



## Massachusetts Cannabis Control Commission

### Marijuana Product Manufacturer

#### General Information:

License Number: MP281305  
Original Issued Date: 09/24/2018  
Issued Date: 09/10/2020  
Expiration Date: 09/24/2021

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Cultivate Holdings LLC

Phone Number: 207-233-1304 Email Address: sambarber@cultivatemass.com

Business Address 1: 1764 Main Street

Business Address 2:

Business City: Leicester

Business State: MA

Business Zip Code: 01524

Mailing Address 1: PO Box 245

Mailing Address 2:

Mailing City: Leicester

Mailing State: MA

Mailing Zip Code: 01524

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

Priority Applicant: yes

Priority Applicant Type: RMD Priority

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number: RP201845

### RMD INFORMATION

Name of RMD: Cultivate Holdings LLC

Department of Public Health RMD Registration Number: 021

Operational and Registration Status: Obtained Final Certificate of Registration and is open for business in Massachusetts

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

If no, describe the circumstances below:

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY

#### Person with Direct or Indirect Authority 1

Percentage Of Ownership: 12.54 Percentage Of Control: 33

Role: Owner / Partner

Other Role:

First Name: Samuel

Last Name: Barber

Suffix:

Gender: Male

User Defined Gender:

What is this person's race or ethnicity?: Some Other Race or Ethnicity

Specify Race or Ethnicity: Armenian

#### Person with Direct or Indirect Authority 2

Percentage Of Ownership: 8.04 Percentage Of Control: 33

Role: Owner / Partner

Other Role:

First Name: Stephen

Last Name: Barber

Suffix:

Gender: Male

User Defined Gender:

What is this person's race or ethnicity?: Some Other Race or Ethnicity

Specify Race or Ethnicity: Armenian

#### Person with Direct or Indirect Authority 3

Percentage Of Ownership: 14.91 Percentage Of Control: 33

Role: Owner / Partner

Other Role:

First Name: Robert

Last Name: Lally

Suffix: Jr.

Gender: Male

User Defined Gender:

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

##### Close Associates or Member 1

First Name: Adam

Last Name: Sanders

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Adam is the manager for production. Please see operating procedures for details on his responsibility.

#### CAPITAL RESOURCES - INDIVIDUALS

No records found

#### CAPITAL RESOURCES - ENTITIES

No records found

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

##### Business Interest in Other State 1

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

Owner First Name: Robert

Owner Last Name: Lally

Owner Suffix: Jr.

Entity Legal Name: Wellness Connection of Nevada LLC

Entity DBA: Cultivate

Entity Description: Medical Marijuana Dispensary

Entity Phone: 702-241-2308

Entity Email:

Entity Website: cultivatelv.com

info@cultivatelv.com

Entity Address 1: 3615 Spring Mountain

Entity Address 2:

Entity City: Las Vegas

Entity State: NV

Entity Zip Code: 89102

Entity Country: USA

Entity Mailing Address 1: 3615 Spring Mountain

Entity Mailing Address 2:

Entity Mailing City: Las Vegas

Entity Mailing State: NV

Entity Mailing Zip Code:

Entity Mailing Country:

89102

USA

##### Business Interest in Other State 2

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

Owner First Name: Robert	Owner Last Name: Lally	Owner Suffix: Jr.
Entity Legal Name: Manoa Botanicals LLC	Entity DBA:	
Entity Description: Medical Marijuana Dispensary		
Entity Phone: 808-234-4658	Entity Email: brian@manoabotanicals.com	Entity Website: manoabotanicals.com
Entity Address 1: 1308 Young Street	Entity Address 2:	
Entity City: Honolulu	Entity State: HI	Entity Zip Code: 96814
Entity Mailing Address 1: 1308 Young Street	Entity Mailing Address 2:	Entity Country: USA
Entity Mailing City: Honolulu	Entity Mailing State: HI	Entity Mailing Zip Code: 96814
		Entity Mailing Country: USA

**DISCLOSURE OF INDIVIDUAL INTERESTS****Individual 1**

First Name: Samuel	Last Name: Barber	Suffix:
Marijuana Establishment Name: Cultivate Holdings, LLC	Business Type: Marijuana Retailer	
Marijuana Establishment City: Leicester	Marijuana Establishment State: MA	

**Individual 2**

First Name: Samuel	Last Name: Barber	Suffix:
Marijuana Establishment Name: Cultivate Holdings, LLC	Business Type: Marijuana Cultivator	
Marijuana Establishment City: Leicester	Marijuana Establishment State: MA	

**Individual 3**

First Name: Robert	Last Name: Lally	Suffix:
Marijuana Establishment Name: Cultivate Holdings, LLC	Business Type: Marijuana Retailer	
Marijuana Establishment City: Leicester	Marijuana Establishment State: MA	

**Individual 4**

First Name: Robert	Last Name: Lally	Suffix:
Marijuana Establishment Name: Cultivate Holdings, LLC	Business Type: Marijuana Cultivator	
Marijuana Establishment City: Leicester	Marijuana Establishment State: MA	

**Individual 5**

First Name: Stephen	Last Name: Barber	Suffix:
Marijuana Establishment Name: Cultivate Holdings, LLC	Business Type: Marijuana Retailer	
Marijuana Establishment City: Leicester	Marijuana Establishment State: MA	

**Individual 6**

First Name: Stephen	Last Name: Barber	Suffix:
Marijuana Establishment Name: Cultivate Holdings, LLC	Business Type: Marijuana Cultivator	
Marijuana Establishment City: Leicester	Marijuana Establishment State: MA	

**MARIJUANA ESTABLISHMENT PROPERTY DETAILS**

Establishment Address 1: 1764 Main Street	
Establishment Address 2:	
Establishment City: Leicester	Establishment Zip Code: 01524

Approximate square footage of the Establishment: 10000

How many abutters does this property have?: 4

Have all property abutters have 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	HostCommunitySigned.pdf	pdf	5ae76ee141df29361e475c29	04/30/2018
Community Outreach Meeting Documentation	Community Outreach.pdf	pdf	5ae76f1f0cc9397eb6ce84ef	04/30/2018
Plan to Remain Compliant with Local Zoning	Plan to Remain Compliant with Local Zoning.pdf	pdf	5ae76f9539740e0d95e83d60	04/30/2018

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.: \$400000

#### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Plan for Positive Impact.pdf	pdf	5ae8e4d211a2fe04237f698e	05/01/2018

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

Role: Other Role:  
First Name: Samuel Last Name: Barber Suffix:  
RMD Association: RMD Manager  
Background Question: yes

##### Individual Background Information 2

Role: Other Role:  
First Name: Robert Last Name: Lally Suffix: Jr.  
RMD Association: RMD Owner  
Background Question: yes

##### Individual Background Information 3

Role: Other Role:  
First Name: Stephen Last Name: Barber Suffix:  
RMD Association: RMD Owner  
Background Question: yes

##### Individual Background Information 4

Role: Other Role:  
First Name: Adam Last Name: Sanders Suffix:

Date generated: 12/03/2020

RMD Association: RMD Manager

Background Question: yes

#### ENTITY BACKGROUND CHECK INFORMATION

No records found

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Articles of Organization	ArticlesofConversion.pdf	pdf	5ad7eca9d7af757e7482041f	04/18/2018
Secretary of Commonwealth - Certificate of Good Standing	CertificateofGoodstanding.pdf	pdf	5ad7ecded16c987e98c1b4f3	04/18/2018
Department of Revenue - Certificate of Good standing	Certificate of Good Standing.pdf	pdf	5ad7ecf67cc84f3628fda7fe	04/18/2018
Bylaws	CultivateAmended&Restated ByLaws.pdf	pdf	5ae770c141df29361e475c2d	04/30/2018

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Unemployment Assistance - Certificate of Good standing	Certificate Good Standing - DUI.pdf	pdf	5f24572b3935fc643b55ff8f	07/31/2020
Department of Revenue - Certificate of Good standing	Certificate of Good Standing - DOR.pdf	pdf	5f245739ca23a6644a587a18	07/31/2020
Secretary of Commonwealth - Certificate of Good Standing	Certificate of Good Standing - SOS.pdf	pdf	5f24574317c8fd6455707a80	07/31/2020

Massachusetts Business Identification Number: 001307470

Doing-Business-As Name:

DBA Registration City:

#### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	2018 Strategic Business Plan.pdf	pdf	5ae7713e93460b0dc73ed416	04/30/2018
Plan for Liability Insurance	PlanInsurance.pdf	pdf	5ae7717ffe11f335e6a97466	04/30/2018
Proposed Timeline	Timeline.pdf	pdf	5ae7738d41df29361e475c33	04/30/2018

#### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Method used to produce products	Methods Used to Produce Products - 7.2020.pdf	pdf	5f245821aee479687ae975ce	07/31/2020
Types of products Manufactured.	Types of Products Manufactured -	pdf	5f245fecae479687ae975f3	07/31/2020

	7.2020.pdf			
Security plan	Security Plan - 7.2020.pdf	pdf	5f2460080f92b46881fad81e	07/31/2020
Restricting Access to age 21 and older	Restricting Access to Age 21 or Older - 7.2020.pdf	pdf	5f24600f8093f4686f9c8764	07/31/2020
Prevention of diversion	Prevention of Diversion - 7.2020.pdf	pdf	5f24604c0754a564762837b2	07/31/2020
Storage of marijuana	Storage of Marijuana - 7.2020.pdf	pdf	5f246059a23bf568606790ce	07/31/2020
Transportation of marijuana	Transportation of Marijuana - 7.2020.pdf	pdf	5f24606eae479687ae975fa	07/31/2020
Inventory procedures	Inventory Procedures - 7.2020.pdf	pdf	5f2460750f92b46881fad822	07/31/2020
Quality control and testing	Quality Control and Testing - 7.2020.pdf	pdf	5f24607e30ca0a689030dd69	07/31/2020
Dispensing procedures	Dispensing Procedures - 7.2020.pdf	pdf	5f24608664c153689b948bf5	07/31/2020
Personnel policies including background checks	Personnel Policies including Background Checks - 7.2020.pdf	pdf	5f24608e30ca0a689030dd6d	07/31/2020
Record Keeping procedures	Recordkeeping - 7.2020.pdf	pdf	5f24609c64c153689b948bfb	07/31/2020
Maintaining of financial records	Maintaining of Financial Records - 7.2020.pdf	pdf	5f2460a49d93706859d9e68a	07/31/2020
Diversity plan	Diversity Plan - 7.2020.pdf	pdf	5f2460ab3935fc643b55ffa9	07/31/2020
Qualifications and training	Qualifications and Trainings - Cultivation - 7.2020.pdf	pdf	5f2460b4f4c60d645c963a4c	07/31/2020
Energy Compliance Plan	Energy Compliance Plan - 7.2020.pdf	pdf	5f2461de24445b68a61fd1ee	07/31/2020
Safety Plan for Manufacturing	Safety Plan Manufacturing - 7.2020.pdf	pdf	5f2462350f92b46881fad833	07/31/2020
Plan to Obtain Marijuana	Plan to Obtain Marijuana - 7.2020.pdf	pdf	5f2465769d93706859d9e6a4	07/31/2020

## ATTESTATIONS

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

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

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

Notification: I Understand

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

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## Progress or Success Goal 1

### Description of Progress or Success: Compliance with 2019-2020 Positive Impact Plan

In its Positive Impact Plan, Cultivate Holdings, LLC (the "Company") committed to positively impact past or present residents of areas of disproportionate impact as defined by the Cannabis Control Commission, Massachusetts residents who have past drug convictions, and Economic Empowerment Priority and Social Equity Program participants. The Company implemented the Cultivate Launch Program (the "Program") which is providing its participants with exclusive access to the Company's employee and manager training programs and introducing them to the industry through networking events. In addition, Cultivate implemented a charitable giving program in which it designated the first day of the month to donate ten percent (10%) of the Company's gross sales to charities that provide services to past or present residents of areas of disproportionate impact or Massachusetts residents who have past drug convictions.

The Company has recruited three Social Equity Program participants to the Program. Cultivate recently accepted a fourth individual into the Program, however they are not members of the Social Equity Program. Due to the Covid-19 pandemic, Cultivate was not able to offer in person training as stated in the Positive Impact Plan. Instead the Company offered virtual training through Trainual to the participants in areas such as Retail, Compliance Regulations and Marketing, Production and STOP principles. On July 24, 2020, the Company hosted a virtual event for our Program Participants in which the Company's President and the COO participated as well as a Cannabis business finance and operations consultant. The presenters addressed strategies for starting marijuana related businesses, some of the pitfalls to avoid, some challenges posed by regulations. The Company has another such virtual event planned for the first week in August.

Through the Company's Designated Proceed Days, it has donated \$29,754 to charities that serve residents of areas of disproportionate impact and or individuals with past drug convictions. See Exhibit A. \$9,083 to Community Servings in Jamaica Plain, MA; \$4,792 to Cultivate Care Farms in Bolton, MA; and \$3,550 to Project New Hope in Worcester, MA. \$2,400 to C3RN, \$5365 to 1LifeAtTime, \$3,964 to Project Place in Boston, MA.

Community Servings is a Boston based non-profit food and nutrition program providing services throughout Massachusetts to individuals and families living with critical and chronic illnesses. Many of the individuals they serve are residents of Areas of Disproportionate Impact.

Project New Hope is a Worcester based non-profit that serves Massachusetts veterans and their families by providing therapeutic retreats and family pantries. Many of those they serve are present or past residents of Areas of Disproportionate Impact.

Cultivate Care Farms is a non-profit farm based therapy outpatient program in Bolton, MA which provides mental health therapy for adolescents and adults with rescued animals. Some of their clients reside in Areas of Disproportionate Impact.

Project Place is a non-profit in Boston, MA which serves the homeless and impoverished by providing training, education and resources necessary to obtain and sustain employment and housing. Many of their clients are past or present residents of areas of disproportionate Impact as well as having past drug convictions.

C3RN was a cannabis research, education and social justice organization in Massachusetts which provided educational opportunities to SEP and EEA Participants as well as residents of areas of disproportionate impact through its Cannabis Education Center.

One Life at a Time is a non-profit in Braintree, MA which offers career and recovery services to clients suffering from drug addiction. Many of their clients are residents of areas of disproportionate impact and/or have previous drug convictions.

## COMPLIANCE WITH DIVERSITY PLAN

### Diversity Progress or Success 1

**Description of Progress or Success:** In its Diversity Plan, Cultivate Holdings, LLC's goal was to assemble a diverse team of employees, making a good faith effort to be inclusive of women, veterans, disabled individuals and those with diverse ethnicities. One of our key diversity goals was to meet or exceed the demographic composition of the overall population. Eighteen months after opening, Cultivate Holdings, LLC's workforce is inclusive and diverse, comprising thirty seven percent (37%) women and twelve percent (16%) African Americans. Hispanic or Latino employees comprise eight percent (8%) of Cultivate's workforce. Approximately twenty percent (20%) of Cultivate's employees are from the Cannabis Control Commission's designated Areas of Disproportionate Impact - including Fitchburg, Monson, Southbridge and the Commission's designated Areas of Disproportionate Impact in Worcester. Taken together, Cultivate Holdings LLC is exceeding its goal of a workforce where minorities, women, veterans, and/or people with disabilities represent 40% of all employees.

Cultivate is succeeding in its internal diversity goal to match or exceed the diversity demographics of Leicester in that its African American population is 1.5%, whereas African American employees comprise 16% of our workforce. While women make up 51% of Leicester's population, they comprise only 37% of Cultivate's employees. The Company plans to make female hiring a priority in the coming year and our leadership team is confident we can close this gap as company-wide operations expand.

Cultivate is currently in the process of conducting a full survey of employee demographic information following a recent loss of data brought about by the Company's migration to a new human resources provider. This will provide Cultivate's leadership team with an even more detailed understanding of employee demographics and inform where progress can be made towards diversity and social empowerment goals.

In furtherance of its stated goals, Cultivate Holdings, LLC has contracted with two women-owned businesses: Chatterboss Communications and Forester Consulting.

Cultivate continues to reach its goal of providing comprehensive and ongoing sensitivity training to educate employees about all forms of sexual harassment and discrimination. These trainings are carried out during all employees' initial onboarding and continue to be offered on a recurring basis throughout the year.

#### PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

##### Item 1

Label Picture:

Document Category	Document Name	Type	ID	Upload Date
	12.jpg	jpeg	5f2a05df64c153689b94936f	08/04/2020
	123.jpg	jpeg	5f2a05e824445b68a61fd8cb	08/04/2020
	1234.jpg	jpeg	5f2a05f19d93706859d9edb2	08/04/2020
	12345.jpg	jpeg	5f2a05f6ead5bc6434e3a3df	08/04/2020

Name of Item: S30 Sativa Cartridge .5mL Item Type: Non-Edible MIP

Item Description: Half gram (.5mL) Premium Cannabis Cartridge

##### Item 2

Document Category	Document Name	Type	ID	Upload Date
	GDP Label.jpg	jpeg	5f2467b00754a564762837d7	07/31/2020

Name of Item: GDP Cartridge .5mL Item Type: Non-Edible MIP

Item Description: Half gram (.5mL) Premium Cannabis Cartridge

##### Item 3

Document Category	Document Name	Type	ID	Upload Date
	Slumber Cart Label.jpg	jpeg	5f2467cca24e76648176cd9b	07/31/2020

Name of Item: Slumber Cartridge .5mL Item Type: Non-Edible MIP

Item Description: Half gram (.5mL) Premium Cannabis Cartridge

##### Item 4

Document Category	Document Name	Type	ID	Upload Date
	12.jpg	jpeg	5f2a06399d93706859d9edb6	08/04/2020
	123.jpg	jpeg	5f2a063dead5bc6434e3a3e3	08/04/2020
	1234.jpg	jpeg	5f2a06423935fc643b560678	08/04/2020



12345.jpg	jpeg	5f2a0645a23bf56860679825	08/04/2020
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**Name of Item:** Bliss Cartridge .5mL **Item Type:** Non-Edible MIP

**Item Description:** Half gram (.5mL) Premium Cannabis Cartridge

#### Item 5

Document Category	Document Name	Type	ID	Upload Date
	12.jpg	jpeg	5f2a060eca23a6644a5880d8	08/04/2020
	123.jpg	jpeg	5f2a0610aee479687ae97d75	08/04/2020
	1234.jpg	jpeg	5f2a06140754a56476283e80	08/04/2020
	12345.jpg	jpeg	5f2a061664c153689b949373	08/04/2020

**Name of Item:** Durban Poison Cartridge .5mL **Item Type:** Non-Edible MIP

**Item Description:** Half gram (.5mL) Premium Cannabis Cartridge

#### Item 6

Document Category	Document Name	Type	ID	Upload Date
	Choc Bar Label.jpg	jpeg	5f2468479d93706859d9e6c5	07/31/2020

**Name of Item:** Dark Chocolate Bar 50mg **Item Type:** Edible MIP

**Item Description:** Chocolate Bar with 10 pieces, easily dividable @5 milligrams of THC per individual piece

#### Item 7

Document Category	Document Name	Type	ID	Upload Date
	Watermelon Hexies Label.jpg	jpeg	5f2468d1ca23a6644a587a61	07/31/2020

**Name of Item:** Watermelon Hexie 50mg **Item Type:** Edible MIP

**Item Description:** Gummy Bar with 10 pieces, easily dividable @5 milligrams of THC per individual piece

#### Item 8

Document Category	Document Name	Type	ID	Upload Date
	Mango Hexies Label.jpg	jpeg	5f2468e5f4c60d645c963a82	07/31/2020

**Name of Item:** Mango Hexie 50mg **Item Type:** Edible MIP

**Item Description:** Gummy Bar with 10 pieces, easily dividable @5 milligrams of THC per individual piece

#### Item 9

Document Category	Document Name	Type	ID	Upload Date
	Peach Hexies Label.jpg	jpeg	5f2468f330ca0a689030ddc5	07/31/2020

**Name of Item:** Peach Hexie 50mg **Item Type:** Edible MIP

**Item Description:** Gummy Bar with 10 pieces, easily dividable @5 milligrams of THC per individual piece

#### Item 10

Document Category	Document Name	Type	ID	Upload Date
	Blackberry Hexies Label.jpg	jpeg	5f246908ca23a6644a587a65	07/31/2020

**Name of Item:** Blackberry Hexie 50mg **Item Type:** Edible MIP  
**Item Description:** Gummy Bar with 10 pieces, easily dividable @5 milligrams of THC per individual piece

Item 11

Document Category	Document Name	Type	ID	Upload Date
	Milk Chocolate Label.jpg	jpeg	5f24691f0754a564762837ee	07/31/2020

**Name of Item:** Milk Chocolate 50mg **Item Type:** Edible MIP  
**Item Description:** Chocolate Bar with 10 pieces, easily dividable @5 milligrams of THC per individual piece

Item 12

Document Category	Document Name	Type	ID	Upload Date
	Mini Chocolate Chip Cookie Label.jpg	jpeg	5f24692eaae479687ae97654	07/31/2020

**Name of Item:** Mini Chocolate Chip Cookie 20mg **Item Type:** Edible MIP  
**Item Description:** Chocolate Chip Cookie (4 pack), baked individually, @5 milligrams of THC per individual piece

Item 13

Document Category	Document Name	Type	ID	Upload Date
	G13 Label.jpg	jpeg	5f24695d30ca0a689030ddcb	07/31/2020

**Name of Item:** G13 Pre Roll **Item Type:** Flower  
**Item Description:** 1 gram king size pre roll (INDICA)

Item 14

Document Category	Document Name	Type	ID	Upload Date
	Hard Candy Label.jpg	jpeg	5f2469759d93706859d9e6d4	07/31/2020

**Name of Item:** Hard Candy Pre Roll **Item Type:** Flower  
**Item Description:** 1 gram king size pre roll (INDICA)

Item 15

Document Category	Document Name	Type	ID	Upload Date
	Tardis PR Label.jpg	jpeg	5f246987a23bf56860679127	07/31/2020

**Name of Item:** Tardis Pre Roll **Item Type:** Flower  
**Item Description:** 1 gram king size pre roll (INDICA)

Item 16

Document Category	Document Name	Type	ID	Upload Date
	TC PR Label.jpg	jpeg	5f24699764c153689b948c5c	07/31/2020

**Name of Item:** Tropicana Cookies Pre Roll **Item Type:** Flower  
**Item Description:** 1 gram king size pre roll (HYBRID)

Item 17

Date generated: 12/03/2020

Document Category	Document Name	Type	ID	Upload Date
	Choc PR Label.jpg	jpeg	5f2469aa30ca0a689030ddd3	07/31/2020

**Name of Item:** Chocolate OG Pre Roll      **Item Type:** Flower

**Item Description:** 1 gram king size pre roll (INDICA)

#### Item 18

Document Category	Document Name	Type	ID	Upload Date
	Seattle Soda Preroll.jpg	jpeg	5f2469c030ca0a689030ddd7	07/31/2020

**Name of Item:** Seattle Soda Pre Roll      **Item Type:** Flower

**Item Description:** 1 gram king size pre roll (HYBRID)

#### Item 19

Document Category	Document Name	Type	ID	Upload Date
	Hurkle Label.jpg	jpeg	5f2469dc0754a564762837fe	07/31/2020

**Name of Item:** Hurkle 3.5g      **Item Type:** Flower

**Item Description:** 3.5 gram package of trimmed cannabis (CBD)

#### Item 20

Document Category	Document Name	Type	ID	Upload Date
	CHOG Label 2.jpg	jpeg	5f2469fe193ee2646b4795e7	07/31/2020
	CHOG Label.jpg	jpeg	5f246a04ead5bc6434e39d3d	07/31/2020

**Name of Item:** Chocolate OG 3.5      **Item Type:** Flower

**Item Description:** 3.5 gram package of trimmed cannabis (INDICA)

#### Item 21

Document Category	Document Name	Type	ID	Upload Date
	3Chems Wax Label.jpg	jpeg	5f246a1a17c8fd6455707ae6	07/31/2020

**Name of Item:** 3 Chems Wax 1g      **Item Type:** Concentrate

**Item Description:** 1 gram concentrate derived from 3 Chems. C02 and/or Alcohol used for processing. Product has 20x 0.05g servings

#### Item 22

Document Category	Document Name	Type	ID	Upload Date
	Chocolate OG Wax.jpg	jpeg	5f246a30ca23a6644a587a77	07/31/2020

**Name of Item:** Chocolate OG Wax 1g      **Item Type:** Concentrate

**Item Description:** 1 gram concentrate derived from Chocolate OG. C02 and/or Alcohol used for processing. Product has 20x 0.05g servings

#### Item 23

Document Category	Document Name	Type	ID	Upload Date
	Sherbert Crumble Label.jpg	jpeg	5f246a4230ca0a689030dddd	07/31/2020

**Name of Item:** Sunset Sherbet Wax Crumble

**Item Type:** Concentrate

**Item Description:** 1 gram concentrate derived from Sunset Sherbet. C02 and/or Alcohol used for processing. Product has 20x 0.05g servings

**Item 24**

Document Category	Document Name	Type	ID	Upload Date
	Dosidos Label.jpg	jpeg	5f246a5317c8fd6455707aea	07/31/2020

**Name of Item:** Dosidos 22 Wax 1g

**Item Type:** Concentrate

**Item Description:** 1 gram concentrate derived from Dosidos 22. C02 and/or Alcohol used for processing. Product has 20x 0.05g servings

**Item 25**

Document Category	Document Name	Type	ID	Upload Date
	Blue Dream Label.jpg	jpeg	5f246a688093f4686f9c87c1	07/31/2020

**Name of Item:** Blue Dream Wax 1g

**Item Type:** Concentrate

**Item Description:** 1 gram concentrate derived from Blue Dream. C02 and/or Alcohol used for processing. Product has 20x 0.05g servings

**Item 26**

Document Category	Document Name	Type	ID	Upload Date
	Green Apple Hexie Label.jpg	jpeg	5f246aa8ead5bc6434e39d44	07/31/2020

**Name of Item:** Green Apple Hexie 50mg

**Item Type:** Edible MIP

**Item Description:** Gummy Bar with 10 pieces, easily dividable @5 milligrams of THC per individual piece

**HOURS OF OPERATION**

Monday From: 8:00 AM	Monday To: 10:00 PM
Tuesday From: 8:00 AM	Tuesday To: 10:00 PM
Wednesday From: 8:00 AM	Wednesday To: 10:00 PM
Thursday From: 8:00 AM	Thursday To: 10:00 PM
Friday From: 8:00 AM	Friday To: 10:00 PM
Saturday From: 8:00 AM	Saturday To: 10:00 PM
Sunday From: 8:00 AM	Sunday To: 10:00 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

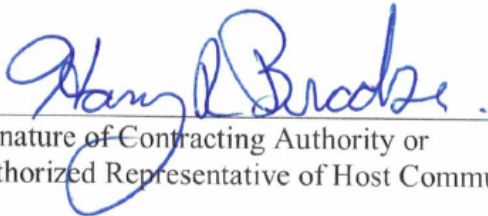
I, Samuel Barber, (*insert name*) certify as an authorized representative of Cultivate Holdings LLC. (*insert name of applicant*) that the applicant has executed a host community agreement with Leicester (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on 4/5/18 (*insert date*).



