, and back pay provided, to the employee if an investigation of the incident or infraction absolves the employee of wrongdoing.

### *Step 4: Recommendation for Termination of Employment*

The final and most serious step in ARL's progressive discipline procedure is a recommendation to terminate employment. ARL will endeavor to utilize and implement the progressive nature of this discipline policy by first providing warnings, a final written warning, and/or suspension

from the workplace before instituting termination proceedings. However, ARL reserves the right to combine and skip steps depending upon the circumstances and severity of each situation and the nature of the offense. For the avoidance of doubt, ARL reserves the right to terminate employees without prior notice or disciplinary action. All management recommendations to terminate an employee must be approved by the Human Resources Manager and the employee's department manager or direct supervisor. Notwithstanding the foregoing, nothing in this policy provides any contractual rights regarding employee discipline or counseling nor should anything in this policy be read or construed as modifying or altering the employment-at-will relationship between ARL and its employees.

### *Appeal Process*

ARL employees will have the opportunity to present information that may challenge information ARL management has relied upon in issuing disciplinary action. The purpose of this process is to permit the employee to counter allegations or provide additional detail into extenuating circumstances that may have contributed to the employee's performance and/or conduct issues while allowing for an equitable solution. If an employee does not present information (either orally or in written form) during any of the above-described meetings, the employee will have five business days after that meeting to present information.

### *Performance and Conduct Issues Not Subject to Progressive Discipline*

Behavior that is illegal is not subject to progressive discipline and may be reported to the Police Department or other law enforcement authorities. Theft, intoxication at work, fighting and other acts of violence are also not subject to progressive discipline and are grounds for immediate termination.

### *Documentation*

The employee will be provided copies of all progressive discipline documentation, including all PIPs. The employee will be required to sign copies of this documentation attesting to his/her receipt and understanding of the allegations and corrective action, if any, outlined in therein documents. All such documents will be placed in employee's personnel file and maintained in accordance with the recordkeeping requirements of the Commission.

### *Separation of Employment*

Separation of employment from ARL can occur for several different reasons. Employment may end as a result of resignation, retirement, release (end of season or assignment), reduction in workforce, or termination. When an employee separates from ARL, his or her manager must contact the Human Resources Manager to schedule an exit interview. Exit interviews generally take place on the employees last day of work.

### *Types of Separation*

1. **Resignation:** Resignation is a voluntary act initiated by the employee to end employment with ARL. The employee must provide a minimum of two (2) weeks' notice prior to the employee's last day. If an employee does not provide advance notice or fails to actually work the remaining two weeks, the employee will be ineligible for rehire and will not receive accrued benefits.
2. **Retirement:** An ARL employee who wishes to retire is required to notify his or her department manager and the Human Resources Manager in writing at least one (1) month before planned his or her retirement date.
3. **Job Abandonment:** An employee who fails to report to work or contact his or her supervisor for two (2) consecutive workdays will be considered to have abandoned the job without notice effective at the end of the employee's normal shift on the second day. The department manager responsible for the employee will notify the Human Resources Manager at the expiration of the second workday and initiate the paperwork to terminate the employee. Employees who are separated due to job abandonment are ineligible to receive accrued benefits and are ineligible for rehire.
4. **Termination:** Employees of ARL are employed on an at-will basis, and the company retains the right to terminate an employee at any time.
5. **Reduction in Workforce:** An ARL employee may be laid off due to changes in duties, organizational changes, lack of funds, or lack of work. ARL employees who are laid off may not appeal the layoff decision through the appeal process.
6. **Release:** Release is the end of temporary or seasonal employment. The Human Resources Manager, in consultation with the department manager, will inform the temporary or seasonal worker of their release in accordance to the terms of the individual's temporary employment.

#### *Exit Interview*

The separating employee will contact the Human Resources Manager as soon as notice is given to schedule an exit interview. This will be scheduled on the last day of the separating employee's employment.

#### *Return of Property*

The separating employee must return all ARL property at the time of separation, including but not limited to uniforms, cell phones, keys, facility access cards, computers, and identification cards. Failure to return some items may result in deductions from final paycheck. At the time of hiring, all employees will be required to sign the Wage Deduction Authorization Agreement, which shall permit ARL to deduct the costs of any such items from the employee's final paycheck.

#### *Termination of Benefits*

An employee separating from ARL is eligible to receive benefits as long as he or she follows the appropriate procedures described stated above. Any accrued vacation and/or accrued sick leave will be paid in the last paycheck.

### *Health Insurance*

Health insurance terminates on the last day of the last month of employment, unless the employee requests immediate termination of benefits. ARL will provide information about COBRA continued health coverage. Employees will be required to pay their share of the dependent health and dental premiums through the end of the month.

### *Rehire*

Former ARL employees who left the company in good standing and were classified as eligible for rehire may be considered for reemployment in the future. An application must be submitted to the Human Resources Manager, and the applicant must meet all then-existing, minimum qualifications and requirements of the open position, including the satisfactory completion of any qualifying exam and current registration processes with the Commission, if applicable. Department managers must obtain approval from the Human Resources Manager or designee prior to rehiring a former employee. Rehired employees will be classified, for benefits purposes, as a new employee. For example, previous tenure will not be considered in calculating longevity, leave accruals, or any other benefits. An ARL applicant or employee who is terminated for violating company policy or who resigned in lieu of termination as a result of a company policy violation will be ineligible for rehire.

