



## Massachusetts Cannabis Control Commission

### Marijuana Retailer

#### General Information:

License Number: MR283234  
Original Issued Date: 03/21/2022  
Issued Date: 02/09/2023  
Expiration Date: 03/21/2024

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Green Choice Dispensaries, LLC

Phone Number: 401-595-2056 Email Address: apaolino2@cox.net

Business Address 1: 114 Main Street

Business Address 2:

Business City: Blackstone

Business State: MA

Business Zip Code: 01504

Mailing Address 1: 247 Old North Street

Mailing Address 2:

Mailing City: Kingston

Mailing State: RI

Mailing Zip Code: 02881

### 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: Obtained Final Certificate of Registration, but is not open for business in Massachusetts

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: 60

Percentage Of Control: 60

Role: Owner / Partner

Other Role:

First Name: Michael

Last Name: Grenier

Suffix:

Gender: Male

User Defined Gender:

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

Specify Race or Ethnicity:

#### Person with Direct or Indirect Authority 2

Percentage Of Ownership: 20

Percentage Of Control: 20

Role: Owner / Partner

Other Role:

First Name: Monica

Last Name: Paolino

Suffix:

Gender: Female

User Defined Gender:

What is this person's race or ethnicity?: Middle Eastern or North African (Lebanese, Iranian, Egyptian, Syrian, Moroccan, Algerian)

Specify Race or Ethnicity: Lebanese

#### Person with Direct or Indirect Authority 3

Percentage Of Ownership: 20

Percentage Of Control: 20

Role: Owner / Partner

Other Role:

First Name: John

Last Name: Vanikiotis

Suffix:

Gender: Male

User Defined Gender:

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

Specify Race or Ethnicity:

#### Person with Direct or Indirect Authority 4

Percentage Of Ownership:

Percentage Of Control:

Role: Other (specify)

Other Role: CFO

First Name: Anthony

Last Name: Paolino

Suffix:

Gender: Male

User Defined Gender:

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

Specify Race or Ethnicity:

#### Person with Direct or Indirect Authority 5

Percentage Of Ownership:

Percentage Of Control:

Role: Manager

Other Role:

First Name: Jared

Last Name: Benson

Suffix:

Gender: Male

User Defined Gender:

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

Specify Race or Ethnicity: Identifies as Eastern European Jewish

#### ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

#### CLOSE ASSOCIATES AND MEMBERS

##### Close Associates or Member 1

First Name: Michael

Last Name: Grenier

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Mr. Grenier will be a general partner with the establishment. He will be managing the establishment. He will own 60% of Marijuana Establishment.

##### Close Associates or Member 2

First Name: John

Last Name: Vanikiotis

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Mr. Vanikiotis will be a general partner and facilities manager. He will also contribute 50% of capital. See Section 7, Capital Resources-Individuals. He will own 20% of Marijuana

Establishment.

#### Close Associates or Member 3

First Name: Monica

Last Name: Paolino

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Ms. Paolino is a general partner with the establishment. She will own 20% of Marijuana Establishment.

#### Close Associates or Member 4

First Name: Anthony

Last Name: Paolino

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Mr. Paolino will be the CFO of the Marijuana Establishment.

#### Close Associates or Member 5

First Name: Jared

Last Name: Benson

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Mr. Benson will be the sales manager of the Marijuana Establishment.

### CAPITAL RESOURCES - INDIVIDUALS

#### Individual Contributing Capital 1

First Name: Monica

Last Name: Paolino

Suffix:

Types of Capital: Monetary/  
Equity

Other Type of  
Capital:

Total Value of the Capital Provided:  
\$229872.5

Percentage of Initial Capital:  
25

Capital Attestation: Yes

#### Individual Contributing Capital 2

First Name: John

Last Name: Vanikiotis

Suffix:

Types of Capital: Monetary/Equity

Other Type of Capital:

Total Value of the Capital Provided: \$459745

Percentage of Initial Capital: 50

Capital Attestation: Yes

#### Individual Contributing Capital 3

First Name: Anthony

Last Name: Paolino

Suffix:

Types of Capital: Monetary/  
Equity

Other Type of  
Capital:

Total Value of the Capital Provided:  
\$229872.5

Percentage of Initial Capital:  
25

Capital Attestation: Yes

### CAPITAL RESOURCES - ENTITIES

No records found

### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

### DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 114 Main Street

Establishment Address 2:

Establishment City: Blackstone

Establishment Zip Code: 01504

Approximate square footage of the establishment: 2500

How many abutters does this property have?:

48

Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?: No

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### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	HCA_Cert Signed.pdf	pdf	614528208b811c07bff6e92f	09/17/2021
Plan to Remain Compliant with Local Zoning	Compliance Plan - Local Zoning - Financial - General.pdf	pdf	615b73f9d7af77684609225b	10/04/2021
Community Outreach Meeting Documentation	AIP COM Docs_Redacted.pdf	pdf	61805076d5b18b31d59932be	11/01/2021

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

### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Positive Impact Plan - Retail License.pdf	pdf	61c0c6fcab6c7a4448909b9f	12/20/2021

### ADDITIONAL INFORMATION NOTIFICATION

Notification:

### INDIVIDUAL BACKGROUND INFORMATION

#### Individual Background Information 1

Role: Other Role:  
First Name: Michael Last Name: Grenier Suffix:  
RMD Association: RMD Owner  
Background Question: no

#### Individual Background Information 2

Role: Other Role:  
First Name: John Last Name: Vanikiotis Suffix:  
RMD Association: RMD Owner  
Background Question: no

#### Individual Background Information 3

Role: Other Role:  
First Name: Monica Last Name: Paolino Suffix:  
RMD Association: RMD Owner  
Background Question: no

#### Individual Background Information 4

Role: Other Role:  
First Name: Anthony Last Name: Paolino Suffix:  
RMD Association: RMD Manager  
Background Question: no

#### Individual Background Information 5

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Role:	Other Role:
First Name: Jared	Last Name: Benson    Suffix:
RMD Association: RMD Manager	
Background Question: no	

#### ENTITY BACKGROUND CHECK INFORMATION

No records found

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	Cert of Good Standing DoR.pdf	pdf	6136c670ab6739076439e56d	09/06/2021
Secretary of Commonwealth - Certificate of Good Standing	Sec of Commonwealth Cert of Good Standing.pdf	pdf	6136cec625900e079f2b5a6a	09/06/2021
Articles of Organization	Certificate of Organization.pdf	pdf	614530a1179a26079c9e4d81	09/17/2021
Department of Revenue - Certificate of Good standing	Cert. of Good Standing form DUA attestation.pdf	pdf	6196d00544662a31f2895ec8	11/18/2021
Bylaws	Operating Agreement.pdf	pdf	61bcf5e70183444639b5d10f	12/17/2021

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	MX-M3050_20221229_164356.pdf	pdf	63adfbf9a0fd020008eb9974	12/29/2022
Secretary of Commonwealth - Certificate of Good Standing	MX-M3050_20221230_132953.pdf	pdf	63af20d4a0fd020008ec5240	12/30/2022
Department of Unemployment Assistance - Certificate of Good standing	MX-M3050_20221230_153036.pdf	pdf	63af3c2da0fd020008ec7ce4	12/30/2022

Massachusetts Business Identification Number: 001364263

Doing-Business-As Name:

DBA Registration City:

#### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Insurance and Bond Plan.pdf	pdf	6159cf73269fa7691422a63f	10/03/2021
Business Plan	Business Plan - Retail License.pdf	pdf	61670038ff5a8a691f85a4f8	10/13/2021
Plan for Liability Insurance	MX-M3050_20221229_165817.pdf	pdf	63ae065da0fd020008ebada0	12/29/2022
Proposed Timeline	MX-M3050_20221230_153216.pdf	pdf	63af3c9352253500085832f6	12/30/2022
Proposed Timeline	MX-M3050_20230106_110124.pdf	pdf	63b83a4a52253500085e860c	01/06/2023
Proposed Timeline	MX-M3050_20230113_165656.pdf	pdf	63c1c59d5225350008670e0c	01/13/2023

## OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Record Keeping procedures	Record Keeping Plan.pdf	pdf	615885daff5a8a691f856a69	10/02/2021
Inventory procedures	Inventory Control Plan.pdf	pdf	61588b7faf787c692aac7984	10/02/2021
Prevention of diversion	Diversion Prevention Plan.pdf	pdf	61588b901a0911693590df12	10/02/2021
Energy Compliance Plan	Energy Compliance and Environmental Sustainability Plan.pdf	pdf	6159c98c578bf568253b9d72	10/03/2021
Plan for obtaining marijuana or marijuana products	Plan to Obtain Inventory.pdf	pdf	6159cb0d4c206f685c099db9	10/03/2021
Personnel policies including background checks	Employment Policies and Procedures.pdf	pdf	6159cc5e2831f56830cd6126	10/03/2021
Restricting Access to age 21 and older	Plan to Restrict Access to 21+.pdf	pdf	6159d02d7afdc8683b267428	10/03/2021
Security plan	Security Plan.pdf	pdf	6196d04a44662a31f2895ecc	11/18/2021
Transportation of marijuana	Transportation Plan.pdf	pdf	6196d0747f037d37d69bfea8	11/18/2021
Storage of marijuana	Storage Plan.pdf	pdf	6196d0a7d5b18b31d599a711	11/18/2021
Quality control and testing	Quality Assurance Plan.pdf	pdf	6196d0dd084df83201bff343	11/18/2021
Dispensing procedures	Dispensing Plan.pdf	pdf	6196d121e3155f31cafd2833	11/18/2021
Maintaining of financial records	Maintenance of Financial Records Plan.pdf	pdf	6196d145d8c16731dcbe5487	11/18/2021
Qualifications and training	Staff Qualifications and Training Plan.pdf	pdf	61af6326d4f4b84609a54796	12/07/2021
Diversity plan	Diversity Plan - Retail.pdf	pdf	61c0ebbb7baa3f462ea47e18	12/20/2021
Energy Compliance Plan	MX-M3050_20221230_124141.pdf	pdf	63af17f3522535000857f905	12/30/2022

## MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

## ATTESTATIONS

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

##### Progress or Success Goal 1

**Description of Progress or Success:** Our goals are still the same as outlined in our original licensing submission plan to Impact Disproportionately harmed people. As we are just beginning construction and anticipate opening hopefully in the month of May 2023. We are actively seeking employees who are women, veterans, and people of color, to not only meet commission requirements but also to best benefit the community of Blackstone. Two of our registered retail agents have recently been layed off from their current positions and will be given ample hours once we are operating. Since our facility is located near a low income housing development, we are hoping to hire nearby folks who can actually walk to work and not only improve their income potential but save energy in the process. Now that we are about to begin construction, we have engaged Vantage Builders which is a Mass. company that will use predominantly Mass subcontractors and vendors and as well material purchases from local businesses. For example , we replaced our neighbors wooden fence which was in serious disrepair so as to make both our property and theirs more attractive. We did this at no charge to the neighbors, who were very grateful. These are our goals which we will be able to document once we are open and operating.

#### COMPLIANCE WITH DIVERSITY PLAN

##### Diversity Progress or Success 1

**Description of Progress or Success:** Currently while we are in the construction phase of our retail facility, we have not yet begun an actual payroll. We are actively seeking employees who are women, veterans, and people of color, to not only meet commission requirements but also to best benefit the community of Blackstone. We already have a principle who is a women and an ethnic person of middle Eastern Decent. Monica Paolino is a first generation Lebanese - American who will be working at the facility once opened.

#### HOURS OF OPERATION

Monday From: 9:00 AM	Monday To: 7:00 PM
Tuesday From: 9:00 AM	Tuesday To: 7:00 PM
Wednesday From: 9:00 AM	Wednesday To: 7:00 PM
Thursday From: 9:00 AM	Thursday To: 7:00 PM
Friday From: 9:00 AM	Friday To: 7:00 PM
Saturday From: 9:00 AM	Saturday To: 5:00 PM
Sunday From: 12:00 PM	Sunday To: 5:00 PM

# 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:

2. Name of applicant’s authorized representative:

3. Signature of applicant’s authorized representative:

4. Name of municipality:

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



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

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).*):

8. Host community agreement execution date:



# Green Choice

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## COMPLIANCE PLAN:

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- A. Local Zoning Compliance
  - B. Financial Compliance
  - C. General Compliance Management
- 
-

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## COMPLIANCE PLAN

### COMPLIANCE PLAN INTRODUCTION

Cannabis institutions operate in a dynamic environment influenced by industry consolidation, convergence of financial services, emerging technology, and market globalization as well as isolation. To remain profitable in such an environment, cannabis institutions continuously assess and modify their product and service offerings and operations in the context of a business strategy. At the same time, new legislation may be enacted to address developments in the marketplace.

All these forces combine to create inherent risk. To address this risk, Green Choice will develop and maintain a sound compliance management system that is integrated into the overall risk management strategy of the institution.

This section discusses the elements of an effective compliance management system -- Officers and management oversight, the compliance program, and the compliance audit that will be implemented by Green Choice.

This section discusses the elements of an effective compliance management system -- Officers and management oversight, the compliance program, and the compliance audit that will be implemented by Green Choice.

### A: LOCAL ZONING COMPLIANCE

The Town of Blackstone has not officially published the actual Bylaws in the Town Ordinances. However, Article 27 was adopted and approved by the Commonwealth of Massachusetts Attorney General's Office. Green Choice Dispensaries is located at 114 Main Street in Blackstone, Massachusetts, located in the Commercial District marked in Red on the Zoning Map.

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### SPECIAL PERMIT REQUIREMENT

The Town of Blackstone requires that a marijuana establishment obtain a special permit prior to commencing operations.

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#### RENEWAL REQUIREMENTS:

A special permit granted under this Section shall have a term limited to the duration of the applicant's ownership or tenancy of the premises as a Marijuana Establishment or Marijuana Retailer.

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## TRANSFERABILITY:

A special permit may be transferred only with the approval of the Special Permit Granting Authority in the form of an amendment to the special permit with all information required in Section 123-23.7 of the Bylaws.

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## ANNUAL REPORT

Green Choice will file an annual report to and appear before the Special Permit Granting Authority and the Town Clerk no later than January 31st providing a copy of all current applicable state licenses for the Facility and/or its owners and demonstrate continued compliance with the conditions of the Special Permit.

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## LOCAL ZONING LEGISLATION

Marijuana Retail is zoned for Commercial and Industrial zones.

### **123-23.7. Marijuana Establishments and Marijuana Retailers**

A. Purpose. This section regulates Marijuana Establishments and Marijuana Retailers for the following purposes as defined in Section 123-24 ("Definitions,):

(I) To provide for Marijuana Establishments and Marijuana Retailers in appropriate places and under strict conditions in accordance with Chapter 369 of the Acts of 2012 and Chapter 55 of the Acts of 2017.

(2) To minimize the adverse impacts of Marijuana Establishments and Marijuana Retailers on adjacent properties, residential neighborhoods, schools, parks and other places where children congregate, local historic districts, and other land uses potentially incompatible with said Facilities.

(3) To regulate the siting, design, placement, security, safety, monitoring, modification, and removal of Marijuana Establishments and Marijuana Retailers, but shall not supersede the requirements of any Host Community Agreement.

#### **B. Applicability**

(1) The commercial cultivation, production, processing, assembly, packaging, retail or wholesale sale trade, distribution or dispensing of Marijuana is prohibited unless permitted as a Marijuana Establishment or Marijuana Retailer under this Section 123-23.7.

(2) No Marijuana Establishment or Marijuana Retailer shall be established except in compliance with the provisions of this Section 123-23.7.

(3) Nothing in this Bylaw shall be construed to supersede federal and state laws governing the sale

and distribution of narcotic drugs.

(4) If any provision of this Section or the application of any such provision to any person or circumstance shall be invalid, the remainder of this Section, to the extent it can be given effect, or the application of those provisions to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, and to this end the provision of this Section are severable.

#### C. Eligible Locations for Marijuana Establishments and Marijuana Retailers.

Marijuana Establishments may be allowed by Special Permit from the Blackstone Planning Board in the Industrial Zoning District provided the facility meets the requirements of this Section 123-23.7.

Marijuana Retailers may be allowed by Special Permit from the Blackstone Planning Board in the Commercial or Industrial Zoning Districts.

#### D. General Requirements and Conditions for all Marijuana Establishments and Marijuana Retailers.

(1) A Medical Marijuana Facility shall not be located in buildings that contain **any** medical doctor's offices or the offices of any other professional practitioner authorized to prescribe the use of medical marijuana.

(2) No Marijuana Establishments and Marijuana Retailers shall be located within 500 feet of a public or private school or within 200 feet of a library, church, child-care facility, park or playground. Distances shall be measured from the property line of the proposed use or from a line 100 feet from the building in which the use is located, whichever is less.

(3) No Marijuana Establishment and Marijuana Retailers shall be located inside building containing residential units, including transient housing such as motels and dormitories, or inside a movable or mobile structure such as a van or truck.

(4) Signage for the Medical Marijuana Facility shall include the following language: "Registration card issued by the Massachusetts Cannabis Control Commission required." The required text shall be a minimum of two inches in height.

(5) Marijuana Establishments and Marijuana Retailers shall provide the Blackstone Police Department, Building Inspector and the Special Permit Granting Authority with the names, phone numbers and email addresses of all management staff and key holders to whom one can provide notice if there are operating problems associated with the establishment.

#### E. Special Permit Requirements

(1) Marijuana Establishments and Marijuana Retailers shall only be allowed by special permit from the Blackstone Planning Board in accordance with G.L. c. 40A, §9, subject to the following statements, regulations, requirements, conditions and limitations.

(2) The proposed Marijuana Establishment or Marijuana Retailer shall meet the special permit criteria of Section 123-4

(3) In addition to the application requirements set forth in Sections D and E of this Bylaw, a special permit application for a Marijuana Establishment or Marijuana Retailer shall include the following;

a) the name and address of each owner of the facility;

b) The following information may be provided in the form of copies of the applicant's submittal to the Cannabis Control Commission for authorization to operate the proposed Facility;

i) evidence of the Applicant's right to use the site of the Marijuana Establishment or Marijuana Retailer, such as a deed, or lease;

ii) if the Applicant is a business organization, a statement under oath disclosing all of its owners, shareholders, partners, members, managers, directors, officers, or other similarly situated individuals and entities and their addresses. If any of the above are entities rather than persons, the Applicant must disclose the identity of the owners of such entities until the disclosure contains the names of individuals;

iii) a certified list all parties in interest entitled to notice of the hearing for the special permit application, taken from the most recent tax list of the town and certified by the Town Assessor;

iv) Proposed security measures for the Marijuana Establishment or Marijuana Retailer, including lighting, fencing, gates and alarms, etc., to ensure the safety of persons and to protect the premises from theft.

c) For marijuana cultivation or grow facilities, the following additional requirements shall apply:

i) Proposed odor mitigation plan, including floor plans indicating locations of odor mitigation equipment. Odor mitigation equipment shall be state-of-the-art equipment to the maximum extent practicable. Such odor mitigation plan shall be subject to peer review by a qualified marijuana odor mitigation consultant.

ii) Proposed noise mitigation plan for mechanical equipment. Noise mitigation facilities shall be state-of-the-art to maximum extent practicable. The plan must document compliance with Massachusetts Department of Environmental Protection standards for noise.

(4). Mandatory Findings. The Special Permit Authority shall not issue a special permit for a Marijuana Establishment or Marijuana Retailer unless it finds that:

a) the Facility is designed to minimize any adverse visual or economic impacts on abutters and other parties in interest, as defined in G.L. c. 40A § 11;

b) the Facility demonstrates how it plans to meet all the permitting requirements of all applicable agencies within the Commonwealth of Massachusetts and

c) the applicant has satisfied all of the conditions and requirements of Sections D and E herein:

(5) Annual Reporting. Each Marijuana Establishment or Marijuana Retailer permitted under this Bylaw shall as a condition of its special permit file an annual report to and appear before the Special Permit Granting Authority and the Town Clerk no later than January 31<sup>st</sup> providing a copy of all current applicable state licenses for the Facility and/or its owners and demonstrate continued compliance with the conditions of the Special Permit.

(6) A special permit granted under this Section shall have a term limited to the duration of the applicant's ownership or tenancy of the premises as a Marijuana Establishment or Marijuana Retailer. A special permit may be transferred only with the approval of the Special Permit Granting Authority in the form of an amendment to the special permit with all information required in this Section 123-23.7.

(7) The Board shall require the applicant to post a bond at the time of construction to cover costs for the removal of the Marijuana Establishment or Marijuana Retailer in the event the Town must remove the facility. Documentation of a bond posted with the Cannabis Control Commission shall satisfy this requirement.

#### F. Abandonment or Discontinuance of Use

(1) A Special Permit shall lapse if not exercised within one year of issuance.

(2) A Marijuana Establishment or Marijuana Retailer shall be required *to* remove all material, plants equipment and other paraphernalia:

a) prior to surrendering its state issued licenses or permits; or

b) within six months of ceasing operations; whichever comes first

and add the following to Section 123-24 Definitions and word usage:

**Marijuana Establishment (ME):** A Medical Marijuana Facility, marijuana independent testing laboratory, marijuana product manufacturer, or marijuana cultivator, all as defined in General Laws chapter 94G, §1, but not including Marijuana Retailers.

**Marijuana Retailer:** An entity licensed to purchase and deliver medical and/or recreational marijuana and marijuana products from marijuana establishments and to deliver, sell or otherwise transfer marijuana and marijuana products to marijuana establishments and to consumers.

And add the following to Section 123-11 Use Schedule under **COMMERCIAL USES:**

	<b>R-1,</b>			
	<b>R-2</b>	<b>R-3</b>	<b>C</b>	<b>I</b>
<b><u>Marijuana Establishment</u></b>	No	No	No	PB

<b>Martiuana Retailer</b>	No	No	PB	PB
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Mr. Costello explained that an amendment to Article 27 will be proposed to expand the area in which a special permit may be issued to a few select properties in an RI district that directly abut a commercial or industrial district.

Mr. Keefe moved to amend Article 27 of the Annual Town Meeting Warrant by

"1) adding the following language after the second paragraph of Section 123-23.7(C):

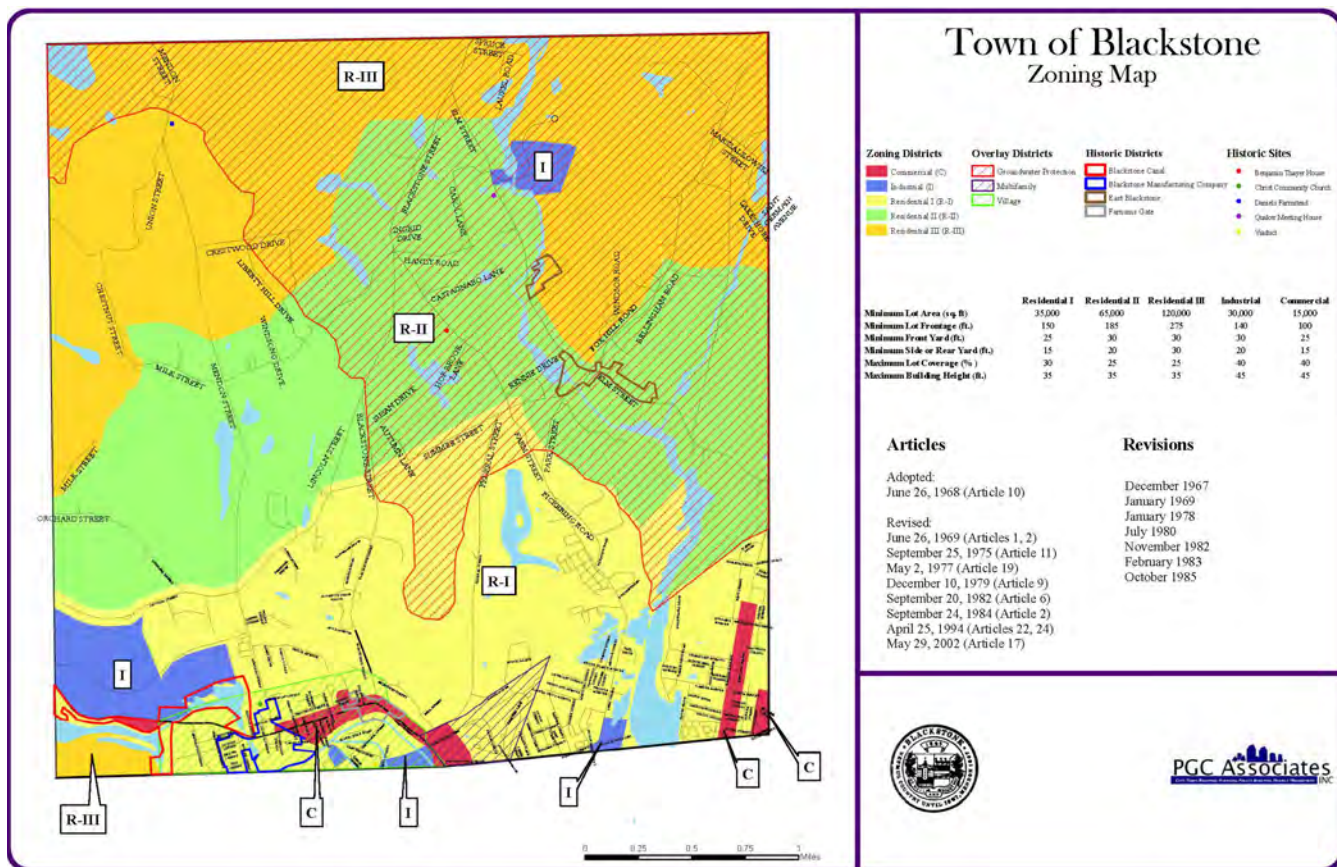
Marijuana Retailers may also be allowed in an R-1 district by Special Permit granted by the Planning Board, but only on sites that abut a Commercial or Industrial District that have been previously used for commercial purposes,

and

2) adding the following asterisk and footnote language in the RI and R2 column of Section 123-11 under Commercial Uses.

