



Massachusetts Cannabis Control Commission

Marijuana Retailer

General Information:

License Number: MR281274
Original Issued Date: 10/25/2018
Issued Date: 09/10/2020
Expiration Date: 10/25/2021

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Caroline's Cannabis, LLC

Phone Number: 774-243-0323 Email Address: caroline@carolinescannabis.com

Business Address 1: 640 Douglas Street

Business Address 2:

Business City: Uxbridge

Business State: MA

Business Zip Code: 01569

Mailing Address 1: P.O. Box 175

Mailing Address 2:

Mailing City: Douglas

Mailing State: MA

Mailing Zip Code: 01516

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Woman-Owned Business

PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

To your knowledge, is the existing RMD certificate of registration in good standing?:

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 100

Percentage Of Control: 100

Role: Owner / Partner

Other Role:

First Name: Caroline

Last Name: Frankel

Suffix: Mrs.

Gender: Female

User Defined Gender:

Date generated: 12/03/2020

Page: 1 of 8

What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Caroline Last Name: Frankel Suffix: Mrs.

Types of Capital: Monetary/Equity, Debt Other Type of Capital: Total Value of the Capital Provided: \$135000 Percentage of Initial Capital: 100

Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

First Name: Caroline Last Name: Frankel Suffix:

Marijuana Establishment Name: Caroline's Bud Delivery, LLC. Business Type: Other

Marijuana Establishment City: Uxbridge Marijuana Establishment State: MA

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 640 Douglas Street

Establishment Address 2:

Establishment City: Uxbridge Establishment Zip Code: 01569

Approximate square footage of the establishment: 400 How many abutters does this property have?: 9

Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?: Yes

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	Caroline's Cannabis-Host Community Agreement Certification.pdf	pdf	5b060d6c0d20bf11ae6d94d3	05/23/2018
Community Outreach Meeting Documentation	Caroline's Cannabis-Community outreach mtg. documents.pdf	pdf	5b0a00a8ad75cc3d99a99d17	05/26/2018
Plan to Remain Compliant with Local Zoning	Caroline's Cannabis-plan to remain compliant with local zoning.pdf	pdf	5b0f51f5ddfb91046e6112eb	05/30/2018

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.: \$450132.02

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Caroline's Cannabis-Plan to positively impact areas of disproportionate impact.pdf	pdf	5b0e0f08ddfb91046e6111f0	05/29/2018
Plan for Positive Impact	Caroline's Cannabis-Amended Postive Impact Plan .pdf	pdf	5b7b0b6d89bc002d9918a719	08/20/2018
Plan for Positive Impact	Caroline's Cannabis-9.12.18 Amended Postive Impact Plan .pdf	pdf	5b997a043f9f81395f1372ce	09/12/2018

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role:	Other Role:
First Name: Caroline	Last Name: Frankel Suffix:
RMD Association: Not associated with an RMD	
Background Question: no	

ENTITY BACKGROUND CHECK INFORMATION

No records found

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Secretary of Commonwealth - Certificate of Good Standing	Caroline's Cannabis-Letter of Good Standing.pdf	pdf	5b0cad451f5e4d0443cb6b63	05/28/2018
Department of Revenue - Certificate of Good standing	Caroline's Cannabis-Certificate of Good Standing from DOR.pdf	pdf	5b0caeccf5ed5811d6e455bc	05/28/2018
Articles of Organization	Caroline's Cannabis Articles of Organization.pdf	pdf	5b0cb13752bc563da3bfe7c1	05/28/2018
Bylaws	Operating Agreement of Caroline's Cannabis, LLC..pdf	pdf	5b0cb2319bcf5a047e35205e	05/28/2018
Articles of Organization	Caroline's Cannabis-Articles of Org..pdf	pdf	5b7b13b40d95792d85f42847	08/20/2018

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	Caroline's Cannabis Certificate of Good Standing MA DOR-.pdf	pdf	5d4cca5c6e3bd533dbcf9b8	08/08/2019
Secretary of Commonwealth - Certificate of Good Standing	Caroline's Cannabis-Certificate of Good Standing Secretary of the Commonwealth.pdf	pdf	5d4ccb5c385de033fc95ea61	08/08/2019
Department of Unemployment	Caroline's Cannabis-Cert of Good Standing	pdf	5d4cccc9b0555e33d0bcf4ef	08/08/2019

Assistance - Certificate of Good standing	MA Dept. of Unemployment Assistance.pdf				
Secretary of Commonwealth - Certificate of Good Standing	Caroline's Cannabis-2020 Certf.of Good Standing Secretary of the Commonwealth.pdf	pdf	5f302e75193ee2646b47a52b	08/09/2020	
Department of Revenue - Certificate of Good standing	Caroline's Cannabis-2020 Certf. of Good Standing DOR.pdf	pdf	5f303085ead5bc6434e3acb2	08/09/2020	
Department of Unemployment Assistance - Certificate of Good standing	Caroline's Cannabis-Department of Unemployment Assistance 2020.pdf	pdf	5f3e9f13971c7c07c0435563	08/20/2020	

Massachusetts Business Identification Number: 001284542

Doing-Business-As Name: Caroline's Cannabis, LLC

DBA Registration City: Uxbridge

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	Caroline's Cannnbis-Business Plan.pdf	pdf	5b037b0fa6b56e3d675720aa	05/21/2018
Proposed Timeline	Caroline's Cannabis-Proposed Timeline.pdf	pdf	5b037e5f5ba56c042922c2d7	05/21/2018
Plan for Liability Insurance	Caroline's Cannabis-plan for obtaining insurance.pdf	pdf	5b0cb4745ba56c042922c719	05/28/2018

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for obtaining marijuana or marijuana products	Caroline's Cannabis-plan for obtaining marijuana or marijuana products.pdf	pdf	5b0982d34acea511a83699c3	05/26/2018
Separating recreational from medical operations, if applicable	Caroline's Cannabis-separating rec. from medical operations-Non-applicable.pdf	pdf	5b098b755ba56c042922c6b4	05/26/2018
Restricting Access to age 21 and older	Caroline's Cannabis-Restricting Access to age 21 and older.pdf	pdf	5b098f210d20bf11ae6d9653	05/26/2018
Security plan	Caroline's Cannabis-Security Plan.pdf	pdf	5b099409b416c03d71120433	05/26/2018
Prevention of diversion	Caroline's Cannabis-Prevention of diversion.pdf	pdf	5b0997971fc0413d614feab8	05/26/2018
Storage of marijuana	Caroline's Cannabis-storage of marijuana.pdf	pdf	5b099a14b416c03d7112043b	05/26/2018
Transportation of marijuana	Caroline's Cannabis-Transportation of Marijuana.pdf	pdf	5b09a3f96bf0f811c2266c28	05/26/2018
Inventory procedures	Caroline's Cannabis-Inventory procedures.pdf	pdf	5b09a642b2a9e2046441c6e4	05/26/2018
Quality control and testing	Caroline's Cannabis-Quality control & testing.pdf	pdf	5b09aafd5ba56c042922c6bf	05/26/2018
Dispensing procedures	Caroline's Cannabis-Dispensing	pdf	5b09ad54b416c03d7112043f	05/26/2018

	procedures.pdf			
Personnel policies including background checks	Caroline's Cannabis-Personnel policies.pdf	pdf	5b09b10b1f5e4d0443cb6afa	05/26/2018
Record Keeping procedures	Caroline's Cannabis-Record Keeping procedures.pdf	pdf	5b09b3e1a999e33d850640bb	05/26/2018
Maintaining of financial records	Caroline's Cannabis-Maintaining Financial Records.pdf	pdf	5b09b84bf5ed5811d6e4555c	05/26/2018
Diversity plan	Caroline's Cannabis-Diversity Plan.pdf	pdf	5b09b936ad75cc3d99a99d0f	05/26/2018
Qualifications and training	Caroline's Cannabis-Qualifications & Training.pdf	pdf	5b09bd1e9eb86611ea7d4644	05/26/2018
Storage of marijuana	Caroline's Cannabis-amended storage of marijuana.pdf	pdf	5b7b1761da72283955c6091b	08/20/2018
Dispensing procedures	Caroline's Cannabis-Amended Dispensing procedures.pdf	pdf	5b7b1ef4185bb22d71065d73	08/20/2018
Diversity plan	Caroline's Cannabis-Amended-Diversity Plan.pdf	pdf	5b7b7e0c3774233941393e99	08/20/2018
Security plan	Caroline's Cannabis-Amended Security Plan 8:12:19.pdf	pdf	5d4f7d97b0555e33d0bcf83e	08/10/2019

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

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 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 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.:

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 Agree

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 Agree

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

Progress or Success Goal 1

Description of Progress or Success: Caroline's Cannabis, LLC is a 100% female owned and operated company committed to promoting and encouraging full participation in the regulated cannabis industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement, and to positively impact those communities in Massachusetts. The closest defined area of disproportionate impact to the location of Caroline's Cannabis is Worcester, MA. As such, Caroline's Cannabis plans to focus its efforts to positively impact areas of disproportionate impact in Worcester through direct giving.

DIRECT GIVING PROGRAM

Caroline's Cannabis' plan to positively impact Worcester through enhanced, targeted donations and sponsorships to advocacy groups, economic-empowerment non-profits, and local charities has begun to take shape. Even though Caroline's Cannabis' operations has only recently become cash flow positive, it has managed to make five donations thus far, as progress toward meeting its Direct Giving Program goal.

Abby's House, is a non-profit organization, providing shelter, affordable housing, and advocacy and support services to homeless, battered, and low-income woman and woman with children. Caroline's Cannabis has made the following donations to Abby's House, and documentation of these donations is attached

- June 20, 2019 \$1,000 Donation
- August 8, 2019 \$1,000 Donation
- December 16, 2019 \$1,000 Donation
- July 5, 2020 \$1,000 Donation
- August 11, 2020 \$1,000 Donation

Caroline's Cannabis will continue to make quarterly donations in an effort to help countless women and children reclaim and rebuild their lives. Abby's House is located in Worcester, MA, within Census Tract 7317, which is a defined area of disproportionate impact. Caroline's Cannabis will also continue to coordinate efforts within Worcester, to positively affect problematic or underfunded issues facing the community on an ongoing basis. It hopes to continue, enhance and diversify its direct giving program as the business continues to grow.

Progress or Success Goal 2

Description of Progress or Success: HIRING PREFERENCE

Caroline's Cannabis has established a preference for hiring employees and sub-contractors that reside within the defined geographic areas of disproportionate impact, specifically Worcester. Any interest or resumes from individuals located from these defined areas are prioritized during the review process for job availabilities. Over the next year Caroline's Cannabis will conduct community service days, host charitable events, mentoring programs, host educational seminars, skilled-base training sessions, and participate in job fairs, in an effort to attract and engage previously under-represented well qualified Individuals. Owner Caroline Frankel is an approved Social Equity Program Participant herself and is dedicated to empowering and employing individuals in defined areas of disproportionate impact, state-designated economic empowerment applicants, and Social Equity Program Participants.

Having only been operational 16-months, and combined with the COVID-19 state of emergency business closure/restrictions, Caroline's Cannabis, has not yet had the opportunity to fully implement its intended hiring preference program. This is simply because the very first priority of the business has been to ensure its viability. Without a viable and profitable business, it is not possible to have the means to support the hiring strategies it intends to utilize going forward. There has not yet been sufficient employee turnover to warrant employment solicitations. As a small, mom and pop, self-funded business, it did not have the ability to conduct the intended job fairs and training sessions it envisions for the future. As Caroline's Cannabis continues to grow, more employment opportunities will become available and as they do, Caroline's Cannabis will have the opportunity to hold job fairs and actively recruit in areas of disproportionate impact.

Caroline's Cannabis is also meeting the goals it set out for this program by covering the financial cost of Agent Registration for its employees and does not impose educational requirements for employment that have in the past, been barriers for people from areas of disproportionate impact.

Progress or Success Goal 3

Description of Progress or Success: MENTORING PROGRAM

Caroline's Cannabis is committed to mentoring eligible applicants seeking entry into the adult-use cannabis industry in Massachusetts. Specifically applicants located in areas of disproportionately impacted communities, Economic Empowerment Applicants, Social Equity Program Participants, woman, veteran, and minorities. Caroline's Cannabis welcomes the opportunity to empower, encourage, elevate, educate, support and promote these applicants so they can successfully and competently participate in the cannabis industry. Caroline's Cannabis

recognizes that the most important effective method for cannabis industry growth in the Commonwealth is about creating a fair and equal opportunity for cannabis businesses of all sizes, and one that supports economic empowerment and true diverse market participation. Mentoring is a great way to pay it forward and accelerate the development of future cannabis leaders.

Caroline's Cannabis principal, Caroline Frankel, herself a member of the Social Equity Program, is dedicated to being a strong voice, mentor, and inspiration for other small business owners and individuals trying to enter this burgeoning industry. Her position within the Social Equity program has enabled her to connect and network with other Social Equity participants in the Worcester area and throughout Massachusetts. She plans on being an active participant in the state-run mentoring programs once they come online.

Although quite busy creating her own successful business venture, principal Caroline Frankel frequently takes the time to answer calls and provide advice to other Social Equity participants, as well as many other hopeful, small-business minded entrepreneurs. This type of mentoring may not be formalized, such that reports are drafted and metrics created, but it is just that informal aspect that enables less business savvy people, frequently from disaffected areas or without their own networks, to take advantage of the advice and support Ms. Frankel offers. In Ms. Frankel's experience, formal mentorship meetings can often be intimidating and those who have sought her advice and counsel tend to enjoy more casual meetings or phone calls. Even though her business is just getting off the ground, she recognizes that being the first solely recreational Marijuana Retail Establishment and 100% woman owned small business has made her an inspiration and leader in the field. To that end, she has answered numerous calls and to the extent her time permits is always happy to assist other people in a similar position as herself.

COMPLIANCE WITH DIVERSITY PLAN Diversity Progress or Success ¹

Description of Progress or Success: Caroline's Cannabis, LLC is 100% female owned and operated company committed to promoting , encouraging, and supporting economic empowerment and diversity in market participation. Caroline's Cannabis intends to lead the cannabis community on this front by assembling a diverse workforce consisting of minorities, women, veterans, people with disabilities, people of all gender identities and sexual orientation, people of varying socio-economic backgrounds, and people from communities that have previously been disproportionately impacted by marijuana prohibition and enforcement.

Diversity Recruitment & Hiring Strategy

Our strategy is designed to mitigate staffing biases and stereotypes, and instead build a team based on merit, enthusiasm, dedication, and potential. Caroline's Cannabis will effectively market positions, utilize minority recruitment resources and local workforce groups, hold job fairs, and conduct training sessions in area of disproportionate impact, in an effort to attract and engage previously under-represented well-qualified individuals. Using recruitment vehicles that effectively communicate the availability of career opportunities to a diverse group of potential employees, who might otherwise not have been aware that such job opportunities exist, will promote diversity of applicant pools. The advertising of available job opportunities will also not impose unnecessary educational requirements that create barriers to cannabis industry employment.

Having only been operational for 16-months, and combined with the COVID-19 state of emergency business closure/restrictions, Caroline's Cannabis, has not yet had the opportunity to implement its intended recruitment and hiring strategy of holding job fairs and training sessions in areas of disproportionate impact and utilizing minority job recruitment resources. This is simply because the very first priority of the business has been to ensure its viability. Without a viable and profitable business, it is not possible to have the means to support the diversity targeted hiring strategies it intends to utilize going forward. As such, the very first employees were local people, known to the owner, who were willing and had the flexibility to wait for the business to receive its final license, become operational, and ultimately profitable such that they could begin to receive paychecks. There has not been sufficient employee turnover to warrant employment solicitations. As a small, mom and pop, self-funded business, it did not have the ability at the outset to conduct the intended job fairs and training sessions it envisions for the future.

Caroline's Cannabis has already made progress towards its diversity hiring goals. With respect to management of the company it is comprised of female, Owner/CEO/General Manager/Social Equity Participant Caroline Frankel, and one male, Manager Steven Frankel, a person that was negatively impacted and disenfranchised by past marijuana prohibition policies. One of its agents, Scott Blaisdell has been socio-economically challenged and grew-up in low-income housing with limited networks. Another agent, Jason Tieuli, a person that was negatively impacted and disenfranchised by past marijuana prohibition policies. Additionally, two agents Scott Blaisdell and Alyssa Sartini, are members of the LGBTQ+ community and meet the sexual orientation criteria of the diversity plan requirement.

Although necessary for its initial success to source local, known, flexible employees. Caroline's Cannabis still endeavored to prioritize employment for those who truly needed it and has also maintained the highest average salary of Marijuana Retail Establishments, despite being

a small, self-funded business. Caroline's Cannabis recognizes its success is dependent on having a dedicated workforce. As Caroline's Cannabis continues to grow, more employment opportunities will become available and as they do, Caroline's will have the opportunity to hold job fairs and actively recruit individuals in areas of disproportionate impact.

Diversity Awareness Training

Caroline's Cannabis is committed to promoting a corporate culture of inclusion and diversity awareness. All employees will be required to participate in Diversity Awareness Training Sessions regarding embracing diversity, understanding cultural differences in the workplace, and maintain an open dialog regarding inclusion. Caroline's Cannabis has worked to meet this goal by requiring all employees to take a one-hour diversity awareness training class offered by the North American Learning Institute. Owner, Caroline Frankel completed a three-hour training. The employee certificates substantiating their completion are attached.

Employment Equality Analysis

Caroline's Cannabis is committed to achieving an equitable balance in the composition of workforce diversity, and as such plan to conduct diversity training, track progress of diversity initiatives, and provide annual analysis of the effectiveness of ongoing diversity strategies and programs. If analysis results identify areas for improvement, corrective action will be taken.

As Caroline's Cannabis is still in its nascent stage, it is still premature to attempt to analyze the success of the current measures. However, as the current team at Caroline's is comprised of female owner and general manager, victims of the past prohibition of marijuana, people from lower socio-economic strata, and at least two people that identify as being a LGBTQ, and the team has functioned quite smoothly with each other and management. No corrective action has thus been necessary. This will obviously be an ongoing commitment and will continually be reviewed and updated as necessary.

HOURS OF OPERATION

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

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, Caroline Frankel, (insert name) certify as an authorized representative of Caroline's Cannabis, LLC (insert name of applicant) that the applicant has executed a host community agreement with Town of Uxbridge (insert name of host community) pursuant to G.L.c. 94G § 3(d) on 05/21/18 (insert date).

Caroline Frankel
Signature of Authorized Representative of Applicant

Host Community

I, Angeline Ellison, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Uxbridge (insert name of host community) to certify that the applicant and Town of Uxbridge (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 05/21/2018 (insert date).

[Signature]
Signature of Contracting Authority or
Authorized Representative of Host Community

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, Caroline Frankel, (insert name) attest as an authorized representative of Caroline's Cannabis, LLC (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 April 11, 2018 (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 April 3, 2018 (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 March 29, 2018 (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 March 30, 2018 (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).

CF

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.

CF

Attachment
A

Massachusetts Public Notices

www.mypublicnotices.com[Home](#)

Tuesday, April 03, 2018

COMMUNITY OUTREACH MEETING REGARDING ADULT-USE RETAIL MARIJUANA

NOTICE OF COMMUNITY OUTREACH MEETING REGARDING ADULT-USE RETAIL MARIJUANA ESTABLISHMENT CAROLINE'S CANNABIS, LLC. 640 DOUGLAS STREET, UXBRIDGE, MASSACHUSETTS Notice is hereby given that Caroline's Cannabis, LLC. of 640 Douglas Street, Uxbridge, Massachusetts will conduct a Community Outreach Meeting on the following matter On April 11th, 2018 in the Lower Meeting Room at the Uxbridge Town Hall, 21 S. Main Street, Uxbridge, MA at 7:00 pm. Caroline's Cannabis, LLC. will be applying for a Adult-Use Retail Marijuana Establishment License, siting a location at 640 Douglas Street, Uxbridge, Massachusetts pursuant to M.G.L. Ch94G, Chapter 55 of the Acts of 2017, and Massachusetts Cannabis Control Commission Regulations 935 CMR 500.000. Information presented at the community outreach meeting will include, but not be limited to: 1. The type of adult-use Marijuana Establishment to be located at the proposed address; 2. Information adequate to demonstrate that the Adult-use Marijuana Establishment location will be maintained securely; 3. Steps to be taken by the Adult-use Marijuana Establishment to prevent diversion to minors; 4. A plan by the Marijuana Establishment to positively impact the community; and 5. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law. Community members will be allowed and encouraged to ask questions and receive answers from representatives of Caroline's Cannabis LLC. A copy of this notice is on file with the Town Clerk, at the Board of Selectmen's Office, and the Planning Board office, all located at the Uxbridge Town Hall, 21 S. Main Street, Uxbridge, MA, and copy of this Notice was mailed at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, owners of land directly opposite on any public or private street or way, and abutters to the abutters within 300 feet of the property line of the petitioners as they appear in the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. Caroline's Cannabis, LLC. April 03, 2018

Appeared in: **Worcester Telegram & Gazette** on Tuesday, 04/03/2018

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NOTICE OF COMMUNITY OUTREACH MEETING REGARDING
ADULT-USE RETAIL MARIJUANA ESTABLISHMENT
CAROLINE'S CANNABIS, LLC.
640 DOUGLAS STREET, UXBRIDGE, MASSACHUSETTS

Notice is hereby given that Caroline's Cannabis, LLC. of 640 Douglas Street, Uxbridge, Massachusetts will conduct a Community Outreach Meeting on the following matter On April 11th, 2018 in the Lower Meeting Room at the Uxbridge Town Hall, 21 S. Main Street, Uxbridge, MA at 7:00 pm. Caroline's Cannabis, LLC. will be applying for a Adult-Use Retail Marijuana Establishment License, siting a location at 640 Douglas Street, Uxbridge, Massachusetts pursuant to M.G.L. Ch94G, Chapter 55 of the Acts of 2017, and Massachusetts Cannabis Control Commission Regulations 935 CMR 500.000.

Information presented at the community outreach meeting will include, but not be limited to:

1. The type of adult-use Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the Adult-use Marijuana Establishment location will be maintained securely;
3. Steps to be taken by the Adult-use Marijuana Establishment to prevent diversion to minors;
4. A plan by the Marijuana Establishment to positively impact the community; and
5. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.

Community members will be allowed and encouraged to ask questions and receive answers from representatives of Caroline's Cannabis LLC.

A copy of this notice is on file with the Town Clerk, at the Board of Selectmen's Office, and the Planning Board office, all located at the Uxbridge Town Hall, 21 S. Main Street, Uxbridge, MA, and copy of this Notice was mailed at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, owners of land directly opposite on any public or private street or way, and abutters to the abutters within 300 feet of the property line of the petitioners as they appear in the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town.

Caroline's Cannabis, LLC.