### *Compensation*

ARL believes that it is in the best interests of both the organization and its employees to fairly compensate its workforce for the value of the work provided. ARL therefore intends to use a compensation system that will determine the current market value of a position based on the skills, knowledge, and behaviors required of a fully-competent incumbent. The system used for determining compensation will be objective and non-discriminatory in theory, application and practice. ARL has determined that this can best be accomplished by using a professional compensation consultant, as needed, and a system recommended and approved by the executive management team.

### *Selection Criteria*

1. The compensation system will price employee positions to market by using local, national, and marijuana-industry specific survey data.
2. The market data will primarily include marijuana-related businesses and will include survey data for more specialized positions and will address significant market differences due to geographical location.

3. The system will evaluate external equity, which is the relative marketplace job worth of every marijuana-industry job directly comparable to similar jobs at ARL, factored for general economic variances, and adjusted to reflect the local economic marketplace.
4. The system will evaluate internal equity, which is the relative worth of each job in the organization when comparing the required level of job competencies, formal training and experience, responsibility and accountability of one job to another, and arranging all jobs in a formal job-grading structure.
5. Professional support and consultation will be available to evaluate the compensation system and provide on-going assistance in the administration of the program.
6. The compensation system will be flexible enough to ensure that the ARL is able to recruit and retain a highly-qualified workforce, while providing the structure necessary to effectively manage the company's overall compensation program.

### *Responsibilities*

The executive management team will possess final approval authority over ARL's compensation system, and, on an annual basis will:

1. Review and approve, as appropriate, recommended changes to position-range movement as determined through the vendor's market analysis process.
2. Review and approve, as appropriate, funds to be allocated for total compensation, which would include base salaries, bonus, variable-based or incentive-based pay, and all other related expenses, including benefit plans.

### *Management Responsibility*

The CEO is charged with ensuring that ARL is staffed with highly-qualified, fully-competent employees and that all company programs are administered within appropriate guidelines and within the approved salary budget. The salary budget will include a gross figure for the following budget adjustments, but the individual determinations for each employee's salary adjustment will be the exclusive domain of the CEO: determining the appropriate head count, titles, position levels, merit and promotional increases and compensation consisting of salary, incentive, bonus, and other discretionary pay for all positions. Finally, the CEO will ensure that salary ranges are updated at least annually, that all individual jobs are market priced at least once every two years, and that pay equity adjustments are administered in a fair and equitable manner.

# Employee Qualifications and Training

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ARL Healthcare Inc. (“ARL”) shall ensure that all marijuana establishment agents undergo and maintain comprehensive training prior to performing job functions, and at regular intervals. Training shall be tailored to the roles and responsibilities of the job function of each marijuana establishment agent, and at a minimum, shall include participation in a Commission-mandated Responsible Vendor Program pursuant to 935 CMR 500.105(2)(b). ARL will require that all marijuana agents and staff receive and participate in, a minimum of, eight hours of training annually.

## **Company Training Program**

ARL’s employee training policies shall include the following requirements:

1. All ARL owners, managers and employees that are involved in the handling, wholesaling or selling of marijuana for adult use at the time of licensure or renewal of licensure, as applicable, shall attend and successfully complete a responsible vendor training program.
2. All new ARL employees involved in the handling, wholesaling or selling of marijuana for adult use shall successfully complete a responsible vendor training program within 90 days of hiring.
3. After initial successful completion of a responsible vendor training program, each ARL owner, manager, and employee involved in the handling and wholesale of marijuana for adult use shall successfully complete the program once each year thereafter in order to maintain designation as a responsible vendor.
4. ARL administrative employees who do not handle, wholesale or sell marijuana may voluntarily participate in a responsible vendor training program.
5. ARL shall maintain records of responsible vendor training program compliance for four years and make such records available for inspection by the Commission and any other applicable licensing authority upon request during normal business hours.

## **Responsible Vendor Training Program**

ARL shall ensure that the core curriculum of the responsible vendor training program with which it contracts includes the following minimum requirements and meets any other requirements of a Commission approved curriculum. The responsible vendor training program is operated by a licensed, third-party vendor. See 935 CMR 500.002. “A Responsible Vendor Training Program is a program operated by an education provider accredited by the Commission to provide the annual minimum two hours of responsible vendor training to marijuana establishment agents :

1. Safety and security best practices, and rules and regulations pertaining to Cultivation and Product Manufacturing, including sanitary procedures;
2. Discussion concerning marijuana’s effect on the human body, with specific focus on:
  - a. Marijuana’s physical effects based on the type of marijuana product;