	<b>R-1,R-2</b>	<b>R-3</b>	<b>C</b>	<b>I</b>
<b><u>Marijuana Establishment</u></b>	No	No	No	PB
<b><u>Marijuana</u> Retailer</b>	No*	No	PB	PB

## ZONING MAP



## B: FINANCIAL COMPLIANCE PLAN

The corporate officers' financial oversight encompasses many and varied responsibilities. Below is a list of the key responsibilities board members will assume.

While day-to-day accounting and financial decisions are the responsibility of management, the Board will establish the framework in which management operates, creating policies that prevent error and fraud. Such policies include

As a fraud-prevention measure, the board should require that different employees are responsible for such tasks as authorizing payments, disbursing funds, reconciling bank statements, and reviewing credit card statements. At least two people should bear responsibility for depositing, recording, and reconciling the receipt of funds. A senior manager should approve all vendor or consulting contracts that are awarded following a transparent procurement process

Similarly, a policy requiring two layers of approval for expenses will reduce the risk of embezzlement. Boards should establish policies requiring two signatories on every check over a specified amount and two different signatories on every authorization or payment. Checks should never be pre-signed, and proper invoices should accompany any payment or disbursement. Require prior written approval for large checks or credit card charges, again from two individuals, with documentation demonstrating the legitimacy of the expense.

Good-governance policies can also play an important role in ensuring the organization's financial health by promoting a culture of accountability that will prevent future problems.

Such policies include:

- A conflict-of-interest policy to guard against self-dealing transactions.
- A document retention policy to protect against loss or inadvertent destruction of documents.
- A code of ethics to establish conduct guidelines for board, management, staff, and volunteers.
- A whistleblower policy that protects staff and volunteers who report unethical or unlawful practices within an organization

The Board will verify that employees are complying with these policies and procedures by reviewing regularly conducted reports, as well as the independent auditor's annual letter reviewing management's accounting practices. The Board will also periodically review and revise the policies and procedures to ensure that they are effective and up to date.

The Applicant's management is responsible for creating an annual budget, which lays out the organization's projected income and expenses for the upcoming year and serves as a framework for program management and overall administrative decisions. The Board will review and approve the budget. In its oversight function, the Board will examine the budget to ensure that the projected expenses and income are comprehensive and realistic, based on the organization's prior financial performance. The Board may send the budget back to management for revisions if it determines that changes are needed.



The officers will receive regular monthly financial reports that show budgeted and actual expenditures, as well as budgeted and actual revenues. The reports will indicate which funds are restricted and which are unrestricted. By examining financial statements regularly and comparing actual figures to the projected ones, the Board will verify that the budget is on track, question any major variances, and determine whether adjustments must be made in spending to accommodate changes in revenue. The Officers will ensure that the organization has sufficient cash on hand to pay its operating expenses, such as salaries, payroll taxes, and out-of-pocket costs, in a timely manner.

In addition to verifying that the organization is meeting its budget targets, the Board will look beyond periodic financial reports to consider how the organization's current financial performance compares with that of previous years, and how its financial future appears. If the organization's net assets decline over a period of years, or if future funding seems likely to decrease significantly, the Board will take steps to achieve or maintain the financial stability of the organization. The Officers will engage in strategic financial planning and decision making to assess how well the organization is running, how the organization's goals and needs may evolve, and how the cost of changing needs may be met in the future. The Officers will also evaluate the organization's reserves in the event of a funding shortfall or an unanticipated rise in costs and investigate the risks and benefits of exploring new funding streams. This will help position the organization for long-term sustainability.

The Officers will also conduct auditing and associated activities. In doing so, the Officers will engage an independent accountant to review the organization's financial disclosure statements to the Internal Revenue Service. This work will be done by an independent accountant selected by the Board and the reports will subsequently be reviewed by the Officers. The Officers are responsible for selecting an independent financial auditor to conduct an annual audit of the organization's books and records. An independent audit is invaluable in highlighting weaknesses in an organization's financial systems, helping to strengthen policies and procedures, and contributing to a culture of transparency. Prior to the start of the audit, the Officers will meet with the independent auditor to discuss the scope of the audit. The Officers will also be responsible for supervising the audit and resolving any disputes on how best to account for the finances of the organization that may arise between the auditor and management. The Officers will also request and review the auditor's management letter. This letter sets forth the auditor's findings regarding the accounting processes and procedures used by management. The Officers will then be presented with the auditor's full report.

In its oversight of the financial sustainability of the organization, one of the Officers' most important goals is maintaining adequate financial reserves. A reserve helps the organization weather difficult financial times, while also allowing the organization to preserve critical services needed by its client population and to maintain credibility within the nonprofit community. Officers will strive to provide the Applicant with a nine (9) month reserve for operating expenses, which include such costs as rent, utilities, insurance, and payroll. These reserve fund allows the organization to continue its operations, even if an unanticipated financial event occurs. In addition, the Officers will establish procedures for determining when and how the reserve will be used. Because the Applicant's primary focus is proving Rhode Island Medical Marijuana Program Consumers with access to the highest quality cannabis and products, it is imperative that such a reserve be in place and that is why the Applicant has provided for it within its non-profit business/compliance plan.

## C. GENERAL COMPLIANCE MANAGEMENT SYSTEM

A compliance management system is how an institution:

- learns about its compliance responsibilities;
- ensures that employees understand these responsibilities;
- ensures that requirements are incorporated into business processes;
- reviews operations to ensure responsibilities are carried out and requirements are met; and
- takes corrective action and updates materials as necessary.

An effective compliance management system is commonly comprised of three interdependent elements:

- Officers and management oversight
- Compliance program
- Compliance audit
- When all elements are strong and working together, an institution will be successful at managing its compliance responsibilities and risks now and in the future.

Cannabis institutions are required to comply with federal consumer protection laws and regulations.

Noncompliance can result in monetary penalties, litigation, and formal enforcement actions. The responsibility for ensuring an institution is in compliance appropriately rests with the Officers and management of the institution.

Therefore, the Cannabis Control Commission expects every cannabis institution to have an effective compliance management system adapted to its unique business strategy.

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### OFFICERS OF DIRECTORS AND MANAGEMENT OVERSIGHT

The Officers of a cannabis institution is ultimately responsible for developing and administering a compliance management system that ensures compliance with federal consumer protection laws and regulations. To a large degree, the success of an institution's compliance management system is founded on the actions taken by its board and senior management. Key actions that a Officers and management will take to demonstrate their commitment to maintaining an effective compliance management system and to set a positive climate for compliance include:

- demonstrating clear and unequivocal expectations about compliance;
- adopting clear policy statements;
- appointing a compliance officer with authority and accountability;
- allocating resources to compliance functions commensurate with the level and complexity of the institution's operations;
- conducting periodic compliance audits; and
- providing for recurrent reports by the compliance officer to the Officers.

Leadership on compliance by the Officers and senior management sets the tone in an organization. The Officers and senior management will discuss compliance topics during their meetings. They will include compliance matters in their communications to institution personnel and the general public. Institution management and staff will have a clear understanding that compliance is important to the Officers and senior management, and that they are expected to incorporate compliance in their daily operations.

Policy statements on compliance topics provide a framework for the institution's procedures and provide clear communication to management and employees of the Officers' intentions toward compliance.

The first step Officers and senior management have taken in providing for the administration of the compliance program is the designation of a compliance officer. In developing the organizational structure of the compliance program, the Officers and senior management must grant a compliance officer sufficient authority and independence to:

- cross departmental lines;
- have access to all areas of the institution's operations; and
- effect corrective action.

The compliance officer will have knowledge and understanding of all consumer protection laws and regulations that apply to the business operations of the financial institution. The compliance officer will also have general knowledge of the overall operations of the institution and interact with all of the departments and branches to keep abreast of changes (e.g., new products and services or business practices, personnel turnover) that may require action to manage perceived risk.

A compliance officer's general responsibilities include:

- developing compliance policies and procedures;
- training management and employees in consumer protection laws and regulations;
- reviewing policies and procedures for compliance with applicable laws and regulations and the institution's stated policies and procedures;
  - assessing emerging issues or potential liabilities;
  - coordinating responses to consumer complaints;
  - reporting compliance activities and audit/review findings to the Officers; and
  - ensuring corrective actions.

Compliance responsibility and accountability will be clearly defined.

To be effective at overseeing compliance and maintaining a strong compliance posture, the compliance officer will be provided with ongoing training, as well as sufficient time and adequate resources to do the job. The compliance officer may utilize third-party service providers or consultants to help administer the compliance program or audit functions. However, the compliance officer will perform sufficient due diligence to verify that the provider is qualified, because ultimately the institution is accountable for compliance with consumer protection laws and regulations.

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## COMPLIANCE PROGRAM

A sound compliance program is essential to the efficient and successful operation of the institution, much as a business plan. Green Choice's compliance program will include the following components:

- Policies and procedures
- Training
- Monitoring
- Consumer complaint response

Green Choice will establish a formal, written compliance program. In addition to being a planned and organized effort to guide Green Choice's compliance activities, a written program represents an essential source document that will serve as a training and reference tool for all employees. A well planned, implemented, and maintained compliance program will prevent or reduce regulatory violations, provide cost efficiencies, and is a sound business step.

Compliance efforts require an ongoing commitment from all levels of management and will be a part of an institution's daily business operations.

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## POLICIES AND PROCEDURES

Compliance policies and procedures will be maintained and reviewed and updated as the Cannabis institution's business and regulatory environment changes. Policies have been and will continue to be established that include goals and objectives and appropriate procedures for meeting those goals and objectives. Green Choice's policies and procedures will provide personnel with all the information needed to perform a medical marijuana compassion center operation. This may include applicable regulation cites and definitions, sample forms with instructions, institution policy, and standard operating procedures.

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## TRAINING

Education of a financial institution's Officers of directors, management, and staff is essential to maintaining an effective compliance program. Line management and staff should receive specific, comprehensive training in laws and regulations, and internal policies and procedures that directly affect their jobs.

The compliance officer is responsible for compliance training and establish a regular training schedule for directors, management, and staff, as well as for third-party service providers. Training will be conducted in-house or through external training programs or seminars. Once personnel have been trained on a particular subject, a compliance officer will periodically assess employees on their knowledge and comprehension of the subject matter.

The compliance training program will be frequently updated with current, complete, and accurate information on products and services and business operations of the institution, consumer protection laws and regulations, internal policies and procedures, and emerging issues in the public domain.

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## MONITORING

Because institutions that include a compliance officer in the planning, development, and implementation of business propositions increase the likelihood of success of its compliance monitoring function, “Monitoring” is the proactive approach that will be used by Green Choice to identify procedural or training weaknesses in an effort to preclude regulatory violations.

The monitoring system will include regularly scheduled reviews of:

- disclosures and calculations for various product offerings;
- document filing and retention procedures;
- posted notices, marketing literature, and advertising;
- various state usury and consumer protection laws and regulations;
- third party service provider operations; and
- internal compliance communication systems that provide updates and revisions of the applicable laws and regulations to management and staff.

Changes to regulations or changes in an institution's business operations, products, or services will trigger a review of established compliance procedures. Modifications that are necessary will be made expeditiously to minimize compliance risk, and applicable personnel in all affected operating units should be advised of the changes.

Monitoring also will include reviews at the transaction level during the normal, daily activities of employees in every operating unit of Green Choice.

The Compliance Officer will monitor employee performance to ensure that they are following an Center's established internal compliance policies and procedures.

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## CONSUMER COMPLAINT RESPONSE

Green Choice will be prepared to handle product recalls and complaints from consumers in accordance with the Product Recall and Complaint Handling Plan.

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## COMPLIANCE AUDIT

The Compliance officer will conduct an independent review of an institution's compliance with consumer protection laws and regulations and adherence to internal policies and procedures. The Officers of the institution will determine the scope of an audit, and the frequency with which audits are conducted.

In Determining the scope and frequency of an audit, the Officers will consider such factors as:

- expertise and experience of various institution personnel.
- organization and staffing of the compliance function;
- volume of transactions;
- complexity of products offered;
- number and type of consumer complaints received;
- size of the institution;
- organizational structure of the institution;
- outsourcing of functions to third party service providers;
- degree to which policies and procedures are defined and detailed in writing; and
- magnitude/frequency of changes to any of the above.

Regardless of whether audits are conducted by institution personnel or by a contractor, the audit findings should be reported directly to the Officers or a committee of the Officers. A written compliance audit report will include:

- scope of the audit (including departments, branches, and product types reviewed);
  - deficiencies or modifications identified;
  - number of transactions sampled by category of product type; and
- descriptions of, or suggestions for, corrective actions and time frames for correction.

Officers and senior management response to the audit report should be prompt. The compliance officer will receive a copy of all compliance audit reports, and act to address noted deficiencies and required changes to ensure full compliance with consumer protection laws and regulations. Management will also establish follow-up procedures to verify, at a later date, that the corrective actions were lasting and effective.

## CONSUMER PROTECTED HEALTH INFORMATION RECORD KEEPING PROTOCOL AND POLICY

Green Choice is mindful of the importance of safeguarding and ensuring that confidential consumer personal identifying information including the medical conditions of a consumer and sales information. The protection and control of personal documents is imperative to guard the safety and privacy of consumers. Therefore, Green Choice has developed strict operating policies that will guarantee the appropriate processing of personal information. The Protocol and Policy as contained in this document has been fashioned to provide protections over and above the compliance requirements of the Regulations. Green Choice's ability to meet and exceed the

requirements for the protection of confidentiality of a consumer's medical condition, health status, and acquisition of medical cannabis products relies on a) the expiring and training of our staff, b) a robust privacy plan, and c) an exceedingly high standard as it relates to audit and compliance procedures.

Green Choice has put together a group and knowledgeable team of advisors. These individuals have a wide range of experience handling confidential information including medical, financial, and legal records.

While Green Choice is not a covered entity, we will implement confidentiality policies and procedures based on the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Chief Operating Officer will have the obligation to ensure that these procedures are met. Staff education and training is essential to protect confidential records held by Green Choice. Green Choice will implement a comprehensive staff training and education program intended to enhance our employees' skills and qualifications. As to confidentiality and non-disclosure, all employees will receive introductory training prior to commencement of any work activities. This pre-work training will include a wide range of topics. All staff training, pre-work, and continuing education will require assessments to ensure an appropriate level of understanding before completion. Continuing education will be provided on an annual basis or as needed for reinforcement.

The Chief Compliance Officer has all obligations for setting up and maintaining all internal audit program featuring both confidential and random, as well as regularly planned. Electronic records, tangible records, CCTV recordings and staff interviews will be used to audit compliance.

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## **OBLIGATIONS**

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### **PRIVACY MANAGER**

The Chief Operating Officer will be the Privacy Coordinator for Green Choice. The Privacy Coordinator will be responsible for the development and implementation of policies and procedures relating to privacy, including but not limited to this Privacy Policy and Green Choice's use and disclosure procedures. The Privacy Coordinator will also serve as the contact person for Consumers who have questions, concerns, or complaints about the privacy of their PI.

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### **PHI TEAM**

The PI Team is comprised of the COO, Chief Compliance Officer and additional members deemed appropriate on an ad hoc basis in the reasonable judgment of the Privacy Coordinator. In the event of a security incident results in a wrongful disclosure of PI, the Privacy Coordinator, in conjunction with the PI Team will take appropriate actions to prevent further inappropriate disclosures. In addition, Human Resources and Legal may be consulted as part of the review team to assist in the review and investigation of privacy incidents when required. If the Privacy Coordinator and PI Team have not resolved the incident, the Privacy Coordinator shall involve anyone determined to be necessary to assist in the resolution of the incident. If Consumers need to be notified of any

lost/stolen PI, the Privacy Coordinator will send PI Theft/Loss Disclosure Letters to all possible affected individuals.

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## TRAINING PROGRAM

It is Green Choice's policy to train all members of its workforce who have access to PI on its privacy policies and procedures. All staff members receive privacy training. Whenever a privacy incident has occurred, the Privacy Coordinator in collaboration with management will evaluate the occurrence to determine whether additional staff training is in order. Depending upon the situation, the Privacy Coordinator may determine that all staff should receive training that is specific to the privacy incident. The Privacy Coordinator will review any privacy training developed as part of a privacy incident resolution to ensure the materials adequately address the circumstances regarding the privacy incident and reinforce Green Choice's privacy policies and procedures.

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## OTHER SAFETY MEASURES

Data Storage / Backup / Remote Access Currently all data in the local data center is backed up using industry standards with off-site storage of media. Green Choice currently utilizes technology that allows the IT team to quickly remove, disable and start staff member access to PI.

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## NOTICE TO CONSUMERS REGARDING PHI

The Privacy Coordinator is responsible for developing and maintaining a notice of Green Choice's privacy practices that describes: •the uses and disclosures of PI that may be made by Green Choice; •the individual's rights; and • Green Choice's legal duties with respect to the PI; The privacy notice will inform Consumers that Green Choice will have access to PI. The privacy notice will also provide a description of Green Choice's complaint procedures, the name and telephone number of the contact person for further information, and the date of the notice. The notice of privacy practices will be individually delivered to all Consumers: • on an ongoing basis, at the time of an individual's enrollment into a Green Choice program or at the time of treatment and consent; and •within 60 days after a material change to the notice. Green Choice will also provide notice of availability of the privacy notice at least once every three years.

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## COMPLAINTS

The Privacy Coordinator will be Green Choice's contact person for receiving complaints. The Privacy Coordinator is responsible for creating a process for individuals to lodge complaints about Green Choice's privacy procedures and for creating a system for handling such complaints. A copy of the complaint form shall be provided to any Consumer upon request.



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## **SANCTIONS**

Sanctions for using or disclosing PI in violation of this Privacy Plan will be imposed in accordance up to and including termination.

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## **MITIGATION OF INADVERTENT DISCLOSURES OF PROTECTED HEALTH INFORMATION**

Green Choice shall mitigate, to the extent possible, any harmful effects that become known to it because of a use or disclosure of a Consumer's PI in violation of the policies and procedures set forth in this Plan. As a result, if an employee becomes aware of a disclosure of protected health information, either by a staff member of Green Choice or an outside consultant/contractor that is not in compliance with this Policy immediately contact the Privacy Coordinator so that the appropriate steps to mitigate the harm to the Consumer can be taken.

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## **NO INTIMIDATING OR RETALIATORY ACTS; NO WAIVER OF PRIVACY**

No employee may intimidate, threaten, coerce, discriminate against, or take other retaliatory action against individuals for exercising their rights, filing a complaint, participating in an investigation, or opposing any improper practice. No individual shall be required to waive his or her privacy rights as a condition of service.

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## **SOP**

The SOP document includes provisions to describe the permitted and required uses and disclosures of PI by Green Choice. Specifically, the Plan document requires the Center to:

- Not use or further disclose PI other than as permitted by the Plan documents or as required by law;
- Ensure that any agents or subcontractors to whom it provides PI received from Green Choice agree to the same restrictions and conditions that apply to Green Choice;
- Report to the Privacy Coordinator any use or disclosure of the information that is inconsistent with the permitted uses or disclosures;
- Make PI available to Consumers, consider their amendments and, upon request, provide them with an accounting of PI disclosures; and
- Make Green Choice's internal practices and records relating to the use and disclosure of PI received by Green Choice available to the Department of Health upon request.

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## **RECORD KEEPING**

Green Choice's privacy policies and procedures shall be documented and maintained for at least seven years. Policies and procedures must be changed as necessary or appropriate to comply with changes in the law, standards, requirements and implementation specifications (including changes and modifications in regulations). Any changes to policies or procedures must be promptly documented. If a change in law impacts the privacy notice, the privacy policy must promptly be revised and made available. Such change is effective only with respect to PI created or received after the effective date of the notice. Green Choice shall document certain events and actions (including authorizations, requests for information, sanctions, and complaints) relating to an individual's privacy rights. The documentation of any policies and procedures, actions, activities and designations may be maintained in either written or electronic form.

Green Choice has developed an Incident Report form. This form is used to document reports of privacy breaches that have been referred to the Privacy Coordinator from staff members who have reviewed or received the suspected incident. After receiving the Incident Report form from staff members, the Privacy Coordinator classifies the incident and its severity and analyzes the situation. Documentation shall be retained by Green Choice for a minimum of six years from the date of the reported incident. If the Privacy Coordinator is able to resolve the incident, the Privacy Coordinator shall also document the actions taken to resolve the issue in the Incident Report form.

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## **ELECTRONIC SALE RECORDS**

Just like paper records, Electronic Sales Records must comply with state laws. Unlike paper records, electronic sales records can be encrypted - using technology that makes them unreadable to anyone other than an authorized user - and security access parameters are set so that only authorized individuals can view them. Further, ESRs offer the added security of an electronic tracking system that provides an accounting history of when records have been accessed and who accessed them.

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## **ACCESS**

Green Choice will grant access to PI based on their job functions and responsibilities. The Privacy Coordinator in collaboration with IT and senior management is responsible for the determination of which individuals require access to PI and what level of access they require through discussions with the individual's manager and or department head. The IT department will keep a record of authorized users and the rights that they have been granted with respect to PI. IT keeps a comprehensive matrix of how and to whom rights are granted.

## USE AND DISCLOSURE OF PERSONAL INFORMATION

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### USE AND DISCLOSURE DEFINED

Green Choice will use and disclose PI only as permitted under law. The terms "use" and "disclosure" are defined as follows:

- Use. The sharing, employment, application, utilization, examination, or analysis of individually identifiable health information by any person working for or within Green Choice, or by a Business Associate of Green Choice.
- Disclosure. For information that is protected health information, disclosure means any release, transfer, provision of access to, or divulging in any other manner of individually identifiable health information to persons not employed by or working within Green Choice with a business need to know PI.

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### ACCESS TO PI IS LIMITED TO CERTAIN EMPLOYEES

All staff that performs Consumer functions directly on behalf of the Center will have access to PI as determined by their department and job description and as granted by IT. These employees with access may use and disclose PI as required under law but the PI disclosed must be limited to the minimum amount necessary to perform the job function. Employees with access may not disclose PI unless an approved compliant authorization is in place, or the disclosure otherwise is in compliance with this Plan. Staff members may not access either through our information systems or the Consumer's sales record the medical and/or demographic information for themselves, family members, friends, staff members or other individuals for personal or other non-work-related purposes, even if written or oral Consumer authorization has been given. If the staff member is a Consumer in Green Choice's plans, the staff member must go through their Provider in order to request their own PI. In the very rare circumstance when a staff member's job requires him/her to access and/or copy the medical information of a family member, a staff member, or other personally known individual, then he/she should immediately report the situation to his/her manager who will determine whether to assign a different staff member to complete the task involving the specific Consumer. Your access to your own PI must be based on the same procedures available to other Consumers not based on your job-related access to our information systems. You must make a written request to the Privacy Coordinator. You cannot access your own information; you must go through all the appropriate channels, as any Consumer would have to.

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## **DISCLOSURES OF PI PURSUANT TO AN AUTHORIZATION**

PI may be disclosed for any purpose if the Consumer provides an authorization that satisfies all of Green Choice's requirements for a valid authorization. All uses and disclosures made pursuant to a signed authorization must be consistent with the terms and conditions of the authorization.