Signature of Authorized Representative of Applicant

### Host Community

I, Harry R Brooks selectboard chair, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Leicester, MA (*insert name of host community*) to certify that the applicant and Leicester, MA (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 4-30-18 (*insert date*).



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, Samuel Barber, (*insert name*) attest as an authorized representative of Cultivate Holdings 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 March 29, 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 March 22, 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 20, 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 20, 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*).

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.

## Community Outreach Public Notice Template

The following template is provided to assist applicants seeking to be licensed as a Marijuana Establishment under 935 CMR 500.000, which establishes the regulatory requirements for adult use marijuana in the Commonwealth. This template is not legal advice. If you have questions regarding the legal requirements for licensure in the Commonwealth, you are encouraged to consult an attorney.

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for *(insert date)* at *(insert time)* at *(insert location)*. The proposed *(type(s) of Marijuana Establishment)* is anticipated to be located at *(insert address of proposed Marijuana Establishment)*. There will be an opportunity for the public to ask questions.



# EXHIBIT A - CULTIVATE HOLDINGS LLC LEICESTER MA

ATTACHMENT A  
CULTIVATE PUBLIC MEETING  
WORCESTER TELEGRAM AND  
GAZETTE MARCH 22, 2018

## Worcester Telegram and Gazette Classifieds

### Legals PublicNotice

Posted March 22, 2018

### LEGAL NOTICE OF COMMUNITY OUTR...

LEGAL NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT CULTIVATE HOLDINGS LLC 1764 MAIN STREET LEICESTER, MA 01524 Notice is hereby given that the Cultivate Holdings LLC (f/k/a Natural Healthcare, Inc.) of 1764 Main Street, Leicester, MA 01524 will conduct a Community Outreach Meeting on the following matter on March 29, 2018 at the Leicester Town Hall, 3 Washburn Square, Lower Level, Select Board Conference Room, Leicester, MA 01524, at 6:00 P.M: Cultivate Holdings LLC intends to apply for one or more of the following Adult-use Marijuana Establishment licenses: Marijuana Cultivator; Marijuana Product Manufacturer; Marijuana Retailer or Marijuana Transporter, to be located at 1764 Main Street, Leicester, Massachusetts, pursuant to M.G.L. Ch. 94G, and Chapter 55 of the Acts of 2017, and any other applicable laws and regulations promulgated thereunder, including those promulgated thereunder by the Massachusetts Cannabis Control Commission. Information presented at the community outreach hearing shall include, but not be limited to: 1. The type(s) of Marijuana Establishment to be located at the proposed address; 2. Information adequate to demonstrate that the proposed Marijuana Establishment location will be maintained securely; 3. Steps to be taken by the 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 permitted, and are encouraged, to ask questions and receive answers from representatives of Cultivate Holdings LLC. A copy of this notice is on file with the Town Clerk, the Board of Selectmen's office, and the Planning Department, all located at the Leicester Town Hall, 3 Washburn Square, Leicester, MA, 01524 and a 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 three hundred (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. March 22, 2018



**Attachment B**  
**Town Hall Notice Posted March**  
**20, 2018 Cultivate Public**  
**Informational Meeting for**  
**March 29, 2018 6PM Town Hall**

LEGAL NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT

RECEIVED

2018 MAR 20 PM 5:09

CULTIVATE HOLDINGS LLC

1764 MAIN STREET  
LEICESTER, MA 01524

Notice is hereby given that the Cultivate Holdings LLC (f/k/a Natural Healthcare, Inc.) of 1764 Main Street, Leicester, MA 01524 will conduct a Community Outreach Meeting on the following matter on March 29, 2018 at the Leicester Town Hall, 3 Washburn Square, Lower Level, Select Board Conference Room, Leicester, MA 01524, at 6:00 P.M:

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Information presented at the community outreach hearing shall include, but not be limited to:

1. The type(s) of Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the proposed Marijuana Establishment location will be maintained securely;
3. Steps to be taken by the 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 permitted, and are encouraged, to ask questions and receive answers from representatives of Cultivate Holdings LLC.

A copy of this notice is on file with the Town Clerk, the Board of Selectmen's office, and the Planning Department, all located at the Leicester Town Hall, 3 Washburn Square, Leicester, MA, 01524 and a 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 three hundred (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.

2908085.v1

Organization

Conference Room

2018 MAR 19 PM 1:10

RECEIVED

For information to

3:00 PM

provided

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**LEGAL NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT**

**CULTIVATE HOLDINGS LLC**

**1764 MAIN STREET  
LEICESTER, MA 01524**

Notice is hereby given that the Cultivate Holdings LLC (f/k/a Natural Healthcare, Inc.) of 1764 Main Street, Leicester, MA 01524 will conduct a Community Outreach Meeting on the following matter on March 29, 2018 at the Leicester Town Hall, 3 Washburn Square, Lower Level, Select Board Conference Room, Leicester, MA 01524, at 6:00 P.M:

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Information presented at the community outreach hearing shall include, but not be limited to:

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4. A plan by the Marijuana Establishment to positively impact the community; and
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## Attachment C

2. Article Number



9414 7266 9904 2097 2089 06

3. Service Type **CERTIFIED MAIL®**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:



### COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

MARK Burtlett

B. Date of Delivery

03/24/17

C. Signature

Mark Burtlett

☐ Agent

☒ Addressee

D. Is delivery address different from item 1?  
If YES, enter delivery address below:

☐ Yes

☒ No

### Reference Information

106711-000000

Daniel Glissman

PS Form 3811, January 2005

Domestic Return Receipt

### **Plan to Remain Compliant with Local Zoning**

Cultivate Holdings, LLC successfully developed its existing RMD license through a close and frequent dialogue with elected and municipal officials of the Town of Leicester and Worcester County. Continuing this fruitful relationship ensures that Cultivate Holdings, LLC remains abreast of all civic issues which may impact the company's long and short term operations. Maintaining a compliant zoning classification for our Leicester facility stands as one of the company's highest priorities and, therefore, will be a chief topic of discussion through our outreach to civic officials. It is the company's belief that our efforts to build strong relationships with local government represents the best method for remaining compliant with local zoning regulations, should any new developments or regulations arise. Cultivate Holdings, LLC will speedily work in conjunction with all necessary municipal or private entities needed to rectify any changes to zoning which may occur.

### **Outreach to Town Officials**

The CEO of Cultivate Holdings, LLC will meet with the Board of Selectmen Chairperson at least four times annually to discuss any matters which may pertain to the operations of Cultivate Holdings, LLC. Twice annual meetings with the Town Planner/Director of Inspectional Services are also required of the CEO. Finally, the CEO (or their designee) will review the agenda and minutes of each Select Board meeting to identify any current or future items which may be of concern to Cultivate Holdings, LLC.

**TOWN OF LEICESTER  
AND  
NATURAL HEALTHCARE INC.**

**HOST COMMUNITY AGREEMENT  
FOR THE SITING OF A  
REGISTERED MARIJUANA DISPENSARY  
IN THE TOWN OF LEICESTER**

This Host Community Agreement (“Agreement”) is entered into pursuant to M.G.L. 44, §53A this \_\_\_\_\_ day of November, 2016 by and between Natural Healthcare, Inc. a Massachusetts not-for-profit corporation with a principal office address of 1764 Main Street Leicester, MA (the “**Operator**”) and the Town of Leicester, a Massachusetts municipal corporation with a principal address of 3 Washburn Square, Leicester, MA 01524 (the “**Town**”).

**WHEREAS**, Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for medical purposes through Chapter 369 of the Acts of 2012, An Act for Humanitarian Medical Use of Marijuana; and

**WHEREAS**, Massachusetts, acting through the Commonwealth of Massachusetts Department of Public Health (the “**DPH**”) implemented regulatory framework for the regulation of the use of marijuana for medical purposes through 105 CMR 725.000 *et. seq.* (the “**Regulations**”); and

**WHEREAS**, Operator wishes to locate and operate a Medical Marijuana Treatment Center (the “**Facility**”) at 1764 Main Street, Leicester, MA 01524 (the “**Property**”) in accordance with the Regulations; and

**WHEREAS**, A Medical Marijuana Treatment Center is defined by the DPH as a not-for-profit entity registered under 105 CMR 725.100, to be known as a registered marijuana dispensary (RMD), that acquires, cultivates, possesses, processes (including development of related products such as edible MIPs, tinctures, aerosols, oils, or ointments), transfers, transports, sells, distributes, dispenses, or administers marijuana, products containing marijuana, related supplies, or educational materials to registered qualifying patients or their personal caregivers. Unless otherwise specified, RMD refers to the site(s) of dispensing, cultivation, and preparation of marijuana; and

**WHEREAS**, Operator will serve its non-profit purpose of providing marijuana for medical use, educational materials, and related products, to medical use of marijuana patients in Town and throughout the Commonwealth of Massachusetts;

**WHEREAS**, The Town enacted Article 23, an ordinance amending the Town of Leicester Zoning Bylaw (the “**Bylaw**”) to allow RMD’s as of right in the Highway Business-Industrial 1 (HB-1) Zoning District;

**WHEREAS,** The Facility is an as-of-right use at the Property and complies with the buffer requirements set forth in Section 5.15 of the Bylaw; and

**WHEREAS,** Operator intends to provide certain benefits to the Town in the event that it obtains a Certificate of Registration to operate an RMD in Town and has received all required local approvals.

Whereas, notwithstanding the anticipated benefits to certain members of the community, the facility will impact town resources in ways unique to the business of the facility and draw upon town resources in a manner not shared by the general population;

**NOW, THEREFORE,** in consideration of the above, the Operator and the Town agree as follows:

1. Community Impact Fee: the parties anticipate that the Town will incur extended expenses and draws upon the town's road system, law enforcement, fire protection services, inspectional services and permitting services and additional unforeseen impacts upon the town. Accordingly, in order to mitigate the financial impact upon the town and use of town resources, the Operator will pay to the Town a community impact fee (the "**Community Impact Fee**") in the amounts and payable at such times as described in section 2 hereof:
2. Payments: Subject to adjustment or modification as set forth in the fourth paragraph of this section, Operator shall pay to the Town an annual total of Fifty Thousand Dollars and 00/100 (\$50,000.00) in the aggregate, beginning on the first day of the thirteenth month following the date of commencement of sales in the Town (the "**Sales Commencement Date**") and through the end of the fifteenth (15<sup>th</sup>) year following the Sales Commencement Date (each an "**Annual Payment**" and collectively the "**Annual Payments**").

On the last day of the fifteenth (15<sup>th</sup>) year following the Sales Commencement Date, Operator shall make an additional one-time cash payment of Fifty Thousand Dollars and 00/100 (\$50,000.00) to the Town (it being understood that such one-time cash payment is in recognition of the fact that the Operator is not obligated to make an initial Annual payment during the first thirteen (13) months after the Sales Commencement Date).

Payments under this Section shall be made twice annually, no later than thirty (30) days following December 31st and June 30th of each year. Operator shall notify the Town when Operator commences sales within the Town. Operator will provide the Town with copies of its periodic financial filings to the DPH documenting gross revenues, and also a copy of its annual filing as a non-profit, if any, to the Massachusetts Office of Attorney General. The Town may notify Operator to delay the initial payment hereunder, in which case the initial payment shall be made as specified by the Town; however, the timing of subsequent payments shall be made as if the initial payment had been made as described above.



Notwithstanding anything to the contrary herein, every three (3) years after the Sales Commencement Date the Town and Operator shall jointly review the Community Impact Fee and increase or decrease the Annual Payment (as the case may be) based on the overall impact of the Facility on the Town. Any increase or decrease in the Annual Payment shall be proportional to the identified impact, but in no event shall the Annual Payment increase or decrease by more than ten percent (10%) in any year. The Operator shall evaluate and monitor crime statistics, fire protection services, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the Sales Commencement Date. The Operator shall provide this information to the Town and any increase or decrease in the Community Impact Fee shall be based on the escalation of the aforementioned services in the area immediately surrounding the Facility, at a rate in excess of town-wide escalation, unless mutually agreed upon by the Operator and the Town.

3. Taxes: The operator will pay all local, state and federal taxes as required by applicable law, as now existing or is hereafter may from time to time be enacted, repealed or modified.
4. Community Impact Fee as compensatory: The community impact fee referenced herein shall be compensatory to the town of all impacts of the facility's operation in the town including all reasonable indirect cost. Nothing, herein, shall be construed to exempt the facility from payment of local state and federal taxes.
5. Local Hiring: To the extent permissible by law, Operator will make jobs available to local, qualified residents; and such residency will be a positive factor in hiring decisions. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to similarly consider local status of vendors, suppliers, contractors and builders from the Town area to be a positive factor in retaining such vendors.
6. Approval of Manager: If requested by the Town, Operator shall provide to the Town, for review and approval, the name and relevant information, including but not limited to the information set forth in 105 CMR 725.030, of the person proposed to act as on-site manager of the RMD. The submittal shall include authorization to perform a criminal history (CORI) check. Town shall consider such request for approval within thirty (30) days following submittal to determine, in consultation with the Police Chief, if the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. Said approval shall be considered unreasonably denied, conditioned or delayed if the Town denies such approval and the DPH has approved said manager pursuant to the Regulations. Notwithstanding the foregoing, in the event that Town does not provide confirmation or rejection of the proposed on-site manager within thirty (30) days, that manager shall be deemed

approved by Town. This approval process shall also apply to any change of on-site manager.

7. Prevention of Diversion: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the Sales Commencement Date. Such plan will include, but is not limited to, (i) training RMD employees to be aware of, observe, and report any unusual behavior in patients, caregivers, authorized visitors or other RMD employees that may indicate the potential for diversion; (ii) strictly adhering to certification amounts and time periods (per DPH guidelines); (iii) rigorous patient identification and verification procedures through the DPH Online System; (iv) utilizing seed-to-sale tracking software to closely track all inventory at the RMD; and (v) refusing to complete a transaction if the patient or caregiver appears to be under the influence of drugs or alcohol.
8. Security: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department in determining the placement of exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each direction of the public way(s) on which the RMD is located. Operator will maintain a cooperative relationship with the Police Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on the site. Such camera may be altered by the DPH during their security and architectural review process.
9. Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining of a Certificate of Registration for the operation of a RMD from the DPH to operate in Town, and all necessary local permits and approvals.
10. Cooperation: Town shall work cooperatively and in good faith with Operator in securing the prompt and efficient siting, planning, permitting and preparation for opening of the RMD, provided that nothing herein shall require Town to waive any review and approval rights set forth in applicable statutes or regulations and provided further that Town shall retain the right to provide comments and recommendations regarding design and security.
11. Support for Registration: Town shall support Operator's application for registration of its RMD by the DPH, and work with Operator to assist in securing such registration.
12. Modification of Payments: Should Operator enter into an agreement with any other municipality for siting a RMD at material terms more favorable to that municipality than the terms of this Agreement are to Town, this Agreement shall be modified to reflect

those terms. Notwithstanding the foregoing, should Operator enter into an agreement with any other municipality solely for the purpose of establishing an RMD that is located off-site from the cultivation and processing facility but which serves only to dispense the processed marijuana, related supplies and educational materials than this Agreement shall not be modified. Both the Operator and the Town understand and agree that a cultivation facility and dispensary facility will have distinct and separate impacts on a municipality and justify a difference in Host Community Agreement terms.

13. Assignment: Operator shall not assign, sublet or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the Town, which consent shall not be unreasonably withheld; provided however in the event such transfer or assignment is between the Operator and another affiliated entity which will utilize the Facility for the cultivation of marijuana and which is duly authorized by the DPH or other authorizing entity, or if such assignment or transfer is the result of a merger or consolidation with the Operator.
14. Compliance: Operator shall comply with all laws, rules, regulations and orders applicable to the operation of an RMD, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of an RMD.
15. Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.
16. Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 of this Agreement or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
17. Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
18. Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.

19. Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

20. Termination: This Agreement shall terminate at the time that either of the following occur:

- a. The Town notifies Operator of the Town's termination of this Agreement; or
- b. Operator ceases to operate a RMD in the Town.

This agreement shall have no further force and effect and neither of the parties shall have any further rights, obligations or liabilities to the other party, provided that Section 23 hereof shall remain in full force and effect.

21. Term: This agreement shall have a term of fifteen (15) years (the "Term") at which point the parties may renegotiate the terms of this Agreement. Operator shall not be required to cease operations at the termination of this Agreement.

22. Appropriation. The purpose of this Agreement is to assist the Town in addressing any public safety and health effects the RMD may have on the Town, as deemed appropriate by the Board of Selectmen. The Town shall determine use of all Annual Payments consistent with the purposes of this Agreement.

23. Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the "Confidential Information"). Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or at any time thereafter, disclose to any person or entity, any Confidential Information, except as may be required by court order or law.

24. Waiver: The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default.

25. Amendment: This Agreement may only be amended by a written document duly executed by both of the parties hereto. No modification or waiver of any provision of

this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the Town and the Operator.

26. Modifications. Modifications to this Agreement may only be effective if made in writing and signed by both of the parties hereto.
27. Headings. The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
28. Counterparts. This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
29. Signatures. Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

[SIGNATURES TO FOLLOW]

The following signature indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

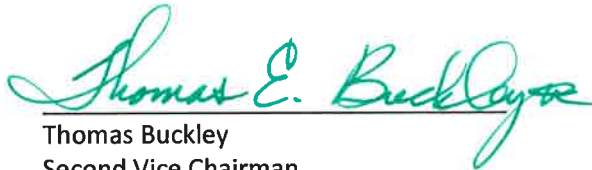
For the Town of Leicester, Massachusetts:



Douglas Belanger  
Chairman



Harry Brooks  
Vice Chairman



Thomas Buckley  
Second Vice Chairman

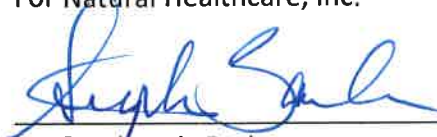


Dianna Provencher  
Member



Michael Shivick  
Member

For Natural Healthcare, Inc:



By: Stephen A. Barber,  
Title: CEO, Natural Healthcare Inc.

**TOWN OF LEICESTER  
AND  
CULTIVATE HOLDINGS LLC**

**HOST COMMUNITY AGREEMENT  
FOR THE SITING OF AN ADULT-USE MARIJUANA ESTABLISHMENT  
IN THE TOWN OF LEICESTER**

This Host Community Agreement (“Agreement”) is entered into pursuant to M.G.L. 94G, § 3(5)(d) this 2nd day of April, 2018 by and between **Cultivate Holdings LLC (f/k/a Natural Healthcare, Inc.)** (the “**Operator**”) a Massachusetts limited liability company, currently located at 1764 Main Street Leicester, MA (the “**Property**”) and the **Town of Leicester**, a Massachusetts municipal corporation with a principal address of 3 Washburn Square, Leicester, MA 01524 (the “**Town**”).

**WHEREAS**, On November 8, 2016 Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for adult use through Chapter 334 of the Acts of 2016, an Act for The Regulation and Taxation of Marijuana; and

**WHEREAS**, On July 28, 2017, Governor Baker signed the General Court’s revised law on the subject, “An Act to Ensure Safe Access to Marijuana” adopted as Chapter 55 of the Acts of 2017 (the “**Act**”); and

**WHEREAS**, Massachusetts, acting through the Cannabis Control Commission (the “**CCC**”) implemented regulatory framework for the regulation of adult use of marijuana establishments through 935 CMR 500.000 *et. seq.* (the “**CCC Regulations**”); and

**WHEREAS**, A “Marijuana Establishment” as defined in the CCC Regulations, means a Marijuana Cultivator, Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Retailer, Independent Testing Laboratory, Marijuana Research Facility, Marijuana Transporter, or any other type of licensed marijuana-related business, except a medical marijuana treatment center; and

**WHEREAS**, Operator wishes to locate and operate a “Marijuana Establishment”, meaning specifically, a Marijuana Retailer, Marijuana Product Manufacturer, and Marijuana Cultivator (collectively, the Marijuana Retailer, Marijuana Product Manufacturer and Marijuana Cultivator shall be hereinafter referred to as the “**Facility**”) at the Property in accordance with CCC Regulations and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable regulations in effect at the time the Operator files its application with the CCC; and

**WHEREAS**, Operator currently operates a compliant Medical Marijuana Treatment Center at the Property pursuant to an approval from the Massachusetts Department of Public Health

("DPH") pursuant to 105 CMR 725.00, dated November 24, 2017 and in compliance with the Host Community Agreement for the Siting of A Medical Marijuana Treatment Center in the Town of Leicester, dated December 19, 2016, by and between Operator and Town; and

**WHEREAS**, Operator will satisfy the purpose and intent of the voters and the Act by providing marijuana for adult use, educational materials and related products to citizens of the Town and throughout the Commonwealth of Massachusetts; and

**WHEREAS**, Operator intends to provide certain benefits to the Town upon receipt of CCC licensure to operate a Facility in Town and all required local approvals to do so; and

**WHEREAS**, notwithstanding the anticipated benefits to certain members of the community, the Operator and the Town agree that the Facility will impact Town resources in ways unique to the business of the Facility and will draw upon Town resources such as Town's road system, law enforcement, fire protection services, inspectional and permitting services, public health services in a manner not shared by the general population and may cause additional unforeseen impacts upon the Town; and

**WHEREAS**, Massachusetts General Laws chapter 94G, § 5 (d) states "that a marijuana establishment or a medical marijuana treatment center seeking to operate or continue to operate in a municipality which permits such operation shall execute an agreement with the host community 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. An agreement between a marijuana establishment or a medical marijuana treatment center and a host community may include a community impact fee for the host community; provided, said impact fee shall not amount to more than 3 per cent of the gross sales of the marijuana establishment or medical marijuana treatment center or be effective for longer than 5 years.