- b. Duration of physical effects;
  - c. The visible signs of impairment; and
  - d. Recognizing the signs of impairment.
3. Diversion prevention and prevention of sales to minors;
4. Compliance with all inventory tracking requirements;
5. Acceptable forms of identification, with specific focus on:
  - a. Verifying identification;
  - b. Spotting false identification;
  - c. Medical registration cards issued by the Department of Public Health;
  - d. Confiscating fraudulent identifications;
  - e. Common mistakes made in verification.
6. Other state laws and regulations affecting owners, managers, and employees, which shall include:
  - a. Local and state licensing and enforcement;
  - b. Incident and notification requirements;
  - c. Administrative and criminal liability;
  - d. License sanctions and court sanctions;
  - e. Waste disposal;
  - f. Health and safety standards;
  - g. Patrons prohibited from bringing marijuana onto licensed premises;
  - h. Permitted hours of sale;
  - i. Conduct of establishment;
  - j. Permitting inspections by state and local licensing and enforcement authorities;
  - k. Licensee responsibilities for activities occurring within licensed premises;
  - l. Maintenance of records;
  - m. Privacy issues; and
  - n. Prohibited purchases and practices.
7. Any other areas of training determined by the Commission to be included in a responsible vendor training program.

### **Personnel Plans**

At launch or shortly thereafter, the ARL plans to hire personnel to fill the following positions at its New Bedford cultivation and product manufacturing facility:

1. Head of Cultivation
2. Facility Manager
3. Human Resources Manager
4. Cultivation Aide(s)
5. Trimmer(s)
6. Security Manager
7. Security Guard(s)
8. Administrative assistants

# Maintaining Records Plan-Cultivation

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ARL Healthcare Inc. ("ARL") has developed a documentation and maintenance of records plans that strictly adheres to applicable state law and Commission regulations pertaining to the operation of adult-use Marijuana facilities, as well as complies with state and federal privacy laws. The documentation and maintenance of records plan will be overseen by the organization's Chief Operating Officer ("COO"), with daily oversight by the Director of Compliance. The documentation and maintenance of records program at ARL is focused on multi-platform record keeping that is secure, accessible to regulators, and comprehensive in scope. The program in all respects complies with 935 CMR 500.000.ss

Records related to the cultivation of Marijuana are essential to the standardization of production processes. ARL will maintain written operating policies of the facility as required by 935 CMR 500.501(1).

## Documentation and Maintenance of Records Plan

Record keeping is essential to maintaining proper regulatory controls for inventory oversight, as well ensuring full compliance for functions like finance, security, and audits. ARL's management plans, business records, cultivation records, equipment maintenance logs, operating procedures, security records, inventory reports, and audit records will be recorded, secured, and available for review and inspection by state regulators and law enforcement officials at any time. The guiding principles of the record keeping program are to discourage any potential unlawful activity as well as ensuring the organization's operating efficiency and compliance.

ARL will maintain clear records of maintenance of equipment that comes in contact with marijuana s in the facility. As part of the regular maintenance of operation of this equipment, ARL will routinely calibrate, check and inspect all automatic, mechanical or electronic equipment in its facility used for cultivation and processing of marijuana. Scales, balances, and other measurement devices used in the New Bedford facility's operations will be included maintenance program. Detailed records of maintenance of equipment, cleaning of equipment, and calibration will be recorded each day by ARL staff and included in Leaflogix These records will be maintained as part of the organization's recordkeeping protocol, and stored for a period of five years in hard copy and electronic format. The hard copy records will be maintained on-site and held in fire-resistant containers.

Records will also be kept on all processes related to the cultivation and processing of marijuana. The standard operating procedures for cultivation calls for monitoring systems for Marijuana plants, with data from the monitors to be continually reported in Leaflogix and in hard-copy format. Data on facility temperature, humidity, ventilation, water treatments, light cycles, and carbon dioxide levels will be recorded maintained as part of the organization's recordkeeping protocol, and stored for a period of five years in hard copy and electronic format. The hard copy records will be maintained on-site and held in fire-resistant containers.

In accordance with 935 CRM 500.105(8), inventory and transaction records are another significant component of ARL's maintenance of records plan. Once again, the ARL will utilize the industry-leading electronic inventory control system LeafLogix. ARL has a thorough protocol for entering all inventory into the LeafLogix system as Marijuana seeds, immature Marijuana plants, Marijuana plants, and Marijuana products and infused products are created or enter the facility, with immediate identification and tracking through unique 16-digit barcodes applied to every single product in inventory. A product record is maintained in the LeafLogix system which will include a description of the Marijuana product; product type (species); name; address; percentage of THC and CBD per independent lab testing results; amount of doses per package; the form and quantity of marijuana; expiration date; packaging date; proper storage information, if applicable; and price.

ARL's electronic inventory system will record the unbroken chain of custody of all Marijuana seeds, immature Marijuana plants, Marijuana plants, and Marijuana products throughout production and processing cycles, pursuant to 935 CMR 500.105(8)(e). In addition, protections are built into the system to ensure that no amount of Marijuana will be available for transport, recall, or disposal without being appropriately tracked in the electronic records system.