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## **PERMISSIVE DISCLOSURES OF PI: FOR LEGAL AND PUBLIC POLICY PURPOSES**

PI may be disclosed in the following situations without a Consumer's authorization, when approved by the Department of Health and when specific requirements are satisfied. Green Choice's use and disclosure procedures describe specific requirements that must be met before these types of disclosures may be made. Permitted are disclosures:

About victims-of abuse, neglect or domestic violence;

- For judicial and administrative proceedings;
- For law enforcement purposes;
- For public health activities;
- For health oversight activities;
- About decedents;
- for cadaver organ, eye or tissue donation purposes;

For certain limited research purposes;

- to avert a serious threat to health or safety;
- For specialized government functions; And
- that relate to workers' compensation programs.

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## **COMPLYING WITH THE "MINIMUM-NECESSARY" STANDARD**

When PI is used or disclosed, the amount disclosed generally must be limited to the "minimum necessary" to accomplish the purpose of the use or disclosure. The "minimum-necessary" standard does not apply to any of the following:

- uses or disclosures made to the individual;
- uses or disclosures made pursuant to a valid authorization; and
- uses or disclosures required by law.

Minimum Necessary When Disclosing PI. For making disclosures of PI to any business associate or providers, or internal/external auditing purposes, only the minimum necessary amount of information will be disclosed. All other disclosures must be reviewed on an individual basis with the Privacy Coordinator to ensure that the amount of information disclosed is the minimum necessary to accomplish the purpose of the disclosure.

Minimum Necessary When Requesting PI. For making requests for disclosure of PI from business associates, providers or Consumers for purposes of claims payment/adjudication or internal/external auditing purposes, only the minimum necessary amount of information will be requested. All other requests must be reviewed on an individual basis with the Privacy Coordinator to ensure that the amount of information requested is the minimum necessary to accomplish the purpose of the disclosure.

## CONSUMER INDIVIDUAL RIGHTS

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### I. ACCESS TO PROTECTED HEALTH INFORMATION AND REQUESTS FOR AMENDMENT

This Plan gives Consumers the right to access and obtain copies of their PI that Green Choice or its business associates maintains. Green Choice also provides that Consumers may request to have their PI amended (excluding sale records). Green Choice will provide access to PI and it will consider requests for amendment that are submitted in writing by Consumers.

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### II. ACCOUNTING

An individual has the right to obtain an accounting of certain disclosures of his or her own PI. This right to an accounting extends to disclosures made in the last six years, other than disclosures:

- to individuals about their own PI;
- incident to an otherwise permitted use or disclosure or pursuant to an authorization; •for purposes of creation of a facility directory or to persons involved in the Consumer's care or other notification purposes;
- as part of a limited data set; or
- for other national security or law enforcement purposes.

Green Choice shall respond to an accounting request within 60 days. If Green Choices unable to provide the accounting within 60 days, it may extend the period by 30 days, provided that it gives the Consumer notice (including the reason for the delay and the date the information will be provided) within the original 60-day period. The accounting must include the date of the disclosure, the name of the receiving party, a brief description of the information disclosed, and a brief statement of the purpose of the disclosure (or a copy of the written request for disclosure, if any). The first accounting in any 12-month period shall be provided free of charge. The Privacy Coordinator may impose reasonable production and mailing costs for subsequent accountings. The Privacy Coordinator is responsible for responding to a request for accounting.

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### **III. REQUESTS FOR ALTERNATIVE COMMUNICATION MEANS OR LOCATIONS**

Consumers may request to receive communications regarding their PI by alternative means or at alternative locations. For example, Consumers may ask to be called only at work rather than at home. Such requests may be honored if, in the sole discretion of Green Choice, the requests are reasonable. However, Green Choice shall accommodate such a request if the Consumer clearly provides information that the disclosure of all or part of that information could endanger the Consumer. The Privacy Coordinator in collaboration with managers has responsibility for administering requests for confidential communications.

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### **IV. REQUESTS FOR RESTRICTIONS ON USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

A Consumer may request restrictions on the use and disclosure of the Consumer's PI. It is Green Choice's policy to attempt to honor such requests if, in the sole discretion of Green Choice, the requests are reasonable. The Privacy Coordinator is charged with responsibility for processing requests for restrictions.

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### **V. WHEN A CONSUMER REQUESTS A COPY OF HIS/HER RECORD**

A Consumer can request a copy of his/her sale record by completing a Request for Accessing / Inspecting / Copying Confidential Information form and submitting it. The Privacy Coordinator must process and respond to the request. Consumers can request this form from the dispensary.

Green Choice will take reasonable steps and exercise professional judgment to verify the identity of the individual making a request for access to his/her own PI. a) If the request is made in person, verification of identity may be accomplished by asking for photo identification (such as a driver's license). A copy of the I.D. must be attached to the request and placed in the Consumers record. b) If the request is made over the

telephone, verification will be accomplished by requesting identifying information such as social security number, birth date, and sale record number and confirming that this information matches what is in the Consumer's record. Or, verification will occur through a callback process using phone numbers documented in the Consumer record to validate the caller's identity. c) If the request is made in writing, verification will be accomplished by requesting a photocopy of photo identification if a photocopy of the ID is not available, the signature on the written request must be compared with the signature in the Consumer record. In addition, Green Choice will need to verify the validity of the written request by contacting the Consumer by telephone

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## **VI. PI VIOLATION REPORTING**

The purpose of this section is to address Green Choice's privacy requirements for reporting, documenting, and investigating a known or suspected action or adverse event resulting from unauthorized use or disclosure of individually identifiable health information.

A privacy breach is an adverse event or action that is unplanned, unusual, and unwanted that happens as a result of non-compliance with the privacy policies and procedures of Green Choice. A privacy breach must pertain to the unauthorized use or disclosure of health information, including 'accidental disclosures' such as misdirected e-mails or faxes. The Privacy Coordinator shall immediately notify the Department of Health, investigate and attempt to resolve all reported suspected privacy breaches. Staff members are required to verbally report to his/her supervisor any event or circumstance that is believed to be an inappropriate use or disclosure of a Consumer PI. If the supervisor is unavailable, the staff member must notify the Privacy Coordinator within 24 hours of the incident. If the manager determines that further review is required, the manager and staff member will consult with the Privacy Coordinator to determine whether the suspected incident warrants further investigation. In all cases an Incident Report must be filled out and submitted to the appropriate reviewer. The Privacy Coordinator will document all privacy incidents and corrective actions taken. Documentation shall include a description of corrective actions, if any are necessary, or explanation of why corrective actions are not needed, and any mitigation undertaken for each specific privacy incident. All documentation of a privacy breach shall be maintained with the Privacy Coordinator and shall be retained for at least six years from the date of the investigation. Such documentation is not considered part of the Consumer's sales record. If the Consumer is not aware of a privacy incident, the Privacy Coordinator shall investigate the incident thoroughly before determining whether the Consumer should be informed. If the Consumer is aware of a privacy incident, the Privacy Coordinator shall contact the Consumer within three (3) business days of receiving notice of the incident. The method of contact is at the discretion of the Privacy Coordinator but resulting communications with the Consumer must be documented in the incident report. In addition, any privacy incident that includes a disclosure for which an accounting is required must be documented and entered into accounting. Staffs who fail to report known PI/security incidents, or fail to report them promptly, may be subject to disciplinary action up to termination.

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## VII. BREACH NOTIFICATION REQUIREMENTS

Following a breach of unsecured protected health information; covered entities must provide notification of the breach to affected individuals if necessary and in certain circumstances, to the media. In addition, business associates must notify covered entities that a breach has occurred.

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### INDIVIDUAL NOTICE

Green Choice must notify affected individuals following the discovery of a breach of unsecured protected information in written form by first-class mail, or alternatively, by e-mail if the affected individual has agreed to receive such notices electronically. If the Center has insufficient or out-of-date contact information for 10 or more individuals, Green Choice must provide substitute individual notice by either posting the notice on the home page of its web site or by providing the notice in major print or broadcast media where the affected individuals likely reside. If Green Choice has insufficient or out-of-date contact information for fewer than 10 individuals, Green Choice may provide substitute notice by an alternative form of written, telephone, or other means. These individual notifications must be provided without unreasonable delay and in no case later than 60 days following the discovery of a breach and must include, to the extent possible, a description of the breach, a description of the types of information that were involved in the breach, the steps affected individuals should take to protect themselves from potential harm, a brief description of what Green Choices doing to investigate the breach, mitigate the harm, and prevent further breaches, as well as contact information for Green Choice. Additionally, for substitute notice provided via web posting or major print or broadcast media, the notification must include a toll-free number for individuals to contact Green Choice to determine if their protected health information was involved in the breach.

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### NOTICE TO THE DEPARTMENT OF HEALTH AND CCC

In addition to notifying affected individuals and the media (where appropriate), Green Choice must notify the Department of Health of breaches of the security of protected information, as well as the Cannabis Control Commission.



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## VIII. COMPLAINT/CONCERNS REPORTING

Concerns about Green Choice's privacy practices may arise in a variety of contexts and may be received by many different persons at Green Choice. It is important that Green Choice responds to concerns and complaints in a timely manner. When a staff member hears or receives a complaint/concern, he/she should ask the complainant whether the complainant wishes to file a formal complaint and offer to assist the complainant with the form. Even if the person does not wish to file a complaint or provide identifying information, the staff member should proceed with the procedures outlined below.

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### FILING A COMPLAINT

Consumer's complaints of alleged privacy rights violations may be forwarded through multiple channels, such as telephone calls, letter via mail/email, in person. If an employee receives these complaints, the person receiving the complaint will:

- In response to a Telephone Call or In-Person Request to File a Complaint – Complete the Privacy Complaint Form and immediately forward to the Privacy Coordinator. Offer to forward a copy of the complaint form to the complainant.
- In response to a Letter or Email (print out) – Complete the Privacy Complaint Form and immediately forward to the Privacy Coordinator. Attach the written complaint to the complaint form.
- In response to an Anonymous Complaint– Complete the Privacy Complaint Form based on the information provided and immediately forward to the Privacy Coordinator. When possible, explain to the complainant that Green Choice has an obligation to follow up on complaints whether or not they are anonymously filed.

Staff Members – Call the Privacy Coordinator. Staff members may also complete the Privacy Complaint Form and forward to the Privacy Coordinator. Staff members can also fill out the complaint form and put it in the Privacy Coordinator's mailbox. Upon receipt of a complaint, the Privacy Coordinator will initiate primary investigation.

- Initial review – All complaints will be initially reviewed by the Privacy Coordinator or his/her designee to determine if the complaint alleges a violation of established policies and procedures or other known regulations regarding the protection of individually identifiable health information. If there is no legitimate allegation, the Privacy Coordinator will, when possible, contact the Complainant by letter and inform him/her of this finding within 60 days. All documentation will be maintained as prescribed in this policy.
- Complaints requiring further review – If there is a legitimate allegation, the Privacy Coordinator or his/her designee will conduct a detailed investigation by reviewing the covered practices, contacting employees, or volunteers as needed, working with the Department (as applicable), and utilizing other Green Choice resources as needed.

Upon conclusion of the investigation, the Privacy Coordinator will, when possible, contact the Complainant by letter and inform him/her of the finding within 60 days.

a) 60-day time frame – In the event that this 60-day period cannot be met, the Privacy Coordinator shall, when possible, communicate this determination to the Complainant in writing and include an estimated timeframe for completion of the investigation.

b) Outcome of Investigation - The purpose of the investigation is to determine the compliance of Green Choice's policies and procedures implementing the privacy standards. Green Choice will mitigate, to the extent practicable, any harmful effect that is known of a use or disclosure of PI in violation of Green Choice's policies and procedures or legal privacy requirements by Green Choice or any of its Business Associates. If disciplinary action is recommended, the Privacy Coordinator or his/her designee will coordinate any action with management.

c) Documentation - All complaints sent to the Privacy Coordinator shall be documented in a format that includes all of the information contained on the Privacy Complaint Form. The Privacy Coordinator will maintain all completed *complaints' documentation for six years from the initial date of the complaint.*

## OVERVIEW OF PROCURES FOR ENSURING THE PRIVACY OF PROTECTED INFORMATION

These are practices are focused on how to safeguard health information and ensure confidentiality when using normal business communications, such as conversations, telephone, faxes, mail, and electronic mail. Wherever practical, the material containing Protected Information (PI) should be labeled as confidential on the document, CD, or other medium. PI maintained electronically should be password-protected in all media. Also, when using and disclosing PI, you must take reasonable measures to ensure the information is protected. Below are simple safeguarding tasks that should be used when communicating in a work environment that necessitates access to and use and disclosure of PI. Remember to limit your communications of PI to the minimum necessary for the intended purpose. Restrict your communications to those who have a valid "need to know" the information. If you have questions about these safeguards and how to protect PI communications, please discuss them with your supervisor.



## 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): July 20, 2021
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: July 5, 2021
- b. Name of publication: Boston Globe

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: 7/15/2021

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: 7/15/2021

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:

Green Choice Dispensaries, LLC

Name of applicant's authorized representative:

Charles A. Reid III, Esquire

Signature of applicant's authorized representative:



Digitally signed by Charles A. Reid III, Esq.  
Date: 2021.10.02 10:41:30 -04'00'







TO: *Boston Globe* – [LEGALS@GLOBE.COM](mailto:LEGALS@GLOBE.COM)

FR: Progressive Law. LLC: Jody Lehrer, Esquire, of Counsel  
781-985-5280



RE: Legal Notice of Community Outreach Meeting in Town of Blackstone

**PLEASE RUN THIS LEGAL NOTICE IN THE GLOBE ON Monday, July 5, 2021**

#### Community Outreach Public Meeting Notice

Notice is hereby given that Green Choice Dispensaries, LLC, will hold a Community Outreach Meeting on proposed Marijuana Establishments identified below on Tuesday, July 20, 2021, at 6:00 PM in the parking lot at the Blackstone Town Hall, 15 St. Paul Street, Blackstone, MA.

The proposed siting of Marijuana Establishment(s) will be at 114 Main Street, Blackstone, MA and will include one or more of the following Marijuana Establishments: Marijuana Cultivator; Marijuana Product Manufacturer; and Marijuana Retailer.

There will be an opportunity for the public to offer comments and to ask questions and receive answers from applicant representatives of Green Choice Dispensaries, LLC at the meeting. Also, the public may ask questions beforehand by submitting them in advance to [questionsforgreenchoice@gmail.com](mailto:questionsforgreenchoice@gmail.com). All questions including those asked in advance will be answered at the meeting.

**THIS IS THE NOTICE SENT TO ABUTTER WITH ABUTTERS LIST FOLLOWING**

TO: *Boston Globe* – [LEGALS@GLOBE.COM](mailto:LEGALS@GLOBE.COM)

FR: Progressive Law. LLC: Jody Lehrer, Esquire, of Counsel  
781-985-5280

RE: Legal Notice of Community Outreach Meeting in Town of Blackstone

**PLEASE RUN THIS LEGAL NOTICE IN THE GLOBE ON Monday, July 5, 2021**

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Property Location: 114 MAIN ST

Vision ID: 1141

MAP ID: 9/ / 33/ /

Bldg Name:

State Use: 3250

Account # 1481

Bldg #: 1 of 1

Sec #: 1 of 1 Card 1 of 1

Print Date: 10/22/2020 13:37

CURRENT OWNER		TOPO.	UTILITIES	STRT./ROAD	LOCATION	CURRENT ASSESSMENT				306 BLACKSTONE, MA  <b>VISION</b>									
MANN MARC W L TR OF 336 MAIN ST TRUST C/O 230 MENDON ST		1 Level	1 All Public	1 Paved	4 Bus. District	Description	Code	Appraised Value	Assessed Value										
BLACKSTONE, MA 01504 Additional Owners:				5 Curb & Gutter		COMMERC.	3250	560,900	560,900										
				6 Sidewalk		COM LAND	3250	166,700	166,700										
						COMMERC.	3250	44,100	44,100										
SUPPLEMENTAL DATA					Other ID: Sub Div. PRVBVAL Ward Prec.  GIS ID: F_646037_2831959      ASSOC PID#														
RECORD OF OWNERSHIP		BK-VOL/PAGE	SALE DATE	q/u	v/i	SALE PRICE	V.C.	PREVIOUS ASSESSMENTS (HISTORY)											
MANN MARC W L MANN RICHARD H		16203/ 292 7628/ 340	04/12/1994 12/16/1982	U Q	I I	0 111,500	1A 00	Yr.	Code	Assessed Value	Yr.	Code	Assessed Value	Yr.	Code	Assessed Value			
								2020	3250	560,900	2019	3250	560,900	2018	3250	560,900			
								2020	3250	166,700	2019	3250	166,700	2018	3250	166,700			
								2020	3250	44,100	2019	3250	44,100	2018	3250	44,100			
								Total:		771,700	Total:		771,700	Total:		771,700			
EXEMPTIONS		OTHER ASSESSMENTS		This signature acknowledges a visit by a Data Collector or Assessor		APPAISED VALUE SUMMARY													
Year	Type	Description	Amount	Code	Description	Number	Amount	Comm. Int.	Appraised Bldg. Value (Card)				560,900						
									Appraised XF (B) Value (Bldg)				0						
									Appraised OB (L) Value (Bldg)				44,100						
									Appraised Land Value (Bldg)				166,700						
									Special Land Value				0						
									Total Appraised Parcel Value				771,700						
									Valuation Method:				C						
									Adjustment:				0						
									Net Total Appraised Parcel Value				771,700						
7-ELEVEN + 2		VILLAGE OVERLAY DISTRICT		NOTES		BUILDING PERMIT RECORD		VISIT/ CHANGE HISTORY											
Permit ID	Issue Date	Type	Description	Amount	Insp. Date	% Comp.	Date Comp.	Comments	Date	Type	IS	ID	Cd.	Purpose/Result					
18-186	07/23/2018	RE	Remodel	6,500		0		R&R EXISTING EXTEN	01/14/2017	02		RA	01	Measur+1Visit					
14-38	11/09/2010	RE	Remodel	1,000		100		WALLS AND BATHRO	08/06/2009			RK	00	Measur+Listed					
10-223	11/09/2010	RE	Remodel	1,000		100		TEMP EXT SIGN	10/31/2006			KC	51	TRIANNAL INSPECTI					
10-164	09/09/2010	RE	Remodel	8,400		100		REMODEL STORE	10/01/2003			DT	51	TRIANNAL INSPECTI					
10-165	09/09/2010	RE	Remodel	18,000		100		CONVERTING STORE	04/23/2002			AR	51	TRIANNAL INSPECTI					
09-44	04/30/2009	RE	Remodel	26,235	08/06/2009	100	04/30/2009	REROOF											
96-186	09/11/1996	RE	Remodel	2,500	06/16/1997	100		ALTERATIO											
LAND LINE VALUATION SECTION																			
B #	Use Code	Use Description	Zone	D	Front	Depth	Units	Unit Price	I. Factor	S.A.	Acre Disc	C. Factor	ST. Idx	Adj.	Notes- Adj	Special Pricing	S Adj Fact	Adj. Unit Price	Land Value
1	3250	RETAIL M94	C				40,168 SF	4.15	1.0000	E	1.0000	1.00	E	1.00			1.00	4.15	166,700
Total Card Land Units: 0.92 AC Parcel Total Land Area: 0.92 AC																			
Total Land Value: 166,700																			



Property Location: 114 MAIN ST  
Vision ID: 1141

MAP ID: 9/133/1

Account # 1481

Bldg #:

1 of 1

Bldg Name:

Sec #:

1 of

1

Card

1

of

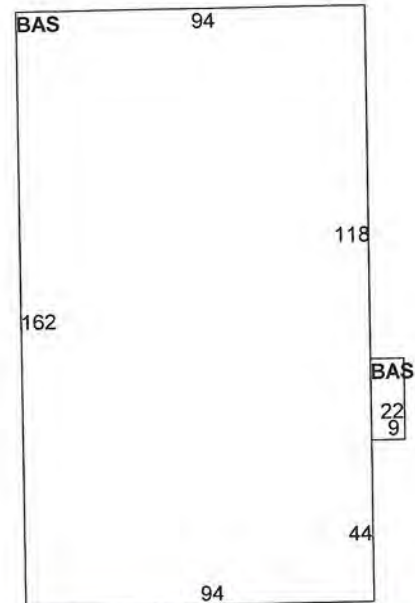
1

State Use: 3250

Print Date: 10/22/2020 13:37

CONSTRUCTION DETAIL				CONSTRUCTION DETAIL (CONTINUED)			
Element	Cd.	Ch.	Description	Element	Cd.	Ch.	Description
Style	15		Strip Stores				
Model	94		Comm/Ind				
Grade	03		Average				
Stories	1						
Occupancy	3						
Exterior Wall 1	15		Concr/Cinder				
Exterior Wall 2	17		Stucco/Masonry				
Roof Structure	01		Flat				
Roof Cover	04		T+G/Rubber				
Interior Wall 1	05		Drywall/Sheet				
Interior Wall 2							
Interior Floor 1	03		Concr-Finished				
Interior Floor 2	05		Vinyl/Asphalt				
Heating Fuel	03		Gas				
Heating Type	04		Forced Air-Duc				
AC Type	03		Central				
Bldg Use	3250		RETAIL M94				
Total Rooms							
Total Bedrms	00						
Total Baths	4						
Heat/AC	01		HEAT/AC PKGS				
Frame Type	03		MASONRY				
Baths/Plumbing	02		AVERAGE				
Ceiling/Wall	05		SUS-CEIL & WL				
Rooms/Prtns	02		AVERAGE				
Wall Height	12						
% Conn Wall	0						

UBM[10971]



OB-OUTBUILDING & YARD ITEMS(L) / XF-BUILDING EXTRA FEATURES(B)

Code	Description	Sub	Sub Descript	L/B	Units	Unit Price	Yr	Gde	Dp Rt	Cnd	%Cnd	Apr Value
PAV1	PAVING-ASPH			L	25,000	3.00	1996		0		50	37,500
LT10	W/DOUBLE L			L	3	2,100.00	1993		0		50	3,200
SGN3	W/INT LIGHT			L	68	100.00	1993		0		50	3,400

BUILDING SUB-AREA SUMMARY SECTION

Code	Description	Living Area	Gross Area	Eff. Area	Unit Cost	Undeprec. Value
BAS	First Floor	15,426	15,426	15,426	67.73	1,044,803
UBM	Basement, Unfinished	0	10,971	2,194	13.54	148,600
Ttl. Gross Liv/Lease Area:		15,426	26,397	17,620		1,193,403



# 114 MAIN STREET ABUTTERS LIST MAP 1 PARCEL 157 300' ABUTTERS LIST

Map/Lot	Site Address	Owner	Owner 2	Address	City	State	Zip
9-45	3 AUSTIN ST			3 AUSTIN ST	BLACKSTONE	MA	01504
9-26	25 AUSTIN ST			25 AUSTIN ST	BLACKSTONE	MA	01504
9-104	5 AUSTIN ST			PO BOX 294	DOUGLAS	MA	01516
9-110	20 AUSTIN ST			20 AUSTIN ST	BLACKSTONE	MA	01504
9-34	12 AUSTIN ST			12 AUSTIN ST	BLACKSTONE	MA	01504
9-36	19 AUSTIN ST			19 AUSTIN ST	BLACKSTONE	MA	01504
9-27	22 AUSTIN ST			PO BOX 342	CHEPACHET	RI	02814
9-38	11 AUSTIN ST			11 AUSTIN ST	BLACKSTONE	MA	01504
9-35	16 AUSTIN ST			16 AUSTIN ST	BLACKSTONE	MA	01504
9-42	AUSTIN ST			TOWN HALL	BLACKSTONE	MA	01504
8-12	97 MAIN ST			2 POND ST	MENDON	MA	01756
8-9	97 MAIN ST			2 POND ST	MENDON	MA	01756
8-18	115 MAIN ST			115 MAIN ST	BLACKSTONE	MA	01504
9-30-1	96 MAIN ST			96 MAIN ST	BLACKSTONE	MA	01504
8-24	127 MAIN ST			127 MAIN ST	BLACKSTONE	MA	01504
8-22	14 FIRST AVE			14 FIRST AVE	BLACKSTONE	MA	01504
8-21	4 FIRST AVE			4 FIRST AVE	BLACKSTONE	MA	01504
8-19	119 MAIN ST			247 MAUREEN RD	BELLINGHAM	MA	02019
9-32	108 MAIN ST			108 MAIN ST	BLACKSTONE	MA	01504
8-17	113 MAIN ST			11 AUSTIN ST	BLACKSTONE	MA	01504
8-13	99 MAIN ST			65 OLD SPENCER RD	CHARLTON	MA	01504
8-8	85 MAIN ST			85 MAIN ST	BLACKSTONE	MA	01504
9-31	102 MAIN ST			1 HARRIS AVE	MILFORD	MA	01757
9-29	92 MAIN ST			27 OWL DR	SHARON	MA	02067
9-48	120 MAIN ST			C/O 230 MENDON ST	BLACKSTONE	MA	01504
9-30	96 MAIN ST			96 MAIN ST	BLACKSTONE	MA	01504
9-111	98 MAIN ST			98 MAIN ST	BLACKSTONE	MA	01504
9-49	126 MAIN ST			126 MAIN ST	BLACKSTONE	MA	01504
8-14	103 MAIN ST			103 MAIN ST	BLACKSTONE	MA	01504
8-15	105 MAIN ST			PO BOX 452	UXBRIDGE	MA	01569
8-20	121-123 MAIN ST			121-123 MAIN ST	BLACKSTONE	MA	01504
9-106	14.5 HOWARD ST			PO BOX 46	BLACKSTONE	MA	01504
8-16	109 MAIN ST			41 SUMMER ST	FRANKLIN	MA	02038
8-10	97 MAIN ST			2 POND ST	MENDON	MA	01756
8-11	97 MAIN ST			2 POND ST	MENDON	MA	01756