**NOW, THEREFORE**, in consideration of the above and the mutually agreed promises contained herein, the Operator and the Town agree as follows:

1. **Compliance:** Operator and Town shall comply with all applicable provisions of M.G.L. c. 94G, as affected by Chapter 55 of the Acts of 2017 and the CCC Regulations as the same may be amended from time to time; and the Leicester General Bylaws, Zoning Bylaws and all laws, rules, regulations and orders applicable to the operation of a Marijuana Establishment in the Town, such provisions being incorporated herein by reference, and Operator shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of a Marijuana Establishment.
2. **Community Impact Fee:** Operator shall pay a community impact fee as required by M.G.L. c. 94G, § 5 (d) (the "**Impact Fee**") in the amounts and under the terms provided herein. The



Operator shall furnish the Town with annual Profit and Loss Statements, as soon as they become available, reflecting Gross Annual Revenues (as defined herein) figures for the adult use Marijuana Retailer portion of the Facility located within the Town. Additionally, the Operator shall provide the Town with copies of all of its periodic financial filings with agencies of the Commonwealth documenting Gross Annual Revenues.

3. Application of Impact Fee: The Operator acknowledges and agrees that the Town is under no obligation to use the Impact Fee payments made hereunder in any particular manner and that the payments are classified as General Fund under M.G.L. c. 44, § 53.
4. Calculation of Impact Fee Payments: Subject to adjustment or modification as set forth in this Agreement, Operator shall pay to the Town 3.00% of the Operator's Gross Annual Revenues as the Impact Fee; provided, that the total amount paid per year shall not be less than Seventy-Five Thousand and 00/100 Dollars (\$75,000.00)(the "**Minimum Annual Payment**"); and shall not exceed Two-Hundred and Fifty Thousand and 00/100 Dollars (\$250,000) (the "**Maximum Annual Payment**").
5. Dates of Payment: The Minimum Annual Payment for the first year shall be due and payable upon the first day of the third month following the commencement of adult use Marijuana Retail sales in the Town (the "**Sales Commencement Date**"). It shall be made in a separate payment to the Town and shall be used by the Town for economic development and recreational programs. Future payments of the minimum annual payment shall be made on the anniversary of the sales commencement date. Any payments due over the balances of the impact fee (if any) shall be made on the anniversary of the sales commencement date. The Balance of the first years Impact Fee (if any), and the entire Impact Fee in successive years shall be made once annually as of the last day of the month prior to the anniversary of the Sales Commencement date, and no later than thirty (30) days following the anniversary of the Sales Commencement Date, through the earlier of either the end of the fifth year of operation following the Sales Commencement Date; or the maximum time permitted under M.G.L. c. 94G, § 3(5)(d) (each an "**Annual Payment**" and collectively the "**Annual Payments**"). The Operator shall notify the Town in writing when the Operator commences sales within the Town.
6. Gross Annual Revenues: The term "**Gross Annual Revenues**" shall mean the grand total of all of the Operator's sales of marijuana for adult use at the Facility, less promotional discounts on products offered to customers, to the extent that such discounts or products are permitted by law or the CCC Regulations, but shall not include non-marijuana sales, sales of medical marijuana or medical marijuana products, or the sale of marijuana to other Marijuana Establishments or Registered Marijuana Dispensaries.
7. Amendment of Impact Fee Payment Date: At the option of the Operator, the payment date may be amended once, by written request, to align with the Operator's fiscal year or quarterly tax filing obligations for ease of administration, but such amendment shall not change the total amount due.

8. Annual Review of Impact Fee: Notwithstanding anything to the contrary herein, every year after the Sales Commencement Date the Town and Operator shall jointly review the Impact Fee and may increase or decrease the Annual Payment (as the case may be) but in no event shall the Annual Payment exceed three percent (3%) of the Operator's Gross Annual Revenues.
9. Monitoring of Community Impacts: The Operator shall evaluate and monitor crime statistics, fire protection services, public health statistics including but not limited to marijuana usage in the Leicester High School, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the Sales Commencement Date and shall provide this information to the Town. The Operator and the Town agree that any increase or decrease in the Impact Fee shall be based on the escalation of the aforementioned services in the area immediately surrounding the Facility, at a rate in excess of Town-wide escalation, unless mutually agreed upon by the Operator and the Town.
10. Filings with the Commonwealth: The Operator shall furnish the Town with the annual reports of the Gross Annual Revenue as described in Section 6, as soon as they become available, reflecting Gross Annual Revenue figures for the Facility and shall provide the Town with all copies of its periodic financial filings to the CCC and/or to the Massachusetts Department of Revenue documenting the Operator's Gross Annual Revenues, and shall furnish copies of its filings to the Secretary of the Commonwealth's Corporations Division, and if any, to the Massachusetts Office of the Attorney General.
11. Term: The term of this Agreement is five years, terminating on the fifth anniversary of the Sales Commencement Date, unless sooner terminated by:
  - a. revocation of Operator's license by the CCC; or
  - b. Operator's voluntary or involuntary cessation of operations; or
  - c. the Town's termination of this Agreement for breach of the conditions contained herein that remain uncured sixty (60) days from the date of written notice of such breach.
12. Renegotiation/Applicability: To the extent permitted by law: (a) the terms of this Agreement shall be renegotiated by the Owner and the Town in good faith following five (5) years of continuous operation of the Facility; and (b) the terms of this Agreement shall continue in full force and effect unless the parties reach accord on a subsequent agreement provided, however, that in no event shall the Operator be permitted to continue to operate the Facility after termination as set forth in Paragraph 11 above.
13. Property Valuation/Taxation: Operator shall not object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, if:

- a. any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or
- b. the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or
- c. OPERATOR is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then

OPERATOR shall pay to the TOWN an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at full assessed value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the Impact Fee made by OPERATOR under this Agreement. The Operator shall not request any tax credits or subsidy from the Town for the Facility including, but not limited to, any request for a tax exemption or abatement as a non-profit entity and shall not object or otherwise challenge the taxability of its entity and shall not object or otherwise challenge the taxability of the Facility.

14. Impact Fee as Compensatory: The Impact Fee referenced herein shall be compensatory to the Town for all impacts of the Operator's operation of the Facility in the Town, including all reasonable indirect costs. Nothing herein shall be construed to exempt the Facility from payment of local, state and federal taxes.
15. Local Hiring: To the extent permissible by law, Operator will make jobs available to local, qualified residents; and such residency will be a positive factor in hiring decisions, but this does not prevent Operator from hiring the most qualified candidates and complying with all employment laws and other legal requirements. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to similarly consider local status of vendors, suppliers, contractors and builders from the Town area to be a positive factor in retaining such vendors.
16. Approval of On-Site Manager: If requested by the Town, Operator shall provide to the Town, for review and approval, the information set forth in 935 CMR 500.101(1)(b), of the person proposed to act as on-site manager of the Facility, which submittal shall include authorization to perform a criminal history (CORI) check. Within thirty (30) days of its receipt of the information set forth in 935 CMR.500.101(1)(b), the Town shall, in consultation with the Police Chief determine whether the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. Said approval shall be considered unreasonably denied if the Town denies such approval and the CCC has approved said on-site manager pursuant to the Regulations. Notwithstanding the foregoing, if Town does not provide confirmation or rejection of the proposed on-site manager within thirty (30) days, that on-site manager of the Facility shall be deemed approved by Town. This approval process shall also apply to any change of on-site manager. The current on-site manager is Samuel Barber, and he shall be approved as part of this Agreement.

17. Prevention of Diversion: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the Sales Commencement Date. Such plan will include, but is not limited to, (i) training Facility employees to be aware of, observe, and report any unusual behavior in customers or Facility employees that may indicate the potential for diversion; (ii) strictly adhering to CCC Regulations as to certification amounts and time periods; (iii) rigorous customer identification and verification procedures required by the CCC; (iv) utilizing seed-to-sale tracking software to closely track all inventory at the Facility; and (v) refusing to complete a transaction if the patient or caregiver appears to be under the influence of drugs or alcohol.
18. Security: To the extent requested by the Town's Police Department and Fire Department, and consistent with the Regulations, Operator shall work with the Town's Police Department and the Town's Fire Department to determine the placement of interior and exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each direction of the public way(s) on which the Facility is located. Operator will maintain a cooperative relationship with the Police Department and the Fire Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on or in the immediate vicinity of the site. Such camera(s) may be altered by the CCC during their security and architectural review process.
19. Attendants: If the Leicester Police Chief deems it necessary, Operator shall employ: (i) a parking lot attendant during the Police Chief's prescribed hours to ensure safe traffic flow to and from the Premises until the Police Chief deems such attention is not needed; and (ii) a police detail to ensure safe traffic flow to and from the Premises during the Police Chief's prescribed hours, until the Police Chief deems such attention is not needed.
20. Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining of a Certificate of Registration for the operation of an adult use Marijuana Establishment from the CCC to operate in Town, and contingent upon all necessary local permits and approvals required, which are consistent with M.G. L. c. 94G, Section 5 and in effect as of the date specifically required by said section.
21. On-Site Consumption: The on-site consumption of marijuana products shall be prohibited.
22. Cooperation: Operator shall work cooperatively and in good faith with the Town in securing the prompt and efficient siting, planning, permitting and preparation for opening of the Facility. Furthermore, Town shall recognize Operator's Existing RMD License Priority Applicant status under 935 CMR 500.101 (2). This Agreement does not affect, limit, or control the authority of Town boards, commissions and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or

applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Facility to operate in the Town, or to refrain from enforcement action against the Operator and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws and regulations.

23. Modification of Payments: Both the Operator and the Town understand and agree that a Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer together have a distinct and separate impact on a municipality and justify a difference in Host Community Agreement terms. Should Operator enter into an agreement with any other municipality for the siting of a combined Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer at terms materially more favorable to that municipality than the terms of this Agreement are to Town, this Agreement shall be modified to reflect those terms. Notwithstanding the foregoing, should Operator enter into an agreement with any other municipality for the purpose of operating one or more Marijuana Establishments that do not combine a Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer this Agreement shall not be modified.
24. Location; Additional Operations: This Agreement applies to the proposed Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer to be located at 1764 Main Street, Leicester. This agreement will remain in force should the Operator chose to move or transfer operations to a different location within the Town. Should the Operator and the Town agree to allow the Operator to site another facility within the Town, the Operator and the Town shall agree to negotiate an additional agreement.
25. Assignment: Neither the Town nor the Operator shall assign, sublet or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided however such consent shall not be required in the event such transfer or assignment is between the Operator and another entity which is authorized by the CCC to operate the Facility pursuant to a Certificate of Registration granted by it, or if such assignment or transfer is the result of a merger or consolidation with the Operator.
26. Agreement as to Agricultural Exemption: Operator agrees to comply with all laws, rules, regulations and orders applicable to the Facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits and approvals required for the operation of an Facility. The Operator agrees not to assert or seek exemption as an agricultural use under the provisions of from the requirements of the Town's Zoning Bylaws pursuant to M.G. L. c. 40A, § 3.
27. Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.

28. Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 of this Agreement or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
29. Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
30. Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.
31. Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
32. Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the "**Confidential Information**"). Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or thereafter, disclose any Confidential Information to any person or entity, except as may be required by court order or law (pursuant to M.G.L. c. 66 § 10), provided in all events, prior to such disclosure, the Town will notify Operator in writing of its intent to make such disclosure at least three (3) days in advance of any disclosure.
33. Waiver: The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default.

34. Third Parties: Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Town or the Operator.
35. Amendment: This Agreement may only be amended by a written document duly executed by both of the parties hereto. No modification or waiver of any provision of this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the Town and the Operator.
36. Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both of the parties hereto.
37. Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
38. Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
39. Signatures: Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

[SIGNATURES TO FOLLOW]

The following signature indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the Town of Leicester, Massachusetts:

For Cultivate Holdings LLC:

---

Harry Brooks  
Chair

---

By: Sam Barber,  
Its: Manager

---

Dianna Provencher  
Vice Chair

---

Sandra Wilson  
Second Vice Chair

---

Douglas Belanger  
Member

---

Brian Green  
Member

Approved as to Form:

---

Christopher J. Petrini, Town Counsel

*2018.03.22 DRAFT Proposed Leicester and Cultivate Host Community Agreement (ADULT USE) TC comments-CLEAN (1206-01)*



## **Plan for Positive Impact**

A key mission of Cultivate Holdings, LLC is to help improve the public perception of cannabis and legitimate cannabis enterprises. Doing so calls for a strong and sustained engagement with our host community of Leicester, facilitated through a series of initiatives designed to provide ample benefit to the community at large. If successful, Cultivate Holdings, LLC will deliver on the commitment made to our local civic officials during the medical and recreational licensing processes: that our company will be a responsible steward of the public trust and contributing member of the community.

### **Direct Giving**

Cultivate Holdings, LLC is committed to donating a minimum of 10% of net profits to local charitable organizations once profitable. This fund will assist local organizations whose missions align with the primary giving goals of our company. These funds will be allocated quarterly to community organizations.

### **Designated Proceed Days**

Additionally, Cultivate Holdings, LLC will schedule and advertise one day per month where 10% of gross sales is donated to one of the selected organizations. Cultivate Holdings, LLC is committed to investing both time and money into philanthropic endeavors and has incorporated these plans as standard operating procedures.

### **Local Sponsorships**

Cultivate Holdings, LLC recognizes the value of a strong business network when engaged in fundraising efforts for charitable local organizations designated to receive regular donations. Establishing a reputation for providing sponsorships for regular, successful fundraising events for community organizations will also increase the ability of our company to compel corporate sponsorships and donations for future events. Events to be sponsored will be centered on the local community and will encourage widespread participation by appealing to a large audience and benefitting our chosen charities.

### **Hiring Strategy**

Cultivate Holdings, LLC utilizes a hiring and human resources model that intentionally employs vulnerable and disadvantaged individuals with the goal of creating a positive impact on the employees, their families, and eventually the broader community. This has multiple benefits for the organization as a whole and aligns with Cultivate Holdings LLC's core values which extend well beyond business operations. The company is vested in ensuring the integrity and positive results of its employment practices.

D  
PC

RECEIVED  
JAN 05 2018  
MA Dept. of Public Health  
99 Chauncy Street  
Boston, MA 02111

# The Commonwealth of Massachusetts

William Francis Galvin  
Secretary of the Commonwealth  
One Ashburton Place, Boston, Massachusetts 02108-1512

## Articles of Entity Conversion of a Domestic Business Corporation to a Domestic Other Entity

(General Laws Chapter 156D, Section 9.53; 950 CMR 113.29)

Cultivate Holdings, Inc. is a Medical  
Marijuana Treatment Center with the  
Department of Public Health in accordance  
with 105 CMR 725.004 as of January 2, 2018.

Bryan Harter  
Director

Medical Use of Marijuana Program  
Bureau of Healthcare Safety and Quality  
Massachusetts Department of Public Health

(1) Exact name of corporation prior to conversion: Cultivate Holdings, Inc.

001303102

(2) Registered office address: 38 Rice Street, Wellesley, MA 02481

(number, street, city or town, state, zip code)

RECEIVED

DEC 29 2017

(3) New name after conversion, which shall satisfy the organic law of the surviving entity:

Cultivate Holdings, LLC

MA Dept. of Public Health  
99 Chauncy Street  
Boston, MA 02111

(4) New type of entity: Domestic Limited Liability Company

(5) The plan of entity conversion was duly approved by the shareholders, and where required, by each separate voting group in the manner required by G.L. Chapter 156D and the articles of organization.

(6) Attach any additional sheets containing all information required to be set forth in the public organic document of the surviving entity.

See attached

(7) The conversion of the corporation shall be effective at the time and on the date approved by the Division, unless a later effective date is specified in accordance with the organic law of the surviving entity:                     

Signed by:                     

(signature of authorized individual)

(Please check appropriate box)

- ☐ Chairman of the board of directors,  
☐ President,  
☒ Other officer,  
☐ Court-appointed fiduciary,

FILED

JAN 11 2018

SECRETARY OF THE COMMONWEALTH  
CORPORATIONS DIVISION

on this 15<sup>th</sup> day of December

2017

CULTIVATE HOLDINGS, LLC  
CERTIFICATE OF ORGANIZATION

**FILED**

**JAN 11 2018**

**SECRETARY OF THE COMMONWEALTH  
CORPORATIONS DIVISION**

- 1) The exact name of the limited liability company:

Cultivate Holdings, LLC

- 2) The street address of the office in the commonwealth at which its records will be maintained:

38 Rice Street, Wellesley, MA 02481

- 3) The general character of the business:

Producing, acquiring, and distributing medical and wellness supplies and services, and *canabis*  
*and* engaging in any other business activity related thereto; and conducting any other lawful  
business activity permissible under the Massachusetts General Laws.

- 4) Latest date of dissolution, if specified:

N/a

- 5) The name and street address, of the resident agent in the commonwealth:

NAME

ADDRESS

Robert W. Lally, Jr.

38 Rice Street, Wellesley, MA 02481

- 6) The name and street address, if different from the office location, of each manager, if any:

NAME

ADDRESS

Stephen A. Barber

38 Rice Street, Wellesley, MA 02481

Robert W. Lally Jr.

38 Rice Street, Wellesley, MA 02481

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

NAME

ADDRESS

- (8) The name and business address, if different from office location, of each person authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property recorded with a registry of deeds or district office of the land court:

NAME

ADDRESS

Steven A. Barber

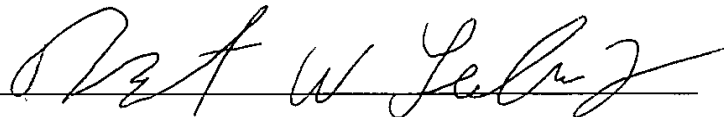
38 Rice Street Wellesley, MA 02481

Robert W. Lally, Jr.

38 Rice Street Wellesley, MA 02481

- (9) Additional matters:

Signed by (by at least one authorized signatory):



Consent of resident agent:

I Robert W. Lally, Jr.

resident agent of the above limited liability company, consent to my appointment as resident agent pursuant to G.L. c 156C § 12\*

\*or attach resident agent's consent hereto.

SECRETARY OF THE  
COMMONWEALTH

COMMONWEALTH OF MASSACHUSETTS

2018 JAN 11 AM 11:54  
CORPORATIONS DIVISION

William Francis Galvin  
Secretary of the Commonwealth

One Ashburton Place, Boston, Massachusetts 02108-1512

**Articles of Entity Conversion of a  
Domestic Business Corporation to a  
Domestic Other Entity**

(General Laws Chapter 156D, Section 9.53; 950 CMR 113.29)

I hereby certify that upon examination of these articles of conversion, duly submitted to me, it appears that the provisions of the General Laws relative thereto have been complied with, and I hereby approve said articles; and the filing fee in the amount of \$ 7.00 having been paid, said articles are deemed to have been filed with me this 11 day of January, 2018, at \_\_\_\_\_ a.m./p.m.  
time

Effective date: \_\_\_\_\_  
(must be within 90 days of date submitted)

*William Francis Galvin*

WILLIAM FRANCIS GALVIN  
Secretary of the Commonwealth

1311

CS  
Examiner

DB  
Name approval

Filing fee: Minimum \$250

**TO BE FILLED IN BY CORPORATION**  
Contact Information:

C

Joshua England

M

50 Washington Street

Westborough, MA 01581

Telephone: 774.512.4109

Email: jengland@aafcpcpa.com

Upon filing, a copy of this filing will be available at [www.sec.state.ma.us/cor](http://www.sec.state.ma.us/cor).  
If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.

1303166



**Batch #** 001367957



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

William Francis Galvin  
Secretary of the  
Commonwealth

March 30, 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

**CULTIVATE HOLDINGS, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **January 11, 2018.**

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:  
**STEPHEN A. BARBER, ROBERT W. LALLY JR.**

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **STEPHEN A. BARBER, ROBERT W. LALLY JR.**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **STEPHEN A. BARBER, ROBERT W. LALLY, JR.**



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: L1042083968  
Notice Date: April 3, 2018  
Case ID: 0-000-342-489



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



SAM BARBER  
CULTIVATE HOLDINGS LLC  
38 RICE ST  
WELLESLEY MA 02481-6037

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

The Commissioner of Revenue certifies that, as of the date of this certificate, CULTIVATE HOLDINGS 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](http://mass.gov/dor) to learn more about Massachusetts tax laws and DOR policies and procedures, including your Taxpayer Bill of Rights, and MassTaxConnect for easy access to your account:

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



BY-LAWS  
OF  
**CULTIVATE HOLDINGS, INC.**

ADOPTED December 13, 2017

# CULTIVATE HOLDINGS, INC.

## By-Laws

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**BY-LAWS  
OF  
CULTIVATE HOLDINGS, INC.**

**ARTICLE I  
SHAREHOLDERS**

*Section 1. Annual Meeting.* The Corporation shall hold an annual meeting of shareholders at a time fixed by the Directors. The purposes for which the annual meeting is to be held, in addition to those prescribed by the Articles of Organization, shall be for electing directors and for such other purposes as shall be specified in the notice for the meeting, and only business within such purposes may be conducted at the meeting. In the event an annual meeting is not held at the time fixed in accordance with these Bylaws or the time for an annual meeting is not fixed in accordance with these Bylaws to be held within 13 months after the last annual meeting was held, the Corporation may designate a special meeting held thereafter as a special meeting in lieu of the annual meeting, and the meeting shall have all of the effect of an annual meeting.

*Section 2. Special Meetings.* Special meetings of the shareholders may be called by the President or by the Directors, and shall be called by the Secretary, or in case of the death, absence, incapacity or refusal of the Secretary, by another officer, if the holders of at least 10 per cent, or such lesser percentage as the Articles of Organization permit, of all the votes entitled to be cast on any issue to be considered at the proposed special meeting sign, date, and deliver to the Secretary one or more written demands for the meeting describing the purpose for which it is to be held. Only business within the purpose or purposes described in the meeting notice may be conducted at a special shareholders' meeting.

*Section 3. Place of Meetings.* All meetings of shareholders shall be held at the principal office of the Corporation unless a different place is specified in the notice of the meeting or the meeting is held solely by means of remote communication in accordance with Section 11 of this Article.

*Section 4. Requirement of Notice.* A written notice of the date, time, and place of each annual and special shareholders' meeting describing the purposes of the meeting shall be given to shareholders entitled to vote at the meeting (and, to the extent required by law or the Articles of Organization, to shareholders not entitled to vote at the meeting) no fewer than seven nor more than 60 days before the meeting date. If an annual or special meeting of shareholders is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new date, time or place, if any, is announced at the meeting before adjournment. If a new record date for the adjourned meeting is fixed, however, notice of the adjourned meeting shall be given under this Section to persons who are shareholders as of the new record date. All notices to shareholders shall conform to the requirements of Article III.