Caroline Frankel

NOTICE OF COMMUNITY OUTREACH MEETING REGARDING
ADULT-USE RETAIL MARIJUANA ESTABLISHMENT
CAROLINE'S CANNABIS, LLC.
640 DOUGLAS STREET, UXBRIDGE, MASSACHUSETTS

Notice is hereby given that Caroline's Cannabis, LLC. of 640 Douglas Street, Uxbridge, Massachusetts will conduct a Community Outreach Meeting on the following matter On April 11th, 2018 in the Lower Meeting Room at the Uxbridge Town Hall, 21 S. Main Street, Uxbridge, MA at 7:00 pm. Caroline's Cannabis, LLC. will be applying for a Adult-Use Retail Marijuana Establishment License, siting a location at 640 Douglas Street, Uxbridge, Massachusetts pursuant to M.G.L. Ch94G, Chapter 55 of the Acts of 2017, and Massachusetts Cannabis Control Commission Regulations 935 CMR 500.000.

Information presented at the community outreach meeting will include, but not be limited to:

1. The type of adult-use Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the Adult-use Marijuana Establishment location will be maintained securely;
3. Steps to be taken by the Adult-use Marijuana Establishment to prevent diversion to minors;
4. A plan by the Marijuana Establishment to positively impact the community; and
5. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.

Community members will be allowed and encouraged to ask questions and receive answers from representatives of Caroline's Cannabis LLC.

A copy of this notice is on file with the Town Clerk, at the Board of Selectmen's Office, and the Planning Board office, all located at the Uxbridge Town Hall, 21 S. Main Street, Uxbridge, MA, and copy of this Notice was mailed at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, owners of land directly opposite on any public or private street or way, and abutters to the abutters within 300 feet of the property line of the petitioners as they appear in the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town.

Caroline's Cannabis, LLC.

Caroline Frankel

Caroline' Cannabis, LLC.

Plan to remain compliant with local zoning

Caroline's Cannabis proposed Retail Marijuana Establishment is located at 640 Douglas Street, Uxbridge in the (I-B) Industrial Zoning District. In accordance with the Uxbridge Zoning Bylaws Appendix B Table of Use Regulations (see attached) Retail Marijuana Establishments are allowed in the (I-B) Industrial Zoning District. Store location is not within 750 ft. of any school (grades K-12).

On April 9, 2018 Uxbridge Board of Selectman voted unanimously to authorize the town manager to enter into Host Agreement with Caroline's Cannabis, pending the Uxbridge Police Chief site and security plan review. On April 18, 2018 Uxbridge Police Chief Timothy Burke reviewed store site and security plans, and presented his approval at the April, 23, 2018 Board of Selectmen meeting. On May 21, 2018, Caroline's Cannabis, LLC entered into a Host Community Agreement with the Town of Uxbridge, MA, and obtained signed Host Agreement Certification Form approved by the Uxbridge Town Manager-Angeline Ellison.

Caroline's Cannabis has thoroughly reviewed all local codes, ordinances and bylaws as they apply to the physical address of the proposed Retail Marijuana Establishment, and in consultation with attorney and advisors determined that the physical address for the proposed Retail Marijuana Establishment is in compliance with local codes, ordinances and bylaws. Caroline's Cannabis will work with appropriate authorities in Uxbridge in order to secure the necessary permits to begin operations at 640 Douglas Street.



Kelly J. Dumas, CMC

Town Clerk

21 S. Main Street

Uxbridge, MA 01569

Tel. 508-278-8600 ext. 2011 Email: kdumas@uxbridge-ma.gov

**ARTICLE 17: AMEND THE ZONING BYLAWS FOR MARIJUANA ESTABLISHMENTS AND
MEDICAL MARIJUANA TREATMENT CENTERS**

To see if the Town will vote to accept Items 1 through 5, inclusive; creating an Industrial-A zone and an Industrial-B zone as shown in the exhibited map, or take any other action relative thereto.

SPONSOR: Board of Selectmen

COMMENTARY: *This article will allow the appropriate zoning regulations for marijuana facilities.
REFER TO ADDENDUM #3 AT BACK OF WARRANT FOR PROPOSED FLOOR AMENDMENT.*

MOTION: Move that the Town vote to accept Items 1 through 5, inclusive; creating an Industrial-A zone and an Industrial-B zone as shown in the exhibited map, and additionally, to accept Item 6 shown below:

Exhibit: Proposed Industrial Zoning Map

A TRUE COPY ATTEST

Kelly J. Dumas
TOWN CLERK, UXBRIDGE

PROPOSED INDUSTRIAL
ZONING MAP
CHANGES
UXBRIDGE
MASSACHUSETTS



NOTES

- 1. All zoning changes shall be subject to the provisions of the Massachusetts Zoning Act, Chapter 40A, and the provisions of the Uxbridge Zoning Ordinance, Chapter 180 of the Uxbridge Town Code.
- 2. The zoning changes shown on this map are proposed and are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 3. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 4. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 5. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 6. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 7. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 8. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 9. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.
- 10. The zoning changes shown on this map are subject to the approval of the Uxbridge Board of Selectmen and the Uxbridge Board of Health.

LEGEND

- PROPERTY LINE
- IN CONSTRUCTION
- TOWN LINE
- ROAD
- SECONDARY ROAD
- BRANCH ROAD
- RIGHT OF WAY
- TRAIL
- WATER
- WETLAND
- RAILROAD
- UTILITY

ZONING

- ROR - Residential
- ROR - Residential
- ROR - Residential
- ROR - Residential
- ROR - Residential
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- ROR - Residential
- ROR - Residential



Item 1

Amend the Index of the Zoning Bylaws (under **Chapter 400, ZONING BYLAWS, ARTICLE VI, Special Nonresidential Regulations**), by deleting:

§400-23 Reserved

, and replacing it with the following:

§400-23 Marijuana establishments, and medical marijuana treatment centers

Item 2

Amend the list of districts (under **Chapter 400, ZONING BYLAWS, ARTICLE II, Establishment of Districts, §400-7 Establishment**), by deletion of the paragraph:

For the purpose of this By-Law, the Town is divided into the following zoning districts: Residence A (R-A), Residence B (R-B), Residence C (R-C), Agricultural (A), Business (B) and Industrial (I).

, replacing it with the following:

For the purpose of this By-Law, the Town is divided into the following zoning districts: Residence A (R-A), Residence B (R-B), Residence C (R-C), Agricultural (A), Business (B), Industrial A (I-A) and Industrial B (I-B).

Item 3

Amend references to existing Industrial zoning districts, (under **Chapter 400, ZONING BYLAWS, ARTICLE VI, Special Nonresidential Regulations, §400-21 Adult Entertainment, C. Location and Uses**), by deletion of the sentence:

Adult Entertainment establishments shall be permitted only in the Industrial zoning district, by special permit of the Planning Board.

, replacing it with the following:

Adult Entertainment establishments shall be permitted only in the Industrial A (I-A) and Industrial B (I-B) zoning districts, by special permit of the Planning Board.

Further amend references to existing Industrial zoning districts, (under **Chapter 400, ZONING BYLAWS, ARTICLE X, Definitions, Uncodified Zoning By-Law Amendment Life Science and Life Science Technology, A. Life Science and Life Science Technology**), by deletion of the sentence:

Life Science and Life Science Technology in the Town of Uxbridge shall be undertaken only in the following zoning districts; Industrial and Business zones.

, replacing it with the following:

Life Science and Life Science Technology in the Town of Uxbridge shall be undertaken only in the following zoning districts; Industrial A (I-A) and Industrial B (I-B) and Business zones.

Item 4

Amend the body of the Zoning Bylaws (under **Chapter 400, ZONING BYLAWS, ARTICLE VI, Special Nonresidential Regulations**) by deleting

§400-23 Reserved

, replacing it with the following:

§400-23 Marijuana establishments, and medical marijuana treatment centers

A. Definitions

Under Chapter 400, ZONING BYLAWS, the following definitions shall be provided:

1. Consumer - a person who is at least 21 years of age.

2. Host community – The Town of Uxbridge.
3. Host community agreement – an agreement setting forth the conditions to have a marijuana establishment or medical marijuana treatment center located within the host community which shall include, but not be limited to, all stipulations of responsibilities between the host community and the marijuana establishment or a medical marijuana treatment center.
4. Marijuana - all parts of any plant of the genus Cannabis, not excepted below and whether growing or not; the seeds thereof; and resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin including tetrahydrocannabinol as defined in section 1 of chapter 94C of the Massachusetts General Laws; provided that Marijuana' shall not include:
 - a. The mature stalks of the plant, fiber produced from the stalks, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks, fiber, oil, or cake made from the seeds of the plant or the sterilized seed of the plant that is incapable of germination;
 - b. Hemp; or
 - c. The weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink or other products.
5. Marijuana cultivator - an entity licensed to cultivate, process and package marijuana, to deliver marijuana to marijuana establishments and to transfer marijuana to other marijuana establishments, but not to consumers.
6. Marijuana establishment - a marijuana cultivator, marijuana testing facility, marijuana research facility, marijuana product manufacturer, marijuana retailer or any other type of licensed marijuana-related business.
7. Medical marijuana treatment center - shall mean an entity, as defined by Massachusetts law only, that acquires, cultivates, possesses, processes (including development of related products such as food, tinctures, aerosols, oils, or ointments), transfers, transports, sells, distributes, dispenses, or administers marijuana, products containing marijuana, related supplies, or educational materials to qualifying patients or their personal caregivers.
8. Marijuana testing facility - an entity licensed to test marijuana and marijuana products, including certification for potency and the presence of contaminants.
9. Marijuana research facility – an entity licensed to cultivate, purchase or acquire marijuana to conduct research regarding marijuana and marijuana products.
10. Marijuana products - products that have been manufactured and contain marijuana or an extract from marijuana, including concentrated forms of marijuana and products composed of marijuana and other ingredients that are intended for use or consumption, including edible products, beverages, topical products, ointments, oils and tinctures.
11. Marijuana product manufacturer - an entity licensed to obtain, manufacture, process and package marijuana and marijuana products, to deliver marijuana and marijuana products to marijuana establishments and to transfer marijuana and marijuana products to other marijuana establishments, but not to consumers.

12. Marijuana retailer - an entity licensed to purchase and deliver marijuana and marijuana products from marijuana establishments and to deliver, sell or otherwise transfer marijuana and marijuana products to marijuana establishments and to consumers.

B. Number of Marijuana Establishments and Medical Marijuana Treatment Centers

1. The maximum number of marijuana retailers shall be no more 20 per cent the total number of licenses which have been issued within Uxbridge for the retail of alcoholic beverages not to be drunk on the premises for the preceding fiscal year, or three in total, whichever the greater.
2. The maximum number of marijuana cultivators, marijuana testing facilities, research facilities, marijuana product manufacturer or any other type of licensed marijuana-related business (exclusive of marijuana retailers or marijuana treatment centers) shall be no more than three in total.
3. The maximum number of medical marijuana treatment centers shall be no more than three.

C. Location and Uses

Marijuana establishments or medical marijuana treatment centers are prohibited in all zoning districts, except as otherwise permitted by these Bylaws, following the standards herein:

1. The Board of Selectman shall negotiate and execute a Host Community Agreement (HCA) with the proposed marijuana establishment or medical marijuana treatment center.
2. Any marijuana establishment or medical marijuana treatment center must be located within whichever district permissible under Appendix A, Table of Use Regulations.
3. Said uses shall additionally not be located within 750 feet from the nearest school providing education for grades K-12

The distances specified above shall measure by straight line from the nearest corner of the building on which the proposed said use is to be located, to the nearest boundary line to the nearest property line of the school.

4. Except during transportation, marijuana or marijuana products held at any marijuana establishment or medical marijuana facility shall be located within a secure indoor facility.
5. No use covered herein shall be allowed to disseminate or offer to disseminate marijuana products or product advertising to minors or to allow minors to view displays or linger on the premises, except for medical marijuana treatment centers.
6. No use covered herein shall be allowed to have a freestanding accessory sign in the Town of Uxbridge.

D. Enforcement and Violations

The Board of Selectmen, or its designee, shall enforce these regulations and may pursue all available remedies for violations, or take any other action relative thereto.

Violations of any provision of this Bylaw may be addressed administratively; by non-criminal disposition as provided in MGL Chapter 40 §21D with fine of \$300 per violation; or prosecuted through criminal complaint procedure.

Each day a violation occurs shall be considered a separate violation hereunder.

E. Municipal Charges Lien

If any fine remains unpaid after six (6) months from its due date, it shall become a municipal charge lien pursuant to the provisions of MGL Chapter 40, Section 58. If the bill(s) remains unpaid when the Assessors are preparing a real estate tax list and warrant to be committee under MGL Chapter 59, Section 53, the Board or officer in charge of the collection of the municipal fee or charge shall certify such charge or fee to the Assessors, who shall add such to the tax bill on the property to which it relates and commit it with their warrant to the Tax Collector as part of such tax bill.

F. Validity and Severability

The invalidity of one or more sections, subsections, clauses or provisions of this bylaw shall not invalidate or impair the bylaw as a whole or any other part thereof

Item 5

Amend Zoning Bylaws, Appendix A, Table of Use Regulations, by replacing it with Appendix B: Or take any other action relating thereto.

**Appendix B
Table of Use Regulations**

USE	DISTRICTS				
	R-A	R-B	R-C	A	B
<u>A. Residential Uses</u>					
Apartment house	Y	N	N	N	N
Conservation design development	N	N	N	PB	N
Open space development	PB	PB	N	N	N
Single-family dwelling	Y	Y	Y	Y	N
Townhouse development	PB	N	N	N	N
Two-family/duplex dwelling	Y	Y	N	N	N
<u>B. Exempt and Institutional Uses</u>					
Child care facility	Y	Y	Y	Y	Y
Educational use, nonexempt	ZBA	ZBA	ZBA	N	N
Essential services	Y	Y	Y	Y	Y
Facility for the sale of produce, and wine and dairy products, provided that during the months of June, July, August and September of every year, or during the harvest season of the primary crop, the majority of such products for sale, based on either gross sales dollars or volume, have been produced by the owner of the land containing more than five acres in area on which the facility is located	Y	Y	Y	Y	Y
Hospital or other medical institution	ZBA	ZBA	ZBA	N	N
Municipal facility	Y	Y	Y	Y	Y
Use of land for the primary purpose of agriculture, horticulture, floriculture, or viticulture on a parcel of more than five (5) acres in area	Y	Y	Y	Y	Y

Use of land or structures for educational purposes on land owned or leased by the Commonwealth or any of its agencies, subdivisions or bodies politic or by a religious sect or denomination, or by a nonprofit educational corporation

Y Y Y Y Y

Use of land or structures for religious purposes

Y Y Y Y Y

C. Agricultural Uses

Farm, truck garden, nursery or greenhouse with less than five (5) acres

ZBA ZBA ZBA Y N

Farm, truck garden, nursery, greenhouse or other agricultural or horticultural Use

N N N Y N

Nonexempt agricultural use

ZBA ZBA N ZBA N

D. Commercial Uses

Adult entertainment establishment

N N N N N

Airport or landing field, commercial

N N N N N

Animal clinic or hospital; kennel

N N N Y N

Bank, financial agency

N N N N Y

Bed and breakfast establishment

ZBA ZBA N N N

Billboards, including any sign of more than forty (40) square feet

N N N N N

Boarding house

ZBA N N N N

Business or professional office, including medical

ZBA N N N Y

Commercial recreation, indoor

N N N N Y

Commercial recreation, outdoor

N N N Y N

Funeral home

ZBA ZBA ZBA N N

Garaging and maintaining more than three (3) automobiles of the passenger Type

ZBA N ZBA N ZBA

Gasoline or oil filling station

N N N N ZBA

Hotel or motel located on a tract of land at least two (2) acres in area and at least 150 feet from any permanent residential building

N N N Y Y

Laundry or laundromat; dry cleaning establishment

N N N N ZBA

Life Science and Life Science Technology

N N N N Y

Marijuana establishment

N N N N N N N Y

Medical marijuana treatment center

N N N N N N N Y

Nursing or convalescent home; home for the aged

ZBA ZBA ZBA N N

Personal service establishment

N N N N Y

Private club, nonprofit

ZBA ZBA N ZBA N

Private stable, nonprofit

ZBA ZBA ZBA ZBA N

Racetrack

N N N N N

Restaurant; diner

ZBA N N Y Y

Retail stores and/or services

ZBA N N N Y

Shopping center

N N N N Y

E. Industrial Uses

Blacksmith shop	N	N	N	N	N
Contractor's yard	N	N	N	N	N
Earth removal	ZBA	ZBA	ZBA	BI	N
Electrical generating facilities with a capacity of 350 megawatts or less on a minimum site area of 15 acres using natural gas, renewable and ultra low sulfur fuels, wind.	N	N	N	N	N
Electrical generating facility; cogeneration facility	N	N	N	N	N
Junkyard or automobile graveyard	N	N	N	N	N
Lumber, fuel or ice establishment	N	N	N	N	ZBA
Manufacture, storage, transportation or disposal of hazardous material	N	N	N	N	N
Manufacturing establishment	N	N	N	N	N
Solar Photovoltaic Ground Mounted Installation Solar Farm	N	PB	PB	PB	PB
Stone mason yard	N	N	N	N	N

F. Other Uses

Airport or landing field, noncommercial	N	N	N	Y	N
Cemetery or crematory, nonprofit	ZBA	ZBA	ZBA	ZBA	N
Penitentiary	N	N	N	N	N

F. Accessory Uses

Home occupation	Y	Y	Y	Y	N
Juice Bar, as an accessory use to a private club, restaurant or country club	N	N	N	ZBA	N
Retail trade or shop for manufacturing articles incidental to and as an accessory use to a retail business	ZBA	N	N	N	Y

Appendix B
Table of Dimensional Requirements

District	Minimum lot size (sq. ft.)	Setbacks, principal use (ft.)			Setbacks, detached garage or accessory use (ft.)			Frontage (ft.)		Height	
		Front ¹	Side	Rear	Front ²	Side	Rear	Interior Lot	Corner Lot	Maximum height (ft.)	Maximum number of stories
R-A	20,000 ¹	30	25	30	65	5	5	125	140	35	2.5
R-B	43,560	30	25	30	65	5	5	185	200	35	2.5
R-C	43,560	40	30	Lesser of 40 ft. or 25% of lot depth, if at least 30 ft.	75	10	10	200	200	35	2.5
A	87,120	40	30	Lesser of 40 ft. or 25% of lot depth, if at least 30 ft.	75	10	10	300	300	35	2.5
B	15,000	30	25	30	65	5	5	125	140	45	3
I-A	30,000	30	30	20	30	30	20	175	200	45	3
I-B	30,000	30	30	20	30	30	20	175	200	45	3

¹ In the case of a corner lot, the front setback requirement applies on both streets.

² See Footnote 1.

³ Plus, for an Apartment House, 8,000 square feet per additional apartment unit over (1), up to four (4) apartment units per lot.

Vote required for passage: Zoning bylaw amendments requires a 2/3rds vote per M.G.L. Ch. 40A

THE FINANCE COMMITTEE RECOMMENDATION: Favorable Action: (6-1)

This article amends the zoning bylaws to allow marijuana growing, testing and selling facilities in the industrial zone.

THE BOARD OF SELECTMEN RECOMMENDATION: Favorable Action (5-0-0):

THE PLANNING BOARD RECOMMENDATION: *To be provided at Town Meeting*

The motion was seconded

Moderator declares a 2/3rds majority vote, motion carries, 114-yes, 44-no

Motion to take Article 27 Out of order

The motion was seconded

Moderator declares a Simple majority vote, motion carries, 79-yes, 57-no

ARTICLE 18: AUTHORIZATION FOR LOCAL TAX OPTION UPON SALE OR TRANSFER OF MARIJUANA OR MARIJUANA PRODUCTS BY MARIJUANA RETAILERS

To see if the Town will vote to authorize, pursuant to M.G.L. Chapter 64N, Section 3, the creation of local sales tax upon the sale or transfer of marijuana or marijuana products by marijuana retailers of the Town of Uxbridge, at a rate of 3% of the gross receipts of the vendor. Said excise shall take effect on July 1, 2018, or take any other action relative thereto.

SPONSOR: Board of Selectmen

COMMENTARY: *M.G.L. Chapter 64N allows the town to retain local taxes on the sale and transfer of marijuana products by said retailers.*

MOTION: *Move to accept the article as written.*

Vote required for passage: simple majority

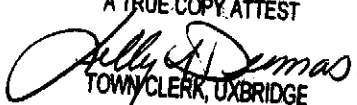
THE FINANCE COMMITTEE RECOMMENDATION: Favorable Action: (7-0)

This article allows a local sales tax on the sale of marijuana which will contribute to the Town's revenue.

THE BOARD OF SELECTMEN RECOMMENDATION: Favorable Action (4-1-0)

The motion was seconded

Moderator declares a Simple majority vote, motion carries, 119-yes, 12-no

A TRUE COPY ATTEST

TOWN CLERK, UXBRIDGE



OBOLENSKY BALKCOM, LLC

July 31, 2020

Town of Uxbridge
c/o Town Manager
21 South Main Street
Uxbridge, MA 01569

RE: Request for Host Community Impact Expenses/Costs Documentation

Dear Mr. Sette:

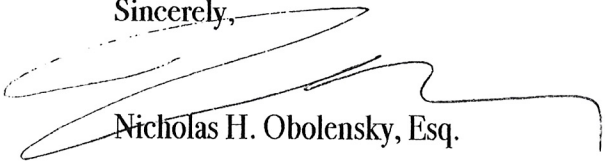
I write on behalf of Caroline's Cannabis, LLC as part of its annual license renewal process with the Massachusetts Cannabis Control Commission ("CCC") to formally request from the Town of Uxbridge any and all records held by the Town that document the actual and anticipated expenses incurred by the Town that are reasonably related to the operation of Caroline's Cannabis, LLC.

On May 14, 2018, the Town of Uxbridge entered into a Host Community Agreement with Caroline's Cannabis, LLC, wherein the parties made certain commitments to each other, notably here, that Caroline's Cannabis would pay an annual community impact fee to the Town of 3% its gross revenue in quarterly installments. To date the Town has received a total of \$450,132.02 from Caroline's Cannabis, which represents the community impact fee owed to the Town per the Host Community Agreement for the five fiscal quarters it has been in operation. The purpose of this fee, as outlined in the May 14, 2018 Host Community Agreement, is to mitigate the direct and indirect financial impact upon the Town and use of Town resources for those additional expenses the Town anticipated it would incur as a result of the Marijuana Retail Establishment's operation in the Town.