By utilizing LeafLogix, ARL will track exact records of all seeds, plants, and Marijuana products in its facility in real time. Inventory reports can be run at any time by the organization's execution management team or other employees with inventory management responsibilities. The inventory reports will be reconciled with regular counts of all seeds, plants, and marijuana products contained in the facility, regularly monthly inventory reviews, and a comprehensive annual inventory of all items contained in the facility. All inventory reports will be documented and maintained for a period of five years. Inventory reports will be maintained electronically on the ARL's internal file servers, with hard copies retained in fire-resistant storage containers on site. Inventory reports and records will be made available to the Commission at any time.

Along with cultivation, equipment maintenance, and inventory records, ARL will institute a record keeping program for other organizational records, including the following:

#### Security Records

ARL will document and retain records pertaining to security at the facility. Security record keeping will be overseen by the Director of Security , GM and the COO. Security records will include hard copies of visitor logs to the facility, reports on any reportable incidents (disruptions, diversion, theft, code of conduct violation, emergencies, etc.). All security records will be maintained in hard copy form and retained by the organization in fire-resistant containers for a period of five years. Reports will be scanned and preserved electronically on the organization's file server as well. All security records will be made available to the Commission and law enforcement agencies upon request.

All surveillance video recordings and images will be retained for a 90-day period and stored on file servers in a secure room within the facility. The video recordings will have the capability to immediately produce a clear, color, still photo in accordance with 935 CMR 500.110(5) and will include an embedded date and time stamp. At the conclusion of the 90-day period, all recordings will be archived in an electronic format and securely stored at an off-site records storage facility. The archived recording will be stored in waterproof and fireproof storage containers at the storage facility.

ARL will promptly respond to any request for video surveillance recordings from the Commission or law enforcement upon request. Requested content will be provided electronically (thumb drive, disk) and sent via email or standard mail per the preference of the requesting agency. ARL will also make the recordings available to the Commission on law enforcement on site. The Director of Security will confirm each request, document the request in the ARL's records, and provide the requested content immediately.

#### Closure

In the event ARL's facility closes, all records will be kept for at least two (2) years at the expense of ARL in both electronic and hard copy and at a location acceptable to the commission. ARL will communicate with the Commission during the closure process and accommodate any additional request that the commission or other commonwealth agencies may have.

## Personnel Records

ARL will maintain extensive records for all employees of its facilities in accordance with 935 CMR 500.030 and 935 CMR 500.030(2). The personnel records will include the following information:

1. Name, address, and contact information for each employee.
2. Photocopy of employee's identification badge.
3. Written notice from the Commission indicating passage of state and federal criminal background checks.
4. Documentation of verification of references.
5. Annual affidavit signed by the employee stating that they have not been found guilty of a felony in MA or any other state.
6. Documentation of all employee trainings (security, safety, job-specific responsibilities, responsible vendor program) including the signature of the employee receiving the training and the supervisor responsible for all training.
7. Updated resume for each employee.
8. Job description for each employee and their respective position.
9. Records of disciplinary actions.
10. Attendance records.
11. Documentation of periodic performance evaluations.

Personnel records will be maintained for a period of five years after the employee is no longer employed at ARL. Hard copies will be maintained on site in fire resistant storage containers. Review of personnel records by the Commission and law enforcement agencies will be permitted in accordance with applicable state and federal employment law.

## Waste Disposal Records

when marijuana or marijuana products are disposed of ARL will create and maintain a written record of the date, the type and quantity disposed of or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two agents present during the disposal or handling, with their signatures in compliance with 935 CMR 500.105(12). ARL will keep disposal records for at least three (3) years. This period will automatically be extended for the duration of any enforcement action and may be extended by an order of the Commission.

## Reportable Incidents

ARL will maintain records of any reportable incidents at the facility, and make such records available to the Commission and law enforcement agencies in accordance with state laws and regulations. Reportable incidents include any instance of diversion, loss, or theft of medical marijuana, as well as any disciplinary action taken by the organization. The incident reports will include the following:

1. ARL's name and contact information.
2. Description of the incident including its cause, and identification of injuries if applicable.
3. Names of employees or other persons involved in the incident if applicable.
4. The date and time of the incident.
5. The action taken in direct response to the incident.
6. The identity of any law enforcement or emergency personnel contacted or allowed to enter the premises as a result of the incident.
7. The signature of the person reporting the incident.

All reportable incident records will be retained in hard copies on site for a period of five years and contained in fire-resistant containers. The reports will be scanned and preserved electronically on the organization's file server as well with regular back-up.

## Transportation & Visitors

ARL will be involved in transportation of marijuana and marijuana products as dictated by the normal course of business. The transportation will be limited to delivery of Marijuana products to its aligned dispensary locations, or delivery of small samples of Marijuana to an independent laboratory for testing and analysis.

ARL will only transport marijuana or marijuana products and used licensed marijuana transporters in the Commonwealth. The organization will also record all visitors to the facility. Records for all transportation and visitors will be documented by the organization and retained for inspection and review by state regulators. The records will be preserved in hard copy on site for a period of five years, stored in a fire-resistant container. The reports will also be scanned and saved electronically on the organization's files server with regular back-up. The offsite transportation and visitor records will include: 1) dates and times that all employees are either in the registered premises or offsite transporting Marijuana products; 2) Transports manifests to and from the ARL facility; 3) access to the ARL premises by other authorized persons, including the name, signature, date, times, state purpose, and the name of the employee providing escort.