*Section 5. Waiver of Notice.* A shareholder may waive any notice required by law, the Articles of Organization or these Bylaws before or after the date and time stated in the notice. The waiver shall be in writing, be signed by the shareholder entitled to the notice, and be delivered to the Corporation for inclusion with the records of the meeting. A shareholder's attendance at a meeting: (a) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

*Section 6. Quorum.*

(a) Unless otherwise provided by law, or in the Articles of Organization, these Bylaws or a resolution of the Directors requiring satisfaction of a greater quorum requirement for any voting

group, a majority of the votes entitled to be cast on the matter by a voting group constitutes a quorum of that voting group for action on that matter. As used in these Bylaws, a voting group includes all shares of one or more classes or series that, under the Articles of Organization or the Massachusetts Business Corporation Act, as in effect from time to time (the "MBCA"), are entitled to vote and to be counted together collectively on a matter at a meeting of shareholders.

(b) A share once represented for any purpose at a meeting is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless (1) the shareholder attends solely to object to lack of notice, defective notice or the conduct of the meeting on other grounds and does not vote the shares or otherwise consent that they are to be deemed present, or (2) in the case of an adjournment, a new record date is or shall be set for that adjourned meeting.

*Section 7. Voting and Proxies.* Unless the Articles of Organization provide otherwise, each outstanding share, regardless of class, is entitled to one vote on each matter voted on at a shareholders' meeting. A shareholder may vote his or her shares in person or may appoint a proxy to vote or otherwise act for him or her by signing an appointment form, either personally or by his or her attorney-in-fact. An appointment of a proxy is effective when received by the Secretary or other officer or agent authorized to tabulate votes. Unless otherwise provided in the appointment form, an appointment is valid for a period of 11 months from the date the shareholder signed the form or, if it is undated, from the date of its receipt by the officer or agent. An appointment of a proxy is revocable by the shareholder unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest, as defined in the MBCA. An appointment made irrevocable is revoked when the interest with which it is coupled is extinguished. The death or incapacity of the shareholder appointing a proxy shall not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy exercises his or her authority under the appointment. A transferee for value of shares subject to an irrevocable appointment may revoke the appointment if he or she did not know of its existence when he or she acquired the shares and the existence of the irrevocable appointment was not noted conspicuously on the certificate representing the shares or on the information statement for shares without certificates. Subject to the provisions of Section 7.24 of the MBCA and to any express limitation on the proxy's authority appearing on the face of the appointment form, the Corporation is entitled to accept the proxy's vote or other action as that of the shareholder making the appointment.

*Section 8. Action at Meeting.* If a quorum of a voting group exists, favorable action on a matter, other than the election of Directors, is taken by a voting group if the votes cast within the group favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law, or the Articles of Organization, these Bylaws or a resolution of the Board of Directors requiring receipt of a greater affirmative vote of the shareholders, including more separate voting groups. Directors are elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. No ballot shall be required for such election unless requested by a shareholder present or represented at the meeting and entitled to vote in the election.

*Section 9. Action without Meeting by Written Consent.*

(a) Action taken at a shareholders' meeting may be taken without a meeting if the action is taken by all shareholders entitled to vote on the action; or to the extent permitted by the Articles of Organization, by shareholders having not less than the minimum number of votes necessary to take the action at a meeting at which all shareholders entitled to vote on the action are present and voting. The action shall be evidenced by one or more written consents that describe the action taken, are signed by shareholders having the requisite votes, bear the date of the signatures of such shareholders, and are delivered to the Corporation for inclusion with the records of meetings within 60 days of the earliest dated consent delivered to the Corporation as required by this Section. A consent signed under this Section has the effect of a vote at a meeting.

(b) If action is to be taken pursuant to the consent of voting shareholders without a meeting, the Corporation, at least seven days before the action pursuant to the consent is taken, shall give notice, which complies in form with the requirements of Article III, of the action (1) to nonvoting

shareholders in any case where such notice would be required by law if the action were to be taken pursuant to a vote by voting shareholders at a meeting, and (2) if the action is to be taken pursuant to the consent of less than all the shareholders entitled to vote on the matter, to all shareholders entitled to vote who did not consent to the action. The notice shall contain, or be accompanied by, the same material that would have been required by law to be sent to shareholders in or with the notice of a meeting at which the action would have been submitted to the shareholders for approval.

*Section 10. Record Date.* The Directors may fix the record date in order to determine the shareholders entitled to notice of a shareholders' meeting, to demand a special meeting, to vote, or to take any other action. If a record date for a specific action is not fixed by the Board of Directors, and is not supplied by law, the record date shall be the close of business either on the day before the first notice is sent to shareholders, or, if no notice is sent, on the day before the meeting or, in the case of action without a meeting by written consent, the date the first shareholder signs the consent. A record date fixed under this Section may not be more than 70 days before the meeting or action requiring a determination of shareholders. A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

*Section 11. Meetings by Remote Communications.* If authorized by the Directors: any annual or special meeting of shareholders need not be held at any place but may instead be held solely by means of remote communication; and subject to such guidelines and procedures as the Board of Directors may adopt, shareholders and proxyholders not physically present at a meeting of shareholders may, by means of remote communications: (a) participate in a meeting of shareholders; and (b) be deemed present in person and vote at a meeting of shareholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that: (1) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a shareholder or proxyholder; (2) the Corporation shall implement reasonable measures to provide such shareholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the shareholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and (3) if any shareholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

*Section 12. Form of Shareholder Action.*

(a) Any vote, consent, waiver, proxy appointment or other action by a shareholder or by the proxy or other agent of any shareholder shall be considered given in writing, dated and signed, if, in lieu of any other means permitted by law, it consists of an electronic transmission that sets forth or is delivered with information from which the Corporation can determine (i) that the electronic transmission was transmitted by the shareholder, proxy or agent or by a person authorized to act for the shareholder, proxy or agent; and (ii) the date on which such shareholder, proxy, agent or authorized person transmitted the electronic transmission. The date on which the electronic transmission is transmitted shall be considered to be the date on which it was signed. The electronic transmission shall be considered received by the Corporation if it has been sent to any address specified by the Corporation for the purpose or, if no address has been specified, to the principal office of the Corporation, addressed to the Secretary or other officer or agent having custody of the records of proceedings of shareholders.

(b) Any copy, facsimile or other reliable reproduction of a vote, consent, waiver, proxy appointment or other action by a shareholder or by the proxy or other agent of any shareholder may be substituted or used in lieu of the original writing for any purpose for which the original writing could be used, but the copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

*Section 13. Shareholders List for Meeting.*

(a) After fixing a record date for a shareholders' meeting, the Corporation shall prepare an alphabetical list of the names of all its shareholders who are entitled to notice of the meeting. The list shall be arranged by voting group, and within each voting group by class or series of shares, and show the address of and number of shares held by each shareholder, but need not include an electronic mail address or other electronic contact information for any shareholder.

(b) The shareholders list shall be available for inspection by any shareholder, beginning two business days after notice is given of the meeting for which the list was prepared and continuing through the meeting: (1) at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held; or (2) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting. If the meeting is to be held solely by means of remote communication, the list shall be made available on an electronic network.

(c) A shareholder, his or her agent or attorney is entitled on written demand to inspect and, subject to the requirements of Section 2(c) of Article VI of these Bylaws, to copy the list, during regular business hours and at his or her expense, during the period it is available for inspection.

(d) The Corporation shall make the shareholders list available at the meeting, and any shareholder or his or her agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment.

## **ARTICLE II**

### **DIRECTORS**

*Section 1. Powers.* All corporate power shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, its Board of Directors.

#### *Section 2. Number and Election.*

(a) The Board of Directors shall consist of one or more individuals, with the number fixed by the shareholders at the annual meeting but, unless otherwise provided in the Articles of Organization, if the Corporation has more than one shareholder, the number of Directors shall not be less than three, except that whenever there shall be only two shareholders, the number of Directors shall not be less than two. Except as otherwise provided in these Bylaws or the Articles of Organization, the Directors shall be elected by the shareholders at the annual meeting.

(b) At any meeting of the Stockholders called for such purpose the number of the Board of Directors may be increased by the affirmative vote of two-thirds of all the shares of stock outstanding and entitled to vote, and by like vote the additional Directors may be chosen at such meeting to hold office until the next annual election and until their successors are elected and qualify. In the case of a reduction, the particular directorships which shall terminate shall be terminated by the Stockholders, in such case by the affirmative vote of eighty (80%) percent of all of the shares of stock outstanding and entitled to vote thereon.

*Section 3. Vacancies.* If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors: (a) the shareholders may fill the vacancy; (b) the Board of Directors may fill the vacancy; or (c) if the Directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all the Directors remaining in office. A vacancy that will occur at a specific later date may be filled before the vacancy occurs but the new Director may not take office until the vacancy occurs.

*Section 4. Change in Size of the Board of Directors.* The number of Directors may be fixed or changed from time to time by the shareholders or the Board of Directors, and the Board of Directors may increase or decrease the number of Directors last approved by the shareholders.

*Section 5. Tenure.* The terms of all Directors shall expire at the next annual shareholders' meeting following their election. A decrease in the number of Directors does not shorten an incumbent Director's term. The term of a Director elected to fill a vacancy shall expire at the next shareholders' meeting at which Directors are elected. Despite the expiration of a Director's term, he or she shall continue to serve until his or her successor is elected and qualified or until there is a decrease in the number of Directors.

*Section 6. Resignation.* A Director may resign at any time by delivering written notice of resignation to the Board of Directors, its chairman, or to the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date.

*Section 7. Removal.* The shareholders may remove one or more Directors with or without cause by the affirmative vote of two-thirds of all the shares of stock outstanding and entitled to vote. A Director may be removed for cause by the Directors by vote of a majority of the Directors then in office. A Director may be removed by the shareholders or the Directors only at a meeting called for the purpose of removing him or her, and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the Director.

*Section 8. Regular Meetings.* Regular meetings of the Board of Directors may be held at such times and places as shall from time to time be fixed by the Board of Directors without notice of the date, time, place or purpose of the meeting.

*Section 9. Special Meetings.* Special meetings of the Board of Directors may be called by the President, by the Secretary, by any two Directors, or by one Director in the event that there is only one Director.

*Section 10. Notice.* Special meetings of the Board must be preceded by at least two days' notice of the date, time and place of the meeting. The notice need not describe the purpose of the special meeting. All notices to directors shall conform to the requirements of Article III.

*Section 11. Waiver of Notice.* A Director may waive any notice before or after the date and time of the meeting. The waiver shall be in writing, signed by the Director entitled to the notice, or in the form of an electronic transmission by the Director to the Corporation, and filed with the minutes or corporate records. A Director's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the Director at the beginning of the meeting, or promptly upon his or her arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

*Section 12. Quorum.* A quorum of the Board of Directors consists of a majority of the Directors then in office, provided always that any number of Directors (whether one or more and whether or not constituting a quorum) constituting a majority of Directors present at any meeting or at any adjourned meeting may make any reasonable adjournment thereof.

*Section 13. Action at Meeting.* If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present is the act of the Board of Directors. A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is considered to have assented to the action taken unless: (a) he or she objects at the beginning of the meeting, or promptly upon his or her arrival, to holding it or transacting business at the meeting; (b) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) he or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

*Section 14. Action Without Meeting.* Any action required or permitted to be taken by the Directors may be taken without a meeting if the action is taken by the unanimous consent of the members of the Board of Directors. The action must be evidenced by one or more consents describing the action taken, in writing, signed by each Director, or delivered to the Corporation by electronic transmission, to the address specified



by the Corporation for the purpose or, if no address has been specified, to the principal office of the Corporation, addressed to the Secretary or other officer or agent having custody of the records of proceedings of Directors, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last Director signs or delivers the consent, unless the consent specifies a different effective date. A consent signed or delivered under this Section has the effect of a meeting vote and may be described as such in any document.

*Section 15. Telephone Conference Meetings.* The Board of Directors may permit any or all Directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is considered to be present in person at the meeting.

*Section 16. Committees.* The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee may have one or more members, who serve at the pleasure of the Board of Directors. The creation of a committee and appointment of members to it must be approved by a majority of all the Directors in office when the action is taken. Article III and Sections 10 through 15 of this Article shall apply to committees and their members. To the extent specified by the Board of Directors, each committee may exercise the authority of the Board of Directors. A committee may not, however: (a) authorize distributions; (b) approve or propose to shareholders action that the MBCA requires be approved by shareholders; (c) change the number of the Board of Directors, remove Directors from office or fill vacancies on the Board of Directors; (d) amend the Articles of Organization; (e) adopt, amend or repeal Bylaws; or (f) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the Board of Directors. The creation of, delegation of authority to, or action by a committee does not alone constitute compliance by a Director with the standards of conduct described in Section 18 of this Article.

*Section 17. Compensation.* The Board of Directors may fix the compensation of Directors.

*Section 18. Standard of Conduct for Directors.*

(a) A Director shall discharge his or her duties as a Director, including his or her duties as a member of a committee: (1) in good faith; (2) with the care that a person in a like position would reasonably believe appropriate under similar circumstances; and (3) in a manner the Director reasonably believes to be in the best interests of the Corporation. In determining what the Director reasonably believes to be in the best interests of the Corporation, a Director may consider the interests of the Corporation's employees, suppliers, creditors and customers, the economy of the state, the region and the nation, community and societal considerations, and the long-term and short-term interests of the Corporation and its shareholders, including the possibility that these interests may be best served by the continued independence of the Corporation.

(b) In discharging his or her duties, a Director who does not have knowledge that makes reliance unwarranted is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (1) one or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent with respect to the information, opinions, reports or statements presented; (2) legal counsel, public accountants, or other persons retained by the Corporation, as to matters involving skills or expertise the Director reasonably believes are matters (i) within the particular person's professional or expert competence or (ii) as to which the particular person merits confidence; or (3) a committee of the Board of Directors of which the Director is not a member if the Director reasonably believes the committee merits confidence.

(c) A Director is not liable for any action taken as a Director, or any failure to take any action, if he or she performed the duties of his or her office in compliance with this Section.

*Section 19. Conflict of Interest.*

(a) A conflict of interest transaction is a transaction with the Corporation in which a Director of the Corporation has a material direct or indirect interest. A conflict of interest transaction is not voidable by the Corporation solely because of the Director's interest in the transaction if any one of the following is true:

- (1) the material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors or a committee of the Board of Directors and the Board of Directors or committee authorized, approved, or ratified the transaction;
- (2) the material facts of the transaction and the Director's interest were disclosed or known to the shareholders entitled to vote and they authorized, approved, or ratified the transaction; or
- (3) the transaction was fair to the Corporation.

(b) For purposes of this Section, and without limiting the interests that may create conflict of interest transactions, a Director of the Corporation has an indirect interest in a transaction if: (1) another entity in which he or she has a material financial interest or in which he or she is a general partner is a party to the transaction; or (2) another entity of which he or she is a director, officer, or trustee or in which he or she holds another position is a party to the transaction and the transaction is or should be considered by the Board of Directors of the Corporation.

(c) For purposes of clause (1) of subsection (a), a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors (or on the committee) who have no direct or indirect interest in the transaction, but a transaction may not be authorized, approved, or ratified under this Section by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this Section. The presence of, or a vote cast by, a Director with a direct or indirect interest in the transaction does not affect the validity of any action taken under clause (1) of subsection (a) if the transaction is otherwise authorized, approved, or ratified as provided in that subsection.

(d) For purposes of clause (2) of subsection (a), a conflict of interest transaction is authorized, approved or ratified if it receives the vote of a majority of the shares entitled to be counted under this subsection. Shares owned by or voted under the control of a Director who has a direct or indirect interest in the transaction, and shares owned by or voted under the control of an entity described in clause (1) of subsection (b), may not be counted in a vote of shareholders to determine whether to authorize, approve, or ratify a conflict of interest transaction under clause (2) of subsection (a). The vote of those shares, however, is counted in determining whether the transaction is approved under other Sections of these Bylaws. A majority of the shares, whether or not present, that are entitled to be counted in a vote on the transaction under this subsection constitutes a quorum for the purpose of taking action under this Section.

*Section 20. Loans to Directors.* The Corporation may not lend money to, or guarantee the obligation of a Director of, the Corporation unless: (a) the specific loan or guarantee is approved by a majority of the votes represented by the outstanding voting shares of all classes, voting as a single voting group, except the votes of shares owned by or voted under the control of the benefited Director; or (b) the Corporation's Board of Directors determines that the loan or guarantee benefits the Corporation and either approves the specific loan or guarantee or a general plan authorizing loans and guarantees. The fact that a loan or guarantee is made in violation of this Section shall not affect the borrower's liability on the loan.

### **ARTICLE III**

#### **MANNER OF NOTICE**

*Section 1. Notices.* All notices hereunder shall conform to the following requirements:

(a) Notice shall be in writing unless oral notice is reasonable under the circumstances. Notice by electronic transmission is written notice.

(b) Notice may be communicated in person; by telephone, voice mail, telegraph, electronic transmission or other electronic means; by mail; or by messenger or delivery service. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published; or by radio, television, or other form of public broadcast communication.

(c) Written notice, other than notice by electronic transmission, if in a comprehensible form, is effective upon deposit in the United States mail, if mailed postpaid and correctly addressed to the shareholder's address shown in the Corporation's current record of shareholders.

(d) Written notice by electronic transmission, if in comprehensible form, is effective: (1) if by facsimile telecommunication, when directed to a number furnished by the shareholder for the purpose; (2) if by electronic mail, when directed to an electronic mail address furnished by the shareholder for the purpose; (3) if by a posting on an electronic network together with separate notice to the shareholder of such specific posting, directed to an electronic mail address furnished by the shareholder for the purpose, upon the later of (i) such posting and (ii) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the shareholder in such manner as the shareholder shall have specified to the Corporation. An affidavit of the Secretary or an Assistant Secretary of the Corporation, the transfer agent or other agent of the Corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

(e) Except as provided in subsection (c), written notice, other than notice by electronic transmission, if in a comprehensible form, is effective at the earliest of the following: (1) when received; (2) five days after its deposit in the United States mail, if mailed postpaid and correctly addressed; (3) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested; or if sent by messenger or delivery service, on the date shown on the return receipt signed by or on behalf of the addressee; or (4) on the date of publication if notice by publication is permitted.

(f) Oral notice is effective when communicated if communicated in a comprehensible manner.

## **ARTICLE IV OFFICERS**

*Section 1. Enumeration.* The Corporation shall have a President, a Treasurer, a Secretary and such other officers as may be appointed by the Board of Directors from time to time in accordance with these Bylaws. The Board may appoint one of its members to the office of Chairman of the Board and from time to time define the powers and duties of that office notwithstanding any other provisions of these Bylaws.

*Section 2. Appointment.* The officers shall be appointed by the Board of Directors. A duly appointed officer may appoint one or more officers or assistant officers if authorized by the Board of Directors. Each officer has the authority and shall perform the duties set forth in these Bylaws or, to the extent consistent with these Bylaws, the duties prescribed by the Board of Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers.

*Section 3. Qualification.* The same individual may simultaneously hold more than one office in the Corporation.

*Section 4. Tenure.* Officers shall hold office until the first meeting of the Directors following the next annual meeting of shareholders after their appointment and until their respective successors are duly appointed, unless a shorter or longer term is specified in the vote appointing them.

*Section 5. Resignation.* An officer may resign at any time by delivering notice of the resignation to the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor shall not take office until the effective date. An officer's resignation shall not affect the Corporation's contract rights, if any, with the officer.

*Section 6. Removal.* The Board of Directors may remove any officer at any time with or without cause. The appointment of an officer shall not itself create contract rights. An officer's removal shall not affect the officer's contract rights, if any, with the Corporation.

*Section 7. President.* The President when present shall preside at all meetings of the shareholders and, if there is no Chairman of the Board of Directors, of the Directors. He or she shall be the chief executive officer of the Corporation except as the Board of Directors may otherwise provide. The President shall perform such duties and have such powers additional to the foregoing as the Directors shall designate.

*Section 8. Treasurer.* The Treasurer shall, subject to the direction of the Directors, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of accounts. He or she shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Directors may otherwise provide. The Treasurer shall perform such duties and have such powers additional to the foregoing as the Directors may designate.

*Section 9. Secretary.* The Secretary shall have responsibility for preparing minutes of the Directors' and shareholders' meetings and for authenticating records of the Corporation. The Secretary shall perform such duties and have such powers additional to the foregoing as the Directors shall designate.

*Section 10. Standards Of Conduct For Officers.* An officer shall discharge his or her duties: (a) in good faith; (b) with the care that a person in a like position would reasonably exercise under similar circumstances; and (c) in a manner the officer reasonably believes to be in the best interests of the Corporation. In discharging his or her duties, an officer, who does not have knowledge that makes reliance unwarranted, is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (1) one or more officers or employees of the Corporation whom the officer reasonably believes to be reliable and competent with respect to the information, opinions, reports or statements presented; or (2) legal counsel, public accountants, or other persons retained by the Corporation as to matters involving skills or expertise the officer reasonably believes are matters (i) within the particular person's professional or expert competence or (ii) as to which the particular person merits confidence. An officer shall not be liable to the Corporation or its shareholders for any decision to take or not to take any action taken, or any failure to take any action, as an officer, if the duties of the officer are performed in compliance with this Section.

## **ARTICLE V**

### **PROVISIONS RELATING TO SHARES**

*Section 1. Issuance and Consideration.* The Board of Directors may issue the number of shares of each class or series authorized by the Articles of Organization. The Board of Directors may authorize shares to be issued for consideration consisting of any tangible or intangible property or benefit to the Corporation, including cash, promissory notes, services performed, contracts for services to be performed, or other securities of the Corporation. Before the Corporation issues shares, the Board of Directors shall determine that the consideration received or to be received for shares to be issued is adequate. The Board of Directors shall determine the terms upon which the rights, options or warrants for the purchase of shares or other

securities of the Corporation are issued and the terms, including the consideration, for which the shares or other securities are to be issued.

*Section 2. Share Certificates.* If shares are represented by certificates, at a minimum each share certificate shall state on its face: (a) the name of the Corporation and that it is organized under the laws of The Commonwealth of Massachusetts; (b) the name of the person to whom issued; and (c) the number and class of shares and the designation of the series, if any, the certificate represents. If different classes of shares or different series within a class are authorized, then the variations in rights, preferences and limitations applicable to each class and series, and the authority of the Board of Directors to determine variations for any future class or series, must be summarized on the front or back of each certificate. Alternatively, each certificate may state conspicuously on its front or back that the Corporation will furnish the shareholder this information on request in writing and without charge. Each share certificate shall be signed, either manually or in facsimile, by the President or a Vice President and by the Treasurer or an Assistant Treasurer, or any two officers designated by the Board of Directors, and shall bear the corporate seal or its facsimile. If the person who signed, either manually or in facsimile, a share certificate no longer holds office when the certificate is issued, the certificate shall be nevertheless valid.

*Section 3. Uncertificated Shares.* The Board of Directors may authorize the issue of some or all of the shares of any or all of the Corporation's classes or series without certificates. The authorization shall not affect shares already represented by certificates until they are surrendered to the Corporation. Within a reasonable time after the issue or transfer of shares without certificates, the Corporation shall send the shareholder a written statement of the information required by the MBCA to be on certificates.

*Section 4. Record and Beneficial Owners.* The Corporation shall be entitled to treat as the shareholder the person in whose name shares are registered in the records of the Corporation or, if the Board of Directors has established a procedure by which the beneficial owner of shares that are registered in the name of a nominee will be recognized by the Corporation as a shareholder, the beneficial owner of shares to the extent of the rights granted by a nominee certificate on file with the Corporation.

*Section 5. Lost or Destroyed Certificates.* The Board of Directors of the Corporation may, subject to Massachusetts General Laws, Chapter 106, Section 8-405, determine the conditions upon which a new share certificate may be issued in place of any certificate alleged to have been lost, destroyed or wrongfully taken. The Board of Directors may, in its discretion, require the owner of such share certificate, or his or her legal representative, to give a bond, sufficient in its opinion, with or without surety, to indemnify the Corporation against any loss or claim which may arise by reason of the issue of the new certificate.