In accordance with M.G.L. c. 94G, §3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or Marijuana Treatment Center shall be documented and considered a public record as defined by M.G.L. c. 4, §7, cl. 26. In the May 14, 2018 Host Community Agreement the Town anticipated that, as a result of the Operator's operation of the Retail Establishment, the Town would incur additional expenses and impacts upon its road system, law enforcement, inspectional services, permitting services, administrative services, public health services and education in addition to potential additional unforeseen impacts upon the Town. After nearly 16 months of Caroline's Cannabis being operational in the Town, it is expected that any anticipated or unforeseen costs/expenses have been recognized and actual costs documented, and as such, and in accordance with the license renewal requirements of the CCC and the Massachusetts General Laws, Caroline's Cannabis respectfully requests that the Town of Uxbridge send it any and all documentation/records that are responsive to this letter.

Kindly respond within twenty-one (21) days from receipt of this letter as the license renewal application for Caroline's Cannabis, LLC is time-sensitive. Thank you in advance for your anticipated cooperation and please feel free to reach out to our office with any questions or concerns.

Sincerely,



Nicholas H. Obolensky, Esq.

CC:

Caroline Frankel, President

Caroline's Cannabis, LLC

640 Douglas Street

Uxbridge, MA 01569



August 18, 2020

Cannabis Control Commission
Union Station
2 Washington Square
Worcester, MA 01604

RE: Caroline's Cannabis, LLC - Uxbridge, MA

Dear Commission:

The purpose of this letter is to update the Commission with respect to the efforts of Caroline's Cannabis, LLC in collecting financial information from its host community, The Town of Uxbridge, regarding community impact costs incurred by the Town that were reasonably related to the operation of Caroline's Cannabis, LLC.

On July 31, 2020, counsel for Caroline's Cannabis sent a letter to Town Manager, Steve Sette, requesting records from the Town that were responsive to any actual or anticipated costs incurred by the town reasonably related to the operation of a retail marijuana establishment there. Counsel provided the Town with twenty-one (21) days to respond to the letter, and as the twenty-one (21) days have not yet expired, is not suggesting the Town is withholding such information but merely stating that to date, neither counsel for Caroline's Cannabis, nor Caroline Frankel, principal of Caroline's Cannabis, has received a response from the Town.

In an effort to proceed swiftly with Caroline's Cannabis' renewal application, I write today to state that we do not have such information at this time and will certainly update and/or supplement additional documentation to the CCC upon receipt of any and all related information received by the Town.

Sincerely,

Nicholas H. Obolensky, Esq.

NHO/dap

Caroline's Cannabis, LLC.

A plan to positively impact areas of disproportionate impact, as defined by the Commission

The U.S. "war on drugs" a decade long policy of racial and class suppression hidden behind cannabis criminality has resulted in the arrest, interdiction, and incarceration of a high percentage of Americans of color. That's why it is so disheartening to see members of minority communities largely left out of the industry. Caroline's Cannabis will promote, encourage and support economic empowerment in disproportionately harmed communities. Providing job opportunities to people of varying socioeconomic statuses and to help give a leg up for those who were convicted for their involvement in the formerly illicit marijuana market. To ensure robust community engagement, Caroline's Cannabis will actively participate in industry training programs, mentoring programs, job fairs, and educational seminars that promote economic empowerment and diverse market participation. Caroline's Cannabis will hire employees and sub-contractors that reside within the defined areas of disproportionate impact.

Caroline's Cannabis, LLC

Application of Intent

Amended-August 20, 2018

A plan to positively impact areas of disproportionate impact, as defined by the Commission

The owner of Caroline's Cannabis "Caroline Frankel" is a passion-driven Applicant highly knowledgeable in the complexities and challenges facing Potential Applicants trying to enter the State's new industry and how to do so in an effective and responsible manner. She has firsthand experience navigating and addressing many of the hurdles and barriers one can expect in this process, through her own pursuit opening a Retail Marijuana Establishment in Uxbridge, MA. Caroline's success is demonstrated in her proven-ability with cannabis real estate negotiations, business plan development, Municipal presentations, Community Outreach presentations, and Host Community Agreement negotiations/executions. In addition to her business acumen, she has a great understanding of the personal effort and dedication required to complete a four-packet retail application and the emphasis needed on social responsibility and merit to do so both professionally and positively.

Caroline's Cannabis is committed to mentoring eligible applicants seeking entry into the adult-use marijuana industry in Massachusetts. Specifically, applicants located in areas of disproportionately impacted communities, Economic Empowerment Applicants, Social Equity Program Participants, woman, veterans and minorities. Caroline's Cannabis welcomes the opportunity to empower, encourage, elevate, educate, support and promote these applicants so they can successfully and competently participate in the cannabis industry.

Caroline's Cannabis recognizes that the most effective method for cannabis industry growth in the Commonwealth is about creating a fair and equal opportunity for cannabis businesses of all sizes, and one that supports economic empowerment and true diverse market participation. Mentoring is a great way to pay it forward and accelerate the development of future cannabis leaders.

Caroline's Cannabis is currently mentoring the following Economic Empowerment priority applicants:

#EEA202078 Caroline Pineau (Prospective Retail Applicant)

Located in Haverhill, MA-a designated community of disproportionate impact

#EEA202082 Uma Dhanabalan (Prospective Research Facility Applicant)

Caroline's Cannabis, LLC

Application of Intent

Amended-September 12, 2018 (incorporates all prior submissions)

A plan to positively impact areas of disproportionate impact, as defined by the Commission, under 935 CMR 500.101(1)(a) & (2)(b)(10)

Goals

Caroline's Cannabis will promote and encourage full participation in the regulated cannabis industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement, and to positively impact those communities in Massachusetts. The closest defined area of disproportionate impact to the location of Caroline's Cannabis is Worcester, MA. As such, Caroline's Cannabis plans to focus its efforts to positively impact areas of disproportionate impact in Worcester, in the following ways:

- Direct Giving Program
- Hiring Preference Program
- Mentoring Program

Programs

1. Direct Giving Program-Caroline's Cannabis will positively impact Worcester through enhanced, targeted donations and sponsorships to advocacy groups, economic empowerment non-profits, and local charities. (An example of one of these entities is Abby's House, a nonprofit organization, providing shelter, affordable housing, and advocacy and support services to homeless, battered, and low income woman and woman with children. Abby's House is located in Worcester, within Census Tract 7317, which is a defined area of disproportionate impact). Caroline's Cannabis will also coordinate efforts within Worcester, to positively affect problematic or underfunded issues facing the community on an ongoing basis.

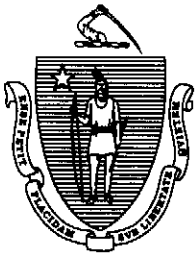
2. Hiring Preference Program-Caroline's Cannabis will establish a preference for hiring employees and sub-contractors that reside within defined geographic areas of disproportionate impact, specifically Worcester. Caroline's Cannabis will conduct community service days, host charitable events, mentoring programs, host educational seminars, skilled-based training sessions, and participate in job fairs located there, in an effort to attract and engage previously under-represented well-qualified individuals. Specifically, Caroline's Cannabis will target potential employees located in defined areas of disproportionate impact, state-designated economic empowerment priority applicants, state-designated Social Equity Program participants, Massachusetts residents who have past drug convictions, and Massachusetts residents with parents or spouses who have drug convictions. Caroline's Cannabis will communicate with veteran groups, minority job recruitment resources and local workforce development boards in Worcester to identify

and recruit these potential employees seeking entry into the adult-use marijuana industry and full-time employment at Caroline's Cannabis. Caroline's Cannabis will cover the financial cost for Agent Registration with the Cannabis Control Commission, and any associated fingerprinting and background check fees, which will serve to remove financial barriers for these applicants. When advertising of available positions, Caroline's Cannabis will not impose unnecessary educational requirements that can create barriers to employment.

3. Mentoring Program-Caroline's Cannabis is committed to mentoring eligible applicants seeking entry into the adult-use cannabis industry in Massachusetts. Specifically, applicants located in areas of disproportionately impacted communities, Economic Empowerment Applicants, Social Equity Program Participants, woman, veteran and minorities. Caroline's Cannabis welcomes the opportunity to empower, encourage, elevate, educate, support and promote these applicants so they can successfully and competently participate in the cannabis industry. Caroline's Cannabis recognizes that the most effective method for cannabis industry growth in the Commonwealth is about creating a fair and equal opportunity for cannabis businesses of all sizes, and one that supports economic empowerment and true diverse market participation. Mentoring is a great way to pay it forward and accelerate the development of future cannabis leaders. Caroline's Cannabis is currently mentoring Economic Empowerment Applicant #EEA202078, Caroline Pineau, a prospective marijuana retailer planning to open a store in Haverhill, MA, (a defined community of disproportionate impact). Caroline's Cannabis is also mentoring Economic Empowerment Applicant #EEA202082, Dr. Uma Dhanabalan, a prospective research facility applicant.

Measurement & Accountability

Caroline's Cannabis will responsibly maintain records of: donations, sponsorships, number of events per calendar year, number of attendees, programs, program participants, program contacts, program results, employment applications, and the current number of Caroline's Cannabis employees from areas of disproportionate impact. This information will be available for the Commission to review upon request. An annual analysis of the effectiveness of ***the plan to positively impact areas of disproportionate impact*** will be conducted. If any results identifying areas for improvement are concluded, corrective action will be taken immediately.



William Francis Galvin
Secretary of the
Commonwealth

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

May 21, 2018

TO WHOM IT MAY CONCERN:

I hereby certify that a certificate of organization of a Limited Liability Company was filed in this office by

CAROLINE'S CANNABIS LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **August 7, 2017**.

I further certify that said Limited Liability Company has filed all annual reports due and paid all fees with respect to such reports; that said Limited Liability Company has not filed a certificate of cancellation or withdrawal; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are:
CAROLINE FRANKEL

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **CAROLINE FRANKEL, NICHOLAS OBOLENSKY**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **CAROLINE FRANKEL**



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



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

mass.gov/dor

Letter ID: L1023891584
Notice Date: May 4, 2018
Case ID: 0-000-416-202



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



CAROLINE FRANKEL
CAROLINE'S CANNABIS, LLC
640 DOUGLAS ST
UXBRIDGE MA 01569-2001

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, CAROLINE'S CANNABIS, LLC 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 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
William Francis Galvin

Minimum Fee: \$100.00

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

[Special Filing Instructions](#)

Certificate of Amendment

(General Laws, Chapter)

Identification Number: 001284542

The date of filing of the original certificate of organization: 8/7/2017

1.a. Exact name of the limited liability company: CAROLINE'S CANNABIS LLC

1.b. The exact name of the limited liability company as amended, is: CAROLINE'S CANNABIS LLC

2a. Location of its principal office:

No. and Street: 640 DOUGLAS STREET
 City or Town: UXBRIDGE State: MA Zip: 01569 Country: USA

3. As amended, the general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:

THIS COMPANY IS ORGANIZED TO BE A GENERAL RETAIL ESTABLISHMENT, AS WELL AS A NY OTHER ACTIVITY IN WHICH A LIMITED LIABILITY COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS MAY LAWFULLY ENGAGE.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: WILFRED C. DRISCOLL, JR.
 No. and Street: 209 BEDFORD STREET, SUITE 201
 City or Town: FALL RIVER State: MA Zip: 02720 Country: USA

6. The name and business address of each manager, if any:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	CAROLINE FRANKEL	10 SMITH HILL WAY DOUGLAS, MA 01516 USA

7. The name and business address of the person(s) in addition to the manager(s), authorized to execute documents to be filed with the Corporations Division, and at least one person shall be named if there are no managers.

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	CAROLINE FRANKEL	10 SMITH HILL WAY DOUGLAS, MA 01516 USA
SOC SIGNATORY	NICHOLAS OBOLENSKY	128 DORRANCE ST., 6TH FLOOR PROVIDENCE, RI 02903 USA

8. The name and business address of the person(s) authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	CAROLINE FRANKEL	10 SMITH HILL WAY DOUGLAS, MA 01516 USA

9. Additional matters:

10. State the amendments to the certificate:

PRINCIPAL OFFICE ADDRESS CHANGE. REMOVAL OF DUPLICATE MANAGER ENTRIES. GENERAL CHARACTER OF BUSINESS CHANGE. ADDITION OF PERSON AUTHORIZED TO EXECUTE DOCUMENTS FILED WITH CORPORATIONS DIVISION.

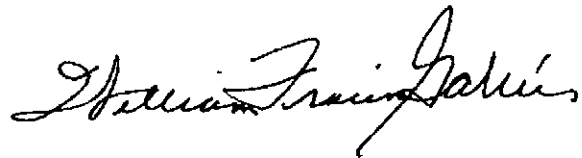
11. The amendment certificate shall be effective when filed unless a later effective date is specified:

SIGNED UNDER THE PENALTIES OF PERJURY, this 10 Day of May, 2018,
NICHOLAS OBOLENSKY , Signature of Authorized Signatory.

THE COMMONWEALTH OF MASSACHUSETTS

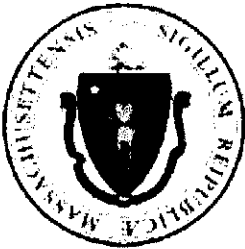
I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

May 10, 2018 03:58 PM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive, flowing style with a large initial 'W' and 'G'.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



The Commonwealth of Massachusetts
William Francis Galvin

No Fee

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

Special Filing Instructions

Statement of Change of Resident Agent/Resident Office

(General Laws, Chapter 156C, Section 5A and Section 51)

Exact name of limited liability company: CAROLINE'S CANNABIS LLC

Current resident agent name: WILFRED C. DRISCOLL, JR.

Current resident agent office address: 209 BEDFORD STREET, SUITE 201 , FALL RIVER , MA
02720

New resident agent office address in the commonwealth and the name of the appointed resident agent at that office:

(The company may not appoint itself resident agent. Resident agent may be an individual or a different business entity.)

Name: CAROLINE FRANKEL

No. and Street: 10 SMITH HILL WAY

City or Town: DOUGLAS

State: MA

Zip: 01516

Country: USA

The street address of the resident office of the limited liability company and the business address of the resident agent are identical as required by General Laws, Chapter 156C, Section 51 and GL Chapter 156D Section 15.08.

Consent of resident agent:

I, CAROLINE FRANKEL , consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 5A and Section 51.

This statement is effective at the time and on the date approved by the Division.

SIGNED UNDER THE PENALTIES OF PERJURY, this 11 Day of May, 2018,
NICHOLAS OBOLENSKY , **Signature of Authorized Signatory.**

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

May 11, 2018 02:19 PM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive, flowing style with a large initial 'W' and 'G'.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: \$500.00

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

Special Filing Instructions

Certificate of Organization

Identification Number: 001284542

1. The exact name of the limited liability company is: CAROLINE'S CANNABIS LLC

2a. Location of its principal office:

No. and Street: 10 SMITH HILL WAY
 City or Town: DOUGLAS State: MA Zip: 01516 Country: USA

2b. Street address of the office in the Commonwealth at which the records will be maintained:

No. and Street: 209 BEDFORD STREET, SUITE 201
 City or Town: FALL RIVER State: MA Zip: 02720 Country: USA

3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:

THE COMPANY IS ORGANIZED TO SELL SMOKING ACCESSORIES AND SMOKING RELATED PRODUCTS, EXCLUDING MARIJUANA, BUT WHICH MAY OR MAY NOT HAVE A MARIJUANA THEME OR IMAGE, AND TO PERFORM ANY AND ALL LAWFUL ACTS PERTAINING TO THE MANAGEMENT OF ANY LAWFUL BUSINESS AS WELL AS TO ENGAGE IN AND TO DO ANY LAWFUL ACT CONCERNING ANY AND ALL LAWFUL BUSINESS FOR WHICH A LIMITED LIABILITY COMPANY MAY BE ORGANIZED UNDER THE MASSACHUSETTS LIMITED LIABILITY COMPANIES REGULATION 950 CMR AND ANY AMENDMENTS THERETO AS WELL AS MGL 156C. 5 6. §112.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: WILFRED C. DRISCOLL, JR.
 No. and Street: 209 BEDFORD STREET, SUITE 201
 City or Town: FALL RIVER State: MA Zip: 02720 Country: USA

I, WILFRED C. DRISCOLL, JR., ESQUIRE resident agent of the above limited liability company, consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 12.

6. The name and business address of each manager, if any:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	CAROLINE FRANKEL	

7. The name and business address of the person(s) in addition to the manager(s), authorized to execute documents to be filed with the Corporations Division, and at least one person shall be named if there are no managers.

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	CAROLINE FRANKEL	10 SMITH HILL WAY DOUGLAS, MA 01516 USA

8. The name and business address of the person(s) authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	CAROLINE FRANKEL	10 SMITH HILL WAY DOUGLAS, MA 01516 USA
REAL PROPERTY	CAROLINE FRANKEL	10 SMITH HILL WAY DOUGLAS, MA 01516 USA

9. Additional matters:

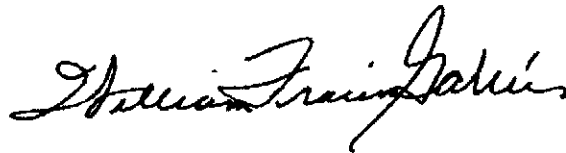
**SIGNED UNDER THE PENALTIES OF PERJURY, this 7 Day of August, 2017,
WILFRED C. DRISCOLL, JR., ESQUIRE**

(The certificate must be signed by the person forming the LLC.)

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

August 07, 2017 02:33 PM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, stylized "G" at the end.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

OPERATING AGREEMENT of CAROLINE'S CANNABIS, LLC

a Massachusetts Limited Liability Company

This Operating Agreement (this "Agreement") of **Caroline's Cannabis, LLC** (the "Company") is entered into as of the 16 day of May, 2018, by the party hereto. The party hereto has formed the Company as a limited liability company pursuant to the provisions of the Massachusetts Limited Liability Company Act (the "Act").

ARTICLE I

Formation of Limited Liability Company; Name and Principal Place of Business; Term

1.01 *Formation*. The Company has been formed pursuant to the Act.

1.02 *Name*. The name of the Company is **Caroline's Cannabis, LLC**.

1.03 *Business Address*. The business address of the Company is 640 Douglas Street, Uxbridge, Massachusetts. The name and address of the resident agent for service of process on the Company is Caroline Frankel, 10 Smith Hill Way, Douglas, Massachusetts. The business address and/or the resident agent may be changed by the Member from time to time as the Member may hereafter determine in compliance with the procedures required hereunder and by the Act.

1.04 *Tax Treatment*. The Company shall be disregarded as an entity separate from its Member for the purposes of federal and state income taxation.

1.05 *Term*. The term of the Company commenced on August 7, 2017, the date of the filing for record of the Company's Articles of Organization with the Office of the Secretary of State for the Commonwealth of Massachusetts, and shall continue in perpetuity unless the Company shall be sooner terminated as provided in Section 8.01.

ARTICLE II

Definitions

Wherever used in this Agreement, unless the context clearly indicates otherwise, the following words shall have the meanings indicated:

"*Adjusted Value*" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes.

"*Affiliate*" means, with respect to any Person: (a) any member of the immediate family of such Person, if an individual; (b) any legal representative, successor, or assignee of such Person or any individual referred to in preceding clause (a); (c) any trustee of a trust for the benefit of such Person or any individual referred to in preceding clauses (a) or (b); (d) any Person (if not an individual) of which a majority of the voting, capital or profit interests is owned, directly or indirectly, by any one or more of such Person and the Persons referred to in preceding clauses (a) through (c); or (e) any Person who is an officer, director, trustee, employee, stockholder (fifteen percent (15%) or more), partner, or member of such Person or any Person referred to in preceding clause (d).

"*Assign*" or "*Assignment*" means, as used in connection with an Interest, to sell, transfer, assign, pledge, or otherwise dispose of all or part of such Interest or the sale, transfer, assignment, pledge, or other disposition of all or part of such Interest. The terms "Assign" and "Assignment" include any purported Assignment, including a collateral assignment or pledge.

"*Capital Account*" means, with respect to the Member, the record of the Member's Capital Contribution and of each item of income, gain, loss, deduction, or cash distribution allocated to the Member to reflect the Member's economic

or equity interest in the Company. The Member's Capital Account shall be maintained as set forth in Section 5.02 hereof.

"Capital Contribution" means, with respect to the Member, the property contributed by the Member to the capital of the Company and specified for the Member in Section 4.02 hereof; *provided, however*, that loans to the Company by the Member shall not be considered Capital Contributions.

"Cash Flow" means the excess of the cash receipts from day-to-day operations of the Company over (a) the cash needed to pay expenses arising from day-to-day operations of the Company, and (b) the cash needed in the reasonable judgment of the Member to fund a reasonable reserve for the needs of the Company's business. "Cash Flow" does not include Net Cash from Sales or Refinancings.

"Fiscal Year" means the fiscal year of the Company, which shall be the calendar year.

"Interest" means, with respect to the Member, all of the Member's right, title, and interest in and to the Company.

"Member" means the person identified in Section 4.01 hereof.

"Net Cash from Sales or Refinancings" means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) of Company property and all refinancing of Company property, less any portion thereof used to establish reserves, all as determined by the Member. *"Net Cash from Sales or Refinancings"* shall include all principal and interest payments with respect to any note or other obligation received by the Company in connection with sales and other dispositions (other than in the ordinary course of business) of Company property.

"Percentage Interest" means, with respect to the Member, one hundred per cent (100%) of all Interests in the Company.

"Person" means and includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and governments (whether federal, state or local, domestic or foreign, and including political subdivisions thereof) and agencies or other administrative or regulatory bodies thereof.

"Profits" or *"Losses"* means the net income and losses (or items thereof) of the Company as determined in accordance with the accounting methods followed by the Company for federal income tax purposes. "Profits" and "Losses" shall include net gains and losses as computed for federal income tax purposes from the sale or other disposition of all or part of the Company's property or any other event or transaction whether or not in the ordinary course of day-to-day operations of the Company (including the liquidation of the Company).

"Substitute Member" means a person admitted to all (or a portion) of the rights of the Member pursuant to the provisions of Article IV of this Agreement.

"Successor" means, with respect to the Member, a legally-appointed successor in interest to the Member, including, but not limited to, the executor, administrator, guardian, or conservator of the Member, and any legally-appointed successor to such executor, administrator, guardian, or conservator.

ARTICLE III

Purposes and Authorized Acts

3.01 Purpose. The purpose of the Company is to be a general retail establishment, as well as any other business activities permitted under the Act which the Member shall deem desirable or expedient to achieve the foregoing or shall deem to be in the best interests of the Company.

3.02 *Authorized Acts*. Subject to the terms hereof and to applicable law, the Company is authorized to perform all acts necessary, convenient, or incidental to the effectuation of its purposes.

ARTICLE IV

Member; Contributions

4.01 *Sole Member*. Caroline Frankel, an individual with an address of 10 Smith Hill Way, Douglas, Massachusetts, is the sole Member. If additional Members or Substitute Members are admitted pursuant to this Article, this Section 4.01 shall be amended to reflect such changes in membership of the Company.

