



## Massachusetts Cannabis Control Commission

### Marijuana Cultivator

#### General Information:

License Number: MC282387  
Original Issued Date: 08/30/2022  
Issued Date: 12/14/2023  
Expiration Date: 12/14/2024

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Aura Cannabis Company LLC

Phone Number: 508-636-8861  
Email Address: coreylaw@aol.com

Business Address 1: 83 Development Street  
Business City: Fall River  
Business State: MA  
Business Zip Code: 02721  
Business Address 2:  
Mailing Address 1: P.O. Box 3313  
Mailing City: Westport  
Mailing State: MA  
Mailing Zip Code: 02790  
Mailing Address 2:

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

Priority Applicant: no  
Priority Applicant Type: Not a Priority Applicant  
Economic Empowerment Applicant Certification Number:  
RMD Priority Certification Number:

### RMD INFORMATION

Name of RMD:  
Department of Public Health RMD Registration Number:  
Operational and Registration Status:  
To your knowledge, is the existing RMD certificate of registration in good standing?:  
If no, describe the circumstances below:

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 56  
Percentage Of Control: 56  
Role: Other (specify)  
Other Role: Member of LLC

First Name: Michael Last Name: Biszko Suffix:  
Gender: Decline to Answer User Defined Gender:  
What is this person's race or ethnicity?: Decline to Answer  
Specify Race or Ethnicity: Fall River

#### Person with Direct or Indirect Authority 2

Percentage Of Ownership: 29 Percentage Of Control: 29  
Role: Other (specify) Other Role: Manager/Member LLC  
First Name: Stephen Last Name: Biszko Suffix:  
Gender: Decline to Answer User Defined Gender:  
What is this person's race or ethnicity?: Decline to Answer  
Specify Race or Ethnicity:

#### Person with Direct or Indirect Authority 3

Percentage Of Ownership: 15 Percentage Of Control: 15  
Role: Other (specify) Other Role: Member LLC  
First Name: Jason Last Name: Bates Suffix:  
Gender: Decline to Answer User Defined Gender:  
What is this person's race or ethnicity?: Decline to Answer  
Specify Race or Ethnicity:

#### ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

#### CLOSE ASSOCIATES AND MEMBERS

No records found

#### CAPITAL RESOURCES - INDIVIDUALS

##### Individual Contributing Capital 1

First Name: Michael Last Name: Biszko Suffix:  
Types of Capital: Monetary/Equity, Other Type of Total Value of the Capital Provided: Percentage of Initial Capital:  
Buildings, Land Capital: \$600000 97.55  
Capital Attestation: Yes

##### Individual Contributing Capital 2

First Name: Stephen Last Name: Biszko Suffix:  
Types of Capital: Monetary/Equity Other Type of Capital: Total Value of the Capital Provided: \$25000 Percentage of Initial Capital: 2.45  
Capital Attestation: Yes

#### CAPITAL RESOURCES - ENTITIES

No records found

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

#### DISCLOSURE OF INDIVIDUAL INTERESTS

##### Individual 1

First Name: michael Last Name: Biszko Suffix: iii  
Marijuana Establishment Name: Aura Cannabis Company, LLC Business Type: Marijuana Retailer

Marijuana Establishment City: Fall River

Marijuana Establishment State: MA

Individual 2

First Name: Stephen

Last Name: Biszko

Suffix:

Marijuana Establishment Name: Aura Cannabis Company, LLC

Business Type: Marijuana Retailer

Marijuana Establishment City: Fall River

Marijuana Establishment State: MA

Individual 3

First Name: Jason

Last Name: Bates

Suffix:

Marijuana Establishment Name: Aura Cannabis Company, LLC

Business Type: Marijuana Retailer

Marijuana Establishment City: Fall River

Marijuana Establishment State: MA

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 320 Airport Road

Establishment Address 2:

Establishment City: Fall River

Establishment Zip Code: 02720

Approximate square footage of the Establishment: 14000

How many abutters does this property have?: 8

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

Cultivation Tier:

Cultivation Environment:

FEE QUESTIONS

Cultivation Tier: Tier 03: 10,001 to 20,000 sq. ft

Cultivation Environment: Indoor

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Community Outreach Meeting Documentation	Approved Legal Notice- Aura.pdf	pdf	60104a649b156e07a0631b2a	01/26/2021
Certification of Host Community Agreement	AURA FINAL CITY Agreement.Form Short.pdf	pdf	60104b0191465f076d75d23b	01/26/2021
Plan to Remain Compliant with Local Zoning	Plan to Remain Compliant with Zoning.pdf	pdf	627939494d83ec000a461ed5	05/09/2022
Plan to Remain Compliant with Local Zoning	AURA BLDG PERMIT.pdf	pdf	62793979560e3c0008900626	05/09/2022
Community Outreach Meeting Documentation	Participants.pdf	pdf	62793a114d83ec000a4621fb	05/09/2022
Community Outreach Meeting Documentation	OUTREACH MEETING Attestation.pdf	pdf	62793adf560e3c0008900904	05/09/2022
Community Outreach Meeting Documentation	WEBSITE OUTREACH WEBSITE POSTS.pdf	pdf	62793b5d560e3c0008900a1a	05/09/2022
Community Outreach Meeting Documentation	ATTACHMENT C Abutter List Certified NAMES REDACTED.pdf	pdf	6287f70d3bea2b0008c29351	05/20/2022
Community Outreach Meeting Documentation	ATTACHMENT C REDACTED RECEIPTS FOR ABUTTER NOTIFICATION.pdf	pdf	6287f7183bea2b0008c29365	05/20/2022
Community Outreach	ATTACHMENT A Virtual Meeting Approved Public	pdf	6287f726eb816b0008621c5a	05/20/2022

Meeting Documentation	Notice. 5202022.pdf				
Community Outreach Meeting Documentation	ATTACHMENT B LEGAL NOTICE - Community Outreach Meeting 11-25-2020.pdf	320 Airport.pdf	pdf	6287f735eb816b0008621c83	05/20/2022
Community Outreach Meeting Documentation	Virtual Meeting Approved Public Notice. 5202022.pdf		pdf	6287f7a9eb816b0008621d69	05/20/2022
Community Outreach Meeting Documentation	Virtual Meeting Website Notice.5202022.pdf		pdf	6287f7c2eb816b0008621d83	05/20/2022
Community Outreach Meeting Documentation	Virtual Meeting Attestation.5202022.pdf		pdf	6287f7d13bea2b0008c294a7	05/20/2022
Community Outreach Meeting Documentation	Participants.pdf		pdf	6287f7e7eb816b0008621dc1	05/20/2022

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.: \$

### POSITIVE IMPACT PLAN

Positive Impact Plan:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	POSITIVE IMPACT Revised 6142022.pdf	pdf	62a8bb93eb816b00087d1e0d	06/14/2022

### ADDITIONAL INFORMATION NOTIFICATION

Notification:

### INDIVIDUAL BACKGROUND INFORMATION

#### Individual Background Information 1

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

#### Individual Background Information 2

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

#### Individual Background Information 3

Role:	Other Role:
First Name: Jason	Last Name: Bates Suffix:
RMD Association: Not associated with an RMD	
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	Articles of Org.2019.pdf	pdf	60105e47a4d1c4079996abe3	01/26/2021
Bylaws	AURA FINAL OPERATING AGREEMENT.PART1.pdf	pdf	6010609195aefe083da139ef	01/26/2021
Bylaws	AURA FINAL OPERATING AGREEMENT.PART2.pdf	pdf	6010628c9aa497082efbd69c	01/26/2021
Bylaws	AURA FINAL OPERATING AGREEMENT.Part3.pdf	pdf	6010650299372e0774f7305a	01/26/2021
Secretary of Commonwealth - Certificate of Good Standing	Sec State.pdf	pdf	6238c64994e88000098678bd	03/21/2022
Department of Revenue - Certificate of Good standing	AURA Cert of Good Standing.pdf	pdf	6238c6dd2ff0a70007d49808	03/21/2022
Secretary of Commonwealth - Certificate of Good Standing	Department of Unemployment Assistance Good Standing Attestation.pdf	pdf	6287f8b7eb816b0008621fa9	05/20/2022

#### Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Secretary of Commonwealth - Certificate of Good Standing	DOC080324.pdf	pdf	64ef74cd832c6e00083711dc	08/30/2023
Department of Unemployment Assistance - Certificate of Good standing	ATTESTATION Department Unemployment.pdf	pdf	6509ad51704981000883e23b	09/19/2023
Department of Unemployment Assistance - Certificate of Good standing	Attestation Department of Unemployment 2.pdf	pdf	651db111ca49d200073381c3	10/04/2023
Department of Revenue - Certificate of Good standing	Cert of good standing tax.pdf	pdf	6545561056bf530007dedfd5	11/03/2023

Massachusetts Business Identification Number: 001372362

Doing-Business-As Name:

DBA Registration City:

#### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	InsurancePlan.Company.final3.pdf	pdf	6238c7ca2ff0a70007d49d04	03/21/2022
Business Plan	BusinessPlan-AURA-MA final.pdf	pdf	6238c7e294e8800009867e97	03/21/2022
Proposed Timeline	PROPOSED TIMELINE FOR AURA CANNABIS COMPANY Renewal. 10183.pdf	pdf	65300a1d5df17300087f1d78	10/18/2023

#### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload
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				Date
Prevention of diversion	Prevention of Diversion.final2.pdf	pdf	601068ab99372e0774f7307f	01/26/2021
Quality control and testing	QUALITY CONTROL. FINAL2.pdf	pdf	601069f5a4d1c4079996ac33	01/26/2021
Restricting Access to age 21 and older	Age Verification System.pdf	pdf	60106a919a7da608237acf76	01/26/2021
Dispensing procedures	Dispensing procedures.final2.pdf	pdf	60106d56ce58f607af049371	01/26/2021
Energy Compliance Plan	Energy policy.final 3.pdf	pdf	6238c83c94e8800009867efc	03/21/2022
Inventory procedures	InventoryPolicy3.pdf	pdf	6238c84a94e8800009867f10	03/21/2022
Maintaining of financial records	Maintenance Financial.FINAL3.pdf	pdf	6238c86294e8800009867fa0	03/21/2022
Storage of marijuana	Marijuana Storage.final3.pdf	pdf	6238c87e94e8800009867fe8	03/21/2022
Dispensing procedures	Dispensing procedures.final3.pdf	pdf	6238c88b2ff0a70007d49e46	03/21/2022
Personnel policies including background checks	PERS.POLICIES.final3.pdf	pdf	6238c8a494e8800009867ffc	03/21/2022
Record Keeping procedures	RECORD KEEPING.FINAL3.pdf	pdf	6238c8ba94e8800009868016	03/21/2022
Qualifications and training	qualifications training.final3.pdf	pdf	6238c8ea94e88000098680c1	03/21/2022
Quality control and testing	QUALITY CONTROL. FINAL3.pdf	pdf	6238c8fa94e88000098680d5	03/21/2022
Transportation of marijuana	Transportation Protocol.final3.pdf	pdf	6238c91194e88000098680e9	03/21/2022
Inventory procedures	InventoryPolicy3.pdf	pdf	6238c92294e8800009868123	03/21/2022
Security plan	ACC security and ops outline .pdf	pdf	6238c9bd94e88000098682e2	03/21/2022
Personnel policies including background checks	PERS.POLICIES.final3.pdf	pdf	6238ca132ff0a70007d4a3d7	03/21/2022
Record Keeping procedures	RECORD KEEPING.FINAL3.pdf	pdf	6238ca4494e8800009868594	03/21/2022
Security plan	ACC security and ops outline.final2.pdf	pdf	62794510560e3c0008902a8c	05/09/2022
Policies and Procedures for cultivating.	Cultivation Plan.Final.pdf	pdf	62794cf34d83ec000a465ef3	05/09/2022
Maintaining of financial records	Maintenance Financial.FINAL4.pdf	pdf	6287f970eb816b00086221f2	05/20/2022
Diversity plan	Diversity Plan 8.pdf	pdf	629a5586eb816b00087116ca	06/03/2022

## 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 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:

COMPLIANCE WITH POSITIVE IMPACT PLAN - PRE FEBRUARY 27, 2024  
Progress or Success Goal 1

Description of Progress or Success: Progress GOAL 1 The Applicant/ Licensee has not opened and is in the process of requesting a final architectural review

COMPLIANCE WITH DIVERSITY PLAN  
Diversity Progress or Success 1

Description of Progress or Success: Attached is the approved diversity plan which will be implemented as part of the hiring/opening process of the facility.

HOURS OF OPERATION

Monday From: Open 24 Hours	Monday To: Open 24 Hours
Tuesday From: Open 24 Hours	Tuesday To: Open 24 Hours
Wednesday From: Open 24 Hours	Wednesday To: Open 24 Hours
Thursday From: Open 24 Hours	Thursday To: Open 24 Hours
Friday From: Open 24 Hours	Friday To: Open 24 Hours
Saturday From: Open 24 Hours	Saturday To: Open 24 Hours
Sunday From: Open 24 Hours	Sunday To: Open 24 Hours



COMMUNITY  
NEWSPAPER  
COMPANY

GateHouse Media New England

**Community Newspaper Co. – Legal  
Advertising Proof**

15 Pacella Park Drive, Randolph, MA 02368  
1800-624-7355 phone | 781-961-3045 fax

**Order Number:** CN13924691

**Salesperson:** Jeanie Malone

Doug Guilbert  
Aura Cannabis Company, LLC  
320 Airport Road

Fall River, MA 02720

**Title:** Herald News  
Legals

**Class:**

**Start date:** 11/8/2020  
11/8/2020

**Stop date:**

**Insertions:** 1

**#Lines:** 69

ag

**Price:** \$492.66

**Payment Information**

5284 2344 5000 7613 Maskard

**Receipt#**

**Pmt. Type:**

**CC. Number:** CC. Exp.: 04/23

**Invoice Total:** \$492.66

OWW

FALL RIVER/ REGISTERED MARIJUANA DISPENSARY  
**LEGAL NOTICE**

**NOTICE OF COMMUNITY OUTREACH MEETING**

**REGARDING: REGISTERED MARIJUANA DISPENSARY &  
CULTIVATION**

**("Adult Use RMD")**

**PROPOSED ADDRESS: 320 Airport Rd, Fall River, MA**

Notice is hereby given that Aura Cannabis Company, LLC will hold a Community Outreach Meeting on Wednesday, November 25th, 2020 between 6pm – 8pm located via Zoom at the following invite link :  
<https://us02web.zoom.us/j/82453707103>

Information to be presented and discussed will include but not be limited to:

- 1) The type(s) of Marijuana Establishment to be located at the proposed address;
- 2) Plans and information for maintaining a secure facility;
- 3) Plans and protocols to prevent diversion to minors;
- 4) Plans to positively impact the community in which the establishment intends to be located;
- 5) Plans and protocols to ensure the establishment will not constitute a nuisance to the community.
- 6) A description of plans to ensure that the Marijuana Establishment is or will be compliant with local codes, ordinances, and bylaws for the physical address of the Marijuana Establishment

Community members are permitted and encouraged to ask questions and receive answers from representatives of the Aura Cannabis Company, LLC related to the proposed establishment. Please direct questions in advance to [ceo@auraofma.com](mailto:ceo@auraofma.com).

A copy of this notice is on file with the City Clerk's office, the mayor's office, and the Planning Board office, all located at the Fall River City Hall, 1 Government Center, Fall River, MA 02722 and a copy of this Notice was mailed at least one week prior to the Community Outreach Meeting to the abutters 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;

Aura Cannabis Company, LLC

AD# 13924691  
FRHN 11/8/20

# Host Community Agreement Certification Form

## Instructions

Certification of a host community agreement is a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). Applicants must complete items 1-3. The contracting authority for the municipality must complete items 4-8. Failure to complete a section will result in the application not being deemed complete. This form should be completed and uploaded into your application. 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(2) and 501.400(2).

## Certification

The parties listed below do certify that the applicant and municipality have executed a host community agreement on the specified date below pursuant to G.L. c. 94G § 3(d):

1. Name of applicant:

Aura Cannabis Company, LLC

2. Name of applicant's authorized representative:

Stephen Biszko

3. Signature of applicant's authorized representative:



4. Name of municipality:

Fall River, MA

5. Name of municipality's contracting authority or authorized representative:

Paul Coogan, Mayor of the City of Fall River



# Host Community Agreement Certification Form

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## Certification

The parties listed below do certify that the applicant and municipality have executed a host community agreement on the specified date below pursuant to G.L. c. 94G § 3(d):

1. Name of applicant:

Aura Cannabis Company, LLC

2. Name of applicant’s authorized representative:

Stephen Biszko

3. Signature of applicant’s authorized representative:



4. Name of municipality:

Fall River, MA

5. Name of municipality’s contracting authority or authorized representative:

Paul Coogan, Mayor of the City of Fall River



6. Signature of municipality's contracting authority or authorized representative:

*Paul E. Coogan*

7. Email address of contracting authority or authorized representative of the municipality (*this email address may be used to send municipal notices pursuant to 935 CMR 500.102(1) and 501.102(1).*):

Mayor@fallriverma.org

8. Host community agreement execution date:

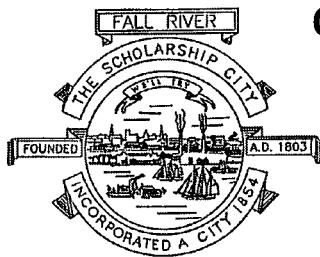
October 7, 2020



## Plan to Remain Compliant with Zoning

Aura Cannabis Company, LLC's location at 320 Airport Road, Fall River is allowed by right. No zoning exceptions are required. No special permits are required. If zoning exceptions were to be required in the future the Company would comply with all requirements issued by the City of Fall River.

Attached is a building permit for the location issued by the City of Fall River evidencing the permissibility under zoning and city ordinances for the facility.



# COMMONWEALTH OF MASSACHUSETTS

## CITY OF FALL RIVER

One Government Center, Fall River, MA 02722

### PERMIT NUMBER

**20211749**

Issue Date: 08/31/2021

EXPIRATION DAT: 6 MTHS

### Permit Type: **Building Permit**

Parcel ID	Street Address
Z030032	320 AIRPORT ROAD

Owner Information	Applicant Information
Name: BEACON LLC Phone:	Name: BISZKO BUILDING SYSTEMS INC Phone:

Contractor Information			
Name:	BISZKO BUILDING SYSTEMS INC	License Number:	CS-080277
Address:	20 DEVELOPMENT ST	License Exp. Date:	11/25/2021
Phone:	(508) 679-0518	Insurance Exp. Date:	02/23/2020

Building Information	
Proposed Use:	Permit Fee Charged: 8,918.22
Construction Type:	
Number of Stories:	
Estimated Cost of Construction: \$ 750,000	

**Project Description:** ADDITION (# OF UNITS)  
VANILLA BOX CONSTRUCTION WITH ALL MEP'S FOR AURO DISPENSARY.

<b>Electric:</b> Underground: Service: Rough: Final:	<b>Gas:</b> Underground: Rough: Final:	<b>Plumbing:</b> Underground: Rough: Final:	<b>Building:</b>  Exacvation: Foortings: Foundation: Rough Frame: Fireplace/Chimney: Insulation:  Final:
<b>Engineering:</b>  Final:	<b>Fire:</b>  Final:	<b>Health:</b>  Final:	
<b>Water:</b>  Final:	<b>Planning:</b> Final: <b>Conservation:</b> Final:	<b>Sewer:</b>  Final:	

THIS PERMIT MAY BE REVOKED BY THE CITY OF FALL RIVER UPON VIOLATION OF ANY OF ITS RULES AND REGULATIONS. THIS CARD MUST BE DISPLAYED IN THE CONSPICUOUS PLACE ON THE PREMISES AND NOT TORN DOWN OR REMOVED UNTIL THE WORK IS COMPLETED "PERSONS CONTACTING WITH UNREGISTERED CONTACTORS DO NOT HAVE ACCESS TO THE GUARANTY FUND (AS SET FORTH IN MGL C.142A)"

  
BUILDING OFFICIAL

08/31/2021  
DATE

One Government Center, 5th Floor, Phone: (508) 324-2500, Fax: (508)324-2570, email: Ghathaway@fallriverma.org

## **PARTICIPANTS**

Aura Cannabis Company, LLC had 43 participants attend the virtual meeting.

## Community Outreach Meeting Attestation Form

### Instructions

Community Outreach Meeting(s) are a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). 935 CMR 500.101(1), 500.101(2), 501.101(1), and 501.101(2). The applicant must complete each section of this form and attach all required documents as a single PDF document before uploading it into the application. If your application is for a license that will be located at more than one (1) location, and in different municipalities, applicants must complete two (2) attestation forms – one for each municipality. Failure to complete a section will result in the application not being deemed complete. 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(2) and 501.400(2).

### Attestation

I, the below indicated authorized representative of that the applicant, attest that the applicant has complied with the Community Outreach Meeting requirements of 935 CMR 500.101 and/or 935 CMR 501.101 as outlined below:

1. The Community Outreach Meeting was held on the following date(s): 11/25/2020
2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).



4. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was published in a newspaper of general circulation in the municipality at least 14 calendar days prior to the meeting. A copy of this publication notice is labeled and attached as "Attachment A."

- a. Date of publication: 11/8/20
- b. Name of publication: Herald News

5. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was filed with clerk of the municipality. A copy of this filed notice is labeled and attached as "Attachment B."

- a. Date notice filed: 11/5/20

6. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was mailed at least seven (7) calendar days prior to the community outreach meeting to abutters of the proposed address, and residents within 300 feet of the property line of the applicant's proposed location as they appear on the most recent applicable tax list, notwithstanding that the land of the abutter or resident is located in another municipality. A copy of this mailed notice is labeled and attached as "Attachment C." Please redact the name of any abutter or resident in this notice.

- a. Date notice(s) mailed: 11/1/2020

7. The applicant presented information at the Community Outreach Meeting, which at a minimum included the following:
- a. The type(s) of ME or MTC 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 ME or MTC to prevent diversion to minors;
  - d. A plan by the ME or MTC to positively impact the community; and
  - e. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.
8. Community members were permitted to ask questions and receive answers from representatives of the ME or MTC.



Name of applicant:

Aura Cannabis Company LLC.

Name of applicant's authorized representative:

Stephen Bisko

Signature of applicant's authorized representative:







**#NEW** - NOTICE OF A COMMUNITY OUTREACH MEETING REGARDING REGISTERED MARIJUANA DISPENSARY and CULTIVATION at 320 Airport Road in Fall River. The property was formerly home to BK's Beacon Tavern which recently closed after 9 years in business. The building at 320 Airport Road was sold to Aura Cannabis, LLC.

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Aura Cannabis Company, LLC



## OUTREACH MEETING PLANNED FOR NORTH END DISPENSARY



👍❤️👏 25

17 Comments 2 Shares

👍 Like

💬 Comment

➦ Share

[Fall River industrial park not happy about plan for marijuana business \(heraldnews.com\)](http://heraldnews.com)



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Advertisement



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Corey said that he, along with future operations manager Douglas Guilbert, will take part in Wednesday night's community outreach on Zoom.

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The link to the public hearing on Zoom is <https://uso2web.zoom.us/j/82453707103>.



**City of Fall River**  
**Massachusetts**  
**Department of Financial Services**  
TREASURER • COLLECTOR • AUDITOR • ASSESSOR  
*Board of Assessors*

**PAUL E. COOGAN**  
*Mayor*

**RICHARD A. GONSALVES, MAA, CHAIRMAN**  
**NANCY L. HINOTE, MAA**  
**RICHARD B. WOLFSON**

## ABUTTER LIST

---

For CANNABIS/ COMMUNITY HEARING.

Owner: Industrial Development Holdings LLC

Subject Parcel: 320 Airport Road (Z-3-32)

Contact: Doug Guilbert ceo@auraofma.com

---

Z-3-32/121

500 ALBANY ST  
FALL RIVER, MA 02720

Z-5-2

1 GOVERNMENT CENTER  
FALL RIVER, MA 02722

Z-5-13

198 AIRPORT RD  
FALL RIVER, MA 02720

Z-3-35

83 HARTWELL AVE  
LEXINGTON, MA 02421

Z-3-41

115 WILLIAMSON DR  
SOMERSET, MA 02726

Z-5-1

280 PARK AVE 36<sup>TH</sup> FLR  
NEW YORK, NY 10017

---

There are ( 7 ) abutting parcels WITHIN 300' of subject parcel.

There are ( 6 ) involved owners.

Compiled on Friday, November 5, 2020 by:

Douglas Rebello-Assistant City Assessor

## ABUTTER LIST REQUEST

APPLICATION DATE: 11/2/2020

I would like to request an Abutters List for the following property:

LOCATION/ADDRESS: 320 Airport Rd

MAP & PARCEL: Z-03-0032

PARCEL OWNER: Industrial Development Holdings, LLC

APPLICANT/PRINT: Doug Guilbert SIGN: DM/AA

CONTACT PERSON: Doug Guilbert

TEL: 401-309-7967 EMAIL: ceo@aurqofmg.com

### BOARD/COMMISSION REQUIRING LIST:

ZONING \_\_\_\_\_

HEALTH BOARD \_\_\_\_\_

PLANNING \_\_\_\_\_

CODE/DEMO \_\_\_\_\_

HISTORICAL \_\_\_\_\_

CITY COUNCIL \_\_\_\_\_

CONSERVATION \_\_\_\_\_

ENGINEERING \_\_\_\_\_

OTHER Commuter Hearing

By REQUEST - Within 300' (But not A2A)

ABUTTER LIST COMPLETED ON: 11/6/20

TIME: 9:30 AM

TOTAL # OF ABUTTING PARCELS: (7) TOTAL # OF INVOLVED OWNERS: (6)

ABUTTERS LISTED ON 1 PAGE(S)

ABUTTER LIST COMPILED BY: doug rehalls

SIGNATURE: M

7020 0090 0000 3568 9955

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postmark Here

11/10/2020

Postage \$0.55  
Total Postage and Fees \$4.10

Send To: **180 Park Ave  
New York NY 10017**

7020 0090 0000 3568 9994

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postmark Here

11/10/2020

Postage \$0.55  
Total Postage and Fees \$4.10

Send To: **83 Hartwell Ave  
Fall River MA 02720**

7020 0090 0000 3568 9962

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postmark Here

11/10/2020

Postage \$0.55  
Total Postage and Fees \$4.10

Send To: **198 Airport Rd  
Fall River MA 02720**

7020 0090 0000 3568 9986

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postmark Here

11/10/2020

Postage \$0.55  
Total Postage and Fees \$4.10

Send To: **113 Williams Dr  
Somerset MA 02726**

7020 0090 0000 3568 9964

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postmark Here

11/10/2020

Postage \$0.55  
Total Postage and Fees \$4.10

Send To: **500 Albany St  
Fall River MA 02720**

7019 2970 0002 1703 4400

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postmark Here

11/10/2020

Postage \$0.55  
Total Postage and Fees \$4.10

Send To: **1 Government Center  
Fall River MA 02720**



COMMUNITY  
NEWSPAPER  
COMPANY

GateHouse Media New England

**Community Newspaper Co. – Legal  
Advertising Proof**

15 Pacella Park Drive, Randolph, MA 02368  
1800-624-7355 phone | 781-961-3045 fax

**Order Number:** CN13924691

**Salesperson:** Jeanie Malone

Doug Guilbert  
Aura Cannabis Company, LLC  
320 Airport Road

Fall River, MA 02720

**Title:** Herald News  
Legals

**Class:**

**Start date:** 11/8/2020  
11/8/2020

**Stop date:**

**Insertions:** 1

**#Lines:** 69

ag

**Price:** \$492.66

**Payment Information**

5284 2344 5000 7613 Maskard

**Receipt#**

**Pmt. Type:**

**CC. Number:** CC. Exp.: 04/23

**Invoice Total:** \$492.66

OWW

FALL RIVER/ REGISTERED MARIJUANA DISPENSARY  
**LEGAL NOTICE**

**NOTICE OF COMMUNITY OUTREACH MEETING**

**REGARDING: REGISTERED MARIJUANA DISPENSARY &  
CULTIVATION**

**("Adult Use RMD")**



**PROPOSED ADDRESS: 320 Airport Rd, Fall River, MA**

Notice is hereby given that Aura Cannabis Company, LLC will hold a Community Outreach Meeting on Wednesday, November 25th, 2020 between 6pm – 8pm located via Zoom at the following invite link :  
<https://us02web.zoom.us/j/82453707103>

Information to be presented and discussed will include but not be limited to:

- 1) The type(s) of Marijuana Establishment to be located at the proposed address;
- 2) Plans and information for maintaining a secure facility;
- 3) Plans and protocols to prevent diversion to minors;
- 4) Plans to positively impact the community in which the establishment intends to be located;
- 5) Plans and protocols to ensure the establishment will not constitute a nuisance to the community.
- 6) A description of plans to ensure that the Marijuana Establishment is or will be compliant with local codes, ordinances, and bylaws for the physical address of the Marijuana Establishment

Community members are permitted and encouraged to ask questions and receive answers from representatives of the Aura Cannabis Company, LLC related to the proposed establishment. Please direct questions in advance to [ceo@auraofma.com](mailto:ceo@auraofma.com).

A copy of this notice is on file with the City Clerk's office, the mayor's office, and the Planning Board office, all located at the Fall River City Hall, 1 Government Center, Fall River, MA 02722 and a copy of this Notice was mailed at least one week prior to the Community Outreach Meeting to the abutters 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;

Aura Cannabis Company, LLC

AD# 13924691  
FRHN 11/8/20

RECEIVED

2020 NOV -9 A 10:40 FALL RIVER/ REGISTERED MARIJUANA DISPENSARY  
LEGAL NOTICE

CITY CLERK \_\_\_\_\_  
FALL RIVER, MA

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Aura Cannabis Company, LLC

AD# 13924691  
FRHN 11/8/20



#NEW - NOTICE OF A COMMUNITY OUTREACH MEETING REGARDING REGISTERED MARIJUANA DISPENSARY and CULTIVATION at 320 Airport Road in Fall River. The property was formerly home to BK's Beacon Tavern which recently closed after 9 years in business. The building at 320 Airport Road was sold to Aura Cannabis, LLC.

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Aura Cannabis Company, LLC



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## Community Outreach Meeting Attestation Form

### Instructions

Community Outreach Meeting(s) are a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). 935 CMR 500.101(1), 500.101(2), 501.101(1), and 501.101(2). The applicant must complete each section of this form and attach all required documents as a single PDF document before uploading it into the application. If your application is for a license that will be located at more than one (1) location, and in different municipalities, applicants must complete two (2) attestation forms – one for each municipality. Failure to complete a section will result in the application not being deemed complete. 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(2) and 501.400(2).

### Attestation

I, the below indicated authorized representative of that the applicant, attest that the applicant has complied with the Community Outreach Meeting requirements of 935 CMR 500.101 and/or 935 CMR 501.101 as outlined below:

1. The Community Outreach Meeting was held on the following date(s): 11/25/2020
2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).



4. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was published in a newspaper of general circulation in the municipality at least 14 calendar days prior to the meeting. A copy of this publication notice is labeled and attached as "Attachment A."

- a. Date of publication: 11/8/20
- b. Name of publication: Herald News

5. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was filed with clerk of the municipality. A copy of this filed notice is labeled and attached as "Attachment B."

- a. Date notice filed: 11/5/20

6. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was mailed at least seven (7) calendar days prior to the community outreach meeting to abutters of the proposed address, and residents within 300 feet of the property line of the applicant's proposed location as they appear on the most recent applicable tax list, notwithstanding that the land of the abutter or resident is located in another municipality. A copy of this mailed notice is labeled and attached as "Attachment C." Please redact the name of any abutter or resident in this notice.

- a. Date notice(s) mailed: 11/1/2020

7. The applicant presented information at the Community Outreach Meeting, which at a minimum included the following:
- a. The type(s) of ME or MTC 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 ME or MTC to prevent diversion to minors;
  - d. A plan by the ME or MTC to positively impact the community; and
  - e. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.
8. Community members were permitted to ask questions and receive answers from representatives of the ME or MTC.



Name of applicant:

Aura Cannabis Company LLC.

Name of applicant's authorized representative:

Stephen Biszko

Signature of applicant's authorized representative:





## **PARTICIPANTS**

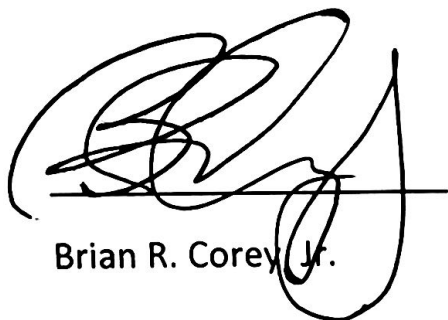
Aura Cannabis Company, LLC had 43 participants attend the virtual meeting.

## Cost to Community as a Result of the Marijuana facility

The Licensee is in the process of securing final inspection of the facility from the Commonwealth and has not opened and has not caused the Host City of Fall River to incur any expenses as a result of this process. Attached are the most recent building plans, and the occupancy permit that was recently secured.

## ***ATTESTATION***

The Applicant has requested documentation from the City of Fall River of any costs that the City may have incurred pursuant to the requirements of 935 CMR 500.103 (4)(f); 935 CMR 501.103 (4)(f), as a result of the facilities location within the community. Despite follow up calls regarding the request the City of Fall River has not responded and indicated that it will not be providing a letter to the Commission as the facility is not open.



Brian R. Corey Jr.

9.19.25  
Date

# LAW OFFICE OF BRIAN R. COREY, JR.

---

Brian R. Corey, Jr.

405 Pleasant Street  
Fall River, Ma 02721  
Telephone (508) 636-8861  
E-mail: [COREYLAW@AOL.COM](mailto:COREYLAW@AOL.COM)

September 12, 2023

Office of Corporation Counsel  
One Government Center  
Fall River, Massachusetts 02722

Re: Aura Cannabis Company, LLC

Dear Sir or Madam:

Please accept this correspondence as a request by Aura Cannabis Company, LLC for documentation from the City of Fall River of any costs incurred by the City as a result of the presence of Aura Cannabis Company, LLC within the municipality.

Pursuant to the requirements of licensure and in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl.26. *935 CMR 500.103(4)(f); 935 CMR 501.103(4)(f)*. According to Massachusetts regulations the municipality is required to verify any costs for the Cannabis Control Commission.

Aura Cannabis Company, LLC is awaiting issuance of the final license by the Commonwealth and is not operational. We are unaware of any costs to the City of Fall River as a result of this construction; coupled with due to the fact that the facility has not opened, but need this verification in writing for license renewal.

Thank you for your attention to this matter. You may email your letter of response to [Coreylaw@aol.com](mailto:Coreylaw@aol.com) and mail the hard copy of the correspondence to Aura Cannabis Company, LLC, 20 Development Street, Fall River, Ma 02721.

Very truly yours,  
LAW OFFICE OF BRIAN R. COREY, JR.

---

Brian R. Corey, Jr., Esquire



## **POSITIVE IMPACT PLAN**

Aura Cannabis Company, LLC (the “Company”) plans to positively impact the following individuals located in the Great Fall River/ New Bedford Geographic areas which are identified as areas of disproportionate impact:

- (i) Past or present residents of areas of disproportionate impact as defined by the Cannabis Control Commission;
- (ii) Massachusetts residents who have past drug convictions; and
- (iii) Commission designated Economic Empowerment Priority and Social Equity Program participants. The Company will implement the following goals, programs and measurements pursuant to this Plan for Positive Impact (the “Positive Impact Plan”).

**Goals:** The Company’s goals for this Positive Impact Plan are as follows:

1. Host two (2) networking events through the “Seeds for Progress Program”, described in more detail below.
2. Identify and recruit at least four (4) Economic Empowerment Program (“EEP”) and/or Social Equity Program (“SEP”) participants to participate in the Seeds for Progress Program.
3. Provide members of the Seeds for Progress Program with the opportunity to complete the Company’s standard employee training program and manager training program.
4. Implement a charitable giving program wherein it will identify one day per month that an amount equal to ten percent (10%) of the Company’s gross sales from that day will be donated to a company run scholarship grant program open to past or present residents of the greater Fall River/New Bedford Geographic area which is identified as an area of disproportionate impact and/or Massachusetts residents with past drug convictions.  
The Applicant/ Company anticipates that the charitable giving program will generate annually \$20,000.00 in scholarship grants for past or present residents of the Fall River/ New Bedford geographic area which is identified as an area of disproportionate impact and/or Massachusetts residents with past drug convictions.
  - a. Applications for scholarship grants will be available online from the Company website or by request throughout the fiscal year;
  - b. The Company will post notices every 3 months in newspapers of general circulation in those municipalities, including but not limited to, the Fall River Herald and New Bedford Standard Times.

- c. Review of the applications will be performed every six months;
- d. Applications will be reviewed by the head of human resources, the Company COO and an employee representative;
- e. The Company shall award Five (5) \$2000.00 Grants every six months;
- f. Participants shall be residents of areas of disproportionate impact and/or Massachusetts residents with past drug convictions who are enrolled or will be enrolling in G.E.D, vocational, or higher education programs.
- g. Participants and awardees of scholarship and grants shall be 21 years old or older.

**Programs:** In an effort to reach the abovementioned goals, the Company shall implement the following practices and programs:

1. **SEEDS FOR PROGRESS** : The Company will be implementing their “Seeds for Progress Program” (the “Program”). The Program is designed 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 Commission designated Economic Empowerment Priority and Social Equity Program participants by providing a select number of participants with exclusive access to the Company’s training programs and introducing them to the industry through



networking events. The Program will not be specifically limited in duration. The Company will seek to identify and recruit at least four (4) participants for the Program during the first year.

**NOTICE:** In an effort to ensure that the participants in the Program are past or present residents of areas of disproportionate impact as defined by the Cannabis Control Commission or Massachusetts residents who have past drug convictions it will:

Post monthly notices for the first six (6) months of the Program in newspapers of general circulation in those municipalities, including but not limited to, the Fall River Herald and New Bedford Standard Times. These notices will state, among other things, that the Company is specifically looking for Massachusetts residents who are 21 years or older and either (a) live in the greater Fall River/ New Bedford geographic region which is an area of disproportionate impact as defined by the Cannabis Control Commission; or (b) have past drug convictions, to participate in the program; and review the Commission's database of approved EEP applicants and attempt to contact those eligible individuals.

Once enrolled, each participant in the Program will be offered the opportunity to complete the Company's standard employee training program and manager training program. The standard employee and manager training programs will provide the participant with hands on training as a responsible vendor including:

- a. an understanding of different products and methods of consumption including edibles; potency; effects; secondhand absorption time;
- b. procedures to ensure that consumers are not overserved; and
- c. procedures for mitigating the risk of an impaired consumer and ensuring the safety of patrons and the general public in the event of impairment. Additionally, these training programs will provide the participants with a review of any applicable department SOP's and compliance regulations and product knowledge training, including information regarding the methods that the Company uses to craft products, the strains that are cultivated and the intended effects of those products. Additional training is provided based on the department the participant is interested in. Collectively, between the manager training program and employee training program, Program participants will be offered up to 90 hours of training.

In conjunction with the aforementioned, the Company will host two (2) networking events each year to introduce its program participants to the Massachusetts cannabis industry. The Company will partner with

organizations such as the Commonwealth Dispensary Association, the Massachusetts Recreational Consumer Council and the Massachusetts Patient Advocacy Alliance for these networking events.

2. **SCHOLARSHIP PROGRAM** :The Company will implement a charitable giving program wherein it will identify one day per month where an amount equal to ten percent (10%) of the Company's gross sales from that day will be donated gross sales from that day will be donated to a company run scholarship grant program open to past or present residents of areas of disproportionate impact and/or Massachusetts residents with past drug convictions. Such donations may be made in that calendar month or in one lump sum at any point throughout the year. The Applicant/ Company anticipates that the charitable giving program will generate annually \$20,000.00 in scholarship grants for past or present residents of the greater Fall River and New Bedford geographic region which is has been designated as an area disproportionate impact; and/or Massachusetts residents from this geographic region with past drug convictions. The Company shall designate the 2<sup>nd</sup> Tuesday of each month as the day earmarked for the donation of the aforementioned funds. The funds shall be held in house by the Company for administration of the scholarship program.