G JR

*Michael G. Smith*

9-108 0 REILLY AVE  
9-107 3 REILLY AVE  
9-37 1 REILLY AVE  
9-108-1 0 REILLY AVE  
9-25 2 REILLY AVE  
9-37-1 1 REILLY AVE UNIT 2  
9-37-2 1 REILLY AVE UNIT 3  
9-50 1 PLEASANT ST  
9-46 2 PLEASANT ST  
9-44 4 PLEASANT ST  
9-56 3-5 PLEASANT ST  
9-43 6 PLEASANT ST  
9-71 2 PROSPECT ST



0 REILLY AVE (LEFT)	BLACKSTONE	MA	01504
3 REILLY AVE	BLACKSTONE	MA	01504
1 REILLY AVE	BLACKSTONE	MA	01504
0 REILLY AVE	BLACKSTONE	MA	01504
2 REILLY AVE	BLACKSTONE	MA	01504
1 REILLY AVE	BLACKSTONE	MA	01504
1 REILLY AVE	BLACKSTONE	MA	01504
11 AUSTIN ST	BLACKSTONE	MA	01504
2 PLEASANT ST	BLACKSTONE	MA	01504
4 PLEASANT ST	BLACKSTONE	MA	01504
3-5 PLEASANT ST	BLACKSTONE	MA	01504
6 PLEASANT ST	BLACKSTONE	MA	01504
2 PROSPECT ST	BLACKSTONE	MA	01504

**This list has been certified by the Assessors as being correct and current to the best of our knowledge and ability.**

**Date: August 27, 2020**

  
Miriah Gilbert, Administrative Assistant,  
Assessors office

10/22/2020  
Date



# BRAINSKY LEVINSON, LLC

ATTORNEYS AND COUNSELORS AT LAW

December 29, 2022

**ATTORNEYS:**

Eric S. Brainsky\*  
*Partner*

Michael E. Levinson\*  
*Partner*

C. Beau Akers +  
*Associate*

Michael F. Ferragamo  
*Of Counsel*

**SUPPORT STAFF:**

Jennifer Andrews  
*Office Manager  
Paralegal*

Paula Brainsky  
*Paralegal*

Krystal Fortin  
*Paralegal*

Laura Lass  
*Legal Assistant*

*\*Admitted to Practice in  
R.I. & M.A. State and  
Federal District Courts,  
The 1st Circuit Court of  
Appeals & The U.S.  
Supreme Court*

*+ Admitted to Practice  
in R.I. & M.A. State and  
Federal District Courts*

*Via Certified Mail*

Dori Vecchio  
Town Administrator  
Town of Blackstone  
15 St. Paul Street  
Blackstone, MA 01504

**Re:       *Green Choice Dispensaries, LLC  
CCC License No. MR2832324  
License Renewal-Municipal Request  
Pursuant to M.G.L. c. 94G § 3(d)***

Dear Ms. Vecchio:

Please be advised that the undersigned is legal counsel to Green Choice Dispensaries, LLC (hereinafter "Our Client") with regard to this request. Our Client is in the process of renewing its marijuana establishment license with the Massachusetts Cannabis Control Commission (hereinafter "CCC"). As you are likely aware, 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 medical marijuana treatment center shall be documented and considered a public record as defined by M.G.L. c. 4 § 7, cl. 26. As such, will you kindly provide the undersigned with the records of any cost imposed on the Town of Blackstone that are reasonably related to the operation of Our Client's marijuana establishment. Said documentation is required by the CCC as part of the renewal process. If no such costs have been incurred to date, would you kindly provide written affirmation of the same.

Thank you in advance for your assistance with this matter. Should you have any questions or require any additional information, please do not hesitate to contact me.

Very truly yours,

Eric S. Brainsky

Cc: Client

Office of the  
TOWN ADMINISTRATOR  
Dori A. Vecchio



Telephone: (508) 883-1500  
Fax: (508) 883-7043  
[dvecchio@townofblackstone.org](mailto:dvecchio@townofblackstone.org)

## TOWN OF BLACKSTONE

Blackstone Municipal Building  
15 St. Paul Street  
Blackstone, MA 01504

1/10/2023

Eric S. Brainsky, Esq.  
Brainsky Levinson, LLC  
1543 Fall River Ave, Suite 1  
Seekonk, MA 02771

RE: Green Choices Dispensaries, LLC – Response to Your Letter of December 28, 2022

Dear Attorney Brainsky:

In response to your letter of December 28, 2022, regarding your client, Green Choice Dispensaries, LLC (“Green Choice”), the Town of Blackstone is unaware at this time of any costs imposed on the Town that are reasonably related to the operation of Green Choice’s marijuana establishment in Blackstone. Accordingly, the Town has no records to provide in response to your request.

Thank you for your attention in this regard.

Very truly yours,

Dori A. Vecchio  
Town Administrator



# Green Choice

## Positive Impact Plan - Retail License

The progress or success of these plans will be documented upon renewal (one year from provisional licensure, and each year thereafter).

### 1. GOALS, Programs Metrics

GOAL 1      Increase The Success of businesses owned Commission-designated Certified Economic Empowerment Priority recipients And Social Equity Program participants

Green Choice Dispensaries, LLC (GC) is dedicated to increasing the Success of businesses owned Commission-designated Certified Economic Empowerment Priority recipients and Social Equity Program participants. Given its limited size, GC is confident that it may obtain contracts with eligible outside vendors to be Economic Empowerment Priority recipients And Social Equity Program participants reaching an amount total to 20% of its total outside vendors.

PROGRAM      Green Choice will seek to sell the products to and of businesses owned Commission-designated Certified Economic Empowerment Priority recipients And Social Equity Program participants. Eligible vendors will be given priority when reasonably commercially practicable to do so. This will be done in hopes to achieve a balanced market share for vendors owned by Economic Empowerment Priority recipients And Social Equity Program participants. This will also help prevent a monopoly on the delivery section of the industry.

GC will also advertise to consumers which products come from businesses Economic Empowerment Priority recipients And Social Equity Program participants and give those products preferred treatment on the menu excluding GC's products or white labeled products.

Preferred treatment on the menu may include a place on a "Staff Pick list" or "Suggestions" window located at the top of an online menu.

Preferred contracting shall include choosing to utilize a vendor owned by Economic Empowerment Priority recipients And Social Equity Program participants for delivery services as well as purchasing products from them.

METRICS      a. Number of vendors owned by Economic Empowerment Priority recipients And Social Equity Program participants used by Green Choice

The baseline will be one (1) vendor owned by Economic Empowerment Priority recipients And Social Equity Program participants used by Green Choice for every five (5) vendors used by Green Choice.

b. Green Choice's Sales ratio of products from vendors owned by Economic Empowerment Priority recipients And Social Equity Program participants versus other products of the same type

GC hopes to have at least equal ration of sales of products from vendors owned by Economic Empowerment Priority recipients And Social Equity Program participants used by Green Choice and other products of the same type.

GOAL 2      Providing Access and Guidance for Prospective Economic Empowerment Priority recipients And Social Equity Program participants

Not all persons have access to internet or computers regularly. This makes it difficult to otherwise qualified applicants from knowing how the process works or from entering the industry. Realistically, Green Choice could expect 3-4 potential applicants per month to take advantage of this opportunity and about 1 every three months who see it through.

PROGRAM      GC will provide guidance and a laptop for prospective economic empowerment applicants to set up an account with the commission as well as guiding them through the application. These people will be walked through opening an application, and if necessary, creating an email account on Gmail. GC will provide a basic office scanner for potential applicants to use to upload documents.

METRICS

- Number of Inquiries into use of the program: GC will maintain a log of the inquiries into use of the program. The goal is 3-4 per month
- Number of people who utilized the program: GC will maintain a log of who uses the program, what was applied for, and if available, whether their applications were approved. The goal is 4 applications per year being approved.

GOAL 3      Provide Employment opportunity for Massachusetts residents who have past drug convictions; and Massachusetts residents with parents or spouses who have drug convictions.

Drug convictions have ravaged disadvantaged communities. The biased and archaic drug laws provide good people with a record that plaques them for life. Green Choice would like to rectify this issue.

PROGRAM      Green Choice will not disqualify applicants based on nonviolent offenses involving cannabis. In order to encourage inclusiveness to Massachusetts residents who have past drug convictions; and Massachusetts residents with parents or spouses who have drug convictions, GC will make this clear in all solicitations for employment. GC will seek to hire at least 10% of employees who have parents or spouses with past nonviolent offenses involving cannabis and to have comprised of 10% who have past nonviolent offenses involving cannabis. GC will request this information on job applications and job solicitations.

METRICS

1. Number of employees with past drug convictions.
2. Number of employees who have parents or spouses who have drug convictions
3. Number of Applications received from Massachusetts residents who have past drug convictions; and Massachusetts residents with parents or spouses who have drug convictions per job positng.



## **2. TIMELINE**

### **Provisional License is Granted:**

When Green Choice receives its provisional license, Green Choice will immediately seek to make deals with vendors. As deals are made, Green Choice will disclose these deals to the Commission.

### **Recruitment Begins:**

When Green Choice reaches the hiring phase of the application process, the establishment will utilize Facebook, Instagram, LinkedIn, Monster.com, Indeed.com and potentially other social media platforms to reach residents who may be interested in cannabis employment. Green Choice will ensure that Massachusetts residents who have past drug convictions; and Massachusetts residents with parents or spouses who have drug convictions feel welcome to apply.

The establishment will seek Massachusetts residents in Worcester, MA and Mansfield MA, areas of disproportionate impact, via social media such as Facebook by posting on local pages.

### **One Year after provisional is granted:**

Reporting progress.

## **3. REPORTING:**

Progress and success of its plan will be reported at renewal which is one year after receiving a provisional license (regardless of if the establishment has commenced operations.)

## **4. ACKNOWLEDGMENTS:**

- a. The applicant acknowledges and is aware, and will adhere to, the requirements set forth in 935 CMR 500.105(4) and 935 CMR 501.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every ME and MTC, respectively; and
- b. 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.



Commonwealth of Massachusetts  
Department of Revenue  
Geoffrey E. Snyder, Commissioner

mass.gov/dor

Letter ID: L0372545728  
Notice Date: August 5, 2021  
Case ID: 0-001-254-316



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



GREEN CHOICE DISPENSARIES LLC  
247 OLD NORTH RD  
KINGSTON RI 02881-1420

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

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau





William Francis Galvin  
Secretary of the  
Commonwealth

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

July 29, 2021

TO WHOM IT MAY CONCERN:

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

**GREEN CHOICE DISPENSARIES, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **January 23, 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:  
**MICHAEL GRENIER**

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **MICHAEL GRENIER, CHARLES REID III**

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



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





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

Minimum Fee: \$500.00

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

**Certificate of Organization**

(General Laws, Chapter )

**Identification Number:** 001364263

**1. The exact name of the limited liability company is:** GREEN CHOICE DISPENSARIES, LLC

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

No. and Street: 30 SYLVAN DRIVE

City or Town: EAST GREENWICH

State: RI

Zip: 02818

Country: USA

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

No. and Street: 321 BILLERICA ROAD

OFFICELINK SUITE 9

City or Town: CHELMSFORD

State: MA

Zip: 01824

Country: USA

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

TO APPLY FOR BUSINESS LICENSES FROM THE MASSACHUSETTS CCC.

**4. The latest date of dissolution, if specified:**

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

Name: CHARLES A. REID III, ESQ.

No. and Street: 321 BILLERICA ROAD

OFFICELINK SUITE 9

City or Town: CHELMSFORD

State: MA

Zip: 01824

Country: USA

**I, CHARLES A. REID III, ESQ. resident agent of the above limited liability company, consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 12.**

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	JASON CALDERON	30 SYLVAN EAST GREENWICH, RI 02818 USA
MANAGER	MICHAEL GRENIER	30 SYLVAN EAST GREENWICH, RI 02818 US

**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	CHARLES REID III	321 BILLERICA ROAD, OFFICELINK SUITE 9 CHELMSFORD, MA 01824 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	MICHAEL GRENIER	30 SYLVAN DRIVE EAST GREENWICH, RI 02818 USA

**9. Additional matters:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 23 Day of January, 2019,  
CHARLES A. REID III, ESQ. (BBO 697453)**

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

THE COMMONWEALTH OF MASSACHUSETTS

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

January 23, 2019 02:05 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*

## Green Choice Dispensaries LLC Unemployment Attestation

Green Choice Dispensaries LLC has not hired any employees and therefore, cannot obtain the certificate of good standing from the Department of Unemployment Assistance.

Signed under the pains and penalties of perjury.

A handwritten signature in black ink, appearing to read 'Charles A Reid III', is written over a light gray rectangular background.

---

Charles A Reid III, On Behalf of Green Choice Dispensaries LLC

**OPERATING AGREEMENT**

**GREEN CHOICE DISPENSARIES, LLC**

**THIS OPERATING AGREEMENT** (hereinafter referred to as the “**Agreement**”) of **GREEN CHOICE DISPENSARIES, LLC** (hereinafter referred to as the “**Company**”), a three Member, member-managed Limited Liability Company, entered into as of the last date stated on the Members’ signature page, by and among the Members (occasionally hereinafter referred to as “**Members**”), and each other Person and/or entity who after the date thereof becomes a Member of the Company and becomes a party to this Agreement by executing a Joinder Agreement.

**WHEREAS**, the Company was formed as a Limited Liability Company, pursuant to the Massachusetts Limited Liability Company Act (hereinafter referred to as the “**Act**”), M.G.L. c. 156C et al, as amended from time to time, on January 23, 2019, by filing a fully executed Certificate of Organization with the Secretary of Commonwealth of Massachusetts;

**WHEREAS**, the Company was originally formed as a single member, LLC, naming Michael Grenier as its sole Member and manager;

**WHEREAS**, Mr. Grenier has engaged with other individuals and agreed grant membership in the Company to John Vanikiotis and Monica A Paolino (all three individuals hereinafter referred to as the “**Members**”), as more fully described herein below;

**WHEREAS**, the Members hereto wish to enter into this Agreement setting forth the terms and conditions governing the operation and management of the Company.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**RELEVANT DEFINITIONS**

For purposes of this Agreement, the following terms shall have the following meanings:

A. “**Act**” means the Massachusetts Limited Liability Act.



B. “**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 giving effect to the following adjustments:

- i. Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and
- ii. Debit to such Capital Account the items described in Regulations Section 1.704-1(b)(2)(ii)(d)(4),(5) and (6).

The foregoing definition is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

C. “**Adjusted Capital Contribution**” means a Member's capital contribution to the LLC reduced by all distributions made to such Member under Section 4.01.

D. “**Applicable Law**” means all applicable provisions of (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

E. “**Approval**” shall mean a simple majority vote of the Members. In the event there is a tie in vote of the Members, such action shall be deemed not approved.

F. “**Capital Contribution**” means, for any Member, the total amount of cash and cash equivalents, including services, and the Book Value of any property contributed to the Company by such Member.

G. “**Distribution**” is a transfer of money, property, or other benefit from a limited liability company to a member in the member's capacity as a member or to a transferee of the member's distributional interest.

- H. **“Fair Market Value”** means the value by which is given based on either an outside appraisal or an internal appraisal based upon market knowledge which is substantiated by values placed on comparable goods, services, properties and/or capital.
- I. **“Independent Third Party”** means, with respect to any Member, any Person who is not an Affiliate of such Member.
- J. **“Member”** means (a) each Person identified on the Members Schedule as of the date hereof as a Member who has executed this Agreement or a counterpart thereof (each, an “Initial Member”); and (b) each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement and the MA Limited Liability Company Act, in each case so long as such Person is shown on the Company’s books and records as the owner of Membership Interests. The Members shall constitute “members” as that term is defined in the Act, of the Company.
- K. **“Membership Interest”** means an interest in the Company owned by a Member, including such Member’s right (a) to its distributive share of Net Income, Net Losses and other items of income, gain, loss and deduction of the Company; (b) to its distributive share of the assets of the Company; (c) to vote on, consent to or otherwise participate in any decision of the Members as provided in this Agreement; and (d) to any and all other benefits to which such Member may be entitled as provided in this Agreement or the Delaware Act. The Membership Interest of each Member shall be expressed as a percentage interest.
- L. **“Minimum Gain”** shall have the meaning given in Regulations Section 1.704-2(d).
- M. **“Nonrecourse Deductions”** shall have the meaning given in Regulations Section 1.704-2(b)(1).

- N. **“Partner Nonrecourse Debt”** shall have the meaning given in Regulations Section 1.704-2(b)(4).
- O. **“Partner Nonrecourse Deductions”** shall have the meaning given in Regulations Section 1.704-2(i)(2).
- P. **“Transfer”** means to, directly or indirectly, sell, transfer, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, pledge, encumbrance, hypothecation or similar disposition of, any Membership Interests owned by a Person or any interest (including a beneficial interest) in any Membership Interests owned by a Person.

## **ARTICLE I**

### **ORGANIZATION**

**1.1 Formation:** The Company was formed on January 23, 2019 pursuant to the provisions of the Act, upon filing a fully executed Certificate of Organization with the Secretary of State for the Commonwealth of Massachusetts.

**1.2 Name:** The name of the Company is GREEN CHOICE DISPENSARIES, LLC, or such other names or names as may be designated by the Members, provided, that the name shall always contain the words “Limited Liability Company” or the abbreviation “L.L.C.” or the designation “LLC”.

**1.3 Principal Office:** The principal office of the Company is located at 114 MAIN STREET, BLACKSTONE, MA or such other place as may from time to time be determined by the Members.

**1.3.1 Amendment to Principal Office:** The Members shall agree upon, in writing, any amendment to the Principal Office address and shall promptly amend the Certificate of Organization filed with the Massachusetts Secretary of State.

**1.4 Purpose of the Company:** To engage in any lawful activity including, but not limited to, dispensing and cultivating cannabis products.

**1.5 Powers:** The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed, including the powers granted by the Act.

**1.6 Term:** The term of the Company shall be from its commencement date, when it was first filed with the Secretary of State of the Commonwealth of Massachusetts and shall continue in existence perpetually until the Company is dissolved in accordance with the provisions of this Agreement or by court order.

**1.7 Registered Agent:** The registered agent of the Company for service of process in the Commonwealth of Massachusetts shall be that person and location reflected in the Certificate of Organization. In the event the registered agent ceases to act as such for any reason, the Members shall promptly designate a replacement registered agent or file a notice of change of address, as the case may be, in the manner provided by law.

## ARTICLE II

### CAPITAL CONTRIBUTIONS AND CAPITAL ACCOUNTS

**2.1 Initial Capital Contributions:** Contemporaneously with the execution of this Agreement, the joining members, John Vanikiotis (“Vanikiotis”) and Monica A. Paolino (“Paolino”) (hereinafter both Vanikiotis and Paolino where referred to collectively shall be the “Joining Members”) the Joining Members shall make an initial Capital Contribution, by way of property, money, promissory notes, and/or services rendered or to be rendered, pursuant to the Act, and is deemed to own Membership Interests in the amounts set forth opposite such

Member's name on Schedule A attached hereto (the "**Members Interest Schedule**"). The Members shall maintain and update the Membership Interest Schedule upon the issuance or Transfer of any Membership Interests to any new or existing Member in accordance with this Agreement. All Property paid or brought into, or transferred to the LLC as capital contributions of the Members, or subsequently acquired by purchase or otherwise on account of the LLC is property of the LLC. The title to all of the LLC's property shall be held in the name of the LLC.

**2.2** The Joining Members shall each tender \$50,000.00 as their Initial Contributions to gain membership in the Company and the Company hereby accepts said consideration as fully satisfactory and grants to the Joining Members the percentage of membership interest so provided opposite each of their names on the Members Interest Schedule attached hereto as Schedule A.

**2.3 Additional Capital Contributions:** Each Member shall be obligated to give notice of an existing or potential default of any obligation of the LLC to any of the Members. However, no Member shall be obligated to make any Additional Capital Contributions or loans to the LLC, or otherwise supply or make available any funds to the LLC, even if the failure to do so would result in a default of any of the LLC's obligations or the loss or termination of all or any part of the LLC's assets or business.

**2.2.1** If Additional Capital Contributions are given by any Member, the Contribution will be considered a loan to the Company and will not impact the Membership Interest Percentages as provided in Schedule A herein.

**2.2.2** No contribution by any Member shall have any impact on the Membership Interest Percentages as provided in Schedule A herein.

**2.2.3** The Joining Members have agreed to contribute, as a loan to the Company, funds necessary to further develop the Company's retail operation and also, if and when possible, to further develop and obtain a cultivation license (the "Operating Loan"). The amount of the loan is unknown at this time however the Joining Members are willing to lend up to \$400,000.00 toward efforts in obtaining a ~~cultivation~~ <sup>Retail Dispensary</sup> license. The Company may use said funds in any way necessary so long as the use is reasonably calculated

*Handwritten signatures and initials:*  
MPCW  
W.F. (circled)  
MPCW

toward furthering the Company's desire in obtaining the cultivation license. The Cultivation Loan shall be paid back to the Joining Members within 5 years as more fully described in a loan agreement and promissory note to be executed by the Company with the Joining Members.

**2.4 Maintenance of Capital Accounts:** The LLC shall establish and maintain separate Capital Accounts for each Member, and for the transferee of all or any part of any Member's interest, on its books and records in accordance with this Section 2.3 (the "**Capital Accounts**"). The Capital Accounts shall be established and maintained in accordance with the following provisions:

- (a) Each Member's Capital Account shall be increased by the amount of:
  - a. Such Member's Capital Contributions, including such Member's initial Capital Contribution and any additional Capital Contributions;
  - b. Any Net Income or other item of income or gain allocated to such Member pursuant to Article IV; and
  - c. Any liabilities of the Company that are assumed by such Member or secured by any property distributed to such Member.
- (b) Each Member's Capital Account shall be decreased by:
  - a. The cash amount or Book Value of any property distributed to such Member;
  - b. The amount of any Net Loss or other item of loss or deduction allocated to such Member;
  - c. The amount of any liabilities of such Member assumed by the Company or that is secured by any property contributed by such Member to the Company.

**2.4 Master Account:** The Company shall establish one bank account (the "Master Account"). All expenses shall be paid from the Master Account and all incomes shall be paid into the Master Account. Any and all profits distributed to Members shall be made from the Master Account pro rata per Schedule A.

**2.5 Profit and Loss:** The LLC's income, expense, gain and loss, including, but not limited to, depreciation and other non-cash items, shall be allocated among the Members pro rata in proportion to the Member's Interest as set forth in Schedule A and also set forth below:

MICHAEL P. GRENIER

60%

JOHN VANIKIOTIS	20%
MONICA A. PAOLINO	20%

**2.6 Succession Upon Transfer:** In the event that any Membership Interests are Transferred in accordance with the terms of this Agreement, found in Article V, the Transferee shall succeed to the transferor's interest and, subject to Article V, shall receive allocations and distributions pursuant to Article IV.

**2.7 Negative Capital Account:** In the event that the Members shall have a deficit balance in their Capital Account, Members shall have no obligation, during the term of the Company or upon dissolution or liquidation thereof, to restore such negative balance or make any Capital Contributions to the Company by reason thereof, except as may be required by Applicable Law or in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

**2.8 No Withdrawals from the Capital Account:** No Member shall be entitled to withdraw any part of the Capital Account or to receive any distribution from the Company, except as otherwise provided in this Agreement. No Member shall receive any interest, salary or drawing with respect to their Capital Contributions or the Capital Account, except as otherwise provided in this Agreement. The Capital Account is maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any distributions to any Members, in liquidation or otherwise.