4.02 *Capital Contributions*. The Member has contributed \$135,000 to the capital of the Company in exchange for the Member's Percentage Interest in the Company. If additional Members are admitted pursuant to this Article, or if a Substitute Member is admitted who makes additional contributions to the capital of Company, this Section 4.02 shall be amended to include a schedule of the Capital Contributions of the Member and each new Member.

4.03 *Additional Capital Contributions; Loans*. The Member may make and the Company may accept such additional contributions of property from the Member from time to time in the sole discretion of the Member. Loans to the Company by the Member shall not be considered Capital Contributions and shall be evidenced by one or more promissory notes made by the Company in favor of the Member and shall be repayable on such terms and conditions as shall be agreed upon by the Member and the Company.

4.04 *Liability of Member*. The Member shall not be liable for the obligations of the Company solely by reason of being a Member. The Member shall not be required to make any contributions to the capital of the Company other than as provided in Section 4.02 above. To the extent permitted by the Act and applicable law, the Member shall have no personal liability to the Company or to any additional Member or Substitute Member for breach of any duty under the Act.

4.05 *Compensation of Member*. The Company may compensate the Member for services rendered to or on behalf of the Company. The Member's compensation may be determined with or without regard to Profits or other indicators of the results of operations. Compensation paid to the Member shall be treated as an expense for purposes of determining Profits. The Company shall reimburse the Member for reasonable expenses properly incurred on the Company's behalf in accordance with the Company's then-current budget.

4.06 *Assignment of Interest; Additional Members*. The Company consists of a single Member; the Member may not Assign the Member's Interest, in whole or in part, and no additional Members are permitted to be admitted, unless and until this Agreement is amended, in writing, to provide, among other things, for the change of the Company's status for tax purposes from an entity disregarded as separate from the Member to an entity treated as a partnership or a corporation, unless otherwise agreed to in a writing signed by the Member.

4.07 *Substitute Members*. The Member may freely Assign all (or part) of the Member's Interest to another single person or entity, provided that: (a) the assignee shall agree in writing to be bound by all of the terms of this Agreement, as amended in accordance with Section 4.06 above and otherwise as required by the Member in the Member's sole discretion; (b) the assignee shall deliver to the Company an opinion of counsel to the effect that such proposed Assignment and substitution does not violate state or federal securities laws (as the Member deems necessary or desirable to effect such assignee's admission as a Substitute Member); and (c) the assignee shall pay all reasonable expenses in connection with such assignee's admission as a Substitute Member. Upon the occurrence of an Assignment pursuant to this Section 4.07, the assignee shall be deemed admitted as a Substitute Member. The Capital Account of the Member shall carry over pro rata to the Substitute Member; *provided, however*, that if the Substitute Member makes a contribution to the capital of the Company in connection with the Assignment of the Interest, such contribution shall be a Capital Contribution and shall be reflected in the Substitute Member's Capital Account, and Section 4.02 hereof shall be amended accordingly.

4.08 *Rights of Successors.* Notwithstanding Sections 4.07, a Successor to the Member shall automatically become a Substitute Member.

ARTICLE V

Allocation of Profits and Losses; Maintenance of Capital Accounts

5.01 Allocations to Member.

A. *Allocation of Profits and Losses.* Profits and Losses for any Fiscal Year shall be allocated to the Member.

B. *Other Allocations.* All items of Company income, gain, Loss, deduction, and any other allocations, including allocations of book Profits and Losses, not otherwise provided for in this Agreement, shall be allocated to the Member in the same fashion as are Profits and Losses for such Fiscal Year.

5.02 Capital Account.

A. A Capital Account shall be maintained on the books of the Company for the Member, which shall be: (i) credited with the Member's Capital Contributions and the amount of any liabilities that are assumed by the Member or that are secured by any property distributed to the Member; (ii) credited with the Member's distributive share of Profits and any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits; (iii) charged with the Member's distributive share of Losses and any nondeductible expenditures of the Company not otherwise taken into account under this Section; and (iv) charged with any distributions to the Member and with the amount of any liabilities of the Member that are assumed by the Company or that are secured by any property contributed by the Member to the Company.

B. In the case of property other than cash contributed to the Company or distributed to the Member, the Member's Capital Account will be credited with the Adjusted Value of property contributed to the Company by the Member (net of liabilities assumed by the Company and liabilities to which such contributed property is subject) and shall be debited with the cash and the Adjusted Value of property distributed to the Member (net of liabilities assumed by such Member and liabilities to which such distributed property is subject).

ARTICLE VI

Distribution of Cash Flow and Proceeds of Transactions Not in the Ordinary Course of Business

6.01 *Cash Flow.* Cash Flow shall be distributed to the Member at such time or times and in such amounts as the Member deems appropriate in the Member's sole discretion. In no event, however, shall any distribution from Cash Flow be made under this Section to the extent that such distribution would (i) violate the terms of any financing arrangement to which the Company is a party, or (ii) result in an inability on the part of the Company to pay its debts as they become due.

6.02 *Net Cash From Sales or Refinancings.* Except as otherwise provided in Article VIII, Net Cash from Sales or Refinancings shall be distributed to the Member at such time or times and in such amounts as the Member deems appropriate in its sole discretion.

ARTICLE VII

Rights, Powers, Duties and Obligations of the Member

7.01 *Management by the Member.* The business and affairs of the Company shall be managed by the Member.

7.02 Officers.

A. The Member may appoint such officers of the Company, including a President, a Treasurer, and/or a Secretary, as the Member deems necessary or appropriate. The sole function of such officers shall be to carry out the decisions of the Member. The officers shall have no authority to manage the business and affairs of the Company except to the extent necessary to implement the decisions of the Member. Any officer or agent may be removed by the Member in the Member's sole discretion, with or without cause. Removal of an officer shall have no effect on any rights of such officer or the Company arising out of any written employment or other agreement between such officer and the Company.

B. Any person dealing with the Company may always rely on a certificate executed by the Member as to: (i) the Member's status as the sole Member of the Company; (ii) the existence or nonexistence of any fact or facts which constitute conditions precedent to acts by the Member or are in any other manner germane to the affairs of the Company; (iii) as to the identity of officers (if any) and who is authorized to execute and deliver any instrument or document of the Company; (iv) the authenticity of any copy of this Agreement and amendments thereto; or (v) any act or failure to act by the Company or as to any other matter whatsoever involving the Company or the Member.

7.03 *Agency*. Except and only to the extent expressly delegated by the Member (including to officers) or as otherwise provided by this Agreement, no person other than the Member shall be an agent of the Company or have any right, power or authority to transact any business in the name of the Company or to act for or on behalf of or to bind the Company.

7.04 *Accounting and Tax Information*. The books and records of the Company shall be kept, and the financial position and the results of its operations recorded, in accordance with the accounting methods elected to be followed by the Company for federal income tax purposes. The books and records of the Company shall reflect all Company transactions, shall be appropriate and adequate for the Company's business, and shall comply with the record keeping provisions of the Act.

ARTICLE VIII

Dissolution

8.01 *Dissolution*. The Company shall dissolve and its affairs shall be wound up upon the first to happen of: (a) the sale of all or substantially all of the assets of the Company, or (b) a resolution by the Member in favor of dissolution.

8.02 *Liquidation*. Upon dissolution of the Company, the assets of the Company shall be liquidated as promptly as practicable. The provisions of this Section shall be subject to the rights of the Member or any Successor to the Member to continue the business of the Company for the purpose of winding up the affairs of the Company. Upon liquidation of the assets of the Company, the cash proceeds from the sale of Company assets and the other unliquidated assets of the Company shall be applied in the following order of priority:

- (i) To the payment, to the extent required by any lender or creditor, including the Member, if a creditor, of all debts, obligations and liabilities of the Company and to the payment of taxes then due and payable. Should there be any contingent debts, commitments, obligations, or liabilities, a reserve shall be set up to meet such items, and if and when or to the extent that said contingency shall cease to exist, the moneys or other assets, if any, in reserve, shall be distributed as hereinafter provided in this Section.
- (ii) The balance remaining, if any, to the Member.

8.03 *Articles of Dissolution*. Not later than thirty (30) days following the dissolution and winding up of the Company, the Member or any Successor to the Member shall file, or cause to be filed, Articles of Dissolution with the Secretary of State for the Commonwealth of Massachusetts in accordance with the Act.

ARTICLE IX

Interested Transactions

9.01 *Interested Transactions*. The Member, or any Affiliate of the Member, may act as attorney for, deal and contract with, and be employed by the Company, and the Member or any Affiliate of the Member may be in any

manner interested in or connected with any corporation, association, or business in which the Company is directly or indirectly interested, all in the same manner and with the same freedom as though not a Member or an Affiliate of the Member and without accountability for any profit, benefit, or compensation received in connection with such actions or relationships, none of which shall be void or voidable by reason of such relationship.

ARTICLE X

Indemnification

10.01 *Indemnification of Member.* Each Person who was, is, or is threatened to be made a named defendant or respondent in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such Person is, or was, a Member, manager, or officer of the Company, or who, while a Member, manager, or officer of the Company, is or was serving at the request of the Company as a manager, director, officer, partner, trustee, employee, or agent of another foreign or domestic limited liability company, corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, shall be indemnified against judgments, penalties, fines, settlements, and reasonable expenses (including attorneys' fees) actually incurred by such person in connection with any such action, suit, or proceeding to the full extent permitted under Section 7-16-4 of the Act. The indemnification provided by this Article X shall not be deemed exclusive of any other rights to which those persons seeking indemnification may be entitled under any agreement, vote of the Member, or otherwise, shall continue as to any person who has ceased to be a Member, manager, or officer of the Company, and shall inure to the benefit of the heirs, executors, and administrators of such persons. The Company may purchase and maintain insurance on behalf of any Person who is or was a Member, manager, officer, employee, or agent of the Company, or who, while a Member, manager, officer, employee, or agent of the Company, is or was serving at the request of the Company as a manager, director, officer, partner, trustee, employee, or agent of another foreign or domestic limited liability company, corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, against any liability asserted against such Person and incurred by such Person in any such capacity or arising out of such Person's status as such, whether or not the Company would have the power or obligation to indemnify such person against such liability under the provisions of this Article X or under Section 7-16-4 of the Act.

ARTICLE XI

Miscellaneous

11.01 *Governing Law.* The provisions of this Agreement shall be construed, administered, and enforced according to the laws of the Commonwealth of Massachusetts without regard to its conflicts of law rules.

11.02 *Pronouns.* In any place in this Agreement where the context may require it, feminine, masculine, or neuter pronouns shall be substituted for those of any other gender, the plural for the singular, and the singular for the plural.

11.03 *Titles.* The titles of Articles and Sections are included only for convenience and shall not be construed as a part of this Agreement or in any respect affecting or modifying its provisions.

11.04 *Severability.* If any provision of this Agreement is determined by a court to require the Company to perform or to fail to perform an act which is in violation of applicable law, this Agreement shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, this Agreement shall be enforceable in accordance with its terms.

11.05 *Amendment.* This Agreement may be amended by the Member at any time and from time to time in the Member's sole discretion.

IN WITNESS WHEREOF the party hereto has executed this Agreement as of this 16 day of May, 2018


Caroline Frankel, Member

Caroline's Cannabis, LLC

Management & Operations Profile

Articles of Organization Summary-August 20, 2018

The original *Certificate of Organization* dated 8/7/2017 lists Wilfred C. Driscoll, Jr. as Resident Agent of Caroline's Cannabis, LLC. Wilfred C. Driscoll, Jr., Esquire provided legal services for the creation of original *Certificate of Articles of Organization* paperwork. Caroline's Cannabis, LLC no longer uses the legal services of Wilfred C. Driscoll, Jr., Esquire. *Statement of Change of Resident Agent* dated 5/11/2018 removes Wilfred C. Driscoll as appointed resident agent.

Nicholas Obolensky is Caroline's Cannabis, LLC current attorney from Duarte & Obolensky Law, located at 127 Dorrance Street, Providence, RI 02903. He is listed on *the Certificate of Amendment* dated 5/10/2018 as a person in addition to the manager (Caroline Frankel) authorized to execute documents to be filed with the Corporations Division. Nick Obolensky provides legal services to Caroline's Cannabis, LLC. Nick Obolensky holds no controlling, managerial, operational, or financial interest.



Caroline's Cannabis

www.carolinescannabis.com

Prospective Retail Marijuana Establishment

Caroline's Cannabis, LLC.

640 Douglas Street

Uxbridge, MA 01569

Caroline Frankel

caroline@carolinescannabis.com

(c) 401-323-0335

(b) 774-243-0323

EXECUTIVE SUMMARY

Opportunity

Recreational or retail cannabis (termed “Adult Use” cannabis within the industry) is marijuana sold to consumers age 21 and over by licensed Retail Marijuana Establishments. Caroline’s Cannabis, LLC. will be applying for a Retail Marijuana Establishment License with the Massachusetts Cannabis Control Commission, on June 1, 2018.

Caroline’s Cannabis’ proposed store location is 640 Douglas Street in Uxbridge, Massachusetts. The property is well positioned, and it matches the ideal picture of a community marijuana retail store in town. The proposed store location is not within 750 ft. of any school (grades K-12) and is located in the approved marijuana zoning overlay district in Uxbridge. The store space is 400 square feet and has ample room for parking in the adjacent parking lot.

“Cannabis can be classy”, at least it should be. In order to promote a positive experience for our customers, Caroline’s Cannabis will carefully plan and design a country-inspired cannabis boutique store space, with an inviting atmosphere, and a store that maintains the character of the local community. Caroline’s Cannabis’ store design concept is to create a beautiful retail establishment that cannabis enthusiasts can be proud of, Uxbridge can be proud of, and the new Massachusetts Cannabis industry can be proud of.

Caroline Frankel is the President, CFO, COO, Board of Directors, and General Manager of Caroline’s Cannabis. Caroline holds a Bachelors’ Degree in Business Management from Johnson & Wales University, is a graduate from the Northeastern Institute of Cannabis, and also holds a certificate of competency to work in the cannabis industry.

What We Sell

Caroline’s Cannabis will offer quality-tested marijuana products that conform to state and local regulations and that will be kept to the highest quality standards of purity and potency. Cannabis and marijuana product store inventory will be purchased from licensed Massachusetts Marijuana Establishment cultivators, craft marijuana cultivator cooperatives, micro-businesses, and marijuana product manufactures. Cannabis infused products (which include concentrates, edibles and topicals) haven’t surpassed flower in terms of sales yet from a national perspective, but they are becoming a bigger piece of the pie. These products will represent approximately 30% of total sales and will be a critical component of our product mix. Market demand will largely

dictate which strains and marijuana products Caroline's Cannabis will sell. In today's market it has become the standard for Retail Marijuana Establishments to offer a wide-selection of flower, in addition to edibles, oils, and extracts – all with specifically identified strain names and cannabinoid ratios.

Store Products will include:

Fine Quality Flower in assorted strains: Indicas, Sativas, and Hybrids.

Marijuana Concentrates: A wide assortment of CO2 and solvent-free extracts.

Marijuana Infused Edibles & Drinks

Marijuana Infused Topicals

Seeds in assorted strains

CBD & CBD Infused Products

Cannabis Smoking Accessories & Vaporization Devices

Cannabis Preparation Devices

Cannabis Literature & Mainstream Publications

Cannabis Cultural Products: clothing, jewelry, containers, décor

EXECUTION

Store Location: 640 Douglas Street, Uxbridge, MA

The property lease agreement for 640 Douglas Street, Uxbridge, Massachusetts 01569 will be submitted with the Retail Marijuana Establishment application. Caroline's Cannabis, LLC has leased the premises with the option of acquiring the property once the property is available for sale. The leased space consists of 400 sq. ft. first floor retail space and 722 sq. ft. second floor office space. Acquiring the second-floor office space was a condition of the lease but will not be used for any retail establishment operations. The premises is well positioned and matches the ideal picture of a community marijuana retail store. The store location is not within 750 ft. of any school (grades K-12) and is located in the approved industrial marijuana overlay district in Uxbridge, MA.

Community Outreach Meeting

On April, 11, 2018 at 7pm, Caroline's Cannabis conducted a Community Outreach Meeting consistent with the Commission's *Guidance for License Applicants on Community Outreach*. The meeting was held in the lower meeting room of Uxbridge Town Hall, 21 S. Main Street, Uxbridge, Massachusetts. A copy of the meeting notice was published in the Worcester Telegram & Gazette on April 3, 2018. A copy of the meeting notice was filed with the town clerk, the planning board, and the contracting authority in Uxbridge. Letters were also mailed to abutters within 300 feet of property line, on March 30, 2018 seven calendar days prior to meeting.

Information presented included:

- The type of marijuana establishment to be located at the proposed address;
- Information adequate to demonstrate that the location will be maintained securely;
- Steps to be taken by the Marijuana Establishment to prevent diversion to minors;
- A plan by the Marijuana Establishment to positively impact the community;
- Information adequate to demonstrate that the location will not constitute a nuisance as defined by law; and
- Community members were permitted to ask questions and received answers from Caroline Frankel of Caroline's Cannabis.

Host Community Agreement

The purpose of a Host Community Agreement is to ensure a working relationship between the town and the Marijuana Establishment. On May 21, 2018 Caroline's Cannabis executed a Host Community Agreement with The Town of Uxbridge, a Massachusetts municipal corporation with a principal address of 21 S. Main Street, Uxbridge, MA 01569. The Agreement includes a Community Impact Fee, which is 3% of the stores annual gross marijuana or marijuana product sales, as long as the fee is reasonably related to the costs imposed upon the town by the operation of the marijuana establishments, cannot exceed (5) five years. The signed Host Community Agreement Certification Form will be submitted with the Retail Marijuana Establishment application.

License to Operate

The Cannabis Control Commission will be the sole regulatory authority over the conduct of Massachusetts marijuana businesses and will be responsible for the licensing of Marijuana Establishments. The Commission will begin accepting applications for Retail Marijuana Establishments on June 1, 2018. Caroline's Cannabis will be applying for a "Retail Marijuana Establishment License (brick and mortar)."

Pursuant to 935 CMR 500.000 a "Marijuana Retailer" means an entity licensed to purchase and transport cannabis or marijuana product from Marijuana Establishments and to sell or otherwise transfer this product to Marijuana Establishments and to consumers. Retailers are prohibited from delivering cannabis or marijuana products to consumers; and from offering cannabis or marijuana products for the purposes of on-site social consumption on the premises of a Marijuana Establishment.

- Application Fee for Retail (brick and mortar) License-\$300
- Estimated costs associated with criminal background check fees-\$50
- Annual License Fee-\$5,000

Funding Information

Caroline's Cannabis start-up capital will be generated from its owner's personal savings and personal available credit line sources. Documentation detailing the amounts and sources of capital resources will be submitted with application to the Cannabis Control Commission. The amount of capital resources allocated is enough to ensure smooth business operations in establishing, operating and if necessary winding down, the, Retail Marijuana Establishment.

Insurance & Bond

In accordance with 935 CMR 500.000(10)(a) Caroline's Cannabis 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. The deductible for each policy shall not be higher than \$5,000 per occurrence. Caroline's Cannabis will obtain surety bond in an amount equal to its licensure fee (\$5,000) 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 Caroline's Cannabis.

Insurance & Bond Provider: CANNASURE INSURANCE SERVICES
1991 Crocker Road, Suite 320
Cleveland, OH 44145

MARKET SIZE & DEVELOPMENT

1.8 million Massachusetts residents voted YES on Questions 4 to legalize recreational marijuana (a decisive 53.7%). The cannabis industry is emerging with high profitability levels. Sales in the Massachusetts Recreational Marijuana industry are expected to reach \$300 million in 2018 and triple to \$1.1 billion by 2020. With Massachusetts & Maine being the first states on the east coast to legalize recreational marijuana, tourism is also expected to increase.

The average medical dispensary in MA currently generates approximately \$7 million in sales, and that number is based on a fixed consumer base of only 46,000 patients statewide. Recreational sales will be dramatically larger, because of the wide-spread consumer base. Market analysis also shows, that recreational cannabis customers are less-price sensitive than medical marijuana patients. Americans are willing to spend disposable income on cannabis. Today's average cannabis consumer spends \$2,000 per year, and each customer is highly valuable to a retail store.

MARKETING PLAN

Caroline's Cannabis, LLC.

Discover the natural benefits of Massachusetts' best marijuana boutique store, where recreational customers come for great service and the finest cannabis products.

In competitive markets, shops must provide strong customer service, and compelling inventory to ensure customer loyalty. The key to our success will be the percentage of first-time customers who turn into repeat buyers. Caroline's Cannabis will provide a unique, friendly, and welcoming environment for cannabis enthusiasts. Even as cannabis inches closer to the end of prohibition, the "reefer madness" stigma and stoner stereotype continues to linger for many people. This is why demonstrating a high-level of professionalism will help bring the light of legitimacy to Caroline's Cannabis, LLC.

WHO IS CAROLINE?

- First Generation, Massachusetts Recreational Cannapreneur
- Massachusetts resident with no criminal record
- 15+year cannabis enthusiast
- Registered MMJ Patient
- Graduate from Johnson & Wales University with a Bachelor Degree in Business Management.
- Worked for 10 years in the strategic marketing and tradeshow industry
- Graduate from Northeastern Institute of Cannabis, with a Certificate of Competency to work in the Cannabis Industry. Areas of study included: Cultivation, Cannabis Businesses, Media Training, Hemp, Cannabis Industry Vocational Training, New England Cannabis Law, Understanding Regulations, Cannabis Safety, and Patient Services.
- Owner of Caroline's Cannabis, LLC.
- In 2016, Caroline started www.carolinescannabis.com, a web-based retail store selling cannabis inspired home, business and garden décor'. Store products include handcrafted rustic signage and salvaged cannabis stalk decorative items. Her store and CannaArt collection exhibited at the 2017 Boston Freedom Rally and 2017 Harvest Cup in Worcester, MA. Her passion for the industry comes through with every handcrafted product she makes, and she hopes to spread the "Kind Words" of cannabis in an artistic, beautiful and creative way.
- There is no better place or time than right now for bold moves and big bets in the cannabis industry. Caroline plans on emerging herself as a leader in this social and

economic experiment in free markets, civil rights, and legitimization of a previously underground economy.

- Member of: MA Recreational Consumer Council, MPP, NORML, Woman Grow, High Society, and Elevate New England



BUSINESS MODEL

Caroline's Cannabis will offer high-quality products with competitive pricing. While dried flowers remain the main product focus for recreational users, the market for concentrates, infused edibles, and infused topical products is rapidly expanding. Market demand will largely dictate which strains and products Caroline's Cannabis sells. The consumer market has become more and more sophisticated. In today's market, it has become the standard for Retail Marijuana Establishments to offer a wide selection of strains, in addition to edibles, oils, and extracts, with specifically identified strains and cannabinoid ratios.