- a. Applications for scholarship grants will be available online from the Company website or by request throughout the fiscal year;
- b. The Company will post notices every 3 months in newspapers of general circulation in those municipalities, including but not limited to, the Fall River Herald and New Bedford Standard Times.
- c. Review of the applications will be performed every six months;
- d. Applications will be reviewed by the head of human resources, the Company COO and an employee representative;
- e. The Company shall award Five (5) \$2000.00 Grants every six months;
- f. Participants shall be residents of areas of disproportionate impact and/or Massachusetts residents with past drug convictions who are enrolled or will be enrolling in G.E.D, vocational, or higher education programs.
- g. Participants and awardees of scholarship and grants shall be 21 years old or older.

**Annual Review:** Each year, the Company will review the following criteria in an effort to measure the success of its Plan to Positively Affect Areas of

Disproportionate Impact.

1. Identify the number of individuals participating in the Program;
2. Identify the number of events it has held through the Program;
3. Identify the number of training hours provided to participants of the Program; and
4. Identify the amount of charitable donations the Company has made during the positive impact plan year. Documentation of the donations shall be made available to the Commission upon Request.

The Company affirmatively states that 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; 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 the Company will be required to document progress or success of this plan, in its entirety, annually upon renewal of this license.



**The Commonwealth of Massachusetts**  
**William Francis Galvin**

Minimum Fee: \$100.00

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

**Certificate of Amendment**

(General Laws, Chapter )

Identification Number: 001372362

The date of filing of the original certificate of organization: 3/7/2019

1.a. Exact name of the limited liability company: AURA CANNABIS COMPANY, LLC

1.b. The exact name of the limited liability company *as amended*, is: AURA CANNABIS COMPANY, LLC

**2a. Location of its principal office:**

No. and Street: 20 DEVELOPMENT ST  
 City or Town: FALL RIVER State: MA Zip: 02721 Country: USA

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

APPLYING FOR A LICENSE WITH THE CANNABIS CONTROL COMMISSION

4. The latest date of dissolution, if specified:

**5. Name and address of the Resident Agent:**

Name: DANIEL MCDONALD ESQ  
 No. and Street: 139 SO MAIN STREET SUITE 401  
 City or Town: FALL RIVER State: MA Zip: 02721 Country: USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	STEPHEN BISZKO	20 DEVELOPMENT ST FALL RIVER, MA 02721 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	BRIAN R COREY JR	1041 MAIN ST WESTPORT, MA 02790 USA

8. The name and business address of the person(s) authorized to execute, acknowledge, deliver and record

any recordable instrument purporting to affect an interest in real property:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	BRIAN R COREY JR	1041 MAIN ST WESTPORT, MA 02790 USA

9. Additional matters:

10. State the amendments to the certificate:

CHANGES MADE TO 2A, 6,7 AND 8 TO REFLECT CURRENT AGREEMENT

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

**SIGNED UNDER THE PENALTIES OF PERJURY, this 22 Day of May, 2019,**  
**JASON DELAMATER , Signature of Authorized Signatory.**

THE COMMONWEALTH OF MASSACHUSETTS

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

May 22, 2019 07:10 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



## AMENDED AND RESTATED OPERATING AGREEMENT OF AURA CANNABIS COMPANY, LLC.

**THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT** (this "Agreement") is made and entered into effective as of the 25<sup>th</sup> day of November, 2020 (the "Effective Date"), by and among those individuals listed on Schedule A hereto (the "Members"), each as a Member of **AURA CANNABIS COMPANY, LLC**, a Massachusetts limited liability company (the "Company").

### RECITALS

WHEREAS, the Members have agreed to amend and restate in its entirety the terms of that certain Limited Liability Company Operating Agreement of the Company, entered into as of March 7, 2019;

WHEREAS, this Agreement shall constitute a limited liability company agreement within the meaning of the Act (as defined below).

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members hereby agree as follows:

### ARTICLE I FORMATION, NAME AND PURPOSE

1.1 Name. The name of the Company is AURA CANNABIS COMPANY, LLC.

1.2 Business Address. The business address of the Company as of the time of this Agreement, 20 Development Street, Fall River, Massachusetts. The Company may maintain such additional or other offices at such other places as the Members may hereafter determine. The respective addresses of the Members and Manager(s) are set forth in Schedule A. A Member may change that Member's address upon notice thereof to the Manager(s).

1.3 Purpose. The purpose of the Company is to engage in any lawful activity for which a limited liability company may be organized under the Act.

1.4 Term. The term of the Company commenced on the date of the filing of the Company's Articles of Organization in the Office of the Secretary of State for the Commonwealth of Massachusetts, and shall continue perpetually unless the Company shall be sooner terminated or dissolved as provided in Article XI, or extended by written agreement of the Members.

1.5 Resident Agent. Brian R. Corey, Jr., 519 American Legion Highway, Westport, Massachusetts. The Company's resident agent and such agent's office may be changed from time to time only by the Managers pursuant to the provisions of the Act.

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## ARTICLE II DEFINITIONS

2.1 Definitions. For purposes of this Agreement, the following definitions apply:

"Act" means the Massachusetts Limited Liability Company Act

"Adjusted Capital Account Deficit" means with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Fiscal Year, after effecting the following adjustments:

1. credit to that Capital Account of any amounts that the Member is obligated to restore and the Member's share of Member Nonrecourse Debt Minimum Gain and Company Minimum Gain; and
2. debit to that Capital Account of the items described

"Affected Member" has the meaning set forth in Section 7.5.

"Affiliate" means any Person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with a Manager. The term "control," as used in the immediately preceding sentence, means, with respect to a corporation or limited liability company, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to that controlled corporation or limited liability company, and, with respect to any individual, partnership, trust, other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of that controlled entity.

"Agreement" shall have the meaning set forth in the preamble.

"Appraised Value" shall have the meaning set forth in Section 7.3.

"Articles" means the articles of organization of the Company.

"Assignee" means the owner of an Economic Interest who has not been admitted as a substitute Member in accordance with Article VII.

"Capital Account" has the meaning ascribed to it in Section 3.2.

"Code" means the Internal Revenue Code of 1986 and, to the extent applicable, the Regulations.

"Company Minimum Gain" has the meaning ascribed to the term "partnership minimum gain".

"Company" shall have the meaning set forth in the preamble.



"Distributable Cash" means the amount of cash that the Manager(s) deem available for distribution to the Members, taking into account all of the Company's debts, liabilities and obligations then due including:

Member Loans, and working capital and amounts that the Manager(s) deem necessary for the Company's business or to place into revenues for customary and usual claims with respect to the Company's business.

"Economic Interest" means the right to receive distributions of the Company's assets and allocations of income, gain, loss, deduction, credit and similar items from the Company pursuant to this Agreement and the Act, but does not include any other rights of a Member, including, without limitation, the right to vote or participate in the management, or, any right to information concerning the business and affairs of the Company.

"Effective Date" shall have the meaning set forth in the preamble.

"Expulsion" means the involuntary removal of a member with or without cause by a vote of at least Sixty (60%) of the membership.

"Fiscal Year" means the Company's fiscal year, which is the calendar year.

"Majority Interest" means those Members who hold a majority of the Percentage Interests being 60% of all Member interests.

"Manager" means each Person selected to manage the Company pursuant to Section 5.2.

"Member" means each Person who is an initial signatory to this Agreement, has been admitted to the Company as a Member in accordance with the articles or this Agreement or is an Assignee who has become a Member in accordance with Article VII.

"Member Loans" shall have the meaning set forth in Section 3.4 of this Agreement.

"Member Nonrecourse Debt Minimum Gain" has the meaning ascribed to the term "partner nonrecourse debt minimum gain" in Regulations Section 1.704-2(i)(2).

"Member Nonrecourse Debt" has the meaning ascribed to the term "partner nonrecourse debt" in Regulations Section 1.704-2(b)(4).

"Member Nonrecourse Deductions" has the meaning ascribed to the term "partner nonrecourse deductions" in Regulations Section 1.704-2(i)(1).

"Membership Interest" means a Member's entire interest in the Company, including the Member's Economic Interest, the right to vote on or participate in the management, and the right to receive information concerning the business and affairs of the Company.

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"Net Profits" and "Net Losses" mean the income, gain, loss, deductions, and credits of the Company in the aggregate or separately stated, as appropriate, determined in accordance with Regulations Section 1.704-1(b) and under the method of accounting of the Company determined at the close of each Fiscal Year or portion thereof.

"Nonrecourse Liability" has the meaning ascribed to the term "nonrecourse liability" in Regulations Section 1.752-1(a)(2).

"Percentage Interest" means the percentage interest allocated to a Member, which percentage interest will be a fraction of the whole Company.

"Person" means an individual, partnership, limited partnership, limited liability company, corporation, trust, estate, association, or any other entity.

"Regulations" means the final or temporary regulations that have been issued by the U.S. Department of Treasury pursuant to its authority under the Code.

"Selling Member" shall have the meaning set forth in Section 7.2.

"Substituted Member" shall have the meaning set forth in Section 7.3.

"Tax Matters Partner" has the meaning ascribed to it in Section 8.4.

"Withdrawal Event" has the meaning set forth in Section 7.5.

### **ARTICLE III**

#### **CAPITAL CONTRIBUTIONS**

3.1 Capital Contributions. Upon the formation of the Company, each Member contributed, or shall contribute, to the capital of the Company such cash, property and or services, as shown opposite the Member's name on the attached SCHEDULE A. No Member will be required to make any additional contributions to the capital of the Company. Additional contributions to the capital in the form of member loans to the Company will be made only with the consent of the Manager(s) upon authorization by a vote of the Majority Interest signifying at least 60% of the member interest in the Company. The Members shall not withdraw any capital contributions except as provided in this Agreement. The initial capital contributions shall be used in accordance with the Company's stated purpose; and any other purpose upon authorization by a vote of the Majority Interest signifying at least 60% of the member interest in the Company.

3.2 Capital Accounts. The Company shall establish an individual capital account for each Member ("Capital Account"). The Company shall determine and maintain each Capital Account in accordance with Regulations Section 1.704-1(b)(2)(iv). Upon a valid transfer of a Membership Interest in accordance with Article VII, the Member's Capital Account will carry

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over to the new owner. All unassigned member interests shall remain vested with the company until assigned to a new investor or existing member, in accordance with the provisions herein, the Manager shall execute votes of the unassigned member interests in order to bring the potential voting interests in any matter to One Hundred (100%) Percent.

3.3 Additional Capital Contributions: Funding Capital Requirements. In the event that the Company requires additional funds to carry out the purposes of the Company, to conduct the business of the Company, or to meet its obligations, the Members representing a Majority Interest may vote to cause the Company to borrow funds and/or may determine that loans by (or on behalf of) Members ("Member Loans") may be made to the Company as further provided in Section 3.4

3.4 Terms of Member Loans.

(a) In the event that Member Loans are to be made to the Company pursuant to Section 3.3, the Members shall specify the purpose and amounts of loans required. Each Member may (but shall not be required to) make, or cause to be made, a loan to the Company in an amount as the majority membership interest determines.

(b) All Member Loans shall be repaid pursuant to this Agreement and in the following manner; provided that in any event, all Member Loans shall be due and payable two years after made:

(i) All Member Loans shall bear interest from the time made compounded annually calculated at the rate of the Prime Rate of interest (as published in the Wall Street Journal from time to time) plus 5% per annum; and

(ii) All payments shall be applied first, to the payment of interest (in proportion to the amount of interest outstanding), and second, to the payment of principal (in proportion to the amount of principal outstanding).

(c) No Member of the Company shall have any personal liability for the repayment of any Member Loans, the person making such loan being limited to recourse solely against the assets of the Company.

(d) Repayment of Member Loans to the Company shall take precedent to any payments made to members. No payments shall be made to Members until all outstanding Member Loans to the Company have been satisfied in full.

#### **ARTICLE IV** **MEMBERS**

4.1 Limited Liability. Except as expressly set forth in this Agreement or required by law, no Member will be personally liable for any debt, obligation, or liability of the Company, whether that liability or obligation arises in contract, tort, or otherwise.

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4.2 Additional Members. The Manager(s) may admit additional Members to the Company with the consent of Members representing a Majority Interest (60%). Additional Members will participate in the management, Net Profits, Net Losses, and distributions of the Company on such terms as are determined by the Manager(s) and approved by a Majority of the Members. SCHEDULE A will be amended upon the admission of an additional Member to set forth that Member's name, address, and capital contribution. Said Additional Members may be admitted as members of a different Class. The operating agreement herein shall be amended to accommodate these members.

4.3 Withdrawals or Resignations. Any Member who is under an obligation to render services to the Company may withdraw or resign as a Member at any time upon sixty (60) days prior written notice to the Company, without prejudice to the rights, if any, of the Company or the other Members under any contract to which the withdrawing Member is a party. In the event of such a withdrawal the withdrawing Member's Membership Interest will be subject to purchase and sale as provided in Article VII.

4.4 Employment and Payments. No Member shall have a right or expectation to employment or continued employment by the Company. Any Member who receives compensation for services rendered to the Company shall do so pursuant to a written agreement with the Company approved by a majority of the Members. No Member shall be entitled to any other payment or remuneration for acting in the Company's business.

4.5 Actions by the Members. In exercising the voting or other approval rights provided herein or under the Act or to conduct any other business of the Company, the Members may act through meetings or by written consent or electronic transmission without a meeting. Any such written or electronic transmission consent shall be filed with the minutes of the proceedings of the Members of the Company.

## **ARTICLE V**

### **MANAGEMENT AND CONTROL OF THE COMPANY**

5.1 Management. The business, property, and affairs of the Company shall be managed exclusively by the Manager(s). The Manager(s) have full, complete, and exclusive authority, power, and discretion to manage and control the business, property, and affairs of the Company, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the management of the Company's business, property, and affairs, including but not limited to voting on the behalf of , pledging, and or assigning for value all outstanding/unassigned members interests held by the Company.

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5.2 Manager(s); Election; Resignation; Removal.

(a) The Company has one Manager(s). As of the date of this Agreement, the Manager(s) is: **Stephen Biszko. (Attached as Exhibit "B" is the resignation of Jason Delamater as Manager)**

(b) Unless a Manager resigns or is removed, the Manager(s) shall hold office until a successor has been elected and qualified. If a Manager resigns or is removed, then the Members shall elect a successor Manager. A Manager shall be elected by the affirmative vote or written consent of Members holding a Majority Interest (51%). Up to two Managers may serve simultaneously on behalf of the Company. A second Manager would be elected the affirmative vote or written consent of Members holding a Majority Interest (51%).

(c) Any Manager may resign at any time by giving written notice to the Members and remaining Manager(s) without prejudice to the rights, if any, of the Company under any contract to which the Manager is a party. The resignation of any Manager shall take effect upon the later of the receipt of that notice or at such later time as is specified in that notice, or if the last remaining Manager resigns, upon the election of a new Manager; and, unless otherwise specified in that notice, the acceptance of the resignation will not be necessary to make it effective. The resignation of a Manager who is also a Member will not affect that Manager's rights as a Member and will not constitute a withdrawal of a Member.

(d) A Manager may be removed by the affirmative vote or written consent of Members holding at least a Sixty (60%) Interest. Any such removal will be without prejudice to the rights, if any, of the Manager under any employment contract and, if that Manager is also a Member, will not affect that Manager's rights as a Member or constitute a withdrawal as a Member.

(e) Any vacancy occurring for any reason in the number of Manager(s) may be filled by the affirmative vote or written consent of Members holding a Majority Interest.

5.3 Powers.

(a) Without limiting the generality of Section 5.1, but subject to the limitations set forth elsewhere in this Agreement, the Manager(s) have all necessary powers to manage and carry out the purposes, business, property, and affairs of the Company.

(b) The Manager(s) do not have the authority to:

1. enter into a contract in excess of One Hundred Thousand Dollars (\$100,000.00), without the consent of Members representing a Majority Interest;

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2. alter the business purpose of the Company or amend the Operating agreement without the consent of at least members representing at least 60% of the interests in the Company said interest being a Majority Member interest;
3. commingle funds of the Company with those of any other person or entity;
4. use or permit any other person or entity to use the funds or assets of the Company in any manner except for the direct benefit of the Company and consistent with the business purpose of the Company;
5. sell all, or substantially all, of the Company property;
6. mortgage or otherwise encumber all of any portion of the Company's property except for transactions in the ordinary course of business;
7. except to the extent the dissolution of the Company is mandated by the provisions of this Agreement, or any applicable law which is not superseded by the provisions hereof, dissolve and wind-up the Company;
8. do any act in contravention of this Agreement;
9. confess a judgment against the Company; or
10. cause or permit the Company to make any distributions in-kind to any Member except as permitted under this Agreement.

5.4 Performance of Duties: Liability. A Manager will not be liable to the Company or to any other Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, gross negligence, or reckless misconduct by that Manager. The Manager(s) shall perform their managerial duties in good faith and in a manner that the Manager(s) reasonably believe to be in the best interests of the Company and its Members. In performing managerial duties, each Manager will be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, of the following persons or groups unless they have knowledge concerning the matter in question that would cause such reliance to be unwarranted and provided that the Manager acts in good faith and after reasonable inquiry when the need, therefore, is indicated by the circumstances: (1) one or more officers, employees or other agents of the Company whom that Manager reasonably believes to be

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reliable and competent in the matters presented; (2) any attorney, independent accountant, or other person as to matters that the Manager reasonably believes to be within such person's professional or expert competence; or (3) a committee upon which that Manager does not serve, duly designated in accordance with a provision of the Articles or this Agreement, as to matters within that Manager's designated authority, which committee that Manager reasonably believes to merit competence.

5.5. Devotion of Time. The Manager(s) are not obligated to devote all of their time or business efforts to the affairs of the Company. Each Manager shall devote whatever time, effort, and skill that Manager deems appropriate for the operation of the Company.

5.6. Competing Activities. The Members and Manager(s) will not directly or indirectly be an owner, partner, director, manager, officer, consultant or advisor to, or otherwise render services to or be associated in any way with, any business that competes with the Company in the Commonwealth of Massachusetts. The Members and Manager(s) will not, for their own benefit or for the benefit of any other Person, solicit business, of the same or similar type being carried on by the Company, from any customer of the Company, located in the Commonwealth of Massachusetts. The Members and Manager(s) will not, for their own benefit or for the benefit of any other Person, (i) solicit or in any manner induce or attempt to induce any employee of the Company to terminate the employee's employment with the Company, or (ii) interfere with the business relationship of the Company with any Person, including any employee, contractor, supplier or customer of the Company. The Members and Manager(s) and their agents, employees and Affiliates may, outside of the Commonwealth of Massachusetts, engage or invest in, independently or with others, any business activity of any type or description, including those that might be the same as or similar to the Company's business so long as such activity occurs completely outside the Commonwealth of Massachusetts. Neither the Company nor any Member will have any right in or to those other ventures or activities or to the income or proceeds derived therefrom. Members and Manager(s) will not be obligated to present any investment opportunity or prospective economic advantage to the Company, even if the opportunity is of the character that, if presented to the Company, could be taken by the Company. The Members acknowledge that a Manager and any Affiliates may own or manage other businesses, including businesses that may compete with the Company and for that Manager's time. The Members hereby waive any and all rights and claims which they may otherwise have against each Manager and that Manager's officers, directors, shareholders, partners, members, managers, agents, employees, and Affiliates as a result of any such activities. A Member may request that the terms and conditions of this paragraph 5.6 be altered and amended. Any alteration or amendment shall be on a case by case basis and shall not serve as a permanent alteration and or amendment of this operating agreement. All votes to alter or amend paragraph 5.6 herein shall be carried by a minimum of 60% of all Member Interests.

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5.7 Transactions Between the Company and the Manager and Any Affiliate. Notwithstanding that it may constitute a conflict of interest, a Manager may, and may cause any Affiliate to, engage in any transaction (including the purchase, sale, lease, or exchange of any property or the rendering of any service, or the establishment of any salary, other compensation, or other terms of employment) with the Company so long as that transaction is not expressly prohibited by this Agreement and so long as the terms and conditions of that transaction, on an overall basis, are fair and reasonable to the Company and are at least as favorable to the Company as those that are generally available from persons capable of similarly performing them and in similar transactions between parties operating at arm's length. A transaction between a Manager or any Affiliate, on the one hand, and the Company, on the other hand, will be conclusively determined to constitute a transaction on terms and conditions, on an overall basis, fair and reasonable to the Company and at least as favorable to the Company as those generally available in a similar transaction between parties operating at arm's length if Members, who hold a Majority Interest having no interest in such transaction (other than their interests as Members), affirmatively vote or consent in writing or electronic transmission to approve the transaction. Notwithstanding the foregoing, a Manager will not have any obligation, in connection with any such transaction between the Company and the Manager or an Affiliate of the Manager, to seek the consent of the Members.

5.8 Payments to Manager. Except as specified in this Agreement or separate employment or consulting agreement, no Manager or Affiliate of a Manager is entitled to remuneration for services rendered or goods provided to the Company. The Company shall reimburse the Manager(s) for the actual cost of goods and materials used for or by the Company. The Company shall also pay or reimburse the Manager(s) for organizational expenses (including legal and accounting fees and costs) incurred to form the Company and prepare the Articles and this Agreement and other reasonable expenses.

5.9 Officers. The Manager(s) may appoint officers of the Company at any time, who will serve at the discretion of the Manager(s), subject to all rights, if any, of an officer under an employment contract. The Manager(s) shall determine the powers, duties and compensation of all officers. Subject to the rights, if any, of an officer under an employment contract, any officer may be removed, either with or without cause, by the Manager(s) at any time.

5.10 Actions by the Manager(s). Any action required or permitted to be taken at any meeting of the Manager(s) may be taken without a meeting, if all of the Manager(s) consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the books and records of the Company.

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**ARTICLE VI**  
**ALLOCATION OF NET PROFITS, NET LOSSES, AND**  
**DISTRIBUTIONS**

**6.1 Allocation of Net Profits and Net Losses.**

(a) After giving effect to the special allocations set forth in Section 6.2 for each fiscal year, Net Profits for each fiscal year will be allocated as follows:

1. first, to the Members in proportion to and to the extent of the amount equal to the remainder, if any, of (A) the cumulative Net Losses allocated to each such Member pursuant to Section 6.1(b) for all prior fiscal years, over (ii) the cumulative Net Profits allocated to each such Member pursuant to this Section 6.1(a) for all prior fiscal years; and
2. second, the remainder of Net Profits in accordance with those Members' Percentage Interests.

(b) After giving effect to the special allocations set forth in Section 6.2 for each fiscal year, Net Losses for each fiscal year shall be allocated as follows:

1. first, in accordance with the Members' Percentage Interests; and
2. second, the Net Losses allocated pursuant to this Section 6.1(b) shall not exceed the maximum amount of Net Losses that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any fiscal year. All Net Losses in excess of the limitation will be allocated to the other Members in proportion to those Members' Percentage Interests.

**6.2 Special Allocations.**

(a) In order to comply with the "qualified income offset" requirement of Regulations under Code Section 704(b), and notwithstanding any other provision of this Agreement to the contrary except as provided in Section 6.2(b) and Section 6.2(e), in the event a Member for any reason (whether or not expected) has an Adjusted Capital Account Deficit, items of profit (consisting of a pro rata portion of each item of income comprising the Company's profits, including both gross income and gain for the taxable year) will be allocated to that Member in an amount and manner sufficient to eliminate as quickly as possible the Adjusted Capital Account Deficit.

(b) In order to comply with the "minimum gain chargeback" requirements of Regulations Sections 1.704-2(f)(1) and 1.704-2(i)(4), and notwithstanding any other provision of this Agreement to the contrary, except Section 6.2(e), in the event there is a net decrease in a Member's share of Company Minimum Gain or Member Nonrecourse Debt Minimum Gain during a Company taxable year, that Member will be allocated items of income and gain for that year (and, if necessary, other years) as required by and in accordance with Regulations Sections 1.704-2(f)(1) and 1.704-2(i)(4) before any other allocation is made.



(c) For purposes of determining the character (as ordinary income or capital gain) of any taxable income of the Company allocated to the Members pursuant to this Section 6.2, such portion of the taxable income of the Company allocated pursuant to this Section 6.2 which is treated as ordinary income attributable to the recapture of depreciation will, to the extent possible, be allocated among the Members in the proportion that (1) the amount of depreciation previously allocated to each Member bears to (2) the total of such depreciation allocated to all Members. This Section 6.2 will not alter the amount of allocations among the Members pursuant to Section 6.1, but merely the character of income so allocated.

(d) Notwithstanding the foregoing, in the event any Member's Percentage Interest changes during a Fiscal Year for any reason, including the transfer of any interest in the Company, the Manager(s) shall adjust (in a manner the Manager(s) deem appropriate) such allocations of taxable income or loss as necessary to reflect the varying interests of the Members during such year.

(e) Notwithstanding the foregoing, (1) in the event Code Section 704(c) or Code Section 704(c) principles applicable under Regulations Section 1.704-1(b)(2)(iv) require allocations of income or loss of the Company in a manner different than that set forth above, the provisions of Code Section 704(c) and the Regulations thereunder will control those allocations among the Members; and (2) all tax deductions and taxable losses of the Company that, pursuant to Regulations Section 1.704-2(i), are attributable to a Member Nonrecourse Debt for which a Member (or a Person related to that Member under Regulations Section 1.752-4(6)) bears the economic risk of loss (within the meaning of Regulations Section 1.752-2), will be allocated to that Member as required by Regulations Section 1.704-2(c). Any item of income, gain, loss and deduction with respect to any property (other than cash) that has been contributed by a Member to the capital of the Company or which has been revalued for Capital Account purposes pursuant to Regulations Section 1.704-1(b)(2)(iv) and which is required or permitted to be allocated to that Member for income tax purposes under Code Section 704(c) so as to take into account the variation between the tax basis of that property and its fair market value at the time of its contribution shall be allocated solely for income tax purposes in the manner so required or permitted under Code Section 704(c) using any method selected by the Manager(s) and the contributing Member that is properly permitted under Regulations Section 1.704-3.

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(f) Except for arrangements expressly described in this Agreement, no Member shall enter into (or permit any Person related to the Member to enter into) any arrangement with respect to any liability of the Company that would result in that Member (or a Person related to that Member pursuant to Regulations Section 1.752-4(b)) bearing the economic risk of loss (within the meaning of Regulations Section 1.752-2) with respect to that liability unless the Manager(s) have approved that arrangement. This Section 6.2(f) shall not prohibit any Member of the Company from satisfying the Member's obligation under state law to pay monies owed to any creditor of the Company on account of the Company's obligations. To the extent a Member is permitted to guarantee the repayment of any Company indebtedness under this Agreement, each of the other Members will be afforded the opportunity to guarantee that Member's pro rata share of that indebtedness, determined in accordance with the Members' respective Percentage Interests.

(g) The parties intend that the foregoing tax allocation provisions of this Section 6.2 will produce final Capital Account balances that will permit liquidating distributions, that are made in accordance with final Capital Account balances under Section 9.3, to be made (after unpaid loans and interest thereon, including those owed to Members, have been paid) in a manner identical to the priorities set forth in Section 9.3. To the extent that the tax allocation provisions of this Section 6.2 would fail to produce such final Capital Account balances, (1) such provisions will be amended by the Members if and to the extent necessary to produce such result, and (2) items of income, loss or deduction of the Company for prior open years will be reallocated among the Members to the extent it is impossible to achieve such result with allocations of items of income (including gross income) and deduction for the current year and future years. This Section 6.2(f) will control notwithstanding any reallocation or adjustment of income, loss, deduction or items thereof by the Internal Revenue Service or any other taxing authority.

6.3 Excess Nonrecourse Liability Allocation. Pursuant to Regulations Section 1.752-3(a)(3), solely for purposes of determining each Member's proportionate share of the "excess nonrecourse liabilities" of the Company (as defined in Regulations Section 1.752-3(a)(3)), the Members' respective interests in the Company's profits will be the Members' respective Percentage Interests.

6.4 Distribution of Distributable Cash by the Company.

(a) Subject to applicable law and any limitations contained elsewhere in this Agreement, the Manager(s) with the approval of a Majority Interest of the Members may elect to distribute Distributable Cash to the Members in proportion to their Percentage Interests.

(b) All such distributions shall be made only to the Persons who, according to the books and records of the Company, are the holders of record of the Economic Interests in respect of which those distributions are made on the actual date of distribution. Neither the Company nor any Manager will incur any liability for making distributions in accordance with this Section 6.4.

(c) To the extent cash is available, distributions will be required to be made yearly to cover any such tax liability caused by the LLC income, any remaining distributions will be at discretion of the

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- 6.5 Form of Distribution. A Member, regardless of the nature of that Member's capital contribution, has no right to demand and receive any distribution from the Company in any form other than money. No Member will be compelled to accept from the Company a distribution of any asset in-kind in lieu of a proportionate distribution of money being made to other Members. Except upon a dissolution and winding up of the Company, no Member will be compelled to accept a distribution of any asset in-kind.
- 6.6 Restriction on Distributions. No distribution will be made if, after giving effect to such distribution, either (1) the Company would be unable to pay its debts as they become due in the usual course of business or (2) the net assets of the Company would be less than zero (3) the Company has failed to repay in full all sums due to satisfy Member Loans to the Company.
- 6.7 Return of Distributions. Except for distributions made in violation of the Act or this Agreement, no Member or Assignee will be obligated to return any distribution to the Company or pay the amount of any distribution for the account of the Company or to any creditor of the Company. The amount of any distribution returned to the Company by a Member or Assignee or paid by a Member or Assignee for the account of the Company or to a creditor of the Company will be added to the account or accounts from which it was subtracted when it was distributed to that Member or Assignee.

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**ARTICLE VII**  
**TRANSFER AND ASSIGNMENT OF INTERESTS**

7.1 Restrictions on Transfer and Assignment of Interests. A Member shall not transfer, pledge or encumber any interest in the Company except in accordance with the terms of this Section or with the prior written consent of a Majority of Members who hold a majority of the Percentage Interests being 60% of all Member interest. An attempted transfer of an interest not in accordance with the terms of this section shall be invalid and shall not be reflected on the Company's books. Notwithstanding anything to the contrary herein, a Member may transfer all or part of his or her interest to a revocable living trust, of which the Member is the trustee, in which case the Member-trustee shall remain a Member, subject to all the terms and conditions of this Agreement, provided that any such transfer is approved by the affirmative vote of a Majority of the Members. During the five years subsequent to the execution of this agreement Members agree that their rights to transfer, pledge or encumber their member interest shall be limited to 20% each year. The Members also understand agree that during the first five years, the value of each percentage interest in the company they possess shall have a value of One Thousand (\$1000.00) Dollars; and the Member interest subject of sale may only be sold to the Company or an existing Member of the Company listed on Schedule A at the time of adoption of this operating agreement. During the first five years of operation of the Company, a Member may only be expelled for cause.

7.1.2 Death, Incapacity, or Permanent Disability.

(a) A Member shall be deemed to be "Permanently Disabled" upon and as of the date of occurrence of any one of the following events: (a) such Member is declared legally incompetent by a final court decree, or (b) if such Member is an employee of the Company, such Member is unable to perform substantially all of such Member's regular duties to the Company because of a medically determinable disease, injury, or other mental or physical disability and such disability (A) (i) has lasted six (6) consecutive months or (ii) has affected such Member for six (6) months out of a period of twenty-four (24) consecutive months, and (B) such Member is not likely able to engage in employment by the Company in a similar or compatible role in the future. The determination whether a disability meeting the requirements of clause (b) above exists (a "Disability Determination") shall be based on the written opinion of an independent physician mutually acceptable to the parties and the written opinion of such physician shall be conclusive on the issue of whether such Member is Permanently Disabled as provided under clause (b) above. Notwithstanding the foregoing, in the event the Company or other Members purchase a disability insurance policy (a "Disability Policy") for the purpose of funding their purchase rights or obligations hereunder, the determination of Permanent Disability hereunder (in such case, the "Disability Determination") shall be based solely on the determination that proceeds shall be delivered pursuant to the Disability Policy. In conjunction with a Disability Determination, each Member hereby consents to any required medical examination and agrees to furnish any medical information or consent requested by any examining physician and to waive any applicable physician-patient privilege that may arise because of such examination. Each Member further agrees that, in connection with any such examination, the personal representative of such Member shall furnish any such medical information, consent or waiver on behalf of such Member. Any physician must be board-certified in the specialty most closely related to the nature of the disability alleged to exist. For the purposes of a



Member that is a permitted Assignee, the Disability Determination with respect to the of the Person who made the permitted Assignment to such Member shall be deemed a Disability Determination of the Member.

(b) In the event of the death or incapacity of a Member, the Successor (as defined below) shall be deemed an Assignee and shall have only the rights accorded to Assignees pursuant to this Agreement, except to the extent that the Members unanimously agree to admit such Assignee as a Substitute Member pursuant to the terms of Section 7.6. Unless and until any such Assignee is admitted to the Company as a Substitute Member pursuant to the terms of Section 7.6, such Assignee shall have no right to participate in the management of the affairs of the Company, to vote any Membership Interest assigned to such Assignee, or to exercise any rights or powers of a Member. In the event of the death of a Member or in the event that a Member becomes Permanently Disabled (in either case, such Member being hereinafter referred to as the "Deceased Member");

(i) *Member Option to Purchase.* The other Members shall have the option, but not the obligation, for a period of ninety (90) days following the death of the Deceased Member or a determination that such Member is Permanently Disabled (the "Deceased Member Option Period"), to purchase from the Deceased Member or its estate (or in the case that a permitted Assignee held such Membership Interest, such permitted Assignee) (such permitted Assignee or estate hereinafter referred to as the "Successor"), all or any portion of the Membership Interest owned by the Deceased Member at death, pro rata in accordance with their Percentage Interests. For the purposes of a Member that is or was assigned a Membership Interest as a permitted Assignee, the death or determination as Permanently Disabled of the Person who made the permitted assignment to such Member shall be deemed the death of the Member.

(ii) If one or more of the Members desire to purchase the Membership Interest as offered, such Members must notify the Deceased Member or Successor, as applicable, and the Company of the exercise of the Members' Option prior to expiration of the Deceased Member Option Period. *Company Obligation to Purchase.* If the other Members fail to elect to purchase all of the Deceased Member's Membership Interest pursuant to Section 7.2(b)(i) prior to expiration of the Deceased Member Option Period, the Company shall be required to purchase from the Deceased Member or Successor, as applicable, all of the Membership Interest owned by the Deceased Member at death or the time of a determination that such Member is Permanently Disabled, and not otherwise purchased by the other Members.

## 7.2 Sale or transfer of Membership Interest and Right of First Refusal.

A Member (the "Selling Member") desiring to sell, assign or transfer such Member's Membership Interest, or who has reason to believe that an involuntary transfer or a transfer by operation of law is reasonably foreseeable, must first offer to sell, assign or transfer all, and not less than all, of such Member's Membership Interest (the "Offered Interest") to all of the other Members. The Selling Member shall first give the Manager and all Members written notice of his intent to sell,

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assign or transfer the Offered Interest and the price and terms thereof or of the knowledge that an involuntary transfer or transfer by operation of law is reasonably foreseeable along with any other facts that are or would reasonably be deemed material to the proposed transfer. Thereafter, all Members or any of them shall have thirty (30) days from the date of receipt of such notice to notify the Selling Member of their desire to purchase such Membership Interest at the price and on the terms and conditions set forth in the Member's offer. If more than one Member accepts such offer, the Membership Interest shall be apportioned among the Members so accepting in proportion to their respective Percentage Interest in the Company or in such other proportion upon which they mutually agree. Settlement of any sale to the Members under this Section 7.2(a) shall be made by the Selling Member and the applicable purchasing Members within (i) ninety (90) days after notice of desire to purchase or (ii) the time, if any, provided in the Member's offer, whichever is later.

(a) In the event none of the other Members notify the Selling Member in writing that they intend to exercise their right to purchase such interest, the Selling Member shall be free to seek a "bona fide offer" (as hereinafter defined) to purchase such Membership Interests from third parties. Upon receipt of a bona fide offer to purchase, the Selling Member shall offer in writing to sell and assign such Membership Interests to the other Members upon the terms and conditions set forth in the bona fide offer, with a complete copy of the bona fide offer attached. The other Members or any of them shall have fifteen (15) days in writing from receipt of written notice of such bona fide offer within which to notify the Selling Member of their intent to exercise their right of first refusal to purchase such Membership Interests upon the terms and conditions of the offer. If more than one Member accepts such offer, the Membership Interests shall be apportioned among the Members so accepting according to Section 7.2(a) hereof. For purposes of this Section 7.2(a), the term "bona fide offer" shall mean and constitute an offer in writing from any purchaser (i.e., a person who is financially capable of carrying out the terms of the offer) which (i) sets forth all relevant terms and conditions of the purchase, (ii) is to be accompanied by a good faith deposit equal to Ten percent (10%) of the proposed consideration to be paid for the Membership Interest, (iii) is in a form legally enforceable against the outside purchaser, and (iv) the consideration to be paid for the Membership Interests must be cash only, payable at settlement or on a deferred basis. Settlement of any sale to the other Members under this Section 7.2(a) shall be made by the Selling Member within forty-five (45) days from the date of written notification of the exercise of the right of refusal.

(b) In the event no Member exercises the right to purchase under Section 7.2(a) within the fifteen (15) day period, the Selling Member may sell and assign such Membership Interests to the prospective purchaser but only in accordance with the terms of the bona fide offer. The prospective purchaser shall only receive an Economic Interest in the Company and shall not be admitted as a Substituted Member unless all of the requirements of Section 7.4 hereof have been satisfied.

7.3 Purchase Price. The purchase price that the Members must pay for the Offered Interest shall be the same as any other proposed transfer to a third party pursuant to a bona fide offer under Section 7.2. In transfers that do not involve the exercise of the right of refusal following a bona fide offer, the purchase price that the Members must pay for the Offered Interest shall be the fair value of the Offered Interest. The fair value of the Offered Interest shall be that price that is mutually agreed

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upon by the Selling Member and the purchasing Members. If the Selling Member and the purchasing Members are unable to agree mutually on the fair value of the Offered Interest within ten (10) days from the date the purchase option is accepted by the purchasing Members, the fair value of the Offered Interest shall be equal to the Selling Member's proportionate share of the net worth of the Company ("Appraised Value") determined as follows:

(a) The Appraised Value of the Company shall be determined by two appraisers, one to be selected by the Selling Member and one to be selected by the purchasing Members, both such selections to be made within twenty (20) days from the date the purchase option is accepted by the purchasing Members. Each of the appraisers designated hereunder shall be a recognized independent appraiser qualified to make a valuation of the Company, having no direct or indirect relationship in or with any of the Members. The appraisers designated hereunder shall value the Company at its fair value. In addition, the appraisers shall not consider any discount for lack of a majority interest, nor any premium for a controlling interest.

(b) The Appraised Value of the Company agreed upon by the two appraisers shall be conclusive and binding upon the Members; provided however, that in the event that such two appraisers are unable to agree upon the Appraised Value of the Company within sixty (60) days of their appointment, then they shall, within ten (10) days thereafter, together appoint a third similarly qualified appraiser to conduct a valuation of the Company and issue a report in which that appraiser shall set forth each of the three appraisers' determination of the Appraised Value of the Company. The Appraised Value of the Company determined by the third appraiser (which determination shall be made within thirty (30) days of his appointment) shall govern and be conclusive and binding upon the Members unless it varies, whether higher or lower than the values determined by each of the first two appraisers, by more than twenty percent (20%) of either of the values determined by the first two appraisers, in which case the Appraised Value of the Company shall equal the average of the three values determined by the three appraisers, which value shall govern and be conclusive and binding upon the parties. The respective Members, or their representatives, shall each bear the cost of their duly appointed appraiser, and shall share equally in the cost of the third appraiser.