#### Testing and handling

ARL will maintain all testing results for a minimum of one (1) year.

#### Management Plans, Business Records, Operating Procedures

ARL has developed a litany of documents that are specific to the management and operation of the organization. These plans are confidential in nature, given the intellectual property contained within. As an effective organization, ARL is committed to storing, updating and maintaining these materials, which include: business plans, operating manuals, staffing plans, departmental operating procedures, employee handbooks/manuals, management plans, cultivation and processing procedures, and human resources plans. All of these materials will be maintained in hard copy at the ARL facilities and kept in a secure location on each premise. Electronic copies of all management plans and operating procedures will be maintained by the CEO with suitable backup maintained on the organization's secure file server. Access to these documents will be restricted to only those with appropriate clearance for review. ARL will provide copies of all management plans and operating procedures for review by the Commission upon request.

Maintenance of business and financial records of ARL are an essential component of the regulatory compliance. State regulators will have regular and immediate access to all pertinent business and financial records upon request. These records include:

1. Computerized reports of assets and liabilities.
2. Monetary transactions.
3. Bank statements.
4. Journals.
5. Ledgers.
6. Checks.
7. Invoices.
8. Vouchers.

ARL works with a certified public accountant licensed in Massachusetts to verify the accuracy of all financial reports. ARL also employs an internal finance department with professionals who maintain the day-to-day books and records of the organization. All financial records will be maintained electronically on the in-house accounting system, which is integrated with the inventory control systems of the cultivation operations (LeafLogix). All financial records will be encrypted and secure, backed-up to the internal file servers with added backup to an additional storage system. Hard copies of all financial records will be maintained on-site for a period of five years and stored in fire-resistant storage containers on premise. All records will be available for inspection and review by state regulators and law enforcement upon request.

# Quality Control and Testing

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ARL Healthcare Inc. (“ARL”) is dedicated to producing the highest quality marijuana and marijuana products. That commitment requires ARL to maintain safe and sanitary working conditions, to hold its employees to the highest sanitation standards at ARL’s facilities in New Bedford and Middleboro, and to ensure that its products are properly tested for contaminants. Accordingly, ARL shall abide by the below requirements.

## Testing of Marijuana

- ARL shall engage an Independent Testing Laboratory to test its marijuana and marijuana products in compliance with the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products*, as amended in November, 2016, published by the Massachusetts Department of Public Health (“DPH”) and to test its environmental media (*e.g.*, soils, solid growing media, and water) in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the DPH.
- ARL will never market or sell marijuana or marijuana product that is not capable of being tested by Independent Testing Laboratories (except as allowed under 935 CMR 500.000).
- ARL will utilize an Independent Testing Laboratory to conduct testing for contaminants as required by the Commission, including for mold, mildew, heavy metals, plant-growth regulators, and pesticides not approved for use on marijuana by the Massachusetts Department of Agricultural Resources. Testing records shall be maintained for no less than one year.
- ARL shall provide written notification within seventy-two hours to the Commission of any testing results indicating that its marijuana or marijuana products’ contaminant levels are above the acceptable limits identified in 935 CMR 500.160(1), that contamination cannot be remediated, and must be disposed of shall also ensure that its Independent Testing Laboratory notify the Commission of the results. In its written notification to the Commission, shall offer a proposed plan to destroy the contaminated product and to identify and remediate the source of contamination.
- All transportation of marijuana and marijuana products to and from an Independent Testing Laboratory shall be secure and in compliance with 935 CMR 500.105(13).

- Following testing, all excess marijuana shall be disposed of in compliance with ARL's Disposal Policy and 935 CMR 500.105(12), either by the Independent Testing Laboratory returning the excess marijuana to ARL for disposal or by the Independent Testing Laboratory disposing of it directly.
- Consistent with 935 CMR 500.120(6), ARL shall provide documentation of compliance or lack thereof, as the case may be, with the testing requirements of 935 CMR 500.160 for all marijuana and marijuana products sold, or otherwise transferred, to other Marijuana Establishments.

### Handling of Marijuana & Sanitation

ARL shall handle and process marijuana and marijuana products in a safe and sanitary manner. ARL shall implement the following policies:

- ARL shall process the leaves and flowers of the female marijuana plant only. Such leaves and flowers shall be: (i) well cured and generally free of seeds, stems, dirt, sand, debris, mold, rot, other fungus, and bacterial diseases; (ii) prepared and handled on food-grade stainless steel tables; and (iii) packaged in a secure area.
- Any ARL agent whose job includes contact with marijuana or nonedible marijuana products shall comply with the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*; maintain adequate personal hygiene; and wash their hands thoroughly before starting work, and at any other time when hands may have become soiled or contaminated. ARL shall provide such agents with readily-accessible hand-washing and drying facilities in all areas where good sanitary practices require employees to wash and sanitize their hands.
- ARL shall implement the following policies and procedures to ensure that its facility is maintained in a sanitary conditions:
  - Provide adequate storage for equipment and materials necessary for the maintenance of sanitary operations;
  - Remove and dispose of litter and waste, in a manner consistent with 935 CMR 500.105(12), to prevent the development of odor and minimize the potential for the waste attracting and harboring pests;
  - Ensure that the facility is constructed in a manner that allows surfaces to be kept clean and in good repair;
  - Provide ample lighting in all areas where marijuana is processed and stored and where equipment or utensils are cleaned;