## **ARTICLE VI**

### **CORPORATE RECORDS**

#### *Section 1. Records to be Kept.*

(a) The Corporation shall keep as permanent records minutes of all meetings of its shareholders and Board of Directors, a record of all actions taken by the shareholders or Board of Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Corporation. The Corporation shall maintain appropriate accounting records. The Corporation or its agent shall maintain a record of its shareholders, in a form that permits preparation of a list of the names and addresses of all shareholders, in alphabetical order by class of shares showing the number and class of shares held by each. The Corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

(b) The Corporation shall keep within The Commonwealth of Massachusetts a copy of the following records at its principal office or an office of its transfer agent or of its Secretary or Assistant Secretary or of its registered agent:

- (1) its Articles or Restated Articles of Organization and all amendments to them currently in effect;
- (2) its Bylaws or restated Bylaws and all amendments to them currently in effect;
- (3) resolutions adopted by its Board of Directors creating one or more classes or series of shares, and fixing their relative rights, preferences, and limitations, if shares issued pursuant to those resolutions are outstanding;
- (4) the minutes of all shareholders' meetings, and records of all action taken by shareholders without a meeting, for the past three years;
- (5) all written communications to shareholders generally within the past three years, including the financial statements furnished under Section 16.20 of the MBCA for the past three years;
- (6) a list of the names and business addresses of its current Directors and officers; and
- (7) its most recent annual report delivered to the Massachusetts Secretary of State.

*Section 2. Inspection of Records by Shareholders.*

(a) A shareholder is entitled to inspect and copy, during regular business hours at the office where they are maintained pursuant to Section 1(b) of this Article, copies of any of the records of the Corporation described in said Section if he or she gives the Corporation written notice of his or her demand at least five business days before the date on which he or she wishes to inspect and copy.

(b) A shareholder is entitled to inspect and copy, during regular business hours at a reasonable location specified by the Corporation, any of the following records of the Corporation if the shareholder meets the requirements of subsection (c) and gives the Corporation written notice of his or her demand at least five business days before the date on which he or she wishes to inspect and copy:

- (1) excerpts from minutes reflecting action taken at any meeting of the Board of Directors, records of any action of a committee of the Board of Directors while acting in place of the Board of Directors on behalf of the Corporation, minutes of any meeting of the shareholders, and records of action taken by the shareholders or Board of Directors without a meeting, to the extent not subject to inspection under subsection (a) of this Section;
  - (2) accounting records of the Corporation, but if the financial statements of the Corporation are audited by a certified public accountant, inspection shall be limited to the financial statements and the supporting schedules reasonably necessary to verify any line item on those statements; and
  - (3) the record of shareholders described in Section 1(a) of this Article.
- (c) A shareholder may inspect and copy the records described in subsection (b) only if:
- (1) his or her demand is made in good faith and for a proper purpose;
  - (2) he or she describes with reasonable particularity his or her purpose and the records he or she desires to inspect;
  - (3) the records are directly connected with his or her purpose; and

(4) the Corporation shall not have determined in good faith that disclosure of the records sought would adversely affect the Corporation in the conduct of its business.

(d) For purposes of this Section, "shareholder" includes a beneficial owner whose shares are held in a voting trust or by a nominee on his or her behalf.

### *Section 3. Scope of Inspection Right.*

(a) A shareholder's agent or attorney has the same inspection and copying rights as the shareholder represented.

(b) The Corporation may, if reasonable, satisfy the right of a shareholder to copy records under Section 2 of this Article by furnishing to the shareholder copies by photocopy or other means chosen by the Corporation including copies furnished through an electronic transmission.

(c) The Corporation may impose a reasonable charge, covering the costs of labor, material, transmission and delivery, for copies of any documents provided to the shareholder. The charge may not exceed the estimated cost of production, reproduction, transmission or delivery of the records.

(d) The Corporation may comply at its expense, with a shareholder's demand to inspect the record of shareholders under Section 2(b)(3) of this Article by providing the shareholder with a list of shareholders that was compiled no earlier than the date of the shareholder's demand.

(e) The Corporation may impose reasonable restrictions on the use or distribution of records by the demanding shareholder.

*Section 4. Inspection of Records by Directors.* A Director is entitled to inspect and copy the books, records and documents of the Corporation at any reasonable time to the extent reasonably related to the performance of the Director's duties as a Director, including duties as a member of a committee, but not for any other purpose or in any manner that would violate any duty to the Corporation.

## **ARTICLE VII INDEMNIFICATION**

*Section 1. Definitions.* In this Article the following words shall have the following meanings unless the context requires otherwise:

"*Corporation*", includes any domestic or foreign predecessor entity of the Corporation in a merger.

"*Director*" or "*officer*", an individual who is, was or has agreed to become, a Director or officer, respectively, of the Corporation or who, while a Director or officer of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan, or other entity. A Director or officer is considered to be serving an employee benefit plan at the Corporation's request if his or her duties to the Corporation impose duties on, or otherwise involve services by, him or her to the plan or to participants in or beneficiaries of the plan. "Director" or "officer" includes, unless the context requires otherwise, the estate or personal representative of a Director or officer.

"*Disinterested Director*", a Director who, at the time of a vote or selection referred to in Section 4 of this Article, is not (i) a party to the proceeding, or (ii) an individual having a familial, financial, professional, or employment relationship with the Director whose indemnification or advance for expenses is the subject of the decision being made, which relationship would, in the circumstances, reasonably be expected to exert an influence on the Director's judgment when voting on the decision being made.

"*Expenses*", includes all reasonable out of pocket costs, including but not limited to the fees of counsel and other professionals.

"*Liability*", the obligation to pay a judgment, settlement, penalty, or fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses incurred with respect to a Proceeding.

"*MBCA*". Chapter 156D of the Massachusetts General Laws, as amended from time to time,

"*Party*", an individual who was, is, or is threatened to be made, a defendant or respondent in a Proceeding.

"*Proceeding*", any threatened, pending, or completed action, suit, proceeding, or investigation, whether civil, criminal, administrative, arbitrative, or investigative and whether formal or informal.

"*Qualified Party*" means a Director or Officer who is a Party to a Proceeding because he or she is a Director or Officer or by reason of any action alleged to have been taken or omitted in such capacity.

*Section 2. Indemnification of Directors and Officers.* To the fullest extent permitted by these Articles and applicable provisions of the MBCA, the Corporation shall indemnify each Qualified Party who was or is a Party to any Proceeding against all Liability and Expenses incurred by or on behalf of the Qualified Party in connection with such Proceeding and any appeal therefrom:

(a) The Corporation shall indemnify fully each Qualified Person who is wholly successful, on the merits or otherwise, in the defense of any Proceeding against Expenses incurred by him or her in connection with the Proceeding.

(b) Except as otherwise provided in this Section, the Corporation shall indemnify to the fullest extent permitted by law a Qualified Party against Expenses and Liabilities incurred in a Proceeding if:

(1) (i) he or she conducted himself or herself in good faith; and (ii) he or she reasonably believed that his or her conduct was in the best interests of the Corporation or that his or her conduct was at least not opposed to the best interests of the Corporation; and (iii) in the case of any criminal proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful; or

(2) he or she engaged in conduct for which he or she shall not be liable under a provision of the Articles of Organization authorized by Section 2.02(b)(4) of the MBCA or any successor provision to such Section.

Clause (2) of subsection (a) shall apply to an officer who is also a Director if the basis on which he is made a party to the proceeding is an act or omission solely as an officer. If the Qualified Party is an officer but not a Director, and if the basis on which he is made a party to the Proceeding is an act or omission solely as an officer, the Corporation shall indemnify to such Qualified Party to such further extent as may be provided by these Articles of Organization, the bylaws, a resolution of the board of directors, or contract except for liability arising out of acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law.

(c) A Director's or officer's conduct with respect to an employee benefit plan for a purpose he or she reasonably believed to be in the interests of the participants in, and the beneficiaries of, the plan is conduct that satisfies the requirement that his or her conduct was at least not opposed to the best interests of the Corporation.



(d) The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, is not, of itself, determinative that the Director or officer did not meet the relevant standard of conduct described in this Section.

(e) Unless ordered by a court, the Corporation may not indemnify a Director or officer under this Section if his or her conduct did not satisfy the standards set forth in subsection (b) or subsection (c).

*Section 3. Advance for Expenses.* The Corporation shall, before final disposition of a proceeding, advance funds to pay for or reimburse the reasonable expenses incurred by a Director or officer who is a party to a proceeding because he or she is a Director or officer if he or she delivers to the Corporation:

(a) a written affirmation of his or her good faith belief that he or she has met the relevant standard of conduct described in Section 2 of this Article or that the proceeding involves conduct for which liability has been eliminated under a provision of the Articles of Organization as authorized by Section 2.02(b)(4) of the MBCA or any successor provision to such Section; and

(b) his or her written undertaking to repay any funds advanced if he or she is not wholly successful, on the merits or otherwise, in the defense of such proceeding and it is ultimately determined pursuant to Section 4 of this Article or by a court of competent jurisdiction that he or she has not met the relevant standard of conduct described in Section 2 of this Article. Such undertaking must be an unlimited general obligation of the Director or officer but need not be secured and shall be accepted without reference to the financial ability of the Director or officer to make repayment.

*Section 4. Determination of Indemnification.* The determination of whether a Director or officer has met the relevant standard of conduct set forth in Section 2 shall be made:

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

(b) by a majority vote of a quorum of the outstanding shares of stock of all classes entitled to vote for directors voting as a single class, but shares owned by or voted under the control of a Director who at the time does not qualify as a disinterested Director may not be voted on the determination,

(c) by independent legal counsel (who may, to the extent permitted by law, be regular legal counsel to the Corporation) 1) selected in the manner prescribed in clause (a); or (2) if there are fewer than two Disinterested Directors, selected by the Board of Directors, in which selection Directors who do not qualify as Disinterested Directors may participate, or

(d) by a court of competent jurisdiction.

*Section 5. Notification and Defense of Claim; Settlements.*

(a) In addition to and without limiting the foregoing provisions of this Article and except to the extent otherwise required by law, it shall be a condition of the Corporation's obligation to indemnify under Section 2 of this Article (in addition to any other condition provided in the by-laws or by law) that the Qualified Person asserting, or proposing to assert, the right to be indemnified, must notify the Corporation in writing as soon as practicable of any action, suit, proceeding or investigation involving such Qualified Person for which indemnity will or could be sought, but the failure to so notify shall not affect the Corporation's objection to indemnify except to the extent the Corporation is adversely affected thereby.

(b) With respect to any Proceeding of which the Corporation is so notified, the Corporation will be entitled to participate therein at its own expense and/or to assume the defense thereof at its own expense, with legal counsel reasonably acceptable to such Qualified Person. After notice from the Corporation to such Qualified Person of its election so to assume such defense, the Corporation shall not be liable to such Qualified Person for any legal or other expenses subsequently incurred by such Qualified Person in connection with such Proceeding other than as provided below in this subsection (b). Such Qualified Person shall have the right to employ his or her own counsel in connection with such action, suit, proceeding or investigation, but the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of such Qualified Person unless (1) the employment of counsel by such Qualified Person has been authorized by the Corporation, (2) counsel to such Qualified Person shall have reasonably concluded that there may be a conflict of interest or position on any significant issue between the Corporation and such Qualified Person in the conduct of the defense of such action, suit, proceeding or investigation or (3) the Corporation shall not in fact have employed counsel to assume the defense of such Proceeding, in which case the Expenses of counsel for such Qualified Person shall be at the expense of the Corporation, except as otherwise expressly provided by this Article. The Corporation shall not be entitled, without the consent of such Qualified Person, to assume the defense of any claim brought by or in the right of the Corporation or as to which counsel for such Qualified Person shall have reasonably made the conclusion provided for in clause (2) above.

(c) *Settlements.* The Corporation shall not be required to indemnify a Qualified Person under this Article for any amounts paid in settlement of any Proceeding unless authorized in the same manner as the determination that indemnification is permissible under Section 4 of this Article, except that if there are fewer than two Disinterested Directors, authorization of indemnification shall be made by the Board of Directors, in which authorization Directors who do not qualify as Disinterested Directors may participate. The Corporation shall not settle any Proceeding in any manner which would impose any penalty or limitation on such Qualified Person without such Qualified Person's written consent. Neither the Corporation nor such Qualified Person will unreasonably withhold their consent to any proposed settlement.

*Section 6. Insurance.* The Corporation may purchase and maintain insurance on behalf of a Director or officer against Expenses and Liabilities asserted against or incurred by him or her in that capacity or arising from his or her status as a Director or officer, whether or not the Corporation would have power to indemnify or advance expenses to him or her against the same liability under this Article. The Corporation shall not indemnify any such Qualified Person to the extent such Qualified Person is reimbursed from the proceeds of insurance, and, in the event the corporation makes any indemnification payments to any such Qualified Person and such Qualified Person is subsequently reimbursed from the proceeds of insurance, such Qualified Person shall promptly refund such indemnification payments to the corporation to the extent of such insurance reimbursement.

#### *Section 7. Further Limitations*

(a) The Corporation shall not indemnify a Qualified Person seeking indemnification in connection with a Proceeding (or part thereof) initiated by such Qualified Person unless the initiation thereof was approved by the Board of Directors of the Corporation.

(b) If Qualified Person is entitled to indemnification by the corporation for some or a portion of the Liabilities or Expenses actually and reasonably incurred by him or on his behalf, but not, however, for the total amount thereof, the Corporation shall nevertheless indemnify such Qualified Person for the portion of Liabilities or Expenses to which Qualified Person is entitled.

#### *Section 8. Application of this Article.*

(a) The Corporation shall not be obligated to indemnify or advance expenses to a Director or officer of a predecessor of the Corporation, pertaining to conduct with respect to the predecessor, unless otherwise specifically provided.

(b) This Article shall not limit the Corporation's power to (1) pay or reimburse expenses incurred by a Director or an officer in connection with his or her appearance as a witness in a proceeding at a time when he or she is not a party or (2) indemnify, advance expenses to or provide or maintain insurance on behalf of an employee or agent of the corporation or other persons serving the corporation and such rights may be equivalent to, or greater or less than, those set forth in this Article. The corporation may, to the extent authorized from time to time by its Board of Directors, grant indemnification rights to other employees or agents

(c) The indemnification and advancement of expenses provided by, or granted pursuant to, this Article shall not be considered exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any law, agreement or vote of stockholders or directors or otherwise, and (ii) shall inure to the benefit of the heirs, executors and administrators of such Qualified Persons.

(d) Each person who is or becomes a Director or officer shall be deemed to have served or to have continued to serve in such capacity in reliance upon the indemnity provided for in this Article. All rights to indemnification under this Article shall be deemed to be provided by a contract between the Corporation and the person who serves as a Director or officer of the Corporation at any time while this Article and the relevant provisions of the MBCA are in effect. Any repeal or modification thereof shall not affect any rights or obligations then existing.

(e) If the laws of the Commonwealth of Massachusetts are hereafter amended from time to time to increase the scope of permitted indemnification, indemnification hereunder shall be provided to the fullest extent permitted or required by any such amendment.

#### **ARTICLE VIII FISCAL YEAR**

The fiscal year of the Corporation shall be the year ending with January 31 in each year.

#### **ARTICLE IX AMENDMENTS**

(a) The power to make, amend or repeal these Bylaws shall be in the shareholders. If authorized by the Articles of Organization, the Board of Directors may also make, amend or repeal these Bylaws in whole or in part, except with respect to any provision thereof which by virtue of an express provision in the MBCA, the Articles of Organization, or these Bylaws, requires action by the shareholders.

(b) Not later than the time of giving notice of the meeting of shareholders next following the making, amending or repealing by the Board of Directors of any By-Law, notice stating the substance of the action taken by the Board of Directors shall be given to all shareholders entitled to vote on amending the Bylaws. Any action taken by the Board of Directors with respect to the Bylaws may be amended or repealed by the shareholders.

(c) Approval of an amendment to the Bylaws that changes or deletes a quorum or voting requirement for action by shareholders must satisfy both the applicable quorum and voting requirements for action by shareholders with respect to amendment of these Bylaws and also the particular quorum and voting requirements sought to be changed or deleted.

(d) A By-Law dealing with quorum or voting requirements for shareholders, including additional voting groups, may not be adopted, amended or repealed by the Board of Directors.

(e) A By-Law that fixes a greater or lesser quorum requirement for action by the Board of Directors, or a greater voting requirement, than provided for by the MBCA may be amended or repealed by the shareholders, or by the Board of Directors if authorized pursuant to subsection (a).

(f) If the Board of Directors is authorized to amend the Bylaws, approval by the Board of Directors of an amendment to the Bylaws that changes or deletes a quorum or voting requirement for action by the Board of Directors must satisfy both the applicable quorum and voting requirements for action by the Board of Directors with respect to amendment of the Bylaws, and also the particular quorum and voting requirements sought to be changed or deleted.

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ADOPTED on December 13, 2017:

ATTEST:

*Robert Lally*

NAME: Robert W. Lally Jr.  
TITLE: Manager

ADOPTED on December 13, 2017:

ATTEST:

*Stephen Barber*

NAME: Stephen Barber  
TITLE: Manager



## **2018 Strategic Business Plan**

Cultivate Holdings, LLC is an operating Massachusetts RMD. The successful launch and development of its medical program has come to fruition this past year. The company was established to deliver world class cannabis to its end users and it is striving to meet that goal each and every day. Cultivate Holdings, LLC is projecting to be at full production capacity within 12 months. This progression will greatly increase its ability to service retail customers as it, along with the State of Massachusetts, transitions into recreation use sales. Cultivate Holdings, LLC will continue to produce a range of cannabis extracts and infused products specifically engineered to provide the optimum medicinal benefits.

The single most important component of the company's business model is consistent, high quality processing practices across the entire extraction and production processes, maintaining the source of the natural compounds needed to produce impeccable cannabis products. Healthy and vibrant plants yield higher quality medicine. The more efficient the company is in producing high-yielding cannabis products, the more affordable medicine will be for our patients and customers.

This ethos of success starts with the company's owners and managers, who have been serving the cannabis community for years, from multiple sectors within the legal cannabis markets. Cultivate Holdings, LLC brings an unwavering commitment to best practices and agricultural science throughout the entire production cycle as a result of our ownership's combined experiences across the cannabis industry. Their collective experiences will be the soil which allows the company to grow into a healthy and fruitful venture.

Cultivate Holdings, LLC applies this commitment towards consistency and quality not only to the medicine we produce but towards the cannabis community at large. It is a core belief of Cultivate Holdings, LLC that all those that participate in the cannabis community share a responsibility to the greater society and environment. As such, the company strives to contribute to the advancement of the industry's knowledge base of utilizing sustainable processing practices by making available data by the company's operations in compliance with state regulations.

We define our commitment to producing consistent and high quality medicine below by detailing crucial components of our business model including compliance, marketing, and philanthropic ventures. The methodologies defined below have been developed and refined by the results of our previous success in business across a spectrum of industries, not just cannabis. We let our values and evidence lead our decision-making and, if given the



opportunity, will demonstrate that our team possesses all the necessary tools to create a positive impact in the patient's lives we hope to serve. We will make the state of Massachusetts and our local community proud.

## **BUSINESS MODEL**

### **AUTHORITY**

**Board of Directors** - The Board oversees the CEO and maintains intimate knowledge of the business and how it relates to the market at large. Pre-licensing, the Board helped in building the procedural plans and approving business decisions. Post-licensing the Board will guide the CEO, judge the efficacy of the executive management team, and provide mid and long term directives for Cultivate Holdings, LLC.

**Chief Executive Officer** - The CEO oversees the management team. They are responsible for instituting due diligence processes for the all officers and managers. They will utilized information from all members of the business to make effective business decisions. They will be institute recommendations of the Board to the management team.

**Community Relations Officer** - This individual works directly for the executive management team and is tasked with effectively communicating their message to the community, government officials, and regulatory agencies. Responsibilities include maintain Cultivate Holdings, LLC's good standing in the community and design philanthropic efforts.

**Chief Financial Officer** - The CFO reports to the CEO and approved financial documents to the Board and regulatory authorities. Their focus is on projecting costs, developing financial models, and ensuring ample capital has been set aside in order to cover expenses. Additionally, they will focus on financial compliance and taxes.

**Chief Operating Officer** -They directly oversee all managers onsite. Pre-licensing they interview staff, build processes, and design facility workflow. Post-licensing they are responsible for instituting the policies and procedures of the business.

**Chief Compliance Officer** - The CCO oversees the security staff on site. The are responsible for keeping Cultivate Holdings, LLC safe and compliant at all times.



## **STAFF**

**Production Manager** - The Production Manager oversees the production team in the product kitchen. They maintain schedules, budgets, and manage production runs. They communicate with the extraction and inventory managers to maintain tight controls over production schedules.

**Extraction Manager** - The Extraction Manager is in charge of the extraction lab and its staff. They must manage relationships with external cultivators to source the highest quality inputs for use. They strategize with the production manager to maintain appropriate inventory in order to provide a consistent flow of medical products to meet demand.

**Inventory Manager** - The Inventory Manager has a narrow scope of focus: inventory control. They have a small team whose success is judged on how efficiently the operations run in between production procedures. Compliance and 100% tracking are top priorities for this individual.

**Transportation Manager** - They oversee all transportation into, and out of, the facility. They maintain clear reporting and documentation standards and create schedules for transportation agents. Their ability to communicate and coordinate with external dispensary managers, security personnel, and internal managers is paramount to their success.

**Sales Manager** - Their job is to focus on the needs of Massachusetts dispensaries and their patients. They will maintain sales estimates which will impact production levels. They will hear from patients and those serving them about what is missing in the market and relay that information back to the company. Current market information is critical to superior success and longevity.

**Quality Assurance Manager** - The Quality Assurance Manager is independent of any individual portion of the facility and acts as an internal auditor. They work in close communication with the Chief Compliance Officer with two way communication on potential changes and results of current procedural audits.

## **COMPLIANCE IN BUSINESS**

This operations and management team features several experts who have a wide range of experience operating in highly regulated industries. These experts will work together to ensure



Cultivate Holdings, LLC retains its good standing and its day-to-day operations are consistently compliant with all Department regulations.

In order to have a successful business in the cannabis industry, safety and compliance with Massachusetts Code of Regulations must be the number one priority. The Company will remain in compliance at all times and, whenever there is a question of whether an action is compliant, it is the duty of the CEO to confirm with relevant regulatory and law enforcement agencies.

## **OUR FACILITY**

Cultivate Holdings, LLC has secured a long-term lease of a 23,000 square foot former manufacturing plant which serves as an ideal location for a large-scale cannabis processing operation. Cultivate Holdings, LLC is in compliance with local ordinances, rules, and regulations. The exterior is structurally sound and already connected to utilities. If awarded a retail license, Cultivate Holdings, LLC could immediately begin tiering the structure's interior to vastly increase the production capacity to meet demand.

## **TIMELINE TO IMPLEMENTATION**

Cultivate is prepared to begin retail marijuana operations immediately. Our current status as an operational RMD means all needed human and capital expenditures to begin operations have already been made. Amendments to Cultivate's standard operating procedures to comply with new requirements set forth in 935 CMR 500.000 have been drafted and can be implemented immediately upon issuance of retail licenses. Managers participated in drafting the new operating procedures and are prepared to begin retraining employees.

## **FINANCIAL PLAN**

**Financial Projections** - Cultivate Holdings, LLC is confident it will be profitable within 12 months of operations. With current projected market prices and production capability first year operating cash flows are projected at \$2.2 million. Barring any regulatory market disruptions gross sales will exceed \$25 million within 24 months.

**Market Projections** - Our finance team primarily used an accepted study with adjustments, based on our conservative stance, to determine our baseline market assumptions. The projections do not assume any legislative or regulatory agency changes such as the addition of qualifying conditions or excise taxes. While Cultivate Holdings, LLC is prepared to endure a





slow ramp-up or even a total delay in the implementation of the program, our operating plan provides for expansion capacity to meet demand marginally greater than estimated.