(c) Purchase Terms. In the event of a transfer to a third party pursuant to a bona fide offer under Section 7.2, the terms of purchase shall be the same as those in the bona fide offer or premium;

(d) The Closing. The purchase of a Membership interest under this section shall take place at a closing to be held not later than the tenth (10th) day after the earlier of the date on which the Members' purchase options have all expired, or the earliest date on which the Members in the aggregate exercise their purchase options, if any, to buy all of the Offered Interest and the purchase price is conclusively determined as provided herein. The closing shall be held during normal business hours at the Company's principal business office, or at any other place to which the parties agree. If the Selling Member is not present at the closing, then the buyer shall deposit the purchase price by check, note, or both, as this section requires, with any state or nationally chartered bank with which the Company has an account, as escrow agent, to be paid to the Selling Member as soon as is reasonably practicable, less an appropriate fee to the Company (not to exceed two thousand dollars (\$2,000.00) to cover additional administrative costs, and the Company shall adjust its books to reflect the transfer of these Membership Interests.

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#### 7.4 Substitution of Member.

- (a) An Assignee or successor to all or any portion of a Membership Interest of a Member shall become a substituted Member in place of his assignor ("Substituted Member") only upon satisfaction of the following conditions: (i) Except as otherwise provided for below, a Majority of the nonassigning Members consent to the admission of the Assignee as a Substituted Member; (ii) the assignor and Assignee file evidence of transfer and such other information reasonably required by each of the Members, including, without limitation, names, social security numbers or employer identification numbers, addresses and telephone numbers of the assignor and Assignee; (iii) the Assignee agrees to be bound by the terms and conditions of this Agreement and executes such other documents as may be reasonably requested by the Members including without limitation, all documents necessary to comply with applicable law; and (iv) the assignor or Assignee pays all costs and fees incurred or charged by the Company to effect the transfer and substitution, including without limitation counsel fees in connection with any opinion the Members may determine to be prudent to obtain in connection with such transfer and substitution. SCHEDULE A will be amended upon the admission of Substituted Member to set forth that Member's name, address, and applicable capital contribution. (v) Substituted Member will not be admitted if the Manager(s) determines that said Membership will be detrimental to the business of the Company and jeopardize the issuance and or renewal of any licenses held by the Company.
- (b) If an Assignee of a Member does not become a Substituted Member pursuant to this Section 7.4 the Assignee shall not have any rights to require any information on account of the Company's business, to inspect the Company's books, to participate in the management or operation of the Company, or to vote or otherwise take part in the affairs of the Company and shall only have an Economic Interest.
- (c) Unless named in this Agreement, or unless admitted to the Company as above provided in this Article VII, no Person shall be considered a Member, and the Company, each Member, and any other Persons having business with the Company need deal only with Members so named or so admitted and shall not be required to deal with any other Person by reason of an assignment by a Member or by reason of the death, incapacitation or divorce of a Member.
- (d) Notwithstanding the foregoing, no Person shall be admitted as a Member pursuant to this section or any other section unless and until any federal, state and/or local regulatory or licensing requirements are satisfied regarding the admission of a new member.

#### 7.5 Rights of Assignee of Economic Interest.

7.5.1 An Assignee of an Economic Interest shall be entitled to receive, to the extent assigned, only distributions to which the assignor otherwise would be entitled while such assignment remains in effect. Such Assignee, however, will be responsible for all obligations, including, without limitation, the obligations pursuant to Section 3.2. An Assignee of an Economic Interest shall not be entitled to participate in the management or affairs of the Company or to be admitted as a Member or exercise any rights of a Member unless admitted as a Substitute Member pursuant to Section 7.4 hereof.

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7.5.2 Except as otherwise expressly provided in this Article VII or by applicable law, no assignment of an Economic Interest shall be effective for any purpose nor shall the Company be obligated in any manner to an Assignee of an interest until the Company has received notice of such assignment.

7.5.3 Whether or not admitted as a Substitute Member, each Assignee of an Economic Interest shall be fully bound by all limitations set forth in this Article VII with respect to any further assignment.

7.6 Involuntary Assignment by Member. In the event that a Member's Membership Interest is taken by levy, foreclosure, charging order, execution, or other similar involuntary proceeding, the Company shall not dissolve but the Assignee of said Membership Interest shall receive only an Economic Interest attributable to said Membership Interest and, in no event, shall said Assignee have the right to interfere with the management or administration of the Company business or its affairs or to become a Member entitled to exercise the rights of a Member, i.e., become a substitute Member, except as otherwise provided herein.

7.7 Expulsion. During the first five years of this Agreement, any Member who is expelled from the Company (i) upon the affirmative vote of expulsion by Sixty (60 %) Percent of all other Members for cause, shall be entitled to payment for their Member Interest pursuant to 7.1. Subsequent to the first five years of this Agreement, any Member may be expelled from the Company for reason or no reason (i) upon the affirmative vote of expulsion by Sixty (60 %) Percent of all other Members for any reason or no reason. An expelled Member shall be entitled to payment of the fair value for his/her interest in the Company. The fair value of an expelled Member's interest in the Company shall be calculated in the manner as set forth in Section 7.3 and the purchase terms thereof; provided, however, the fair value of the Company shall be calculated without regard to the capital contribution made by any member.

## **ARTICLE VII**

### **ACCOUNTING RECORDS REPORTING**

8.1 Books and Records. The books and records of the Company will be kept in accordance with the accounting methods followed for federal income tax purposes. The Company shall maintain at its principal office all of the following:

(a) a current list of the full name and last known business or residence address of each Member set forth in alphabetical order, together with the capital contributions, Capital Account, Member Loans and Membership Interest of each Member;

(b) a copy of the Articles and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which the Articles or any amendments thereto have been executed;

(c) copies of the Company's federal, state, and local income tax or information returns

and reports, if any, for the six (6) most recent taxable years;

(d) a copy of this Agreement and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which this Agreement or any amendments thereto have been executed;

(e) copies of the financial statements of the Company, if any, for the Three (3) most recent Fiscal Years; and

(f) the Company's books and records as they relate to the internal affairs of the Company, including minutes, resolutions and consents for at least the current and past Three (3) Fiscal Years.

8.2 Reports. The Company shall cause to be filed, in accordance with the Act, all reports and documents required to be filed with any governmental agency. The Company shall cause to be prepared, at least annually, information concerning the Company's operations necessary for the completion of the Members' federal and state income tax returns. The Company shall send or cause to be sent to each Member within ninety (90) days after the end of each taxable year (1) such information as is necessary to complete the Members' federal and state income tax or information returns and (2) a copy of the Company's federal, state, and local income tax or information returns for the year.

8.3 Bank Accounts. The Manager(s) shall maintain the funds of the Company in one or more separate bank accounts in the name of the Company, and shall not permit the funds of the Company to be commingled in any fashion with the funds of any other person.

8.4 Tax Matters Partner. Stephen Biszko is designated as "Tax Matters Partner" (as defined in Code Section 6231), to represent the Company (at the Company's expense) in connection with all examination of the Company's affairs by tax authorities and to expend Company funds for professional services and costs associated therewith.

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and reports, if any, for the six (6) most recent taxable years;

(d) a copy of this Agreement and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which this Agreement or any amendments thereto have been executed;

(e) copies of the financial statements of the Company, if any, for the Three (3) most recent Fiscal Years; and

(f) the Company's books and records as they relate to the internal affairs of the Company, including minutes, resolutions and consents for at least the current and past Three (3) Fiscal Years.

8.2 Reports. The Company shall cause to be filed, in accordance with the Act, all reports and documents required to be filed with any governmental agency. The Company shall cause to be prepared, at least annually, information concerning the Company's operations necessary for the completion of the Members' federal and state income tax returns. The Company shall send or cause to be sent to each Member within ninety (90) days after the end of each taxable year (1) such information as is necessary to complete the Members' federal and state income tax or information returns and (2) a copy of the Company's federal, state, and local income tax or information returns for the year.

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ARTICLE IX  
DISSOLUTION AND WINDING UP

9.1 Conditions of Dissolution. The Company shall dissolve upon the occurrence of any of the following events:

- (a) upon the happening of any event of dissolution specified in the Articles;
- (b) upon the entry of a decree of judicial dissolution pursuant to Section 40 of the Act;
- (c) upon the affirmative vote of Members holding a Majority Interest;
- (d) the sale of all or substantially all of the assets of Company.

9.2 Winding Up. Upon the dissolution of the Company, the Company's assets will be disposed of and its affairs wound up. Net Profits and Net Losses and items of income and deduction will be allocated as provided in Article VI. The Company shall give written notice of the commencement of the dissolution to all of its known creditors.

9.3 Order of Payment of Liabilities Upon Dissolution. Proceeds from a sale of substantially all assets of the Company or amounts available upon dissolution and liquidation of any remaining assets of the Company, after payment of, or reasonably adequate provision for, the debts and obligations of the Company (other than Member Loans), and liquidation of any remaining assets of the Company, shall be distributed and applied in the following priority:

(a) First, to fund reasonable reserves for liabilities not then due and owing and for contingent liabilities to the extent deemed reasonable by the Members provided that, upon expiration of such period of time as the Members shall deem as advisable, the balance of such reserves remaining after payment of such contingencies shall be distributed in the manner hereinafter set forth in this Section 9.3;

(b) Second, to the payment of Member Loans (including interest);

(c) Third, the balance, if any, to the Members, in accordance with their positive Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods; and

(d) Fourth, to all Members in proportion to their respective Membership Interests.

9.4 Limitations on Payments Made in Dissolution. Except as otherwise specifically provided in this Agreement, each Member will be entitled to look only to the assets of the Company for the return of the Member's positive Capital Account balance and will have

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no recourse for the Member's capital contribution or share of Net Profits against any other Member.

9.5 Certificates. The Company shall file with the Commonwealth of Massachusetts Articles of Cancellation upon the dissolution of the Company and a certificate of cancellation upon the completion of the winding up of the Company's affairs.

#### ARTICLE X INDEMNIFICATION

10.1 Indemnification. The Company shall indemnify any Member and Manager, and *may* indemnify any other Person with the consent of Members representing a Majority Interest, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that such Person is or was a Member, Manager, officer, employee or other agent of the Company or that, being or having been such a Member, Manager, officer, employee or agent, such Person is or was serving at the request of the Company as a manager, director, officer, employee or other agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, to the fullest extent permitted by applicable law.

#### ARTICLE XI MISCELLANEOUS

11.1 Investment Representations. Each Member hereby represents and warrants to, and agrees with, the Members and the Company as follows:

(a) the Member has a preexisting personal or business relationship with the Company or one or more of its officers, Manager(s) or controlling persons, or by reason of the Member's business or financial experience, or by reason of the business or financial experience of the Member's financial advisor who is unaffiliated with and who is not compensated, directly or indirectly, by the Company or any Affiliate or selling agent of the Company, the Member is capable of evaluating the risks and merits of an investment in the Company and of protecting the Member's own interests in connection with this investment;

(b) the Member has not seen, received, been presented with, or been solicited by any leaflet, public promotional meeting, article or any other form of advertising or general solicitation with respect to the sale of the Membership Interest;

(c) the Member is acquiring the Membership Interest for investment purposes for the Member's own account only and not with a view to or for sale in connection with any distribution of all or any part of the Membership Interest. No other person will have any direct or indirect beneficial interest in or right to the Membership Interest.

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11.2 Entire Agreement. This Agreement constitutes the entire agreement of the parties relating to the subject matter of this Agreement and supersedes all other oral or written agreements or policies relating thereto.

11.3 Binding Effect. Subject to the provisions of this Agreement relating to transferability, this Agreement will be binding upon and inure to the benefit of the Members, and their respective successors and assigns.

11.4 Parties in Interest. Except as expressly provided in the Act, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any Persons other than the Members and their respective successors and assigns nor shall anything in this Agreement relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

11.5 Governing Law. The laws of the Commonwealth of Massachusetts, without giving effect to principles of conflicts of laws, govern all matters arising under this Agreement, including all tort claims.

11.6 Arbitration. Except as otherwise provided in this Agreement, any controversy between the parties arising out of this Agreement shall first mediated by counsel for the Company, and if no resolution is found within a reasonable period of time then, be submitted to the American Arbitration Association for arbitration in Boston, Massachusetts. The costs of the arbitration, including any American Arbitration Association administration fee, the arbitrator's fee, and costs for the use of facilities during the hearings, shall be borne equally by the parties to the arbitration. Attorneys' fees may be awarded to the prevailing or most prevailing party at the discretion of the arbitrator. The arbitrator will not have any power to alter, amend, modify or change any of the terms of this Agreement nor to grant any remedy which is either prohibited by the terms of this Agreement, or not available in a court of law.

11.7. Severability. If any provision of this Agreement is unenforceable to any extent, the remainder of this Agreement, or application of that provision to any persons or circumstances other than those as to which it is held unenforceable, will not be affected by that unenforceability and will be enforceable to the fullest extent permitted by law.

JMB  
DPG  
S/A  
MBH



11.8 Notices. All notices, requests, demands and other communications required to or permitted to be given under this Agreement shall be in writing or electronic transmission and shall be conclusively deemed to have been duly given: (1) when hand delivered to the other party; (2) when received when sent by email electronic transmission at the address stated next to their names in SCHEDULE A. Any notice given by email shall be deemed received on the next business day if that notice is received after 5:00 p.m. (recipient's time) or on a nonbusiness day); (3) three (3) business days after the same have been deposited in a United States post office with first class or certified mail return receipt requested postage prepaid and addressed to the parties as set forth next to their respective names in SCHEDULE A; or (4) the next business day after same have been deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and UPS being deemed approved by the parties), postage prepaid, addressed to the parties as set forth below next to their respective names in SCHEDULE A with next-business-day delivery guaranteed, on the condition that the sending party receives a confirmation of delivery from the delivery service provider. Each party shall make an ordinary, good faith effort to ensure that it will accept or receive notices that are given in accordance with this Agreement, and that any Person to be given notice actually receives such notice. A party may change or supplement the addresses set forth on SCHEDULE A, or designate additional addresses, for purposes of this Section 11.8 by giving the other parties written notice of the new address in the manner set forth above.

11.9 Amendments. This Agreement may be amended in writing by a Majority of the Members, except that any provision of this Agreement that requires more than a Majority of the Members shall require a vote of the same number of Members in order to amend the provision.

11.10 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company right to maintain any action for partition with respect to any property of the Company.

11.11 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of all parties hereto and their heirs, assigns, and legal representatives.

11.12 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or by any creditors of a Member.

11.13 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations.

11.14 Counterparts. The parties may sign this Agreement in several counterparts, each of which will be deemed an original but all of which together will constitute one instrument.

JMB  
DP6  
SB  
MATH

**SCHEDULE A**


**Names, Membership Interest,  
and Initial Capital Contributions of Members**

Member	Percentage Interest	Capital Contribution
Douglas Guilbert PO Box 757 West Kingston, RI 02892	5%	\$0.00
Stephen Biszko 20 Development Street Fall River, MA	29%	\$25,000.00
Michael Biszko, III 20 Development Street Fall River, MA	56%	\$395,000.00
Jason Bates 27 Invernia Road Worcester, MA 01606	10%	\$0.00

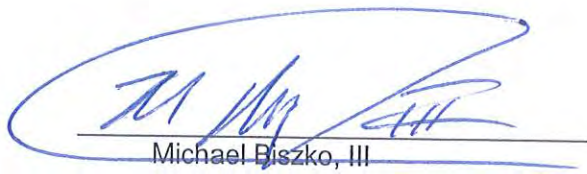
JMB  
DPG  
SD  
MJB

  
\_\_\_\_\_  
Douglas Guilbert

11/25/2020  
Date

  
\_\_\_\_\_  
Stephen Biszko

11/25/2020  
Date

  
\_\_\_\_\_  
Michael Biszko, III

11/25/2020  
Date

  
\_\_\_\_\_  
Jason Bates

11/25/20  
Date







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

William Francis Galvin  
Secretary of the  
Commonwealth

January 31, 2022

TO WHOM IT MAY CONCERN:

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

**AURA CANNABIS COMPANY, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **March 7, 2019.**

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; that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156C, § 70 for said Limited Liability Company's dissolution; 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 BISZKO**

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 BISZKO, BRIAN R COREY JR**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **STEPHEN BISZKO, BRIAN R COREY JR, BRIAN R COREY**



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  
Geoffrey E. Snyder, Commissioner

mass.gov/dor

Letter ID: L1688342208  
Notice Date: March 8, 2022  
Case ID: 0-001-439-550



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



AURA CANNABIS COMPANY LLC  
139 SO MAIN STREET SUITE  
FALL RIVER MA 02721

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

The Commissioner of Revenue certifies that, as of the date of this certificate, AURA CANNABIS COMPANY 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) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 9:00 a.m. to 4:00 p.m..

### ***Visit us online!***

Visit [mass.gov/dor](https://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

## **Department of Unemployment Assistance Good Standing Attestation**

Aura Cannabis Company, LLC., in compliance with 935 CMR 500.101(1) , that it has no current employees and is not currently registered with the Department of Unemployment Assistance. Aura Cannabis Company, LLC., will comply and register with the Department in compliance with the laws of the Commonwealth of Massachusetts upon issuance of the provisional licenses for operation and hiring of employees.

## **PLAN FOR OBTAINING LIABILITY INSURANCE**

Aura Cannabis Company, LLC ("Company") will conform with all requirements of 935 CMR 105 (10) et seq. Upon granting of licensure by all necessary local and state agencies for the retail sale of marijuana and marijuana products as defined by 935 CMR 500, the Company will issue a Request for proposals to insurance agencies licensed to issue policies within the Commonwealth of Massachusetts. The Company will obtain and acquire general liability insurance coverage for no less than One Million (\$1,000,000.00) Dollars per occurrence and Two Million (\$2,000,000.00) in aggregate, annually, with a per occurrence deductible no higher than Five Thousand (\$5000.00) Dollars.

In the event that the Company is unable to obtain liability coverage as required by 935 CMR 105 (10) (a), it will place into escrow a sum no less than Two Hundred and Fifty Thousand (\$250,000.00) or any other such amount deemed necessary and approved by the Cannabis Control Commission, in lieu of said liability insurance. The Company will do this in conformance with the requirements of 935 CMR 105 (10) (b-c). In the event of any expenditure of escrowed funds in payment of a claim for liability, the Company in conformance with 935 CMR 105(b) shall replenish said funds within ten business days of said expenditure.

Pursuant to the requirements of 935 CMR 105 (10)(d), the Company shall document compliance with 935 CMR 105(10) in a manner and form determined by the Cannabis Control Commission pursuant to 935 CMR 500.000.

AURA CANNABIS LLC  
Phone: 774-263-8241  
Stephenbiszko@gmail.co  
m



# BUSINESS PLAN

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## CANNABIS RETAIL

*This document contains  
Confidential & Proprietary Information  
belonging exclusively to Aura Cannabis Company LLC.*

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## 01

# Executive Summary

## Company Summary

## Market Opportunities

## Start-up Summary

## Financial Summary

## Company Summary

Aura Cannabis is a brand of a cannabis store that will provide an unparalleled shopping experience.

Our cannabis store will be located on one of the busiest streets in Fall River, Massachusetts. The facility is well positioned, and it matches the ideal picture of a community dispensary. Although the business is launching with just one outlet in Fall River, we have plans to open other outlets in key locations all around Massachusetts.

Our knowledgeable budtenders will navigate and guide our customers through our vast product variety featuring locally sourced medicines along with our core product line of the highest quality cannabis flowers, concentrates, edibles and more.

Aura is to be organized/formed as a Limited Liability Company (LLC)/Corporation and will be led by Stephen Biszko who will serve as President.

## Products & Services

Aside from the dispensing of dried cannabis and concentrates which are our core products, Aura will sell a wide range of additional cannabis Infused products such as edibles and topicals. We will also engage in the sale of accessories and supplies related to concentrate delivery methods.

Aura will ensure that all our customers are given first class treatment whenever they visit our store. We have a CRM software that will enable us to manage a one-on-one relationship with our customers no



matter how large our client base grows. We will ensure that we get our customers involved in their own personal health decisions to make the right choices for their unique needs.

**Our mission:** To provide high quality cannabis to customers with a product and service they can trust. To build our brand on the core values of customer service and care, hospitality, highest standards of quality, honesty, integrity and community outreach.

**Goal:** Our primary goal is to advocate and support a proactive approach to health management by providing a local and safe environment to dispense cannabis products.

**Management:** Our owners have several years' combined experience and will develop strong vendor relationships and many strategic partnerships extending nationally and covering all areas of the Cannabis Industry.

## Market Opportunities

According to the report by Arcview Market Research and BDS Analytics: “The Road Map to a \$57 Billion Worldwide Market”<sup>1</sup>, spending on legal cannabis worldwide is expected to hit \$57 billion by 2027. The recreational cannabis market will cover about 67% of the spending while medical cannabis will take up the remaining 33%.

The North America legal cannabis market amounted to \$12 billion in 2018, growing by 30 percent on the year. The largest market was the United States, which totaled \$10.4 billion. It was followed by Canada with \$1.6 billion. Analysts predict the overall cannabis market for legal adult-use and medical sales in North America to reach \$24.5 billion by 2021 with the compound annual growth rate (CAGR) to almost 28%.

Over 60% of the U.S. population now lives in states and territories that have legalized some form of cannabis use and sales.

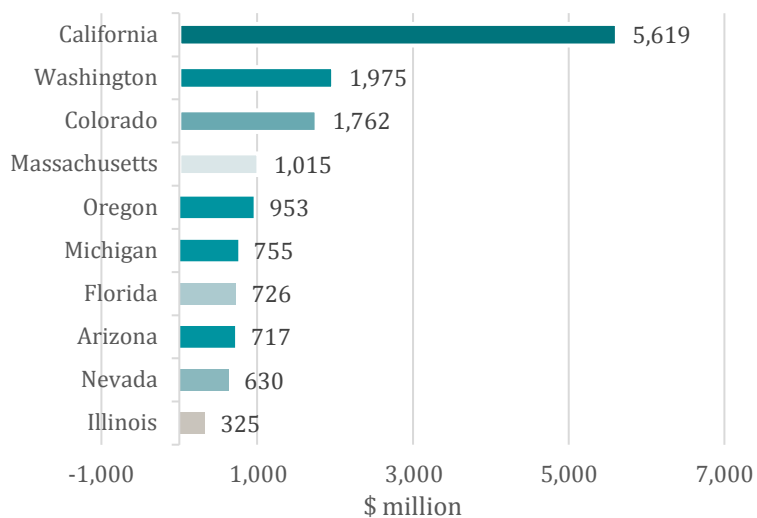


Figure 1. Medical and recreational cannabis sales in top states, 2020

In 2008 Massachusetts voters decriminalized the possession of small amounts of cannabis and in 2012 Massachusetts became the 18<sup>th</sup> state to legalize medical cannabis through a ballot.

In November 2016, Massachusetts voters approved Question 4, the initiative to legalize the recreational use of cannabis and first retail cannabis business was opened in Massachusetts in November 2018.

Cannabis stores sold about \$9.3 million worth of cannabis products during the first month and in May 2019 total legal cannabis sales exceeded \$120 million, according to figures released by the Cannabis Control Commission<sup>2</sup>.

It is expected over 700,000 customers potentially interested in using of a recreational cannabis and adult-use cannabis market in Massachusetts is projected to become a \$1 billion industry by 2020. Research from multiple cannabis data and investment firms predict Massachusetts can become such a travel destination.

<sup>1</sup> <https://arcviewgroup.com/research/reports/>

<sup>2</sup> <https://opendata.mass-cannabis-control.com/stories/s/xwwk-y3zr>

## Start-up Summary

The business will be fully funded with \$1 million. This will include total capital cost of over \$500,000 leaving nearly \$500,000 as working capital.

Table 1. Start-up expenses, \$

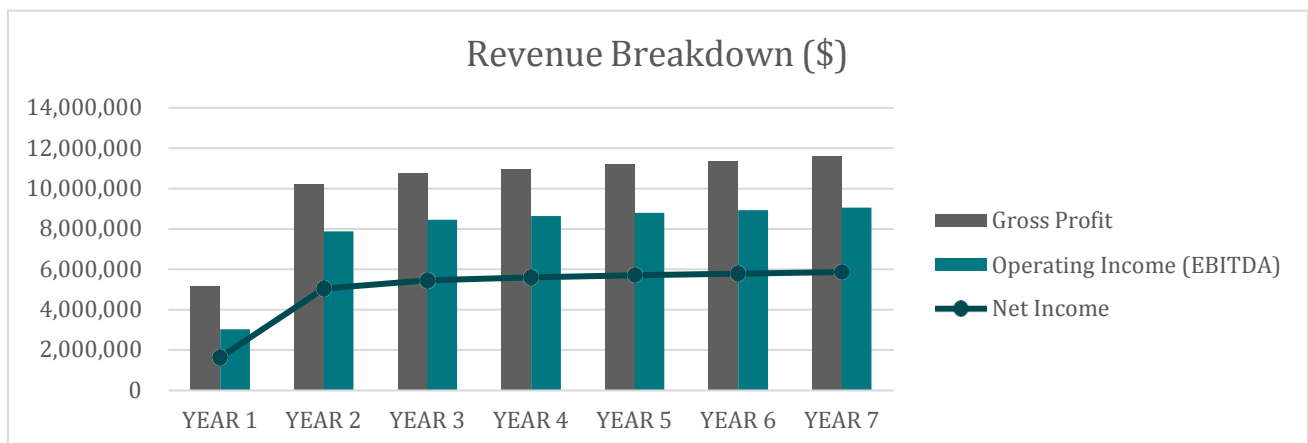
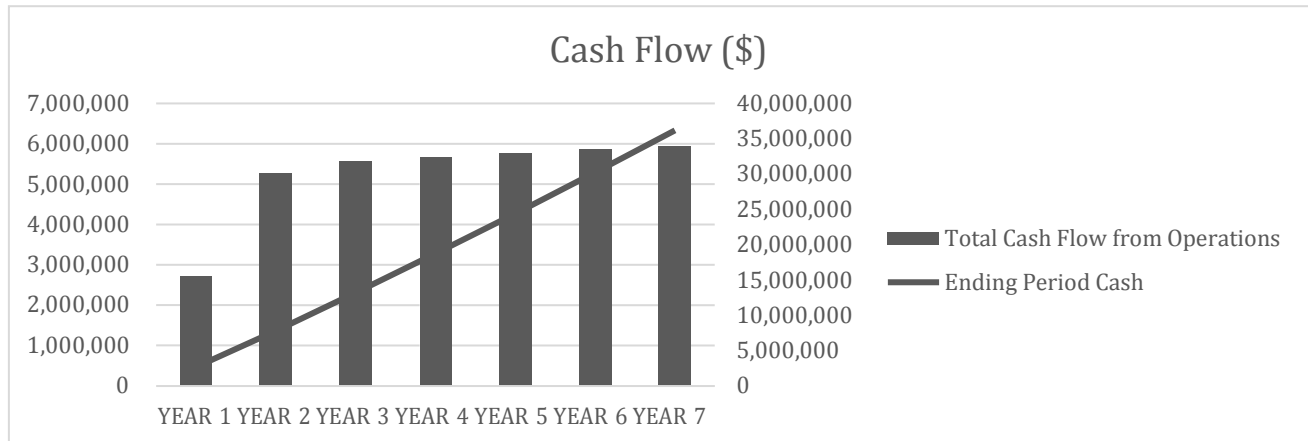
\$	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>CAPEX</b>				
<b>Land &amp; Development</b>	0	0	0	0
<b>Space improvements including finishing/painting, kitchen, office space, bathrooms, etc.</b>	283,500	0	0	0
<b>Security system including multiple camera feeds and metal/weapons detectors</b>	126,000	0	0	0
<b>Furniture, Display Counters, Refrigerators, Freezers, Multiple POS/ Cash Registers, Registration Computer, Commercial Label Printer, Storage Hardware and Shelving</b>	115,500	0	0	0
<b>Cost for Computer Software (Accounting Software, Payroll Software, CRM Software, Microsoft Office, etc.)</b>	21,000	0	0	0
<b>Other</b>	0	0	0	0
<b>Other</b>	0	0	0	0
<b>Other</b>	0	0	0	0
<b>Other</b>	0	0	0	0
<b>Other</b>	0	0	0	0
<b>OPEX</b>				
<b>Direct Costs</b>	965,102	1,274,603	1,744,194	2,213,784
<b>Initial &amp; General Costs</b>	122,875	70,875	70,875	70,875
<b>Operating Expenses, including salaries</b>	278,173	350,507	355,100	359,694
<b>Marketing &amp; Sales Expenses</b>	83,863	120,779	120,779	120,779
<b>Misc.</b>	8,022	11,084	11,222	11,360
<b>Total</b>	<b>2,004,035</b>	<b>1,827,848</b>	<b>2,302,170</b>	<b>2,776,492</b>

## Financial Summary

Aura Cannabis will fund its startup costs largely through personal savings and private investments.

From a total investment of \$1 million, **Aura** is expected to generate nearly \$12 million in gross revenues with net income of over \$5 million in its first full year of operations. Revenues are expected to grow to nearly \$2 million year over year market dependent.

After the first year of operations, it is expected that **Aura** will be able to trim expenses through realizing business efficiencies, gaining operational experience and industry knowledge.



## Direct and Indirect Social Impacts

Table 2. Taxes flow, \$

	Year 1	Year 2	Year 3	Year 4
Federal Tax	1,090,299	2,145,485	2,263,763	2,306,883
State Tax	237,113	625,552	671,838	687,733
Community programs	56,948	104,490	110,250	112,350



## 02

# Market Overview

**Global Cannabis Market**

**North America Cannabis Market**

**The U.S. Cannabis Market**

**U.S. Cannabis Retail Market**

**Massachusetts Cannabis Industry**

## Global Market

The global legal cannabis market amounted to \$9.5 billion in 2017, growing by 37 percent on the year, according to the report “The Road Map to a \$57 Billion Worldwide Market”<sup>3</sup>.

Spending on legal cannabis worldwide is expected to hit \$57 billion by 2027, while cannabis market in the United States and Canada is estimated to be about \$46.5 billion and other \$10.5 billion would go to other markets.

The largest growth rate is predicted within the rest-of-world markets, from \$52 million spent in 2017 to a projected \$2.5 billion in 2027.

The recreational cannabis market will cover about 67% of the spending while medical cannabis will take up the remaining 33%.

According to a report provided by Energias Market Research, the global medical cannabis market is projected to increase in value from \$8.28 billion in 2017 to \$28.07 billion in 2024 and at a CAGR of 19% from 2018 to 2024.

### Key Trends:

- The initial decision by many U.S. states and Canada to create medical-only cannabis regulations prompted many other countries to act similarly while legalization of adult recreational use in

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<sup>3</sup> <https://arcviewgroup.com/research/reports/>

California and Canada triggered a second wave of legalizing laws internationally to increase access to medical cannabis.

- South America countries have the most liberal medical cannabis programs. Led by Brazil, Argentina, Peru and Uruguay, the South American medical cannabis market may grow from \$125 million in 2018 to \$776 million in 2027.
- Germany is ready to become the leader of the European cannabis market, and Italy is expected to be second with \$1.2 billion in sales by 2027. Some form of medical cannabis is now legal in 22 countries in Europe.
- Australia's legal cannabis market is forecast to grow from \$52 million in 2018 to \$1.2 billion in 2027, the 5th largest in the world.
- Israel has a small population and a long history of legal medical cannabis use. It continues to be a leader over the years in the development of cannabis pharmaceuticals.

## North American Cannabis Market

The North America legal cannabis market amounted to \$12 billion in 2018, growing by 30 percent on the year. The largest market was the United States, which totaled \$10.4 billion. It was followed by Canada with \$1.6 billion.

The report from cannabis industry analysts Arcview Market Research, in partnership with BDS Analytics<sup>4</sup>, forecasts that the entire legal cannabis market in North America to reach \$24.5 billion in sales – a 28% annual growth rate by 2021 – as more countries and states legalize cannabis for recreational use and existing markets mature and will grow to \$47.3 billion six years later.

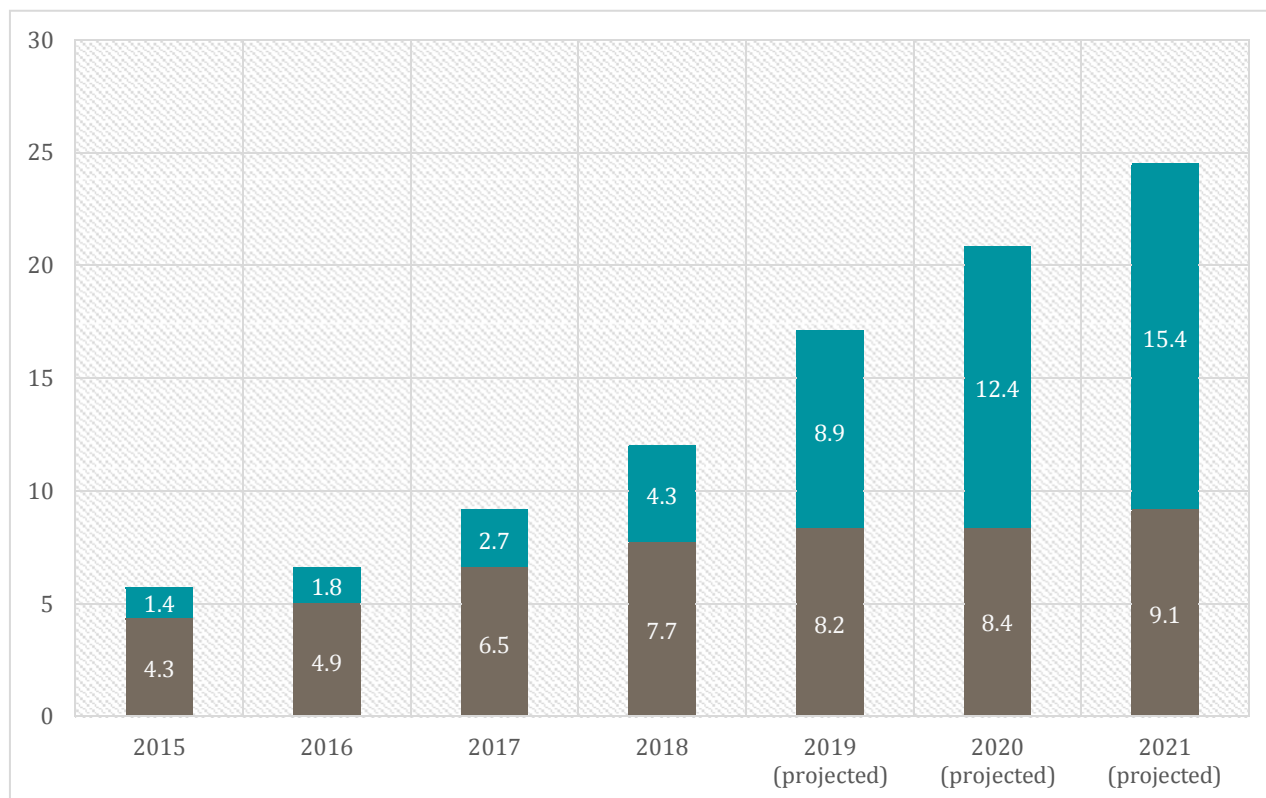


Figure 2. Medical and recreational cannabis sales forecast, billion \$

<sup>4</sup> <https://bdsanalytics.com/>





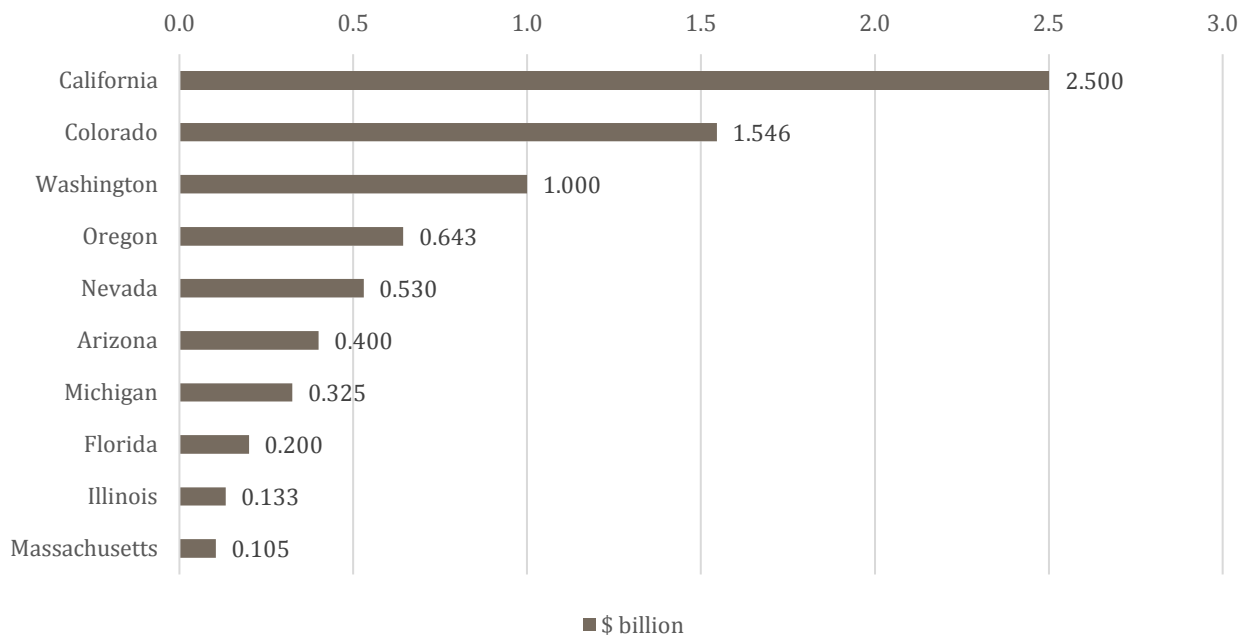


Figure 4. Medical and recreational cannabis sales in top states, 2018

There are about 10,000 active licenses for cannabis businesses in the U.S., according to Statista<sup>6</sup>. This includes cultivation, extraction and manufacturing, retail, distribution and testing licenses.

The industry employed 121,000 people in 2017 and 259,000 people in 2018. If cannabis market continues its growth trend, the number of workers in that industry could reach about 500,000 by 2022, according to New Frontier Data.

<sup>6</sup> <https://www.statista.com/statistics/596641/us-cannabis-businesses-number/>

## U.S. Cannabis Retail Market

The expected growth came after a solid 2016, when recreational cannabis sales increased by 80% to reach \$1.8 billion. Colorado and Washington led the charge, while Oregon's adult-use market posted strong sales gains in its first full calendar year of operation. The industry also saw a spike in medical cannabis sales, as patient counts rose in new states and continued climbing in mature markets.

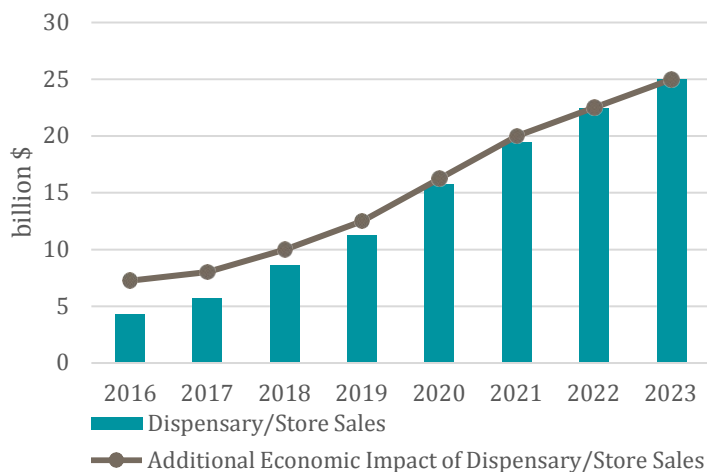


Figure 5. Cannabis retail industry economic impact

dispensaries and retail stores throughout the country according to data from Cannabiz Media<sup>7</sup>.