- Purchase equipment and utensils that are designed to allow adequate sanitization;
  - Maintain all contact surfaces in a clean and sanitary condition, cleaning them as frequently as necessary to protect against contamination. All cleaning of contact surfaces will be performed with a sanitizing agent registered by the US Environmental Protection Agency (“EPA”);
  - Clearly label any toxic item and store them in a manner that protects against contamination of marijuana products;
  - Maintain a safe, potable, and adequate water supply, with plumbing that is adequately designed and installed to carry sufficient quantities of water throughout the facility, and to convey sewage and liquid disposable waste from the facility;
  - Provide agents with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair; and
  - Store products that can facilitate the rapid growth of undesirable microorganisms in a manner that prevents such growth.
- ARL shall store and transport products under conditions that protect against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers. This includes ensuring that vehicles and transportation equipment provide adequate temperature control to prevent the marijuana products or edibles from becoming unsafe during transportation.
  - All edible products shall be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: *Minimum Sanitation Standards for Food Establishments*.

# Restricting Access to Age 21 and Older

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Access to ARL Healthcare Inc. (“ARL”) shall be strictly limited to individuals age 21 or older who possess a valid, non-expired, government-issued photo identification verifying their age. All ARL agents shall be age 21 or older, ARL and will require all visitors to present government-issued photo identification to verify their age. In the event that ARL discovers that any of its agents intentionally or negligently allowed a person under the age of 21 to enter its facility, the agent will be terminated and the Commission will be notified.

While ARL will not be marketing directly to consumers, ARL will take all possible measures to ensure that its products reach intended recipients, which will only be Commission-licensed retailers. Furthermore, ARL will develop processes and procedures to verify that the retailers it sells to are compliant with the customer identification requirements outlined in 935 CMR 500.000 *et seq.*

ARL’s advertising, marketing, and labeling practices will comply with 935 CMR 500.105, including the requirements designed to ensure that individuals under 21 years of age do not use marijuana or marijuana products. ARL’s website will require all online visitors to verify they are 21 years of age or older prior to accessing the website.

# Separating Medical and Adult-Use

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ARL Healthcare Inc. (“ARL”) will utilize a virtual separation of adult-use marijuana and marijuana products from marijuana and marijuana products produced for medical patients. ARL will accomplish this by the use of tags that will be attached to each clone, plant or finished packaged marijuana product that identify its use for adult or medical. Each tag will be entered in to LeafLogix Inventory control software.

ARL will periodically look at historic sales data to adequately forecast the needs of medical use patients at its Middleborough retail location to ensure a stable and adequate supply of medical-use marijuana will be available at all times.

Consistent with ARL’s Security Plan and Prevention of Diversion Plan for its New Bedford Cultivation and Manufacturing facility, no persons under the age of 21 will be permitted to access the facility.

In compliance with 935 CMR 500.140(10), and in connection with its retail establishment in Middleborough, ARL will ensure that registered patients have access to a sufficient quantity and variety of marijuana and marijuana products to meet their medical needs. For the first 6 months of operations, 35% of ARL’s marijuana product inventory will be marked for medical use and reserved for registered patients. Thereafter, a quantity and variety of marijuana products for patients that is sufficient to meet the demand indicated by an analysis of sales data collected during the preceding 6 months will be marked and reserved for registered patients.

All marijuana and marijuana products that are tracked in LeafLogix for medical use will comply with 935 CMR 501.105(3). At the point of final production, ARL’s marijuana and marijuana products recorded for medical use will comply with 935 CMR 501.105(5), and ARL’s marijuana and marijuana products recorded for adult use will comply with 935 CMR 500.105(5) and (6).

# Maintaining of Financial Records

ARL Healthcare Inc. (“ARL”) has operating policies and procedures and robust recordkeeping procedures to ensure that its financial records are accurate and maintained in compliance with the Commission’s regulations at 935 CMR 500 et. seq. ARL’s financial records maintenance plan includes policies and procedures requiring that:

A. Confidential information will be maintained in a secure location, kept separate from all other records, and will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided however, the Commission may access this information to carry out its official duties.

B. All recordkeeping requirements under 935 CMR 500.105(9) are followed, including the keeping written business records available for inspection, and in accordance with Generally Accepted Accounting Principles (“GAAP”), which will include manual or, if possible, electronic records of: 1) statements assets and liabilities; 2) monetary transactions; 3) books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers; 4) the quantity, form, and cost of marijuana products sold to other licensed marijuana establishments; and 5) salary and wages paid to each employee and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a marijuana establishment, including members, if any.