**Revenue Source** - Our consumption assumptions are in line with state analysts. We utilize 3.6 ounces per annum consumption rate covering all forms of cannabis including flowers, tinctures, topicals, etc. At \$21 per gram (retail) and when fully operational that would be \$15 million in gross sales over 12 months. A great many variables affect this prediction but our staff feels this is a sound and realistic.

**Pricing** - Cultivate Holdings, LLC has established its pricing assumptions based on existing market data and predictions based on other more mature markets.

## **QUALITY ASSURANCE**

Cultivate Holdings, LLC has developed a quality assurance plan that fully addresses the safety of patients, the surrounding community, and employees. Our standard operating procedures (SOPs) have been established to ensure compliance with requirement of the department's regulations. These SOPs specifically address Quality Control Measures, Laboratory Testing, Waste Disposal, Adverse Events/Recall, Labelling & Packaging, Inventory Control, Production Control, and everything associated with the processing workflow. The plan relies on an approach that utilizes the fullest extent of the expertise of our team.

## **MARKETING PLAN**

### **Cannabis**

Cultivate Holdings, LLC is first and foremost a cannabis company and the very reason we do what we do. From sowing the seed to selling the flower, we immerse ourselves and engage in all aspects of growing, extracting, producing and selling cannabis. Each team member of Cultivate Holdings, LLC shares a common trait – a passion for cannabis. We strive to deliver the best quality of medicinal cannabis.

### **Community**

Our community shapes every aspect of how we operate. Cultivate Holdings, LLC seeks to inspire, guide, and motivate people to engage with one another and create lasting relationships. We take pride in understanding our end users and working to exceed their



expectations. We strive to make our communities better through passion, dedication and a commitment to the betterment of the places in which we operate.

## **Culture**

Cultivate Holdings, LLC values the unique qualities our patients and team members bring to our company and these qualities make up the culture of who we are. Embracing these qualities allows for a more collaborative environment, both internally and externally. We pride ourselves on our commitment to foster diverse, collaborative environments and the culture they create.

## **Field Marketing**

The aim of the field marketing strategy is long term relationships. Outreach and industry events facilitate face-to-face interaction necessary to foster relationships. Cultivate Holdings, LLC will produce and distribute compliant informational brochures to doctors and healthcare professionals around the State of Massachusetts. The brochure will be provided free to the medical community and patients so they can understand cannabis products and usage. This will allow our team to make connections with stakeholders of this industry.

Cultivate Holdings, LLC has researched doctor and patient group conferences and symposiums where Cultivate Holdings, LLC's team, often accompanied by an affiliated researcher, will guest speak on the subject of cannabinoids and regulations pertaining to the appropriate regulatory agency. Many industry meetings and collaborative events that the company can assist with will be attended by a representative.

## **Promotion Through Community Involvement**

Cultivate Holdings, LLC will maintain a philanthropic public image in part by bridging socio-economic gaps between community service organizations, local merchants associations, corporate sponsors and investors. Cultivate Holdings, LLC will host educational seminars for patients and the community as part of efforts to establish a positive social image and redefine negative stigmas associated with the sale and use of cannabis products. Cultivate Holdings, LLC will establish itself as a member of local merchants associations as part of an effort to demonstrate the company is a dedicated community member concerned with the overall well being and small business economy of the local area.

## **PHILANTHROPIC GIVING PROGRAM**

### **Direct Giving**



Cultivate Holdings, LLC is committed to donating a minimum of 10% of net profits to local charitable organizations once profitable. This fund will assist local organizations whose missions align with the primary giving goals of the company. These funds will be allocated quarterly to community organizations.

### **Designated Proceed Days**

Additionally, Cultivate Holdings, LLC will schedule and advertise one day per month where 10% of gross sales is donated to one of the selected organizations. Cultivate Holdings, LLC is committed to investing both time and money into philanthropic endeavors and has incorporated these plans as standard operating procedure.

### **Fundraising Events**

Cultivate Holdings, LLC recognizes the value of a strong business network when engaged in fundraising efforts for charitable local organizations designated to receive regular donations. Establishing a reputation for hosting regular, successful fundraising events for community organizations will also increase the ability of Cultivate Holdings, LLC to compel corporate sponsorships and donations for future events. We will regularly host fundraisers to increase visibility and awareness of select charitable organizations within the community.

## **ECONOMIC DEVELOPMENT**

Economic development and job-creation have been a hallmark of legal medical cannabis sales in the states in which it has occurred thus far. The Colorado cannabis industry created 18,000 jobs last year alone. An RCG Economics and Marijuana Policy Group study of Nevada, a state transitioning into recreational marijuana sales, says that the state could support over 41,000 cannabis jobs through 2024 and generate over \$1.7 billion in labor income (Mrinalini Krishna). Analysts predict some 200,000 jobs will be created in 2018 within the cannabis industry across the United States. There is little reason Massachusetts should not stand to substantially benefit from the enactment of this program. The economic impact from job creation and the tax revenue derived from an estimated \$400,000,000 in sales across the State of Massachusetts will be significant. Cultivate Holdings, LLC is prepared to be a large contributor to this positive economic boom.

### **Job Creation**

The opportunity afforded to Cultivate Holdings, LLC due to its location is perfectly aligned with existing job-creation and economic development goals. Cultivate has committed to hiring a



diverse workforce from the local area. 90% of our general staff will be hired from the local and surrounding areas, including management. Long-term and high-paying jobs will do a great deal to benefit the community at large.

Our facility has budgeted for 50 employees for our first hiring phase and as many as 90 employees following a potential market expansion. Entry-level wages will range from \$12-\$15 per hour. Processing staff hourly wages will range from \$14-\$22 per hour while management salaries will range from \$40,000 - \$80,000. Employment includes benefits such as health insurance.

Career development is an associated benefit from working at Cultivate. Continuous training including cross-training are mandatory of individuals working at Cultivate. This process prepares employees for careers in a burgeoning industry with massive upside potential. The long term economic benefits of new careers versus short-term or part-time employment cannot be overstated. Cultivate is committed to the local community and, given the opportunity, will grow alongside it.

## **In Conclusion**

This cannabis operation will grow and succeed in a beautifully retrofitted warehousing facility. 23,000 square feet of blight, rust, and broken glass has been reborn into a bustling epicenter of a new industry. The restoration and retrofitting of this large centerpiece of a dwindling industrial area will breath new life into the community. Combined with Cultivate's community commitments, this project will continue to have a positive impact on the community with which it resides. Our ownership team have made a careers out of bold and adaptive moves and they believe in the transformative power of cannabis.



April 19, 2018

Cannabis Control Commission

101 Federal Street, 13<sup>th</sup> Floor

Boston MA 02110

RE: Cultivate Holdings, Inc. – Compliance with Insurance Requirements

To Whom It May Concern:

I am the insurance agent for Cultivate Holdings, Inc.

I have been asked to verify that Cultivate Holdings, Inc. has insurance in place to comply with the following insurance requirement.

*A Marijuana Establishment shall obtain and maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, and product liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, except as provided in 935 CMR 500.105(10)(b) or otherwise approved by the Commission. The deductible for each policy shall be no higher than \$5,000 per occurrence.*

I can verify that Cultivate Holdings, Inc. has the following insurance in place now with a carrier licensed to do business in the State of MA.

Should you have any further questions, please feel free to contact me.

Sincerely;

Michael P. Kilbride

Vice President and Account Executive

Cross Insurance Agency

Office 207-221-8550

2331 Congress Street  
Portland, Maine 04102  
telephone: (207) 780-1677 / 1-800-286-5352  
fax: CL (207) 828-8902 / PL (207) 780-6377  
[www.crossinsurance.com](http://www.crossinsurance.com)

"Desmond & Payne, Inc. dba Cross Insurance - Portland is legally organized as a Maine business corporation and is separately and locally managed and operated as a wholly owned subsidiary of Cross Financial Corp., Bangor, ME."

## **Restricting Access to Age 21 or Older**

### **Verification of Identification**

Upon entry into the Cultivate Holdings, LLC facility by any individual, a Cultivate agent shall immediately inspect the individual's proof of identification and determine that the individual is 21 years of age or older. If the individual is younger than 21 years old but 18 years of age or older, he or she shall not be admitted unless they produce an active medical registration card issued by the Department of Public Health. If the individual is younger than 18 years old, he or she shall not be admitted unless they produce an active medical registration card and they are accompanied by a personal caregiver with an active medical registration card. In addition to the medical registration card, registered qualifying patients 18 years of age and older and personal caregivers must also produce proof of identification.

## **Quality Control and Testing**

### **Testing Policies and Procedures**

1. No marijuana product, including marijuana, may be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. Testing of marijuana products shall be performed by an Independent Testing Laboratory in compliance with the Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products, as amended in November, 2016, published by the DPH. Testing of environmental media (e.g., soils, solid growing media, and water) shall be performed in compliance with the Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries published by the DPH.
2. Cultivate Holdings, LLC will maintain the results of all testing for one year;
3. All testing must be conducted by an independent laboratory that is:
  - a. Accredited to International Organization for Standardization (ISO) 17025 by a third party accrediting body such as A2LA or ACLASS; or
  - b. Certified, registered, or accredited by an organization approved by the Department.
4. Cultivate Holdings, LLC will arrange for testing to be conducted for each batch of marijuana cultivated, each batch of marijuana product produced, each batch of growing media prior to use, and each non-PWS source on a quarterly basis pursuant to the Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries.
  - a. Cultivate Holdings, LLC will have a contractual arrangement with ProVerde Laboratories for the purposes of testing marijuana, marijuana products, growing media, and non-PWS water sources, including a stipulation that those individuals responsible for testing at the laboratory be registered as dispensary agents of Cultivate Holdings, LLC pursuant to 105 CMR 725.030;
  - b. All excess marijuana must be returned to Cultivate Holdings, LLC and be disposed of pursuant to 105 CMR 725.105(J). See processing "Waste Disposal"
  - c. All transportation of marijuana to and from laboratories providing marijuana testing services will comply with 105 CMR 725.110(E); See "Transportation"
5. Quarantine Policy
  - a. Cultivate Holdings, LLC will ensure that any outdated, damaged, deteriorated, mislabeled, or contaminated marijuana is segregated from other marijuana and destroyed.
  - b. Cultivate Holdings, LLC will notify the Commission with 72 hours of any laboratory testing results indicating that a contamination cannot be remediated and a plan for disposing of the entire production batch.
  - c. A segregated and labeled area must exist within the facility and be utilized only to quarantine product.
    - i. Quarantine Procedure:
      1. Put on nitrile gloves
      2. Take affected product to the designated quarantine area

3. Place on shelf labeled "Quarantine."
4. Notify the general manager and inventory personnel.
- d. Cultivate Holdings, LLC staff will document all disposal of marijuana using the Waste Disposal Log

## **Recall Policy**

1. There are two levels of product recall: recall and withdrawal. A "recall" is generally undertaken to protect consumer health and safety. A "withdrawal" is conducted for quality purposes or as a precautionary measure before an official recall is implemented.
2. The classification of a recall typically involves the presence of bacteria or a substance that may cause a potential allergic reaction. The term "recall" should be used carefully and only when regulations mandate. Otherwise, the term "withdrawal" must be used.
3. The following examples would constitute an incident requiring a withdrawal or recall:
  - a. Product found with a pesticide residue for an illegal/restricted chemical;
  - b. Product found with a pesticide residue above permitted legal limits;
  - c. Known, assumed or suspected product contamination by chemical, physical or microbiological hazards;
  - d. Incorrect labeling which may constitute a breach in food safety, quality or legality standards;
  - e. Notification from a supplier that any of the above had occurred to product prior to supply; and
  - f. Malicious contamination.
4. There must be a designated withdrawal and recall team, which is responsible for traceability in the event of a recall or withdrawal. A recall coordinator is to be appointed by the General Manager and members of the recall team will be identified from the various functional areas.
5. If the General Manager is unsure of the need for withdrawal or recall or of the correct event classification the General Manager may engage the services of an expert to assist the process.
6. Any determination by the General Manager to implement recall procedures must be supported by test results or other scientific documentation or expert opinion.
7. Recall Procedures:
  - a. Investigate Complaint
    - i. Gather information from the customer, supplier, or regulator about the nature of the product complaint.
    - ii. General Manager must assemble the personnel or experts needed to conduct a product complaint investigation.
    - iii. Conduct a thorough investigation into the problem with the affected product.
    - iv. Determine the nature and potential causes of the problem.
    - v. Determine any other product(s) that may potentially be affected.
    - vi. Determine, from the criteria below, whether the situation constitutes a



1. Product Recall: A food safety or health risk due to physical, chemical, biological or immunological cause(s)
  2. Product Withdrawal: A quality-related issue with the affected product(s).
  3. No Corrective Actions: An isolated incident with the affected product(s)
- b. Notify Legal Counsel, Insurance Company, and Executive Management Team
  - i. The General Manager must notify legal counsel that a situation meets the criteria for a withdrawal or recall. The Chief Executive Officer must approve any recommendations by counsel for alternative procedures.
  - ii. The General Manager must notify the insurance company and determine coverage.
  - iii. The General Manager must notify the Chief Executive Officer of his/her findings and discuss event classification.
- c. Assess and Classify Event
  - i. Conduct an assessment to determine the procedures to implement. Items to consider include:
    1. Whether or not disease or injuries have already occurred from use of the product
    2. Hazard to various segments of the population (e.g. immunocompromised patients) who are expected to be exposed to the product being considered
    3. Degree of seriousness of the health hazard to which the population at risk would be exposed
    4. Likelihood of occurrence of hazard
  - ii. Assign the withdrawal or recall event to one of the following classes:
    1. Class 1: An emergency situation involving removal from the market of products in which the consequences of use or exposure to the product are life-threatening or involve a serious adverse health consequence
    2. Class 2: A situation in which the use of, or exposure to, a contaminated product may cause temporary adverse health consequences or where the probability of serious adverse health consequence is remote (ex: pathogenic bacterial population, exclusive of *C. botulinum*, adequate to cause food poisoning)
    3. Class 3: A situation in which the use of, or exposure to, the product is not likely to cause adverse health consequences (ex: a non-hazardous labeling violation)
  - iii. Seek Chief Executive Officer's approval for the event classification. If the Chief Executive Officer approves a recall, (s)he must issue a press release to the Department and Commission immediately.
- d. Track Affected Product(s)
  - i. Determine type of product(s) affected:

1. Finished Product - All products that have been partially or completely distributed, including products for sale in retail store
  2. Work in Progress - All products that have not been distributed, including but not limited to vegetative and flowering plants, cannabis in storage, and infused oils or butters in storage
  3. Ingredient - All ingredients for cultivation or manufacturing
  4. Packaging Material - All packaging material or containers used for work in progress or finished products
- ii. If affected product is Finished Product:
1. Assemble personnel needed to conduct tracking of a finished product.
  2. Identify affected and any other potentially affected product(s), product code(s) and production date(s).
  3. Determine the quantity of affected product(s) produced.
  4. Determine from the inventory management system and point of sales system the last day of shipment/distribution (and the customer) for the affected product(s).
  5. Determine from the point of sale system all customers/licensees who purchased the affected product(s) during this period (i.e. period = day of packaging to last day of shipment).
  6. Determine from the inventory management system the remaining quantity of the affected product(s) in company inventory.
- iii. If affected product is Work in Progress:
1. Assemble the personnel needed to conduct tracking of a work-in-progress product.
  2. Identify the affected and any other potentially affected product(s), product code(s) and production date(s) from the production records.
  3. Determine from the inventory management system and production records the quantity of the affected product(s) produced.
  4. Locate the affected product(s) from the cultivation area, storage areas, cooler(s), freezer(s), etc.
- iv. If affected product is an Ingredient:
1. Assemble the personnel needed to conduct tracking of an ingredient.
  2. Identify the affected and any other potentially affected ingredient(s) and lot number(s)/production code(s)/best before date(s)/receiving date(s).
  3. Determine the quantity and receiving date of the affected ingredient(s) received.
  4. Based on the lot number/receiving date, determine from the production records the period of use for the ingredient.
  5. Determine from the production records all the finished product(s) produced by the affected ingredient(s)

6. Determine from the production records the quantity of the affected product(s) produced during this period.
  7. Determine from the production records and inventory records the day the affected product(s) entered company inventory (i.e. packaging date)
  8. Determine from the point of sale system the last day of shipment (and the customer) for the affected product(s).
  9. Determine from the point of sale system all the customers who purchased the affected product(s) during this period (i.e. period = day of packaging to last day of shipment).
  10. Determine from the inventory management system the remaining quantity of the affected product(s) in company inventory).
- v. If affected product is Packaging Material:
1. Identify affected and any other potentially affected packaging material(s) and lot number(s)/quality control code/receiving date(s).
  2. Determine the quantity and receiving date of the affected packaging material(s) received.
  3. Based on the type and size of packaging material, determine all the finished product(s) associated with the affected packaging material(s).
  4. Determine from the production records the period of use for the affected packaging material(s).
  5. Given the affected period and product, determine from the inventory management system the quantity of the affected product(s) associated with the affected packaging material(s) in this period.
  6. Determine from the production records and inventory management system the day the affected product(s) entered into company inventory (i.e. packaging date)
  7. Determine from the point of sale system the last day of shipment (and the customer) for the affected product(s).
  8. Determine from the point of sale system all the customers who purchased the affected product(s) during this period (i.e. period = day of packaging to last day of shipment)
  9. Determine from the inventory management system the remaining quantity of the affected product(s) in our inventory
  10. Locate any remaining affected packaging material(s) from the storage shelves and cabinets.
- e. Execute Withdrawal or Product Recall
- i. Assemble the withdrawal or recall team ensuring adequate resources are available for the severity of the issue.
  - ii. Gather all information collected in the tracking process.

- iii. Detain and segregate all products to be recalled which are in our control. Adhere a DO NOT DISTRIBUTE sign and complete any relevant internal logs/forms.
- iv. Send a Notification of Recall to the affected customers.
- v. Notify the Department and Commission within twenty-four hours.
- vi. Ensure the following information is accurately provided:
  - 1. Name and Product Code of the withdraw/recalled product(s).
  - 2. Production date(s) of the withdraw/recalled product(s).
  - 3. Reason for the withdrawal/recall.
  - 4. Quantity of withdraw/recalled product(s) distributed.
  - 5. Quantity of withdraw/recalled product(s) in inventory (for internal use only).
  - 6. Area(s) of distribution and customers affected (for internal use only).
- vii. Coordinate and monitor the recovery of all affected product(s); all products in the homes of customers should be picked up by company employees in accordance with Cultivate Holdings, LLC's Transportation Procedures.
- viii. Conduct a reconciliation of the total quantity of recalled product and affected product in inventory against the total quantity produced.
- ix. Randomly remove and submit samples of recalled product(s) to an independent laboratory for testing as appropriate.
- x. Collect testing results and discuss the results and corrective actions that may be required with the Department of Public Health and/or the Cannabis Control Commission.

## **Personnel Policies**

### **Personnel Records**

1. Cultivate Holdings Inc. will make available for inspection by the Department or Commission, upon request, all written records that are required and are subject to inspection including, but not necessarily limited to, all records required in any section of 935 CMR 500.105.
2. Cultivate Holdings Inc. will maintain the following personnel records:
  - a. Job descriptions for each employee, as well as organizational charts consistent with the job descriptions;
  - b. A personnel record for each marijuana establishment agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with Cultivate Holdings, LLC and shall include, at a minimum, the following:
    - i. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
    - ii. Documentation of verification of references;
    - iii. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
    - iv. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
    - v. Documentation of periodic performance evaluations;
    - vi. A record of any disciplinary action taken; and
    - vii. Notice of completed responsible vendor and eight-hour related duty training.
  - c. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
  - d. Personnel policies and procedures; and
  - e. All background check reports obtained in accordance with 935 CMR 500.030.
3. Only managers and executive officers will have access to personnel records for their respective areas of responsibility.
4. Personnel records procedures
  - a. Once an employment contract has been extended to a prospective employee, create one digital and one paper file in that employee's name.
    - i. Include in the file all paperwork relating to the employee's hiring process including, but not limited to, those records outlined above in Section 2.B.
    - ii. Store all Criminal Offender Record Information (CORI) forms in a separate location from all other personnel files.
    - iii. Store all hard copies of personnel records in a secure, locked area for confidentiality purposes.

## **Employment Policies**

### **1. Non-discrimination**

- a. In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Cultivate Holdings Inc. will be based on merit, qualifications, and abilities. Cultivate Holdings Inc. does not discriminate in employment opportunities or practices because of race, color, religion, sex, national origin, age, sexual orientation, or disability.
- b. Cultivate Holdings Inc. will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.
- c. Employees with questions or concerns about discrimination in the workplace are encouraged to bring these issues to the attention of their supervisor. Employees can raise concerns and make reports without fear of reprisal.
- d. Anyone found to be engaging in unlawful discrimination will be subject to disciplinary action, including termination of employment.

### **2. Background check policy**

- a. All employees must submit to and clear a fingerprint-based state of Massachusetts Criminal Offender Record Information (CORI) background check.
- b. All background check results will be stored and maintained with the employee's permanent personnel record

### **3. Probationary period for new employees**

- a. The probationary period for regular full-time and regular part-time employees lasts up to 180 days from date of hire. During this time, employees have the opportunity to evaluate our company as a place to work and management has its first opportunity to evaluate the employee. During this introductory period, both the employee and the company have the right to terminate employment without advance notice.
- b. Upon satisfactory completion of the probationary period, a 180-day review will be given and benefits will begin as appropriate. All employees, regardless of classification or length of service, are expected to meet and maintain company standards for job performance and behavior.

### **4. Meal periods**

- a. Employees are allowed an unpaid, 30-minute meal period for each 6-hour period of work (MGL c. 149 s. 100). Lunch breaks generally are taken on a staggered schedule so that an employee's absence does not create a problem for co-workers or patients. A supervisor will aid in staggering schedules to ensure proper coverage for the work location.

### **5. Break periods**

- a. Employees are allowed a paid 10-minute break after each four hours of consecutive work. If employees have unexpected personal business to take care of, they must notify their direct supervisor to discuss time away from work and make provisions as necessary. Personal business should be conducted on the

employee's own time. Employees who do not adhere to the break policy will be subject to disciplinary action, including termination.

6. Performance reviews

- a. Supervisors will conduct performance reviews and planning sessions with all regular full-time and regular part-time employees after six months of service. Supervisors may conduct informal performance reviews and planning sessions more often if they choose.
- b. Performance reviews and planning sessions are designed for the supervisor and the employee to discuss his/her current job tasks, encourage and recognize attributes, and discuss positive, purposeful approaches for meeting work-related goals. Together, employee and supervisor should discuss ways in which the employee can accomplish goals or learn new skills. The planning sessions are designed for the employee and his or her supervisor to make and agree on new goals, skills, and areas for improvement.
- c. Cultivate Holdings Inc. directly links wage and salary increases with performance. Performance review and planning sessions will have a direct effect on any changes in compensation. For this reason among others, it is important to prepare for these reviews carefully, and participate in them fully. New employees will be reviewed at the end of their probationary period. After the initial review, the employee will be reviewed according to the regular semi-annual schedule.