According to the data published in MJBizdaily Factbook, 2018 sales of legal recreational and medical cannabis in the United States surpassed \$8.5 billion<sup>8</sup>.

From 2018 to 2023, sales of legal cannabis in the United States are expected to grow by almost 200%. The total economic output from legal cannabis will grow 150% from \$16 billion in 2017 to \$40 billion by 2021, according to the "US Legal Cannabis: Driving \$40 Billion Economic Output" report released by Arcview Market Research, in partnership with BDS Analytics.

The level of sophistication and involvement among investors in the cannabis industry varies quite widely, as some belong to cannabis-specific venture capital firms while others have taken a material interest in a friend or family member's cannabis business. But in general, more investors are pumping money into the cannabis industry than ever before, and they're also increasing the size of their capital placements. The average investor/investment firm involved in the cannabis industry has placed \$450,000 in cannabis companies.

According to a BDS Analytics report, the retail sector owed \$1 billion in state taxes in 2016 and another \$1.4 billion in 2017.

In 2017, overall cannabis sales in the United States at the retail level to soar by 31.5%, hitting \$5.7 billion on the back of continued growth in existing recreational cannabis markets.

The cannabis retail market is growing at a high rate in the United States alone, with there currently being over 3,200 open and operating

<sup>7</sup> <https://cannabiz.media/growth-of-dispensaries-and-retailers/>

<sup>8</sup> <https://mjbizdaily.com/factbook/>

## Massachusetts Cannabis Industry

In 2008 Massachusetts voters decriminalized the possession of small amounts of cannabis and in 2012 Massachusetts became the 18<sup>th</sup> state to legalize medical cannabis through a ballot.

In November 2016, Massachusetts voters approved Question 4, the initiative to legalize the recreational use of cannabis for adults 21 years of age and older. In December 2016, the Massachusetts state legislature voted to delay sales of recreational cannabis for six months. Originally, licensing for cannabis shops was set to begin in January 2018, but the delay moved the date and first retail cannabis business opened in Massachusetts in November 2018.

### Cannabis Control Commission (CCC) Deadlines<sup>9</sup>

<i>March 15, 2018</i>	CCC shall promulgate rules and regulations for the issuance of licenses.
<i>April 1, 2018</i>	Accept applications for licenses.
<i>April 1-15, 2018</i>	Review applications of operating medical establishments and businesses that demonstrate experience in or business practices that promote economic empowerment in communities disproportionately impacted, for grant or denial of license.
<i>May 1, 2018</i>	Independent Testing Laboratory regulations and rules promulgated. Regulations for Nantucket and Duke counties promulgated.
<i>June 1, 2018</i>	CCC received first applications including 51 the most completed to review.
<i>November 20, 2018</i>	First Retail Marijuana Establishments opened in Massachusetts.

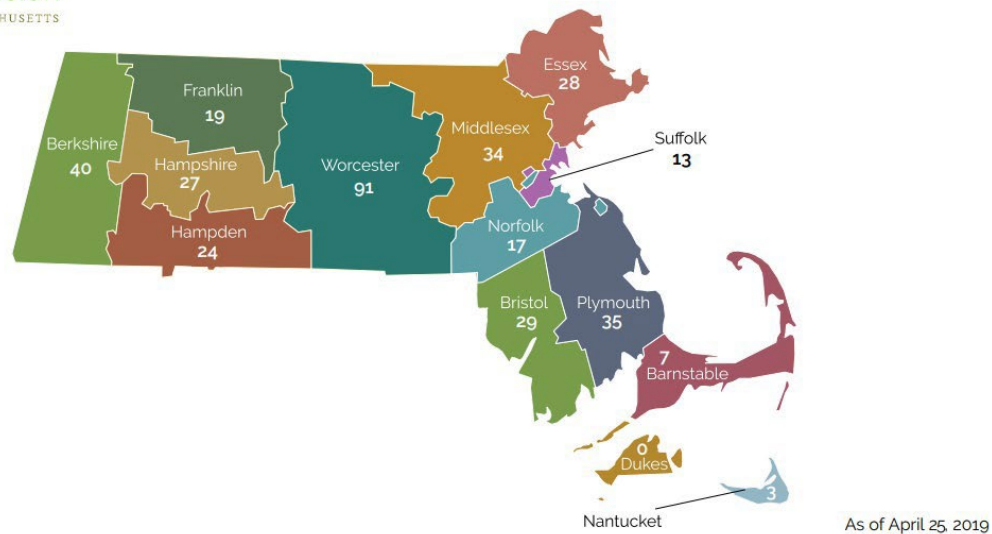
In 2018, there were over 60,000 (up from 19,000 in early 2016) people who have gotten medical cannabis cards that allow them to use medical cannabis legally to treat a variety of ailments. They were served by 47 medical cannabis dispensaries.

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<sup>9</sup> <https://mass-cannabis-control.com/>

## Adult-Use Applications and Licenses

As of May 2019, 259 pending applications have been submitted, including 105 retailer, 76 cultivator, 57 manufacturer, 7 microbusiness, 3 transporter and 3 testing licenses, and 144 licenses have been awarded, including 52 retailer, 45 cultivator, 39 manufacturer, 3 microbusiness, 2 transporter and 3 testing licenses. The review process includes a background check and a 60-day window during which the municipality in which the business hopes to locate must certify that the applicant has met all local requirements.



## Taxes

Adult use cannabis is subject to:

- state sales tax: 6.25%
- state excise tax 10.75%
- local option for cities or towns: up to 3%

## Adult-Use Sales and Product Distribution

Cannabis stores sold about \$9.3 million worth of cannabis products during the first month and in May 2019 total legal cannabis sales exceeded \$120 million, according to figures released by the Cannabis Control Commission<sup>10</sup>.

It is expected over 700,000 customers potentially interested in using of a recreational cannabis and adult-use cannabis market in Massachusetts is projected to become a \$1 billion industry by 2020. Research from multiple cannabis data and investment firms predict Massachusetts can become such a travel destination.

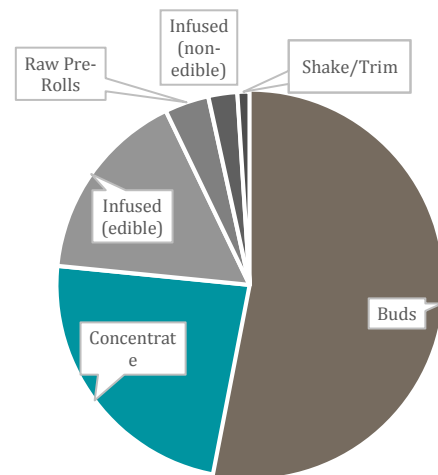


Figure 6. Total units sold by product category for one week

<sup>10</sup> <https://opendata.mass-cannabis-control.com/stories/s/xwwk-y3zr>



## 03

# Sales Strategy

## Marketing Plan

### Target Customers

### Sales Forecast

## Marketing Plan

Because cannabis is illegal under federal law, state governments and online advertising platforms are placing strict rules on how companies can market their products.

Google, Facebook and Twitter all have advertising policies that restrict the promotion of the sale of cannabis. Google's policy prohibits ads that promote "substances that alter mental state for the purpose of recreation." Facebook restricts any "illegal, prescription, or recreational drugs." And Twitter bans "illegal drugs" as well as substances that cause "legal highs." Instagram and Facebook have decided to go a step further by removing pages of cannabis related businesses.

The most effective strategies for legal marijuana companies are direct marketing at industry conferences and other events, building communities around marijuana -related concerns such as health and wellness. The marketing and sales strategy of **Aura** will be based on generating long-term personalized relationships with growers and manufactures.

Marketing and advertising campaign includes:

- Meeting with growers and manufactures
- E-mail Marketing
- Business events and conferences
- Business and industry associations
- Brand development

- Brochures
- Website development with search engine optimization
  - Keywords
  - Fresh content
- Mantis, 420 Network, 420 Click.

Table 3. Cannabis business directories

WEEDMAP <a href="https://weedmaps.com/">https://weedmaps.com/</a>	Cannabis finder on the planet. With over 7,750 listings throughout the U.S., Canada, and Europe.	WeedMaps has 7.96 million total visits each month.
LEAFY <a href="https://www.leafly.com/">https://www.leafly.com/</a>	Leafy is a cannabis information resource for finding the right strains and products. Services include: cannabis finder, online store, branding, doctors' portal.	Leafy has 226.27 thousand total visits each month.
	C	

## Target Customers

Aside from the dispensing of cannabis products, Aura Cannabis will sell a wide range of cannabis infused products to customers who are based in **Fall River and surrounding counties**. We will also engage in the sale of accessories such as pipes, lighters, apparel, etc.

**Aura** will ensure that all our customers are given first class treatment whenever they visit our store. We have a CRM software that will enable us to manage a one-on-one relationship with our customers no matter how large our client base grows. We will ensure that we get our customers involved in their own personal health decisions to make the right choices for their unique medicinal needs.

Medical cannabis customers come from diverse groups, ages, races and socioeconomic backgrounds. Ranging from young to old, treating chronic and terminal illnesses such as cancer, epilepsy, HIV/AIDS, and beyond.

## Sales Forecast

During the first year, Company intends to launch sales of the vendors' product line and it is expected to generate roughly \$17,000,000 in revenue.

The Company is projected to have an annual growth rate of 5% YOY.

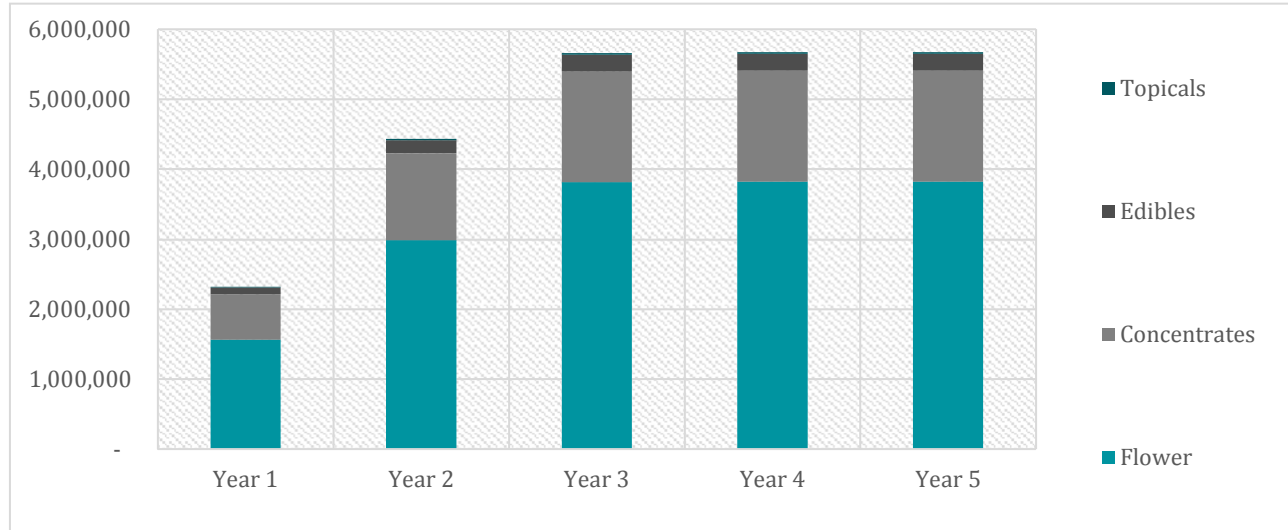


Figure 7. Sales forecast, \$

Table 4. Sales Forecast for first three years, \$

\$	1m	2m	3m	4m	5m	6m
<b>Year 1</b>	0	525,000	627,083	729,167	831,250	933,333
	7m	8m	9m	10m	11m	12m
<b>Year 1</b>	1,035,417	1,137,500	1,239,583	1,341,667	1,443,750	1,545,833
	1m	2m	3m	4m	5m	6m
<b>Year 2</b>	1,647,917	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
	7m	8m	9m	10m	11m	12m
<b>Year 2</b>	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
	1m	2m	3m	4m	5m	6m
<b>Year 3</b>	1,837,500	1,837,500	1,837,500	1,837,500	1,837,500	1,837,500
	7m	8m	9m	10m	11m	12m
<b>Year 3</b>	1,837,500	1,837,500	1,837,500	1,837,500	1,837,500	1,837,500

## 04

# Operating Plan

## Store Location and Facilities

### Physical Security

### Tracking Solution

## Cannabis Store Location and Facilities

### Location and Building Specifications

The physical address of our retail shop facility will be: 3

83 Mariano Bishop Blvd. Fall River, MA 02721

We have located our facility in a commercial use area that includes offices and manufacturing businesses. The store is a 8900 square foot space that Aura will be the sole occupant of the building this location has secure means of ingress and egress, is located in a light industrial complex, is in an area of manageable vehicular traffic, is not located near any schools. The facility has a front and a rear exit that will be guarded by security personnel during operating hours and will have a security presence after hours on the premises of the building. Each exit also has a metal accordion gate fence to deter unauthorized access. All trees, shrubs and foliage shall be maintained in accordance with 935 CMR 500.110(5).

A site plan showing the entire structure of the retail center, including the street, parking lot, other tenants within the facility, and any other entities that physically border the store is shown in

### Appendix B.

The internal plan of the facility will have the following configurations:

- ❖ Areas where cannabis will be kept or handled have no external doors or windows and can be accessed only from within the facility.
- ❖ An onsite safe shall be dedicated exclusively to securing cash pursuant to the requirements of 935 CMR 500.110(7)
- ❖ Cameras will monitor all areas where cash is kept, handled and packaged. 935 CMR 500.110(7)
- ❖ All cash shall be secured and transfered by authorized security personnel for deposit with the establishment's financial institution in accordance with 935 CMR 500.110 (7). The establishment will utilize an armored transport provider licensed pursuant to M.G.L. c 147 section 24.
- ❖ Walls separating the waiting room and retail area are 4" steel studded sheetrock walls with a solid-core wood door.
- ❖ The waiting room reception window will be equipped with emergency panic button.



- ❖ All main access point door hinges will be equipped with hinge-pin-locking screws to increase security.
- ❖ Cash and marijuana products will not be transported concurrently in accordance with 935 CMR 500.110(7)
- ❖

This configuration yields optimal conditions for surveillance. These existing design elements will not only make unauthorized access extremely unlikely, but also act as a deterrent discouraging thefts.

### **Floor Plan**

A floor plan of the retail store detailing the location of the following will be provided at a further date detailing.

- A. All entrances and exits
- B. The location of any windows, skylights, and roof hatches;
- C. The location of all cameras, and their field of view;
- D. The location of all alarm inputs (door contacts, motion detectors, duress/hold up devices) and alarm sirens;
- E. The location of the digital video recorder and alarm control panel; and
- F. Restricted and public areas is shown in below

### **Lighting**

The main objectives of our security lighting system at the store is to illuminate dark areas and detect and recognize movement in the protected area. The best vision with outdoor lighting is obtained from downward directed and shielded security lighting that is constantly on, supplemented with instant-on lighting triggered by motion detectors.

Aura will ensure that sufficient lighting requirements are met between dusk and dawn.

We will add external security lighting, including high flood spot lights to both facilities. Each facility and all walkways of each facility will be well illuminated to maximize visibility. Lighting will be operated automatically by a photo-sensor, ensuring that lighting will always be optimal for video capture.

### **Guards**

Once each facility is operational, we will employ a private company that will provide security guards. Uniformed armed and unarmed security personnel will be on site monitoring the facility during hours of operation. All security personnel will be thoroughly screened, trained, and strictly supervised by our Security Department working in conjunction with Security Consultant to ensure they are of the highest capability.

During operating hours, we will have one on-site security guards at the entrance and one on-site security guards at the store.

Security personnel will perform and keep records of having performed routine regular inspections of all security systems, barriers, gates, doors, and locks, immediately reporting any malfunctioning or compromised security feature to the Security Agent. Any incidents qualifying as irregular or suspicious will be handled immediately.

## Physical Security Plan

We will secure the perimeter of our facilities to prevent unauthorized intrusion. With our store, we plan to use one or more of the following critical elements to secure the perimeter of our building: security fencing, security guards, and electronic surveillance (round-the-clock manned or alarmed camera surveillance and electronic intrusion detection).

The perimeter will be secured by video surveillance and adequate outside security lighting. In addition, during non-operational hours, all entryways and exits and all windows will be heavily monitored by state-of-the-art monitoring systems and barricades.

Additionally, motion detectors will monitor the inside of all exterior doors and windows. These are separate sensors from our video camera motion detectors.

### Customers Access

The property has a total of 20 common parking spaces on its premises in the front of the building with another 100 at a location pending approval. These spaces will easily accommodate customers traffic. There also is an abundance of public street parking in the surrounding areas in the event that parking on site is not possible.

#### Procedure

- A. Customers will enter the store through the facility's front entrance.
- B. Entrance into the areas where cannabis is kept will be authorized by personnel buzzing customers into an area located between the waiting room and cannabis viewing/holding area.
- C. Once in this holding area, store agents in the back will be able to view anyone and control the second "buzzer door," allowing them into the cannabis area.

The entry door to the cannabis products area will be operated on a "double buzzer" system, controlled by the person assigned to the control area. This person will be viewing the waiting room and allowing access into the rear only after proper screening and the agents in the back are ready. At this point, customers will be escorted to the area where the products can be viewed. No weapons will be allowed in the facility, and anyone entering the cannabis products area will have to walk through a metal detector. Signs that indicate this will also be posted. In addition, there will be a guard on site in the area of the cannabis products, roving the perimeter and the waiting area.

### Internal Access-Point Control

Movement within the facility will be tightly controlled. All main access doors, doors to the store will require keycards and electronic passcodes. In addition, customers will need to buzz in from the waiting room as described above. Only permitted employees will be allowed to enter into the store.

### Limited Access to Secured Areas and Visitors

Aura Cannabis has the limited access areas. Aura ensures that the secured areas are accessible only to licensee, licensee representatives, and authorized personnel, service personnel or distributors.

### Electronic Security System

We will install a comprehensive electronic security system with video surveillance/recording capability, third-party monitoring, intrusion detection, and panic buttons.

**Video Surveillance**

We will employ state-of-the art external and internal cameras, each with a minimum resolution capacity of 1280x720 pixels. All video footage will be stored for a minimum of 90 days. Recordings are subject to inspection. This is sufficient to allow facial identification of anyone in or nearing the facility. Our CCTV camera system with digital recorder includes:

External video surveillance will cover all areas of possible ingress and egress. Internal video surveillance will cover the following:

1. Waiting room
2. Reception office
3. The retail sales floor with a camera located at each point of sale location
  - a. The camera placement must allow for recording of the facial features of any person purchasing or selling cannabis goods
  - b. This covers all areas where cannabis is present or handled, including all point-of-sale locations, and all means of access to such areas.
4. Entrances and exits from both indoor and outdoor vantage points
5. Security Rooms
6. All limited access areas
7. Areas where cannabis goods are weighed, packed, stored, loaded, or unloaded for transportation, prepared, or moved within the premises.
8. Areas storing the surveillance system device with at least once camera recording the access points to the secured surveillance recording area
  - a. The physical media or storage device on which surveillance recordings are stored shall be secured in a manner to protect the recording from tampering or theft
9. Video surveillance will cover external and internal areas 24/7 at a minimum of 15 frames per second

A failure notification system will provide both audible and visible notifications if there is any failure in the electronic monitoring system.

**Third-Party Monitoring**

Aura Cannabis anticipates contracting with a vendor TBD to help deter, detect, and document security events at each facility from a remote location. The Vendor will monitor for fire and for security breach of doors or windows. Trained professionals from their monitoring centers will be able to access our security surveillance system at all times and will report and document any suspicious activity. Our internal security personnel will work with the vendor to establish guidelines for what entails suspicious activity and to ensure regulatory compliance.

There will be triggers around the facility to alert our monitoring team of a possible intrusion or unauthorized access. Triggers can be:

- Motion-sensor surveillance cameras
- Motion-sensor laser beams
- Unauthorized electronic access
- Security and fire alarms

### **Intrusion and Motion Detection**

Our alarm system will have motion detectors covering entryways and exits, hallways, the retail sales floor, storage rooms, and windows.

### **Burglary Alarm System**

We shall install, maintain, and use a professionally monitored robbery and burglary alarm system; which meet the following requirements:

- ✓ A test signal shall be transmitted to the central station every twenty-four (24) hours;
- ✓ At a minimum, the system shall provide coverage of all facility entrances and exits, rooms with exterior windows, rooms with exterior walls or walls shared with other facility tenants, roof hatches, skylights, and storage room(s) that contain safe(s);
- ✓ The system shall include at least one (1) holdup alarm for staff use; and
- ✓ The system shall be inspected, and all devices tested annually by a qualified alarm vendor.

### **Panic Buttons and Internal Communications**

Panic buttons will be installed at multiple locations throughout the store.

### **Fire Security**

The Processing Facility will comply with all local fire code requirements. Fire Prevention is a vital aspect of processing safety. As part of **Aura's** commitment to the safety of our employees, we have developed a comprehensive Fire Plan to address how fires will be prevented and managed/contained if they do occur. Knowing that people are our most valuable resources, all employees will be trained and required to conduct themselves with consistent due diligence to prevent fires from occurring.

## **Tracking Solution**

Company intends to use special tracking solution, which will allow us to remain compliant while helping to identify key data points to streamline and optimize inventory management at each phase of the operation: transportation, lab testing and dispensing.

**Transport Manifests** – Creating, submitting, and storing compliant transportation manifests noting vehicle, driver, and cargo contained for regulatory review.

**Product Details** – Product details for the inventory items, printing key information directly on the labels including ingredients, potency results, plus a reactive expiration date that can lock a product if it's past expiration.

**Inventory Management** – Analyzing the sales data to optimize the inventory to the customers.

**Data Driven CRM** – Out-of-the-Box Customer Relationship Management (CRM) tools to reward loyal customers and referrals. Setup targeted email and text campaigns based on customer's favorite products, last visit date, purchase history, birthdays and more.





05

# Organizational Structure

Structure

Ownership

Aura Cannabis LLC. is a business that will be built on a solid foundation. From the outset, we have decided to recruit only qualified people to man various job positions in our company. We are quite aware of the rules and regulations governing the cannabis industry of which cannabis dispensing falls under which is why we decided to recruit experienced and qualify employees as foundational staff of the organization. We hope to leverage on their expertise to build our business brand to be well accepted in the United States.

These are the positions that will be available at AURA CANNABIS:

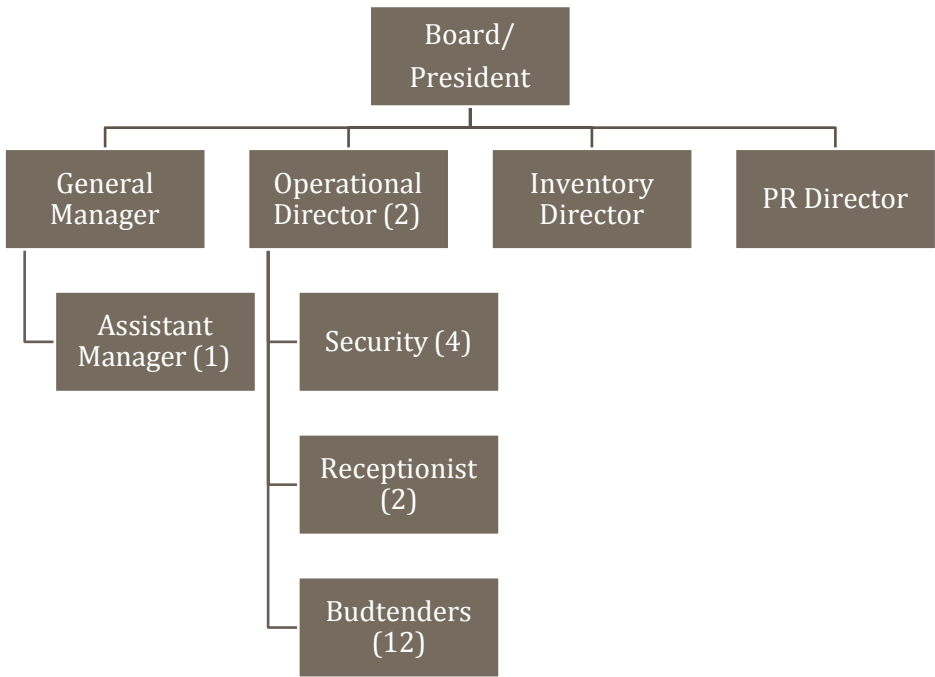


Figure 8. Organizational structure

Table 5. Personnel plan

Position	Year 1	Year 2	Year 3	Annual Salary
Operating Director	1	1	1	80,000
Admin and Logistics Personnel	1	2	2	72,000
Sales& Marketing Personnel	1	3	5	40,000
Security	1	2	2	50,000

## Ownership

...

See Appendix A.



## 06

# Financial Plan

### **Funding Analyses**

### **Direct and Operating Expenses**

### **Profit & Loss Forecast**

### **Revenue & Profit**

### **Funding analysis**

Company intends to raise \$1,000,000 for

Direct and Operating Expenses.

**Direct Costs**

	\$ Year 1	Year 2	Year 3	Year 4	Year 5
<b>Products Purchase</b>					
Flowers	2,095,683	3,845,217	4,057,200	4,134,480	4,211,760
Concentrates	1,457,867	2,674,933	2,822,400	2,876,160	2,929,920
Beverages & Edibles	738,045	1,354,185	1,428,840	1,456,056	1,483,272
Topicals	182,233	334,367	352,800	359,520	366,240
Other Products	82,005	150,465	158,760	161,784	164,808
<b>Delivery Costs</b>					
Delivery costs	37,965	69,660	73,500	74,900	76,300
Fuel	3,254	5,971	6,300	6,420	6,540
Other delivery costs	0	0	0	0	0
<b>Other Direct Costs</b>					
Other direct costs	0	0	0	0	0
Initial inventory	376,250	0	0	0	0
Other direct costs	0	0	0	0	0
Other direct costs	0	0	0	0	0
<b>Taxes</b>					
Cannabis Business Tax	1,224,380	2,246,526	2,370,375	2,415,525	2,460,675
<b>Total</b>	<b>6,197,683</b>	<b>10,681,323</b>	<b>11,270,175</b>	<b>11,484,845</b>	<b>11,699,515</b>

**Operational Costs**

	\$ Year 1	Year 2	Year 3	Year 4	Year 5
<b>G&amp;A Expenses - Initial &amp; General Costs</b>					
Legal Fees & Licensing for setting up	52,000	0	0	0	0
Other Initial costs	0	0	0	0	0
Other Initial costs	0	0	0	0	0
Licensing renewal and other legal fees	0	37,800	39,600	41,400	43,200
Professional Services, Commercial	283,500	297,675	311,850	326,025	340,200
<b>G&amp;A Expenses - Retail</b>					
Other G&A Expenses	0	0	0	0	0
Building Renting	346,500	396,900	415,800	434,700	453,600
Building Maintenance, including utilities	28,875	33,075	34,650	36,225	37,800
Equipment Maintenance	19,250	22,050	23,100	24,150	25,200
Administrative expenses, including phone and internet	38,500	44,100	46,200	48,300	50,400
Inventory Control Systems, Security & Other Software Services	288,750	330,750	346,500	362,250	378,000
Other G&A Expenses	0	0	0	0	0
Other G&A Expenses	0	0	0	0	0
Property Taxes	0	0	0	0	0
Community Service (% of gross receipts)	56,948	104,490	110,250	112,350	114,450
<b>SG&amp;A Expenses - Marketing &amp; Sales Expenses</b>					
Marketing Expenses, including PR, Branding, Online and Offline advertising	327,250	281,138	196,350	136,850	107,100
Other Marketing & Sales Expenses	0	0	0	0	0
Other Expenses	0	0	0	0	0
SG&A Expenses - Misc.	41,687	45,305	44,541	44,426	45,203
Salaries & Benefits	683,601	745,770	760,645	775,521	790,397
<b>Total</b>	<b>2,166,861</b>	<b>2,339,052</b>	<b>2,329,486</b>	<b>2,342,197</b>	<b>2,385,550</b>

**Revenue & Profit**

	Revenue	Gross Profit	Net Income
Year 1	11,389,583	5,191,900	1,636,500
Year 2	20,897,917	10,216,593	5,048,368
Year 3	22,050,000	10,779,825	5,462,376
Year 4	22,470,000	10,985,155	5,602,052
Year 5	22,890,000	11,190,485	5,714,382

**07**

# Appendix

**A: Operating Agreement**

**B: Site Layout**

## **QUALITY CONTROL AND TESTING**

The Aura Cannabis Company, LLC, ("Company") shall follow 935 CMR 500. And all other state, local, and federal laws pertaining to the quality control ("QC") and testing of marijuana and marijuana products. The Company will only purchase marijuana and marijuana products that have been produced within the Commonwealth of Massachusetts, and products from vendors that have been tested by a state approved independent testing laboratory (ISATL) (e.g. MCR labs in Framingham) meeting the requirements as set forth by the Commission.

All products entered into inventory by the Company for retail sale shall be examined by Marijuana Establishment Staff to ensure that it is free from mold, mildew, infestation by pests, and free from signs of adulteration or tampering.

All products remaining in the inventory of the Company will be examined by trained personnel prior to the product being removed from the secure storage area and offered for sale to customers.

Any product that does not meet the Company's stringent expectations will be disposed of pursuant to Commission guidelines in the diversion prevention protocols.

In addition to the above protocols the Company will use equipment of proper design to accomplish its objectives in the most efficient manner, including by the following means:

- a. equipment and utensils used will be of appropriate design and adequate size and suitably located to facilitate operations for its intended use and for its cleaning and maintenance; and
- b. Constructed so that surfaces which have direct contact with components, in-process materials and cannabis are not reactive, additive or absorptive to either:
  1. Alter the safety, identity, strength, quality or purity of the products beyond established requirements; or
  2. Allow the migration of deleterious substances or impart colors, odors or tastes to products;
- c. Safe, durable, corrosion-resistant, nonabsorbent, of sufficient construction to withstand repeated ware washing, are finished to have a smooth, easily cleanable surface; and are resistant to pitting, chipping, crazing, scratching, scoring, distortion and decomposition;



The dispensary will establish written procedures and records concerning the cleaning and maintenance of equipment (including procedures regarding methods, equipment and materials used in cleaning and maintenance operations) that:

- a. Ensures that any substances required for its operation, such as lubricants or coolants, do not come into contact with components, product containers, in-process materials, or cannabis so as to alter their safety, identity, strength, quality or purity beyond the official or other established requirements;
- b. Ensures that equipment and utensils are cleaned, maintained and, as appropriate for the nature of the cannabis, sanitized and sterilized at appropriate intervals to prevent malfunctions or contamination that would alter the safety, identity, strength, quality or purity of the cannabis beyond the official or other established requirements (including, where necessary, the disassembly and reassembly of such equipment);
- c. Assigns responsibility for cleaning and maintaining equipment;
- d. Establishes a schedule for maintenance, cleaning and, where appropriate, sanitizing equipment or utensils, and in particular, for equipment or utensils that have direct contact with cannabis or cannabis products, cleaning/sanitizing at the following times:
  1. At a frequency specified by the manufacturer, or if the manufacturer does not specify a frequency, at a frequency necessary to prevent the accumulation of soil or mold;
  2. Each time there is a change from working with raw marijuana products to working with finished marijuana products;
  3. As to cavities and door seals and surfaces of heating appliances, at least once every 24 hours by using the recommended cleaning procedure of the manufacturer;
  4. As to the surfaces of equipment that do not have direct contact with marijuana products, as often as necessary to keep them free of accumulations of dust, dirt, residue and other debris;
  5. At any time during operation when contamination may have occurred;
- e. Ensures that after cleaning and before use, the surfaces of equipment and utensils that come in direct contact with cannabis and cannabis products are sanitized in:
  1. Hot water manual operations by immersion for at least 30 seconds with a temperature of 170°F (77°C) or above;
  2. Hot water mechanical operations by being cycled through equipment that is set up and achieving a utensil surface temperature of 160°F (71°C) as measured by an irreversible registering temperature indicator;

3.Provides for the protection of clean equipment from contamination before use; and inspection of equipment for cleanliness immediately before use.

4.The dispensary's ware washing equipment shall include in its operation the use of fresh hot water as a sanitizing rinse, at a temperature of between 180°F (82°C) and 194°F (90°C) as it enters the manifold;

5.Scales and weighing mechanisms must be able to weigh to within 1/100th of a gram, shall be maintained in good working order and shall be subject to annual inspection by either the Alameda County Department of Agriculture/Weights and Measures or a licensed scale company.

Ongoing Diligence in Product Safety:

Company personnel will include a person, who will have the following responsibilities:

1. Development of information-sharing and research relationships in the industry and scientific community concerning the various strains of cannabis, the effects of such strains and the THC/CBD constituents therein;

2. As to Testing Laboratories to which ACC's suppliers submit their products for testing:

a. Developing knowledge of, and performing due diligence in determining compliance with, laboratory standards of practice, standard operating procedures, chain of custody protocols, quality control and quality assurance and proficiency standards and results;

b. Determining, from information available whether the Testing Laboratory has been subjected to discipline or has rated an unsatisfactory result in proficiency testing;

c. The Testing Laboratory's procedures and methods for testing cannabis.

3. As to suppliers from which The Company obtains cannabis products:

(a) Determine the standard operating procedures & good manufacturing practices the suppliers;

(b) Develop knowledge of, and perform due diligence in determining compliance with regulatory standards regarding the processing of edibles and infused products, including

use of the methods, equipment, solvents, gases and mediums specified therein:

- (c) Develop knowledge of, and performing due diligence in determining compliance with standards regarding the sourcing and handling of nonmarijuana ingredients and marijuana;
- (d) Ascertain the identity of the Testing Laboratory or laboratories with which they do business;
- (e) Conduct, where permitted, an on-site inspection of the premises in order to effectuate the foregoing;

## **RESTRICTING ACCESS AND PURCHASE TO THOSE 21 YEARS OR OLDER**

Aura Cannabis Company, LLC, ("Company") is dedicated to responsibly dispensing marijuana and marijuana products pursuant to the requirements of 935 CMR 500.

In order to maintain compliance and ensure all entrants and purchasers are at least 21 years of age, the Company shall:

- a. Confirm prior to entrance into the retail sales location that all persons seeking to acquire marijuana or marijuana products is in possession of a valid driver's license or State issued photographic ID Card ("I.D.") providing adequate evidence that the holder is at least 21 years old. The identification shall be electronically scanned to verify the validity of the I.D.; and visually examined by a trained security personnel located at the entrance to the facility.
- b. Establishing an encrypted Electronic Verification System (EVS) that records, in real time with a date and time stamp that will be associated:
  1. The name and number of I.D. card presented ;
  2. The type and amount of cannabis dispensed and the date/time it was dispensed;
  3. The name and employee ID number of the person dispensing the cannabis;
  4. Video recordings within the store coordinated with items "a"; "b 1-3 which will adequately identify the purchaser throughout their purchase experience at the retail sales location.
  5. The items purchased verifying that legal limits for daily sales per customer are observed;

All age verification systems will work hand in hand with the security protocols adopted by the Company.

All verification and sales systems will be safeguarded and protected from alteration by personnel. All verification and sales systems will be available for inspection by the Commission and applicable state and local authorities pursuant to the requirements of 935 CMR 500.

## Energy Policy

The Applicant shall comply with all requirements of the CCC utilizing best energy management practices and energy monitoring. The Applicant's facility shall utilize LED lighting and energy efficient pumps and filtration systems. Realizing the energy intensive nature of indoor cultivation, the Applicant plans to provide for up to 50 % of the facilities energy needs with a Roof top solar energy system.

The Building and systems will be designed per the statutes outlined by the Cannabis Control Commission in addition to the global requirements as outlined by the Commonwealth of Massachusetts.

Please note the following:

With regards to the buildings proposed and the energy performance of the exterior envelopes, the building will be in compliance with 935CMR501, Part 12 §12 sub(a).

The project has been designed and will be constructed to meet the requirements of the Commonwealth of Massachusetts' State Building Code (9th edition amended) as outlined in 780CMR.

As noted for inclusion in the above, the project has been designed and will be constructed to meet the requirements as outlined in the International Energy Conservation Code with special attention notes for compliance with Section C.402 along with amendments that apply per the 9th edition amendments contained in 780CMR: State Building Code.

An envelope compliance check of the design will be performed utilizing the COMCheck compliance software.

### 2 CCC Outline.

Total Flower Canopy (sq-ft)	3,136
Total Veg Canopy (sq-ft)	1,600
Total Veg Canopy Cultivation Power (W)	30,000
Total Flower Canopy Cultivation Power (W)	147,000
Veg Canopy HLPD (W/sq-ft)	18.8
Flower Canopy HLPD (W/sq-ft)	46.9

The horticulture lighting power density requirement of 50W/sq-ft. The Applicant will install horticulture lighting equipment from TSRgrow that will deliver the following Horticulture Lighting Power Density in Veg and Flower as follows:



The horticulture lighting equipment being employed is manufactured by TSRgrow. All equipment is UL and ETL listed for safety and meets the CCC HLE requirements for HLPD. The system includes TSRgrow remote power servers (TGHV). Each remote power server is a power supply located outside the grow area which power the light fixtures inside the grow area. The Veg canopy will have three

TG-100HVR-VS fixtures powered to 100W ea (300W total/4x4 area). The Flower canopy will have five TG-100HVR-FP fixtures, powered at 150W ea (750W total/4x4 area).

Following is a table of Lighting equipment being installed in phase 1::

Part Number	Qty	Description
TGHV24-H3A	9	Power Supplies
TG-100HVR-FP	980	Flower Lighting Fixture
TG-100HVR-VS	300	Veg Lighting Fixture

Remote power servers are located outside the cultivation areas in a centralized location. By locating them outside the cultivation area all the power supply heat can be removed from the cultivation area, significantly reducing the heat loads and reducing the HVAC equipment requirements and making it easier to maintain conditions in cultivation. By locating them centrally outside the cultivation areas enables centralized control and monitoring of the power. Both dimming and power are supplied in the same cable, reducing installation costs and enabling additional control capabilities. Building automation and control systems can be wired directly to the TGHV's centrally without running additional wiring out to each fixture in the cultivation area. Maintenance is significantly improved as the system from lighting to power is modular and can be locally serviced without interruption or potential contamination of the cultivation area by working above the plants. Equally significant, the TSRgrow remote power servers are digitally connected to power monitoring and control within the building as well as being remotely accessible. Data is monitored and recorded for future analysis. Data can be shared with Utilities for future comparison and verification of power consumption as well as helping create models for utilities to better service grow facilities. TGHV's can connect directly to DC power from solar and battery storage. Demand response integration is also possible.

DC power from the TGHV's supplies the light fixtures in the cultivation area. These fixtures are also modular with easy swap out, quick disconnects and granular control of grow areas to maximize schedules, growth stages and customize lighting to cultivar needs. On/Off, sunrise, sunset, scheduling and zone control are inherent in the TSRgrow lighting for and power control system. All data is recorded for future analysis and improvement and comparison by the applicant future improvement and power optimization. In support of the HLPD calculations, we have included the following information:

Appendix 1 - A layout of the lighting equipment in the cultivation areas

Appendix 2 - A matrix breaking down the equipment and power outlined in Appendix 1

Appendix 3 - Data sheet of the lighting equipment being installed.