C. Additional written business records will be kept, including, but not limited to, records of: 1) compliance with liability insurance coverage or maintenance of escrow requirements under 935 CMR 500.105(10) and all bond or escrow requirements under 935 CMR 500.105(16); 2) fees paid under 935 CMR 500.005 or any other section of the Commission’s regulations; and 3) fines or penalties, if any, paid under 935 CMR 500.550 or any other section of the Commission’s regulations.

D. In accordance with 935 CMR 500.140(6)(c), only ARL managers and the ARL Accounting Department will have access to ARL’s sales data and data manipulation by any employee is expressly prohibited. Access control within our inventory and sales software Leaflogix will prevent any data manipulation. To protect against any such data manipulation ARL will conduct regular monthly physical audits between sales and inventory reports pursuant to 935 CMR 500.140(6)(d). If ARL determines that software has been installed for the purpose of manipulation or alteration of sales data, it will: 1) immediately notify the Commission; 2) cooperate with the Commission and, if applicable, local law enforcement in any subsequent investigation; and 3) take any other action requested by the Commission. ARL’s Accounting Department will also generate monthly reports which will separately account for marijuana and non-Marijuana sales pursuant to 935 CMR 500.140(6)(f). ARL’s Leaflogix system will permit retail staff to

separately log and account for all non-marijuana sales. Finally, in accordance with 935 CMR 140.(6)(h) ARL will create bi-annual sales reports and convene forecasting meetings with its cultivation, manufacturing, and retail managers to plan for future consumer demands and ensure adequate product supply for our medical and adult-use markets. All bi-annual sales reports shall be provided to the Commission.

# ARL Healthcare Diversity Plan

## I. Introduction

New Bedford is one of the most culturally-diverse cities in New England. New Bedford's rich diversity traces its roots back to the 17<sup>th</sup> century when the city became an attractive destination for immigrants, in particular Portuguese immigrants, because of its thriving whaling and fishing industries. This proud legacy of diversity has survived until today. In fact, in 2014, the Boston Business Journal ranked New Bedford as the 13<sup>th</sup> most diverse municipality in the Commonwealth based on 2010 census data.<sup>1</sup>

ARL Healthcare Inc. ("ARL") will welcome New Bedford's legacy of diversity into its cultivation and manufacturing facility located at 167 John Vertente Blvd, and also its retail facility located nearby in Middleboro (the "Facilities"). ARL is committed to hiring, retaining and promoting a workforce that reflects the diversity of the surrounding community. Underlying this commitment is the recognition that diversity in the workforce will be a critical aspect of the ARL's contributions to the City of New Bedford and Town of Middleboro. ARL will foster a diverse culture and pledges to promote equity among minorities, women, veterans, people with disabilities, and people identifying as LGBTQ+. In addition, ARL will make every effort to hire and advance in employment qualified and diverse people at all levels within the company.

## II. Diversity Goals

ARL will develop and maintain a diverse, aware and inclusive working environment through its: 1) diversity hiring initiative; 2) diversity training and advancement policies; and 3) Diversity Committee. Drawing primarily the region's diverse population, ARL plans to employ a workforce at its Facilities that is at least 50% comprised of diverse individuals and will devote significant institutional resources to ensuring that those diverse individuals have every chance at succeeding within the company. ARL will also implement a zero-tolerance policy against discrimination in the workplace and encourage its employees to report and speak out against any forms of discrimination or intolerance within the company.

## III. Diversity Programs

### a. Diversity Hiring Initiative

As part of its diverse candidate outreach and hiring practices, ARL will broadcast job openings to diverse individuals in New Bedford, Middleboro and the surrounding region and proactively seek out qualified, diverse candidates for employment. ARL will achieve this goal primarily through participation at community job fairs and leveraging the diverse networks of its community partners. Those community partners currently include Bristol Community College,

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<sup>1</sup><https://www.bizjournals.com/boston/news/2014/08/05/how-diverse-is-your-massachusetts-city-or-town.html>

the Greater New Bedford Career Center, Associated Career Network, LLC, CareerOneStop, and SouthCoast Job Fair (“Community Partners”). ARL’s regular participation at local job fairs and ARL’s regular communication with its Community Partners about open job postings and career opportunities will ensure that a broad base of diverse individuals is aware of and interested in job openings within the company.

b. Diversity Training and Advancement Policies

ARL is also committed to being an equitable opportunity employer in New Bedford and Middleboro. In order to ensure and maintain a diverse staff, ARL will offer promotions, career counseling, and training to provide all employees with opportunity for growth. ARL will provide this opportunity by communicating opportunities for promotion within the company and clearly defining job responsibilities. ARL will also provide all employees with opportunity for career counseling, counsel employees on advancement opportunities, and provide training programs (either internally, or in partnership with its Community Partners or other third-party job training vendors) to assist all employees in their career development.

In addition, peer mentoring will play an important role in advancing ARL’s diversity efforts. Peer mentors will be trained at ARL by the Human Resources Manager and Diversity Committee on issues of concern that are specific to individuals from diverse communities. Opportunities to match new diverse employees with seasoned diverse mentors will be an ongoing initiative at ARL in order to promote a positive and productive work environment.