7. Corrective action

- a. Cultivate Holdings Inc. holds each of its employees to certain rules and Standards of Conduct. When an employee deviates from these rules and standards, Cultivate Holdings Inc. expects the employee's supervisor to take corrective action. Corrective action at Cultivate Holdings Inc. is typically progressive. That is, the action taken in response to a rule infraction or violation of standards typically follows a pattern increasing in seriousness until the infraction or violation is corrected.
- b. The usual sequence of corrective actions includes an oral warning, a written reprimand, probation, and finally termination of employment. In deciding which initial corrective action would be appropriate, a supervisor will consider the seriousness of the infraction, the circumstances surrounding the matter, and the employee's previous record.
- c. Though committed to a progressive approach to corrective action, Cultivate Holdings Inc. considers certain rule infractions and violations of standards as grounds for immediate termination of employment. These include, but are not limited to:
  - i. Theft or other criminal activity in any form;
  - ii. Any action that is not in compliance with the Massachusetts Department of Public Health or Cannabis Control Commission rules for medical marijuana, and all other applicable laws and regulations;
  - iii. Frequent absenteeism or absenteeism without proper notice;
  - iv. Insubordinate behavior;
  - v. Vandalism or destruction of company property;

- vi. Being on company property during non-business hours;
- vii. The use of company equipment and/or company vehicles without supervisor approval;
- viii. Untruthfulness about criminal or personal work history, skills, or training;
- ix. Divulging company security practices or business practices;
- x. Misrepresentations of Cultivate Holdings Inc. to a patient, a prospective patient, the general public, or an employee; and
- xi. Failure to follow Cultivate Holdings Inc. policies or procedures.
- xii. Failure to report any of the following to the general manager in accordance with applicable laws and regulations:
  - 1. Discrepancies identified during inventory, diversion, theft, loss, and any criminal action involving Cultivate Holdings Inc. or a dispensary agent;
  - 2. Any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person;
  - 3. Unauthorized destruction of marijuana;
  - 4. Any loss or unauthorized alteration of records related to marijuana, registered qualifying patients, personal caregivers, or dispensary agents;
  - 5. An alarm activation or other event that requires response by public safety personnel;
  - 6. The failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and
  - 7. Any other breach of security.

#### 8. Termination of employment

- a. When a nonexempt employee intends to terminate his/her employment with Cultivate Holdings Inc., he/she must resign with Cultivate Holdings Inc. and provide at least two weeks written notice. Exempt employees must give at least four weeks written notice. Cultivate Holdings Inc. reserves the right to terminate employment immediately upon notice of resignation by any employee.
- b. Since employment with Cultivate Holdings Inc. is based on mutual consent, both the employee and Cultivate Holdings Inc. have the right to terminate employment at will, with or without cause during the probationary period for new employees. Any employee who terminates employment with Cultivate Holdings Inc. must return all files, records, keys, and any other materials that are property of Cultivate Holdings Inc. No final settlement of an employee's pay will be made until all items are returned in appropriate condition. The cost of replacing non-returned items will be deducted from the employee's final paycheck. Furthermore, any outstanding financial obligations owed to Cultivate Holdings Inc. will also be deducted from the employee's final check.

#### 9. Health-related issues



- a. Employees who become aware of any health-related issue, including pregnancy, should notify their supervisor of health status. This policy has been instituted strictly to protect the employee.
  - b. A written “permission to work” from the employee's doctor is required at the time or shortly after notice has been given (except in the case of pregnancy). The doctor's note should specify whether the employee is able to perform regular duties as outlined in his/her job description.
  - c. A leave of absence may be granted on a case-by-case basis. If the need arises for a leave of absence, employees should notify their supervisor.
10. Expense reimbursement
- a. Expenses incurred by an employee must have prior approval by a supervisor. Reimbursement will be made after providing receipts to a supervisor and paid through petty cash on hand or through paycheck payroll reimbursement. Receipts are to be turned in daily unless travelling. Mileage is to be turned in bi-weekly.
11. Employee handbook
- a. All employment policies will be maintained and consolidated in the employee handbook, which will be made available to all employees during orientation.
  - b. The handbook will also detail the standards of conduct to be followed by all employees.
12. Specific license requirement
- a. Cultivate Holdings, LLC agents will only perform work associated with the specific license type (retail, cultivation, or production) for which they are registered with the Commission.
    - i. For example: agents only registered with the Commission under the Cultivate Holdings, LLC cultivation license will not perform any duties associated with the operation of Cultivate Holdings, LLC's production license.
    - ii. For example: agents who perform work associated with cultivation and production operations must submit registration applications to the Commission for both the Cultivate Holdings, LLC cultivation and production licenses.

## **Employee Training**

1. Cultivate Holdings, Inc. will ensure that all marijuana establishment agents complete training prior to performing job functions. All agents will receive training specifically tailored to the roles and responsibilities of their job function, and will include a Responsible Vendor Program as described in 935 CMR 500.105(2)(b). At a minimum, staff shall receive eight hours of on-going training annually.
2. All owners, managers, and employees of Cultivate Holdings, Inc. that are involved in the handling and sale of marijuana will annually complete an approved responsible vendor training program. All new employees will complete the training program within 90 days of hire. Administrative employees who do not handle marijuana are not required to

complete the training. Documentation of successful completion of responsible vendor training will be maintained in all employee personnel files for no less than four years. 500.105(2)(b)

3. Supervisors will conduct performance reviews and planning sessions with all regular full-time and regular part-time employees after six months of service . Supervisors may conduct informal performance reviews and planning sessions more often if they choose.
4. New Employee Training Procedure Overview
  - a. New employee orientation is conducted by a management representative, and includes an overview of the company history, an explanation of the company core values, vision, mission, company goals and objectives. In addition, the new employee will be given an overview of benefits, taxes, legal issues, and complete any necessary paperwork.
  - b. Employees are presented with all codes, keys, and procedures needed to navigate within the workplace. The new employee's supervisor then introduces the new hire to staff throughout the company, reviews the job description, explains the company's evaluation procedures, and helps the new employee get started on specific functions.
  - c. Training will cover, at a minimum:
    - i. Marijuana's physical effects on the human body;
    - ii. Diversion prevention and prevention of sales to minors;
    - iii. Compliance with all tracking requirements;
    - iv. Key state laws and rules affecting owners, managers, and employees;

### **Employee Theft**

1. Any employee caught conspiring to divert or engaging in diversion of products will be immediately terminated. All evidence of diversion or conspiracy to divert products will be reported to local law enforcement.
2. Any employee caught knowingly engaging in unsafe practices will be terminated and reported to the Department.

### **Drug-Free Workplace**

1. Cultivate Holdings Inc. is a alcohol, smoke, and drug free workplace. 725.105(A)(10)
  - a. Cultivate Holdings Inc. will not accept any alcohol or drug consumption or intoxication while on the premises.
    - i. Employees and managers are trained on signs of abuse and intoxication and are required to inform a manager immediately if they suspect a fellow employee is intoxicated.
  - b. Employees will not smoke cigarettes on premises and there is no designated smoking area. If an employee smokes at home they must ensure their clothes and hands are free from smell and sanitized prior to dealing with customers or handling product.

- i. Patients deserve a clean, pleasant, and safe environment to purchase their medicine and cigarette smoke interferes with Cultivate Holdings Inc.'s ability to provide that.
- c. Signage will be posted in the employee break room, dispensary, and elsewhere reminding individuals of the fact that the facility is alcohol, smoke, and drug free.

## **Recordkeeping**

Cultivate Holdings, LLC has developed procedures for maintaining records that conform to Massachusetts regulations and best practices for the cannabis and pharmaceutical sectors. Our Company maintains a detailed description of plans, procedures and systems adopted and maintained for tracking, record keeping, record retention and surveillance systems relating to cannabis delivery, transporting, distributing, sale and dispensing. Further, our company will maintain all records for a period of five years and make these records available to any regulatory agency upon request. The recordkeeping policies and procedures detailed below demonstrate not only full compliance with legal and regulatory requirements, but a commitment to full documentation and transparency in all company operations.

Our Company shall maintain for at least 5 years the following records:

1. Standard operating procedures
2. Inventory records including seed to sale tracking
3. Confidential customer profiles and dispensing history
4. All dispensed cannabis and periods of no-fill (zero report)
5. Dispensing errors
6. Allergy and adverse event reporting
7. Cannabis recalls
8. Employee records and policies
9. Waste disposal records
10. Maintenance records
11. Our company's assets and liabilities
12. Fixed asset schedules
13. Insurance and escrow requirements
14. All monetary transactions
15. Books of accounts including journals, ledgers and supporting documents, agreements, checks, invoices, vouchers, monthly and quarterly reports and annual audits
16. Sales records
17. Salary and wages paid to each employee
18. Compensation of any kind
19. All licensing documentation and other correspondence with the Department of Public Health and the Cannabis Control Commission

## **Employee Records**

The General Manager must maintain a current organizational chart and job descriptions for each employee. Accurate employee records for each employee must be maintained for at least five years and include:

1. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
2. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the

date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;

3. Documentation of periodic performance evaluations;
4. A record of any disciplinary action taken; and
5. Notice of completed responsible vendor and eight-hour related duty training.

### **Operating Procedures**

Standard operating procedures are tightly internally controlled. Adapting and updating them is an laborious collaboration between operating managers, executives, and board members. Protection of the documents ultimately live digitally with multiple back-ups. Their approved copies live in paper form in the manager's office in a locked cabinet and process specific copies live throughout the facility in conspicuous locations for use.

### **Audit Records**

Internal Audits of inventory and processes are kept digitally indefinitely. The data derived is crucial for further developing operational efficiency

### **System Equipment**

Our Company will acquire an ADP/POS system requiring hardware and software. Our Company will use cloud based software systems that allow the use of standard hardware and that provide sufficient backup capabilities. Our Company's ADP/POS system will communicate with Metrc and their recommended hardware, data storage and software for all operating functions so long as they retain the contract to provide services to the regulatory agency. All software must be serviced by a real-time offsite backup system

### **Transportation Records**

At any time cannabis, cannabis waste or cannabis products are transported out of a the facility for any reason, there are policies that must be adhered to. All deliveries must be accompanied by a delivery manifest. The manifest must be verified as accurate by the Inventor Manager and provided to the destination facility. Marijuana arriving to the facility should be accompanied by a transportation manifest that should be signed by both parties and a copy taken and filed internally under the vendors folder for no less than one year.

### **Surveillance Records**

The General Manager must ensure uninterrupted recordings from all video cameras are available for immediate viewing by the authorities in accordance with 935 CMR 500.110(5). Our facility will maintain all security system equipment and recordings in a secure location so as to prevent theft, loss, destruction or alterations. A current list of authorized employees and service personnel that have access to the surveillance room must be maintained and enforced by the General Manager. Records of security tests must be maintained for five years and made available upon request. All documentation of theft or diversion of any kind must be available for review by authorities upon request for at least five years.

### **Attendance Logs**

All attendance and payroll is performed digitally by a reputable company that exclusively services the cannabis industry. Along with being an excellent way to store reference and education materials the system also stores:

1. Clock in times
2. Break times
3. PTO
4. Vacation time
5. Employment taxes
6. All other related reports and fees relating to HR management

### **Waste Disposal Records**

All waste composed of or containing cannabis at each dispensary, will be stored, secured and prepared for incineration in accordance with applicable state and local laws and regulations. All waste disposed of will be recorded in a Waste Disposal Log, including the date of disposal, the type and quantity disposed of, the manner of disposal, the reason for disposal and the name of the customer who supplied the waste, if applicable.

### **Incident Records**

Any loss or unauthorized alteration of any company records discovered or suspected by any employee must be reported immediately. Upon discovery of a records security breach, the General Manager must review all recordkeeping and security policies to identify deficiencies and necessary corrective measures. The General Manager must engage the service of a third-party data security expert as needed.

### **Statutory Record Keeping Requirements**

1. All business, personnel, and inventory records maintained by Cultivate Holdings, LLC will be available for inspection by the Commission, upon request. Records of Cultivate Holdings, LLC will be maintained in accordance with generally accepted accounting principles. This includes all written operating procedures, inventory records, seed-to-sale tracking records, and the following personnel records:
  - a. A personnel record for each Cultivate Holdings, LLC agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with Cultivate Holdings, LLC and shall include, at a minimum, the following:
    - i. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
    - ii. Documentation of verification of references;
    - iii. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
    - iv. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
    - v. Documentation of periodic performance evaluations;

- vi. A record of any disciplinary action taken; and
    - vii. Notice of completed responsible vendor and eight-hour related duty training.
  - b. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
  - c. Personnel policies and procedures; and
  - d. All CORI background check reports.
2. Business records will be maintained, including computerized records of:
- a. Assets and liabilities;
  - b. Monetary transactions;
  - c. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
  - d. Sales records including the quantity, form, and cost of marijuana products; and
  - e. Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment, including members of the nonprofit corporation, if any.

## **Maintaining of Financial Records**

Cultivate Holdings, LLC has developed procedures for maintaining records that conform to Massachusetts regulations and best practices for the cannabis and pharmaceutical sectors. Our Company maintains a detailed description of plans, procedures and systems adopted and maintained for tracking, record keeping, record retention and surveillance systems relating to cannabis delivery, transporting, distributing, sale and dispensing. Further, our company will maintain all records for a period of five years and make these records available to any regulatory agency upon request. The recordkeeping policies and procedures detailed below demonstrate not only full compliance with legal and regulatory requirements, but a commitment to full documentation and transparency in all company operations.

Cultivate Holdings, LLC shall maintain for at least 5 years the following financial records:

1. Corporate Bylaws
2. Consents
3. Manual or computerized records of
  - a. Assets and Liabilities,
  - b. Bank statements,
  - c. Audits,
  - d. Monetary Transactions,
  - e. Journals,
  - f. Ledgers and Supporting Documents,
  - g. Agreements,
  - h. Checks,
  - i. Invoices,
  - j. Vouchers, and
  - k. Any other financial accounts reasonably related to operations.



## Diversity Plan

Cultivate Holdings, LLC (the “Company”) is committed to inclusive, diverse hiring and retention of employees from our local communities. It is a policy of the Company to promote equity among minorities, women, veterans, people with disabilities, and people of all gender identities and sexual orientations (i.e. L.G.B.T.Q. +) in its operation. We plan to continue to foster a culture that emphasizes mentorship taking active steps to recruit, hire and train diverse, qualified applicants.

To the extent permissible by law, the Company will make jobs available to minorities, women, veterans, people with disabilities, and people of all gender identities and sexual orientation (i.e. L.G.B.T.Q. +), but this does not prevent the Company from hiring the most qualified candidates and complying with all employment and other legal requirements.

The Company already has a diverse employee base and has shown it is capable of implementing a comprehensive approach to a diverse workforce. The Company’s workforce is inclusive and diverse, comprised of forty one percent (41%) women and twelve percent (12%) African Americans. The Company is succeeding in its internal diversity goal to match or exceed the diversity demographics of Leicester in that its African American population is 1.5%, whereas African American employees comprise 12% of its workforce.

### Goals

The Company’s goal is to assemble a diverse team of employees, making a good faith effort to be inclusive of women, veterans, disabled individuals and those with diverse ethnicities.

The Company’s goal is to continue to maintain a diverse workforce that it is comprised of **at least forty percent (40%)** of individuals who are minorities, women, veterans, and/or people with disabilities. Employees of the Company will have access to a living wage, comprehensive benefits and substantial workplace training that will empower them to grow and succeed within the Company.

### Programs

Employees are required to complete online diversity sensitivity training programs within the first ninety (90) days of employment and once annually thereafter. Online trainings may be completed individually or in a group setting. Upon completion of a training course, employees must take, and pass, a related test and provide management with a certificate of completion.

Sensitivity Training is designed to make individuals aware of their behavior toward others, who are different in race, color, gender, religion, age, ethnicity, sexual orientation and other categories protected under Title VII of the Civil Rights Act. Sensitivity training also raises awareness of other characteristics that employees may encounter in their daily interactions,

such as individuals with different experiences, backgrounds, perspectives and communication styles.

Additionally, all employees are trained on Company policies and applicable laws as part of the onboarding process.

The Company's online training course requirements vary based on position and department and include, but are not limited to:

1. Discrimination Free Workplace
2. Sexual Harassment for Employees
3. Harassment in the Workplace (for Managers)
4. Violence in The Workplace
5. Ethics
6. Drug and Alcohol-Free Workplace
7. Fatigue and Stress Awareness (for Managers)
8. Active Shooter Response
9. Back safety
10. Slips, trips and falls
11. First aid
12. Electrical Safety
13. Emergency and Fire Preparedness
14. Eyewash and Safety Showers
15. Osha Work Related Illness and Record Keeping (for Managers)
16. Computer Security (for Managers)

Additionally, in an effort to ensure that it has the opportunity to interview, and hire, a diverse group of employees, the Company shall publicize its job opportunities through Masshire.

## **Measurements**

Each year, the Company will measure its hiring goals against the actual number of employees employed or hired that meet the above noted criteria. In addition the Company will measure the number of promotions of the actual numbers of employees employed or hired that meet the above noted criteria.

The Company affirmatively states that: (1) it has reached out to MassHire to confirm that it can post job offers through that organization; (2) it acknowledges and is aware, and will adhere to, the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment; (3) any actions taken, or programs instituted, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws; and (4) the Company will be required to document progress or success of this plan, in its entirety, annually upon renewal of this license.



## **Qualifications and Trainings**

### **Qualifications**

**Cultivation Manager:** Four-year degree in a horticultural, agricultural, or related field. Strong indoor horticulture and/or greenhouse management experience. Two years of experience in a position with managerial responsibilities. Thorough understanding of State and local medical cannabis laws and how they apply to the operations of the company. Excellent communication skills and attention to detail. Effective time management and ability to multitask. Ability to work in a fast-paced, changing, and challenging environment. Proficiency in Windows-based software and point of sale applications. Ability to stand, sit, kneel, and lift up to 50 lbs. for extended periods of time.

**Cultivation Tech:** Two-year degree in horticulture or related field preferred. Two years of experience in general gardening production, preferably a regulated field producing for human consumption. Or any satisfactory combination of experience and training that clearly demonstrates the ability to perform the following duties. Knowledge of medical cannabis law, medicinal benefits, and horticulture skills. Effective time-management skills and ability to multitask. Ability to stand, sit, kneel, and lift equipment or plants up to 50 lbs. for extended periods. Ability to work in a fast-paced, changing, and challenging environment. Proficiency in Windows-based software and point-of-sale applications.

**Transportation Manager:** Two years of experience in a position with managerial responsibilities. Thorough understanding of state and local medical cannabis laws and how they apply to Cultivate Holdings, LLC operations. Demonstrated experience managing logistics of high-risk transportation operations. Demonstrated experience in a position requiring critical-thinking, problem solving, planning, and assessment. Excellent oral and written communication skills and security training, certification, or experience. A candidate with knowledge of GPS tracking and secure communications technologies is strongly preferred.

**Transportation Agent:** Two years of experience providing excellent pickup and delivery service. Must be skilled in customer support and able to follow strict operational guidelines and security policies. Transportation Agent will have the ability to manage randomized schedules and ensure accurate and on time delivery of cargo. Transportation Agent is required to manually document services and enter data into cloud-computing databases on transportation of cargo, delivery procedures, and best practices. Qualified applicants must have a valid driver's license in Illinois and a good driving history. Transportations Agents are expected to follow Cultivate Holdings, LLC regulations and wear provided uniforms.

### **Trainings**

Aside from the Responsible Vendor training required by 935 CMR 500.105(2)(b), all agents and managers employed by our company are required to participate in and complete four weeks (100 hours total) of structured, documented training prior to beginning work. The initial employee training, otherwise referred to as "onboarding," would be conducted by experienced

operators from developed markets including Washington, Nevada, and Hawaii. Each would educate new employees on aspects of the cannabis industry in which they hold the most personal experience. Our stakeholders experienced in cultivation would present information about cannabis' growth process and biological characteristics, while those versed in processing would provide detailed instruction about the production of extracted goods and other infused products. More specialized training is administered depending on the unit in which and employee works, particularly in cultivation or production.

The initial training consists of 35 distinct training modules, amounting to 100 total hours of training. A minimum of 2 hours will be spent on each module, excluding time spent on breaks, opening, or closing remarks. Successful completion of each module will be documented using the following information:

1. Certificates of completion;
2. Reference documents;
3. Spreadsheet tracking;
4. The date of training or educational seminar;
5. Trainee name;
6. Trainer name;
7. Training item;
8. Quiz and test results;
9. Brief description of covered topics; and
10. Manager confirmation.

The intent behind onboarding our employees over a period of several weeks is to be able to enable learning through 7 different methods. We provide our employees ample opportunity to internalize the training topics in an experiential way, dramatically increasing their effectiveness and ensuring true preparation for when we open our doors. Our training regimen approaches each topic from seven different learning styles, acknowledging that our employees all learn in different ways. The following are our seven learning styles accompanied by examples of each:

1. Visual
  - a. Diagrams
  - b. Graphics
  - c. Videos
  - d. Group skits
2. Audible
  - a. Lecture
  - b. Videos
3. Logical
  - a. Question and Answer
  - b. Quizzes
  - c. Test
4. Physical
  - a. Miming

- b. Acting out processes
- 5. Verbal
  - a. Guest lectures
  - b. Trainee presentation
- 6. Social
  - a. Group problem solving
  - b. Mock service
- 7. Solitary
  - a. At home study
  - b. Reference guides

Repetition and observation of the actual execution of our operating procedures merges the training modules to practical application. Thus, company employees will repeatedly drill every process numerous times, progressing through a three-step process.

The first step begins with the new hire following the assigned trainer. The employee observes as the trainer walks through the procedure, form, description, pertinent log, or resource affiliated with a training module. Employees are encouraged to voice questions at any time during presentations for additional clarification. This step merges theory with practice in the minds and behaviors of our employees.

During the second step, the supervisor or unit manager follows the new hire through each of the procedures or knowledge points until they are perfected. Sometimes this is comprised of individuals giving presentations on the same material similar to giving a book report. In other instances a trainee may be navigating the inventory management system as the trainer watches and guides. In this format the supervisor or unit manager pushes questions to the trainee before, during, and after the process is completed to force the individual

Third, a member of the on-site management team follows the new hire down the list of standard operating procedures. Each and every step of this process is documented, culminating with the completion and submission of the onboarding checklist.

Ongoing training will continue monthly. Each employee is required to complete and document 50 hours of training per annum not including the four week onboarding training. This culminates with an annual employment review and discussion on how the employee can improve their practices. Internally, The Company maintains reference guides which accompany managers and agents throughout their training. This knowledge is engrained in the employee and remains an integral part of daily process maintenance throughout their employment.

The above information establishes the process through which each employee progresses during each training module. The following enumerated items represent the contents of each of the 35 modules.

The 35 training modules are as follows:

1. The drug database established pursuant to section 4729.75 of the Revised Code;
2. The Company's compliant inventory tracking system
3. Responsible use including:
  - a. The toll-free telephone line established pursuant to section 3796.17 of the Revised Code; and
  - b. signs of medicine abuse or adverse events in the medical use of marijuana
4. Proper use of security measures and controls
  - a. Alarm systems
  - b. Camera systems
  - c. Entry and Exit Controls
5. Patient Confidentiality/HIPAA Requirements
  - a. Confidential information
  - b. Confidentiality policy
  - c. Entries into patient records
  - d. Electronic signatures
  - e. Protections
  - f. Maintenance
  - g. HIPAA Law
  - h. HIPAA: Privacy Rule
6. Strains of Medical Marijuana;
  - a. Understanding Indica v. Sativa
  - b. Classifying Marijuana Strains
7. Forms of Marijuana and Methods of Administration
  - a. Inhalation
    - i. Smoking Devices
    - ii. Vaporization
    - iii. Vaporizing Devices
  - b. Ingestion
    - i. Edibles
    - ii. Sublingual
  - c. Topicals
8. Qualifying conditions;
9. Authorized uses of medical marijuana;
10. Regulatory inspection preparedness and law enforcement interaction;
  - a. Inspection checklists
  - b. Addressing Regulatory Personnel
  - c. Information Location (Information Binders)
11. Legal Requirements of a Licensed Dispensary Employee;
12. Facility and Personnel Security
  - a. Personnel Authorization
  - b. Personnel Requirements
  - c. Panic Buttons - Robbery Response
  - d. Preventing, reporting, and detecting theft, loss, and diversion

13. Marijuana Science
  - a. Cannabinoids and their tested effects on the body
  - b. Marijuana laboratory testing
  - c. Potency testing
  - d. Trends in Pharmacological Sciences
  - e. Terpenoid Guide
  - f. Resources
  - g. Decarboxylation - activation points
  - h. Research institutions
14. Opening Procedures
15. Cleaning, Sanitation and Hygiene
  - a. Material Safety Data Sheets
  - b. How to Clean
  - c. How to Sanitize
  - d. Cleaning Checklists
16. Agent Illness and Exposure
17. Inventory Control
18. Audits
19. Receiving Inventory
20. Armored Vehicle Service
21. Check In Procedures
22. Assisting Patients
23. Assisting Patients with Disabilities
24. Packaging and Labeling Requirements
25. Processing Transactions
26. Complaints
27. Recall and Withdrawal
28. Refusal of sale and recognizing Abuse
29. Waste Disposal
30. Closing Procedures
31. Notes and Documentation
32. Logs and Forms
  - a. Alarm/Security Incident Log
  - b. Surveillance System Access Log
  - c. Waste Disposal Log
  - d. Visitor Log
  - e. Manager Notes
  - f. ADP/POS Adjustment Log
  - g. Procedure Variance Log
  - h. Back-Up Sales Log
  - i. Complaint Log
  - j. Patient intake Forms
33. Reference Guides
34. Legal Resources



## 35. Industry Resources

## Energy Compliance Plan

Cultivate Holdings LLC will implement the following energy use reduction strategies at the Leicester facility to comply with the energy efficiency and conservation regulations codified in 935 CMR 500.105(15).