Marijuana Product Suppliers

Caroline's Cannabis store inventory will be purchased from a variety of licensed Massachusetts Marijuana Establishments; cultivators, craft marijuana cultivator cooperatives, micro-businesses, and marijuana product manufactures. Caroline's Cannabis will purchase wholesale orders from a variety of licensed suppliers creating a diverse marijuana and marijuana product store inventory for customers to select from. Caroline's Cannabis will only purchase marijuana and marijuana products from cultivators and product manufactures with verified laboratory tested batch/product results. All wholesale purchases made by Caroline's Cannabis will be logged and recorded in seed-to-sale inventory tracking system.

Caroline's Cannabis realizes that marijuana and marijuana products may be in short supply during the first few months of operation. Caroline's Cannabis will purchase from established and reputable RMD's to establish initial inventory and product growth. Store inventory selection will increase as more Marijuana Establishment Cultivators and Marijuana Product Manufactures are issued state licenses, and their products are ready for sale to retail marijuana establishments. Caroline's Cannabis will limit its store inventory of marijuana to reflect the projected needs of consumers in the local market area.

Taxes

The tax on recreational marijuana and marijuana products sold at Caroline's Cannabis will be 23%.

- 6.25% state sales tax
- 10.75% excise tax used to fund the Cannabis Control Commission

- 3% local tax
- 3% local community host agreement impact fee

Community Interaction

Caroline's Cannabis plans on creating a positive community experience. We want residents and community leaders to see our business as legitimate and professionally operated as any other business in the local area. We look forward to implementing good business practices, participating in community outreach programs, sponsoring local events and holding educational seminars. Developing a positive presence is not only good for the success of Caroline's Cannabis, LLC, but for the continued success of the cannabis industry in general.

Positively Impacting & Promoting Economic Empowerment

The U.S. "war on drugs", a decade-long policy of racial and class suppression hidden behind cannabis criminality has resulted in the arrest, interdiction, and incarceration of a high percentage of Americans of color. That is why it is so disheartening to see members of minority communities largely left out of the industry. Caroline's Cannabis will promote, encourage and support economic empowerment in disproportionately harmed communities. It will provide job opportunities in this new regulated industry to people of varying socio-economic status and to help give a leg up for those who were convicted for their involvement in the formerly illicit marijuana market. To ensure robust community engagement, Caroline's Cannabis will actively participate in industry training programs, mentoring programs, job fairs, and educational seminars that promote economic empowerment.

Women have finally found a strong voice in the cannabis industry and we look forward to breaking every glass ceiling. Caroline's Cannabis is a woman owned and operated business that passionately supports economic empowerment. The industry is about learning, sharing knowledge, and growing from each other experiences. Caroline's Cannabis believes in the importance of women in leadership roles and elevating future leaders within the industry. Caroline's Cannabis will strive to positively impact the next generation of cannabis industry leaders by providing job opportunities, fostering community, hosting events, and creating programs that can get women involved in this exciting new industry in Massachusetts.

OPERATING POLICIES & PROCEDURES

Hours of Operation

Caroline's Cannabis hours of operation will be 10am-10pm, seven days a week.

After-Hours Contact Information

The following after-hours contact information will be on file with the Commission and local law enforcement officials and updated pursuant to 935 CMR 500.000.

Caroline Frankel

(c) 401-323-0335

caroline@carolinescannabis.com

Requirements to Enter Store

Upon entry into Caroline's Cannabis, a Caroline's Cannabis Marijuana Establishment Agent will immediately inspect the individual's proof of identification and determine the individual's age. An individual shall not be admitted into the premises unless Caroline's Cannabis has verified the individual is 21 years of age or older by an individual's proof of identification. Valid forms of photo identification include: driver's license, government-issued ID card, military ID Card, or passport.

Marijuana Establishment Agents

Caroline's Cannabis shall apply for Marijuana Establishment Agent registrations for all board members, directors, employees, executives, managers, and volunteers who are associated with the Marijuana Establishment. The Cannabis Control Commission will issue a Marijuana Establishment Agent registration card to each individual determined to be suitable for registration. All individuals shall: be at least 21 years old, never been convicted of an offense involving distribution to minors and be determined to be suitable for registration consistent with

the provisions of 935 CMR 500.800 and 500.802. Registration cards are valid for one year from the date of issue and shall be renewed on an annual basis upon determination by the Commission.

Caroline's Cannabis Establishment Agents shall carry their registration cards **at all times** while in possession of marijuana, while inside the store, and while transporting. Caroline's Cannabis will promptly notify the Commission within (5) five business days of any changes to information previously submitted, or upon discovery that a card has been lost or stolen; and within (1) business day after an Agent is no longer associated with the Marijuana Establishment.

Caroline's Cannabis will immediately terminate employment of any Marijuana Establishment Agent who has:

- Diverted marijuana, which shall be reported to law enforcement officials and the Commission;
- Engaged in unsafe practices with regard to operation of the Marijuana Establishment, which shall be reported to the Commission; or
- Been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.

Marijuana Establishment Staffing & Training

Caroline's Cannabis will maintain compliance with training requirements pursuant to 935 CMR 500.105(B). Registered Marijuana Establishment Agents (Staff) will complete training prior to performing job functions. Training will include: corporate mission, state regulations, operations, products, labeling, record keeping, roles & responsibilities of job function, regulatory compliances, and security training. Marijuana Establishment Agents must also successfully complete a *Responsible Vendor Training Program* under 935 CMR 500.105(2)(b) and receive 8-hours of ongoing training annually.

Caroline's Cannabis, store staff will be carefully chosen. A team that is well versed in the legalities of the marketplace and also committed to providing quality products and top customer service. Store staff will need to have a basic scientific understanding about the cannabis plant, cannabis products and their effect, and be able to answer a variety of questions that will be asked by consumers. They will also need to be thoroughly familiar with local and state laws and regulations, and willing and able to educate consumers about safe use. Caroline's Cannabis initial

store staff will consist of (4) four on-site registered marijuana establishment agents, to achieve efficient and smooth operations. Staff will include (1) one Manager, (2) two Budtenders (Sales Associates), and (1) one Security personnel. Caroline's Cannabis will ensure that all Caroline's Cannabis Marijuana Establishment Agents complete training prior to performing job functions. Training will be tailored to the roles and responsibilities of the job function of each marijuana establishment agent's position.

Staff

Caroline Frankel-Caroline's Cannabis Retail Marijuana Establishment Licensee, Owner, President, CEO, CFO, COO, Board of Directors, and General Manager.

Manager- Caroline's Cannabis store manager will report directly to the Retail Marijuana Establishment owner and General Manager Caroline Frankel. The individual will have a thorough knowledge of the cannabis industry, cannabis plant, products, and state and local regulations that apply to business. The store manager will oversee all aspects of the Retail Marijuana Establishment. The manager's responsibilities will include, but are not limited to, the following: inventory controls, day-to-day operations, ensuring all limited-access areas are secured, security concerns, cash handling procedures, good neighbor relations, receiving and overseeing vendor orders, customer education and satisfaction, employee training, retail package handling, proper marijuana storage, accurate sale transactions and reporting, and ensuring legal compliance.

Budtenders (Sales Associates)- Budtenders will report to the Manager on duty. They will directly interact with customers in the process of understanding, selecting, and purchasing cannabis products. These Caroline's Cannabis Marijuana Establishment agents will ensure that customers are 21 and over with valid identification, and that all sales are accurately and comprehensively tracked in the POS system. They will receive thorough training in all aspects of marijuana retail sales compliance, and safety requirements. They will also receive certification and ongoing training as required by 935.CMR.105. Sales Agents will not have access to the secured marijuana storage area, unless accompanied by a Manager.

Security- Marijuana Establishment Security Agent will report directly to the Manager on duty and Marijuana Establishment owner Caroline Frankel. Security Agent will be responsible for checking individuals' proof of identification upon entry, monitoring the premises to ensure that no unauthorized persons are allowed access to the Retail Marijuana Establishment at any time.; and will implement established security policies and procedures that protect the premises, employees, consumers, and the general public. Security personnel will monitor the retail

establishment using line of sight, as well as video surveillance system that will operate 24 hours a day.

Comprehensive Security Plan

Caroline's Cannabis will develop responsible management practices in order to provide a safe and secure store experience. Security measures will be compliant with 935 CMR 500.110 and provide sufficient safety measures to deter and prevent unauthorized entrance into areas containing marijuana and theft of marijuana; and security measures that protect the premises, employees, consumers, and the general public. Security plan and procedures will be shared with Uxbridge law enforcement authorities and fire services.

As part of the strict security plan, upon entry into store, an individual's identification will be immediately inspected to validate that the individual is 21 and over, by Caroline's Cannabis Marijuana Establishment Agent. Individuals under the age of 21 will not be permitted on the premises.

Caroline's Cannabis will use a commercial grade integrated security system to prevent and detect diversion, theft, or unauthorized access. The security system installed will be fully compliant with the security requirements required under 935 CMR 500.110(d). Caroline's Cannabis will rely on two different licensed and experienced security companies in maintaining proper security of the property, proper lighting, and video surveillance. One will be used as the primary security company, and the other as the secondary backup alarm system company.

Caroline's Cannabis will be using the following qualified and licensed Massachusetts security companies:

Primary Security Company

American Alarm and Communications, Inc.

489 Washington Street

Auburn, MA 01501

(508) 753-1322

Secondary Backup Security Company

Total Security Technology

87 Duluth Street
Fall River, MA 02721
(508) 916-2878

Integrated Security Alarm System Will Provide:

- Perimeter alarms on all entry and exit points and perimeter windows
- Motion detection
- Video surveillance cameras will be positioned in all areas containing marijuana, at all points of entry and exit, parking lot, safes, sales areas, storage areas, and marijuana handling areas. Surveillance cameras will be running 24 hours a day. Cameras will be positioned to immediately capture a clear and color still photo of any person entering or exiting the store, with date and time stamp embedded. The footage from these cameras will be kept for 90-days and available for immediate viewing by the Commission upon request. Video recordings shall not be destroyed or altered and will be retained as long as necessary for pending criminal, civil, and /or administrative investigations or legal proceedings.
- Duress alarm (silent alarm to signal alarm user being forced to turn off system), panic alarm (life threatening or emergency situation) and holdup alarm (robbery in progress) connected to local public safety and law enforcement authorities
- 24/7 central monitoring station providing alarm verification, failure notification system (within 5-minutes or less of failure), and emergency dispatch
- System will monitor and send instant alerts when people are entering the business at any time, both during and after business hours
- Electronic Access Control Door System that will grant only authenticated employees access privileges based on company policies & state regulation
- Owner will have mobile device monitoring and management of security system
- Equipped with backup power sources to ensure that video surveillance system remains operational during power outage

Access to the onsite store surveillance room is strictly limited to only those persons that are essential to surveillance operations, law enforcement authorities acting within their lawful jurisdiction, security system personnel, and the Commission. A current list of authorized employees and service personnel that have access to the surveillance room will be available to the Commission upon request. Onsite store surveillance room will remain locked and will not be used for any other function. All security equipment will be maintained in good working order

and shall be inspected and tested at regular intervals, not to exceed 30 calendar days from previous inspection and test.

Caroline's Cannabis will install sufficient lighting outside of the premises for use each day between sunset and sunrise that adequately illuminates the facility and its immediate surroundings areas, including the parking lot and entry area. Exterior lighting will be installed near video surveillance devices to ensure proper illumination for the identification of people, vehicles, and license plates.

External store doors and security gates will be secured by locks rated to ANSI-grade 1. Store premises does not have any windows.

Caroline's Cannabis will take proactive measures to reduce exposure and likelihood to violent crime. A professional uniformed Marijuana Establishment Security Agent (possibly ex-military veteran) will be present during all hours of operation. This will greatly increase the safety and security of the store and create a visible deterrent to theft and other violent crimes.

Prevention of Diversion & Prevention of Diversion to Minors

One of the most effective methods for deterring diversion is promoting the awareness of systems that operate to prevent it. Video surveillance cameras will be positioned in all areas containing marijuana, at all points of entry and exit, parking lots, safes, sales areas, storage areas, and marijuana handling areas. Surveillance cameras will be running 24 hours a day. Cameras will be strategically positioned to immediately capture a clear and color still photo of any person, with date and time stamped embedded. Exterior lighting will be installed near video surveillance devices to ensure proper illumination for the identification of people, vehicles and license plates. Caroline's Cannabis will use a commercial grade integrated security system to prevent and detect diversion, theft, or unauthorized access. The security system installed will be fully compliant with security requirements required under 935 CMR 500.110(d). Caroline's Cannabis will take proactive measures to reduce exposure and likelihood of violent crime. Professional uniformed security personnel will be present during all hours of operation. This will greatly increase the safety and security of the store and create a visible deterrent to diversion, theft and other violent crimes.

All marijuana products shall be stored in such a manner as to prevent diversion, theft or loss, and will be returned to its secure location immediately after the completion of the process or at the

end of the scheduled business day. In order to ensure that cannabis is securely stored and avoid any threat of loss and diversion, Caroline's Cannabis shall:

- Not maintain cannabis in excess of the quantity required for normal, efficient operation;
- Store all marijuana and marijuana products in a secured locked safe;
- Keep all approved safes and areas used for the storage of cannabis securely locked, except for the actual time required to remove or replace cannabis;
- Keep all locks and security equipment in good working order;
- Not allow keys to be left in the locks and not store or place keys in locations accessible to persons other than specifically authorized personnel;
- Not allow other security measures, such as combination numbers, passwords or electronic or biometric security systems, to be accessible to persons other than specifically authorized personnel; and
- Keep limited-access areas securely locked and protected from authorized entry at all times.

The outside perimeter of the premises will be sufficiently lit to allow for surveillance cameras. Trees, bushes, and other foliage outside of Caroline's Cannabis will be maintained to prevent a person or persons from concealing themselves from sight. Loitering on or near Caroline's Cannabis will be strictly prohibited. Only individuals engaging in activity expressly or by necessary implication permitted by 935 CMR 500.110(b), and its enabling statute are allowed to remain on the premises. Local law enforcement will be called if individual(s) remain on premises after prior request to leave is ignored. Caroline's Cannabis 's security personnel will routinely patrol the store perimeter and grounds to prevent nuisance activity, diversion, and crime.

Caroline's Cannabis will utilize a comprehensive inventory control and seed-to-sale tracking system, intended to prevent diversion of cannabis to the black market and to minors. The system requires Marijuana Establishment Agents handling the product to note their taking custody of the product in the system. The chain of custody of all marijuana and marijuana products will be documented, through scanning and logging at all times as it moves through each process within the Retail Establishment. Real-time inventory will be maintained, and comprehensive daily, monthly, and yearly inventory tracking will be conducted and verbally recorded. Caroline's Cannabis's POS system will be able to identify patterns in customer purchases that may suggest product diversion and/or excess customer possession. Caroline's Cannabis will prominently post and educate customers on possession limits and reserves the right to refuse sales to a customer who exhibits suspicious purchasing patterns. All Caroline's Cannabis employees will be rigorously trained on compliance regulations and diversion prevention prior to performing any

job functions, which includes completing a Responsible Vendor Training Program pursuant to 935 CMR 500.105(2)(b).

If loss, theft, or diversion of cannabis has occurred at Caroline's Cannabis, the Manager shall notify the Commission and local law enforcement immediately. The Commission and local law enforcement shall determine the appropriate storage and security requirements for all cannabis in the location and may require additional safeguards to ensure the security of the Cannabis.

All marijuana and marijuana products will be sold in child-resistant packaging that will be plain and opaque. All product labels will include a required statement: KEEP THIS PRODUCT AWAY FROM CHILDREN, a symbol that indicates the product is harmful to children, and a symbol indicating the package contains THC. Customers will be provided educational materials about the penalties of diversion to minors.

Waste Disposal

The state wants to ensure that all "waste" cannabis is disposed of in a manner where it cannot re-enter the black market or be misused by people looking through the garbage. Caroline's Cannabis will dispose of excess, contaminated, adulterated or deteriorated marijuana or marijuana products in compliance with 935 CMR 500.105(12). All waste, including waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed in accordance with applicable state, local statutes, ordinances, and regulations. Caroline's Cannabis will store such waste inside a dedicated waste disposal safe, located in the limited access area that is equipped with video surveillance and a control door system access lock.

Waste marijuana and marijuana products will be mixed with organic material to be rendered unusable for its original purposes. Once such marijuana waste has been rendered unusable, disposal services will be arranged with a waste management facility that holds a valid permit issued by the Department of Environmental Protection. Disposal records will be created and maintained that include date, the type and quantity disposed of, the manner of disposal, the location of disposal, and the two people present during the disposal, with their signatures. Records will be kept for a minimum of three years.

Limited Access Areas

Limited access areas pursuant to 935 CMR 500.110(4), shall be accessible only to specifically authorized personnel limited to include only the minimum number of employees essential for efficient operations. Access to limited areas will be restricted to employees specifically authorized by Caroline's Cannabis, agents of the Cannabis Control Commission, state and local law enforcement, and emergency personnel. A Limited Access Area Diagram of the registered store premises will be on file with the Commission, specifying entrances, exits, walls, partitions, security area, packaging area, storage area, disposal area, and retail sales areas.

Caroline's Cannabis will use electronic locks with associated card readers to manage and record exit and entry into limited access areas, which will ensure that access is limited to only authorized personnel. Caroline's Cannabis will go to great lengths to protect the confidentiality of our security measures, such as combination numbers, passwords, and electronic lock activators, against threats from unauthorized personnel.

All employees will be required to visibly display their Marijuana Establishment Agent identification badges at all times. All outside vendors, contractors and visitors shall obtain a visitor identification badge prior to entering a limited access area and needs to be escorted at all times by a Caroline's Cannabis Agent authorized to enter the limited access area. All visitors must be logged in and out and that log will be available for inspection by the Commission at all times. Visitor badges must be returned prior to exiting.

All limited access areas will be clearly identified by the posting of a sign that shall be a minimum of 12"x12" and which states: "Do Not Enter-Limited Access Area-Access Limited to Authorized Personnel Only" in lettering no smaller than one inch in height.

Storage of Marijuana

Caroline's Cannabis will store marijuana in compliance with 935 CMR 500.105(11). Cannabis and marijuana products will be stored inside environmentally controlled commercial-grade safes. That will be securely bolted and affixed to the floor inside limited access-storage area, with 24-hour video surveillance. The storage area will be securely locked at all times, except for the actual time of removing or replacing cannabis. An electronic lock control door system will be used and only authorized personnel (owner & store managers) will be allowed access privileges.

A separate safe inside the limited-access storage area will be used to store marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or if its containers or packaging have been opened or breached, until such products are destroyed.

Transportation of Marijuana

Caroline's Cannabis shall, as an element of its Marijuana Establishment License, be licensed to transport its marijuana products to other licensed Marijuana Establishments, and also permitted to contract with licensed Marijuana Establishments to transport that licensee's marijuana products to other licensed Marijuana Establishments. All transportation times and routes will be randomized and will remain within the Commonwealth of Massachusetts. Marijuana products being transported shall all be linked to the seed-to-sale tracking program.

Caroline's Cannabis transportation vehicles will be staffed with a minimum of (2) two Marijuana Establishment Agents, both carrying issued agent registration cards and valid driver's licenses. At least one Caroline's Cannabis Marijuana Agent will remain with the vehicle at all times when the vehicle contains marijuana and marijuana products. Vehicles will travel directly to the delivery destination without any stops on the route. In the case of an emergency stop during transit, a log will be maintained describing the reason for the stop, the duration, the location, and any activities of Marijuana Establishment Agents exiting the vehicle.

Prior to leaving a Marijuana Establishment for the purpose of transporting, the originating Marijuana Establishment must weigh, inventory, and account for, on video, all marijuana and marijuana products to be transported. Within eight hours after delivery, the destination Marijuana Establishment will be required to re-weigh, re-inventory, and account for, on video, all marijuana and marijuana products transported. Video taken before transportation and after receipt of delivery will show each product being weighed, the weight, and the manifest. Any marijuana product that is undeliverable or is refused by the destination Marijuana Establishment shall be transported back to the originating establishment.

Caroline's Cannabis will purchase, register, inspect, insure, and maintain eco-friendly vehicles for Marijuana Establishment Transport. Vehicles will be equipped with alarm systems, and functioning heating and air conditioning systems appropriate for maintaining correct temperatures for storage of marijuana and marijuana products during transportation. Delivery vehicles will be "un-marked" having no corporate branding of any type, and no markings indicating marijuana is in transit. Marijuana products will not be visible from outside the vehicle. Marijuana products will be transported in secure, permanently-affixed, locked storage

compartments inside the vehicle (pursuant to 935 CMR 105(d)). Marijuana and marijuana products for each Marijuana Establishment shall be kept in separated locked storage compartments during transportation, and separate manifests shall be maintained. When transporting marijuana products, no other products may be transported or stored in the same vehicle. Firearms are strictly prohibited within the vehicles and on Caroline's Cannabis Marijuana Establishment Agents.

The delivery vehicles will contain a secure global positioning system (GPS) monitoring device, that will be closely monitored by Marijuana Establishment. Caroline's Cannabis Marijuana Establishment Agents transporting marijuana products will have cellular phone access to communicate directly with Caroline's Cannabis personnel. Prior to, and immediately after leaving Caroline's Cannabis, marijuana establishment agents will be required to contact and test verbal communication, and test GPS operability. If GPS system fails while in route, the vehicle must immediately return to the store. Marijuana Establishment Agents transporting marijuana products will contact the store when stopping at, or leaving any scheduled destination, and regularly throughout the trip (at least every 30-minutes). A Caroline's Cannabis Marijuana Establishment Agent will be assigned to monitor the GPS unit, monitor the secure form of communication during transportation of marijuana products, and log all official communications. A video system will be installed inside each Caroline's Cannabis transport vehicle, which will include one or more video cameras in the driver's area. Video surveillance will remain operational at all times during the entire transportation process and have the ability to produce a clear color still photo with a date and time stamp embedded.

Manifests will be filled out in triplicate, with the original manifest remaining with Caroline's Cannabis, a copy provided to the Marijuana Establishment destination upon arrival, and a copy that must be kept with the Caroline's Cannabis marijuana establishment agent during transportation. Manifests will be returned to Caroline's Cannabis upon completion of transport. The manifest will be securely transmitted via email to the Destination Marijuana Establishment prior to transport and will be used at the destination Marijuana Establishment to compare and confirm receipt of marijuana products. Caroline's Cannabis will retain all transportation manifests for no less than one year and will be available to the Cannabis Control Commission, upon request.