DC power from the TGHV's supplies the light fixtures in the cultivation area. These fixtures are also modular with easy swap out, quick disconnects and granular control of grow areas to maximize schedules, growth stages and customize lighting to cultivar needs. On/Off, sunrise, sunset, scheduling and zone control are inherent in the TSRgrow lighting and power control system. All data is recorded for future analysis and improvement and comparison by the applicant for future improvement and power optimization. In support of the calculations, we have included the following information:

## Appendix 2: matrix breaking down the equipment and power

Grow Area/Fixt

(sq-ft)

16

### - LIGHT GROUP TGHV MAPPING

ROOM VEG	ROW	LEVEL	LIGHT GROUP #	RACK ASSEMBLY #	TGHV #	MODU LE #	Power / Module	Fixt/Pwr Module	Sq-ft / Module	HLPD
FLOWER 1	V1	1	LG 1	RA01	1	1	2400	8	128	18.75
	V2	1	LG 2	RA01	1	2	2400	8	128	18.75
	V3	1	LG 3	RA01	1	3	2400	8	128	18.75
	V4	1	LG 4	RA01	1	4	2400	8	128	18.75
	V5	1	LG 5	RA01	1	5	2400	8	128	18.75
	V6	1	LG 6	RA01	1	6	3000	10	160	18.75
	V1	2	LG 7	RA01	1	7	2400	8	128	18.75
	V2	2	LG 8	RA01	1	8	2400	8	128	18.75
	V3	2	LG 9	RA01	2	1	2400	8	128	18.75
	V4	2	LG 10	RA01	2	2	2400	8	128	18.75
	V5	2	LG 11	RA01	2	3	2400	8	128	18.75
	V6	2	LG 12	RA01	2	4	3000	10	160	18.75
	F1-1	1	LG 25	RA01	4	1	3000	4	64	46.875
	F1-1	1	LG 26	RA01	4	2	3000	4	64	46.875
	F1-2	1	LG 27	RA01	4	3	3000	4	64	46.875
	F1-2	1	LG 28	RA01	4	4	3000	4	64	46.875
	F1-3	1	LG 29	RA01	4	5	3000	4	64	46.875
	F1-3	1	LG 30	RA01	4	6	3000	4	64	46.875
	F1-4	1	LG 31	RA01	4	7	3000	4	64	46.875
	F1-4	1	LG 32	RA01	4	8	3000	4	64	46.875
	F1-5	1	LG 33	RA01	5	1	3000	4	64	46.875
	F1-5	1	LG 34	RA01	5	2	3000	4	64	46.875
	F1-6	1	LG 35	RA01	5	3	3000	4	64	46.875
	F1-6	1	LG 36	RA01	5	4	3000	4	64	46.875
	F1-1	2	LG 37	RA01	5	5	3000	4	64	46.875
	F1-1	2	LG 38	RA01	5	6	3000	4	64	46.875
	F1-2	2	LG 39	RA01	5	7	3000	4	64	46.875

F1-2	2	LG 40	RA01	5	8	3000	4	64	46.875
F1-3	2	LG 41	RA01	6	1	3000	4	64	46.875
F1-3	2	LG 42	RA01	6	2	3000	4	64	46.875
F1-4	2	LG 43	RA01	6	3	3000	4	64	46.875
F1-4	2	LG 44	RA01	6	4	3000	4	64	46.875

FLOWER 2	F1-5	2	LG 45	RA01	6	5	3000	4	64	46.875
	F1-5	2	LG 46	RA01	6	6	3000	4	64	46.875
	F1-6	2	LG 47	RA01	6	7	3000	4	64	46.875
	F1-6	2	LG 48	RA01	6	8	3000	4	64	46.875
	F2-1	1	LG 61	RA02	2	5	3000	4	64	46.875
	F2-1	1	LG 62	RA02	2	6	3000	4	64	46.875
	F2-2	1	LG 63	RA02	2	7	3000	4	64	46.875
	F2-2	1	LG 64	RA02	2	8	3000	4	64	46.875
	F2-3	1	LG 65	RA02	3	1	3000	4	64	46.875
	F2-3	1	LG 66	RA02	3	2	3000	4	64	46.875
	F2-4	1	LG 67	RA02	3	3	3000	4	64	46.875
	F2-4	1	LG 68	RA02	3	4	3000	4	64	46.875
	F2-5	1	LG 69	RA02	3	5	3000	4	64	46.875
	F2-5	1	LG 70	RA02	3	6	3000	4	64	46.875
	F2-6	1	LG 71	RA02	3	7	3000	4	64	46.875
	F2-6	1	LG 72	RA02	3	8	3000	4	64	46.875
	F2-1	2	LG 73	RA02	4	1	3000	4	64	46.875
	F2-1	2	LG 74	RA02	4	2	3000	4	64	46.875
	F2-2	2	LG 75	RA02	4	3	3000	4	64	46.875
	F2-2	2	LG 76	RA02	4	4	3000	4	64	46.875
	F2-3	2	LG 77	RA02	4	5	3000	4	64	46.875
	F2-3	2	LG 78	RA02	4	6	3000	4	64	46.875
	F2-4	2	LG 79	RA02	4	7	3000	4	64	46.875
	F2-4	2	LG 80	RA02	4	8	3000	4	64	46.875
	F2-5	2	LG 81	RA02	5	1	3000	4	64	46.875
	F2-5	2	LG 82	RA02	5	2	3000	4	64	46.875
	F2-6	2	LG 83	RA02	5	3	3000	4	64	46.875
	F2-6	2	LG 84	RA02	5	4	3000	4	64	46.875
	F2-6	1,2	LG 97	RA03	1	1	3000	4	64	46.875

Electrical Totals

	TGHV PSUs / 3~ 50A 480V BREAKERS	POWER Module Runs(2x10AWG) /Junction Boxes Total	TG-100HVR-VR Fixtures Total (Veg Room -2 Levels)	TG-100HVR-FP Fixtures Total (Flower Room 1 -2 Levels)	TG-100HVR-FP Fixtures Total (Flower Room21 -2 Levels)
Quantity	7	48	300	480	500

## **Additional comments pertaining to CCC Energy Compliance Checklist**

- **Implementation of TSRgrow LED Lighting Fixtures, including TGHV remote power servers**
  - 40% energy reduction over HPS
  - Realtime monitoring, reporting and recording of grow lighting energy consumption, operation, and schedule for future analysis
  - Realtime diagnostics of equipment and maintenance reporting
  - Remote monitoring
- **TSRgrow LED Lighting enables scheduling and recording of information**
  - Daily, weekly schedules throughout the grow cycle of time and intensity
  - Schedule recording for future review, analysis and comparison of grow to grow for possible future adjustment
  - TGHV remote power server technology
    - Demand response capable
    - Capable to be powered by regulated DC from battery storage and solar
- **Investigation of energy rebate and incentives with Utility and energy solution partners**
  - Solar
  - Lighting
  - HVAC
  - Pumps/Motors
  -
- **Routine maintenance plans**
- **TSRgrow lighting system has limit sets and has monitoring and diagnostics to identify failures**

### **Other energy saving approaches**

In addition to HVAC and dehumidification optimization, our engineering analysis has accounted for other load reduction strategies typically implemented in efficient facilities designs. These measures highlight several energy efficient measures, for example, lighting 'flip' schedules. This effective measure assumes all grow room lights are never operating simultaneously. Half the rooms operate in "lights-on" mode at a time, thereby reducing the facilities total light demand as well as peak chiller capacity and demand.

In terms of water savings, condensate from dehumidification will be recovered and reused for the growing process. The condensate drain lines from all air-handling equipment will be piped back to the Physical Plant Building room where it is treated and utilized again for watering.

## **2.7 Water filtration and waste water reclaim system**



The Applicant will use a state-of-the-art water filtration and water recovery system to maximize water usage and minimize waste water. After extensive consultation with experts in the water filtration market, the Applicant will construct a comprehensive filtration system with 4 units which include: 1) Feed Water Reverse Osmosis System: to treat all incoming water, 2) Nutrient Recovery/Reclaim System: for the capture and reuse of all grow room waste water, 3) Condensate System: to recover HVAC condensate and use building roof rain water, and 4) Heat produce solid waste from end-point waste water that cannot be recovered or reused.

The water filtration/waste water systems are independent.

All the waste-water generated from the cultivation-related activities in the Main Building will be drained and stored in a series of holding tanks in the Physical Plant Building holding tanks will allow for: 1) recovery and filtration of waste-water and its reintroduction into the cultivation process or 2) its further processing (evaporation) into solids for proper disposal offsite, or its removal and transport by a tanker truck to the nearest waste water treatment plant for proper disposal.

In order to avoid any significant waste-water generated by the backwashing of the cultivation-related water management system filters, we will contract a water filtration company to remove and replace (recycle) media filters. In this manner, any filter cleaning will be done offsite and will avoid the generation of any backwash related waste-water. In the case that any water discharge is generated by the backwashing of the cultivation-related water management system filters, it will be stored in a waste-water holding tank. The backwash water in this holding tank will either be filtered and reintroduced into the cultivation process or 2) further processed (evaporated) into solids for proper disposal offsite, or its disposal utilizing the city's waste water treatment plant for proper disposal.

The Applicant has designed a site-specific filtration system with the support of HyperLogic Purification Systems, a California based company that is a leader in Industrial water purification and with extensive knowledge of the special needs for the cannabis industry..

- **Feed Water Reverse Osmosis (RO) System** (will treat all incoming municipal water): All incoming water will be pretreated to ensure optimal reverse osmosis results and thus avoid damage to RO filters, membranes, and components.

**Stage 1: Chlorine/Chloramines Treatment:** While these disinfectants are commonly added by municipal water treatment plants to ensure bacteria-free water, they need to be removed prior to entry into the RO membrane. To do so, a carbon filter, using Granular Activated Carbon as the media, can be used to remove up to 99% of the chlorine and chloramines. Periodic backwashing is needed to remove all dirt remains trapped in media and properly mix the media. Carbon media will be completely exchanged every 3+ years. or sooner if the water quality decreases faster than expected.

**Stage 2: Hardness and Silica Treatment:** Because elevated calcium and magnesium levels (i.e., 80%+ of Total dissolved solids, TDS) result in scale build-up, and possible

corrosion to plumbing, fixtures, and membranes an anti-scalant Injection system will be installed prior to the RO system. This effectively pre-treats all water by adding an anti- scalant solution that completely mitigates the effects of hardness and silica and prevents RO membranes from fouling prematurely.

**Stage 3: HyperLogic RO system:** This microprocessor run membrane-based filtration system has the capacity to maintain water recovery rates as high as 80%. Because RO systems are rated at their capacity in optimal conditions the RO filtration systems will be housed in the Physical Plant Building where and industry minimum standard for ambient temperature (77°F), pressure (40-60 psi) and TDS (below 500 ppm) can be maintained year-round.

- **Nutrient Recovery/Reclaim System:** This filtration/recovery system is designed to purify water originating from the grow rooms. After treatment, all water will be used for agricultural purposes.

**Stage 1: Suspended Solids Removal:** Suspended solids are removed to increase the efficiency and life of the following stages of filtration. A strainer filter removes large suspended solids prior to entering a bag sediment filter to remove all suspended solids. Filter replacements will vary depending on the quality of incoming water.

**Stage 2 & 3: Iron/Manganese Treatment:** Because elevated levels of both iron and manganese cause major damage to crops and prematurely foul membranes a chlorine injection is used as an oxidizing agent to treat for Iron and Manganese, allowing for efficient removal by media tanks. Chlorine injection is also used for regenerating greensand media tanks for prolonged life and reducing overall maintenance and to eliminate bacteria in water. A greensand system will be used to remove Iron and Manganese.

**Stage 4: Chlorine/Chloramines Treatment:** While these disinfectants are commonly added by municipal water treatment plants to ensure bacteria-free water, they need to be removed prior to entry into the RO membrane. To do so, a carbon filter, using Granular Activated Carbon as the media, can be used to remove up to 99% of the chlorine and chloramines. Periodic backwashing is needed to remove all dirt remains trapped in media and properly mix the media. Carbon media will be completely exchanged every 3+ years. or sooner if the water quality decreases faster than expected.

**Stage 5:ORP Monitor for Membrane Chlorine Protection:** Because chlorine can quickly damage reverse osmosis membranes and lowers system efficiency a chlorine monitoring system will be installed to protect the long-term life of the membranes.

**Stage 6: Hardness and Silica Treatment:** Because elevated calcium and magnesium levels (i.e., 80%+ of Total dissolved solids, TDS) result in scale build-up, and possible corrosion to plumbing, fixtures, and membranes an anti-scalant Injection system will be installed prior to the RO system. This effectively pre-treats all water by adding an anti-scalant solution that completely mitigates the effects of hardness and silica and prevents RO membranes from fouling prematurely.

**3) Condensate System:** This filtration/recovery system is designed to purify condensate water from environmental control systems and re-use all building based rain water (two byproducts that can be recovered with minimal energy inputs). After treatment, water is to be used for agricultural purposes.

**Stage 1: Suspended Solids Removal:** Suspended solids are removed to increase the efficiency and life of the following stages of filtration. A strainer filter removes large suspended solids prior to entering a bag sediment filter to remove all suspended solids. Filter replacements will vary depending on the quality of incoming water.

**Stage 2: Chlorine/Chloramines Treatment:** While these disinfectants are commonly added by municipal water treatment plants to ensure bacteria-free water, they need to be removed prior to entry into the RO membrane. To do so, a carbon filter, using Granular Activated Carbon as the media, can be used to remove up to 99% of the chlorine and chloramines. Periodic backwashing is needed to remove all dirt remains trapped in media and properly mix the media. Carbon media will be completely exchanged every 3+ years. or sooner if the water quality decreases faster than expected.

**Stage 3: Bacteria Treatment:** Ultraviolet systems are designed to treat water for bacteria and other pathogens by sending all water through a manifold that exposes the water column to UV light. This UV light denatures the DNA of the bacteria or pathogens. In this application UV is intended to be a redundant system as a secondary treatment for bacteria.

**Stage 4: Heavy Metals Treatment:** These media tanks are designed to treat water with inherently low TDS (i.e., condensate water and rain water) after disinfection. First, deionization (DI) is used post RO to produce ultra-purified water. This process removes dissolved solids (e.g., heavy metals) from the water with a replaceable media, and is

most cost effective when treating low TDS. Multiple DI tanks will be used in this system and sized appropriately for easy maintenance. TDS meters in will be installed to measure the post-DI water quality.

**Stage 5: Low pH treatment:** This system will neutralize acidic water by adding trace amounts of calcite to the water to buffer the chemistry and maintain a neutral pH (approximately pH of 7).

**4) Heat Evaporator System:** A water evaporator (e.g., EMC Model 240G system will be used to produce solid waste from end-point waste water that cannot be recovered or reused. This example heated waste water evaporator systems is powered by natural gas and can evaporate 22 gallons of waste water every hour (528 ga/day) with automatic shut offs when low level or high temperatures are detected. When a cycle is completed the waste material can either be drained or vacuumed out of the unit through the removable lid, with a wet/dry vacuum or pump, or, if it is a solid material, scooped out.

Any waste water that cannot be evaporated to solids will be removed by a tanker truck and transported to the nearest waste water treatment plant for proper disposal.

### **Solar Power System.**

We will install solar panels on all available rooftops. Due to the location of the facility relative to adjacent businesses and space limitation wind generation is not possible. Maximum compliance with the requirements of 935 CMR 500.105 (15) is targeted through solar generation at the primary facility and an additional facility subject of a grant by the city of Fall River which will be subject of another application. Utilizing the secondary location the applicant will be able to utilize renewable resources more completely.

The applicant has utilized in their plans energy efficiency measures which minimize energy consumption in accordance with 935 CMR 500.105 (15).

The applicant will utilize both off time energy management and storage of electricity generated by solar panels in accordance with 935 CMR 500.105(15).

When applicable and available the applicant will engage in energy efficiency programs as offered pursuant to M. G. L. c. 25 section 21.

## **Maintaining Financial Records**

The Aura Cannabis Company, LLC ("Company") will use a cannabis industry-specific computerized system (CS) (e.g., BIOTRACKTCH, MJFREEWAY) to provide accurate record keeping of sales and inventory, allow for accounting and verification, insure accountability at every stage, and provide fully auditor capacities. All financial records will be maintained according to generally accepted Accounting Industry Standards.

The Company CS provides verification of customer I.D., and accepted I.D.. For each customer the CS generates a unique Customer I.D. and record that tracks the first visit and all subsequent visits to the retail sales facility, and provides a record of their purchase history including the dates, product type, quantity, product batch, and pricing information.

The CS employed by the Company will meet industry standards for confidentiality to ensure that consumer information is not accessed by unauthorized parties; and conforms to Commission requirements, and provides all data to meet regulatory compliance with the Commissions directives.

The Company's CS will be fully integrated with the Company Point of Sale (POS) which in turn will be integrated with QuickBooks to monitor every aspect of the business and maintain all necessary Accounting, audit and compliance procedures.

The Company's system will include computerized records of :

- a. All assets and liabilities;
- b. All Monetary transactions;
- c. Books of accounts, which shall include journals, ledgers, agreements, checks, invoices and vouchers;
- d. All Sales records including the quantity, form, cost of marijuana products;
- e. The Salary and wages paid to each employee, benefits paid to any party.
- f. The documents and records will be kept for at least Seven (7) years in a form and location that will be acceptable to the Commission.

The CS employed by the Company will provide a comprehensive inventory control and tracking system that details the products origin and full product history. Including but not limited to time stamp of all movements of the product from vendor to the retail marijuana establishment, batch characteristics (\* dates of creation, batch, independent testing results and certifications, quantified active chemical compounds) and the sale of the products will be linked with an employee I.D. stamp.

This integrated computer systems will track transactions, inventory, and expenses in real time from the time that the customer enters the retail sales location, allowing for seamless electronic transfer of data directly to its onsite server. If necessary each transaction will be traceable via the video monitoring system, via POS data. Encrypted transmissions to the bookkeeper/Financial officer and accountant ensure privacy.

The CS will feature redundant hardware and backing up of data via a hardware system and cloud based system. This redundancy will guarantee the integrity of the retained information. Network level access control and system level restricted access will prevent unauthorized use of the system. The server room will be physically secured behind a locked security door with access thereto limited to designated staff.



The Inventory Control Vendor will, in coordination with Company's financial officer, accountant and bookkeeper, integrate its inventory control protocols and sales tracking into the dispensary's in-house accounting system. This will ensure the integrity of its financial bookkeeping. The in-house accounting system will be backed up weekly. All systems will be encrypted, cloud-based and accessible electronically from servers protected by biometric locks and 24hour surveillance. The Company's accounting will be made available to authorized auditors upon request.

In addition to the quarterly reconciliations, there will be regularly scheduled daily, weekly and monthly procedures to track inventory and sales, as follows:

Daily: The financial officer will verify cash receipts to the P.O.S. system, reconciling daily transactions to ensure all have been entered into the system. Where feasible, a daily deposit ticket for the day's receipts will be prepared and placed into an envelope with all cash and checks that are being deposited that day;

Weekly: The P.O.S. system will automatically update in-house accounting system for all transactions from the week. The bookkeeper will verify the daily receipts and transactions for accuracy;

Monthly: A physical inventory will be performed on the last business day of each month, and the bookkeeper or President will reconcile the inventory to the P.O.S. and in-house accounting systems. These systems will track any unusable, discarded or destroyed cannabis as part of the reconciliation process. Any adjustments to these systems will require the approval of the Executive Director or President and will be logged by the bookkeeper.

All financial data will be kept by the Company indefinitely on the company's segregated server system and by a cloud based system. All financial records will be kept, maintained by the Company according to Accounting Industry Standards. All records will be available and reviewable by the Commission or their authorized parties upon request.

The Company shall maintain all waste records for at least 3 years in accordance with 935 CMR 500.105(2).

The Company Shall keep all financial records in accordance with generally accepted accounting principles 935 CMR 500.105(9).

Written operating procedures and Inventory Records for the Company shall be maintained and updated as required pursuant to 935 CMR 500.105 (1) (9).

The Company understands agrees that the establishments licensed by the Commission shall utilize a "Seed to Sale" tracking system recording all cultivation and sale of marijuana as required by 935 CMR 500.105 (8) (e) and (9).

## **PERSONNEL POLICIES**

### **AND GENERAL OPERATIONS MANUAL**

Aura Cannabis Company, LLC, ("Company") prides itself on providing a safe, welcoming work environment for all employees. These policies are designed to ensure that the work environment and employee behavior is in compliance with 935 CMR 500 et seq., and the licensure associated with the Company's retail sales location.

#### **Aura Cannabis Company, LLC is an equal opportunity employer**

We will extend equal opportunity to all individuals without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices. As part of our social outreach program veterans are strongly encouraged to apply for employment.

Like most American companies, Aura Cannabis Company, LLC, generally does not offer individual employees a formal employment contract with the Company. Employment is "at will," meaning that you or the Company may end your employment at any time for any lawful reason.

#### **The Hiring Process**

All prospective employees will submit applications to the Human Resource Department. These initial applications will be reviewed and screened to ensure that the Applicant meets the internal requirements of the Company as well as the standards for licensure established by the Cannabis Control Commission ("Commission") with the adoption of 935 CMR 500., to become a Registered Marijuana Agent;

The Applicant for a position with the Company must:

- a. Possess a valid state issued picture I.D. evidencing they are at least 21 years of age.
- b. Individuals applying to act as transporters of marijuana and marijuana products must have a valid driver's license and a driving record without a so called moving violation, accident, suspension or revocation of rights to drive for a 3 year period prior to the application filing date.
- c. Agree to meet and subsequently abide by the licensing

requirements of the Commission.

- d. Undertake all necessary training and have the ability to pass written and oral examinations regarding the legal sale of marijuana products as well as the company security, operational and personnel guidelines, and participate in yearly recertification internally by the Company, and the license renewal process with the Commission.
- e. Failure to meet these requirements will result in non-hire/or termination.
- f. All staffing of the facility and keeping of records shall be in accordance with 935 CMR 500.105 (9); and 935 CMR 500.105(1).
- g. The Company shall maintain the establishment as an alcohol, smoke and drug free workplace in accordance with 935 CMR 500.105(1).
- h. All employee information shall be maintained by the company and accessible only to necessary personnel i.e. Human Resources professionals, hiring managers. All information shall be maintained within a secure office segregated from other facility operations in conformance with 935 CMR 500.105(1).
- i. The company shall have a zero tolerance policy dismissing any agent who has diverted marijuana, engaged in unsafe practices or been convicted or entered a guilty plea for a felony charge of distribution of a drug to a minor. The company shall notify the commission promptly of any dismissal and conform to the requirements with regards to dismissal as outlined in 935 CMR 500.105(1) et al.

All such individuals seeking employment must be registered as a Marijuana Establishment Agent under the provisions of 935 CMR 500., as promulgated by and amended by the Commission. The requirements are:

(a) be 21 years of age or older;

(b) not been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority; and

(c) be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 500.802.

(2) An application for registration of a marijuana establishment agent shall include:

(a) the full name, date of birth, and address of the individual;

(b) all aliases used previously or currently in use by the individual, including maiden name, if any;

(c) a copy of the applicant's driver's license, government-issued identification card, liquor purchase identification card issued pursuant to M.G.L. c. 138, § 34B, or other verifiable identity document acceptable to the Commission;

(d) an attestation that the individual will not engage in the diversion of marijuana products;

(e) written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport, and dispense marijuana in the Commonwealth;

(f) background information, including, as applicable:

1. a description and the relevant dates of any criminal action under the laws of the Commonwealth, or another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, whether for a felony or misdemeanor and which resulted in conviction, or guilty plea, or plea of *nolo contendere*, or admission of sufficient facts;

2. a description and the relevant dates of any civil or administrative action under the laws of the Commonwealth, another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority relating to any professional or occupational or fraudulent practices;
3. a description and relevant dates of any past or pending denial, suspension, or revocation of a license or registration, or the denial of a renewal of a license or registration, for any type of business or profession, by any federal, state, or local government, or any foreign jurisdiction;
4. a description and relevant dates of any past discipline by, or a pending disciplinary action or unresolved complaint by, the Commonwealth, or a like action or complaint by another state, the United States or foreign jurisdiction, or a military, territorial Native American tribal authority with regard to any professional license or registration held by the applicant; and
5. 5. a nonrefundable application fee paid by the Marijuana Establishment with which the marijuana establishment agent will be associated; and any other information required by the Commission.

If an applicant can not meet the requirements issued by the Commission for licensure as a Marijuana Establishment Agent they will not be hired; and if at any time subsequent to the hiring of an employee said employee becomes ineligible to act as a Marijuana Establishment Agent then employee will be terminated.

Upon Issuance of a registration card as a Marijuana Establishment Agent:

- a. Your registration card shall be valid for one year from the date of issue, and may be renewed on an annual basis upon a determination by the Commission that the applicant for renewal continues to be suitable for registration.
- b. After you obtain a registration card for a marijuana establishment agent, the Company is responsible for notifying the Commission, in a form and manner determined by the Commission, as soon as possible, but in any event, within five business days of any changes to the information that the establishment was previously required to submit to the Commission or after discovery that a registration card has been lost or stolen.



- c. You as an employee must immediately notify the Company if in fact your registration card has been lost or stolen. Failure to do so shall be grounds for termination.
- d. As a marijuana establishment agent you shall carry the registration card associated with the Company at all times while in possession of marijuana products, including at all times while at the establishment or while transporting marijuana products.
- e. If as a marijuana establishment agent you are affiliated with multiple Marijuana Establishments you shall be required to be registered as a marijuana establishment agent by each Marijuana Establishment and shall be issued a registration card for each establishment.

### **ORGANIZATIONAL CHART and JOB DESCRIPTIONS**

Aura Cannabis Company, LLC ("Company"), is a limited liability company that is owned by members of the Company, and directed by a Managing Member of the Company who is chosen by the membership.

The Managing Member is responsible for monitoring the overall activities of the Company and the retail sales location. He has been granted the right to make all decisions regarding the company and shall do so without the requirement of a special meeting or vote of the membership.

Financial Officer shall report directly to the Managing Member and is responsible for the financial record keeping for the Company as well as monitoring the Company's compliance with applicable tax issues, payroll issues and all monetary compliance issues requires under local, state and federal law.

Chief Compliance Officer shall report directly to the Managing Member and shall be responsible for the Company's adherence to internal protocols, requirements issued by the Commonwealth pursuant to 935 CMR 500. The CCO shall work with the General Manager on these issues. The Compliance officer and Financial officer along with the assistance of the General Manager shall comprise the Human Resource department for the Company.

Security Chief shall be responsible for implementing, auditing, monitoring and modifying the security protocols for the Company. He will be responsible for the hiring, training and ongoing education and discipline of the onsite security personnel. In addition to managing the human aspect of the security system he/she shall be responsible for ensuring that the security system is tested, properly monitored and upgraded when necessary. The S. C. shall work with the Managing Member, Financial Officer, Chief Compliance officer and instruct the General Manager on areas that his staff may be deficient or need retraining.

General Manager shall be responsible for staffing and day to day compliance issues. He/She shall be required to work on a daily basis with shift managers and retail sales associates who are the point of contact people with the customer base. The G.M. shall implement the security and sales protocols adopted by the company.

Sales Associates shall be the retail face of the Company. They shall report directly to the General Manager, Shift Manager or Security Chief as required. These individuals are responsible for ensuring that the customer visiting the Company's retail sales location is well informed and serviced by the establishment. The retail associate shall have requisite knowledge of the goods sold, effects of the goods, uses for the goods. The retail sales associate shall abide by the sales limits found within 935 CMR 500. Observe regulations to prevent diversion of the goods and observe all security protocols for the premises and those necessary for the safe dispensing of marijuana and marijuana products.

Security Officers shall report to both the Security Chief , General Manager and shift Managers. The Security officer shall be the eyes and ears of the Retail location . The security officers duties may include the following :

- a. Monitoring the parking and outside areas to prevent loitering and diversion of purchased marijuana products to third parties;
- b. Monitoring the entrance system. Examining identifications to ensure that all parties seeking entrance into the retail sales location have the requisite state issued photo I.D. card evidencing that they are 21 years or older; utilizing the scanning machine to ensure that the I.D. presented is valid, verifying that the individual pictured on the valid I.D. is in fact the presenter.
- c. Monitoring the entry and preventing any party entrance who may be in possession of a dangerous weapon.
- d. Monitoring the interior retail spaces for misfeasance and or malfeasance by sales associates, and preventing the diversion of marijuana or marijuana products from the retail sales floor.
- e. Monitoring the video system to ensure that the location is a safe working environment suitable for business invitees to enter.
- f. Escorting Agents to and from vehicles that have or will transport marijuana.

- g. Monitoring the activities of visitors
- h. Verifying that each employee is in possession of their registration card; issuing internal employee badges each shift, and retrieving badges at the end of each employees shift.
- i. Issuing visitor passes and escorting said visitors throughout their time in limited access areas.
- j. Monitoring employees and visitors for diversion.
- k. Monitoring all aspects of the storage of marijuana on premises to deter diversion.
- l. Monitoring all aspects of the disposal of unusable products and product containers to ensure compliance and deter diversion.
- m. Implement the security plan and provide training to the staff on emergency procedures, use of the panic (security alarm system)
- n. Train and act as a first responder for medical emergencies until authorized responders arrive.

## **ORIENTATION**

Each person who has successfully completed the application process with the Company and with the Commission shall be required to attend an orientation seminar. During this seminar you will be presented with a comprehensive breakdown of your benefits with the company, company policies regarding workplace behavior and most importantly the safety protocols for the retail location, transportation of goods (if applicable) , the different types of products that will sold at the location, protocols and laws regarding the display, dispensing, packaging and transfer of the goods to the consumer. Attendance is mandatory. As part of the program you will be subjected to written quizzes and a final exam. The goal of this program is to ensure that you can be the best employee possible, work in an environment that you as an employee help maintain, and become the best representative of the Company possible. As a sales associate you are expected to give our customers the best, most knowledgeable service possible. As security personnel you will be trained to ensure that the grounds, and interior of the building are a safe and welcoming place. You will be the Company's first and last contact with our customers. Your duties go beyond the security of the Company, and extend to being Ambassadors of the Company ensuring that the experience is not only a safe but enjoyable one.

As part of the orientation program employees shall attend a certification training program that has been certified and approved by the Commission and outlined in 935 CMR 500. 105 (7). The curriculum for the program shall include :

- a. Discussion concerning marijuana's effect on the human body.  
Training shall include:
- b. Marijuana's physical effects based on type of marijuana product;
- c. The amount of time to feel impairment;
- d. Visible signs of impairment; and
- e. Recognizing the signs of impairment.
- f. Diversion prevention and prevention of sales to minors, including best practices.
- g. Compliance with all tracking requirements; and
- h. Acceptable forms of identification. Training shall include:
  - i. How to check identification;
  - j. Spotting false identification;
  - k. Medical registration cards issued by the DPH;
  - l. Provisions for confiscating fraudulent identifications; and
  - m. Common mistakes made in verification.
- n. Other key state laws and rules affecting owners, managers, and employees, which shall include:
  - o. Local and state licensing and enforcement;
  - p. Incident and notification requirements;
  - q. Administrative and criminal liability;
  - r. License sanctions and court sanctions;
  - s. Waste disposal;
  - t. Health and safety standards;
  - u. Patrons prohibited from bringing marijuana onto licensed premises;
  - v. Permitted hours of sale;
  - w. Conduct of establishment;
  - x. Permitting inspections by state and local licensing and enforcement authorities;
  - y. Licensee responsibilities for activities occurring within licensed premises;
  - z. Maintenance of records;
  - aa. Privacy issues; and
  - bb. Prohibited purchases and practices.

## **ARRIVAL AT WORK/ WORK SCHEDULE/ ATTENDANCE/ ABSENCE**

The Company plans to have the retail location open at least 6 days a week. The Retail sales location will open at 10 a.m., however each employee is expected to arrive ready to work One (1) hour prior to opening, fully dressed and ready to work. The check in process prior to each shift requires that you:

- a. Be wearing a freshly laundered Company shirt and appropriate pants. Shorts, skirts or other clothing items that allow exposed legs are deemed inappropriate for work on the Company retail floor.
- b. Be wearing proper foot wear. During your shift you will be required to stand for long period of times. It is imperative that your foot wear reflect this level of activity. Open toe shoes, high heels, boots with extreme heels will be deemed unacceptable for work on the retail floor. If in doubt regarding your foot wear ask a manager.
- c. You may not bring any large bag, briefcase, knapsack, or handbag into the premises. All toiletries, makeup and or accessories you wish to bring into the building must be in a clear plastic bag no larger than 8"x10" items within said bag must be clearly visible to security personnel. Cell phones, wallets, change purses are permitted on the premises but must be stored in your locker during your shift. Use of electronic devices not issued by the Company are strictly prohibited on the retail floor.
- d. In order to prevent diversion of product all employees and their possessions are subject to search while on Company property. This shall include a request to search the employee's person, locker and automobile that may be parked on the premises.
- e. Acceptance of employment by the Company by employee shall be deemed to be acceptance of paragraph "d" herein.
- f. Failure to abide by any of the aforementioned requirements shall be deemed grounds for discipline and or termination.

## **WORK SCHEDULE**

The Company shall publish all work schedules during the last week of each month for the proceeding month. The schedules will be available to the employee via the employee portal. Each employee shall review the schedule and make any requested changes prior to the start of that month. If the employee fails to request a change to the schedule prior to the start of said month, the Company can not guarantee



accommodation. The Company hours of operation shall be 9 A.M. open to employees; 10 A.M. open to the public; 9 P.M. closed to the public; 10 P.M. all employees leave the premises.

## **ATTENDANCE and ABSENCES**

Attendance from your assigned work/ shift is expected a failure to notify the Company of tardiness or an absence will be grounds for disciplinary action and or termination.

### **Inclement Weather**

The Company is open for business unless there is a government-declared state of emergency or unless you are advised otherwise by your supervisor. There may be times when we will delay opening, and on rare occasions, we may have to close. Use common sense and your best judgment when traveling to work in inclement weather. The Company shall issue notice to all employees via email, text and phone of any store closures.

### **Workspace**

Employees are responsible for maintaining the workspace assigned to them. A clean, orderly workspace provides an environment conducive to working efficiently. Employees should keep in mind that their workspace is part of a professional environment that portrays the Company's overall dedication to providing quality service to its clients.

Therefore, your workspace should be clean, organized and free of items that are not required to perform your job. The Company is the beneficiary of licensure from the Cannabis Control Commission, which allows the Company to maintain a marijuana retail sales location as defined by 935 CMR 500. Maintenance of your work area must be in compliance with all applicable rules and consistent with licensure. You will be provided with work space cleaning guidelines and trained in the proper maintenance and cleaning of said space. It is imperative that these guidelines be maintained in order to prevent contamination of the products. A failure to maintain the standards the Company sets forth shall result in retraining, suspension and or termination.

## **Personnel Records**

It is important that the Company maintain accurate personnel records at all times. You are responsible for notifying your immediate supervisor or the Human Resources Department of any change in name, home address, telephone number, immigration status, criminal arrest, suspension of licensure by the Cannabis Control Commission or any other relevant changes in your status pursuant to hiring.

By promptly notifying the Company of such changes, you will avoid compromise of your benefit eligibility, the return of W-2 forms, or similar inconvenience.

As an employee of the Company you will be subject of periodic background checks by the Company and relevant State authorities. Failure to consent to any and all background checks, filing of criminal charges against you of any kind, notice of denial of renewal of licensure by the Cannabis Control Commission shall be deemed as grounds for termination.

All paperwork necessary for submittal to the Cannabis Control Commission for approval of your employment will be filled out by the Human Resources department with your consent and cooperation. The application costs will be borne by the Company. All personnel records will be available to the employee pursuant to the requirements of the laws of the Commonwealth and the Federal government. All personnel records may be obtained via written request to the Human Resource representative. All personnel records will be held for a minimum of 2 years after the closing of the marijuana establishment

## ***Internet Access***

Access to the Internet is given principally for work-related activities or approved educational/training activities. This grant of access is made to employees on a need only basis for work on Company related matters. Incidental and occasional personal use is permitted. This privilege should not be abused and must not affect the employee's performance of employment-related activities. No sales associate or security personnel may utilize their mobile phone, smart phone for any non-business related purposes while within the designated retail sales areas open to the public unless one is accessing said device for emergency purposes.

The Company email and Internet system is at all times the property of the Company. By accessing the Internet, Intranet and electronic mail services through facilities provided by the Company, you acknowledge that the Company (by itself or through its Internet Service Provider) may from time to time monitor, log and gather statistics on employee Internet activity and may examine all individual connections and communications.

Please note that the Company uses email filters to block spam and computer viruses. These filters may from time to time block legitimate email messages. Any abuse of the internet system by an employee is grounds for termination.

# **DIVERSION PREVENTION**

## **ACCESS WITHIN BUILDING**

Each employee of the Company shall be issued a Employee badge which must be worn at all times during their presence within the retail sales location. This badge will contain:

- a. Your picture;
- b. Your first name;
- c. Your registration number as issued by the Commission to work as a Marijuana Establishment Agent;
- d. Encoding based upon your employment duties to access the building;
- e. Encoding sufficient to identify you as you travel throughout the premises;
- f. Encoding sufficient to register your activity as a sales associate.
- g. Encoding sufficient to allow employee entrance to limited access areas containing the break room, locker room, employee bathrooms.

Prior to each shift employees will be required to present a state issued photo I.D. to security. This I.D. will be retained by security and you will be issued your I.D. and lanyard. You will then utilize the Employee I.D. to “badge” into work for the day. You will be required to wear this I.D. during your work shift. The I.D. shall will track your movements throughout the building during the work day.

At the conclusion of each shift you will “badge” out, return your I.D. to security and sign for your own state issued photo I.D.. Acceptance of and adherence to this procedure is necessary for employment. No employee will be allowed beyond the employee entrance without abiding by this procedure.

Any loss of a Company issued I.D. badge must be reported immediately. Failure to report said loss shall be grounds for immediate termination.

## **ACCESS TO SECURE STORAGE AREAS**

In compliance with 935 CMR 500, the Company stores all marijuana and marijuana products not being offered for sale in a secure storage room. Access to this room is monitored by redundant security and video systems. Only employees with the necessary clearance may enter this area. Any employee found to be entering this area without the requisite clearances will be immediately terminated.

Preventing the diversion of Marijuana, Marijuana Products, and Marijuana Waste is a responsibility that the Company takes very seriously. In compliance with 935 CMR 500,

it has adopted a security system and security protocol that minimizes the chances for diversion of Marijuana, Marijuana Products and Marijuana waste.

As an employee of the Company :

- A. You may not bring any large bag, briefcase, knapsack, or handbag into the premises. All toiletries, makeup and or accessories you wish to bring into the building must be in a clear plastic bag no larger than 8"x10" items within said bag must be clearly visible to security personnel. Cell phones, wallets, change purses are permitted on the premises but must be stored in your locker during your shift. Use of electronic devices not issued by the Company are strictly prohibited on the retail floor.
- B. In order to prevent diversion of product all employees and their possessions are subject to search while on Company property. This shall include a request to search the employee's person, locker and automobile that may be parked on the premises.
- C. You may only take breaks within the employee break room. The building shall be considered a secure building. Any employee leaving the building without conforming to security protocols will be subject to search, failure to submit to a search shall be grounds for termination.
- D. Smoking is prohibited on company grounds. No employee may leave the grounds for a so called smoke break.
- E. No employee may use marijuana in any form during their shift.
- F. Acceptance of employment by the Company by employee shall be deemed to be acceptance of paragraph "d" herein.
- G. Failure to abide by any of the aforementioned requirements shall be deemed grounds for discipline and or termination.

In addition to the aforementioned, notice is give to all employees that the inside and the outside areas of the retail sales location are subject to video surveillance.

Notice is given that each transaction will be monitored electronically, visually, by video means. Those retail transactions will be monitored in conjunction with electronic inventory system employed on premises by the Company. Any inventory discrepancy will be reviewed utilizing the above referenced information. If diversion is found it shall be grounds for immediate termination, notification of such to the Commission and reporting of the individual(s) responsible to the necessary authorities for prosecution.