**2.9 Loans from Members:** Loans by any Member to the Company shall not be considered Capital Contributions and shall not affect the maintenance of the Capital Account, nor shall it affect the Membership Interest Schedule.

## ARTICLE III

### MEMBERS

**3.1 Management of LLC:** The overall management and control of the business and affairs of the LLC shall be vested in the Members, acting by Approval of the Members.

**3.2 Members:** The Members are the following:

- I. MICHAEL P. GRENIER
- II. JOHN VANIKIOTIS
- III. MONICA A. PAOLINO

**3.3 Additional Members:** One or more additional members may be admitted to the Company with the **written and unanimous consent of the Members**. Prior to the admission of any such additional members to the Company, this Agreement shall be amended or the Company shall adopt a new Agreement to reflect such changes to the Membership of the Company. Each additional member shall execute and deliver a supplement or counterpart to this Agreement, as necessary.

**3.3.1** In order for any Person not already a Member of the Company to be admitted as Member, whether pursuant to an issuance or Transfer of Membership Interests, and if the Company chooses not to adopt an entire new agreement, such Person shall be required to execute and deliver to the Company a written undertaking substantially in the form of a Joinder Agreement. Upon the amendment of the Membership Interest Schedule by the Members and the satisfaction of any other applicable conditions, including the receipt by the Company of payment for the issuance of Membership Interests, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company.

**3.3.2** If any amendments need to be made to the Capital Accounts upon the acceptance of a new Member, such Amendments shall be made by Approval of the Members after the new Member is placed on the records and/or the books.

**3.4 Rights of Assignee to Become a Member:** An assignee of an interest in the Company may become a Member with voting rights only if the other Members unanimously consent in writing and by Approval of the Members. However, if the other Members do not give Approval to the Assignee, such Assignee shall become a Member without voting rights.



**3.5 No Personal Liability:** Except as otherwise provided in the Act, by Applicable Law or expressly in this Agreement, no Member will be obligated personally for any debt, obligation or liability of the Company or other Members, whether arising in contract, tort or otherwise, solely by reason of being a Member.

**3.6 Indemnification:** To the fullest extent permitted under the Act, the Members (irrespective of the capacity in which they act) shall be entitled to indemnification and advancement of expenses from the Company for and against any loss, damage, claim or expense (including attorneys' fees) whatsoever incurred by the Members relating to or arising out of any act or omission or alleged acts or omissions (whether or not constituting negligence or gross negligence) performed or omitted by the Members on behalf of the Company; provided, however, that any indemnity under this Section shall be provided out of and to the extent of Company assets only, and neither the Member nor any other person shall have any personal liability on account thereof.

**3.7 Death:** The death of any Member shall not immediately cause the dissolution of the Company. Upon the death of said Member, the other Member(s) shall be given the opportunity to buy-out the deceased Member's interests. To effectuate the buy-out, the remaining Member(s) must, within Sixty (60) days of the deceased Member's date of death, provide a written offer to the Company in proposed Capital Contributions, or a proposed Promissory Note, which terms shall require satisfaction within 12 months, equal to the value of the deceased Member's interests. If, upon the death of one of the Members, there are more than one member still surviving, the offer to buyout as described herein must be offered by all surviving members, together. A singular surviving Member shall not be allowed to buyout a deceased Member's Membership Interest solely. In the event that only one Member provides a written offer within said time, the surviving Member that did not join the offering Member's offer, shall have twenty (20) days from the date of the offering Member's offer to join the offer and pledge one-half of the amount of the offering Member's offer.

In the event that no Member provides written offer of the deceased Member's Interests within said time, the Company shall be dissolved and the deceased Member's Interests and the assets therefrom shall be transferred to the deceased Member's heirs after the Company has been fully wound up.

**3.8 Meeting of Members:** Meetings of Members may be called by Approval of the Members, on a day and time Approved to by the Members. Meetings shall be set reasonably in advance so as to allow all Members to have sufficient Notice. Meetings may be held in the Company's Principal Office or at such other place as the Members may designate.

**3.8.1** Any Member may participate in the meetings in person, by conference telephone, or any other communications equipment of which all persons participating in the meeting can hear each other.

**3.8.2** Participation in a meeting shall constitute presence in person at such meeting.

**3.8.3** On any matter that is to be voted on by Members, a Member must vote in person or by proxy, and such proxy may be granted in writing, by means of electronic transmission or as otherwise by applicable law. Every proxy shall be revocable in the discretion of the Member executing it unless otherwise provided in such proxy, provided, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.

**3.9 Quorum:** A quorum of any meeting of the Members shall require the presence of a majority of Members holding Membership Interests. No action at any meeting may be taken by the Members unless the appropriate quorum is present.

**3.10 Action Without a Meeting:** Notwithstanding the provisions of Section 3.7, any matter that is to be voted on, consented to or approved by Members may be taken without a meeting, without prior notice and without a vote if consented to, in writing or by Electronic Transmission, by all Members. A record shall be maintained by the Members of each such action taken by written consent.

**3.11 Power of Members:** The Members shall have the power to exercise any and all rights or powers granted to Members pursuant to the express terms of this Agreement and the Act. Except as otherwise specifically provided by this Agreement or required by the Act, no Member, in its capacity as a Member, shall have the power to act for or on behalf of, or to bind, the Company without Approval of the Members..

**3.11.1 Election of Officers; Delegation of Authority:** The Members may, upon Approval of the Members, from time to time, designate one or more officers with such titles as may be designated by the Members to act in the name of the Company with such authority as may be delegated to such officers by the Members (each such designated person, an "Officer"). Any such Officer shall act pursuant to such delegated authority until such Officer is removed by the Members. Any action taken by an Officer designated by the Members pursuant to authority delegated to such Officer shall constitute the act of and serve to bind the Company. Persons dealing with the Company are entitled to rely conclusively on the power and authority of any Officer set forth in this Agreement and any instrument designating such Officer and the authority delegated to him or her.

**3.11.2 Hiring and Salaries** The authority for the Company to hire and set wages and/or salaries shall solely be that of the Members and any hire and/or decision to set wages or adjust wages shall be Approved by the Members.

**3.12 Other Activities; Business Opportunities:** Nothing contained in this Agreement shall prevent any Member or any of its Affiliates from engaging in any other activities or businesses so long as said activity or business endeavor is not associated with, in any way, cannabis retail, cultivation, storage or the cannabis industry in any way. None of the Members or any of their Affiliates shall be obligated to account to the Company or to the other Member(s) for any profits or income earned or derived from other such activities or businesses.

## ARTICLE IV

### ALLOCATIONS AND DISTRIBUTIONS

**4.1 Allocation of Net Income and Net Loss:** For each Fiscal Year (or portion thereof), Net Income and Net Loss of the Company shall be allocated among the Members pro rata in accordance with their Membership Interests. However, the Operating Loan provided by the Joining Members shall be given priority on the Company's liabilities and shall be paid back to the Joining Members, on top of their deserved distribution as agreed to by the Members, within 5 years.

**4.2 Distributions:** Distributions of available cash shall be made to the Members when and in such amounts as determined by the Members, so long as decided upon Members' Approval. After making all distributions required for a given Fiscal Year, distributions determined to be made by the Members pursuant to this Section shall be paid to the Members in accordance with their respective Membership Interests.

**4.2.1** Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any distribution to Members if such distribution would violate the Act or other Applicable Law.

**4.2.2 Withdrawing Member:** A Member withdrawing from the LLC shall be entitled to receive, within a reasonable time after withdrawal, the fair value of the member's interest in the LLC as of the date of withdrawal based upon such Member's percentage to the share, as of such date, in distribution from the LLC. No distribution may be made to such Member if the LLC would not be able to pay its debts as they become due in the usual course of business, after giving effect to the distribution.

**4.3 Distribution of LLC Funds:** Except as provided in Section 8.3, Section 5.2, and Section 5.3, all moneys received by the LLC, which are determined by Approval of the Members to be available for distribution, shall be distributed to the Members pursuant to the Members' respective Percentage Interest.

**4.4 Distributions of Assets in Kind:** No Member shall have the right to require any distribution of any assets of the LLC in kind. If any assets of the LLC are distributed in kind, such assets shall be distributed on the basis of their Fair Market Value. Any Member entitled to any interest in such assets shall, unless otherwise determined by Approval of the Members, receive separate assets of the LLC and not an interest as tenant-in-common, with other Members so entitled, in each asset being distributed.

**4.5 Tax Status:** As long as the Company has three (3) members, it is the intention of the Company and its members that the Company be taxed as a partnership. The Member may, at a later time, designate a different tax status with Approval of the Members.. Neither the Company nor any of its Members shall take any action or make any election which is

inconsistent with such tax treatment. All provisions of this Agreement are to be construed to preserve the Company's tax status. Notwithstanding this Section 4.5, the Members may change and adopt a different tax treatment by Approval.

#### **4.6 Required Regulatory Allocations:**

**4.6.1 Limitation on and Reallocation of Losses.** At no time shall any allocations of Losses, or any item of loss or deduction, be made to a Member if and to the extent such allocation would cause such Member to have, or would increase the deficit in, any Adjusted Capital Account Deficit of such Member at the end of any fiscal year. To the extent any Losses or items are not allocated to one or more Members pursuant to the preceding sentence, such Losses shall be allocated to the Members to which such losses or items may be allocated without violation of this Section.

**4.6.2 Qualified Income Offset.** If any Member unexpectedly receives an item described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of income and gain shall be allocated to each such Member in an amount and manner sufficient to eliminate, as quickly as possible and to the extent required by Regulations Section 1.704-1(b)(2)(ii)(d), the Adjusted Capital Account Deficit of such Member, provided that an allocation pursuant to this Section shall be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article V have been tentatively made as if this Section were not in the Agreement.

**4.6.3 Basis Adjustment.** To the extent an adjustment to the adjusted tax basis of any LLC asset pursuant to either of Code Sections 734(b) or 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

**4.6.4 Gross Income Allocation.** In the event any Member has a Capital Account deficit at the end of any LLC fiscal year, which is in excess of the sum of the items to be credited

to a Member's Capital Account under clause (a) of the definition of Adjusted Capital Account Deficit, then each such Member shall be allocated items of income and gain in the amount of such excess as quickly as possible provided that an allocation pursuant to this Section shall be made if and only to the extent that such Member would have a Capital Account deficit in excess of such sum after all other allocations provided for in this Article IV have been tentatively made as if this Section were not in this Agreement. As among Members having such excess if there are not sufficient items of income and gain to eliminate all such excesses, such allocations shall be made in proportion to the amount of any such excess.

**4.7 Curative Allocations:** The allocations set forth in Section 8.8 are intended to comply with certain requirements of Regulations Sections 1.704-2(b) and 1.704-2 and shall be interpreted consistently therewith. Such allocations may not be consistent with the manner in which the Members intend to divide LLC distributions and to make Profit and Loss allocations. Accordingly, by Approval of the Members, other allocations of Profits, Losses and items thereof shall be divided among the Members so as to prevent the allocations in Section 8.8 from distorting the manner in which LLC distributions will be divided among the Members pursuant to Section 4.01 and 4.02 hereof. In general, the Members anticipate that this will be accomplished by specially allocating other Profits, Losses and items of income, gain, loss and deduction among the Members so that the net amount of allocations under Section 8.8 and allocations under this Section 8.9 to each such Member is zero. However, the Members shall have discretion to accomplish this result in any reasonable manner.

**4.8 Tax Allocations and Book Allocations:** Except as otherwise provided in this Section 4.07, for federal income tax purposes, each item of income, gain, loss and deduction shall, to the extent appropriate, be allocated among the Members in the same manner as its correlative item of "book" income, gain, loss or deduction has been allocated pursuant to the other provisions of this Article IV.

In accordance with Code Section 704(c) and the Regulations thereunder, depreciation, amortization, gain and loss, as determined for tax purposes, with respect to any property whose Book Value differs from its adjusted basis for federal income tax purposes shall, for

tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the LLC for federal income tax purposes and its Book Value, such allocation to be made by Approval of the Manager in any manner which is permissible under said Code Section 704(c) and the Regulations thereunder and the Regulations under Code Section 704(b).

In the event the Book Value of any property of the LLC is subsequently adjusted, subsequent allocations of income, gain, loss and deduction with respect to any such property shall take into account any variation between the adjusted basis of such assets for federal income tax purposes and its Book Value in the manner provided under Section 704(c) of the Code and the Regulations thereunder.

Allocations pursuant to this Section 4.07 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

#### **4.9 General Allocation and Distribution Rules:**

**4.9.1** For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by Approval of the Members using any permissible method under Code Section 706 and the Regulations thereunder. Except as otherwise provided in this Agreement, all items of income, gain, loss, and deduction shall be allocable among the Members in the same proportions as the profits or Losses for the fiscal year in which such item is included is allocated.

**4.9.2** Upon the admission of a new Member or the Transfer of an interest, the new and old Members or the transferor and transferee shall be allocated shares of Profits and Losses and other allocations and shall receive distributions, if any, based on the portion of the fiscal year that the new or transferred LLC interest was held by the new and old Members, or the transferor, and transferee,

respectively. For the purpose of allocating Profits and Losses and other allocations and distributions, (i) such admission or Transfer shall be deemed to have occurred on the first day of the month in which it occurs, or if such date shall not be permitted for allocation purposes under the Code or the Regulations, on the nearest date otherwise permitted under the Code or the Regulations, and (ii) if required by the Code or the Regulations, the LLC shall close its books on an interim basis on the last day of the previous calendar month.

**4.10 Tax Withholding:** If the LLC incurs a withholding tax obligation with respect to the share of income allocated to any Member, (a) any amount which is (i) actually withheld from a distribution that would otherwise have been made to such Member and (ii) paid over in satisfaction of such withholding tax obligation shall be treated for all purposes under this Agreement as if such amount had been distributed to such Member, and (b) any amount which is so paid over by the LLC, but which exceeds the amount, if any, actually withheld from a distribution which would otherwise have been made to such Member, shall be treated as an interest-free advance to such Member. Amounts treated as advanced to any Member pursuant to this Section 4.09 shall be repaid by such Member to the LLC within 30 days after the Manager, acting by Approval, gives notice to such Member making demand therefor. Any amounts so advanced and not timely repaid shall bear interest, commencing on the expiration of said 30 day period, compounded monthly on unpaid balances, at an annual rate equal to the Applicable Federal Rate as of such expiration date. The LLC shall collect any unpaid amounts from any LLC distributions that would otherwise be made to such Member.

**4.11 Withholding Advances:** The Company is hereby authorized at all times to make payments ("Withholding Advances") with respect to each Member in amounts required to discharge any obligation of the Company, as determined by the advice of legal or tax counsel to the Company, to withhold or make payments to any federal, state, local or foreign taxing authority (a "Taxing Authority") with respect to any distribution or allocation by the Company of income or gain to such Member and to withhold the same from distributions to such Member. Any funds withheld from a distribution by reason of this section shall nonetheless be deemed distributed to the Member in question for all purposes under this



Agreement. If the Company makes any Withholding Advance in respect of a Member hereunder that is not immediately withheld from actual distributions to the Member, then the Member shall promptly reimburse the Company for the amount of such payment. Each Member's reimbursement obligation under this section shall continue after such Member transfers its Membership Interests.

**4.12 Use of a Certified Public Accountant:** The Company shall use a Certified Public Accountant or enrolled agent to ensure compliance with applicable law, whether state or federal, when dealing with any and all tax matters, including allocations and distributions.

**4.13 Keeping of Books and Records:** The books and records of the Company shall be kept on the accrual basis yet can be taxed on the cash or accrual basis, which shall be determined at the time of the first tax return filing.

**4.14 Indemnification:** Each Member hereby agrees to indemnify and hold harmless the Company and the other Members from and against any liability with respect to taxes, interest or penalties that may be asserted by reason of the Company's failure to deduct and withhold tax on amounts distributable or allocable to such Member. The provisions of this Section and the obligations of a Member pursuant to this Agreement shall survive the termination, dissolution, liquidation and winding up of the Company and the withdrawal of such Member from the Company or Transfer of his/her/its Membership Interests. The Company may pursue and enforce all rights and remedies it may have against each Member under this Section, including bringing a lawsuit to collect repayment with interest of any Withholding Advances.

## ARTICLE V

### TRANSFERS

#### **5.1 General Restrictions of Transfer:**

(A) No Member may Transfer all or any part of such Member's interest as a Member of the LLC or otherwise withdraw from the LLC except as provided in Section 7.02 or with the Approval of the Members, or in the event that more than two Members have interest

in the Company, with the Approval of the Members, which may be withheld for any reason or for no reason.

**(B)** Every Transfer of an interest as a Member of the LLC permitted by this Article V, including without limitation Transfers permitted by Sections 5.01(a), 5.02, 5.03 and 5.04, shall nevertheless be subject to the following:

- (i) No Transfer of any interest in the LLC may be made if such Transfer would cause or result in a breach of any agreement binding upon the LLC or of then applicable rules and regulations of any governmental authority having jurisdiction over such Transfer. The Non-Transferring Member, or in the event that there are more than two Members, the Members, acting by Approval, may require as a condition of any Transfer that the transferor assume all costs incurred by the LLC in connection therewith and furnish an opinion of counsel, satisfactory to the LLC both as to counsel and opinion, that the proposed Transfer complies with applicable law, including federal and state securities laws, and does not cause the LLC to be an investment company as such term is defined in the Investment Company Act of 1940, as amended.
- (ii) The Non-Transferring Member, or in the event that there are more than two Members, the Members, acting with Approval, as a condition to the admission to the LLC as a Member of any transferee who is not otherwise a Member, that such transferee demonstrate to the reasonable satisfaction of the Member(s) that such transferee is not then under indictment and has not at any time been convicted of a felony and either is a financially responsible Person or has one or more financially responsible Persons who have affirmatively assumed the financial obligations of the transferee under this Agreement, if any, on such transferee's behalf. In addition, a transferee of an interest pursuant to Section 5.02 or Section 5.03, who is not otherwise a Member, shall not be admitted to the LLC as a Member without the Approval of the Member(s), which may be withheld for any reason or for no reason, and such a transferee who is not so admitted need not be recognized by the LLC for any purpose and shall be entitled only to the rights which are required under the Act to be afforded to a transferee who does not become a Member.
- (iii) Notwithstanding anything contained herein to the contrary, no interest as a Member of the LLC shall be transferred if, by reason of such Transfer, the classification of the LLC as an LLC for federal income tax purposes would be adversely affected or jeopardized, or if such transfer would have any other substantial adverse effect for federal income tax purposes.

- (iv) In the event of any Transfer, there shall be filed with the LLC a duly executed and acknowledged counterpart of the instrument affecting such Transfer. The transferee, if any, shall execute such additional instruments as shall be reasonably required by the Non-transferring Member or the Members, if applicable. If and for so long as such instruments are not so executed and filed, the LLC need not recognize any such Transfer for any purpose, and the transferee shall be entitled only to the rights which are required under the Act to be afforded to a transferee who does not become a Member.
- (v) Upon the admission or withdrawal of a Member, this Agreement (including without limitation Schedule A hereto) and/or the Articles of Organization shall be amended appropriately to reflect the then existing names and addresses of the Members and their respective Percentage Interests.

(C) A transferor of an interest as a Member of the LLC shall, if the transferee is a Member hereunder or if the transferee becomes a Member pursuant to the provisions of this Agreement, be relieved of liability under this Agreement with respect to the transferred interest arising or accruing on or after the effective date of the Transfer (unless such transferor affirmatively assumes liability as provided in Section 5.01(b)(ii)).

(D) Any Person who acquires in any manner whatsoever an interest (or any part thereof) in the LLC, whether or not such Person has accepted and assumed in writing the terms and provisions of this Agreement or been admitted into the LLC as a Member as provided in Section 5.01(b), shall be deemed, by acceptance of the acquisition thereof, to have agreed to be subject to and bound by all of the obligations of this Agreement with respect to such interest and shall be subject to the provisions of this Agreement with respect to any subsequent Transfer of such interest.

(E) Any Transfer in contravention of any of the provisions of this Agreement shall be null and void and ineffective to transfer any interest in the LLC, and shall not bind, or be recognized by, or on the books of, the LLC, and any transferee or assignee in such transaction shall not be or be treated as or deemed to be a Member for any purpose. In the event any Member shall at any time Transfer an interest in the LLC in contravention of any of the provisions of this Agreement, then each other Member shall, in addition to all

rights and remedies at law and equity, be entitled to a decree or order restraining and enjoining such transaction, and the offending Member shall not plead in defense thereto that there would be an adequate remedy at law; it being expressly hereby acknowledged and agreed that damages at law would be an inadequate remedy for a breach or threatened breach of the violation of the provisions concerning such transaction set forth in this Agreement.

**5.2 Permitted Transfers:** The following Transfers shall be permitted without the Approval of the Non-Transferring Member, or in the event that there are more than two Members, the Members, otherwise required under Section 5.01(a) above, but such permitted Transfers shall in any event be subject to Sections 7.01(b)-(e) hereof:

(A) An interest as a Member of the LLC may be Transferred from time to time as a part of any proceeding under the present or any future federal bankruptcy act or any other present or future applicable federal, state, or other statute or law relating to bankruptcy, insolvency, or other relief for debtors, and subject to the requirements and provisions thereof.

(B) An interest as a Member of the LLC may be Transferred from time to time to any Legal Representative(s) and/or Affiliate(s) and/or Member(s) of the Immediate Family of the transferring Member.

**5.3 Transfers Upon Unanimous Consent:** Notwithstanding Sections 5.1 and 5.2 hereof, a Member may transfer all or any portion of his interest to any one or entity if all the Members unanimously give written consent to the transfer.

**5.4 Right of First Refusal:** Subject to the terms and conditions specified in this Section, each Member shall have a right of first refusal if any other Member (the "Offering Member"), receives an offer from an Independent Third Party that the Offering Member desires to accept to Transfer all or any portion of the Membership Interest owned by the Offering Member (the "Offered Interests"). Each time the Offering Member receives an offer for all or any portion of its Membership Interest in the Company, the Offering Member shall first make an offering of the Offered Interests to the other Members (the "ROFR Rightholders") in accordance with the following provisions prior to transferring such Offered Interests to

the Independent Third Party (other than Transfers that are permitted by Section 6.2 and 6.3). Those Provisions are laid out in the following sections:

**5.4.2 Offer Notice:** The Offering Member shall, within five (5) days of receipt of the offer from the Independent Third Party, give written notice (the “Offering Member Notice”) to the Company and the ROFR Rightholders stating that it has received a bona fide offer from an Independent Third Party and the Offering Member shall specify:

- (A) The amount of Offered Interests to be transferred by the Offering Member;
- (B) The name of the Person who has offered to purchase such Offered Interests;
- (C) The purchase price and the other material terms and conditions of the Transfer, including a description of any non-cash consideration in sufficient detail to permit the valuation thereof; and
- (D) The proposed date, time and location of the closing of the Transfer, which shall not be less than sixty (60) days from the date of the Offering Member Notice.

**5.4.2.A** The Offering Member Notice shall constitute the Offering Member’s offer to Transfer the Offered Interests to the ROFR Rightholders, which offer shall be irrevocable until the end of the ROFR Notice Period (as hereinafter defined).

**5.4.2.B** By delivering the Offering Member Notice, the Offering Member represents and warrants to the Company and each ROFR Rightholder that:

- (a) The Offering Member has full right, title and interest in and to the Offered Interests;
- (b) The Offering Member has all the necessary power and authority and has taken all necessary action to sell such Offered Interests as contemplated by this Section; and
- (c) The Offered Interests are free and clear of any and all Liens other than those arising as a result of or under the terms of this Agreement.

**5.4.3 Exercise of the Rights of First Refusal:** Upon receipt of the Offering Member Notice, each ROFR Rightholder shall have thirty (30) days (the “ROFR Notice Period”) to elect to purchase all (but not less than all) of the Offered Interests by delivering a written notice (a “ROFR Offer Notice”) to the Offering Member and the Company stating that it offers to purchase such Offered Interests on the terms specified in the Offering Member Notice. Any ROFR Offer Notice shall be binding upon delivery and irrevocable by the applicable ROFR Rightholder. If more than one ROFR Rightholder delivers a ROFR Offer Notice, each such ROFR Rightholder (the “Purchasing Member”) shall be allocated its pro rata share (based on its Membership Interest in the Company) of the Offered Interests, unless otherwise agreed by such Members.