Manifest will include:

- Caroline's Cannabis name, address, and registration number;
- Names and registration numbers of transporting agents;
- Name and registration number of agent who prepared the manifest;

- Destination Marijuana Establishment name, address, and registration number;
- Description of marijuana products being transported, including weight, form and type;
- Mileage of the transporting vehicle at departure from originating Marijuana Establishment, mileage upon arrival at destination Marijuana Establishment, and mileage upon return to originating Marijuana Establishment;
- Date and time of departure from the originating Marijuana Establishment, and arrival at the destination Marijuana Establishment for each transportation;
- Signature line for the marijuana establishment agent receiving the marijuana products;
- The weight and inventory before departure and upon receipt;
- The date and time that the transported products were re-weighed and re-inventoried;
- The name of the Marijuana Establishment Agent at the destination Marijuana Establishment who re-weighed and re-inventoried products; and
- Delivery vehicle make, model, and license plate number.

Caroline's Cannabis marijuana establishment agents will responsibly document and report any unusual discrepancy in weight or inventory, vehicle accidents, diversions, losses, or other reportable incidents that occur during transport, to the Commission and local enforcement within 24-hours.

Inventory Control

Thorough tracking, and inventory control is critical to the business' success. Caroline's Cannabis will limit its store inventory of marijuana to reflect the projected needs of consumers in the local market area. Caroline's Cannabis will tag and track all marijuana products, using a Commission required seed-to-sale inventory management software system (supplied by Franwell's metrc). Real-time inventory will be maintained as specified by the Cannabis Control Commission and pursuant to 935 CMR 500.105 (8)(c) and (d). This includes an inventory of marijuana ready for dispensing; all marijuana products stored; all damaged, defective, expired, or contaminated marijuana, and marijuana products awaiting disposal. Caroline's Cannabis will establish and maintain responsible inventory controls and procedures, conduct daily and monthly inventory reviews, conduct comprehensive annual inventory reviews, and promptly transcribe inventory reports by use of an oral recording device. The record of each inventory will include, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the individual who conducted the inventory review.

Reporting Requirements

Caroline's Cannabis will responsibly document and report any unusual discrepancy in weight or inventory, vehicle accidents, diversions, losses, or other reportable incidents that occur, to the Commission and local enforcement within 24-hours.

Caroline's Cannabis will notify appropriate law enforcement authorities and the Commission of any breach of security immediately. Notifications include:

- Discovery of discrepancies identified during inventory
- Diversion, theft or loss of any marijuana or marijuana product
- Any criminal action involving or occurring on or in the Marijuana Establishment premises
- Any suspicious act involving the sale, cultivation, distribution, processing or production of marijuana by any person
- Unauthorized destruction of marijuana
- Any loss or unauthorized alteration of records related to marijuana
- An alarm activation or other event that requires response by public safety personnel or security personnel privately engaged by the Marijuana Establishment
- The failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last more than eight hours
- Any other breach of security

Caroline's Cannabis will responsibly document and report any unusual discrepancy in weight or inventory, vehicle accidents, diversions, losses, or other reportable incidents that occur, to the Commission and local enforcement within 24-hours. Within ten calendar days of a reported incident, Caroline's Cannabis will submit a report detailing the circumstances of the event, any corrective action(s) taken, and confirmation that the appropriate law enforcement authorities were notified pursuant to 935 CMR 500.110 (7). All documentation related to the incident that is reportable will be maintained for one year or for the duration of an open investigation.

Caroline's Cannabis must, on an annual basis, obtain a security system audit by a vendor approved by the Commission, and submit that audit within (30) thirty days for review. If the marijuana audit identifies concerns related to the security system, Caroline's Cannabis must submit a plan to mitigate those concerns with (10) ten business days of submitting the audit.

Emergency Protocols

Caroline's Cannabis emergency policies and procedures will be implemented company wide. Employees will be fully trained on emergency protocols once employed by the company, which will include emergency protocols following the instance of diversion, theft, fire emergency, and other emergencies as needed. Security plans and procedures will be shared with law enforcement authorities and fire-fighting/prevention services.

Caroline's Cannabis will secure all marijuana and marijuana products in a secured locked safe following any instance of diversion, theft or loss of marijuana, and will conduct an assessment to determine whether additional safeguards are necessary.

Robbery or Theft Protocols

- If being robbed at gunpoint or you feel your life is in danger, comply with all requests from the perpetrator. Give them whatever they ask for.
- Try to signal for help by utilizing the security panic buttons provided, or the panic button/police services button located on the alarm panel.
- Contact police as soon as possible.
- Notify Commission and local authorities.

Fire Emergency Protocols

- If the fire is small and isolated, try to exhaust the fire with one of the on-site fire extinguishers.
- In the event of a fire emergency, dial 911 for the Fire Department or push the fire emergency symbol on the alarm panel.
- Notify Commission and local authorities.

Other Emergencies

- Contact 911 for break-ins or burglaries.
- Contact Commission and local authority in cases of theft, break-ins or burglaries.

Recordkeeping

Caroline's Cannabis will ensure all records are accurate and compliant with 935.CMR.105(8) and (9) and 830 CMR 62C.25.1. Caroline's Cannabis will purchase and use, marijuana web-based retail software (POS system approved by Commission) to manage all business recordkeeping.

Software will manage: operating procedures, detailed inventory, seed-to-sale tracking records, bookkeeping, business records, personnel records, and waste disposal records. A personnel record for each Caroline's Cannabis marijuana establishment agent will include: job descriptions, notice of completed Vendor Training Program, copy of agent application, performance evaluations, disciplinary action taken, documentation of all required training, verification of reference, staffing plan, personnel policies and procedures, and all CORI reports obtained in accordance with 935.CMR.100. Caroline's Cannabis records will be available for inspection by the Commission, upon request.

Electronic data will be encrypted and stored on secure servers in secure storage area under 24-hour video surveillance. Physical records will also be stored in a secure storage room under 24-hour surveillance. All records will be retained for a minimum of (6) six years.

Quality Control & Testing

No marijuana or marijuana product shall be sold or otherwise marketed for adult use at Caroline's Cannabis that have not first been tested by an Independent Testing Laboratory (in compliance with the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-Infused Product*) and deemed to comply with the standards required under 935 CMR 500.160. Caroline's Cannabis's will only purchase **quality-tested** cannabis and marijuana products for store inventory. Store inventory will be purchased from a variety of licensed marijuana cultivators, craft cooperatives, micro-businesses, and marijuana product manufactures, which are responsible for testing their marijuana and marijuana products prior to initiating sales with Caroline's Cannabis. Caroline's Cannabis may also take the liberty of testing marijuana product samples to double-check compliance with state regulations before purchasing for store inventory. This will provide an additional layer of quality-control designed to maximize safety.

Marijuana and marijuana products will be tested for potential contaminants including, pesticides, heavy metals, mycotoxins and microbiological contaminants, as well as cannabinoid profiles and ratios. The results from all testing will be incorporated into product labeling information.

All marijuana handled in preparation for sale, will be secured in a limited access production area. Marijuana will be prepared in a safe and sanitary manner. Cannabis will be well cured and free of seeds and stems; free of dirt, sand, debris, and other foreign matter; free of contamination by mold, rot, other fungus, and bacterial diseases; prepared and handled on food-grade stainless steel tables; and packaged in a secure area.

Marijuana Establishment Agents whose job includes direct contact with marijuana or non-edible marijuana products must comply with the requirements for food handlers specified in 105 CMR 300.000. Agents must use sanitary practices that include; adequate personal cleanliness and thorough hand-washing. A hand-washing station will be provided inside the secured marijuana repacking room. All contact surfaces, including utensils and equipment will be maintained in a clean and sanitary condition. Storage and transportation of finished marijuana products will be kept under conditions that protect them against physical, chemical, and microbial contamination, as well as deterioration of them or their containers.

Dispensing Procedures

The sale of all cannabis and marijuana products at Caroline's Cannabis shall comply with all state and local laws and regulations. Management will properly train and educate employees on proper retail sale procedures. Upon entry into Caroline's Cannabis, a Caroline's Cannabis Security Agent will immediately inspect the individual's proof of identification and determine the individual's age. An individual shall not be admitted into Caroline's Cannabis unless the Caroline's Cannabis Marijuana Establishment Agent has verified the individual is 21 years of age or older by an individual's proof of identification. Valid forms of photo identification include: driver's license, government-issued ID card, military ID Card, or passport.

Once individuals ID has been verified, they will be granted access into the retail sales area. Customers will wait in a designated line until the next Caroline's Cannabis Sales Agent is ready to assist them. When the Sales Agent is ready, the individual will be called over to the sales counter and the Sales Agent will directly interact with the customer to assist with the process of understanding, selecting, and purchasing cannabis and marijuana products.

Caroline's Cannabis will provide consumers with the highest quality marijuana and marijuana products in a safe secure environment. Caroline's Cannabis will display, in secure, locked cases, samples of each product offered for sale and subject to the requirements of 935 CMR 500.100. An authorized marijuana establishment agent may remove a sample of marijuana from the case and provide it to the consumer for inspection, provided the consumer may not consume or otherwise use the sample. Customers will inform the Sales Agent assisting them which individually packaged items they would like to purchase. The Sales Associate will collect the required items from the secure marijuana storage safe, subtract them from the safe inventory list, and affix the required label. All product item bar codes will be scanned and recorded using the POS system. The POS system will add all applicable taxes and provide a grand total for collection. Payment

will be collected from customers in the form of cash, or debit card. At the conclusion of the sales process, customers will leave the sales area, and exit Caroline's Cannabis.

Maintenance of Financial Records

Caroline's Cannabis will utilize a POS system to maintain business financial records. POS system will chronicle every activity and sales transaction that occurs at Caroline's Cannabis. All sales will be recorded accurately and completely and entered in the POS System. Separate accounting practices at the POS will be used for marijuana sales, marijuana product sales, and non-marijuana product sales.

If the POS system should fail or become unavailable for any reason, all sales will be halted, and Commission will immediately be notified. Caroline's Cannabis will temporarily close until POS system is fully operational and functioning again. Commission will be notified when the POS system becomes available before sales can resume.

Fields to be tracked in the POS System:

- The date and time of each sale
- The retail price of purchased products
- The barcode of each purchased product
- Tax collected for each item

Caroline's Cannabis shall conduct and record a monthly analysis of its POS equipment and sales data. If the analysis determines that software has been installed for the purposes of manipulation or alteration of sales data, the Commission will be notified immediately. The Commission and the DOR may audit and examine POS system in order to ensure compliance with Massachusetts tax laws and 935 CMR 500.000. Financial information and records will be stored on redundant, secure servers that employ multiple layers of information security and tamper resistance, and under 24-hour video surveillance. Physical records will also be stored in a secure storage room under 24-hour surveillance. All records will be retained for a minimum of (6) six years.

Cash Handling Requirements

Caroline's Cannabis will implement responsible policies and procedures to effectively prevent marijuana sales revenue from supporting criminal enterprises, gangs, and cartels. President and

CFO Caroline Frankel, will be responsible for managing all financial tasks for the business, including financial accounting and reporting, payroll preparation and administration budget preparation, project management accounting and risk management.

The POS system is designed to collect data associated with business management including assets, liabilities, and monetary transactions. System will keep a real-time record of all retail processes within Caroline's Cannabis. An organized and secure retention of all business records will be kept including: assets and liabilities; monetary transactions; written or electronic accounts that include bank statements, journals, ledgers and supporting documents; agreements, checks, invoices and vouchers; and any other financial accounts reasonably related to Caroline's Cannabis operations.

Frequent cash counts throughout the day will let employees know that money is being closely monitored. Management will be responsible for making frequent sweeps of cash drawers and placing cash inside a secure safe, located inside the limited access area. Randomly scheduled cash pickups will be arranged to deliver cash from the store to the bank via an armored car service.

Cannabis Handling Requirements

All marijuana handled or processed in preparation for sale, will be secured in a limited access production area. Marijuana will be prepared in a safe and sanitary manner. Cannabis will be well cured and free of seeds and stems; free of dirt, sand, debris, and other foreign matter; free of contamination by mold, rot, other fungus, and bacterial diseases; prepared and handled on food-grade stainless steel tables; and packaged in a secure area. Marijuana Establishment Agents, whose job includes direct contact with marijuana or non-edible marijuana products, must comply with the requirements for food handlers specified in 105 CMR 300.000. Agents must use sanitary practices that include: adequate personal cleanliness and thorough hand-washing. A hand-washing station will be provided inside the secured marijuana repacking room. All contact surfaces, including, utensils and equipment will be maintained in a clean and sanitary condition.

Storage and transportation of finished marijuana products will be kept under conditions that protect them against physical, chemical, and microbial contamination as well as deterioration of them or their containers.

How Much Cannabis Can We Sell to Customers

In accordance with M.G.L c. 94G, a marijuana retailer may not sell more than (1) one ounce of marijuana or (5) five grams of marijuana concentrate to a consumer per transaction.

Unauthorized Sales & Right to Refuse Sales

Caroline's Cannabis will refuse to sell marijuana or marijuana products to any consumer for the following reasons:

- The person is unable to produce valid proof of identification
- In the opinion of the marijuana establishment agent at the time, the consumer or the public would be a risk
- The transaction amount exceeds (1) ounce of marijuana or (5) grams of marijuana concentrate
- The marijuana products contain nicotine or alcohol

Packaging & Labeling

In order to stay compliant with 935 CMR 500.105(6), Caroline's Cannabis will pay close attention to the packaging and labeling requirements. The Commission will approve all packaging and labeling before products can be offered for sale to consumers. All cannabis packaging will be child-resistant (certified by a qualified third-party tamper/child resistant packaging testing firm) and will protect the product from potential contamination or exposures to harmful/toxic substances. All Marijuana product packaging will be plain, and opaque.

The following three types of child-resistant packaging will be used:

- Continual Use Packaging: re-sealable for any marijuana product intended for more than a single use or containing multiple servings. Items intended for multiple uses must be in a plain container with a child-resistant top.
- Single Use Packaging: for single servings of marijuana products the package will lose its child-resistant factor once open.
- Exit Packaging: for products that are unreasonably impracticable for standard child-resistant packaging. This type of packaging is capable of being resealed and made child-resistant again after it has been opened. Exit Package includes the required statement KEEP OUT OF REACH OF CHILDREN.

Each package of marijuana that Caroline's Cannabis makes available for retail sale will have a label firmly affixed to the container containing marijuana or marijuana products sold.

The labels will include the following required information:

- Caroline's Cannabis telephone number, electronic mail address, website information, and registration number
- Producer's (cultivators/manufactures) business name and registration number.
- Product Identity & Strain Name
- Quantity of usable marijuana contained within the package in Net Weight (ounces, grams or volume as appropriate)
- Date packaged, and statement of which licensee performed the packaging
- Batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing
- The full cannabinoid profile of the marijuana contained within the package, including THC and other cannabinoid levels
- Test analysis date, statement and a seal certifying that the product has been tested for contaminants, and that there were no adverse findings
- Required Statement: "This product has not been analyzed or approved by the 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."
- Symbol or recognizable mark issued by the commission that indicates product is harmful to children
- Symbol or recognizable mark issued by the commission indicating the package contains marijuana or marijuana product

Edible MIP Limitations & Labeling Requirements

Caroline's Cannabis may not sell or otherwise transfer an Edible MIP with potency levels exceeding the following (as tested) in accordance with 935 CMR 500.150:

- Each single serving- (5) milligrams of active THC
- In a single package of multiple Edible MIPs-not more than (20) servings or (100) milligrams of active THC

- Each serving of an Edible MIP within a multi-serving package must be easily separable in order to allow an average-person, 21 years of age and over, to physically separate individual servings of the product
- Packaging will identify “SINGLE SERVING” or “INCLUDES MULTIPLE SEVINGS”

Caroline’s Cannabis will ensure that the following information and statement is firmly affixed to every container holding an Edible MIP:

- Product Manufacturers name, registration number, telephone number, electronic mail address, and website information
- Name of marijuana product
- If the retail Edible MIP is perishable, a statement that the Edible MIP must be refrigerated
- Net weight in US customary and metric units
- Quantity of usable marijuana contained within the product, as measured in ounces
- Type of marijuana used to produce the product, including what, if any, processing technique or solvents were used
- Batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing
- List of ingredients, including Cannabinoid profile of the marijuana contained within the Marijuana Product, including the amount of THC and other cannabinoids in the package and in each serving of marijuana product as expressed in absolute terms and as a percentage of volume
- Serving size of marijuana product in milligrams if the package is a multiple-serving package
- Number of serving sizes within the marijuana product based on the limits provided in 935 CMR 500.150
- The amount in grams: sodium, sugar, carbohydrates, and total fat per serving
- Date of creation and expiration date
- Directions for use of the marijuana product if relevant
- A warning if nuts or other known allergens are contained in the product
- Test analysis date, statement and a seal certifying that the product has been tested for contaminants, and that there were no adverse findings
- Required Statement: “The impairment effects of edible products may be delayed by two hours or more. This product has not been analyzed or approve by the 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.”

- Symbol or recognizable mark issued by the Commission that indicates product is harmful to children
- Symbol or recognizable mark issued by the commission indicating the package contains marijuana or marijuana product
- Information regarding the size of each serving for the product by milligrams, the total number of servings of marijuana in the product, and the total amount of active THC in the product in milligrams

Concentrate and Extract Limitations & Labeling Requirement

Caroline’s Cannabis will ensure that the following information and statement is affixed to every container holding a Concentrate or Extract:

- Product Manufacturers name, registration number, telephone number, electronic mail address, and website information
- Name of marijuana product
- Product identity including the word “concentrate” or “extract” as applicable
- Net weight of volume expressed in US customary units and metric units
- Type of marijuana used to produce the product, including what, if any, processing technique or solvents were used
- Batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing
- List of ingredients, including Cannabinoid profile of the marijuana contained within the Marijuana Product, including the amount of THC and other cannabinoids in the package and in each serving of a marijuana product as expressed in absolute terms and as a percentage of volume
- Serving size and number of servings per container or amount suggested for use based on the limits provided in 935 CMR 500.150
- Date of creation and expiration date
- Directions for use of the marijuana product if relevant
- A warning if nuts or other known allergens are contained in the product
- Test analysis date, statement and a seal certifying that the product has been tested for contaminants, and that there were no adverse findings

- Required Statement: “This product has not been analyzed or approved by the 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.”
- Symbol or recognizable mark issued by the Commission that indicates product is harmful to children
- Symbol or recognizable mark issued by the commission indicating the package contains marijuana or marijuana product

Infused Tincture and Topical Limitations & Labeling Requirement

Caroline’s Cannabis will ensure that the following information and statement is affixed to every container holding an infused tincture or topical:

- Product Manufacturer’s name, registration number, telephone number, electronic mail address, and website information
- Name of marijuana product
- Net weight or volume as expressed in US customary units and metric units
- Type of marijuana used to produce the product, including what, if any, processing technique or solvents were used
- Batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing
- List of ingredients, including the full Cannabinoid profile of the marijuana contained within the Marijuana Product, including the amount of THC and other cannabinoids in the package and in each serving of a Marijuana Product as expressed in absolute terms and as a percentage of volume
- Date of product creation
- Directions for use of the marijuana product if relevant
- A warning if nuts or other known allergens are contained in the product
- Test analysis date, statement and a seal certifying that the product has been tested for contaminants, and that there were no adverse findings
- Required Statement: “This product has not been analyzed or approved by the 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.”

- Symbol or recognizable mark issued by the Commission that indicates product is harmful to children
- Symbol or recognizable mark issued by the Commission indicating the package contains marijuana or marijuana product

Consumer Education

Caroline’s Cannabis will offer consumers, up-to-date educational materials about marijuana products. Materials will be available in commonly spoken languages, and available to the hearing and visually impaired. Educational materials will include:

- A warning that marijuana has not been analyzed or approved by the FDA, that there is limited information on side effects, that there may be health risks associated with using marijuana, and that it should be kept away from children;
- A warning that when under the influence of marijuana, driving is prohibited by M.G.L. c.90 s.24, and machinery should not be operated;
- Information to assist in the selection of marijuana, describing the potentially different effects of various marijuana strains, as well as various forms and routes of administration;
- Materials offered to consumers to enable them to track the strains used and their associated effects;
- Information describing proper dosage and titration for different routes of administration. Emphasis shall be on using the smallest amount possible to achieve desired effect, and the impact of potency;
- A discussion of tolerance, dependence, and withdrawal;
- Facts regarding substance abuse signs and symptoms, as well as referral information for substance abuse treatment programs;
- A statement that consumers may not sell marijuana to any other individual;
- Information regarding the penalties for possession or distribution of marijuana in violation of Massachusetts law; and
- Any other information required by the Commission.

Complaints Process

In a time and manner determined by the Commission, a dedicated telephone number, email address or other means shall be provided for members of the public or consumers to notify the Commission of complaints regarding Caroline's Cannabis or Caroline's Cannabis Marijuana Establishment Agents. The Commission may, at its discretion, investigate or decline to investigate any complaint or refer a complaint to another law enforcement or regulatory authority.

Inspections, Compliance & Plans of Correction

The Commission or its agents may inspect Caroline's Cannabis and Caroline's Cannabis vehicles at any time without prior notice in order to determine compliance with the Act and 935 CMR 500.000. All areas of the Marijuana Establishment, all marijuana establishment agents and activities, and all records are subject to inspection. Any information the Commission requests will be promptly provided.

After an inspection in which a violation of 935 CMR 500.000 or the Act, is observed or a violation is otherwise determined to have occurred, the Commission shall issue a Deficiency Statement citing every violation identified. A Marijuana Establishment shall submit to the Commission a written Plan of Correction for any violations cited pursuant to 935 CMR 500.310 within (10) ten business days after receipt of Deficiency Statement. The Plan of Correction shall state, with respect to each deficiency, the specific corrective steps to be taken, a timetable for such steps, and the date by which compliance will be achieved. The Commission will review the Plan of Correction for compliance with requirements of 935 CMR 500.000 and the Act and will notify the Marijuana Establishment of either the acceptance or rejection of the plan. An unacceptable plan must be amended and resubmitted within (5) five business days after receipt of such notice.

If the Commission determines that Marijuana Establishment does not substantially comply with applicable provisions of 935 CMR 500.000 or the Act, the Commission may order that store not sell marijuana, after a date specified. The Commission will not make such a determination until Marijuana Establishment has been notified that store does not comply with applicable provisions, that an order to limit sales is being contemplated, and reasonable opportunity is being provided to correct the deficiencies. An order to not sell marijuana may be rescinded when the Commission finds that Marijuana Establishment is again within substantial compliance with applicable provisions of 935 CMR 500.000. A hearing shall be conducted.

Energy Efficiency & Conservation

Conservation and the reduction of our carbon footprint is a primary objective of Caroline's Cannabis. The principles of "Reduce, Reuse, and Recycle" will be implemented throughout the entire company, and we will continually look for new and innovative ways to reduce our carbon footprint and use recycled and/or reusable products as we grow our business. Caroline's Cannabis will also create and implement an employee conservation plan. The employee conservation plan will detail specific actions employees can take to reduce their carbon footprint and promote conservation and may include a reward program that will be implemented to incentivize employees to make voluntary conservation efforts.