The program certification training program that has been certified and approved by the Commission and outlined in 935 CMR 500. 105 (7). The curriculum for the program shall include :

- cc. Diversion prevention and prevention of sales to minors, including best practices.
- dd. Compliance with all tracking requirements; and
- ee. Acceptable forms of identification. Training shall include:
- ff. How to check identification;
- gg. Spotting false identification;
- hh. Medical registration cards issued by the DPH;
- ii. Provisions for confiscating fraudulent identifications; and
- jj. Common mistakes made in verification.
- kk. Other key state laws and rules affecting owners, managers, and employees, which shall include:
- ll. Local and state licensing and enforcement;
- mm. Incident and notification requirements;
- nn. Administrative and criminal liability;
- oo. License sanctions and court sanctions;
- pp. Waste disposal;
- qq. Conduct of establishment;
- rr. Licensee responsibilities for activities occurring within licensed premises;
- ss. Maintenance of records;
- tt. Prohibited purchases and practices.

A necessary component of the Company's Diversion prevention program will be training by outside consultants. This training will be done as part of the orientation process and will be repeated and expanded upon as part of the Company's continuing education program

## **MONITORING**

The Company will employ a Director of Security and security personnel to secure the exterior and interior of the Company's retail sales location. These individuals shall serve as the first line guarding against the diversion of marijuana and marijuana products from the retail sales establishment.

The Company will couple the human monitoring with 24 hour video surveillance throughout the exterior of the premises and interior spaces. The secure marijuana storage room shall be monitored and secured on multiple levels:



- a. Entrance to the room will require the marijuana agent to first scan his Company issued I.D. Badge and immediately utilized a biometric sensor. Both must be utilized to gain access to the room.
- b. Teams of two agents complying with the requirements of paragraph “a” herein are necessary in order to remove from or bring marijuana into the secure storage room.
- c. The marijuana shall be stored within the secure room in locked steel cabinetry.
- d. Agents who wish to access the locked storage containers must utilize a digital code that is changed weekly.
- e. All marijuana products that come in to or leave the locked storage room are scanned and logged in the electronic inventory system.
- f. The products are then scanned again upon reaching the retail sales room.
- g. Discrepancies between the secure room scan and the sales room scan will be noted and immediately reported to management. This will trigger an immediate inventory review and temporary closing of the facility in order to locate the missing items.
- h. The interior of the room shall be monitored by video, motion, and heat sensors.
- i. Attempts to access the room without the proper credentials during working hours will trigger an internal notice via text, email and phone call to the security personnel and management.

In conjunction with the above protocol the Company will run an inventory/sales reconciliation at the conclusion of each business day.

### **Prevention of Diversion of Marijuana and Marijuana Product Waste**

Aura Cannabis Company, LLC (“Company”) shall adhere to all of the requirements of 935 CMR 500.105(12), and shall institute the following protocols for the prevention of diversion and proper disposal of marijuana and marijuana related waste.

- a. All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed by the Company, in accordance with applicable state and local statutes, ordinances, and regulations.
- b. The company shall be dispose of Liquid waste containing marijuana or by-products of marijuana processing in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L.

- c. 21 §§ 26 through 53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.
- c. The Company will dispose of any Organic material, recyclable material and solid waste generated at a Cannabis Establishment in the following manner:
1. Organic material and recyclable material shall be redirected from disposal in accordance with the waste disposal bans described at 310 CMR 19.017: *Waste Bans*.
  2. To the greatest extent feasible the company shall dispose of any recyclable material as defined in 310 CMR 16.02: *Definitions* shall be recycled in a manner approved by the Commission; and any remaining marijuana waste shall be ground and mixed with other organic material as defined in 310 CMR 16.02: *Definitions* such that the resulting mixture renders the marijuana unusable for its original purpose. The Company will attempt to
  3. In the event that the Company can not dispose of the the solid waste created onsite via the process outlined in paragraph 2 herein, the Solid waste containing cannabis waste generated at shall be ground up and mixed with solid wastes such that the resulting mixture renders the cannabis unusable for its original purposes.
- The solid waste/ cannabis waste that has been rendered unusable shall then be sent by the Company to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located.

The Company will ensure that **No fewer than two Marijuana Establishment Agents** shall witness and document how the marijuana waste is disposed or otherwise handled (recycled, composted, etc.) in accordance with 935 CMR 500.105(12).

The Company shall create and maintain a written or electronic record when marijuana products or waste is disposed or handled of the date, the type and quantity disposed or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Marijuana Establishment Agents present during the disposal or other handling, with their signatures.

The Company shall keep these records for at least three years.

## **FIRE SECURITY -- PREVENTION AND SUPPRESSION**

Fire Plan Introduction The Company's Fire Plan is augmented with human procedures and training to assure that the management and staff of the dispensary are prepared for any emergency. The building meets or exceeds all known fire hazard requirements and will have an upgraded HVAC system. ACC is committed to the safety of its customers, staff and the general public.

No Open Flames or Exposed Heating Elements Policy Because The Company is a non-smoking facility that does not process any items it sells (other than packaging and labelling for end use) and its existing HVAC system does not involve any exposed heating elements, these potential fire causes are not in play. Any customer seeking to initiate combustion in the facility will be immediately escorted from the premises.

No Use of Flammable Materials Because the Company does not process any items it sells (other than packaging and labelling for end use), it will not have on hand any hazardous or toxic materials involved in such production or processing. Its packaging and labelling materials will be flame resistant and stored in a cool dry place. Products will be placed for display in glass display cases on bases of non-toxic inflammable materials. Any materials other than electrical devices will be comprised of only ordinary combustibles. There will not be any flammable liquids or combustible metals on the premises.

Cooperation with Fire Department First Responders COMPANY personnel and security staff will be trained and instructed to accommodate any requests for emergency access by the Fall River Fire Department responding to a priority dispatch call. A set of master keys will be made available to the Fall River Fire Department in order to provide emergency access to the interior of the facility in response to a Priority Dispatch call related to the facility. The COMPANY's ombudsperson will act as liaison with the Fall River Fire Department for inspections and ongoing fire safety education and training.

### **Fire Safety Systems**

The COMPANY will have a fire safety system based on all local requirements. Many UL Approved fire extinguishers will also be located throughout the building and will be subjected to quarterly inspection and approved for commercial use. will be equipped with many state of the art smoke and CO detectors throughout the Facility, all connected to a centrally monitored, integrated Alarm System connected to the Fall River Fire Department.

Evacuation Plan Floor plans with evacuation routes to the nearest exit are posted throughout the building. All staff have training in evacuation plans and training in how to assist ADA customers that may be in the dispensary.

Panic / Crash Bars on Doors All doors will have UL approved, crash bars that are ADA compliant for use by wheel chair users. All doors have power openers installed to provide pushbutton operation for use by ADA customers or in case of emergency.

## **GENERAL OVERVIEW OF DAILY OPERATION**

***This section is intended to be an overview of the standard daily operation policies and procedures of Aura Cannabis Company, LLC (“Company”). It is not intended to replace more detailed plans or procedures covered in other documents presented.***

Hours of Operation for the Company will be from 9:00 am to 9:00 pm, six days a week and holidays other than Christmas. The hours that the Company will be open to the public for retail purchases will be from 10 am to 8 pm. These hours will be posted at or near the entrance to the facility. The hours of operation may be subject to reduction based on the volume of traffic and patient needs.

**Use of Local Vendors and Service Providers** It is the policy of the Company to rely on local vendors whenever possible in conjunction with the Company’s “Plan to Positively Impact Areas of Disproportionate Impact and Diversity Plan, unless a demonstrably more suitable vendor is based elsewhere. Accordingly, The COMPANY will seek to obtain all lighting, stock, labels, packaging materials, utensils washing equipment, food handling equipment, display cases, cannabis products and the like from suppliers located within the same geographic location, where possible.

**General Procedures, Practices and Guidelines** Basic Standards The Company will implement the following basic operating standards, plus more specific standards as discussed elsewhere in this document and in the Employee Handbook & Operations Manual:

1. Information regarding the Company Retail Sales Location will be posted in a conspicuous place at or near the primary secured entrance lobby to the premises, as follows:

A copy of the Retail Marijuana Establishments (“RME”) registration, business license and any other authorization to conduct business;

The Company hours of operation; and

The name and telephone number of the RME Manager who is authorized to receive and respond to complaints or concerns about its operations;

2. The flow of components, product containers, closures, labels, in-process materials and cannabis will be designed to prevent contamination;

3. Operations will be performed within specifically defined areas of adequate size, and which does not emit an odor that is detectable from outside the facility;
4. There will be separate or defined areas or such other control systems for the operations as are necessary to prevent contamination or miscalculation or misuse of any component in any step of the control, packaging, labeling or distribution of cannabis during the following procedures:
  - a. Receipt, identification, storage and withholding from use of components, product containers, closures and labels, pending the appropriate sampling, testing or examination by the quality control unit before release for manufacturing, processing or packaging;
  - b. Holding rejected components, product containers, closures and labels before disposition;
  - c. Storage of released components, product containers, closures and labels;
  - d. Storage of in-process materials;
  - e. Processing operations;
  - f. Packaging and labeling operations;
  - g. Quarantine storage before the release of cannabis or cannabis products;
  - h. Storage of cannabis or cannabis products after release; and
  - i. Cannabis products will not be dispensed until required Quality Assurance (QA) Procedures have been completed; the product will not be not treated or adulterated with any compound that alters its appearance, color, weight or smell;
5. Each person who is engaged in processing, packaging or holding cannabis practices good sanitation and health habits, wears clean clothing appropriate for the duties he or she performs and, as necessary to prevent contamination, don protective apparel, such as head, face, hand and arm coverings;
6. Prohibition of consumption of cannabis on the premises other than by employees authorized by law to do so in a manner not prohibited by law;
7. Job descriptions and employment contracts will be provided that, included provisions relating to:
  - (a) The duties, authority, responsibilities and qualifications of personnel;
  - (b) Supervision of personnel;
  - (c) Training in and adherence to confidentiality requirements;
  - (d) Periodic performance evaluations; and
  - (e) Disciplinary actions;
8. Maintenance of business records such as manual/computerized records of assets and liabilities, monetary transactions, journals, ledgers and supporting documents, including agreements, checks, invoices and vouchers;
9. Development of patient education and support materials, including Information about the purported effectiveness of various methods, forms and routes of



administering cannabis; and prohibition on the smoking of cannabis in public places, places open to the public and places exposed to public view;

10. Use of proper sanitation methods and techniques, including about:
  - a. Assigning responsibility for sanitation;
  - b. Describing the cleaning schedules, methods, equipment and materials to be used in cleaning the buildings and facilities of the medical cannabis establishment;
  - c. Identifying the use of appropriate rodenticides, insecticides, fungicides, fumigating agents and cleaning and sanitizing agents;
  - d. Ensuring that all sanitation procedures apply to work performed by contractors or temporary employees and work performed by full-time and regular employee during the ordinary course of operations;
11. Recording transactions, including purchases, denials of sale, confidentiality and retention through an encrypted EVS (Tracking, below);
12. Customer education and support, including, without limitation:
  - a. The availability of different strains of cannabis and the purported effects of the different strains;
  - b. Information about the purported effectiveness of various methods, forms and routes of administering cannabis; and
  - c. Prohibition on the smoking of cannabis in public places, places open to the public and places exposed to public view;
13. Restricting access to areas containing cannabis to persons authorized to be in those areas and requiring that such persons provide authorizing identification;
14. Prevention/discouragement of loitering;
15. Sanitation, including:
  - a. Assigning responsibility for sanitation;
  - b. Describing in detail the cleaning schedules, methods, equipment and materials to be used in cleaning the buildings and facilities of the dispensary;
  - c. Identifying the use of appropriate rodenticides, insecticides, fungicides, fumigating agents and cleaning and sanitizing agents;
  - d. The availability of different strains of cannabis and the purported effects of the different strains;
  - e. Ensuring that all sanitation procedures apply to work performed by contractors or temporary employees and work performed by full-time employees or regular during the ordinary course of operations;
16. Security procedures and apparatuses enough to prevent and detect unauthorized entrance into the Dispensary (See also Security Plan) which include:

- a. Conducting electronic monitoring in and about the premises which includes the use of automatic or electronic notification to alert local law enforcement agencies of an unauthorized breach of security;
- b. Devices or a series of devices to detect unauthorized intrusion, which may include a signal system interconnected with a radio frequency method, such as cellular or private radio signals, or other such device;
- c. Exterior lighting to facilitate surveillance;
- d. Electronic (video) monitoring capabilities, including:
- e. At least one call-up monitor that is 19 inches or more measured diagonally;
- f. A printer capable of immediately producing a clear still photo from any video camera image;
- g. Video cameras with a recording resolution of at least 704 x 480 pixels or the equivalent which provide coverage of all entrances to and exits from limited access areas and all entrances to and exits from the building and which are capable of identifying activity occurring in or around the building;

### **Staff Training Program**

The dispensary will provide instruction/training to its staff that relate to its basic operating procedure (as discussed immediately above) plus the following areas:

- 1. The proper use of security measures and controls that have been adopted by the Dispensary for the security of the facility and to prevent diversion, theft or loss of cannabis;
- 2. Procedures and instructions for responding to an emergency;
- 3. State and federal statutes and regulations regarding confidentiality of information related to the adult use of cannabis;
- 4. The different strains of cannabis sold by the dispensary;
- 5. The different methods of using cannabis, edible cannabis products and cannabis infused products; and
- 6. Signs of abuse or instability in the use of cannabis.
- 7. Proper sanitation as to the handling of cannabis products, including:
  - a. Avoiding bare hand and arm contact with exposed, finished cannabis products;
  - b. The use of suitable utensils such as deli tissue, spatulas, tongs, single-use gloves or dispensing equipment when handling exposed, finished edibles or infused products;
  - c. Keeping his or her hands and the exposed portions of his or her arms clean;
  - d. Cleaning hands and exposed portions of his or her arms (or, as applicable surrogate prosthetic devices for hands and arms), during the following times and circumstances:

- Immediately before working with usable cannabis or other cannabis products prior to packaging;
  - After touching bare human body parts other than clean hands and exposed portions of arms;
  - After using the toilet;
  - After coughing, sneezing, using a handkerchief or disposable tissue, using tobacco, eating or drinking;
  - After handling soiled equipment;
  - As often as necessary to remove soil and contamination and to prevent cross-contamination when changing tasks;
- e. Keeping his or her fingernails trimmed, filed and maintained so that the edges and surfaces are cleanable;
  - f. Unless wearing intact gloves in good repair, avoiding the use of fingernail polish or artificial fingernails on his or her fingernails;
  - g. Wearing clean clothing appropriate to the tasks assigned to him or her.

8. Proper washing techniques, as follows:

- a. Taking at least 20 seconds to complete the washing procedure, using a handwashing sink and cleaning compound
- b. Rinsing under clean, running warm water;
- c. Applying an amount of cleaning compound recommended by the manufacturer of the compound;
- d. Rubbing together vigorously for at least 15 seconds while paying particular attention to removing soil from underneath the fingernails and creating friction on the surfaces of the hands and arms, fingertips and areas between the fingers;
- e. Thoroughly rinsing under clean, running warm water;
- f. Thoroughly drying the washed body part.

9. The prohibition on transacting cannabis with unauthorized suppliers;

10. Understanding the difference between topical products, edible cannabis products and cannabis-infused products, as applicable to the operations of the facility for the production of edible cannabis products or cannabis-infused products;

11. The procedures used by the facility for the production of edible cannabis products or cannabis-infused products to create edible cannabis products or cannabis-infused products;

12. The proper procedures for handling edible cannabis products or cannabis-infused products, including, without limitation, package and store such products as required by the provisions of the governing statute and related regulations.

### **Ongoing Diligence in Product Safety**

Company personnel will include a person, who will have the following responsibilities:

1. Development of information-sharing and research relationships in the industry and scientific community concerning the various strains of cannabis, the effects of such strains and the THC/CBD constituents therein;
2. As to Testing Laboratories to which ACC's suppliers submit their products for testing:
  - (a) Developing knowledge of, and performing due diligence in determining compliance with, laboratory standards of practice, standard operating procedures, chain of custody protocols, quality control and quality assurance and proficiency standards and results;
  - (b) Determining, from information available whether the Testing Laboratory has been subjected to discipline or has rated an unsatisfactory result in proficiency testing;
  - (c) The Testing Laboratory's procedures and methods for testing of cannabis.
3. As to suppliers from which The Company obtains cannabis products:

Determine the standard operating procedures & good manufacturing practices the suppliers;

Develop knowledge of, and perform due diligence in determining compliance with regulatory standards regarding the processing of edibles and infused products, including use of the methods, equipment, solvents, gases and mediums specified therein:

Develop knowledge of, and performing due diligence in determining compliance with standards regarding the sourcing and handling of nonmarijuana ingredients and marijuana;

Ascertain the identity of the Testing Laboratory or laboratories with which they do business;

Conduct, where permitted, an on-site inspection of the premises in order to effectuate the foregoing;

4. The Company will also conduct its own random testing to validate results provided by its suppliers.
5. Potency and contaminate specifications shall be as stated in the Fall River Municipal Code, as amended.

**Packaging & Labeling Program:**

Generally: The COMPANY adheres to, and will ensure adherence by its suppliers to, the following packaging and labeling protocols:

1. With respect to the receipt, identification, storage, handling, sampling, testing of labeling packaging materials, the Company specifications and control procedures for its labeling and packaging materials will:

- a. Suitably identify each type of cannabis product, by strength, dosage form or quantity of contents;
- b. Be examined/ inspected to determine whether they meet the Company specifications, and as to such labels:
  - The name of the costumer;
  - The cannabinoid/terpinoid profile;
  - The THC and CBD potency;
  - A warning that states: "This product may have intoxicating effects and may be habit forming."
  - The statement: "This product may be unlawful outside of the State of California."
  - Example: Lot#: 1234 Dispensed to: John J. Smith on 11/27/2015 by Berkeley Aura Cannabis Company (address) WARNING: This product may have intoxicating effects and may be habit forming. 16.7% THC 1.5% CBD 0.3% CBN Myrcene 5.6 mg/g Limonene 5.1 mg/g Valencene 3.5 mg/g Net Weight: .25 ounces (7 grams) This product may be unlawful outside the State of Massachusetts.

2. For edible and infused products:

- Aura Cannabis Company business name and address;
- The lot and/or batch number(s) of all cannabis used to create the product;
- The date and quantity dispensed, including the net weight in ounces and grams or by volume, as appropriate;
- The name of the costumer;
- If the product is perishable, a suggested use-by date;
- (f) The terpinoid and THC profile in milligrams;
- (g) A list of all ingredients and all major food allergens;
- (h) A warning that states: "Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by 2 or more hours;"

- A warning that states: “This product may have intoxicating effects and may be habit forming;”
- (j) A statement that: “This product may be unlawful outside of the State of Massachusetts;”
- (k) Example (two-sided label):

Side 1: Aura Cannabis Company (address) Date Dispensed: 3/27/2015  
 To: John J. Smith, Cookie Net Weight: 6oz (168 Grams) Serving Size:  
 10mg of THC Contains 10 servings and a total of 100 MG of THC Use by:  
 6/3/2015 Myrcene 5.6 mg/g Limonene 5.1 mg/g Valencene 3.5 mg/g  
 CAUTION: When eaten or swallowed the intoxicating effects of this  
 product can be delayed 2 or more hours. This product may be unlawful  
 outside the State of Massachusetts.

Side 2: Lot#: 1234 Batch #5463 INGREDIENTS: Flour, Butter, Canola Oil,  
 Sugar, Chocolate, Marijuana, Strawberries CONTAINS ALLERGENS:  
 Milk, Wheat Contains marijuana extract processed with butane.  
 WARNING: This product may have intoxicating effects and may be habit  
 forming.

3. In addition to the labeling to be affixed to packages containing cannabis, the dispensary will also provide, with all cannabis dispensed, accompanying material that discloses any pesticides applied to the marijuana plants and growing medium during production and processing and contains the following warnings in at least 12 point font without italics:

- “Warning: This product may have intoxicating effects and may be habit forming. Smoking is hazardous to your health;”
- “There may be health risks associated with consumption of this product;”
- “Should not be used by women who are pregnant or breast feeding;”
- “For use only by the person named on the label of the dispensed product. Keep out of reach of children;”
- “Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug;”

4. In addition to the labeling to be affixed to packages containing cannabis, the dispensary will also provide, with all edibles and infused products it dispenses, specific accompanying material, printed in at least 12-point font without italics, that:

- Discloses any pesticides applied to the marijuana plants and growing medium during production of the marijuana used to



create the extract added to the edible marijuana products or marijuana-infused products;

- The type of extraction method used, including the identification of solvents, gases or other chemicals or compounds used to produce or that are added to the extract;

- Contains the following warnings:

{i} "There may be health risks associated with consumption of this product;"

{ii} "This product contains or is infused with marijuana or active compounds of cannabis;"

{iii} "Should not be used by women who are pregnant or breast feeding;"

{iv} "For use only by the person named on the label of the dispensed product. Keep out of the reach of children;"

{v} "Products containing marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug;"

{vi} "Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by 2 or more hours;"

5. In addition to the foregoing packaging and labeling protocols, the dispensary will:

(a) Exercise of strict control over labeling materials issued for use in labeling operations;

(b) Carefully examine labeling materials issued for a batch for identity and conformity to the labeling specified in the applicable production or control records;

(c) Carefully examine packaged and labeled products during finishing operations to assure that the containers and packages have the correct labels;

(d) Collect a representative sample of units at the completion of finishing operations and ensure that the samples are visually examined for correct labeling;

(e) Record the results of any examinations performed the applicable production or control records;

6. In addition to the foregoing packaging and labeling protocols, the dispensary will post a placard at least 8 inches tall by 11 inches wide in a 48-point font, in a

conspicuous place on the premises, that states, for edible and infused products, the following:

(a) Edible and Marijuana Infused Products: There may be health risks associated with consumption of edible marijuana products or marijuana infused products;

(b) Edible products and marijuana infused products contain marijuana or active compounds of marijuana;

(c) Edible products and marijuana infused products should not be used by women who are pregnant or breastfeeding;

(d) When eaten or swallowed, the intoxicating effects of edible products and marijuana infused products can be delayed two or more hours;

(e) Follow all recommended dosage and serving guidelines and recommendations;

(f) KEEP CANNABIS PRODUCTS OUT OF REACH OF CHILDREN;

7. In addition to the foregoing, the dispensary will post a placard at least 8 inches tall by 11 inches wide in a 48 point font, in a conspicuous place on the premises, that states that it is unlawful to sell or resell marijuana or marijuana products to any person.

8. In addition to the foregoing, a sign shall be posted at the entrance to the Dispensary that includes the following language: This Dispensary only provides cannabis to its members, who must be the minimum state required legal age of 21 to purchase cannabis and must be able to provide a valid state issued D.L. or I.D.. The required text shall be of sufficient size to be easily read from a distance of five feet.

9. In addition to the foregoing, a sign shall be posted in a conspicuous location inside the dispensary advising as follows: This Dispensary is registered in accordance with the laws of the City of Fall River. The sale of marijuana and the diversion of marijuana to anyone under the age of 21 is a violations of State law. The use of marijuana may impair a person's ability to drive a motor vehicle or operate heavy machinery.

10. In addition to the foregoing, a sign or signs shall be posted in a location or locations conspicuous from all sales areas inside the structure that state: WARNING: Cannabis products including edibles are not tested by local, state or federal governmental agencies for health, safety, or efficacy. There may be health risks associated with the consumption of these products. The required text shall be of sufficient size to be easily read from a distance of five feet. This warning shall also be provided in writing to each member prior to accession to membership;

11. Finally, the dispensary will not label any cannabis product as "organic" unless it has confirmed that the plants used in that produce are produced, processed and certified in a manner that is consistent with the national organic standards established by the United States Department of Agriculture in accordance with the Organic Foods Production Act of 1990.

**Further Disclosures:**

COMPANY will provide the following additional disclosures to its customers, upon request, a writing received from any Cultivation Facility from which it obtains product disclosing:

(a) All soil amendments, fertilizers and other crop production aids applied to the growing medium or marijuana plant included in the lot; and

(b) The name of the Testing Laboratory which performed the required quality assurance tests and the results of the required quality assurance tests for the lot.

Samples-to the extent permitted by law or regulation, the dispensary may make samples available to its consumers for visual inspection and to smell, as follows:

[1] The sample will be packaged in a jar protected by a plastic or metal mesh screen;

[2] The sample jar will contain no more than 3 1/2 grams of usable cannabis;

[3] The sample will remain in the custody of the Dispensary at all times during inspection.

**Integrated Accounting and Transactions Systems:**

The COMPANY will integrate its accounting and inventory systems. Based on robust client server architecture, the Company computer systems will track transactions, inventory, and expenses in real time, allowing for seamless electronic transfer of data directly to its accountant. Encrypted transmissions are used to ensure privacy.

Redundant hardware and robust backup will assure the integrity of our information. State of the art electronic security will be implemented to insure patient privacy. Firewalls, intrusion detection and spyware filtering software will all be implemented. Both network level access control and system level restricted access will prevent unauthorized use of the system. The server room will be physically secured behind a locked security door with access thereto limited to designated staff.

The Inventory Control Vendor will, in coordination with the Company's accountant and bookkeeper, integrate its inventory control protocols and sales tracking into the Company in-house accounting system. This will insure the integrity of its financial bookkeeping. The in-house accounting system will be backed up weekly. All systems will be encrypted, cloud-based and accessible electronically from servers protected

by biometric locks and 24hour surveillance. ACC's accounting will be made available to City auditors upon request.

In addition to the quarterly reconciliations, there will be regularly scheduled daily, weekly and monthly procedures to track inventory and sales, as follows:

[1] Daily: The President will verify cash receipts to the P.O.S. system, reconciling daily transactions to ensure all have been entered into the system. Where feasible, a daily deposit ticket for the day's receipts will be prepared and placed into an envelope with all cash and checks that are being deposited that day;

[2] Weekly: The P.O.S. system will automatically update BCCC's in-house accounting system for all transactions from the week. The bookkeeper will verify the daily receipts and transactions for accuracy;

[3] Monthly: A physical inventory will be performed on the last business day of each month, and the bookkeeper or President will reconcile the inventory to the P.O.S. and in-house accounting systems. These systems will track any unusable, discarded or destroyed cannabis as part of the reconciliation process. Any adjustments to these systems will require the approval of the Executive Director or President and will be logged by the bookkeeper.

Finally, the COMPANY will rely on its team of accounting and legal professionals to cross-check discrepancies and to investigate suspected losses that cannot be accounted for through normal operations.

**Records Retention Program** All records concerning the operations of the dispensary will be maintained and made available for review for at least five years. Such records will be placed in a secure, locked room, and electronic copies secured by means of encryption and limitation of access to designated personnel.

### **LABOR AND EMPLOYMENT STANDARDS AND POLICY:**

**Ethical Standards and Practices** It is the policy of the dispensary to publish and promote the highest set of ethical standards. The dispensary will provide employee training in regard to the State of Massachusetts and the City of Fall River legal awareness and compliance issues. Staff members are subject to discipline, including immediate termination, on the following (non-exhaustive list of) grounds:

[1] Conviction of a felony offense;

[2] Providing cannabis to an unauthorized person or otherwise engaging in acts of diversion;

[3] Knowing violation Massachusetts law or Fall River ordinance or related regulations by or other unethical or unlawful behavior. Union Shop the dispensary will offer dignified fulltime single earner positions with health insurance to all full-time employees. The dispensary will offer good single earner Union Jobs. The dispensary will offer a full raft of benefits, including health insurance. The management of the dispensary firmly believes in the benefits of collective bargaining, and a well-compensated staff.

## **Occupational Health and Safety Standards**

Sanitary Practices-The dispensary will meet or exceed all OSHA standards for safety in the work place. The dispensary will offer a clean, safe and comfortable environment for its employees and customers. In the event the dispensary determines that a staff member has a health condition that may affect the safety or quality of the cannabis it produces, or the health of other staff members, it will place the affected person on medical leave until such time as the health condition of the employee no longer presents a threat. See also, "Staff Training," above.

Staff Recruitment, Oversight and Reporting Program: Emphasis will be placed on hiring qualified individuals residing in the region that meet the qualifications of the Company's Diversity Plan. All staff will be members or volunteers of at least 21 years of age.

After an intensive application and job selection program, all candidates will undergo criminal and background checks. All candidates will be required to provide the following additional information to the dispensary in order to facilitate its background check:

- [1] His or her name, address, date of birth and Social Security Number;
- [2] Copy of government issued ID card that has a photograph of the person;
- [3] An attestation that s/he has not been convicted of an excluded felony offense;
- [4] An attestation pledging that s/he will not divert cannabis to unauthorized persons;
- [5] A current photo;

Qualified candidates will be employed for a 120-day probationary period. During the initial probationary period, employees will undergo a robust training, testing and evaluation process, including a comprehensive plan of lectures, hands-on training and study in regard to the dispensary policies and practices.

The dispensary will make reasonable accommodations for the medical needs of a staff member who engages in the medical use of cannabis, as follows: If the staff member holds a valid Registry Identification Card, provided that such "reasonable accommodation" would not:

- [1] Pose a threat of harm or danger to persons or property or impose an undue hardship on The dispensary; or
- [2] Prohibit the staff member from fulfilling any and all of his or her job responsibilities;

In addition to any other grounds for termination authorized under the Company Employee Handbook or Operations Plan or applicable law, a dispensary staff member will be discharged upon evidence that:

[1] S/he has engaged in unlawful diversion of cannabis, theft or other unethical conduct amounting to moral turpitude; or

[2] Upon notification that s/he has been convicted of a disqualifying felony offense

In the event that the dispensary receives a report from a staff member concerning an accident, loss or theft, including thefts or loss occurring during transport of cannabis, it will immediately report such accident, loss or theft to appropriate agencies and the applicable law enforcement agency within 24 hours of discovery of the theft.



## **RECORD KEEPING PROCEDURES**

The Aura Cannabis Company, LLC ("Company") will use a cannabis industry-specific computerized system (CS) (e.g., BIOTRACKTCH, MJFREEWAY) to provide accurate record keeping of sales and inventory, allow for accounting and verification, ensure accountability at every stage, and provide fully auditable capacities.

The CS provides verification of customer I.D., and accepted I.D.. For each customer the CS generates a unique Customer I.D. and record that tracks the first visit and all subsequent visits to the retail sales facility, and provides a record of their purchase history including the dates, product type, quantity, product batch, and pricing information. The CS employed by the Company will meet industry standards for confidentiality to ensure that consumer information is not accessed by unauthorized parties; and conforms to Commission requirements, and provides all data to meet regulatory compliance with the Commission's directives.

The Company's Point of Sale (POS) will be integrated with QuickBooks to monitor every aspect of the business and maintain all necessary audit and compliance procedures according to the necessary standard Accounting procedures.

The Company's system will include computerized records of :

- a. All assets and liabilities;
- b. All Monetary transactions;
- c. Books of accounts, which shall include journals, ledgers, agreements, checks, invoices and vouchers;
- d. All Sales records including the quantity, form, cost of marijuana products;
- e. The Salary and wages paid to each employee, benefits paid to any party.
- f. The documents and records will be kept for at least Seven (7) years in a form and location that will be acceptable to the Commission.

The CS employed by the Company will provide a comprehensive inventory control and tracking system that details the product's origin and full product history. Including but not limited to time stamp of all movements of the product from vendor to the retail marijuana establishment, batch characteristics (\* dates of creation, batch, independent testing results and certifications, quantified active chemical compounds) and the sale of the products will be linked with an employee I.D. stamp.

This integrated computer system will track transactions, inventory, and expenses in real time from the time that the customer enters the retail sales location, allowing for seamless electronic transfer of data directly to its onsite server. If necessary each transaction will be traceable via the video monitoring system, via POS data. Encrypted transmissions to the bookkeeper/Financial officer and accountant ensure privacy.

The CS will feature redundant hardware and backing up of data via a hardware system and cloud-based system. This redundancy will guarantee the integrity of the retained information. Network level access control and system level restricted access will prevent unauthorized use of the system. The server room will be physically secured behind a locked security door with access thereto limited to designated staff.

The Inventory Control Vendor will, in coordination with the Company's financial officer, accountant and bookkeeper, integrate its inventory control protocols and

sales tracking into the dispensary's in-house accounting system. This will ensure the integrity of its financial bookkeeping. The in-house accounting system will be backed up weekly. All systems will be encrypted, cloud-based and accessible electronically from servers protected by biometric locks and 24-hour surveillance. The Company's accounting will be made available to authorized auditors upon request.

In addition to the quarterly reconciliations, there will be regularly scheduled daily, weekly and monthly procedures to track inventory and sales, as follows:

Daily: The financial officer will verify cash receipts to the P.O.S. system, reconciling daily transactions to ensure all have been entered into the system. Where feasible, a daily deposit ticket for the day's receipts will be prepared and placed into an envelope with all cash and checks that are being deposited that day;

Weekly: The P.O.S. system will automatically update the Company's in-house accounting system for all transactions from the week. The bookkeeper will verify the daily receipts and transactions for accuracy;

Monthly: A physical inventory will be performed on the last business day of each month, and the bookkeeper or President will reconcile the inventory to the P.O.S. and in-house accounting systems. These systems will track any unusable, discarded or destroyed cannabis as part of the reconciliation process. Any adjustments to these systems will require the approval of the Executive Director or President and will be logged by the bookkeeper.

All records of waste and waste disposal shall be maintained for a minimum of three (3) years in accordance with 935 CMR 500.105(12).

Finally, the Company will rely on its team of accounting and legal professionals to cross-check discrepancies and to investigate suspected losses that cannot be accounted for through normal operations. In accordance with 935 CMR 500.105(9). The Company shall maintain all of their records in accordance with generally accepted accounting principles

Operating procedures shall be in written form, accessible, reviewed, maintained and updated to be in conformance with 935 CMR 500.105(1) and 500.105(9).

All inventory records shall be maintained in accordance with 935 CMR 500.105 (8) and (9).

Seed to sale tracking records shall be maintained by the company in accordance with 935 CMR 500.105 (8) (e) and (9).

Personnel records for the Company shall be maintained and include : the job description for each agent of the company; a full personnel file for each agent. In conformance with 935 CMR 500.00.

The company shall maintain staffing records and plans demonstrating business hours and staffing levels and procedures necessary for safe cultivation conditions.

Personnel policies shall be written and maintained and include all background check reports that are obtained in accordance with 935 CMR 500.030 and 935 CMR 500.105.(9).

All employee files and records will be kept as a hard copy within the offices and segregated within the onsite server. They will be password protected and accessible to based on management designation.

Records Retention Program All records concerning the operations of the dispensary will be maintained and made available for review for at least five years. Such records will be placed in a secure, locked room, and electronic copies secured by means of encryption and limitation of access to designated personnel.

## **QUALIFICATIONS AND TRAINING**

In accordance with 935 CMR 500.105, the Aura Cannabis Company, LLC will be staffing the following positions. Each employee shall be trained for their specific duties prior to performing their job functions in accordance with 935 CMR 500.105(2). All employees of the Company shall be required to participate in ongoing training. The company shall provide a minimum of 8 hours ongoing training annually in conformance with 935 CMR 500.105 (2). All owners, managers and employees shall be required to complete the Responsible Vendors Program. All new employees of the Company shall be required to complete the Responsible Vendor Program within 90 days of being hired. The company shall provide evidence of said training to the Commission and maintain Responsible Vendor Training Program documentation for a minimum of 4 years.

**General Manager** : College Graduate preferred with at least 5 years of retail sales and managerial experience. Must be capable of working with a diverse and inclusive staff, have the ability to train staff, and be able to react to changing market forces. shall be responsible for staffing and day to day compliance issues. He/She shall be required to work on a daily basis with shift managers and retail sales associates who are the point of contact people with the customer base. The G.M. shall implement the security and sales protocols adopted by the company.

**Financial Officer**: College Graduate, with a finance and or accounting background, it is preferred that this individual have a demonstrated ability to work in a small business environment, capable of taking on new tasks within a developing and changing industry. Responsibilities include but will not be limited to: being responsible for the financial record keeping for the Company as well as monitoring the Company's compliance with applicable tax issues, payroll issues and all monetary compliance issues requires under local, state and federal law.

**Security Chief**: Should have extensive background in Police work and or private security work. Should be capable of managing a diverse and inclusive work force, familiar with electronic surveillance within a highly regulated setting. This individual shall be responsible for implementing, auditing, monitoring and modifying the security protocols for the Company. He will be responsible for the hiring, training and ongoing education and discipline of the onsite security personnel. In addition to managing the human aspect of the security system he/she shall be responsible for ensuring that the security system is tested, properly monitored and upgraded when necessary. The S. C. shall work with the Managing Member, Financial Officer, Chief Compliance officer and instruct the General Manager on areas that his staff may be deficient or need retraining.

**Purchasing Agent:** The Purchasing Agent (PA) is responsible for identifying suitable products based on customer need and purchasing such products at favorable rates. The PA will work closely with the Inventory Control Specialist to ensure proper tracking of purchases. The Purchasing Agent handles vendor transactions. The Purchasing Agent is also responsible for scales calibration and to ensure all cannabis is free from toxins, molds, pesticides and other impurities. The duties of the PA may be performed by the General Manager or another qualified member of the staff.

In coordination with the Quality Assurance Specialist, the PA will perform the following:

- a. Inspection of cannabis for quality
- b. Confirmation of Product testing
- c. Securing of incoming cannabis
- d. Negotiations of market rate
- e. Creation of purchase orders
- f. Delivery of bulk packages to Company for inventory control and management.

**Quality Assurance Specialist:** The Quality Assurance Specialist is responsible for scales calibration and, to ensure all cannabis is free from toxins, molds, pesticides and other impurities, and will act as liaison with the cultivator/product manufacturer. He will oversee the disposal of batches and lots that have failed QA testing. He/She will also be responsible for ordering packaging and labelling materials, for ensuring that such materials are not defective, and for the proper labelling and packaging of products. He will be responsible for all product handling, including:

- a. Weighing and packaging the product for sale.
- b. Labeling and sealing all packaging

c. Maintaining cleanliness standards in the handling of product.

**Information Technology Specialist:** The IT Specialist is responsible for the design and implementation of the dispensary's computer systems. Hardware and software selection, implementation and staff training on these systems will be the province of the IT Specialist, who is also responsible for the integrity of the information and security of the system including physical and as electronic security. Firewall policy, access rights, password protection and login rights are also the province of the IT Specialist.

**Bookkeeper** The Company will employ a bookkeeper to take responsibility for daily accounting duties. The Bookkeeper will cooperate with the dispensary's outside accounting firm and Inventory Control Officer to complete regular audits of the system.

**Security Personnel** : The Security officer shall be the eyes and ears of the Retail location . The security officers duties may include the following :

- a. Monitoring the parking and outside areas to prevent loitering and diversion of purchased marijuana products to third parties;
- b. Monitoring the entrance system. Examining identifications to ensure that all parties seeking entrance into the retail sales location have the requisite state issued photo I.D. card evidencing that they are 21 years or older; utilizing the scanning machine to ensure that the I.D. presented is valid, verifying that the individual pictured on the valid I.D. is in fact the presenter.
- c. Monitoring the entry and preventing any party entrance who may be in possession of a dangerous weapon.
- d. Monitoring the interior retail spaces for misfeasance and or malfeasance by sales associates, and preventing the diversion of marijuana or marijuana products from the retail sales floor.
- e. Monitoring the video system to ensure that the location is a safe working environment suitable for business invitees to enter.
- f. Escorting Agents to and from vehicles that have or will transport marijuana.