**5.4.4** Each ROFR Rightholder who does not deliver a ROFR Offer Notice during the ROFR Notice Period shall be deemed to have waived all of such ROFR Rightholder’s rights to purchase the Offered Interests under this Section, and the Offering Member shall thereafter, subject to the rights of any Purchasing Member, be free to sell the Offered Interests to the Independent Third Party in the Offering Member Notice without any further obligation to such ROFR Rightholder.

**5.4.5 Consummation of Sale:** If no ROFR Rightholder delivers a ROFR Notice in accordance with Section 6.3.3 of this Agreement, then, the Offering Member may, during the sixty (60) day period immediately following the expiration of the ROFR Notice Period (which period may be extended for a reasonable time not exceeding 90 days for the purposes of obtaining any required approvals or consents from an Governmental Authority and/or bank), transfer all of the Offered Interest to the Third Party on terms and conditions no more favorable to the Third Party than those set forth in the Offering Member Notice. If the Offering Member does not transfer the Offered Interests within such period, the rights provided hereunder shall be deemed to be revived and the Offered Interests shall not be transferred to the Third Party unless the Offering Member sends a new Offering Member Notice in accordance with, and otherwise complies with, this Section 6 of this Agreement.

**5.4.6 Cooperation:** Each Member shall take all actions as may be reasonably necessary to consummate the sale including, but not limited to, entering into agreements and

delivering certificates and instruments and consents as may be deemed necessary or appropriate.

**5.4.7 Closing:** At the closing of any sale and purchase pursuant to this Section 6.3, the Offering Member shall deliver to the Purchasing Member(s) a certificate or certificates representing the Offered Interests to be sold (if any), accompanied by evidence of Transfer.

## ARTICLE VI

### EXCULPATION AND INDEMNIFICATION

**6.1 Exculpation of Covered Persons:** As used herein, the term “Covered Person” shall mean each (i) Member and any (ii) Member-Appointed Officer.

**6.2 Standard of Care:** No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any action taken or omitted to be taken by such Covered Person in good faith reliance on the provisions of this Agreement, so long as such action or omission does not constitute fraud or willful misconduct by such Covered Person.

**6.3 Good Faith Reliance:** A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements, including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, Net Income or Net Losses of the Company or any facts pertinent to the existence and amount of assets from which distributions might properly be paid, of the following Persons or groups: (i) another Member; (ii) one or more Officers or employees of the Company, if they are appointed and if applicable; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person’s professional or expert competence. The preceding sentence shall in no way limit any Person’s right to rely on said information.

**6.4 Indemnification:** To the fullest extent permitted by the Act, as the same now exists or may hereafter be amended, substituted or replaced (but, in the case of any such amendment, substitution or replacement, only to the extent that such amendment, substitution or replacement permits the Company to provide broader indemnification rights than the Act permitted the Company to provide prior to such amendment, substitution or replacement), the Company shall indemnify, hold harmless, defend, pay and reimburse any Covered Person against any and all losses, claims, damages, judgments, fines or liabilities, including reasonable legal fees or other expenses incurred in investigating or defending against such losses, claims, damages, judgments, fines or liabilities, and any amounts expended in settlement of any claims (collectively, "Losses") to which such Covered Person may become subject by reason of any act or omission or alleged act or omission performed or omitted to be performed on behalf of the Company, any other Member, or any direct or indirect Subsidiary of the foregoing in connection with the Business of the Company; *provided*, that such Covered Person acted in good faith and in a manner believed by such Covered Person to be in, or not opposed to, the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe his/her conduct was unlawful, and such Covered Person's conduct did not constitute fraud or willful misconduct.

**6.4.1** In connection with the foregoing, the termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Covered Person did not act in good faith or, with respect to any criminal proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful, or that the Covered Person's conduct constituted fraud or willful misconduct.

**6.4.2 Funding of Indemnification Obligation:** Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this shall be provided out of and to the extent of Company assets only, and only if there are proper Company assets to indemnify, and no Member (unless such Member otherwise agrees in writing) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity by the Company.



**6.5 Savings Clause:** If this Section 7 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person pursuant to this Section to the fullest extent permitted by any applicable portion of this Section that shall not have been invalidated and to the fullest extent permitted by Applicable Law.

**6.6 Survival:** The Provisions of this Article VII shall survive the dissolution, liquidation, winding up and termination of the Company.

## ARTICLE VII

### DISSOLUTION AND LIQUIDATION

**7.1 Events of Dissolution:** The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

- (a) An election to dissolve the Company made by unanimous vote of the Members; or
- (b) The entry of a decree of judicial dissolution under the Act; or
- (c) Any enumerated reason stated in the Act, as may be amended from time to time.

**7.2 Effectiveness of Dissolution:** Dissolution of the Company shall be effective on the day on which the event described in Section 7.1 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 8.3, the Articles of Dissolution has been filed as provided in Section 8.4, and the Certificate of Organization has been cancelled and/or the Company's Charter has been revoked/cancelled by the RI Secretary of State and the Articles of Dissolution have been filed pursuant to the Act.

**7.3 Liquidation:** If the Company is dissolved pursuant to Section 7.1, the Company shall be liquidated and its business and affairs wound up in accordance with the Act and the following provisions:

**(a) Liquidator:** The Members, or an officer appointed by the Members, shall act as liquidator to wind up the Company (the “Liquidator(s)”). The Liquidator(s) shall have full power and authority to sell, assign, and encumber any or all of the Company’s assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.

**(b) Accounting:** As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made of the Company’s assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.

**(c) Distribution of Proceeds:** The Liquidator shall liquidate the assets of the Company and distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

**(i) First,** to the payment of all of the Company’s debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company) to the extent deemed reasonable by Approval of the Members;

**(ii) Second,** to the Members in accordance with the positive balance in Capital Account, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs.

**(a) Discretion of Liquidator:** Notwithstanding the provisions of this Section 8.3 that require the liquidation of the assets of the Company, but subject to the order of priorities set forth in Section 8.3(c), if upon dissolution of the Company the Liquidator(s) reasonably determines that an immediate sale of part or all of the Company’s assets would be impractical or could cause undue loss to the Members, the Liquidator(s) may defer the liquidation of any assets except those necessary to satisfy Company liabilities and reserves, and may upon the Approval

of the Members, distribute to the Members, in lieu of cash, as tenants in common and in accordance with the provisions of Section 8.3, undivided interests in such Company assets as the Liquidator deems not suitable for liquidation. Any such distribution in kind shall be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operating of such properties at such time. For purposes of any such distribution, any property to be distributed will be valued at its Fair Market Value.

**7.4 Articles of Dissolution:** Upon completion of the distribution of the assets of the Company as provided in Section 8.3 hereof, the Company shall be terminated and the Liquidator shall cause Articles of Dissolution, pursuant to the Act, as may be amended or repealed from time to time, to be filed with the Massachusetts Secretary of State and shall take any such other actions as may be necessary to terminate the Company.

**7.5 Survival of Rights, Duties and Obligations:** Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any Loss that at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination. For the avoidance of doubt, none of the foregoing shall replace, diminish or otherwise adversely affect any Member's right to indemnification.

**7.6 Recourse for Claims:** Each Member shall look solely to the assets of the Company for all distributions with respect to the Company, and such Member's share of Net Income, Net Loss and other items of income, gain, loss and deduction, and shall have no recourse therefor (upon dissolution or otherwise) against the Liquidator or any other Member.

## ARTICLE IIX

### MISCELLANEOUS

**8.1 Restrictive Covenants:** In the event that either Member should cease to be a Member, whether involuntary or voluntary, or whether through sale, transfer, assignment or otherwise, each

Member hereto covenants to not disclose the Company's confidential information, in any way, as more specified below.

**8.1.2** Each Member understands that the nature of the Company's business gives the Member access to and knowledge of Confidential Information and places the Employee in a position of trust and confidence with the Company. Each Member understands and acknowledges that the intellectual, artistic, precise and carefully-crafted services the Member provides to the Company are unique, special, and/or extraordinary because of the nature of its industry.

**8.1.3 Goodwill:** Member shall also not compete with, hinder, or tarnish Company's Goodwill. This Section shall be in effect indefinitely.

**8.1.4 Non-Disclosure of Confidential Information:** Each Member agrees and covenants: (i) to treat all Confidential Information (as defined below) as strictly confidential; (ii) to not directly or indirectly disclose, publish, communicate, or make available Confidential Information, or allow it to be disclosed, published, communicated, or made available, in whole or part, to any entity or person whatsoever, outside of the Company, and not to anyone inside of the Company who is not on a need-to-know basis, except as required in the performance of the Member's authorized duties to the Company; and (iii) to not access or use any Confidential Information, and not to copy any documents, records, files, media, or other resources containing any Confidential Information, or remove any such documents, records, files, media, or other resources from the premises or control of the Company, except as required in the performance of the Member's duties to the Company and then, such disclosure shall be made only within the limits and to the extent of such duties.

**8.1.4.2 Temporal Scope of Non-Disclosure:** The Member understands and acknowledges that the Member's obligations under this Agreement with regard to any particular Confidential Information shall commence immediately upon the Member first having access to such Confidential Information, whether before or after beginning Membership with the Company, and shall continue during and after the Member's membership with the Company until such time as such Confidential Information has become public knowledge other than as a

result of the Member's breach of this Agreement or breach by those acting in concert with the Member or on the Member's behalf.

**8.1.4.3 Confidential Information Defined:** For purposes of this Agreement, "Confidential Information" includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, publications, documents, research, operations, services, strategies, techniques, agreements, contracts, terms of agreements, transactions, potential transactions, negotiations, pending negotiations, know-how, trade secrets, computer programs, computer software, applications, operating systems, software design, web design, work-in-process, databases, manuals, records, articles, systems, material, sources of material, supplier information, vendor information, financial information, results, accounting information, accounting records, legal information, marketing information, advertising information, pricing information, credit information, design information, payroll information, staffing information, personnel information, employee lists, supplier lists, vendor lists, developments, reports, internal controls, security procedures, graphics, drawings, sketches, market studies, sales information, revenue, costs, formulae, notes, communications, algorithms, product plans, designs, styles, models, ideas, audiovisual programs, inventions, unpublished patent applications, original works of authorship, discoveries, experimental processes, experimental results, specifications, customer information, customer lists, client information, client lists, manufacturing information, factory lists, distributor lists, cannabis strains, cannabis cultivation, cannabis retail, packaging, advertising, Company and/or trade secrets, Real Estate management, leasing, holding and flipping know-how, lists of the Company or its businesses or any existing or prospective customer, supplier, investor, or other associated third party, or of any other person or entity that has entrusted information to the Company in confidence.

**8.2 Amendments:** Amendments to this Agreement may be made only with the written Approval of the Members.

**8.3 Governing Law:** This Agreement and the rights and obligations of the Parties hereunder shall be governed by and interpreted, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts.

**8.4 Further Assurances:** In connection with this Agreement and the transactions contemplated hereby, the Company and each Member hereby agrees, at the request of the Company or any other Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

**8.5 Notices:** All Notices to any Member herein shall be mailed to the address already stated in Section 3.1. Notices to the Company shall be sent to the principal Office address which is stated on Company's Certificate of Organization which may be amended from time to time.

**8.6 Severability:** If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Except as provided in Section 7.5, upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

**8.7 Non-Compete:** During the time with which the Company is operating, and for a period of five (5) years after a date of dissolution (the "Restricted Period"), if it were to occur, the Members shall not, directly or indirectly, (i) in any manner whatsoever engage in any capacity with any business competitive with the Company's current lines of business or any business then engaged in by the Company, any of its subsidiaries or any of its affiliates (the "Company's Business") for the Member's own benefit or for the benefit of any person or entity other than the Company or any subsidiary or affiliate; or (ii) have any interest as owner, sole proprietor, stockholder, partner, lender, director, officer, manager, employee, consultant, agent or otherwise in any business competitive with the Company's Business; provided, however, that a Member may hold, directly or indirectly, solely as an investment, not more than one percent (1%) of the outstanding securities of any person or entity which is listed on any national securities exchange or regularly traded in the over-the-counter market notwithstanding the fact that such person or entity is engaged in a business competitive with the Company's Business. In addition, during the



Restricted Period, the Members shall not develop any asset, product, or cannabis strain for use in the Company's Business on behalf of any person or entity other than the Company, its subsidiaries and affiliates.

**8.8 Entire Agreement:** This Agreement, together with the Articles of Organization and all related Exhibits and Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

**8.9 Successors and Assigns:** Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

**8.10 No Third-Party Beneficiaries:** Except as provided in Article VIII, which shall be for the benefit of, and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under, or by reason of, this Agreement.

**8.11 Key Man Insurance:** The Company may secure in its own name or otherwise, and at its own expense, life, health, accident and other insurance covering Michael P. Grenier, a key man to the Company, alone or with others, in an amount equal to 3 Million Dollars at a term agreed to be Approval of the Members. Mr. Grenier shall not have any right, title or interest in or to such insurance other than as expressly provided herein. Michael Grenier agrees to assist the Company in procuring such insurance by submitting to the usual and customary medical and other examinations to be conducted by such physicians as the Company or such insurance company may designate and by signing such applications and other written instruments as may be required by the insurance companies to which application is made for such insurance. Michael Grenier's failure to submit to such usual and customary medical and other examinations shall be deemed a material breach of this Agreement.

*Michael Grenier will not be forced to have a Covid vaccine*

*MPG*  
*MPG*  
*MPG*

**8.12 Equitable Remedies:** Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be the only adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction.

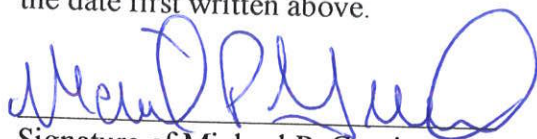
**8.13 Attorney's Fees:** In the event that any party hereto institutes any legal suit, action or proceeding, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

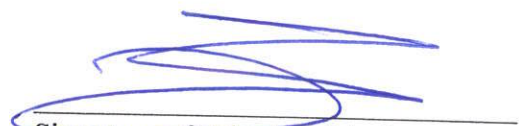
**8.14 Remedies Cumulative:** The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

**8.15 Fiscal Year:** The Company's Fiscal Year shall be a regular calendar year.

**8.16 Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

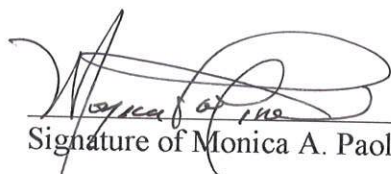
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

  
Signature of Michael P. Grenier

  
Signature of John Vanikiotis

Date: 10/6/21

Date: 10/6/21

  
Signature of Monica A. Paolino  
Date: 10-6-2021

[SCHEDULE A IS ON THE FOLLOWING PAGE]

**SCHEDULE A**

**MEMBERSHIP INTEREST SCHEDULE**

<b>MEMBER</b>	<b>MEMBER INTEREST</b>
Michael P. Grenier	60%
John Vanikiotis	20%
Monica A. Paolino	20%





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## INSURANCE AND BOND PLAN

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## INSURANCE AND BOND REQUIREMENTS

Proof of business insurance from an appropriately licensed insurer will be maintained on the premises and be available to regulating agencies immediately upon request.

Green Choice will maintain commercial general liability insurance of no less than \$2,000,000 and an amount of no less than \$1,000,000 for each loss.

Green Choice will notify the regulating authority in writing within 10 calendar days of a lapse in insurance.

The following types of insurance will also be maintained:

- Workers Compensation Insurance
- Property Insurance
- Vehicle Insurance
- Other types of insurance required by state or local regulators

Green Choice will maintain a surety bond from an appropriately licensed company in an amount of at least \$5,000 to ensure payment of the cost incurred for the destruction of products necessitated by a violation of state law or regulations.

Green Choice is taking bids from insurance companies such as Budrisk, and will continue to do so to secure the necessary coverages.





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## BUSINESS PLAN

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**Drafted By:**

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Chelmsford, MA 01824i  
(978) 201-2081  
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<i>17,000 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>

<i>Computers - Tablets and office .....</i>	<i>41</i>
<i>16,000 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
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<i>15,000 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
<i>0 .....</i>	<i>41</i>
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<i>0 .....</i>	<i>41</i>
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<i>11,960 .....</i>	<i>41</i>
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## EXECUTIVE SUMMARY

### SUMMARY STATEMENT

Green Choice Dispensaries (Green Choice) 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 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 City, we have plans to open other outlets in key locations all around Massachusetts and the United States.

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

Green Choice will be organized/formed as a Limited Liability Company (LLC)/Corporation and will be led by Michael Grenier, who will serve as Managing Partner / Owner.

#### **Products & Services**

Aside from the dispensing of cannabis flower and concentrates which are our core products, Green Choice will sell a wide range of additional cannabis Infused products such as edibles and topicals. Edibles are continually growing in popularity and are expected to have an increase in market sales. We will also engage in the sale of accessories and supplies related to concentrate delivery methods.

Green Choice will ensure that all our customers are given first class treatment whenever they visit our store. We will 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.

Green Choice will develop and incorporate a brand with branded goods such as hats, hoodies, t-shirts, etc.

### MISSION STATEMENT

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



## VISION

Be the number one cannabis store in Massachusetts known for serving consumers in the local area.

## GOAL

Our two primary goals are to advocate and support a proactive approach to management by providing a local and safe environment to dispense cannabis products, and to benefit the community through industry opportunities and donation collection.

## MANAGEMENT TEAM

### **MICHAEL GRENIER, MANAGING PARTNER / CHIEF EXECUTIVE OFFICER**

Michael Grenier's portfolio consists of a hair salon, four (4) residential properties, a collection of antique cars, and a vast catalog of other collectibles.

His path with medical marijuana started in 2009 after being diagnosed with a degenerative disc in his back and dealing with severe back pain for years. I was hesitant to be on prescription medications like Vicodin or Oxycontin because I had known people that were becoming addicted to them. At the suggestion of his doctor, I started looking into medical marijuana which had recently become legal in Rhode Island. I received his medical marijuana card in September of 2009 and noticed the benefits right away. I was able to spend more time playing with his kids and I could work on cars for longer periods of time. Immediately, he became an advocate for medical marijuana and became a Rhode Island licensed caretaker.

### **MONICA PAOLINO, TREASURER**

### **MONICA PAOLINO, SECRETARY**

### **TBD, INVENTORY CONTROL MANAGER**

TBD

TBD, TRANSPORTATION MANAGER

TBD

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%.

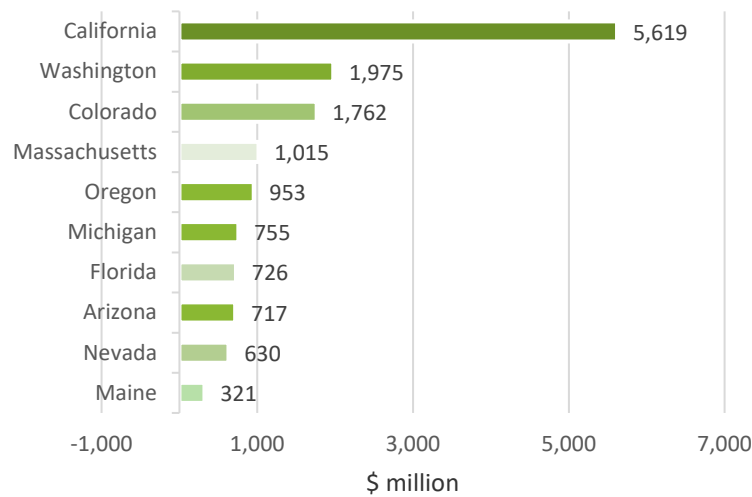


Figure 1. Medical and recreational cannabis sales in top states, 2020

Over 60% of the U.S. population now lives in states that have legalized some form of cannabis use and sales, illustrating the rising acceptance of cannabis nationwide and highlighting the industry’s immense potential for future growth.

In 2016, Massachusetts residents voted to legalize recreational cannabis. On December 28, 2016, the Massachusetts state legislature voted to delay sales of recreational cannabis for six months. Originally, licensing for cannabis shops was set to begin on January 1, 2018, under the measure, but the delay set by legislators moved the date and first retail cannabis establishments opened in November 2018.

The Massachusetts recreational cannabis market became a \$1 billion industry in 2020. Research from multiple cannabis data and investment firms predict Massachusetts can become such a cannabis related travel

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

destination. The influx of tourists to Massachusetts can expand the economic impact of this legislation far beyond simply the cannabis industry.

Already, hundreds of entities have applied for hundreds of business licenses, including 351 retail stores. The first task is to obtain a property interest. Next, an applicant must execute a Host Community Agreement with the local municipality's contracting authority. An applicant must hold a Community Outreach Meeting giving the municipal citizens a chance to listen and ask questions. An application is filed electronically with the three required packets including all information as to owners, operations, and finances. 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.<sup>2, 3</sup>

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<sup>2</sup> <https://masscannabiscontrol.com/applicants-licensees/>

<sup>3</sup> <https://opendata.mass-cannabis-control.com/d/mye9-t9zc>

## START-UP SUMMARY

The business will be fully funded with \$600,000.00. It is expected that the initial inventory will sell out within a month, leaving a profit of \$152,559.00.

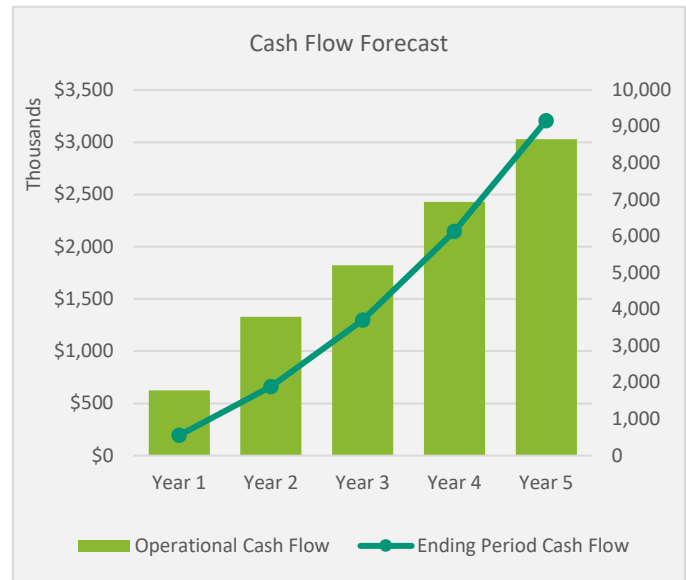
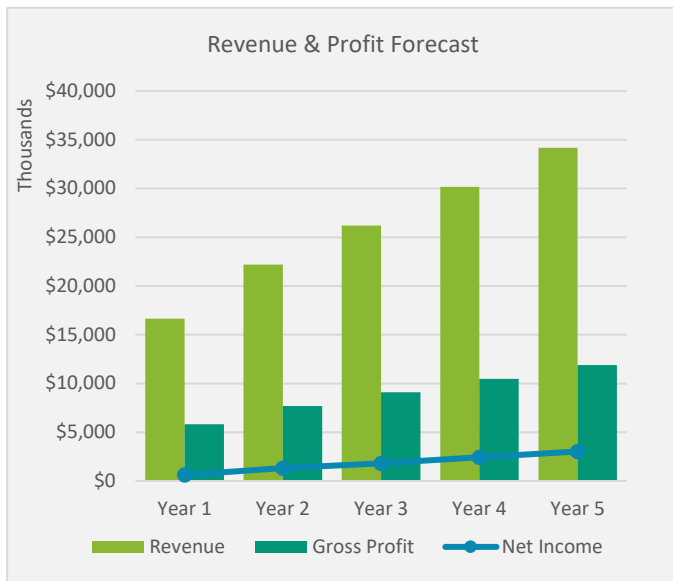
Table 1. Start-up expenses, \$

\$	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>CAPEX</b>				
<b>Deposit on Lease</b>	0	0	0	0
<b>Space improvements including finishing</b>	0	0	500,000	0
<b>Security system including multiple cam</b>	0	0	65,000	0
<b>Furniture, Display Counters, Refrigerator</b>	0	0	20,000	0
<b>Cost for Computer Software (Accounting)</b>	0	0	300	0
<b>Preroll Equipment</b>	0	0	4,500	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>	0	0	0	0
<b>Initial &amp; General Costs</b>	0	0	0	58,500
<b>Operating Expenses, including salaries</b>	10,000	31,741	95,224	95,224
<b>Marketing &amp; Sales Expenses</b>	0	0	22,000	33,000
<b>Misc.</b>	300	952	3,517	4,072
<b>Total</b>	<b>10,300</b>	<b>32,693</b>	<b>710,540</b>	<b>190,795</b>

*(Rest of page intentionally left blank)*

## FINANCIAL SUMMARY

Green Choice will fund its startup costs largely through personal savings and private investments. From a total investment of < \$700,000.00, Green Choice is expected to generate nearly \$ 16,651,224 in gross revenues with net income of nearly **\$402,598** in its second year (first full year) of operations. Revenues are expected to grow to nearly \$22,200,916 in **Year 3** and \$26,204,360 in **Year 4**, with net income of nearly **\$1,075,901** and over **\$1,817,628**, respectively.