Moreover, ARL will instill its commitment to diversity in all new employees from the date of hire. ARL will offer a robust diversity and anti-bias training program for all new employees. This program will require that all employees undergo diversity awareness and anti-bias training in accordance with industry best practices. ARL’s diversity and anti-bias training will underscore the company’s zero-tolerance commitment against discrimination and intolerance in the workplace. The executive management team and managers will also be encouraged to enroll in executive diversity and anti-bias trainings as identified by the Human Resources Manager. ARL will pay for or reimburse for the cost of these trainings.

c. Diversity Committee

Finally, ARL will establish the Diversity Committee to support Human Resources Manager and the ARL executive management team with the implementation, growth and regular review of this Diversity Plan. The Human Resources Manager will chair the Diversity Committee. Other members of the committee will be appointed by the executive management team and shall include representatives from all levels (i.e., executives, managers, and staff) of ARL’s corporate hierarchy. The Diversity Committee will be responsible for:

- A. Developing equitable employment opportunity statements and policy goals for inclusion within the ARL employee handbook;
- d. Reviewing and resolving any complaints of discrimination or intolerance within the workplace and, if appropriate, recommending remedial or disciplinary actions to the executive management team;

- e. Assisting the executive management team in arriving at effective solutions to problems regarding issues of diversity and inclusion in the workplace;
- f. In accordance with the process set forth in section IV below, assisting the Human Resources Manager in measuring ARL's progress towards achievement of its interim and long-term diversity hiring goals; and
- g. Developing diversity and anti-discrimination/bias training curricula and/or contracting with third-parties to provide diversity awareness and anti-discrimination/bias training to all ARL employees on a regular basis.

All employees will be encouraged to report any incidents of discrimination or intolerance to the Human Resources Manager or other member of the Diversity Committee. The Diversity Committee shall then investigate and report all bona fide complaints to the ARL executive management team, and provide recommendations for resolving the complaint and/or remedial/disciplinary actions. The executive management team is ultimately responsible for implementing any recommendations of the Diversity Committee and shall take any other action necessary or appropriate to effect the ARL's zero-tolerance commitment against discrimination and intolerance in the workplace.

#### IV. Diversity Measurement

Under the leadership of the Diversity Committee, ARL will regularly analyze the effectiveness of its diversity hiring initiative and diversity training and advancement policies. As part of that regular analysis, ARL's Human Resources Manager will annually audit all job applications received by the company to ensure that the company is attracting interest from the diverse populations of New Bedford, Middleboro, and the surrounding region. The Human Resources Manager will also audit all new hiring decisions to ensure that the ARL's commitment to a diverse and inclusive work environment is reflected in its hiring decisions. The Human Resources Manager will report the results of these annual audits to the ARL executive management team in the form of an Annual Diversity Audit Report. The executive team will annually review the results of the report and determine whether the company's diversity policies have yielded a staff that reflects the diverse communities of New Bedford and Middleboro and demonstrates progress toward or satisfaction of ARL's interim and long-term diversity hiring goals. The Diversity Committee shall be responsible for updating the company's diversity hiring policies and diversity training and advancement policies as necessary to ensure that the policies yield a diverse workforce that reflects the diversity in the region.

ARL pledges to participate in at least 3 community job fairs per year (at least one of which will be in Middleboro or Taunton, and the others in New Bedford) and will also encourage its diverse employees to publicize job openings to other qualified diverse candidates within their communities. ARL will log and track communications with any diverse candidates occurring at these job fairs and also record any subsequent follow-up communications.

ARL's long-term hiring goal is a minimum of 50% diverse (i.e., minorities, women, veterans, people with disabilities, and LGBTQ+ individuals) individual employment across the entire company by year 3 of operations in New Bedford and Middleboro. ARL's Human Resources Manager will oversee progress toward this long term hiring goal by obtaining, at least annually, employee biographical data through self-identifying surveys. This will permit the Human

Resources Manager to measure ARL's progress toward its diversity hiring goals. ARL also intends to meet the following intermediate goals in the first two years of operation in New Bedford and Middleboro:

**Commencement of Operations:** minimum 20% diverse individual employment.

**End of Year 1:** minimum 30% diverse individual employment.

**End of Year 2:** minimum 40% diverse individual employment.

The Human Resources Manager will include in the Annual Audit Report a narrative describing ARL's progress towards these interim and long-term hiring goals. These short-term metrics and oversight by the Human Resources Manager will ensure that ARL is regularly evaluating progress toward its diversity hiring goals and employing corrective actions if interim targets are not met.

V. Diversity Plan Acknowledgments

ARL pledges to adhere to the requirements set forth in 935 CMR 500.105(4)(a) which provides the permitted advertising, branding, marketing and sponsorship practices for all Marijuana Establishments. ARL likewise pledges not to employ any of the prohibited practices articulated in 935 CMR 500.105(4)(b). Finally, none of the actions taken or programs instituted by ARL will violate the Commission's regulations with respect to limitations on ownership or control or any other applicable state laws.