- g. Monitoring the activities of visitors
- h. Verifying that each employee is in possession of their registration card; issuing internal employee badges each shift, and retrieving badges at the end of each employees shift.
- i. Issuing visitor passes and escorting said visitors throughout their time in limited access areas.
- j. Monitoring employees and visitors for diversion.
- k. Monitoring all aspects of the storage of marijuana on premises to deter diversion.
- l. Monitoring all aspects of the disposal of unusable products and product containers to ensure compliance and deter diversion.
- m. Implement the security plan and provide training to the staff on emergency procedures, use of the panic (security alarm system)
- n. Train and act as a first responder for medical emergencies until authorized responders arrive

**Sales Associates:** shall be the retail face of the Company. They shall report directly to the General Manager, Shift Manager or Security Chief as required. These individuals are responsible for ensuring that the customer visiting the Company's retail sales location is well informed and serviced by the establishment. The retail associate shall have requisite knowledge of the goods sold, effects of the goods, uses for the goods. The retail sales associate shall abide by the sales limits found within 935 CMR 500. Observe regulations to prevent diversion of the goods and observe all security protocols for the premises and those necessary for the safe dispensing of marijuana and marijuana products.

Each employee will be required to have the requisite training and education commensurate with their job descriptions. Aura Cannabis Company, LLC, will have an ongoing continuing education program that will be run in conjunction with their diversity plan. All employees will be required to attend.

As part of their pre-employment training and job specific training every employee as part of the orientation program shall attend a certification training program that has been certified and approved by the Commission and outlined in 935 CMR 500. 105 (7). The curriculum for the program shall include :

- a. Discussion concerning marijuana's effect on the human body. Training shall include:

- b. Marijuana's physical effects based on type of marijuana product;
- c. The amount of time to feel impairment;
- d. Visible signs of impairment; and
- e. Recognizing the signs of impairment.
- f. Diversion prevention and prevention of sales to minors, including best practices.
- g. Compliance with all tracking requirements; and
- h. Acceptable forms of identification. Training shall include:
  - i. How to check identification;
  - j. Spotting false identification;
  - k. Medical registration cards issued by the DPH;
  - l. Provisions for confiscating fraudulent identifications; and
  - m. Common mistakes made in verification.
- n. Other key state laws and rules affecting owners, managers, and employees, which shall include:
  - o. Local and state licensing and enforcement;
  - p. Incident and notification requirements;
  - q. Administrative and criminal liability;
  - r. License sanctions and court sanctions;
  - s. Waste disposal;
  - t. Health and safety standards;
  - u. Patrons prohibited from bringing marijuana onto licensed premises;
  - v. Permitted hours of sale;
  - w. Conduct of establishment;
  - x. Permitting inspections by state and local licensing and enforcement authorities;
  - y. Licensee responsibilities for activities occurring within licensed premises;
  - z. Maintenance of records;
  - aa. Privacy issues; and
  - bb. Prohibited purchases and practices.

## **QUALITY CONTROL AND TESTING**

The Aura Cannabis Company, LLC, ("Company") shall follow 935 CMR 500. And all other state, local, and federal laws pertaining to the quality control ("QC") and testing of marijuana and marijuana products. The Company will only purchase marijuana and marijuana products that have been produced within the Commonwealth of Massachusetts, and products from vendors that have been tested by a state approved independent testing laboratory (ISATL) (e.g. MCR labs in Framingham) meeting the requirements as set forth by the Commission.

Only the leaves and flowers of the female marijuana plant are to be processed in a safe and sanitary manner ensuring that:

- The product is well cured and generally free of seeds and stems;
- Free of dirt, sand, debris and foreign matter;
- Free from contamination, mold, rot, fungus or bacterial diseases;
- All products shall be handled on food-grade stainless tables; and
- Packaged in a secure area in accordance with 935 CMR 500.105.(3).

All Agents working in direct contact with marijuana shall be subject of the requirements for food handlers as specified in 105 CMR 300.000.

All agent working directly with marijuana shall conform to sanitary practices while on duty including : Maintaining personal cleanliness and washing hands appropriately in accordance with 935 CMR 500.105 (3).

The company shall provide adequate hand washing facilities located in production areas where good sanitary practices require employees to sanitize their hands in accordance with 935 CMR 500.105 (3).

The facility shall have storage facilities sufficient for placement of equipment and storage of materials necessary for the maintenance of sanitary operations in accordance with 935 CMR 500.105 (3).

Litter and waste shall be removed properly to minimize the development and potential for the waste attracting and harboring pests. This shall be done in conformance with 935 CMR 500.105 (3) and 500.105 (12).

All floors, walls and ceilings will be constructed in a manner that they will be adequately kept in good repair. All contact surfaces shall be maintained, cleaned and sanitized as necessary to protect against contamination in accordance with 935 CMR 500.105 (3).

All toxic items present on the premises shall be identified, labeled and stored in a manner that protects against contamination of marijuana in accordance with the requirements of 935 CMR 500.105 (3).

The facility shall be furnished water sufficient for all necessary operations by a public water supply maintained and operated by the City of Fall River.

All plumbing for the facility shall be designed and maintained to ensure an adequate supply of water to required locations throughout the establishment.

Adequate toilet facilities shall be readily accessible to all employees and conform to all local, state and federal regulations. More particularly they shall be in conformance with the requirements of 935 CMR. 105(3).

The establishment shall ensure that no marijuana will be sold or otherwise marketed for adult use that has not or is not capable of being tested by an independent testing laboratory pursuant to 935 CMR 500.140 (9).

The Company shall notify the Commission within 72 hours of any laboratory testing results indicating contamination if contamination cannot be remediated and disposal of the production batch is necessary. The company shall do so in accordance with 935 CMR 500.160 (2).

All products entered into inventory by the Company for retail sale shall be examined by Marijuana Establishment Staff to ensure that it is free from mold, mildew, infestation by pests, and free from signs of adulteration or tampering.

All products remaining in the inventory of the Company will be examined by trained personnel prior to the product being removed from the secure storage area and offered for sale to customers.

Any product that does not meet the Company's stringent expectations will be disposed of pursuant to Commission guidelines in the diversion prevention protocols.

In addition to the above protocols the Company will use equipment of proper design to accomplish its objectives in the most efficient manner, including by the following means:

- a. equipment and utensils used will be of appropriate design and adequate size and suitably located to facilitate operations for its intended use and for its cleaning and maintenance; and
- b. Constructed so that surfaces which have direct contact with components, in-process materials and cannabis are not reactive, additive or absorptive to either:
  1. Alter the safety, identity, strength, quality or purity of the products beyond established requirements; or
  2. Allow the migration of deleterious substances or impart colors, odors or tastes to products;
- c. Safe, durable, corrosion-resistant, nonabsorbent, of sufficient construction to withstand repeated ware washing, are finished to have a smooth, easily cleanable surface; and are resistant to pitting, chipping, crazing, scratching, scoring, distortion and decomposition;

The dispensary will establish written procedures and records concerning the cleaning and maintenance of equipment (including procedures regarding methods, equipment and materials used in cleaning and maintenance operations) that:

- a. Ensures that any substances required for its operation, such as lubricants or coolants, do not come into contact with components, product containers, in-process materials, or cannabis so as to alter their safety, identity, strength, quality or purity beyond the official or other established requirements;
- b. Ensures that equipment and utensils are cleaned, maintained and, as appropriate for the nature of the cannabis, sanitized and sterilized at appropriate intervals to prevent malfunctions or contamination that would alter the safety, identity, strength, quality or purity of the cannabis beyond the official or other established requirements (including, where necessary, the disassembly and reassembly of such equipment);
- c. Assigns responsibility for cleaning and maintaining equipment;
- d. Establishes a schedule for maintenance, cleaning and, where appropriate, sanitizing equipment or utensils, and in particular, for equipment or utensils that have direct contact with cannabis or cannabis products, cleaning/sanitizing at the following times:
  - 1. At a frequency specified by the manufacturer, or if the manufacturer does not specify a frequency, at a frequency necessary to prevent the accumulation of soil or mold;
  - 2. Each time there is a change from working with raw marijuana products to working with finished marijuana products;
  - 3. As to cavities and door seals and surfaces of heating appliances, at least once every 24 hours by using the recommended cleaning procedure of the manufacturer;
  - 4. As to the surfaces of equipment that do not have direct contact with marijuana products, as often as necessary to keep them free of accumulations of dust, dirt, residue and other debris;
  - 5. At any time during operation when contamination may have occurred;
- e. Ensures that after cleaning and before use, the surfaces of equipment and utensils that come in direct contact with cannabis and cannabis products are sanitized in:
  - 1. Hot water manual operations by immersion for at least 30 seconds with a temperature of 170°F (77°C) or above;
  - 2. Hot water mechanical operations by being cycled through equipment that is set up and achieving a utensil surface temperature of 160°F (71°C) as measured by an irreversible registering temperature indicator;

3.Provides for the protection of clean equipment from contamination before use; and inspection of equipment for cleanliness immediately before use.

4.The dispensary's ware washing equipment shall include in its operation the use of fresh hot water as a sanitizing rinse, at a temperature of between 180°F (82°C) and 194°F (90°C) as it enters the manifold;

5.Scales and weighing mechanisms must be able to weigh to within 1/100th of a gram, shall be maintained in good working order and shall be subject to annual inspection by either the Alameda County Department of Agriculture/Weights and Measures or a licensed scale company.

Ongoing Diligence in Product Safety:

Company personnel will include a person, who will have the following responsibilities:

1. Development of information-sharing and research relationships in the industry and scientific community concerning the various strains of cannabis, the effects of such strains and the THC/CBD constituents therein;

2. As to Testing Laboratories to which ACC's suppliers submit their products for testing:

a. Developing knowledge of, and performing due diligence in determining compliance with, laboratory standards of practice, standard operating procedures, chain of custody protocols, quality control and quality assurance and proficiency standards and results;

b. Determining, from information available whether the Testing Laboratory has been subjected to discipline or has rated an unsatisfactory result in proficiency testing;

c. The Testing Laboratory's procedures and methods for testing cannabis.

3. As to suppliers from which The Company obtains cannabis products:

(a) Determine the standard operating procedures & good manufacturing practices the suppliers;

(b) Develop knowledge of, and perform due diligence in determining compliance with regulatory standards regarding the processing of edibles and infused products, including



use of the methods, equipment, solvents, gases and mediums specified therein:

- (c) Develop knowledge of, and performing due diligence in determining compliance with standards regarding the sourcing and handling of nonmarijuana ingredients and marijuana;
- (d) Ascertain the identity of the Testing Laboratory or laboratories with which they do business;
- (e) Conduct, where permitted, an on-site inspection of the premises in order to effectuate the foregoing;

## **PERSONNEL POLICIES**

### **AND GENERAL OPERATIONS MANUAL**

Aura Cannabis Company, LLC, ("Company") prides itself on providing a safe, welcoming work environment for all employees. These policies are designed to ensure that the work environment and employee behavior is in compliance with 935 CMR 500 et seq., and the licensure associated with the Company's retail sales location.

#### **Aura Cannabis Company, LLC is an equal opportunity employer**

We will extend equal opportunity to all individuals without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices. As part of our social outreach program veterans are strongly encouraged to apply for employment.

Like most American companies, Aura Cannabis Company, LLC, generally does not offer individual employees a formal employment contract with the Company. Employment is "at will," meaning that you or the Company may end your employment at any time for any lawful reason.

#### **The Hiring Process**

All prospective employees will submit applications to the Human Resource Department. These initial applications will be reviewed and screened to ensure that the Applicant meets the internal requirements of the Company as well as the standards for licensure established by the Cannabis Control Commission ("Commission") with the adoption of 935 CMR 500., to become a Registered Marijuana Agent;

The Applicant for a position with the Company must:

- a. Possess a valid state issued picture I.D. evidencing they are at least 21 years of age.
- b. Individuals applying to act as transporters of marijuana and marijuana products must have a valid driver's license and a driving record without a so called moving violation, accident, suspension or revocation of rights to drive for a 3 year period prior to the application filing date.
- c. Agree to meet and subsequently abide by the licensing

requirements of the Commission.

- d. Undertake all necessary training and have the ability to pass written and oral examinations regarding the legal sale of marijuana products as well as the company security, operational and personnel guidelines, and participate in yearly recertification internally by the Company, and the license renewal process with the Commission.
- e. Failure to meet these requirements will result in non-hire/or termination.
- f. All staffing of the facility and keeping of records shall be in accordance with 935 CMR 500.105 (9); and 935 CMR 500.105(1).
- g. The Company shall maintain the establishment as an alcohol, smoke and drug free workplace in accordance with 935 CMR 500.105(1).
- h. All employee information shall be maintained by the company and accessible only to necessary personnel i.e. Human Resources professionals, hiring managers. All information shall be maintained within a secure office segregated from other facility operations in conformance with 935 CMR 500.105(1).
- i. The company shall have a zero tolerance policy dismissing any agent who has diverted marijuana, engaged in unsafe practices or been convicted or entered a guilty plea for a felony charge of distribution of a drug to a minor. The company shall notify the commission promptly of any dismissal and conform to the requirements with regards to dismissal as outlined in 935 CMR 500.105(1) et al.

All such individuals seeking employment must be registered as a Marijuana Establishment Agent under the provisions of 935 CMR 500., as promulgated by and amended by the Commission. The requirements are:

(a) be 21 years of age or older;

(b) not been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority; and

(c) be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 500.802.

(2) An application for registration of a marijuana establishment agent shall include:

(a) the full name, date of birth, and address of the individual;

(b) all aliases used previously or currently in use by the individual, including maiden name, if any;

(c) a copy of the applicant's driver's license, government-issued identification card, liquor purchase identification card issued pursuant to M.G.L. c. 138, § 34B, or other verifiable identity document acceptable to the Commission;

(d) an attestation that the individual will not engage in the diversion of marijuana products;

(e) written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport, and dispense marijuana in the Commonwealth;

(f) background information, including, as applicable:

1. a description and the relevant dates of any criminal action under the laws of the Commonwealth, or another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, whether for a felony or misdemeanor and which resulted in conviction, or guilty plea, or plea of *nolo contendere*, or admission of sufficient facts;

2. a description and the relevant dates of any civil or administrative action under the laws of the Commonwealth, another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority relating to any professional or occupational or fraudulent practices;
3. a description and relevant dates of any past or pending denial, suspension, or revocation of a license or registration, or the denial of a renewal of a license or registration, for any type of business or profession, by any federal, state, or local government, or any foreign jurisdiction;
4. a description and relevant dates of any past discipline by, or a pending disciplinary action or unresolved complaint by, the Commonwealth, or a like action or complaint by another state, the United States or foreign jurisdiction, or a military, territorial Native American tribal authority with regard to any professional license or registration held by the applicant; and
5. 5. a nonrefundable application fee paid by the Marijuana Establishment with which the marijuana establishment agent will be associated; and any other information required by the Commission.

If an applicant can not meet the requirements issued by the Commission for licensure as a Marijuana Establishment Agent they will not be hired; and if at any time subsequent to the hiring of an employee said employee becomes ineligible to act as a Marijuana Establishment Agent then employee will be terminated.

Upon Issuance of a registration card as a Marijuana Establishment Agent:

- a. Your registration card shall be valid for one year from the date of issue, and may be renewed on an annual basis upon a determination by the Commission that the applicant for renewal continues to be suitable for registration.
- b. After you obtain a registration card for a marijuana establishment agent, the Company is responsible for notifying the Commission, in a form and manner determined by the Commission, as soon as possible, but in any event, within five business days of any changes to the information that the establishment was previously required to submit to the Commission or after discovery that a registration card has been lost or stolen.

- c. You as an employee must immediately notify the Company if in fact your registration card has been lost or stolen. Failure to do so shall be grounds for termination.
- d. As a marijuana establishment agent you shall carry the registration card associated with the Company at all times while in possession of marijuana products, including at all times while at the establishment or while transporting marijuana products.
- e. If as a marijuana establishment agent you are affiliated with multiple Marijuana Establishments you shall be required to be registered as a marijuana establishment agent by each Marijuana Establishment and shall be issued a registration card for each establishment.

### **ORGANIZATIONAL CHART and JOB DESCRIPTIONS**

Aura Cannabis Company, LLC ("Company"), is a limited liability company that is owned by members of the Company, and directed by a Managing Member of the Company who is chosen by the membership.

The Managing Member is responsible for monitoring the overall activities of the Company and the retail sales location. He has been granted the right to make all decisions regarding the company and shall do so without the requirement of a special meeting or vote of the membership.

Financial Officer shall report directly to the Managing Member and is responsible for the financial record keeping for the Company as well as monitoring the Company's compliance with applicable tax issues, payroll issues and all monetary compliance issues requires under local, state and federal law.

Chief Compliance Officer shall report directly to the Managing Member and shall be responsible for the Company's adherence to internal protocols, requirements issued by the Commonwealth pursuant to 935 CMR 500. The CCO shall work with the General Manager on these issues. The Compliance officer and Financial officer along with the assistance of the General Manager shall comprise the Human Resource department for the Company.

Security Chief shall be responsible for implementing, auditing, monitoring and modifying the security protocols for the Company. He will be responsible for the hiring, training and ongoing education and discipline of the onsite security personnel. In addition to managing the human aspect of the security system he/she shall be responsible for ensuring that the security system is tested, properly monitored and upgraded when necessary. The S. C. shall work with the Managing Member, Financial Officer, Chief Compliance officer and instruct the General Manager on areas that his staff may be deficient or need retraining.



General Manager shall be responsible for staffing and day to day compliance issues. He/She shall be required to work on a daily basis with shift managers and retail sales associates who are the point of contact people with the customer base. The G.M. shall implement the security and sales protocols adopted by the company.

Sales Associates shall be the retail face of the Company. They shall report directly to the General Manager, Shift Manager or Security Chief as required. These individuals are responsible for ensuring that the customer visiting the Company's retail sales location is well informed and serviced by the establishment. The retail associate shall have requisite knowledge of the goods sold, effects of the goods, uses for the goods. The retail sales associate shall abide by the sales limits found within 935 CMR 500. Observe regulations to prevent diversion of the goods and observe all security protocols for the premises and those necessary for the safe dispensing of marijuana and marijuana products.

Security Officers shall report to both the Security Chief , General Manager and shift Managers. The Security officer shall be the eyes and ears of the Retail location . The security officers duties may include the following :

- a. Monitoring the parking and outside areas to prevent loitering and diversion of purchased marijuana products to third parties;
- b. Monitoring the entrance system. Examining identifications to ensure that all parties seeking entrance into the retail sales location have the requisite state issued photo I.D. card evidencing that they are 21 years or older; utilizing the scanning machine to ensure that the I.D. presented is valid, verifying that the individual pictured on the valid I.D. is in fact the presenter.
- c. Monitoring the entry and preventing any party entrance who may be in possession of a dangerous weapon.
- d. Monitoring the interior retail spaces for misfeasance and or malfeasance by sales associates, and preventing the diversion of marijuana or marijuana products from the retail sales floor.
- e. Monitoring the video system to ensure that the location is a safe working environment suitable for business invitees to enter.
- f. Escorting Agents to and from vehicles that have or will transport marijuana.

- g. Monitoring the activities of visitors
- h. Verifying that each employee is in possession of their registration card; issuing internal employee badges each shift, and retrieving badges at the end of each employees shift.
- i. Issuing visitor passes and escorting said visitors throughout their time in limited access areas.
- j. Monitoring employees and visitors for diversion.
- k. Monitoring all aspects of the storage of marijuana on premises to deter diversion.
- l. Monitoring all aspects of the disposal of unusable products and product containers to ensure compliance and deter diversion.
- m. Implement the security plan and provide training to the staff on emergency procedures, use of the panic (security alarm system)
- n. Train and act as a first responder for medical emergencies until authorized responders arrive.

## **ORIENTATION**

Each person who has successfully completed the application process with the Company and with the Commission shall be required to attend an orientation seminar. During this seminar you will be presented with a comprehensive breakdown of your benefits with the company, company policies regarding workplace behavior and most importantly the safety protocols for the retail location, transportation of goods (if applicable) , the different types of products that will sold at the location, protocols and laws regarding the display, dispensing, packaging and transfer of the goods to the consumer. Attendance is mandatory. As part of the program you will be subjected to written quizzes and a final exam. The goal of this program is to ensure that you can be the best employee possible, work in an environment that you as an employee help maintain, and become the best representative of the Company possible. As a sales associate you are expected to give our customers the best, most knowledgeable service possible. As security personnel you will be trained to ensure that the grounds, and interior of the building are a safe and welcoming place. You will be the Company's first and last contact with our customers. Your duties go beyond the security of the Company, and extend to being Ambassadors of the Company ensuring that the experience is not only a safe but enjoyable one.

As part of the orientation program employees shall attend a certification training program that has been certified and approved by the Commission and outlined in 935 CMR 500. 105 (7). The curriculum for the program shall include :

- a. Discussion concerning marijuana's effect on the human body.  
Training shall include:
- b. Marijuana's physical effects based on type of marijuana product;
- c. The amount of time to feel impairment;
- d. Visible signs of impairment; and
- e. Recognizing the signs of impairment.
- f. Diversion prevention and prevention of sales to minors, including best practices.
- g. Compliance with all tracking requirements; and
- h. Acceptable forms of identification. Training shall include:
  - i. How to check identification;
  - j. Spotting false identification;
  - k. Medical registration cards issued by the DPH;
  - l. Provisions for confiscating fraudulent identifications; and
  - m. Common mistakes made in verification.
- n. Other key state laws and rules affecting owners, managers, and employees, which shall include:
  - o. Local and state licensing and enforcement;
  - p. Incident and notification requirements;
  - q. Administrative and criminal liability;
  - r. License sanctions and court sanctions;
  - s. Waste disposal;
  - t. Health and safety standards;
  - u. Patrons prohibited from bringing marijuana onto licensed premises;
  - v. Permitted hours of sale;
  - w. Conduct of establishment;
  - x. Permitting inspections by state and local licensing and enforcement authorities;
  - y. Licensee responsibilities for activities occurring within licensed premises;
  - z. Maintenance of records;
  - aa. Privacy issues; and
  - bb. Prohibited purchases and practices.

## **ARRIVAL AT WORK/ WORK SCHEDULE/ ATTENDANCE/ ABSENCE**

The Company plans to have the retail location open at least 6 days a week. The Retail sales location will open at 10 a.m., however each employee is expected to arrive ready to work One (1) hour prior to opening, fully dressed and ready to work. The check in process prior to each shift requires that you:

- a. Be wearing a freshly laundered Company shirt and appropriate pants. Shorts, skirts or other clothing items that allow exposed legs are deemed inappropriate for work on the Company retail floor.
- b. Be wearing proper foot wear. During your shift you will be required to stand for long period of times. It is imperative that your foot wear reflect this level of activity. Open toe shoes, high heels, boots with extreme heels will be deemed unacceptable for work on the retail floor. If in doubt regarding your foot wear ask a manager.
- c. You may not bring any large bag, briefcase, knapsack, or handbag into the premises. All toiletries, makeup and or accessories you wish to bring into the building must be in a clear plastic bag no larger than 8"x10" items within said bag must be clearly visible to security personnel. Cell phones, wallets, change purses are permitted on the premises but must be stored in your locker during your shift. Use of electronic devices not issued by the Company are strictly prohibited on the retail floor.
- d. In order to prevent diversion of product all employees and their possessions are subject to search while on Company property. This shall include a request to search the employee's person, locker and automobile that may be parked on the premises.
- e. Acceptance of employment by the Company by employee shall be deemed to be acceptance of paragraph "d" herein.
- f. Failure to abide by any of the aforementioned requirements shall be deemed grounds for discipline and or termination.

## **WORK SCHEDULE**

The Company shall publish all work schedules during the last week of each month for the proceeding month. The schedules will be available to the employee via the employee portal. Each employee shall review the schedule and make any requested changes prior to the start of that month. If the employee fails to request a change to the schedule prior to the start of said month, the Company can not guarantee

accommodation. The Company hours of operation shall be 9 A.M. open to employees; 10 A.M. open to the public; 9 P.M. closed to the public; 10 P.M. all employees leave the premises.

## **ATTENDANCE and ABSENCES**

Attendance from your assigned work/ shift is expected a failure to notify the Company of tardiness or an absence will be grounds for disciplinary action and or termination.

### **Inclement Weather**

The Company is open for business unless there is a government-declared state of emergency or unless you are advised otherwise by your supervisor. There may be times when we will delay opening, and on rare occasions, we may have to close. Use common sense and your best judgment when traveling to work in inclement weather. The Company shall issue notice to all employees via email, text and phone of any store closures.

### **Workspace**

Employees are responsible for maintaining the workspace assigned to them. A clean, orderly workspace provides an environment conducive to working efficiently. Employees should keep in mind that their workspace is part of a professional environment that portrays the Company's overall dedication to providing quality service to its clients.

Therefore, your workspace should be clean, organized and free of items that are not required to perform your job. The Company is the beneficiary of licensure from the Cannabis Control Commission, which allows the Company to maintain a marijuana retail sales location as defined by 935 CMR 500. Maintenance of your work area must be in compliance with all applicable rules and consistent with licensure. You will be provided with work space cleaning guidelines and trained in the proper maintenance and cleaning of said space. It is imperative that these guidelines be maintained in order to prevent contamination of the products. A failure to maintain the standards the Company sets forth shall result in retraining, suspension and or termination.

## **Personnel Records**

It is important that the Company maintain accurate personnel records at all times. You are responsible for notifying your immediate supervisor or the Human Resources Department of any change in name, home address, telephone number, immigration status, criminal arrest, suspension of licensure by the Cannabis Control Commission or any other relevant changes in your status pursuant to hiring.

By promptly notifying the Company of such changes, you will avoid compromise of your benefit eligibility, the return of W-2 forms, or similar inconvenience.

As an employee of the Company you will be subject of periodic background checks by the Company and relevant State authorities. Failure to consent to any and all background checks, filing of criminal charges against you of any kind, notice of denial of renewal of licensure by the Cannabis Control Commission shall be deemed as grounds for termination.

All paperwork necessary for submittal to the Cannabis Control Commission for approval of your employment will be filled out by the Human Resources department with your consent and cooperation. The application costs will be borne by the Company. All personnel records will be available to the employee pursuant to the requirements of the laws of the Commonwealth and the Federal government. All personnel records may be obtained via written request to the Human Resource representative. All personnel records will be held for a minimum of 2 years after the closing of the marijuana establishment

## ***Internet Access***

Access to the Internet is given principally for work-related activities or approved educational/training activities. This grant of access is made to employees on a need only basis for work on Company related matters. Incidental and occasional personal use is permitted. This privilege should not be abused and must not affect the employee's performance of employment-related activities. No sales associate or security personnel may utilize their mobile phone, smart phone for any non-business related purposes while within the designated retail sales areas open to the public unless one is accessing said device for emergency purposes.

The Company email and Internet system is at all times the property of the Company. By accessing the Internet, Intranet and electronic mail services through facilities provided by the Company, you acknowledge that the Company (by itself or through its Internet Service Provider) may from time to time monitor, log and gather statistics on employee Internet activity and may examine all individual connections and communications.

Please note that the Company uses email filters to block spam and computer viruses. These filters may from time to time block legitimate email messages. Any abuse of the internet system by an employee is grounds for termination.



# **DIVERSION PREVENTION**

## **ACCESS WITHIN BUILDING**

Each employee of the Company shall be issued a Employee badge which must be worn at all times during their presence within the retail sales location. This badge will contain:

- a. Your picture;
- b. Your first name;
- c. Your registration number as issued by the Commission to work as a Marijuana Establishment Agent;
- d. Encoding based upon your employment duties to access the building;
- e. Encoding sufficient to identify you as you travel throughout the premises;
- f. Encoding sufficient to register your activity as a sales associate.
- g. Encoding sufficient to allow employee entrance to limited access areas containing the break room, locker room, employee bathrooms.

Prior to each shift employees will be required to present a state issued photo I.D. to security. This I.D. will be retained by security and you will be issued your I.D. and lanyard. You will then utilize the Employee I.D. to “badge” into work for the day. You will be required to wear this I.D. during your work shift. The I.D. shall will track your movements throughout the building during the work day.

At the conclusion of each shift you will “badge” out, return your I.D. to security and sign for your own state issued photo I.D.. Acceptance of and adherence to this procedure is necessary for employment. No employee will be allowed beyond the employee entrance without abiding by this procedure.

Any loss of a Company issued I.D. badge must be reported immediately. Failure to report said loss shall be grounds for immediate termination.

## **ACCESS TO SECURE STORAGE AREAS**

In compliance with 935 CMR 500, the Company stores all marijuana and marijuana products not being offered for sale in a secure storage room. Access to this room is monitored by redundant security and video systems. Only employees with the necessary clearance may enter this area. Any employee found to be entering this area without the requisite clearances will be immediately terminated.

Preventing the diversion of Marijuana, Marijuana Products, and Marijuana Waste is a responsibility that the Company takes very seriously. In compliance with 935 CMR 500,

it has adopted a security system and security protocol that minimizes the chances for diversion of Marijuana, Marijuana Products and Marijuana waste.

As an employee of the Company :

- A. You may not bring any large bag, briefcase, knapsack, or handbag into the premises. All toiletries, makeup and or accessories you wish to bring into the building must be in a clear plastic bag no larger than 8"x10" items within said bag must be clearly visible to security personnel. Cell phones, wallets, change purses are permitted on the premises but must be stored in your locker during your shift. Use of electronic devices not issued by the Company are strictly prohibited on the retail floor.
- B. In order to prevent diversion of product all employees and their possessions are subject to search while on Company property. This shall include a request to search the employee's person, locker and automobile that may be parked on the premises.
- C. You may only take breaks within the employee break room. The building shall be considered a secure building. Any employee leaving the building without conforming to security protocols will be subject to search, failure to submit to a search shall be grounds for termination.
- D. Smoking is prohibited on company grounds. No employee may leave the grounds for a so called smoke break.
- E. No employee may use marijuana in any form during their shift.
- F. Acceptance of employment by the Company by employee shall be deemed to be acceptance of paragraph "d" herein.
- G. Failure to abide by any of the aforementioned requirements shall be deemed grounds for discipline and or termination.

In addition to the aforementioned, notice is give to all employees that the inside and the outside areas of the retail sales location are subject to video surveillance.

Notice is given that each transaction will be monitored electronically, visually, by video means. Those retail transactions will be monitored in conjunction with electronic inventory system employed on premises by the Company. Any inventory discrepancy will be reviewed utilizing the above referenced information. If diversion is found it shall be grounds for immediate termination, notification of such to the Commission and reporting of the individual(s) responsible to the necessary authorities for prosecution.

The program certification training program that has been certified and approved by the Commission and outlined in 935 CMR 500. 105 (7). The curriculum for the program shall include :

- cc. Diversion prevention and prevention of sales to minors, including best practices.
- dd. Compliance with all tracking requirements; and
- ee. Acceptable forms of identification. Training shall include:
- ff. How to check identification;
- gg. Spotting false identification;
- hh. Medical registration cards issued by the DPH;
- ii. Provisions for confiscating fraudulent identifications; and
- jj. Common mistakes made in verification.
- kk. Other key state laws and rules affecting owners, managers, and employees, which shall include:
- ll. Local and state licensing and enforcement;
- mm. Incident and notification requirements;
- nn. Administrative and criminal liability;
- oo. License sanctions and court sanctions;
- pp. Waste disposal;
- qq. Conduct of establishment;
- rr. Licensee responsibilities for activities occurring within licensed premises;
- ss. Maintenance of records;
- tt. Prohibited purchases and practices.

A necessary component of the Company's Diversion prevention program will be training by outside consultants. This training will be done as part of the orientation process and will be repeated and expanded upon as part of the Company's continuing education program

## **MONITORING**

The Company will employ a Director of Security and security personnel to secure the exterior and interior of the Company's retail sales location. These individuals shall serve as the first line guarding against the diversion of marijuana and marijuana products from the retail sales establishment.

The Company will couple the human monitoring with 24 hour video surveillance throughout the exterior of the premises and interior spaces. The secure marijuana storage room shall be monitored and secured on multiple levels:

- a. Entrance to the room will require the marijuana agent to first scan his Company issued I.D. Badge and immediately utilized a biometric sensor. Both must be utilized to gain access to the room.
- b. Teams of two agents complying with the requirements of paragraph “a” herein are necessary in order to remove from or bring marijuana into the secure storage room.
- c. The marijuana shall be stored within the secure room in locked steel cabinetry.
- d. Agents who wish to access the locked storage containers must utilize a digital code that is changed weekly.
- e. All marijuana products that come in to or leave the locked storage room are scanned and logged in the electronic inventory system.
- f. The products are then scanned again upon reaching the retail sales room.
- g. Discrepancies between the secure room scan and the sales room scan will be noted and immediately reported to management. This will trigger an immediate inventory review and temporary closing of the facility in order to locate the missing items.
- h. The interior of the room shall be monitored by video, motion, and heat sensors.
- i. Attempts to access the room without the proper credentials during working hours will trigger an internal notice via text, email and phone call to the security personnel and management.

In conjunction with the above protocol the Company will run an inventory/sales reconciliation at the conclusion of each business day.

### **Prevention of Diversion of Marijuana and Marijuana Product Waste**

Aura Cannabis Company, LLC (“Company”) shall adhere to all of the requirements of 935 CMR 500.105(12), and shall institute the following protocols for the prevention of diversion and proper disposal of marijuana and marijuana related waste.

- a. All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed by the Company, in accordance with applicable state and local statutes, ordinances, and regulations.
- b. The company shall be dispose of Liquid waste containing marijuana or by-products of marijuana processing in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L.

- c. 21 §§ 26 through 53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.
- c. The Company will dispose of any Organic material, recyclable material and solid waste generated at a Cannabis Establishment in the following manner:
1. Organic material and recyclable material shall be redirected from disposal in accordance with the waste disposal bans described at 310 CMR 19.017: *Waste Bans*.
  2. To the greatest extent feasible the company shall dispose of any recyclable material as defined in 310 CMR 16.02: *Definitions* shall be recycled in a manner approved by the Commission; and any remaining marijuana waste shall be ground and mixed with other organic material as defined in 310 CMR 16.02: *Definitions* such that the resulting mixture renders the marijuana unusable for its original purpose. The Company will attempt to
  3. In the event that the Company can not dispose of the the solid waste created onsite via the process outlined in paragraph 2 herein, the Solid waste containing cannabis waste generated at shall be ground up and mixed with solid wastes such that the resulting mixture renders the cannabis unusable for its original purposes.
- The solid waste/ cannabis waste that has been rendered unusable shall then be sent by the Company to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located.

The Company will ensure that **No fewer than two Marijuana Establishment Agents** shall witness and document how the marijuana waste is disposed or otherwise handled (recycled, composted, etc.) in accordance with 935 CMR 500.105(12).

The Company shall create and maintain a written or electronic record when marijuana products or waste is disposed or handled of the date, the type and quantity disposed or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Marijuana Establishment Agents present during the disposal or other handling, with their signatures.

The Company shall keep these records for at least three years.

## **FIRE SECURITY -- PREVENTION AND SUPPRESSION**

Fire Plan Introduction The Company's Fire Plan is augmented with human procedures and training to assure that the management and staff of the dispensary are prepared for any emergency. The building meets or exceeds all known fire hazard requirements and will have an upgraded HVAC system. ACC is committed to the safety of its customers, staff and the general public.

No Open Flames or Exposed Heating Elements Policy Because The Company is a non-smoking facility that does not process any items it sells (other than packaging and labelling for end use) and its existing HVAC system does not involve any exposed heating elements, these potential fire causes are not in play. Any customer seeking to initiate combustion in the facility will be immediately escorted from the premises.

No Use of Flammable Materials Because the Company does not process any items it sells (other than packaging and labelling for end use), it will not have on hand any hazardous or toxic materials involved in such production or processing. Its packaging and labelling materials will be flame resistant and stored in a cool dry place. Products will be placed for display in glass display cases on bases of non-toxic inflammable materials. Any materials other than electrical devices will be comprised of only ordinary combustibles. There will not be any flammable liquids or combustible metals on the premises.

Cooperation with Fire Department First Responders COMPANY personnel and security staff will be trained and instructed to accommodate any requests for emergency access by the Fall River Fire Department responding to a priority dispatch call. A set of master keys will be made available to the Fall River Fire Department in order to provide emergency access to the interior of the facility in response to a Priority Dispatch call related to the facility. The COMPANY's ombudsperson will act as liaison with the Fall River Fire Department for inspections and ongoing fire safety education and training.

### **Fire Safety Systems**

The COMPANY will have a fire safety system based on all local requirements. Many UL Approved fire extinguishers will also be located throughout the building and will be subjected to quarterly inspection and approved for commercial use. will be equipped with many state of the art smoke and CO detectors throughout the Facility, all connected to a centrally monitored, integrated Alarm System connected to the Fall River Fire Department.

Evacuation Plan Floor plans with evacuation routes to the nearest exit are posted throughout the building. All staff have training in evacuation plans and training in how to assist ADA customers that may be in the dispensary.



Panic / Crash Bars on Doors All doors will have UL approved, crash bars that are ADA compliant for use by wheel chair users. All doors have power openers installed to provide pushbutton operation for use by ADA customers or in case of emergency.

## **GENERAL OVERVIEW OF DAILY OPERATION**

***This section is intended to be an overview of the standard daily operation policies and procedures of Aura Cannabis Company, LLC (“Company”). It is not intended to replace more detailed plans or procedures covered in other documents presented.***

Hours of Operation for the Company will be from 9:00 am to 9:00 pm, six days a week and holidays other than Christmas. The hours that the Company will be open to the public for retail purchases will be from 10 am to 8 pm. These hours will be posted at or near the entrance to the facility. The hours of operation may be subject to reduction based on the volume of traffic and patient needs.

**Use of Local Vendors and Service Providers** It is the policy of the Company to rely on local vendors whenever possible in conjunction with the Company’s “Plan to Positively Impact Areas of Disproportionate Impact and Diversity Plan, unless a demonstrably more suitable vendor is based elsewhere. Accordingly, The COMPANY will seek to obtain all lighting, stock, labels, packaging materials, utensils washing equipment, food handling equipment, display cases, cannabis products and the like from suppliers located within the same geographic location, where possible.