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

## DIRECT AND INDIRECT SOCIAL IMPACTS

Green Choice will create more than 18 new jobs with over \$1,849,500.00 in salaries and benefits. Green Choice will target veterans to employ and join the industry.

Table 2. Taxes flow, \$

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Federal Tax	0	1,961,779	3,088,570	3,649,371	4,210,172	4,770,973	5,331,774
State Tax	0	409,717	852,964	1,077,548	1,312,837	1,548,378	1,783,970
Community programs	0	0	0	0	0	0	0

---

## POSITIVE IMPACT PLAN (REQUIRED BY CCC)

### GOALS

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1. Increase the Number of Veterans from Areas of Disproportionate Impact in the Cannabis Industry

Green Choice is dedicated to increasing the number of veterans in the cannabis industry by providing opportunity, training, knowledge, materials, and real-life experience in the areas of operating and managing a marijuana retail store. Veterans will be employed with opportunities to be trained in all areas of the previously mentioned operations, including areas and skills outside of the scope of their daily tasks.

2. Collecting Donations for Charities Benefitting Veterans

Green Choice will work with local veteran charities to raise donations from transactions. Green Choice hopes that not only will the entrepreneurs benefit from this emerging industry, but our nation's finest will as well.

### PROGRAMS

---

1. Increasing the number of veterans from areas of disproportionate impact in the cannabis industry

Green Choice's general employment advertisement and Veteran Choice Program will seek employees residing in or having previously resided in areas of disproportionate impact as defined by the CCC. This will be accomplished through focused employment advertisements in those respective areas as well as through in-person employment events held in in areas of disproportionate impact

2. Collecting Donations for Charities Benefitting Veterans

Green Choice expects to be providing consumers with "pocket change" in ones and fives on almost every cashless ATM transaction. The cashless ATM system requires that all transactions be rounded up to the nearest \$5.00. For example, if a transaction total were \$16.00, it would be rounded up to \$20.00. \$20.00 is charged to the debit card. The change is then handed in cash to the consumer.

Green Choice will entice consumers to leave the pocket change in donation jars to be placed at the registers. Each budtender will be instructed to encourage donations and the use of the cashless ATM as a

matter of standard operating procedures. Each month, Green Choice will choose a worthy veteran charity to receive the donations.

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## DIVERSITY PLAN (REQUIRED BY CCC)

### GOALS

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#### **Goals:**

- Goal 1: Build our organization's capability to execute the long-range inclusion plan
- Create a Diversity/Inclusion BOD Standing Committee
  - Create and lead cross divisional implementation team
  - Increase diversity of the staff and volunteer population
  - Assess the level of intercultural competency of staff and volunteers, and design tools to increase and develop competency
  - Evaluate our diversity/inclusion initiative activities
- Goal 2: Increase the number of people from diverse and underserved populations using our supportive services and informational products
- Develop appropriate current and proposed tools and information
  - Develop and implement education and program initiatives for individuals and their carepartners
- Goal 3: Design a research agenda focused on diverse population groups to advance our ability to assist diverse populations
- Create the divisional infrastructure to provide oversight and direction to research the agenda
  - Form a Cultural Diversity Research Work Group to develop a set of research questions
  - Create a request for application process to attract research proposals
  - Create and implement a plan to translate and disseminate research information
- Goal 4: Increase the revenues raised from ethnic and minority businesses, organizations, foundations and individuals with diverse backgrounds, perspectives, and experiences.
- Design and implement methods for collaborative revenue generation throughout the organization and with other organizations.
- Goal 5: Increase awareness, build mutually rewarding relationships, and foster collaboration with a broad range of business, community, and foundation leaders, and other individuals from diverse backgrounds, perspectives, and experiences.
- Goal 6: Promote the increase of diversity/inclusion in the health/social service fields and professions, for example:
- Collaborate with and support other organizations that are addressing diversity and related workforce issues.
  - Develop and implement education and program initiatives for professionals



## PROGRAMS

GOALS	OBJECTIVE	ACTIONS	ACCOUNTABILITY	BY WHEN	MEASURING SUCCESS
Workforce diversity	Recruit from a diverse, qualified group of candidates to increase diversity of thinking and perspective	<ol style="list-style-type: none"> <li>1. Advertise roles in a broad range of publications</li> <li>2. Ensure a diverse range of candidates are represented at shortlist stage</li> </ol>	Human resources  All hiring managers	Quarter 1	Increase in the representation of diverse employees
Workplace inclusion	Foster a culture that encourages collaboration, flexibility and fairness to enable all employees to contribute to their potential and increase retention	<ol style="list-style-type: none"> <li>1. Provide inclusive leadership training for managers</li> <li>2. Establish employee advocacy groups</li> </ol>	Senior Leadership team	Quarter 4	All managers participate in inclusive leadership training Three employee advocacy groups are established
Sustainability and accountability	Identify and breakdown systemic barriers to full inclusion by embedding diversity and inclusion in policies and practices and equipping leaders with the ability to manage diversity and be accountable for the results	<ol style="list-style-type: none"> <li>1. Review policies and practices to identify and remove systemic barriers to inclusion</li> <li>2. Implement a key performance indicator (KPI) for diversity and inclusion for all employees</li> </ol>	Human resources  Senior leadership team	Quarter 3	All policies and practices are reviewed and updated  KPI is implemented into all employees performance plans

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## MARKET OVERVIEW

### LOCATION

The specific location is TBD. However, Green Choice plans to operate in the areas between Littleton, MA and Methuen, Massachusetts. However, as locations are scarce, Green Choice will locate wherever commercially practicable as the license may be moved.

Having a property interest is the second challenge a new cannabis business must overcome to obtain a license. Currently, Green Choice is working with Charity Edwards, of The Edwards Realty Team, Concord, MA, and David Paz of LAER Realty Partners, Concord, MA.

### FLOOR PLAN

TBD

### LOCAL ZONING

TBD

### RETAIL ESTABLISHMENTS WITHIN 10 MILES

TBD

## INDUSTRY AND MARKET ASSESSMENT AND ANALYSIS OVERVIEW

### MARKET ANALYSIS

Although the federal government still considers the use of cannabis a criminal offense, more than half the states in America have legalized cannabis use in some form. Most states permit the use and commercial sale and/or home cultivation of cannabis for medical purposes. However, 18 states and the nation's capital have gone further, legalizing the recreational use. Legal weed is more high-priced than the black-market variety, but it is a better value: it is three times more potent and only about 50% more expensive<sup>4</sup>. The United States Federal Government has proposed bills on the table currently to ease banking in the cannabis industry as well as potential federal legalization.

The size of the market for legal marijuana in the United States is projected to grow to \$35 billion by 2025 according to Forbes magazine and their sources. The market continues to expand as more and more jurisdictions are working to decriminalize and ultimately to legalize cannabis.

## 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>5</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 cannabis will take up the remaining 33%.

According to a report provided by Energias Market Research, the global 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 -only cannabis regulations prompted many other countries to act similarly while legalization of adult recreational use in California and Canada triggered a second wave of legalizing laws internationally to increase access to cannabis.

South American countries have the most liberal cannabis programs. Led by Brazil, Argentina, Peru, and Uruguay, the South American cannabis market may grow from \$125 million in 2018 to \$776 million in 2027.

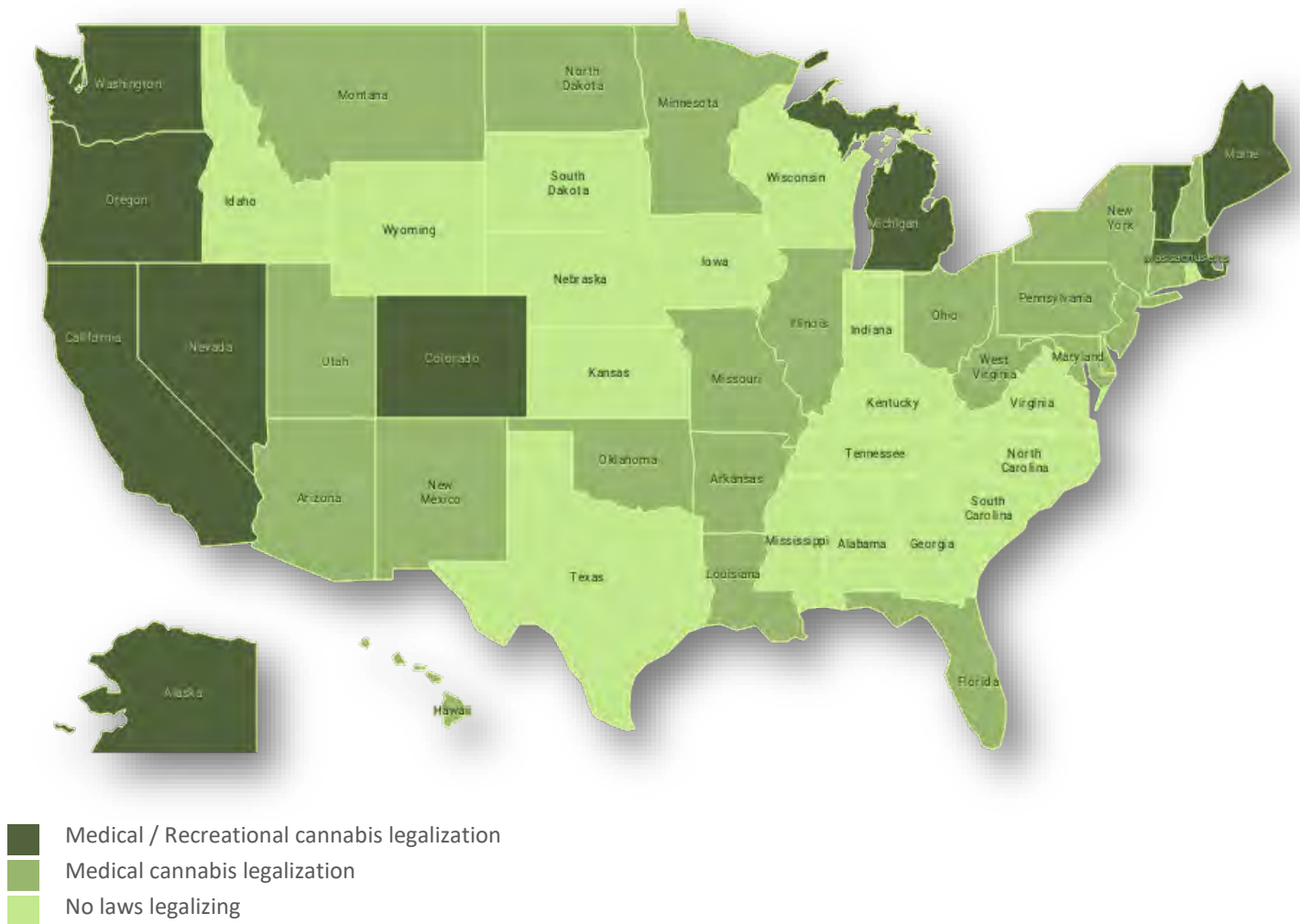
Germany is ready to become the leader of the European cannabis market, and Italy is expected to be second with \$1.2 billion in sales by 2027. Some form of cannabis is now legal in 22 countries in Europe.

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 cannabis use. It continues to be a leader in the development of cannabis pharmaceuticals.

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<sup>5</sup> <https://arcviewgroup.com/research/reports/>

## US MARKET



In 2018, 62% of Americans reported supporting cannabis legalization, double what it was in 2000 (31%)<sup>6</sup>. Although the use of cannabis is illegal under federal law and the federal government classify cannabis as a Schedule 1 substance, more than 60% of the U.S. states have legalized it in some form.

As a result, there are 32 States that allow cannabis for use, 16 States allow Cannabidiol (CBD), 10 States and the District of Columbia allow cannabis for recreational use.

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<sup>6</sup> Pew Research Survey, <http://www.pewresearch.org/fact-tank/2018/10/08/americans-support-marijuana-legalization/>

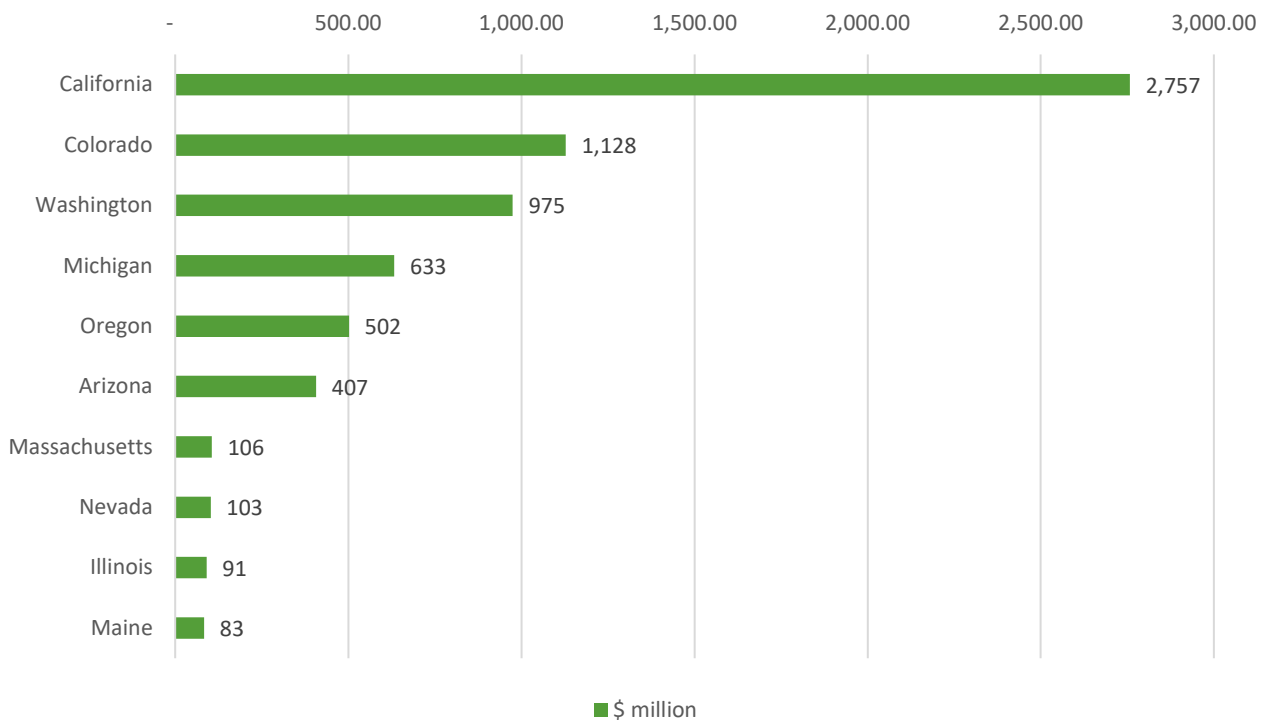


Figure 2. and recreational cannabis sales in top states, 2017

There are about 10,000 active licenses for cannabis businesses in the U.S., according to Statista<sup>7</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 the cannabis market continues its growth trend, the number of workers in the industry could reach about 500,000 by 2022, according to New Frontier Data.

## MASSACHUSETTS MARKET

On December 28, 2016, the Massachusetts state legislature voted to delay sales of recreational marijuana for six months. Originally, licensing for cannabis shops was set to begin on January 1, 2018, under the measure, but the delay set by legislators moved the date and first retail marijuana establishments opened in Massachusetts in November 2018.

<sup>7</sup> <https://www.statista.com/statistics/596641/us-cannabis-businesses-number/>

On October 31, 2018, there were 61, 724 (up from 19,000 in early 2016) people who had received cannabis cards that allowed them to use cannabis legally to treat a variety of ailments. They were served by 42 dispensaries. It is expected that over 700,000 customers are potentially interested in using recreational cannabis.

The Massachusetts recreational cannabis market became a \$1 billion industry in 2020. Research from multiple marijuana data and investment firms predict Massachusetts can become such a travel destination. If correct, an influx of tourists to Massachusetts can expand the economic impact of this legislation far beyond simply the marijuana industry.

### Cannabis Taxes

Under the new law, recreational marijuana is taxed 17 to 20 percent. The baseline tax is 17 percent, which is determined from a combination of a 6.25 percent sales tax and a 10.75 percent special excise tax on adult use. But cities and towns can choose to add a three percent tax on top of the 17 percent, tallying up to a 20 percent tax on retail cannabis.



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## RECREATIONAL LICENSING

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In total, entities have applied for 854 business licenses, including the amounts of type of licenses listed below. 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

License Type	#
<b>Marijuana Retailer</b>	<b>351</b>
<b>Marijuana Cultivator</b>	<b>262</b>
<b>Marijuana Product Manufacturer</b>	<b>196</b>
<b>Marijuana Microbusiness</b>	<b>21</b>
<b>Independent Testing Laboratory</b>	<b>13</b>
<b>Marijuana Transporter with Other Existing ME License</b>	<b>5</b>
<b>Third Party Marijuana Transporter</b>	<b>4</b>
<b>Craft Marijuana Cooperative</b>	<b>2</b>

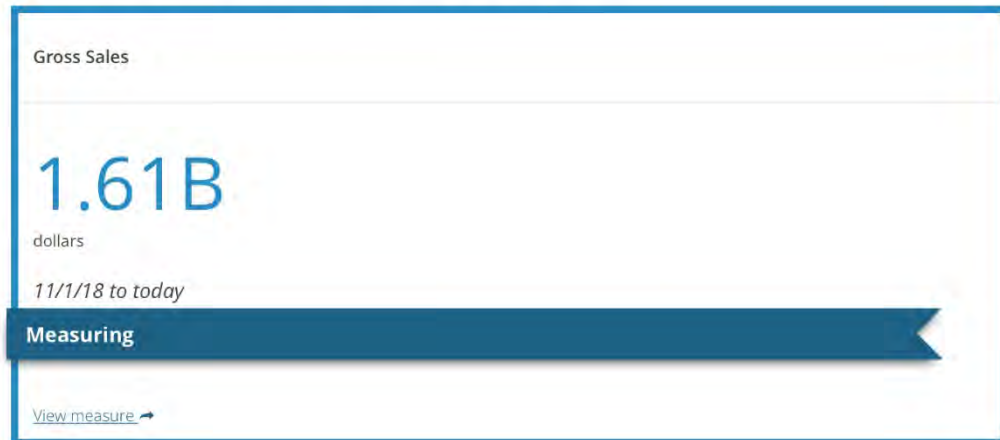
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## Retail Sales of Cannabis to Date

### Gross Sales Total Since Retailers Opened



According to the Commission, data from November 1, 2018 (the date retailers opened) to May 21, 2021, gross sales of cannabis products by retailers in Massachusetts totaled \$1.61 billion.

Pursuant to the “Third Annual Activities Report of the Cannabis Control Commission,”, published on October 15, 2020, the Commission’s revenue from application, licensing, fines and other fees, and marijuana sales and excise tax revenue, was \$17.1M (in FY20). Pursuant to the law governing adult use of cannabis in Massachusetts, such funds are deposited into the Marijuana Regulation Fund.

“The Massachusetts Department of Revenue reported a total of \$30M in marijuana sales tax revenue and \$51.7M in marijuana excise tax revenue for FY20. In total, these revenues have generated a \$98.8M contribution to the Marijuana Regulation Fund.” Ibid.

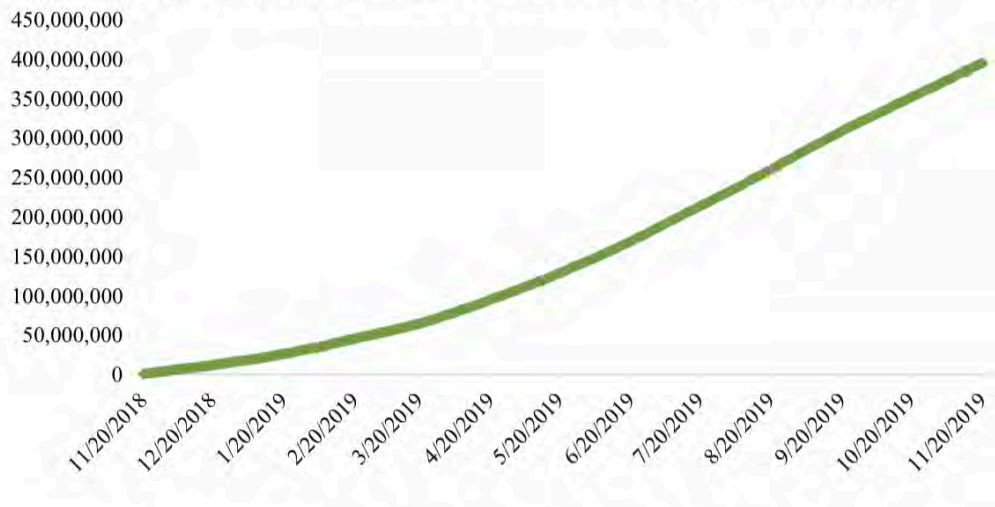
The Commission’s operating costs come from this Fund through appropriations. In FY20, the Legislature appropriated \$14.2M.

According to the Commission’s February 2020 report, “Baseline Review and Assessment of the Massachusetts Adult-Use Cannabis Industry: Market Data and Industry Participation,” from November 20, 2018, to November 20, 2019, the first full year of open retail stores, “a gross total of \$394,333,153.80 in sales (not including taxes) were recorded.”

2019

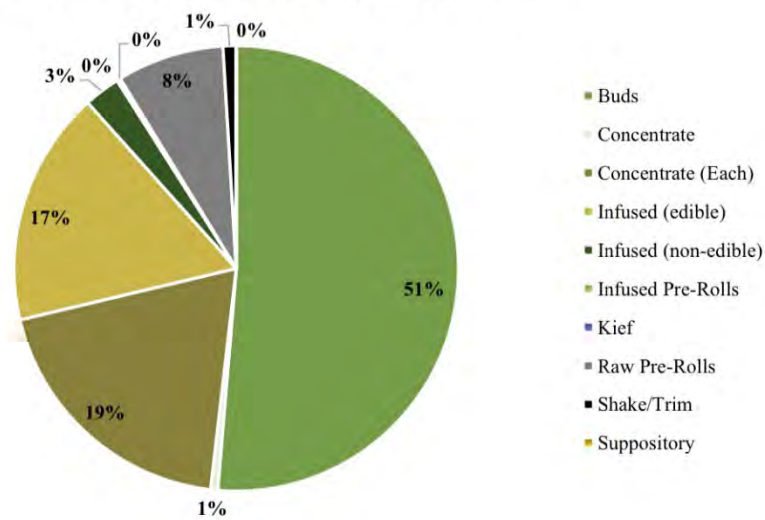
The following pie charts shows the gross sales for all adult use cannabis for this period (November 20, 2018, to November 20, 2019). The gross sales figures are for sales of adult use cannabis products whether from Marijuana Establishments or co-located adult use and marijuana business.

Table VI.A.8. Gross Sales for All Adult-Use Cannabis Products [11/20/18-11/20/19]



The next pie chart shows the variety of products sold by licensed Marijuana Establishments. The pie chart is from the Commission’s February 2020 report, “Baseline Review and Assessment of the Massachusetts Adult-Use Cannabis Industry: Market Data and Industry Participation.”

Graph IV.A.7. Total Sales by Product Type [11/20/18-11/20/19]



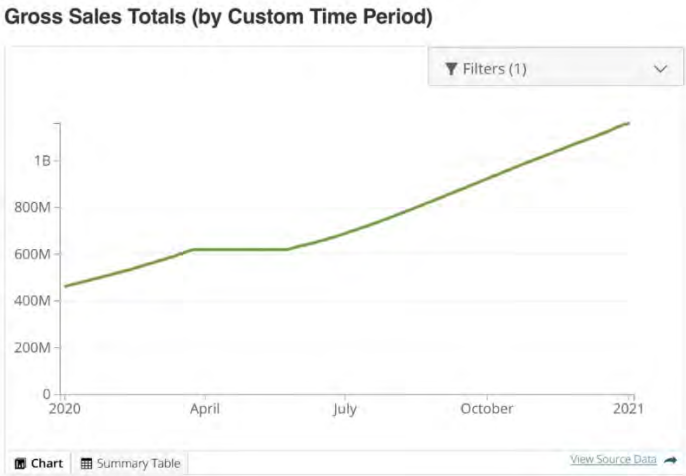
One may also want to know the percentage of units sold of cannabis products versus the percentage of sales of each product. For example, the table below (Table VI.A.10) shows that the sale of units of buds or flowers makes up 51% of all units sold and 49% of total sales.