- A series of several windows allow the sales floor to take advantage of natural lighting during the day, significantly reducing the need for overhead lighting.
- A smart thermostat will be installed to reduce overall electricity consumption by the building's heating and air conditioning systems. Fully automating the heating and cooling systems will result in more efficient energy use.
- High efficiency, motion-activated LED lighting systems will be used in areas of the facility to minimize potential energy use. The electrical subcontractor will calibrate all sensor time delays and sensitivity settings to ensure proper detection of occupants and energy savings.
- All appliances and equipment used at the facility will be Energy Star certified.

Cultivate Holdings LLC will implement the following energy use reduction strategies at the company's Leicester facility to comply with the energy efficiency and conservation regulations codified in 935 CMR 500.105(15) relating to manufacturing and cultivation operations.

- Cultivate Holdings will utilize a greenhouse-based cultivation system at the Leicester facility. Greenhouse-based systems tend to utilize 60-75% less energy per pound of flower produced than traditional indoor cultivation designs, making this the cornerstone of Cultivate Holdings' energy efficiency strategy. According to an analysis of greenhouse cultivation methods in Colorado,<sup>4</sup> indoor grow operations require between 18 and 24 hours per day of artificial light during the vegetative stage and 12 hours during the flowering stage. Greenhouses only require up to six hours per day of supplemental artificial lighting for the vegetative stage (depending on the geographic location), and may not require any supplemental lighting for the flowering stage. In addition greenhouses are typically designed for much more air circulation than an indoor grow, which allows greenhouses to use evaporative cooling systems, which save up to 75% of the energy needed compared to refrigerant-based cooling and dehumidification."<sup>1</sup>
- Cultivate Holdings LLC will use Fluence VYPR LED lamps in its cultivation processes. Light intensity for plant growth is measured in micromoles and is referred to as PAR (Photosynthetically Active Radiation). Seedlings and Cloned Plants require the lowest

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<sup>4</sup><https://www.swenergy.org/data/sites/1/media/documents/publications/documents/A%20Budding%20Opportunity%20%20Energy%20efficiency%20best%20practices%20for%20cannabis%20grow%20operations.pdf>

levels of light intensity. These plant types will be illuminated by T5 LED Fixtures. Seedlings and Cloned Plants are illuminated to a PAR intensity of 120-150 micromoles  $\text{m}^{-2} \text{s}^{-1}$  using this fixture. The height of the fixture from the plant will be adjusted according to the type (seedling or cloned plant) in order to produce different responses from the plant as needed. The use of LED lamps in this style of fixture in place of the more common fluorescent lamp results in a larger amount of micromoles per watt, resulting in a decrease in energy consumption needed to obtain optimum lighting levels. Flowering plants have the highest PAR intensity requirement, thus, yield and quality are highly correlated with PAR intensity during this stage. Approximately 1100 micromoles  $\text{m}^{-2} \text{s}^{-1}$  are supplied to flowering bench areas by Fluence VYPR LED lamps. These lamps are currently the most efficient lamps at converting electrical energy to PAR light (1.7 micromoles/watt), rivaled by only a few High Pressure Sodium lighting manufacturers for PAR light. However, using LED's in place of High Pressure Sodium fixtures reduces the output of heat considerably, which in turn reduces overall HVAC costs and minimizes instances of "hot spots" that endanger the health of the cannabis plant. By producing a larger amount of micromoles/watt, fewer watts are needed to illuminate flowering benches to this intensity value. This drastically reduces facility energy demands for plant illumination and mechanical cooling.

- Electric motors used in the plumbing system shall be premium efficiency type. They shall conform to NEMA Standard MG-1, Table 12-10 (1993 Rev.) and shall have their efficiencies determined in accordance with IEEE Standard 112 Method B. The NEMA nominal efficiency shall be listed on the motor nameplate. Minimum nominal efficiencies shall be as follows: 1-3HP (84%); 5-7.5HP (88.5%); 10-25HP (90%); 30-100HP (93%); 100+ (95%).
- Electric motors used in the HVAC system shall be premium efficiency type. They shall conform to NEMA Standard MG-1, Table 12-10 (1993 Rev.) and shall have their efficiencies determined in accordance with IEEE Standard 112 Method B. The NEMA nominal efficiency shall be listed on the motor nameplate. Minimum nominal efficiencies shall be as follows: 1-3HP (84%); 5-7.5HP (88.5%); 10-25HP (90%); 30-100HP (93%); 100+ (95%).
- Electric motors used in the HVAC system's centrifugal fans shall be high or premium efficiency type.
- The individually-mounted Three-Phase Dry-Type Transformers shall be of energy efficient design and meet the requirements of NEMA Standard "TP-1".
- High efficiency, motion-activated LED lighting systems will be used in areas of the facility not used for cultivation or production to minimize potential energy use. The Electrical Subcontractor shall calibrate all sensor time delays and sensitivity settings to ensure

proper detection of occupants and energy savings.

- All kitchen appliances and equipment used at the facility will be Energy Star certified.

## **Safety Plan - Manufacturing**

Cultivate Holdings LLC's safety policies detail procedures for ensuring the implementation of best safety practices at all times and in accordance with Occupational Safety and Health Administration ("OSHA") guidelines throughout all facilities and operations. The systematic guidelines established will be strictly enforced, as the safety of agents and the public is the company's foremost business consideration. All agents will comply with all applicable safety regulations as listed in the Standard Operating Procedures ("SOPs") as a condition of employment. Safety training will be provided as often as necessary and annually at a minimum. Regular required safety inspections are required along with respirator use and training procedures.

All facilities will be inspected quarterly by the Cultivation and Production Managers to identify potential hazards using the OSHA Self-Inspection Checklist to prevent hazardous material and chemical incidents that could result in injury and/or illness to any agent or visitor. It is established that requirements of OSHA's Hazard Communication standard will be met and all Managers are assigned responsibility for conducting job specific hazard training on chemicals used by their agents. After attending training, each agent will sign a form to verify that he or she attended the training and understands the company's policies on hazard communication.

Copies of Material Safety Data Sheets ("MSDS") for all hazardous chemicals to which agents may be exposed will be available on the intranet and by hard copy in each chemical storage area of the operating unit in a designated MSDS binder. Sample documents include accident report forms, a safety rule violation notice, and the OSHA Self-Inspection Checklist.

Safety rules addressed include those relevant to accident and hazard reporting, drug and alcohol use, driving, work-related injuries and the required use of Personal Protective Equipment ("PPE"). Enforcement measures and disciplinary actions detailed are to be implemented in response to safety rule violations established herein. All emergency situations including chemical spill response will be handled by local emergency response agencies in accordance with the company's emergency and incident response SOPs. Additional measures serve to establish procedures for injury claims and policies related to workers' compensation and benefits provided.

### **Culture of Safety**

It is the policy of the company that the safety of its agents and the public is the company's foremost business consideration. The prevention of accidents and injuries takes precedence over expedience. In the conduct of the company's business, every attempt will be made to prevent accidents from occurring. The company requires that its agents, as a condition of employment, comply with all applicable safety policies and procedures.

### **Enforcement of Safety Plan**

Agents will be subject to disciplinary action for violations of safety rules. Cultivation supervisors are responsible for the enforcement of safety rules. Agents will be afforded instructive counseling and/or training to assure a clear understanding of the infraction and the proper conduct under organizational guidelines. All training will be documented on a safety rule violation notice form and placed in the agent's personnel file. Nothing in this policy or this safety program will preclude management from terminating an agent for a safety violation. This is not a progressive discipline system and any safety violation may lead to an agent's termination without prior instruction or warning.

### **Safety Rules**

These safety rules are designed to provide agents with knowledge of the recognized and established safe practices and procedures that apply to many of the work situations encountered while employed at this organization. It would be impossible to cover every work situation. If any agent is in doubt about the safety of any condition, practice or procedure, they will consult their immediate supervisor for guidance. Any agent that willingly disregards a safety rule may be terminated.

Accident Reporting - All accidents or near misses will be reported to a manager immediately. Falsification of company records, including employment applications, time records or safety documentation will not be tolerated. Safety incidents will also be reported to the Commission within 24 hours of occurring.

Hazard Reporting - Agents will notify a unit manager immediately of any unsafe condition and/or practice.

Alcohol and Drugs - No illegal drugs or alcohol will be allowed on the worksite. Agents will notify a manager if they are taking any prescription drugs that might affect their work performance. The use of prescribed medication will be accommodated by the company to every extent possible. Please refer to the company's Alcohol and Drug-Free Workplace Plan for further details.

Driving - While driving a company vehicle or driving a personal vehicle for company business, agents will obey traffic laws and signs at all times. Seat belt use is required and agents will obey posted speed limits.

Lifting - When agents are required to lift an item, they should always seek mechanical means (fork lift, lift table, pallet jack, etc.) first. If an item will be lifted manually, agents will refer to the detailed lifting safety rules before performing the task.

Falls - When working above a lower level (4 feet in general industry, 6 feet in construction) with unprotected sides, edges, or openings, agents will protect themselves by use of guardrails or an approved personal fall-arrest system (e.g., lanyard, harness, anchor point).

Personal Protective Equipment - Appropriate Personal Protective Equipment (“PPE”) will be worn at all times during hazardous operations. If an agent has any questions or needs PPE, they will notify a manager and reference the PPE job hazard analysis. Agents are required to wear approved eye and face protection when sawing, grinding, drilling, using air tools or performing any other task that could generate flying debris. When working with chemicals, agents will wear the required protective eyewear. Gloves will be worn when handling metal, rough wood, fiberglass and other sharp objects. Hard hats will be provided when there are overhead hazards. Appropriate footwear, long sleeved shirts, long pants, high-visibility vest, etc., should also be worn as required.

### **Fire Safety**

The Cultivate Holdings LLC facility will comply with all local fire codes. Flammable materials will be stored in a fire cabinet properly labeled for first responder identification and all areas of egress will be properly signed in accordance with NFPA 704 standards. Fire extinguishers must be maintained annually and all cultivation agents must be properly trained in fire prevention and mitigation measures.

### **Hazard Communication Policy**

The company is committed to the prevention of hazardous material and chemical incidents that could result in injury and/or illness to any agent. The company will spare no effort in providing a safe and healthful work environment for agents and all levels of supervision will be accountable for the safety of those agents under their direction.

The Occupational Safety and Health Administration’s (“OSHA”) Hazard Communication standard (29 CFR 1910.1200) is based on the simple concept that agents have both a need and a “right to know” the identities and hazards of any chemicals they work with during the course of their employment. Agents also need to know what protective measures are available to prevent chemical exposures and how to avoid adverse health effects.

The following constitutes the company’s written Hazard Communication program. The company will meet the requirements of OSHA’s Hazard Communication standard as follows:

Container Labeling - It is the policy of the company that no container will be released for use unless it has a complete label. Managers will ensure that secondary containers, such as spray bottles, have complete labels. Either (1) a copy of the original manufacturer’s label will be made and placed on the secondary container, or (2) the minimal information bulleted above will be placed on the container in permanent ink. The unit managers or their designee will verify that all cannabis containers kept onsite will clearly list contents on the label:

1. Product Name;
2. Hazard warnings (corrosive, flammable, skin irritant, etc.); and
3. Manufacturer’s name and address.

Material Safety Data Sheets - Copies of Material Safety Data Sheets ("MSDSs") for all hazardous chemicals to which agents of Cultivate Holdings LLC may be exposed will be available on the intranet and by hard copy in each chemical area of the department in a binder designated "MSDS Sheets." Agents are required to read MSDSs for the chemicals they use. MSDSs will be available to all agents during all shifts. If an MSDS is missing, or if new products arrive without an MSDS, agents will immediately inform a Manager so they can call the supplier or manufacturer.

Agent Training - Managers are responsible for conducting job specific hazard training on chemicals used by their agents. After attending training, each agent will sign a form to verify that he or she attended the training, received written materials, and understands the company policies on hazard communication. Prior to starting work, each new agent will attend a health and safety orientation and will receive information and training on the following:

1. An overview of the requirements contained in OSHA's HAZCOM standard: 29 CFR 1910.1200;
2. Chemicals present on company premises;
3. Location and availability of the company's written hazard policies;
4. Physical hazards and health effects of the company's hazardous chemicals;
5. Methods and observation techniques used to determine the presence or release of hazardous chemicals in the work area;
6. How to reduce or prevent exposure to these hazardous chemicals by using engineering controls, work practices and personal protective equipment;
7. Steps the company has taken to reduce or prevent exposure to these chemicals.
8. Emergency procedures to follow if an agent is exposed to chemicals;
9. How to read labels and review MSDS to obtain appropriate hazard information.

Hazardous Chemicals List - Unit managers will maintain a list of all the chemicals and products used at the company within their unit. This list is kept in the front of the MSDS book. Each chemical entry on the inventory list has a corresponding MSDS available for providing specific hazard information and personal protective measures. This list will be updated quarterly by the unit manager to remove chemicals that are no longer in use at the company and to add new products.

### **Respiratory Protection Policies and Procedures**

It is the policy of the company that all agents working in areas or job classifications requiring the use of tight-fitting respirators will undergo medical evaluation and fit testing before assignment. In addition, these agents will receive training on the requirements of this program as well as specific instruction on the proper use, maintenance, and limitations of respirators.

Voluntary respirator use will be limited to the use of filtering face-piece type respirators such as dust masks. All agents using filtering face-piece type respirators will receive instruction on the proper use and limitations of this type of respirator by the unit managers.



Under no circumstances will agents use self-contained breathing apparatus type respirators ("SCBAs") or will agents be exposed to chemical concentrations approaching Immediately Dangerous to Life or Health ("IDLH") concentrations. All emergency situations including gas leaks and chemical spill response will be handled by local emergency response agencies in accordance with the company's emergency and incident response plan.

Engineering controls, such as ventilation and substitution of less toxic materials, are the first line of defense for the company; however, engineering controls have not always been feasible for some of the company's operations, or have not always completely controlled the identified hazards. In these situations, respirators and other protective equipment will be used. When properly used, respirators are effective in protecting agents from exposure to potentially harmful substances.

To provide effective protection, respirators will be properly fitted to the individual agent and properly worn by the agent. In addition, respirators make breathing more difficult which may cause significant health problems for individuals with existing medical conditions. This written respiratory protection program insures that agents are properly trained, fit tested, and medically cleared in order to provide maximum agent protection.

Respirator Selection - The Certification of PPE Hazard Assessment outlines the work areas and job classifications where respirators are required along with the types of respirators necessary. Respiratory protection determinations for non-routine tasks and future jobs will be performed by the program administrator using the following procedures:

1. Identification of the hazardous substances using material safety data sheets or other appropriate resources;
2. Review of work processes to determine where potential exposures to these hazardous substances may occur;
3. Agent exposure assessments utilizing air monitoring, published exposure data, or information provided by manufacturers or trade associations;
4. Appropriate respirators will be selected using information from respirator vendors along with information contained in the OSHA Small Entity Compliance Guide for the Revised Respiratory Protection Standard available at [www.osha.gov](http://www.osha.gov).
5. All respirators will be certified by the National Institute for Occupational Safety and Health ("NIOSH") and will be used in accordance with the terms of that certification. Also, all filters, cartridges, and canisters will be labeled with the appropriate NIOSH approval label. The label will not be removed or defaced while it is in use.

Medical Evaluation - Agents who are either required to wear respirators (other than dust masks) will pass a medical evaluation before being permitted to wear a respirator on the job. Any agent refusing the medical evaluation will not be allowed to work in an area requiring respirator use.

1. A licensed physician or licensed health care practitioner will provide the medical evaluations. Medical evaluation procedures are as follows:

- a. The medical evaluation will be conducted using the appropriate worker compensation provider forms;
  - b. All affected agents will be given a copy of the medical questionnaire to fill out during the workday, along with a stamped and addressed envelope for mailing the questionnaire to the company physician;
  - c. Follow-up medical exams will be granted to agents as deemed necessary by the medical clinic physician;
  - d. All agents will be granted the opportunity to speak with the physician about their medical evaluation, if they so request;
  - e. Any agent required for medical reasons to wear a positive pressure air-purifying respirator will be provided with a powered air-purifying respirator.
2. After an agent has received clearance and begun to wear his or her respirator, additional medical evaluations will be provided if an agent reports symptoms such as “shortness of breath”, “dizziness”, or “wheezing”. In addition, additional medical evaluations will be performed if a change in the workplace results in an increased physiological burden on the agent.

Fit Testing - Initial fit testing is required for all agents required to wear respiratory protection. The company currently offers respirators for voluntary use; therefore fit testing is not required at this time. In the event that the company needs to change its policy, fit testing will be performed by an approved medical provider using the OSHA Qualitative Fit Test Protocol. Agents will be fit tested with the make, model, and size of respirator that they will actually wear. Agents will be provided with several models and sizes of respirators so that they may find an optimal fit. Fit testing will be repeated annually and whenever there are changes in the agent's physical condition that could affect respiratory fit (e.g., obvious change in body weight, facial scarring, etc.).

Respirator Use Procedures - Respirators will not be used in a manner inconsistent with their NIOSH certification or manufacturer's instructions.

1. All agents will conduct user seal checks each time that they wear their respirator. Agents will use either the positive or negative pressure check;
2. Agents are not permitted to wear tight-fitting respirators if they have any condition, such as facial scars, facial hair, or missing dentures, that prevents them from achieving a good seal;
3. Respirators will be cleaned as often as necessary using the cleaning supplies located in the locker room;
4. Agents will perform thorough visual inspections of their respirators at the beginning of each work shift;
5. Worn or defective respirators will be taken out of service immediately;
6. Respirators will be stored in a clean plastic bag in an uncontaminated area;
7. Respirator cartridges will be dated with a permanent marker at the time they are installed on the respirator;

8. Respirator cartridges will be replaced by the appropriate unit manager according to the manufacturer's schedule.

**Training Required** - All respirator users and the unit managers will be trained annually by the unit managers on the contents of this respiratory protection program and their responsibilities under it, and on the OSHA Respiratory Protection standard. Agents will be trained prior to using a respirator in the workplace. Cultivation supervisors will also be trained prior to using a respirator in the workplace or prior to supervising agents that will wear respirators. Agents will demonstrate their understanding of the topics covered in the training. Training will be documented in the agent's personnel file. The training course will cover the following topics:

1. Respiratory hazards encountered at the company and their health effects;
2. Proper selection and use of respirators;
3. Limitations of respirators;
4. Respirator donning and user seal (fit) checks;
5. Fit testing;
6. Maintenance and storage; and
7. Medical signs and symptoms limiting the effective use of respirators.

### **Emergency Action Procedures**

1. Each area of the facility will be equipped with two-way communication equipment. All Agents will be trained appropriately on its use. All Agents must adhere to the following procedures whenever using radio or cell phone equipment.
  - a. Check in via radio or cell phone every hour on the hour (X:00). The General Manager will copy.
  - b. If an Agent fails to check-in as required, the General Manager will monitor the area using a surveillance system. The General Manager may consider radio silence as a sign of an emergency and may send law enforcement to the facility location.
  - c. In the event of a hostage or hijacking situation, use the required radio or cell phone communication device and send "Code 0100." Upon receiving "Code 0100," the General Manager will notify authorities immediately of the area location within the facility, occupants of the area, and contents of the area.
  - d. If any suspicious activity occurs, the agent must maintain radio or cell phone communication during the event to report all details to the General Manager.
  - e. If communication fails for any reason, the Agent must make contact by landline or any reasonable means as soon as possible.
2. Disaster Plan Policies
  - a. The General Manager will oversee policy compliance for personnel under his or her supervision.
  - b. The General Manager must oversee and ensure all employees receive appropriate training to successfully complete all protocols pursuant to the company's operational procedures, and that all employees are aware of panic button locations.

### 3. Disaster Plan Procedures

- a. Upon observing a disaster scenario including; fire; flooding, natural disaster; violent crime; or terrorism; agents and management will immediately institute disaster response procedures:
  - i. The agent will activate the panic button on their person.
  - ii. The agent will observe the nearest emergency exit and confirm their pathway to exit the facility.
  - iii. Emergency Exit Plan Maps will be posted clearly on the walls of the facility.
  - iv. If it is safe to do so the agent will exit the facility as quickly as possible while remaining safe.
  - v. Upon exiting the building find a safe distance to begin to call for help.
  - vi. If emergency services have not arrived, use a cellular phone (if available) to contact them,
  - vii. Coordinate with team members outside the facility to begin a head count.
  - viii. Try to account for every team member on staff and relay this information to first responders.

### **Recordkeeping**

The program administrator will maintain the following records:

- A written copy of this program and the OSHA standard.
- Copies of initial and refresher training content and documentation of attendance.
- Fit test records including the make, model, and size of respirator if required.
- Copies of the physician's written recommendation regarding each agent's ability to wear a respirator.
- Copies of the results of any hazard assessments including air monitoring.

### **Injury Claims Procedures**

All agents will be provided with an explanation of the workers' compensation system and the benefits it will provide by their respective unit manager.

- In the event of a work-related injury or illness, the injured agent will report it to a manager before the end of the work shift.
- If the injured agent needs immediate medical attention, he/she will be driven or sent to the nearest appropriate hospital or clinic.
- If the injury is not an emergency, an appointment will be made with one of the worker's compensation provider's designated medical providers as soon as possible.
- Once a manager has been notified of an injury, the supervisor will provide a list of designated providers and written instructions. The agent will sign and date this written instruction. A copy will be maintained in personnel files and provided to the agent.
- An accident investigation will be conducted by the unit manager following all work-related injuries. The unit manager will be responsible for interviewing the injured agent and all witnesses.
- The General Manager will report the claim to the worker's compensation provider.

- If the incident involved an agent death or a catastrophe (three or more agents admitted to the hospital) the Chief Executive Officer will be notified immediately and OSHA will be notified within eight hours.
- The General Manager will use information from the accident investigation to identify changes that may help prevent future incidents.
- For lost time claims, the unit manager will contact the injured agent at least once a week to answer questions, keep the injured agent informed of organization activities, and discuss return to work options.
- The General Manager will contact the medical provider after each appointment to keep current on the agents work status, medical progress, and to ensure that appointments are being kept.
- Modified duty procedures will be as follows:
  - The agent's manager will determine if the agent can return to their regular job duties.
  - If the agent is unable to return to normal job duties, the unit manager will determine if the agent's position can be temporarily modified to accommodate the restrictions.
  - If the job cannot be modified, the unit manager will evaluate other tasks or positions the agent may be able to perform until the medical restrictions are lifted.
  - If the agent is unable to return safely to a modified position, the medical restrictions will be re-evaluated after each doctor's visit to ensure the agent is returned to work as soon as possible.
  - An entry will be made by the General Manager on an OSHA 300 Log for all cases involving medical treatment.
  - Accurate records will be kept for all workers' compensation claims. This file will document all communications regarding the claim and all records from the medical providers and worker's compensation provider.