**General Procedures, Practices and Guidelines** Basic Standards The Company will implement the following basic operating standards, plus more specific standards as discussed elsewhere in this document and in the Employee Handbook & Operations Manual:

1. Information regarding the Company Retail Sales Location will be posted in a conspicuous place at or near the primary secured entrance lobby to the premises, as follows:

A copy of the Retail Marijuana Establishments (“RME”) registration, business license and any other authorization to conduct business;

The Company hours of operation; and

The name and telephone number of the RME Manager who is authorized to receive and respond to complaints or concerns about its operations;

2. The flow of components, product containers, closures, labels, in-process materials and cannabis will be designed to prevent contamination;

3. Operations will be performed within specifically defined areas of adequate size, and which does not emit an odor that is detectable from outside the facility;
4. There will be separate or defined areas or such other control systems for the operations as are necessary to prevent contamination or miscalculation or misuse of any component in any step of the control, packaging, labeling or distribution of cannabis during the following procedures:
  - a. Receipt, identification, storage and withholding from use of components, product containers, closures and labels, pending the appropriate sampling, testing or examination by the quality control unit before release for manufacturing, processing or packaging;
  - b. Holding rejected components, product containers, closures and labels before disposition;
  - c. Storage of released components, product containers, closures and labels;
  - d. Storage of in-process materials;
  - e. Processing operations;
  - f. Packaging and labeling operations;
  - g. Quarantine storage before the release of cannabis or cannabis products;
  - h. Storage of cannabis or cannabis products after release; and
  - i. Cannabis products will not be dispensed until required Quality Assurance (QA) Procedures have been completed; the product will not be not treated or adulterated with any compound that alters its appearance, color, weight or smell;
5. Each person who is engaged in processing, packaging or holding cannabis practices good sanitation and health habits, wears clean clothing appropriate for the duties he or she performs and, as necessary to prevent contamination, don protective apparel, such as head, face, hand and arm coverings;
6. Prohibition of consumption of cannabis on the premises other than by employees authorized by law to do so in a manner not prohibited by law;
7. Job descriptions and employment contracts will be provided that, included provisions relating to:
  - (a) The duties, authority, responsibilities and qualifications of personnel;
  - (b) Supervision of personnel;
  - (c) Training in and adherence to confidentiality requirements;
  - (d) Periodic performance evaluations; and
  - (e) Disciplinary actions;
8. Maintenance of business records such as manual/computerized records of assets and liabilities, monetary transactions, journals, ledgers and supporting documents, including agreements, checks, invoices and vouchers;
9. Development of patient education and support materials, including Information about the purported effectiveness of various methods, forms and routes of

administering cannabis; and prohibition on the smoking of cannabis in public places, places open to the public and places exposed to public view;

10. Use of proper sanitation methods and techniques, including about:
  - a. Assigning responsibility for sanitation;
  - b. Describing the cleaning schedules, methods, equipment and materials to be used in cleaning the buildings and facilities of the medical cannabis establishment;
  - c. Identifying the use of appropriate rodenticides, insecticides, fungicides, fumigating agents and cleaning and sanitizing agents;
  - d. Ensuring that all sanitation procedures apply to work performed by contractors or temporary employees and work performed by full-time and regular employee during the ordinary course of operations;
11. Recording transactions, including purchases, denials of sale, confidentiality and retention through an encrypted EVS (Tracking, below);
12. Customer education and support, including, without limitation:
  - a. The availability of different strains of cannabis and the purported effects of the different strains;
  - b. Information about the purported effectiveness of various methods, forms and routes of administering cannabis; and
  - c. Prohibition on the smoking of cannabis in public places, places open to the public and places exposed to public view;
13. Restricting access to areas containing cannabis to persons authorized to be in those areas and requiring that such persons provide authorizing identification;
14. Prevention/discouragement of loitering;
15. Sanitation, including:
  - a. Assigning responsibility for sanitation;
  - b. Describing in detail the cleaning schedules, methods, equipment and materials to be used in cleaning the buildings and facilities of the dispensary;
  - c. Identifying the use of appropriate rodenticides, insecticides, fungicides, fumigating agents and cleaning and sanitizing agents;
  - d. The availability of different strains of cannabis and the purported effects of the different strains;
  - e. Ensuring that all sanitation procedures apply to work performed by contractors or temporary employees and work performed by full-time employees or regular during the ordinary course of operations;
16. Security procedures and apparatuses enough to prevent and detect unauthorized entrance into the Dispensary (See also Security Plan) which include:

- a. Conducting electronic monitoring in and about the premises which includes the use of automatic or electronic notification to alert local law enforcement agencies of an unauthorized breach of security;
- b. Devices or a series of devices to detect unauthorized intrusion, which may include a signal system interconnected with a radio frequency method, such as cellular or private radio signals, or other such device;
- c. Exterior lighting to facilitate surveillance;
- d. Electronic (video) monitoring capabilities, including:
- e. At least one call-up monitor that is 19 inches or more measured diagonally;
- f. A printer capable of immediately producing a clear still photo from any video camera image;
- g. Video cameras with a recording resolution of at least 704 x 480 pixels or the equivalent which provide coverage of all entrances to and exits from limited access areas and all entrances to and exits from the building and which are capable of identifying activity occurring in or around the building;

### **Staff Training Program**

The dispensary will provide instruction/training to its staff that relate to its basic operating procedure (as discussed immediately above) plus the following areas:

- 1. The proper use of security measures and controls that have been adopted by the Dispensary for the security of the facility and to prevent diversion, theft or loss of cannabis;
- 2. Procedures and instructions for responding to an emergency;
- 3. State and federal statutes and regulations regarding confidentiality of information related to the adult use of cannabis;
- 4. The different strains of cannabis sold by the dispensary;
- 5. The different methods of using cannabis, edible cannabis products and cannabis infused products; and
- 6. Signs of abuse or instability in the use of cannabis.
- 7. Proper sanitation as to the handling of cannabis products, including:
  - a. Avoiding bare hand and arm contact with exposed, finished cannabis products;
  - b. The use of suitable utensils such as deli tissue, spatulas, tongs, single-use gloves or dispensing equipment when handling exposed, finished edibles or infused products;
  - c. Keeping his or her hands and the exposed portions of his or her arms clean;
  - d. Cleaning hands and exposed portions of his or her arms (or, as applicable surrogate prosthetic devices for hands and arms), during the following times and circumstances:

- Immediately before working with usable cannabis or other cannabis products prior to packaging;
  - After touching bare human body parts other than clean hands and exposed portions of arms;
  - After using the toilet;
  - After coughing, sneezing, using a handkerchief or disposable tissue, using tobacco, eating or drinking;
  - After handling soiled equipment;
  - As often as necessary to remove soil and contamination and to prevent cross-contamination when changing tasks;
- e. Keeping his or her fingernails trimmed, filed and maintained so that the edges and surfaces are cleanable;
  - f. Unless wearing intact gloves in good repair, avoiding the use of fingernail polish or artificial fingernails on his or her fingernails;
  - g. Wearing clean clothing appropriate to the tasks assigned to him or her.

8. Proper washing techniques, as follows:

- a. Taking at least 20 seconds to complete the washing procedure, using a handwashing sink and cleaning compound
- b. Rinsing under clean, running warm water;
- c. Applying an amount of cleaning compound recommended by the manufacturer of the compound;
- d. Rubbing together vigorously for at least 15 seconds while paying particular attention to removing soil from underneath the fingernails and creating friction on the surfaces of the hands and arms, fingertips and areas between the fingers;
- e. Thoroughly rinsing under clean, running warm water;
- f. Thoroughly drying the washed body part.

9. The prohibition on transacting cannabis with unauthorized suppliers;

10. Understanding the difference between topical products, edible cannabis products and cannabis-infused products, as applicable to the operations of the facility for the production of edible cannabis products or cannabis-infused products;

11. The procedures used by the facility for the production of edible cannabis products or cannabis-infused products to create edible cannabis products or cannabis-infused products;

12. The proper procedures for handling edible cannabis products or cannabis-infused products, including, without limitation, package and store such products as required by the provisions of the governing statute and related regulations.

### **Ongoing Diligence in Product Safety**

Company personnel will include a person, who will have the following responsibilities:

1. Development of information-sharing and research relationships in the industry and scientific community concerning the various strains of cannabis, the effects of such strains and the THC/CBD constituents therein;
2. As to Testing Laboratories to which ACC's suppliers submit their products for testing:
  - (a) Developing knowledge of, and performing due diligence in determining compliance with, laboratory standards of practice, standard operating procedures, chain of custody protocols, quality control and quality assurance and proficiency standards and results;
  - (b) Determining, from information available whether the Testing Laboratory has been subjected to discipline or has rated an unsatisfactory result in proficiency testing;
  - (c) The Testing Laboratory's procedures and methods for testing of cannabis.
3. As to suppliers from which The Company obtains cannabis products:

Determine the standard operating procedures & good manufacturing practices the suppliers;

Develop knowledge of, and perform due diligence in determining compliance with regulatory standards regarding the processing of edibles and infused products, including use of the methods, equipment, solvents, gases and mediums specified therein:

Develop knowledge of, and performing due diligence in determining compliance with standards regarding the sourcing and handling of nonmarijuana ingredients and marijuana;

Ascertain the identity of the Testing Laboratory or laboratories with which they do business;

Conduct, where permitted, an on-site inspection of the premises in order to effectuate the foregoing;

4. The Company will also conduct its own random testing to validate results provided by its suppliers.
5. Potency and contaminate specifications shall be as stated in the Fall River Municipal Code, as amended.

**Packaging & Labeling Program:**

Generally: The COMPANY adheres to, and will ensure adherence by its suppliers to, the following packaging and labeling protocols:

1. With respect to the receipt, identification, storage, handling, sampling, testing of labeling packaging materials, the Company specifications and control procedures for its labeling and packaging materials will:

- a. Suitably identify each type of cannabis product, by strength, dosage form or quantity of contents;
- b. Be examined/ inspected to determine whether they meet the Company specifications, and as to such labels:
  - The name of the costumer;
  - The cannabinoid/terpinoid profile;
  - The THC and CBD potency;
  - A warning that states: "This product may have intoxicating effects and may be habit forming."
  - The statement: "This product may be unlawful outside of the State of California."
  - Example: Lot#: 1234 Dispensed to: John J. Smith on 11/27/2015 by Berkeley Aura Cannabis Company (address) WARNING: This product may have intoxicating effects and may be habit forming. 16.7% THC 1.5% CBD 0.3% CBN Myrcene 5.6 mg/g Limonene 5.1 mg/g Valencene 3.5 mg/g Net Weight: .25 ounces (7 grams) This product may be unlawful outside the State of Massachusetts.

2. For edible and infused products:

- Aura Cannabis Company business name and address;
- The lot and/or batch number(s) of all cannabis used to create the product;
- The date and quantity dispensed, including the net weight in ounces and grams or by volume, as appropriate;
- The name of the costumer;
- If the product is perishable, a suggested use-by date;
- (f) The terpinoid and THC profile in milligrams;
- (g) A list of all ingredients and all major food allergens;
- (h) A warning that states: "Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by 2 or more hours;"



- A warning that states: “This product may have intoxicating effects and may be habit forming;”
- (j) A statement that: “This product may be unlawful outside of the State of Massachusetts;”
- (k) Example (two-sided label):

Side 1: Aura Cannabis Company (address) Date Dispensed: 3/27/2015  
 To: John J. Smith, Cookie Net Weight: 6oz (168 Grams) Serving Size:  
 10mg of THC Contains 10 servings and a total of 100 MG of THC Use by:  
 6/3/2015 Myrcene 5.6 mg/g Limonene 5.1 mg/g Valencene 3.5 mg/g  
 CAUTION: When eaten or swallowed the intoxicating effects of this  
 product can be delayed 2 or more hours. This product may be unlawful  
 outside the State of Massachusetts.

Side 2: Lot#: 1234 Batch #5463 INGREDIENTS: Flour, Butter, Canola Oil,  
 Sugar, Chocolate, Marijuana, Strawberries CONTAINS ALLERGENS:  
 Milk, Wheat Contains marijuana extract processed with butane.  
 WARNING: This product may have intoxicating effects and may be habit  
 forming.

3. In addition to the labeling to be affixed to packages containing cannabis, the dispensary will also provide, with all cannabis dispensed, accompanying material that discloses any pesticides applied to the marijuana plants and growing medium during production and processing and contains the following warnings in at least 12 point font without italics:

- “Warning: This product may have intoxicating effects and may be habit forming. Smoking is hazardous to your health;”
- “There may be health risks associated with consumption of this product;”
- “Should not be used by women who are pregnant or breast feeding;”
- “For use only by the person named on the label of the dispensed product. Keep out of reach of children;”
- “Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug;”

4. In addition to the labeling to be affixed to packages containing cannabis, the dispensary will also provide, with all edibles and infused products it dispenses, specific accompanying material, printed in at least 12-point font without italics, that:

- Discloses any pesticides applied to the marijuana plants and growing medium during production of the marijuana used to

create the extract added to the edible marijuana products or marijuana-infused products;

- The type of extraction method used, including the identification of solvents, gases or other chemicals or compounds used to produce or that are added to the extract;

- Contains the following warnings:

{i} “There may be health risks associated with consumption of this product;”

{ii} “This product contains or is infused with marijuana or active compounds of cannabis;”

{iii} “Should not be used by women who are pregnant or breast feeding;”

{iv} “For use only by the person named on the label of the dispensed product. Keep out of the reach of children;”

{v} “Products containing marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug;”

{vi} “Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by 2 or more hours;”

5. In addition to the foregoing packaging and labeling protocols, the dispensary will:

(a) Exercise of strict control over labeling materials issued for use in labeling operations;

(b) Carefully examine labeling materials issued for a batch for identity and conformity to the labeling specified in the applicable production or control records;

(c) Carefully examine packaged and labeled products during finishing operations to assure that the containers and packages have the correct labels;

(d) Collect a representative sample of units at the completion of finishing operations and ensure that the samples are visually examined for correct labeling;

(e) Record the results of any examinations performed the applicable production or control records;

6. In addition to the foregoing packaging and labeling protocols, the dispensary will post a placard at least 8 inches tall by 11 inches wide in a 48-point font, in a

conspicuous place on the premises, that states, for edible and infused products, the following:

(a) Edible and Marijuana Infused Products: There may be health risks associated with consumption of edible marijuana products or marijuana infused products;

(b) Edible products and marijuana infused products contain marijuana or active compounds of marijuana;

(c) Edible products and marijuana infused products should not be used by women who are pregnant or breastfeeding;

(d) When eaten or swallowed, the intoxicating effects of edible products and marijuana infused products can be delayed two or more hours;

(e) Follow all recommended dosage and serving guidelines and recommendations;

(f) KEEP CANNABIS PRODUCTS OUT OF REACH OF CHILDREN;

7. In addition to the foregoing, the dispensary will post a placard at least 8 inches tall by 11 inches wide in a 48 point font, in a conspicuous place on the premises, that states that it is unlawful to sell or resell marijuana or marijuana products to any person.

8. In addition to the foregoing, a sign shall be posted at the entrance to the Dispensary that includes the following language: This Dispensary only provides cannabis to its members, who must be the minimum state required legal age of 21 to purchase cannabis and must be able to provide a valid state issued D.L. or I.D.. The required text shall be of sufficient size to be easily read from a distance of five feet.

9. In addition to the foregoing, a sign shall be posted in a conspicuous location inside the dispensary advising as follows: This Dispensary is registered in accordance with the laws of the City of Fall River. The sale of marijuana and the diversion of marijuana to anyone under the age of 21 is a violations of State law. The use of marijuana may impair a person's ability to drive a motor vehicle or operate heavy machinery.

10. In addition to the foregoing, a sign or signs shall be posted in a location or locations conspicuous from all sales areas inside the structure that state: WARNING: Cannabis products including edibles are not tested by local, state or federal governmental agencies for health, safety, or efficacy. There may be health risks associated with the consumption of these products. The required text shall be of sufficient size to be easily read from a distance of five feet. This warning shall also be provided in writing to each member prior to accession to membership;

11. Finally, the dispensary will not label any cannabis product as "organic" unless it has confirmed that the plants used in that produce are produced, processed and certified in a manner that is consistent with the national organic standards established by the United States Department of Agriculture in accordance with the Organic Foods Production Act of 1990.

**Further Disclosures:**

COMPANY will provide the following additional disclosures to its customers, upon request, a writing received from any Cultivation Facility from which it obtains product disclosing:

(a) All soil amendments, fertilizers and other crop production aids applied to the growing medium or marijuana plant included in the lot; and

(b) The name of the Testing Laboratory which performed the required quality assurance tests and the results of the required quality assurance tests for the lot.

Samples-to the extent permitted by law or regulation, the dispensary may make samples available to its consumers for visual inspection and to smell, as follows:

[1] The sample will be packaged in a jar protected by a plastic or metal mesh screen;

[2] The sample jar will contain no more than 3 1/2 grams of usable cannabis;

[3] The sample will remain in the custody of the Dispensary at all times during inspection.

**Integrated Accounting and Transactions Systems:**

The COMPANY will integrate its accounting and inventory systems. Based on robust client server architecture, the Company computer systems will track transactions, inventory, and expenses in real time, allowing for seamless electronic transfer of data directly to its accountant. Encrypted transmissions are used to ensure privacy.

Redundant hardware and robust backup will assure the integrity of our information. State of the art electronic security will be implemented to insure patient privacy. Firewalls, intrusion detection and spyware filtering software will all be implemented. Both network level access control and system level restricted access will prevent unauthorized use of the system. The server room will be physically secured behind a locked security door with access thereto limited to designated staff.

The Inventory Control Vendor will, in coordination with the Company's accountant and bookkeeper, integrate its inventory control protocols and sales tracking into the Company in-house accounting system. This will insure the integrity of its financial bookkeeping. The in-house accounting system will be backed up weekly. All systems will be encrypted, cloud-based and accessible electronically from servers protected

by biometric locks and 24hour surveillance. ACC's accounting will be made available to City auditors upon request.

In addition to the quarterly reconciliations, there will be regularly scheduled daily, weekly and monthly procedures to track inventory and sales, as follows:

[1] Daily: The President will verify cash receipts to the P.O.S. system, reconciling daily transactions to ensure all have been entered into the system. Where feasible, a daily deposit ticket for the day's receipts will be prepared and placed into an envelope with all cash and checks that are being deposited that day;

[2] Weekly: The P.O.S. system will automatically update BCCC's in-house accounting system for all transactions from the week. The bookkeeper will verify the daily receipts and transactions for accuracy;

[3] Monthly: A physical inventory will be performed on the last business day of each month, and the bookkeeper or President will reconcile the inventory to the P.O.S. and in-house accounting systems. These systems will track any unusable, discarded or destroyed cannabis as part of the reconciliation process. Any adjustments to these systems will require the approval of the Executive Director or President and will be logged by the bookkeeper.

Finally, the COMPANY will rely on its team of accounting and legal professionals to cross-check discrepancies and to investigate suspected losses that cannot be accounted for through normal operations.

**Records Retention Program** All records concerning the operations of the dispensary will be maintained and made available for review for at least five years. Such records will be placed in a secure, locked room, and electronic copies secured by means of encryption and limitation of access to designated personnel.

### **LABOR AND EMPLOYMENT STANDARDS AND POLICY:**

**Ethical Standards and Practices** It is the policy of the dispensary to publish and promote the highest set of ethical standards. The dispensary will provide employee training in regard to the State of Massachusetts and the City of Fall River legal awareness and compliance issues. Staff members are subject to discipline, including immediate termination, on the following (non-exhaustive list of) grounds:

[1] Conviction of a felony offense;

[2] Providing cannabis to an unauthorized person or otherwise engaging in acts of diversion;

[3] Knowing violation Massachusetts law or Fall River ordinance or related regulations by or other unethical or unlawful behavior. Union Shop the dispensary will offer dignified fulltime single earner positions with health insurance to all full-time employees. The dispensary will offer good single earner Union Jobs. The dispensary will offer a full raft of benefits, including health insurance. The management of the dispensary firmly believes in the benefits of collective bargaining, and a well-compensated staff.

## **Occupational Health and Safety Standards**

Sanitary Practices-The dispensary will meet or exceed all OSHA standards for safety in the work place. The dispensary will offer a clean, safe and comfortable environment for its employees and customers. In the event the dispensary determines that a staff member has a health condition that may affect the safety or quality of the cannabis it produces, or the health of other staff members, it will place the affected person on medical leave until such time as the health condition of the employee no longer presents a threat. See also, "Staff Training," above.

Staff Recruitment, Oversight and Reporting Program: Emphasis will be placed on hiring qualified individuals residing in the region that meet the qualifications of the Company's Diversity Plan. All staff will be members or volunteers of at least 21 years of age.

After an intensive application and job selection program, all candidates will undergo criminal and background checks. All candidates will be required to provide the following additional information to the dispensary in order to facilitate its background check:

- [1] His or her name, address, date of birth and Social Security Number;
- [2] Copy of government issued ID card that has a photograph of the person;
- [3] An attestation that s/he has not been convicted of an excluded felony offense;
- [4] An attestation pledging that s/he will not divert cannabis to unauthorized persons;
- [5] A current photo;

Qualified candidates will be employed for a 120-day probationary period. During the initial probationary period, employees will undergo a robust training, testing and evaluation process, including a comprehensive plan of lectures, hands-on training and study in regard to the dispensary policies and practices.

The dispensary will make reasonable accommodations for the medical needs of a staff member who engages in the medical use of cannabis, as follows: If the staff member holds a valid Registry Identification Card, provided that such "reasonable accommodation" would not:

- [1] Pose a threat of harm or danger to persons or property or impose an undue hardship on The dispensary; or
- [2] Prohibit the staff member from fulfilling any and all of his or her job responsibilities;

In addition to any other grounds for termination authorized under the Company Employee Handbook or Operations Plan or applicable law, a dispensary staff member will be discharged upon evidence that:

[1] S/he has engaged in unlawful diversion of cannabis, theft or other unethical conduct amounting to moral turpitude; or

[2] Upon notification that s/he has been convicted of a disqualifying felony offense

In the event that the dispensary receives a report from a staff member concerning an accident, loss or theft, including thefts or loss occurring during transport of cannabis, it will immediately report such accident, loss or theft to appropriate agencies and the applicable law enforcement agency within 24 hours of discovery of the theft.



## **RECORD KEEPING PROCEDURES**

The Aura Cannabis Company, LLC ("Company") will use a cannabis industry-specific computerized system (CS) (e.g., BIOTRACKTCH, MJFREEWAY) to provide accurate record keeping of sales and inventory, allow for accounting and verification, ensure accountability at every stage, and provide fully auditable capacities.

The CS provides verification of customer I.D., and accepted I.D.. For each customer the CS generates a unique Customer I.D. and record that tracks the first visit and all subsequent visits to the retail sales facility, and provides a record of their purchase history including the dates, product type, quantity, product batch, and pricing information. The CS employed by the Company will meet industry standards for confidentiality to ensure that consumer information is not accessed by unauthorized parties; and conforms to Commission requirements, and provides all data to meet regulatory compliance with the Commission's directives.

The Company's Point of Sale (POS) will be integrated with QuickBooks to monitor every aspect of the business and maintain all necessary audit and compliance procedures according to the necessary standard Accounting procedures.

The Company's system will include computerized records of :

- a. All assets and liabilities;
- b. All Monetary transactions;
- c. Books of accounts, which shall include journals, ledgers, agreements, checks, invoices and vouchers;
- d. All Sales records including the quantity, form, cost of marijuana products;
- e. The Salary and wages paid to each employee, benefits paid to any party.
- f. The documents and records will be kept for at least Seven (7) years in a form and location that will be acceptable to the Commission.

The CS employed by the Company will provide a comprehensive inventory control and tracking system that details the product's origin and full product history. Including but not limited to time stamp of all movements of the product from vendor to the retail marijuana establishment, batch characteristics (\* dates of creation, batch, independent testing results and certifications, quantified active chemical compounds) and the sale of the products will be linked with an employee I.D. stamp.

This integrated computer system will track transactions, inventory, and expenses in real time from the time that the customer enters the retail sales location, allowing for seamless electronic transfer of data directly to its onsite server. If necessary each transaction will be traceable via the video monitoring system, via POS data. Encrypted transmissions to the bookkeeper/Financial officer and accountant ensure privacy.

The CS will feature redundant hardware and backing up of data via a hardware system and cloud-based system. This redundancy will guarantee the integrity of the retained information. Network level access control and system level restricted access will prevent unauthorized use of the system. The server room will be physically secured behind a locked security door with access thereto limited to designated staff.

The Inventory Control Vendor will, in coordination with Company's financial officer, accountant and bookkeeper, integrate its inventory control protocols and

sales tracking into the dispensary's in-house accounting system. This will ensure the integrity of its financial bookkeeping. The in-house accounting system will be backed up weekly. All systems will be encrypted, cloud-based and accessible electronically from servers protected by biometric locks and 24-hour surveillance. The Company's accounting will be made available to authorized auditors upon request.

In addition to the quarterly reconciliations, there will be regularly scheduled daily, weekly and monthly procedures to track inventory and sales, as follows:

Daily: The financial officer will verify cash receipts to the P.O.S. system, reconciling daily transactions to ensure all have been entered into the system. Where feasible, a daily deposit ticket for the day's receipts will be prepared and placed into an envelope with all cash and checks that are being deposited that day;

Weekly: The P.O.S. system will automatically update the Company's in-house accounting system for all transactions from the week. The bookkeeper will verify the daily receipts and transactions for accuracy;

Monthly: A physical inventory will be performed on the last business day of each month, and the bookkeeper or President will reconcile the inventory to the P.O.S. and in-house accounting systems. These systems will track any unusable, discarded or destroyed cannabis as part of the reconciliation process. Any adjustments to these systems will require the approval of the Executive Director or President and will be logged by the bookkeeper.

All records of waste and waste disposal shall be maintained for a minimum of three (3) years in accordance with 935 CMR 500.105(12).

Finally, the Company will rely on its team of accounting and legal professionals to cross-check discrepancies and to investigate suspected losses that cannot be accounted for through normal operations. In accordance with 935 CMR 500.105(9). The Company shall maintain all of their records in accordance with generally accepted accounting principles

Operating procedures shall be in written form, accessible, reviewed, maintained and updated to be in conformance with 935 CMR 500.105(1) and 500.105(9).

All inventory records shall be maintained in accordance with 935 CMR 500.105 (8) and (9).

Seed to sale tracking records shall be maintained by the company in accordance with 935 CMR 500.105 (8) (e) and (9).

Personnel records for the Company shall be maintained and include : the job description for each agent of the company; a full personnel file for each agent. In conformance with 935 CMR 500.00.

The company shall maintain staffing records and plans demonstrating business hours and staffing levels and procedures necessary for safe cultivation conditions.

Personnel policies shall be written and maintained and include all background check reports that are obtained in accordance with 935 CMR 500.030 and 935 CMR 500.105.(9).

All employee files and records will be kept as a hard copy within the offices and segregated within the onsite server. They will be password protected and accessible to based on management designation.

Records Retention Program All records concerning the operations of the dispensary will be maintained and made available for review for at least five years. Such records will be placed in a secure, locked room, and electronic copies secured by means of encryption and limitation of access to designated personnel.

## **Maintaining Financial Records**

The Aura Cannabis Company, LLC ("Company") will use a cannabis industry-specific computerized system (CS) (e.g., BIOTRACKTCH, MJFREEWAY) to provide accurate record keeping of sales and inventory, allow for accounting and verification, insure accountability at every stage, and provide fully auditor capacities. All financial records will be maintained according to generally accepted Accounting Industry Standards.

The Company CS provides verification of customer I.D., and accepted I.D.. For each customer the CS generates a unique Customer I.D. and record that tracks the first visit and all subsequent visits to the retail sales facility, and provides a record of their purchase history including the dates, product type, quantity, product batch, and pricing information.

The CS employed by the Company will meet industry standards for confidentiality to ensure that consumer information is not accessed by unauthorized parties; and conforms to Commission requirements, and provides all data to meet regulatory compliance with the Commissions directives.

The Company's CS will be fully integrated with the Company Point of Sale (POS) which in turn will be integrated with QuickBooks to monitor every aspect of the business and maintain all necessary Accounting, audit and compliance procedures.

The Company's system will include computerized records of :

- a. All assets and liabilities;
- b. All Monetary transactions;
- c. Books of accounts, which shall include journals, ledgers, agreements, checks, invoices and vouchers;
- d. All Sales records including the quantity, form, cost of marijuana products;
- e. The Salary and wages paid to each employee, benefits paid to any party.
- f. The documents and records will be kept for at least Seven (7) years in a form and location that will be acceptable to the Commission.

The CS employed by the Company will provide a comprehensive inventory control and tracking system that details the products origin and full product history. Including but not limited to time stamp of all movements of the product from vendor to the retail marijuana establishment, batch characteristics (\* dates of creation, batch, independent testing results and certifications, quantified active chemical compounds) and the sale of the products will be linked with an employee I.D. stamp.

This integrated computer systems will track transactions, inventory, and expenses in real time from the time that the customer enters the retail sales location, allowing for seamless electronic transfer of data directly to its onsite server. If necessary each transaction will be traceable via the video monitoring system, via POS data. Encrypted transmissions to the bookkeeper/Financial officer and accountant ensure privacy.

The CS will feature redundant hardware and backing up of data via a hardware system and cloud based system. This redundancy will guarantee the integrity of the retained information. Network level access control and system level restricted access will prevent unauthorized use of the system. The server room will be physically secured behind a locked security door with access thereto limited to designated staff.

The Inventory Control Vendor will, in coordination with Company's financial officer, accountant and bookkeeper, integrate its inventory control protocols and sales tracking into the dispensary's in-house accounting system. This will ensure the integrity of its financial bookkeeping. The in-house accounting system will be backed up weekly. All systems will be encrypted, cloud-based and accessible electronically from servers protected by biometric locks and 24hour surveillance. The Company's accounting will be made available to authorized auditors upon request.

In addition to the quarterly reconciliations, there will be regularly scheduled daily, weekly and monthly procedures to track inventory and sales, as follows:

Daily: The financial officer will verify cash receipts to the P.O.S. system, reconciling daily transactions to ensure all have been entered into the system. Where feasible, a daily deposit ticket for the day's receipts will be prepared and placed into an envelope with all cash and checks that are being deposited that day;

Weekly: The P.O.S. system will automatically update in-house accounting system for all transactions from the week. The bookkeeper will verify the daily receipts and transactions for accuracy;

Monthly: A physical inventory will be performed on the last business day of each month, and the bookkeeper or President will reconcile the inventory to the P.O.S. and in-house accounting systems. These systems will track any unusable, discarded or destroyed cannabis as part of the reconciliation process. Any adjustments to these systems will require the approval of the Executive Director or President and will be logged by the bookkeeper.

All financial data will be kept by the Company indefinitely on the company's segregated server system and by a cloud based system. All financial records will be kept, maintained by the Company according to Accounting Industry Standards. All records will be available and reviewable by the Commission or their authorized parties upon request.

The Company shall maintain all waste records for at least 3 years in accordance with 935 CMR 500.105(2).

The Company Shall keep all financial records in accordance with generally accepted accounting principles 935 CMR 500.105(9).

Written operating procedures and Inventory Records for the Company shall be maintained and updated as required pursuant to 935 CMR 500.105 (1) (9).

The Company understands agrees that the establishments licensed by the Commission shall utilize a "Seed to Sale" tracking system recording all cultivation and sale of marijuana as required by 935 CMR 500.105 (8) (e) and (9).

The Company shall not utilize software or other methods to manipulate or alter sales data. 935 CMR 500.140 (6)

The Company shall conduct a monthly analysis of equipment to determine that no software has been installed that could be utilized to manipulate or alter sales data 935 CMR 500.146.(6).

The Company shall immediately disclose the information to the Commission if it determines that software has been installed or utilized to manipulate sales data. 935 CMR 500.140

The Company shall comply with 830 CMR 62C.25.1 Record Retention and DOR directive 16-1 regarding record keeping requirements. 935 CMR 500.140 (6).

The Company shall adopt separate accounting practices at the point of sale for marijuana and non marijuana 935 CMR 500.140(6).

The Company as a co located facility shall maintain and provide to the commission on a biannual basis accurate sales data during the six months

immediately preceding this application for the purpose of ensuring an adequate supply of marijuana and marijuana products under 935 CMR 500. 140 (10) (6)

## **DIVERSITY POLICY AURA CANNABIS COMPANY, LLC**

### **POLICY**

It is the policy of Aura Cannabis Company, LLC ("Company") to ensure that our Diversity Plan will promote equity, ensuring everyone is treated the same. Our diversity plan and goal are to empower our employees by respecting and appreciating what makes them different, in terms of gender, ethnicity, disability, LGBTQ/identification of veteran status. Our diversity plan allows for the exploration of these differences in a safe, nurturing and positive environment.

The purpose of this policy is to outline the responsibilities of the Company, the Company's management team and Agents to ensure that Aura Cannabis Company, LLC is a diverse and inclusive company that promotes a discrimination-free and equitable work environment providing opportunities for all employees to use their diverse talents to support the company's mission. Aura Cannabis Company, LLC, LLC will comply with the requirements of 935 CMR 500.105 (4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.

Any actions taken, or programs instituted by Aura Cannabis Company, LLC will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

### **Goals**

***Aura Cannabis Company, LLC is committed to achieving the following goals through this plan:***

1. Our goal at Aura Cannabis Company, LLC is to create a workplace and management team that will be as diverse as possible. Our goal will be focused to attract and retain qualified employees who are:
  - a. Minorities (People of color, particularly Black, African American, Hispanic, Latinx, and Indigenous people) 5%;
  - b. Women 50%;
  - c. Veterans 10 %;
  - d. People with disabilities 5%;
  - e. Individuals who are LGBTQ identity 5%.



The Company aims to have 50% of our workforce female and 25% will be a combination of minorities, veterans, people with disabilities, and Individuals who are LGBTQ.

2. Make the Aura Cannabis Company, LLC workplace a safe, accepting, respectful, welcoming, comfortable and supportive place to work. The Company aims to create an inclusive working environment with an 85% retention rate and a 95% positive job satisfaction rating from all employees as it pertains to workplace inclusion, safety and environment.

3. Aura Cannabis Company, LLC, will include our suppliers and wholesale partners into our diversity plan by making every effort to engage with businesses owned by or whose employees are a majority of minorities, women, veterans, persons with disabilities and individuals who are LGBTQ. It is our goal to have 20% of our suppliers, contractors and industry wholesale partners meet the criteria above.

## **Programs for Achieving Goals**

Recruitment and hiring preference will be offered to individuals who meet the criteria outlined in the aforementioned Goals.

a. Employment Opportunities with EON centers located in Fall River, Massachusetts. The aim of the Company is to provide good paying jobs that positively impact the lives and futures of the Company employees;

b. The Company will promote our hiring preference on , recruitment websites and on our social media sites such as Facebook, Twitter, Instagram, Alignable, LinkedIn, and other appropriate sites in conformance with the advertising standards for marijuana establishments;

c. The Company will participate in job fairs and any workshops available at the EON Career Centers. The Company will hold our first job fair sixty (60) days after receiving our provisional license from the Commission. Subsequent job fairs will be conducted on an as needed basis;

d. All of the Company's employees that work at least thirty (30) hours per week, (130 hours per month) will receive vacation and sick time benefits as well as access to a healthcare plan as it becomes available;

e. The Company will institute a non-biased policy which will prevent any unconscious (or conscious) bias about the candidate;

f. All of our job postings will clearly promote our hiring priorities and encourage candidates who fall into our plan to apply;

## **Inclusion and Retention Program**

Aura Cannabis Company, LLC is determined to provide a work environment that is a diverse and inclusive workplace. The Company encourages a broad range of opinions, ideas and perspectives that drives creativity, innovation and excellence. The Company's goal, which must be met, is to ensure that every employee, contractor and visitor feels safe, respected, welcome, comfortable, supported and accepted. To ensure inclusion in our workplace Aura Cannabis Company, LLC will:

- a. Provide training to all employees regarding inclusion in the workplace including advanced training to managers. The training will be provided by our Human Resources staff and/or will be offered through online classes and in person seminars and will address conscious and unconscious bias within the workplace, Diversity and Inclusion within the workplace; Gender and sexuality in the workplace among other programs. Training will take place during orientation and annually thereafter;
- b. Draft and implement a Non-Discrimination, Harassment and Retaliation Policy. This policy will include provisions for responding to complaints, discipline for non-compliance and evaluation of the circumstances to see if this plan needs improvements;
- c. Annually, Aura Cannabis Company, LLC will provide all employees with a survey which will include a section where the employee will rate the inclusivity, safety and workplace environment in our company. The survey will include feedback from employees on these areas and the training they received. Conduct exit interviews with all exiting employees to determine their reason for leaving Aura Cannabis Company, LLC and requesting feedback inclusivity, safety and workplace environment.
- d. Our Human Resources staff will receive training annually and our hiring managers will receive training upon being hired and annually thereafter (from date of hire).
- e. The training will be provided by our Human Resources staff and/or will be offered through online classes and in person seminars when possible. Training will include Gender Equality and Sexual Diversity, Inclusionary practices for the workplace.

## **Supplier Diversity Program**

Aura Cannabis Company, LLC is committed to utilizing, to the extent possible, businesses owned by or whose employees are a majority of minorities, women, veterans, persons with disabilities and individuals who are LGBTQ. Aura Cannabis Company, LLC recognizes that sourcing products and services from previously under-used suppliers helps to sustain and progressively transform a company's supply chain, thus quantitatively reflecting the demographics of the community in which it operates by recording transactions with diverse suppliers.

Aura Cannabis Company, LLC will actively identify and pursue relationships with suppliers, contractors and Marijuana Establishments who meet the populations outlined in the preceding paragraphs of this document.

a. Aura Cannabis Company, LLC will give preference to suppliers and contractors whose owners or employees meet the criteria outlined above.

b. Aura Cannabis Company, LLC will actively recruit these individuals or companies and promote this Program when sourcing these services. Aura Cannabis Company, LLC will request demographic information from the business or individual in order to see if they meet the Program Populations outlined herein. When requesting bids from suppliers and contractors the Company will expressly promote the Supplier Contractor priority outlined in this plan.

c. The Company will identify and give priority to Marijuana Establishments whose owners or a majority of its employees meet the above criteria when entering into wholesale agreements; and promote this priority preference on our website and through direct email marketing to all Marijuana Retailers as well as through social media sites that target the Massachusetts Cannabis industry such as Twitter, Instagram, LinkedIn, and other appropriate media.

d. The Company will prioritize contracts with a goal of granting 50% of all contracts to a. Minorities (People of color, particularly Black, African American, Hispanic, Latinx, and Indigenous people) 10%;

b. Women 10%;

c. Veterans 10 %;

d. People with disabilities 10% ;

e. Individuals who are LGBTQ 10%.

## **Evaluation**

Aura Cannabis Company, LLC realized that any plan needs to be evaluated once it is implemented. The Company will perform an ongoing and comprehensive evaluation of this plan to ensure that it accomplishes our goals.

1. As the Company begins to recruit and hire potential employees the management team will evaluate the applicant pool and application to ensure that our recruitment policies are generating a diverse representation. In order to ensure compliance with this plan the Company's Human Resource personnel will be trained in goal compliance. The Company will aim to have members of the aforementioned population represented within the hiring process;
2. Periodically, the Aura Cannabis Company, LLC management team will evaluate the workplace climate through observations, employee meetings and individual conversations with individual employees to ensure our workplace is a place of inclusion;
3. Quarterly, the Aura Cannabis Company, LLC management team will conduct a comprehensive evaluation of this plan that includes feedback from employees and stake holders as to the effectiveness of the policy and to see if our goals are attained;
4. If, at any time, it is found that the plan is not reaching our goals the executive management team will convene a special working group to evaluate the plan and make the necessary changes. This group may include outside consultants and professionals.

## **Plan Measurement**

The success of the company's Diversity Plan will be measured annually against the following metrics when applicable, at a minimum these include:

- a. Representation: Percentage of employees from diverse populations compared with company, labor market or industry benchmarks.
- b. Retention: Comparing average tenure for employees from diverse populations to average tenure across the workforce or average tenure of members of the dominant group.
- c. Recruitment: Comparing the number of applicants for open positions from diverse populations against the potential pool of applicants from diverse populations or labor market representation.
- d. Selection: Tracking appointments of individuals from diverse populations compared with appointments of applicants who are not members of a monitored group.
- e. Promotion: Tracking promotions awarded to individuals from diverse populations compared with promotions awarded to individuals who are not members of a monitored group.
- f. Development: Tracking lateral moves, appointments to acting roles, training and other learning and development participation, and other stretch assignment opportunities by identity group.
- g. Pay and benefits: Compare financial and non-financial rewards earned by individuals from diverse populations to financial and non-financial rewards earned by individuals who are not members of a monitored group.
- h. Training: Tracking of all employee and management training on diversity, inclusion and diversity hiring.
- i. Employee engagement: Compare employee engagement scores for individuals from diverse populations with scores reported by individuals who are not members of a diverse population.
- j. Job satisfaction data derived from annual surveys and exit interviews.
- k. Supplier Engagement: The demographics, numbers, amounts and percentages of all third-party suppliers, contractors and Marijuana Industry Partners that Aura Cannabis Company, LLC has engaged.

## **Reporting**

The Company will perform an ongoing and comprehensive evaluation of this plan to ensure that it accomplishes our three (3) goals. The Company will produce a full report annually which outlines this plan, data collected, whether the goals have been met and if any changes are necessary. Quarterly, the Company management team will meet to discuss the report and make any necessary adjustments. Sixty (60) days prior to the Company's license renewal, and annually thereafter, the Company, will produce a comprehensive report on this Plan and its Goals and Programs which will outline the

metrics for each program and whether the Company has met our goals. This report will be made available to the Commission. The Company will update the Diversity Plan to conform to all State requirements and renewal of licensure. The Company shall remain dedicated to providing a diverse, inclusive and safe workplace.