Environmental and community sustainability are top priorities for Caroline's Cannabis. As such Caroline's Cannabis hopes to be a positive influence on other businesses in this new industry by implementing various sustainable business practices. For example, Caroline's Cannabis will maintain eco-friendly vehicles for Marijuana Establishment Transport. All else being equal, it will endeavor to source product from other like-minded marijuana establishments (e.g. cultivators using renewable energy sources and high-efficiency lighting) that are focused on sustainability. Best Management practices will be used to reduce energy, engage in energy conservation, and mitigate negative environmental impacts.

Personnel Policies

Equal Employment Opportunity Policy

Caroline's Cannabis is committed to providing an environment that is free from illegal discrimination and harassment, and which fosters the professional development of each individual. The owner of Caroline's Cannabis is responsible for the implementation of this policy. All managers and supervisors have the responsibility to maintain and further the principles of equal employment opportunity and to embrace diversity. Our task is to work to eliminate all patterns of unequal treatment.

Recruitment, selection, promotion, compensation, transfers, layoffs, training, social and recreational programs and other personnel actions for all job titles shall be based on professional abilities, qualifications, and valid job requirements. All of these areas will be administered without regard to race, color, sex, sexual orientation, religion, marital status, national or ethnic origin, age, disability, or status as a disabled veteran. Caroline's Cannabis is committed to

ensuring women, minorities, individuals with disabilities, and veterans have full and equal access to employment opportunities.

Harassment/Sexual Harassment Policy

Caroline's Cannabis is committed to maintaining a work environment in which employees are treated with respect and dignity. We believe our employees have the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment and sexual harassment. Similarly, we expect employees to conduct themselves in a business-like manner, free of prejudice and harassment. Caroline's Cannabis will not tolerate harassment of any kind in the workplace or in other setting in which employees may find themselves in connection with their employment. In addition, retaliating against individuals who have complained about, or cooperated with an investigation of harassment is unacceptable and will not be tolerated.

Alcohol, Smoke, and Drug-Free Workplace Policy

Employees of Caroline's Cannabis, are strictly prohibited from the unlawful manufacture, distribution, dispensation, possession or use of any illegal drug, alcohol, or controlled substances while on company premises, in company vehicles, or while conducting company-related business. Reporting to work under the influence of any of these substances is also prohibited. These activities are serious violations of our rules because they jeopardize the company and create situations that are unsafe or that substantially interfere with job performance.

Employees are expected and required to report to work on time and in appropriate mental and physical condition to work. It is our intent and obligation to provide an alcohol, smoke, and drug-free workplace, and safe work environment. The company recognizes drug dependency as an illness and major health problem. We also recognize drug abuse as a potential health, safety, and security problem. Conscientious efforts to seek help will be encouraged. Caroline's Cannabis reserves the right to inspect desks, offices, and any personal property on marijuana establishment premises upon reasonable suspicion that illegal drugs or alcohol has been brought into the workplace. Employees violating this policy are subject to appropriate disciplinary action, up to, and including, dismissal.

No Weapons Policy

Caroline's Cannabis strictly prohibits employees and all other persons from bringing firearms or other weapons of any kind onto Caroline's Cannabis property. Any employees who violates this policy will be subject to immediate termination, possible criminal prosecution, and/or civil injunctive orders.

Confidentiality Policy

Caroline's Cannabis will go to great lengths to protect the confidentiality of our security measures, such as combination numbers, passwords, and electronic lock activators, and against threats from unauthorized personnel. In the day-to-day operation of our business, employees may have access to information of a confidential nature in order to carry out their job. It is a major responsibility, both ethically and legally, for everyone to safeguard and properly use this information. Employees must exercise common sense in the handling of confidential information, including but not limited to the reproduction of documents or the revealing of information either inside or outside the Company. It is the policy of Caroline's Cannabis to treat all information regarding marketing; research and development; finances; operation; customers, vendors and employees confidentially, and not to be disclosed to unauthorized personnel. Employees are to assume that all information that they learn at or through their employment at Caroline's Cannabis is of a confidential nature. Company information of any kind is not to be removed from the premises or used in any way on an employee's personal time. Violation of this policy will lead to immediate termination and possible civil suit.

FINAL SUMMARY

All the stars have finally aligned for Retail Marijuana Establishments to open this year in Massachusetts. Caroline's Cannabis looks forward to being one of the first woman-owned and operated retail businesses to enter this new industry. Caroline's Cannabis plans on creating a beautiful country-inspired boutique cannabis store with an inviting atmosphere that embodies an upscale retail-store experience for cannabis enthusiast customers. This will serve to enhance the community by demonstrating that retail marijuana establishments can be classy and need not be relegated to the negative conception of grimy headshops from days of yore. The importance of developing a positive presence in Uxbridge is not only good for the success of Caroline's Cannabis, but for the continued success of the cannabis industry that owner Caroline Frankel, passionately supports.

In conclusion, Caroline's Cannabis will implement responsible business practices in full accordance with 935 CMR 500.000 and will continue to promote, encourage, and support economic empowerment and true, diverse market participation.

Caroline's Cannabis, LLC.

Plan for Obtaining Liability Insurance

In accordance with 935 CMR 500.000(10)(a) Caroline's Cannabis 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. The deductible for each policy shall not be higher than \$5,000 per occurrence.

Proposed Insurance Provider: Cannasure Insurance Services, LLC
1991 Crocker Rd., Ste# 320
Cleveland, OH 44145

Insurance proposals attached

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INSURANCE SERVICES

Cannasure Insurance Services, LLC
1991 Crocker Rd., Suite 320
Cleveland, OH 44145
(800) 420-5757
CA License # 0H30190

May 24, 2018

Insurance Proposal Prepared Exclusively For:

Caroline's Cannabis LLC
640 Douglas St
Uxbridge, MA 01569

Prepared By

Jeff Becka
(440) 471-6263
jbecka@cannasure.com

Quote Information

Named Insured	Caroline's Cannabis LLC
Issuing Company	Topa Insurance Company; A.M. Best Rated A- (Excellent)
Admitted	No
Coverage	Commercial Property and General Liability
Policy Term	12 Months
Description of Business	Dispensary

Premium Summary

Total Premium, Taxes, Fees	
Total Premium	\$5,660.00
Inspection Fee	\$175.00
Administrative Fee	\$350.00
Taxes	\$226.40
Total Amount Due	\$6,411.40*

**Premiums noted above do not include Terrorism coverage. Terrorism coverage is available for an additional premium*

Additional Comments

25% Minimum Earned
Premium

Please make checks payable to: CIS Insurance Services, LLC

Please mail payment to: 1991 Crocker Road, Suite 320
Westlake, OH 44145

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INSURANCE SERVICES

Cannasure Insurance Services, LLC
1991 Crocker Rd., Suite 320
Cleveland, OH 44145
(800) 420-5757
CA License # 0H30190

Commercial General Liability Quote

May 24, 2018

Quote Information

Issuing Company	Topa Insurance Company, a Surplus Lines Company
Policy Term	12 Months
Description of Business	Dispensary

Coverage Information

Coverage	Commercial General Liability
Coverage Form	Occurrence

Limits

General Aggregate Limit (Other than Products-Completed Operations)	\$2,000,000
Products/Completed Operations Limit	Excluded
Personal and Advertising Injury	\$1,000,000
Each Occurrence Limit	\$1,000,000
Damage To Premises Rented To You Limit	\$100,000
Medical Expense Limit	\$5,000
Hired & Non-Owned Auto Limit	Excluded

Deductible

No Deductible

Optional Coverages Available (additional premium may apply and underwriting required)

Terrorism	N/A, can be added for additional premium
Hired and Non-Owned Auto	N/A
Employee Benefits Liability	N/A
Additional Insured	Landlord - Daniel Boyden

Classification

Operations	Dispensary
Premium Basis/ Exposure	\$1,500,000 Sales

Schedule of Named Insured(s)

Caroline's Cannabis LLC

List of Locations

640 Douglas Street, Uxbridge, MA 01569

General Liability Premium

Premium	\$2,255.00
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**Total premium above excludes Terrorism coverage. Terrorism coverage can be added for an additional premium*

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INSURANCE SERVICES

Cannasure Insurance Services, LLC
1991 Crocker Rd., Suite 320
Cleveland, OH 44145
(800) 420-5757
CA License # 0H30190

Commercial Property Quote*

May 24, 2018

Quote Information

Issuing Company	Topa Insurance Company, a Surplus Lines Company
Policy Term	12 Months
Description of Business	Dispensary

Property Schedule

Location 1/Building 1:	
\$0	Building – Replacement Cost, 80% Coinsurance
\$25,000	Business Personal Property – Replacement Cost, 80% Coinsurance
\$75,000	Tenant Improvements and Betterments – Replacement Cost, 80% Coinsurance
\$0	Machinery & Equipment – Replacement Cost, 80% Coinsurance
\$375,000	Business Income including Extra Expense – 1/3 Monthly Limit of Indemnity
\$0	Living Plant Material
\$0	Goods In Process
\$150,000	Completed Stock
\$0	Seeds

*Equipment Breakdown is excluded

Deductible

Each Claim	\$2,500
Wind and Hail	2%

Optional Coverages Available (additional premium may apply and underwriting required)

Terrorism	N/A, can be added for additional premium
Sewer Backup	N/A
Expanded Property Endorsement	N/A
Property in Transit	N/A
Ordinance or Law	N/A

Property Premium

Premium	\$3,405.00
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*Total premium above excludes Terrorism coverage. Terrorism coverage can be added for an additional premium

FORMS LIST

CG 00 01 (04 13) COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG 20 11 (04 13) ADDITIONAL INSURED-MANAGERS OR LESSORS OF PREMISES
CG 21 04 (11 85) EXCLUSION-PRODUCTS-COMPLETED OPERATIONS HAZARD
CG 21 06 (05 14) EXCLUSION-ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION
AND DATA-RELATED LIABILITY-WITH LIMITED BODILY INJURY EXCEPTION
CG 21 09 (06 15) EXCLUSION-UNMANNED AIRCRAFT
CG 21 32 (05 09) COMMUNICABLE DISEASE EXCLUSION
CG 21 36 (03 05) EXCLUSION-NEW ENTITIES
CG 21 44 (04 17) LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION
CG 21 46 (07 98) ABUSE OR MOLESTATION EXCLUSION
CG 21 47 (12 07) EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 49 (09 99) TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG 21 51 (04 13) AMENDMENT OF LIQUOR LIABILITY EXCLUSION-EXCEPTION FOR SCHEDULED PREMISES
OR ACTIVITIES
CG 21 66 (06 15) EXCLUSION-VOLUNTEER WORKERS
CG 21 67 (12 04) FUNGI OR BACTERIA EXCLUSION
CG 21 70 (01 15) CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
CG 21 96 (03 05) SILICA OR SILICA-RELATED DUST EXCLUSION
CG 24 10 (07 98) EXCESS PROVISION-VENDORS
CIS AUDIT 01 (10 17) AUDIT PREMIUMS-AMENDATORY ENDORSEMENT
CIS CGL DEC 01 (10 17) COMMERCIAL GENERAL LIABILITY DECLARATIONS
CIS CP 14 20(04 18) ADDITIONAL PROPERTY NOT COVERED-CANNABIS AND HEMP
CIS CP 99 00(10 17) CANNABIS AND HEMP COVERAGE
CIS CP 99 11(10 17) PROTECTIVE SAFEGUARDS
CIS CP 99 30(10 17) TOTAL FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION
CIS CP 99 31(10 17) EXCLUSION-NAMED STORM
CIS CP DEC 02 (10 17) COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS PAGE
CIS CP DEC 02 A (10 17) CANNABIS AND HEMP SCHEDULE
CIS DEC T 01 (10 17) COMMON POLICY DECLARATIONS
CIS DISCLOSURE TRIA (12 17) DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
CIS FORMS (10 17) FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY
CIS GL 30 01(10 17) EXCLUSION-BANNED SUBSTANCES
CIS GL 30 02(10 17) EXCLUSION-CARCINOGENS
CIS GL 34 50(10 17) EXCLUSION-LIQUOR LIABILITY
CIS GL 34 51(10 17) EXCLUSION-ASSAULT OR BATTERY
CIS GL 34 52(10 17) EXCLUSION-ASBESTOS
CIS GL 34 53(10 17) EXCLUSION-FIREARMS
CIS GL 34 54(10 17) EXCLUSION-ANIMAL
CIS GL 34 55(10 17) EXCLUSION-AMERICANS WITH DISABILITIES ACT
CIS GL 34 56(10 17) EXCLUSION-RESIDENTIAL OCCUPANCY
CIS GL 34 57(10 17) EXCLUSION-LEAD
CIS GL 34 58(10 17) EXCLUSION-ADDITIONAL DAMAGES, TAXES, FINES OR PENALTIES
CIS GL 34 59(10 17) EXCLUSION-CROSS SUITS
CIS GL 34 60(10 17) EXCLUSION-FIDUCIARY
CIS GL 34 61(10 17) EXCLUSION-GOVERNMENTAL ACTS AND CRIMINAL ACTIVITIES
CIS GL 34 62(10 17) EXCLUSION-PROFESSIONAL SERVICES
CIS MP 004 (10 17) 25% MINIMUM EARNED PREMIUM ENDORSEMENT
CIS NOTICE TRIA 2 (12 17) POLICYHOLDERS DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE
(ACQUIRED)
CIS SUIT T N006 (10 17) SERVICE OF SUIT CLAUSE
CP 00 10 (10 12) BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CP 00 30 (10 12) BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
CP 00 90 (07 88) COMMERCIAL PROPERTY CONDITIONS
CP 01 09 (10 00) MASSACHUSETTS CHANGES
CP 01 40 (07 06) EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
CP 03 21 (10 12) WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE
CP 10 30 (09 17) CAUSES OF LOSS-SPECIAL FORM

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(800) 420-5757
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CP 10 36 (10 12) LIMITATIONS ON COVERAGE FOR ROOF SURFACING
CP 10 64 (10 12) MASSACHUSETTS-FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION AND
LIMITATIONS
IL 00 17(11 98) COMMON POLICY CONDITIONS
IL 00 21(09 08) NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
IL 09 35(07 02) EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
IL 09 52(01 15) CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IL N 001 (09 03) FRAUD STATEMENT

Subjectivities — All Subjectivities Required Prior To Binding:

- Cannasure Supplemental Application – currently signed and dated at binding
- No coverage can be bound until renovations are done, applicant is licensed and safe is installed
- 5 years currently valued Loss Runs or No Known Loss Letter
- Satisfactory loss control inspection must be completed within 30-days of the policy effective date
- Copy of the insured's active state license to grow, process or dispense marijuana
- Completed and signed TRIA Rejection Form **** (if not signed, TRIA will automatically be added to premium) ****
- Completed Surplus Lines Diligent Search Form
- Completed, signed and dated Cannasure Bind Request Form. The insured must initial next to Premium Finance cancellation notice acknowledging they have read and understood
- Signed and dated Special Terms Form
- Signed and dated Surplus Lines Placement and Fee Agreement
- Confirmation deposit or full term premium – *scanned copy of check required prior to binding*
- Copies of the Insured's most recent financial statement including profit & loss statement

Important Notice:

Coverage may not be bound until a written order is received and all conditions and subjectivities are reviewed and approved by the Underwriter.

Please be advised, the terms and conditions proposed herein may not meet all the requested specifications, requested or desired coverage(s) or specifications, and it may not mirror or be the equivalent to any current or expiring terms the applicant may have. Please read and review the specifications herein carefully for your protection.

If bound, coverage will be provided on a non-admitted surplus lines basis.

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Special Terms:

Warrant: Theft Coverage Mandates the Following:

- Active Monitored Central Station Burglar Alarm 24/7 (all doors and windows must be connected to the central station alarm)
- After Hours Security Guard Service (If Applicable)
- Active Video Surveillance Systems backed up on and offsite daily. Video surveillance must be provided for the past 14 days prior to a loss.
- Approved Safe or Vault for seeds & finished product. Minimum safe and vault requirements: 800 lb. with a 1 hour fire rating; under 2000lb must be bolted to the ground.
- Stock/Inventory must be stored in safe/vault during non-business hours. Stock outside of safe during business hours limited to 25% with a maximum of \$50,000.
- Buzz in system or security personnel at the door or Lobby has a double entrance or man trap

Warrant: Sprinkler – Subject to information provided on application (If Applicable)

Authorities Exclusion

Mandatory First year inspection and compliance with any arising recommendations.

Consult the policy for all specific terms, conditions and exclusions

***Signature:** _____

Date: _____

*By signing my name above, I certify that I have read the above information. Any questions concerning this policy have been discussed. My signature also certifies my understanding of and agreement with the above Special Terms.

**DECLARATION OF NO KNOWN LOSS
NO MATERIAL CHANGE**

CARRIER NAME: Topa Insurance Company

POLICY NUMBER: TBD

APPLICANT/INSURED NAME: Caroline's Cannabis LLC

COVERAGE EFFECTIVE DATE:

The Applicant/Insured declares and warrants that after diligent inquiry, no claims or suits have been made against the applicant/insured, or, against the corporate entity or any predecessor corporate entity prior to the coverage effective date of this letter. Also, no Applicant, Named Insured(s), Additional Insured(s) or any person or entity which qualifies as an Insured has any knowledge of any incident, circumstance, act, error, omission or personal injury which may give rise to a claim being made against the Applicant, Insured, or against the corporate entity or any predecessor corporate entity.

The Applicant/Insured declares and warrants that the statements set forth herein are true and no material facts have been omitted or misstated. The Applicant/Insured further declares and recognizes that this declaration is material to acceptance of the risk and that Underwriters reserve the right to rescind coverage of any Policy that is issued as a result of this application if the statements set forth herein and any attachments are erroneous for any reason.

SIGNATURE: _____

PRINT NAME: _____

TITLE: _____

DATE: _____

**NOTICE OF SURPLUS LINES PLACEMENT TO INSURED
CIS INSURANCE SERVICES, LLC
PLEASE READ IT CAREFULLY**

Notice to Insured:

I hereby affirm that, prior to the placement of the insurance coverage with CIS Insurance Services, LLC, a surplus lines Broker, I have been advised that:

- The insurer with which the surplus lines broker places the insurance is not licensed by my state and may not be subject to its supervision; and
- In the event of insolvency of the surplus lines insurer, losses will not be paid by my state insurance guaranty association.

Notice of Administrative Fee:

Furthermore, I hereby affirm that, I have been advised that the non-refundable policy fee referenced below has been charged by the Broker and is part of the insurance contract. I also affirm that said fee is reasonable.

- Amount of Administrative Fee: \$350

Signature: _____

Date: _____

BIND REQUEST FORM

NamedInsured: Caroline's Cannabis LLC

TypeofCoverage: Commercial Package Policy

InsuranceCarrier: Topa Insurance Company

EffectiveDate: 9/1/2018

Premium: \$5,660.00

Taxes/Fees: \$751.40

Total: \$6,411.40

Please circle one of the following:

1. I elect to pay the full premium amount within 30 days of binding coverage
2. I elect to finance the premium through CIS Insurance Services, LLC and pay in monthly installments to GOTO Premium Finance.
3. I elect to finance the premium through retail agent (agreement to be provided upon binding)

*****Be advised that if policy cancels for Non-Payment to the Premium Finance Company coverage may be eligible for Reinstatement however a Lapse In Coverage may apply*****

_____Insured's Initials

Signature of Authorized Representative: _____

Name of Authorized Representative: _____

Date: _____

*****PLEASE MAKE ALL CHECKS PAYABLE TO CIS INSURANCE SERVICES, LLC*****

POLICYHOLDERS DISCLOSURE NOTICE
TERRORISM INSURANCE COVERAGE (OFFER AND/OR DECLINATION)

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury in consultation with the Secretary of Homeland Security, and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGE FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Terrorism Coverage Prospective Premium \$ 71.00.

You have the right to decline this coverage for certified acts of terrorism. To decline, please sign this notice and promptly return to us or to your insurance representative.

I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature

Policy Number

Print Name

Date

CANNASURE

INSURANCE SERVICES

Cannasure Insurance Services, LLC
1991 Crocker Rd., Suite 320
Cleveland, OH 44145
(800) 420-5757
CA License # 0H30190

May 24, 2018

Insurance Proposal Prepared Exclusively For:

Caroline's Cannabis LLC
640 Douglas St
Uxbridge, MA 01569

Prepared By

Jeff Becka
(440) 471-6263
jbecka@cannasure.com

Quote Information

Named Insured	Caroline's Cannabis LLC
Issuing Company	Topa Insurance Company; A.M. Best Rated A- (Excellent)
Admitted	No
Coverage	Product Liability
Policy Term	12 Months
Description of Business	Dispensary

Premium Summary

Total Premium, Taxes, Fees	
Total Premium	\$5,513.00
Administrative Fee	\$350.00
Taxes	\$220.52
Total Amount Due	\$6,083.52*

**Premiums noted above do not include Terrorism coverage. Terrorism coverage is available for an additional premium*

Additional Comments

25% Minimum Earned
Premium

Please make checks payable to: CIS Insurance Services, LLC

Please mail payment to: 1991 Crocker Road, Suite 320
Westlake, OH 44145

Product Liability Quote

May 24, 2018

Quote Information

Issuing Company	Topa Insurance Company, a Surplus Lines Company
Policy Term	12 Months
Description of Business	Dispensary

Coverage Information

Coverage	Products Liability
Coverage Form	Claims Made
Retroactive Date	Policy Inception

Limits

Each Occurrence Limit	\$1,000,000
Aggregate Limit	\$2,000,000

Deductible

Per Claim	\$2,500
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Classification

Operations	Dispensary
Premium Basis/ Exposure	\$1,500,000 Sales

Schedule of Named Insureds

Caroline's Cannabis LLC

Optional Coverages Available (additional premium may apply and underwriting required)

Limited Pesticide Coverage	Included
Terrorism	N/A, can be added for additional premium
Limited Product Withdrawal	N/A
Professional Liability Sublimit	N/A

Additional Comments

Defense is within limits

FORMS LIST

CG 00 38 (04 13) PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
CG 03 00 (01 96) DEDUCTIBLE LIABILITY INSURANCE
CG 21 70 (01 15) CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
CG 21 98 (12 07) TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG 24 10 (07 98) EXCESS PROVISION-VENDORS
CG 33 59 (05 14) EXCLUSION-ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFO
CG 33 70 (03 05) SILICA OR SILICA-RELATED DUST EXCLUSION
CG 33 76 (05 09) COMMUNICABLE DISEASE EXCLUSION
CIS AUDIT PRODUCT 02 (10 17) AUDIT PREMIUMS-AMENDATORY ENDORSEMENT
CIS DISCLOSURE TRIA (12 17) DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
CIS FORMS (10 17) FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY
CIS MP 004 (10 17) 25% MINIMUM EARNED PREMIUM ENDORSEMENT
CIS NOTICE TRIA 2 (12 17) POLICYHOLDERS DISCLOSURE NOTICE OF TERRORISM INSURANCE
COVERAGE (ACQUIRED)
CIS PROD DEC 01 (11 17) PRODUCTS/COMPLETED OPERATIONS LIABILITY DECLARATIONS
CIS PROD DWL 01 (12 17) AMENDMENT-DEFENSE WITHIN LIMITS
CIS PROD EX 001 (11 17) EXCLUSION-SPECIFIED PRODUCTS OR SUBSTANCES
CIS PROD EX 002 (11 17) EXCLUSION-SPECIFIED NUTRACEUTICAL SUBSTANCES
CIS PROD EX 003 (11 17) EXCLUSION-NEW ENTITIES
CIS PROD EX 004 (11 17) FUNGI OR BACTERIA EXCLUSION
CIS PROD EX 005 (11 17) EXCLUSION-CARCINOGENS
CIS PROD EX 006 (11 17) EXCLUSION-CROSS SUITS
CIS PROD EX 007 (11 17) EXCLUSION-ADDITIONAL DAMAGES, TAXES, FINES OR PENALTIES
CIS PROD EX 008 (11 17) ILLEGAL FERTILIZER EXCLUSION
CIS PROD PEST (11 17) LIMITED PESTICIDE COVERAGE
CIS SUIT T N006 (10 17) SERVICE OF SUIT CLAUSE
CISDEC T 01 (10 17) PRODUCT COMMON POLICY DECLARATIONS
IL 00 17 (11 98) COMMON POLICY CONDITIONS
IL 00 21 (09 08) NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
IL 09 52 (01 15) CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Subjectivities — All Subjectivities Required Prior To Binding:

- Cannasure Supplemental Application – currently signed and dated at binding
- No coverage can be bound until renovations are done, insured is licensed and safe is installed
- 5 years currently valued Loss Runs or No Known Loss Letter
- Satisfactory loss control inspection must be completed within 30-days of the policy effective date
- Copy of the insured's active state license to grow, process or dispense marijuana
- Completed and signed TRIA Rejection Form ****(if not signed, TRIA will automatically be added to premium)****
- Completed Surplus Lines Diligent Search Form
- Copy of all product labels
- Completed, signed and dated Cannasure Bind Request Form. The insured must initial next to Premium Finance cancellation notice acknowledging they have read and understood
- Signed and dated Special Terms Form
- Signed and dated Surplus Lines Placement and Fee Agreement
- Confirmation deposit or full term premium – *scanned copy of check required prior to binding*
- Copies of the Insured's most recent financial statement including profit & loss statement

Important Notice:

Coverage may not be bound until a written order is received and all conditions and subjectivities are reviewed and approved by the Underwriter.

Please be advised, the terms and conditions proposed herein may not meet all the requested specifications, requested or desired coverage(s) or specifications, and it may not mirror or be the equivalent to any current or expiring terms the applicant may have. Please read and review the specifications herein carefully for your protection.

If bound, coverage will be provided on a non-admitted surplus lines basis.

Special Terms:

Warrant: Theft Coverage Mandates the Following:

- Active Monitored Central Station Burglar Alarm 24/7 (all doors and windows must be connected to the central station alarm)
- After Hours Security Guard Service (If Applicable)
- Active Video Surveillance Systems backed up on and offsite daily. Video surveillance must be provided for the past 14 days prior to a loss.
- Approved Safe or Vault for seeds & finished product. Minimum safe and vault requirements: 800 lb. with a 1 hour fire rating; under 2000lb must be bolted to the ground.
- Stock/Inventory must be stored in safe/vault during non-business hours. Stock outside of safe during business hours limited to 25% with a maximum of \$50,000.
- Buzz in system or security personnel at the door or Lobby has a double entrance or man trap

Warrant: Sprinkler --- Subject to information provided on application (if applicable)

Authorities Exclusion

Mandatory First year inspection and compliance with any arising recommendations.

Consult the policy for all specific terms, conditions and exclusions

***Signature:** _____

Date: _____

*By signing my name above, I certify that I have read the above information. Any questions concerning this policy have been discussed. My signature also certifies my understanding of and agreement with the above Special Terms.

**DECLARATION OF NO KNOWN LOSS
NO MATERIAL CHANGE**

CARRIER NAME: Topa Insurance Company

POLICY NUMBER: TBD

APPLICANT/INSURED NAME: Caroline's Cannabis LLC

COVERAGE EFFECTIVE DATE:

The Applicant/Insured declares and warrants that after diligent inquiry, no claims or suits have been made against the applicant/insured, or, against the corporate entity or any predecessor corporate entity prior to the coverage effective date of this letter. Also, no Applicant, Named Insured(s), Additional Insured(s) or any person or entity which qualifies as an Insured has any knowledge of any incident, circumstance, act, error, omission or personal injury which may give rise to a claim being made against the Applicant, Insured, or against the corporate entity or any predecessor corporate entity.

The Applicant/Insured declares and warrants that the statements set forth herein are true and no material facts have been omitted or misstated. The Applicant/Insured further declares and recognizes that this declaration is material to acceptance of the risk and that Underwriters reserve the right to rescind coverage of any Policy that is issued as a result of this application if the statements set forth herein and any attachments are erroneous for any reason.

SIGNATURE: _____

PRINT NAME: _____

TITLE: _____

DATE: _____

**NOTICE OF SURPLUS LINES PLACEMENT TO INSURED
CIS INSURANCE SERVICES, LLC
PLEASE READ IT CAREFULLY**

Notice to Insured:

I hereby affirm that, prior to the placement of the insurance coverage with CIS Insurance Services, LLC, a surplus lines Broker, I have been advised that:

- The insurer with which the surplus lines broker places the insurance is not licensed by my state and may not be subject to its supervision; and
- In the event of insolvency of the surplus lines insurer, losses will not be paid by my state insurance guaranty association.

Notice of Administrative Fee:

Furthermore, I hereby affirm that, I have been advised that the non-refundable policy fee referenced below has been charged by the Broker and is part of the insurance contract. I also affirm that said fee is reasonable.

- Amount of Administrative Fee: \$350

Signature: _____

Date: _____

BIND REQUEST FORM

NamedInsured: Caroline's Cannabis LLC

TypeofCoverage: Product Liability

InsuranceCarrier: Topa Insurance Company

EffectiveDate: 9/1/2018

Premium: \$5,513.00

Taxes/Fees: \$570.52

Total: \$6,083.52

Please check one of the following:

1. I elect to pay the full premium amount within 30 days of binding coverage
2. I elect to finance the premium through CIS Insurance Services, LLC and pay in monthly installments to GOTO Premium Finance.
3. I elect to finance the premium through retail agent (agreement to be provided upon binding)

*****Be advised that if policy cancels for Non-Payment to the Premium Finance Company coverage may be eligible for Reinstatement however a Lapse in Coverage may apply*****

_____Insured's Initials

Signature of Authorized Representative: _____

Name of Authorized Representative: _____

Date: _____

*****PLEASE MAKE ALL CHECKS PAYABLE TO CIS INSURANCE SERVICES, LLC*****

**POLICYHOLDERS DISCLOSURE NOTICE
TERRORISM INSURANCE COVERAGE (OFFER AND/OR
DECLINATION)**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury in consultation with the Secretary of Homeland Security, and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGE FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Terrorism Coverage Prospective Premium \$ 69.00.

You have the right to decline this coverage for certified acts of terrorism. To decline, please sign this notice and promptly return to us or to your insurance representative.

I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature

Policy Number

Print Name

Date

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Separating recreational from medical operations, if applicable

Non-applicable.

Caroline's Cannabis is not a co-located recreational and medical operation.

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Restricting Access to age 21 and older

Upon entry into Caroline's Cannabis, a Caroline's Cannabis Marijuana Establishment Agent will immediately inspect the individual's proof of identification and determine the individual's age. An individual shall not be admitted into the premises unless Caroline's Cannabis has verified the individual is 21 years of age or older by an individual's proof of identification. Valid forms of photo identification include: driver's license, government-issued ID card, military ID Card, or passport.

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Quality control and testing

No marijuana or marijuana product shall be sold or otherwise marketed for adult use at Caroline's Cannabis that have not first been tested by an Independent Testing Laboratory (in compliance with the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-Infused Product*) and deemed to comply with the standards required under 935 CMR 500.160. Caroline's Cannabis's will only purchase **quality-tested** marijuana and marijuana products for store inventory. Store inventory will be purchased from a variety of licensed marijuana cultivators, craft cooperatives, micro-businesses, and marijuana product manufactures, which are responsible for testing their marijuana and marijuana products prior to initiating sales with Caroline's Cannabis. Caroline's Cannabis may also take the liberty of testing marijuana product samples to double-check compliance with state regulations before purchasing for store inventory. This will provide an additional layer of quality-control designed to maximize safety.

Marijuana and marijuana products will be tested for potential contaminants including, pesticides, heavy metals, mycotoxins and microbiological contaminants, as well as cannabinoid profiles and ratios. The results from all testing will be incorporated into product labeling information.

All marijuana handled in preparation for sale, will be secured in a limited access production area. Marijuana will be prepared in a safe and sanitary manner. Cannabis will be well cured and free of seeds and stems; free of dirt, sand, debris, and other foreign matter; free of contamination by mold, rot, other fungus, and bacterial diseases; prepared and handled on food-grade stainless steel tables; and packaged in a secure area.

Marijuana Establishment Agents whose job includes direct contact with marijuana or non-edible marijuana products must comply with the requirements for food handlers specified in 105 CMR 300.000. Agents must use sanitary practices that include; adequate personal cleanliness and thorough hand-washing. A hand-washing station will be provided inside the secured marijuana repacking room. All contact surfaces, including utensils and equipment will be maintained in a clean and sanitary condition. Storage and transportation of finished marijuana products will be kept under conditions that protect them against physical, chemical, and microbial contamination, as well as deterioration of them or their containers.

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Personnel policies including background checks

All, Caroline's Cannabis employment candidates will complete an application packet that includes a release to obtain a CORI report.

A personnel record will be kept for each employee that includes: job description, notice of completed Vendor Training Program, copy of agent application, performance evaluations, disciplinary action taken, documentation of all required training and on-going training, verification of reference, staffing plan, and all CORI reports obtained. Employee records are confidential.

Caroline's Cannabis Employee Handbook will contain all personnel policies.

Equal Employment Opportunity Policy

Caroline's Cannabis is committed to providing an environment that is free from illegal discrimination and harassment, and which fosters the professional development of each individual. The owner of Caroline's Cannabis is responsible for the implementation of this policy. All managers and supervisors have the responsibility to maintain and further the principles of equal employment opportunity and to embrace diversity. Our task is to work to eliminate all patterns of unequal treatment.

Recruitment, selection, promotion, compensation, transfers, layoffs, training, social and recreational programs and other personnel actions for all job titles shall be based on professional abilities, qualifications, and valid job requirements. All of these areas will be administered without regard to race, color, sex, sexual orientation, religion, marital status, national or ethnic origin, age, disability, or status as a disabled veteran. Caroline's Cannabis is committed to ensuring women, minorities, individuals with disabilities, and veterans have full and equal access to employment opportunities.

Harassment/Sexual Harassment Policy

Caroline's Cannabis is committed to maintaining a work environment in which employees are treated with respect and dignity. We believe our employees have the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment and sexual harassment. Similarly, we expect

employees to conduct themselves in a business-like manner, free of prejudice and harassment. Caroline's Cannabis will not tolerate harassment of any kind in the workplace or in other setting in which employees may find themselves in connection with their employment. In addition, retaliating against individuals who have complained about, or cooperated with an investigation of harassment is unacceptable and will not be tolerated.

Alcohol, Smoke, and Drug-Free Workplace Policy

Employees of Caroline's Cannabis, are strictly prohibited from the unlawful manufacture, distribution, dispensation, possession or use of any illegal drug, alcohol, or controlled substances while on company premises, in company vehicles, or while conducting company-related business. Reporting to work under the influence of any of these substances is also prohibited. These activities are serious violations of our rules because they jeopardize the company and create situations that are unsafe or that substantially interfere with job performance.

Employees are expected and required to report to work on time and in appropriate mental and physical condition to work. It is our intent and obligation to provide an alcohol, smoke, and drug-free workplace, and safe work environment. The company recognizes drug dependency as an illness and major health problem. We also recognize drug abuse as a potential health, safety, and security problem. Conscientious efforts to seek help will be encouraged. Caroline's Cannabis reserves the right to inspect desks, offices, and any personal property on marijuana establishment premises upon reasonable suspicion that illegal drugs or alcohol has been brought into the workplace. Employees violating this policy are subject to appropriate disciplinary action, up to, and including, dismissal.

No Weapons Policy

Caroline's Cannabis strictly prohibits employees and all other persons from bringing firearms or other weapons of any kind onto Caroline's Cannabis property. Any employees who violates this policy will be subject to immediate termination, possible criminal prosecution, and /or civil injunctive orders.

Confidentiality Policy

Caroline's Cannabis will go to great lengths to protect the confidentiality of our security measures, such as combination numbers, passwords, and electronic lock activators, and against threats from unauthorized personnel. In the day-to-day operation of our business, employees may have access to information of a confidential nature in order to carry out their job. It is a major responsibility, both ethically and legally, for everyone to safeguard and properly use this information. Employees must exercise common sense in the handling of confidential information, including but not limited to the reproduction of documents or the revealing of information either inside or outside the Company. It is the policy of Caroline's Cannabis to treat all information

regarding marketing; research and development; finances; operation; customers, vendors and employees confidentially, and not to be disclosed to unauthorized personnel. Employees are to assume that all information that they learn at or through their employment at Caroline's Cannabis is of a confidential nature. Company information of any kind is not to be removed from the premises or used in any way on an employee's personal time. Violation of this policy will lead to immediate termination and possible civil suit.

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Record Keeping procedures

Caroline's Cannabis will ensure all records are accurate and compliant with 935.CMR.105(8) and (9) and 830 CMR 62C.25.1. Caroline's Cannabis will use, marijuana web-based retail software (POS system approved by Commission) to manage all business recordkeeping. Software will manage: operating procedures, detailed inventory, seed-to-sale tracking records, bookkeeping, business records, personnel records, and waste disposal records. A personnel record for each Caroline's Cannabis marijuana establishment agent will include: job descriptions, notice of completed Vendor Training Program, copy of agent application, performance evaluations, disciplinary action taken, documentation of all required training, verification of reference, staffing plan, personnel policies and procedures, and all CORI reports obtained in accordance with 935.CMR.100. Caroline's Cannabis records will be available for inspection by the Commission, upon request.

Electronic data will be encrypted and stored on secure servers in secure storage area under 24-hour video surveillance. Physical records will also be stored in a secure storage room under 24-hour surveillance. All records will be retained for a minimum of (6) six years.

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Maintaining of financial records

Caroline's Cannabis will utilize a POS system to maintain business financial records. POS system will chronicle every activity and sales transaction that occurs at Caroline's Cannabis. All sales will be recorded accurately and completely and entered in the POS System. Separate accounting practices at the POS will be used for marijuana sales, marijuana product sales, and non-marijuana product sales.

If the POS system should fail or become unavailable for any reason, all sales will be halted, and Commission will immediately be notified. Caroline's Cannabis will temporarily close until POS system is fully operational and functioning again. Commission will be notified when the POS system becomes available before sales can resume.

Fields to be tracked in the POS System:

- The date and time of each sale
- The retail price of purchased products
- The barcode of each purchased product
- Tax collected for each item

Caroline's Cannabis shall conduct and record a monthly analysis of its POS equipment and sales data. If the analysis determines that software has been installed for the purposes of manipulation or alteration of sales data, the Commission will be notified immediately. The Commission and the DOR may audit and examine POS system in order to ensure compliance with Massachusetts tax laws and 935 CMR 500.000. Financial information and records will be stored on redundant, secure servers that employ multiple layers of information security and tamper resistance, and under 24-hour video surveillance. Physical records will also be stored in a secure storage room under 24-hour surveillance. All records will be retained for a minimum of (6) six years.

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Diversity Plan

Caroline's Cannabis is committed to providing an environment that is free from illegal discrimination and harassment, and which fosters the professional development of each individual. The owner of Caroline's Cannabis is responsible for the implementation of this policy. All managers and supervisors have the responsibility to maintain and further the principles of equal employment opportunity and to embrace diversity. Our task is to work to eliminate all patterns of unequal treatment.

Recruitment, selection, promotion, compensation, transfers, layoffs, training, social and recreational programs and other personnel actions for all job titles shall be based on professional abilities, qualifications, and valid job requirements. All of these areas will be administered without regard to race, color, sex, sexual orientation, religion, marital status, national or ethnic origin, age, disability, or status as a disabled veteran. Caroline's Cannabis is committed to ensuring women, minorities, individuals with disabilities, and veterans have full and equal access to employment opportunities.

Caroline's Cannabis will implement responsible business practices in full accordance with 935 CMR 500.000 and will continue to promote, encourage, and support economic empowerment and true, diverse market participation.

Caroline's Cannabis, LLC.

Operating Policies & Procedures

Qualifications and training

Caroline's Cannabis will maintain compliance with training requirements pursuant to 935 CMR 500.105(B). Registered Marijuana Establishment Agents (Staff) will complete training prior to performing job functions. Training will include: corporate mission, state regulations, operations, products, labeling, record keeping, roles & responsibilities of job function, regulatory compliances, and security training. Marijuana Establishment Agents must also successfully complete a *Responsible Vendor Training Program* under 935 CMR 500.105(2)(b) and receive 8-hours of ongoing training annually.

Caroline's Cannabis, store staff will be carefully chosen. A team that is well versed in the legalities of the marketplace and also committed to providing quality products and top customer service. Store staff will need to have a basic scientific understanding about the cannabis plant, cannabis products and their effect, and be able to answer a variety of questions that will be asked by consumers. They will also need to be thoroughly familiar with local and state laws and regulations, and willing and able to educate consumers about safe use. Caroline's Cannabis initial store staff will consist of (4) four on-site registered marijuana establishment agents, to achieve efficient and smooth operations. Staff will include (1) one Manager, (2) two Budtenders (Sales Associates), and (1) one Security personnel. Caroline's Cannabis will ensure that all Caroline's Cannabis Marijuana Establishment Agents complete training prior to performing job functions. Training will be tailored to the roles and responsibilities of the job function of each marijuana establishment agent's position.

Staff

Caroline Frankel-Caroline's Cannabis Retail Marijuana Establishment Licensee, Owner, President, CEO, CFO, COO, Board of Directors, and General Manager.

Manager- Caroline's Cannabis store manager will report directly to the Retail Marijuana Establishment owner and General Manager Caroline Frankel. The individual will have a thorough knowledge of the cannabis industry, cannabis plant, products, and state and local regulations that apply to business. The store manager will oversee all aspects of the Retail Marijuana Establishment. The manager's responsibilities will include, but are not limited to, the following: inventory controls, day-to-day operations, ensuring all limited-access areas are

secured, security concerns, cash handling procedures, good neighbor relations, receiving and overseeing vendor orders, customer education and satisfaction, employee training, retail package handling, proper marijuana storage, accurate sale transactions and reporting, and ensuring legal compliance.

Budtenders (Sales Associates)- Budtenders will report to the Manager on duty. They will directly interact with customers in the process of understanding, selecting, and purchasing cannabis products. These Caroline's Cannabis Marijuana Establishment agents will ensure that customers are 21 and over with valid identification, and that all sales are accurately and comprehensively tracked in the POS system. They will receive thorough training in all aspects of marijuana retail sales compliance, and safety requirements. They will also receive certification and ongoing training as required by 935.CMR.105. Sales Agents will not have access to the secured marijuana storage area, unless accompanied by a Manager.

Security- Marijuana Establishment Security Agent will report directly to the Manager on duty and Marijuana Establishment owner Caroline Frankel. Security Agent will be responsible for checking individuals' proof of identification upon entry, monitoring the premises to ensure that no unauthorized persons are allowed access to the Retail Marijuana Establishment at any time.; and will implement established security policies and procedures that protect the premises, employees, consumers, and the general public. Security personnel will monitor the retail establishment using line of sight, as well as video surveillance system that will operate 24 hours a day.

Caroline's Cannabis, LLC

Operating Policies & Procedures

Diversity Plan-Amended August 20, 2018

Caroline's Cannabis is committed to providing an environment that is free from illegal discrimination and harassment, and which fosters the professional development of each individual in an inclusive, diverse, and equal opportunity workplace. The owner of Caroline's Cannabis is responsible for the implementation of this policy. All managers and supervisors have the responsibility to maintain and further the principles of equal employment opportunity and to embrace diversity and promote an inclusive culture. Our main task is to work to eliminate all patterns of unequal treatment. Recruitment, selection, promotion, compensation, transfers, layoffs, training, social and recreational programs and other personnel actions for all job titles shall be based on professional abilities, qualifications, and valid job requirements. All of these areas will be administered without regard to race, color, sex, sexual orientation, religion, marital status, national or ethnic origin, age, disability, or status as a disabled veteran.

Caroline's Cannabis, LLC is a woman owned and operated corporation committed to promoting, encouraging, and supporting economic empowerment and diversity in market participation. Caroline's Cannabis intends to lead the cannabis community on this front by assembling a diverse workforce consisting of minorities, women, veterans, people with disabilities, people of all gender identities and sexual orientation, people of varying socio-economic backgrounds, and people from communities that have previously been disproportionately impacted by marijuana prohibition and enforcement.

To ensure robust diversity participation at Caroline's Cannabis, priority hiring, training, and advancements will be implemented company wide. The following is a list of diversity-focused strategies and plans Caroline's Cannabis will implement:

Diversity Recruitment & Hiring Strategy

Our strategy is designed to mitigate staffing biases and stereotypes, and instead build a team based on merit, enthusiasm, dedication, and potential. Caroline's Cannabis will effectively market positions, utilize minority job recruitment resources and local workforce groups, hold job fairs, and conduct training sessions in areas of disproportionate impact, in an effort to attract and engage previously under-represented well-qualified individuals. Using recruitment vehicles that effectively communicate the availability of career opportunities to a diverse group of potential

employees, who might otherwise not have been aware that such job opportunities exist, will promote diversity of applicant pools. The advertising of available job opportunities will also not impose unnecessary educational requirements that create barriers to cannabis industry employment.

Diversity Awareness Training

Caroline's Cannabis is committed to promoting a corporate culture of inclusion and diversity awareness. All employees will be required to participate in *Diversity Awareness Training Sessions* regarding embracing diversity, understanding cultural differences in the workplace, and maintaining an open dialog regarding inclusion.

Employment Equality Analysis

Caroline's Cannabis is committed to achieving an equitable balance in the composition of workforce diversity, and as such plans to conduct diversity training, track progress of diversity initiatives, and provide annual analysis of the effectiveness of ongoing diversity strategies and programs. If analysis results identify areas for improvement, corrective action will be taken.