**Table VI.A.10. Percent of Total Units Versus Total Sales [11/20/18-11/19/19]**

Product Category	Percent of Total Units	Percent of Total Sales
Buds	51%	49%
Concentrate	1%	1%
Concentrate (Each)	19%	27%
Infused (edible)	17%	15%
Infused (non-edible)	3%	4%
Infused Pre-Rolls	0%	0%
Kief	0%	0%
Raw Pre-Rolls	8%	4%
Shake/Trim	0%	0%
Shake/Trim (by strain)	1%	0%
Suppository	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>

2020

The total gross sales of cannabis in Massachusetts by Marijuana Establishments for 2020 is shown below.  
<https://opendata.mass-cannabis-control.com/stories/s/Sales-and-Product-Distribution/xwwk-y3zr>



**Total gross sales for 2020 = \$1,158,359,722.02.**

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## 2021

For the period from January 1, 2021, to May 21, 2021, the gross year to date sales of cannabis amounted to \$443 million. See chart below.



**Expected total gross sales for 2021: \$1,154,964,286.00<sup>8</sup>**

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## INCREASE IN MARKET

Based on the data above, there has been an average increase in the market of approximately **\$253,543,710.73** or an average increase of **21.88%**.

## SWOT ANALYSES (STRENGTHS, WEAKNESSES, OPPORTUNITIES & THREATS)

### STRENGTHS

Green Choice 's strengths are its financial position and stability, its experience.

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### FINANCIALS

Green Choice will secure capital via investors who will purchase 45% equity in the company.

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### EXPERIENCE

The experience of Jason Calderon, Charles Reid III, Esq/ and Jody Lehrer, Esq is one of many strengths of Green Choice. Their experience and knowledge place Green Choice well above Massachusetts's competition and combined with his work ethic, dedication, and knowledge they will lead their team to succeed at producing the highest quality products. Relationship building is also a required strength in the industry and when pairing that with his reputation, Mr. Calderon will lead Green Choice to ultimate success.

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<sup>8</sup> The chart above represents 140 days of the year 2021. The Expected total gross sales for 2021 assumes that sales rates will stay consistent.

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## THE FACILITY

Green Choice Cannabis Co. will use a standard retail store modified to have Limited Access Areas, a Vault, and an independent Loading Dock. I

The facility will be located outside of all established buffer zones and withing proper business zones.

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## PROFESSIONAL DEVELOPMENT AND TRAINING

Green Choice has created a training manual that will be updated frequently, with detailed instructions covering every step of processing, packaging, labeling, sale, as well as clean environment practices.

Along with training, the manuals will allow each employee to have a complete understanding of the best practices and thus will help minimize human error. All employees will be trained on, pest & mold preventatives, climate control, security, and best house-keeping practices. All personnel will be required to demonstrate proficiency on all applicable Massachusetts regulations and compliance requirements.

Staff will also be trained to verify and educate consumers on cannabis in accordance with the various staffing and training plans and operating manuals.

## WEAKNESS

- Enhanced risk of banking / financial / IRS scrutiny
  - Only a few banks in Massachusetts will hold cannabis funds.
  - Under the US Tax code Section 280E, normal right offs are not allowed.
- Lack in professional workforce for a cannabis industry
  - The Massachusetts Cannabis industry is new. There are very few employees that have the training and experience in this field. The more cannabusinesses that open, the more competitive it will become for qualified employees.
- High starting capital
  - Cannabis requires a significant investment of capital. The buildout alone is about \$100,000.00 before you buy product or pay employees.
- Lack of Inventory until deals are established
  - Given the lack of cultivators, and the fact that retailers are opening shop at a rate of Green Choice as compared to cultivators

- The consumer market is growing approximately 28% annually raising the demand for product each year significantly.

## **OPPORTUNITIES**

- High growth industry
- Growing interest and demand
- Trend toward greater cannabis legalization
- New emerging products
- National Market
- Global Market

## **THREATS**

Green Choice feels that there are a few threats that currently exist in the Massachusetts marijuana industry. However, two threats are the following:

1. Federal prohibition: Federal Government's classifies marijuana as a Schedule 1 drug.
  - a. All participants in the cannabis industry are currently subject to Federal prosecution.
2. Strict regulation: the potential limitation of the number of qualified employees that Green Choice can hire due to stringent regulations regarding retail establishments.
3. Large companies entering the market. Large companies have the capital and resources to buy up available property and make deals with other smaller companies. This will make it difficult to make deals with the cultivators and to find property.

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### MARKETING AND PROMOTION PLAN

Green Choice Cannabis Co. will market its products and services through the following methods and sales channels:

- Relationship building and networking
- Identification of state and national sales trends
- Monitoring consumer requests
- The promotion of highest quality products
- Maintaining national business relations
- Demonstration of successful test results
- Recommendations from satisfied consumers based on brand recognition
- Direct marketing through product sampling and proven success
- Competitive pricing
- Professionalism and experience of all personnel
- The continuation of professional development and certification of all personnel
- Proven track record stated by satisfied vendors
- Packaging

\*Pending final licensing approval from the CCC, Green Choice Cannabis Co. will secure contracts with the existing cultivators and manufacturers.

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 Green Choice 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
- Advertising and articles in the thematic magazines, including:
  - Cannabis Now
  - 420 Magazine
  - Marijuana Venture
  - MG Magazine
- 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.
LEAFLY <a href="https://www.leafly.com/">https://www.leafly.com/</a>	Leafly is a cannabis information resource for finding the right strains and products. Services include cannabis finder, online store, branding, doctors’ portal.	Leafly has 226.27 thousand total visits each month.

<a href="https://www.cannasaver.com/">https://www.cannasaver.com/</a>	Canna-Saver is website for cannabis and related coupons, devoted to cannabis deals and savings. Offers a constant flow of deals and savings from the top cannabis and cannabis retailers.	Cannasaver has 310.04 thousand total visits each month.
<a href="http://cannabiscouponcodes.com/">http://cannabiscouponcodes.com/</a>	Website with cannabis coupon codes.	Cannabis coupon codes has 81.49 thousand total visits each month.

## TARGET CUSTOMERS

Aside from the dispensing of cannabis, Green Choice will sell a wide range of cannabis infused products to its customers. Green Choice will also sell accessories, such as pipes, lighters, apparel, etc.

Green Choice will ensure that all its customers are given first-class treatment whenever they visit the store. It will have a CRM software that will enable it to manage a one-on-one relationship with customers no matter how large the client base grows. Green Choice will ensure that its customers are involved in making informed decisions regarding products that meet their unique needs.

Cannabis customers come from diverse groups, ages, races, and socioeconomic backgrounds. Obviously, most of the customers of Green Choice will purchase cannabis and cannabis products for recreational use but it reasonable to anticipate that an undetermined number of customers may purchase cannabis and cannabis products to treat medical conditions. Green Choice budtenders will be skilled in understanding the benefits of cannabis and cannabis products and so will be able to serve the full range of expected customers.

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## SALES PLAN

Green Choice will sell cannabis to I.D. holding consumers 21 years of age and older in accordance with law. Green Choice will follow the operating procedures required by regulations as well as the Green Choice's Distribution, Storage, and Transportation Plan.

This Plan describes the standards and procedures required by a licensed distributor of cannabis and cannabis products (hereafter referred to as “products”). The procedures described are an important element of regulatory compliance.

In addition to the physical distribution of products, quality assurance and security are central Retailer responsibilities, because it is important to ensure the safe transfer of products without any contamination or degradation. These topics are discussed broadly in this Plan, and more detail can be found in the [Quality Assurance and Security Plans.]

More specifically, this Plan includes policies and provisions related to receiving, tracking, transferring, storing, packaging, and labeling, and other processes specific to the distribution functions.

PRICING STRATEGY

Green Choice will sell its products at the prevailing rate This will be determined by sales by other retail Establishments, the prices goods are purchased from other cultivators, and the standard economic decisions made by the duly appointed officers and Partners.

SALES FORECAST

During the first full year, Company intends to launch sales of the vendors’ product line and it is expected to generate \$16,681,16.00 in revenue.

From the second year Company will generate income from \$3,500-\$7,000 a day for the first few months with increasing to about \$20,000 a day within 1-2 years of the Store Grand Opening.

From the third year Green Choice expects a healthy annual increase in retail revenue.

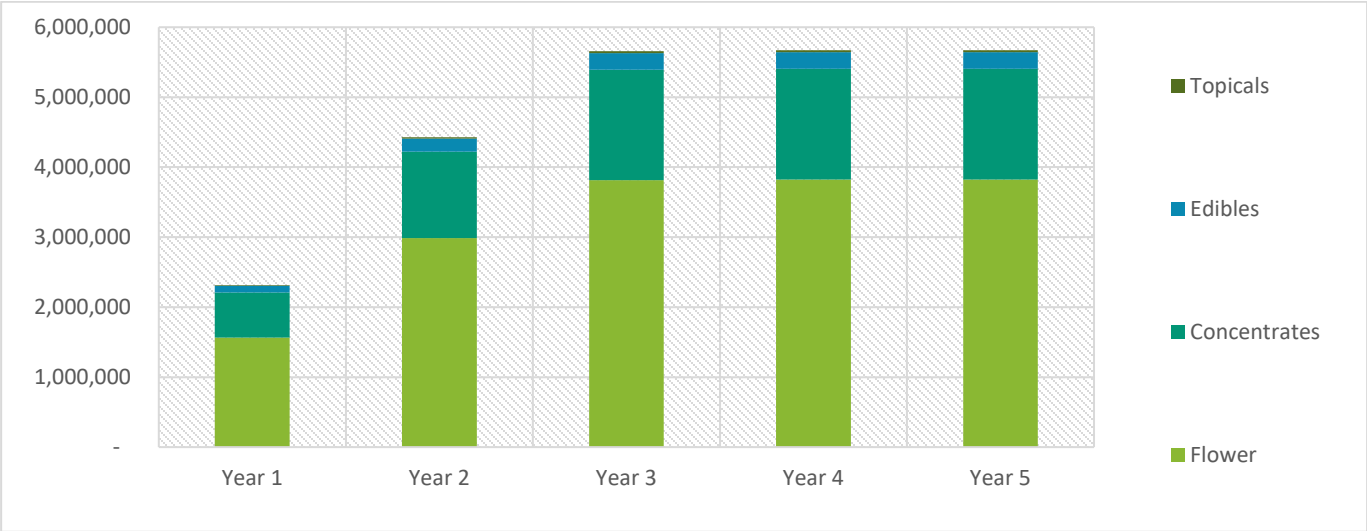


Figure 3. Sales forecast, \$

	\$	Flower	Concentrates	Edibles	Topicals	Other
<b>Year 1</b>		0	0	0	0	0
<b>Year 2</b>		5,236,000	7,416,640	3,592,512	177,144	258,720
<b>Year 3</b>		6,968,640	9,870,874	4,781,307	235,763	344,333
<b>Year 4</b>		8,225,280	11,650,867	5,643,510	278,277	406,426
<b>Year 5</b>		9,481,920	13,430,861	6,505,713	320,792	468,518
<b>Year 6</b>		10,738,560	15,210,854	7,367,916	363,306	530,611
<b>Year 7</b>		11,995,200	16,990,848	8,230,118	405,821	592,704

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

\$	1m	2m	3m	4m	5m	6m
<b>Year 1</b>	0	0	0	0	0	0
	7m	8m	9m	10m	11m	12m
<b>Year 1</b>	0	0	0	0	0	0
	1m	2m	3m	4m	5m	6m
<b>Year 2</b>	0	1,516,456	1,516,456	1,516,456	1,516,456	1,516,456
	7m	8m	9m	10m	11m	12m
<b>Year 2</b>	1,516,456	1,516,456	1,516,456	1,516,456	1,516,456	1,516,456
	1m	2m	3m	4m	5m	6m
<b>Year 3</b>	1,850,076	1,850,076	1,850,076	1,850,076	1,850,076	1,850,076
	7m	8m	9m	10m	11m	12m
<b>Year 3</b>	1,850,076	1,850,076	1,850,076	1,850,076	1,850,076	1,850,076

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ORGANIZATIONAL STRUCTURE

Green Choice is a business that will be built on a solid foundation. From the outset, we have decided to recruit only persons new to the industry for non-management staff positions in the company. Green Choice is quite aware of the rules and regulations governing the cannabis industry of which cannabis dispensing falls under. Therefore, Green Choice is committed to recruiting experienced and qualify employees as foundational staff in the organization. Green Choice hopes to leverage on their expertise to build its business brand to be well accepted in the United States.

These are the positions that will be available at Green Choice:

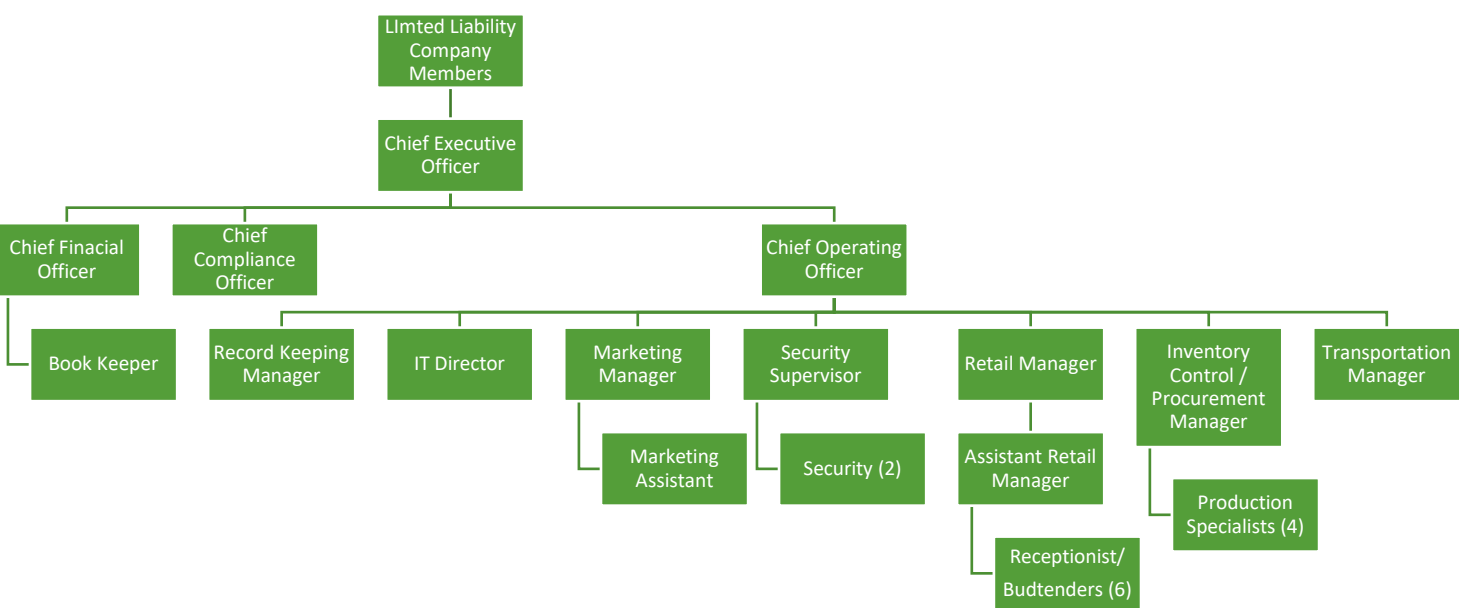


Figure 4. Organizational structure

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Table 5. Personnel plan

<b>Senior Management</b>		Month	Base Annual Salary	Benefits %
1	CEO	26	120,000	20.0%
2	COO	14	110,000	20.0%
3	CCO	26	110,000	20.0%
4	Record Keeping Manager	14	100,000	20.0%
5	CFO	14	110,000	20.0%
6	ICM / Procurement Mng.	14	100,000	20.0%
7	Retail Manager	14	100,000	20.0%
Social Security taxes				6.2%
Medicare tax				1.5%
Insurance				7.5%
Total Senior Management Salaries & Benefits			\$ 750,000.00	
Total Senior Management Headcount				7
<b>Business Development</b>		Month	Base Annual Salary	Benefits %
1	Trans. Manager	25	40,000	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
Social Security taxes				6.2%
Medicare tax				1.5%
Insurance				7.5%
Total Business Development Salaries & Benefits \$			40,000.00	
Total Business Development Headcount				1
<b>Sales</b>		Month	Base Annual Salary	Benefits %
1	Assistant Retail Manager	39	50,000	20.0%
2	Budtenders	14	40,000	20.0%
3	Budtenders	14	40,000	20.0%
4	Budtenders	14	40,000	20.0%
5	Budtenders	14	40,000	20.0%
6	Budtenders	14	40,000	20.0%
7	Budtenders	14	40,000	20.0%

	Social Security taxes		6.2%	
	Medicare tax		1.5%	
	Insurance		7.5%	
Total Salesperson Salaries & Benefits		\$	290,000.00	
Total Salesperson Headcount			7	
Marketing	Month	Base Annual Salary	Benefits %	
1	Marketing Manager	17	75,000	20.0%
2	Marketing Assistant	21	40,000	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Social Security taxes		6.2%	
	Medicare tax		1.5%	
	Insurance		7.5%	
Total Marketing Salaries & Benefits		\$	155,250.00	
Total Marketing Headcount			2	
IT	Month	Base Annual Salary	Benefits %	
1	IT Director	17	75,000	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Social Security taxes		6.2%	
	Medicare tax		1.5%	
	Insurance		7.5%	
Total IT Salaries & Benefits		\$	101,250.00	
Total IT Headcount			1	
Other	Month	Base Annual Salary	Benefits %	
1	Security Supervisor	24	50,000	20.0%
2	Security	14	40,000	20.0%
3	Security	14	40,000	20.0%



4	Production Specialist	14	50,000	20.0%
5	Production Specialist	14	50,000	20.0%
6	Production Specialist	14	50,000	20.0%
7	Production Specialist	14	50,000	20.0%
8	Bookkeeper	14	50,000	20.0%
	Social Security taxes			6.2%
	Medicare tax			1.5%
	Insurance			7.5%
Total Other Salaries & Benefits		\$	513,000.00	
Total Other Headcount				8
<b>Total Salaries &amp; Benefits</b>		<b>\$</b>	<b>1,849,500.00</b>	
<b>Total Headcount</b>				<b>26</b>

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## FINANCIAL PLAN

### FINANCIAL FORECAST

#### ASSUMPTIONS

The projections herein are based on the following assumptions:

1. The average retailer in Massachusetts currently has a gross revenue of approximately \$10,596,002.62.
2. The market will continue to grow at a rate of 21.88%. annually.
3. Green Choice will obtain an equal share of the market.
4. Market prices will remain about the same for the seven years projected.
5. As the number of retailers increases, Green Choice's market will remain the same
6. The market will not fully mature in less than five (5) years.
7. Green Choice will lease 6000 sq. ft. facility at a price of \$24.00 per sq. ft. annually.

#### FACTORS NOT ASSUMED OR ACCOUNTED FOR

The projections herein do not include outside factors that may affect these projections. Green Choice can plan and hope for but expect some occurrences that may impact financial outcomes. Some of these factors include:

1. Federal legalization;
2. Federal prosecution;
3. State Legislation;
4. Increased costs;
5. Unexpected losses of assets;
6. Unknown effects on the market from the COVID-19 Pandemic; and
7. The purchasing or leasing of property at a different rate.

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## SEVEN (7) YEAR PROJECTED INCOME STATEMENT

Based on the assumptions above:

### Summary

\$	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Total Revenues		16,681,016	22,200,916	26,204,360	30,207,804	34,211,247	38,214,691
Total Cost of Goods Sold		-11,776,570	-14,479,490	-17,080,932	-19,682,374	-22,283,816	-24,885,257
Total Operating Expenses	-363,995	-2,130,353	-2,703,991	-2,784,911	-2,802,862	-2,819,328	-2,835,494
EBITDA	-354,529	2,797,010	5,040,352	6,361,401	7,745,385	9,130,621	10,515,856
Interest Expense							
<b>Net Income</b>	<b>-363,995</b>	<b>402,598</b>	<b>1,075,901</b>	<b>1,611,598</b>	<b>2,199,560</b>	<b>2,788,753</b>	<b>3,378,196</b>
Cash		181,185	1,280,003	2,914,484	5,136,861	7,948,131	11,348,244
Total Assets	580,335	738,603	1,814,504	3,426,102	5,625,662	8,414,415	11,792,612
Revolver (Short-Term Debt)	244,329						
Long-Term Debt							
Total Shareholder's Equity	336,005	738,603	1,814,504	3,426,102	5,625,662	8,414,415	11,792,612
<b>NPV</b>							
Total Cash Flow from (to) Operations	-354,529	425,515	1,098,817	1,634,482	2,222,376	2,811,270	3,400,113
Total Cash Flow from (to) Investing	-589,800						
Unlevered Free Cash Flow	-944,329	425,515	1,098,817	1,634,482	2,222,376	2,811,270	3,400,113
Present Value of Unlevered Free Cash Flow	-821,156	321,750	722,490	934,520	1,104,914	1,215,390	1,278,228
Terminal Value			9,431,516		19,075,396		29,184,303
Present Value of Terminal Value			6,201,375		9,483,843		10,971,460
NPV based on terminal year 3		6,424,460					
NPV based on terminal year 5		11,746,362					
NPV based on terminal year 7		15,727,597					

## FINANCIAL REQUIREMENTS

Green Choice has proactively gained financial stability in having the funding necessary to move forward with this business plan. Startup costs of the retail section of Green Choice include those costs associated with equipment, insurance, security, labor, licensing, and operating expenses. Green Choice will achieve self-sufficiency within six to nine months due to the experience, knowledge, and dedication of all staff.

### SOURCES OF EQUITY:

Equity will be gathered in the form of capital, sweat equity, resources (such as application materials and operating plans), and the use of the general reputation of an owner.

## **CAPITAL INVESTORS**

Capital investors will provide a line of credit up to to begin operations. This is based on leasing a property, not purchasing a building outright. Once the initial inventory is obtained and the public is aware of the opening, the inventory should sell out completely as there are not enough products on the market to meet the demand currently.

Capital Investors will be first to be paid back. As we know from the financial projections, this will be accomplished within the first year, even leaving a profit to be divided among the owners.

## **SWEAT EQUITY INVESTORS**

Michael Grenier has performed all the tasks necessary to apply for a license.

### **Michael Grenier:**

Michael Grenier will perform all tasks he would undertake for the licensing process for a client of his.

Once Green Choice is operational, Grenier will act as the Acting Chief Executive Officer, Acting Director of Operations, and the Compliance Officer. Grenier may, with the advice and permission of the partners, hire a Director of Operations with more qualifications for that role.

Therefore, Grenier will save the company the salary of the Chief Executive Officer and the Compliance Office.

For this, Grenier will have 60% equity in Green Choice.

---

## **DEBT:**

Unless a property is purchased, there should be no outstanding debt.

---

## **OPERATING CAPITAL:**

\$600,000.00 will be raised to fund this project. After the initial inventory is sold, there will be enough capital to keep running Green Choice.

## FUNDING ANALYSIS

Company intends to raise \$600,000 for 5 years with ROI 103.2% and profit share 49%. First repayment will start from 12th month.

Table 6. Long-term debt schedule, \$

Long-term Debt	1	2	3	4	5	6
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

Long-term Debt	7	8	9	10	11	12
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

Long-term Debt	13	14	15	16	17	18
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

Long-term Debt	19	20	21	22	23	24
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

Long-term Debt	25	26	27	28	29	30
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

Long-term Debt	31	32	33	34	35	36
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

<b>Long-term Debt</b>	<b>37</b>	<b>38</b>	<b>39</b>	<b>40</b>	<b>41</b>	<b>42</b>
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

<b>Long-term Debt</b>	<b>43</b>	<b>44</b>	<b>45</b>	<b>46</b>	<b>47</b>	<b>48</b>
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

<b>Long-term Debt</b>	<b>49</b>	<b>50</b>	<b>51</b>	<b>52</b>	<b>53</b>	<b>54</b>
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

<b>Long-term Debt</b>	<b>55</b>	<b>56</b>	<b>57</b>	<b>58</b>	<b>59</b>	<b>60</b>
Long-Term Debt Beginning Balance	0	0	0	0	0	0
Long-Term Debt Repayment	0	0	0	0	0	0
Long-Term Debt Ending Balance	0	0	0	0	0	0
ROI	0	0	0	0	0	0
Profit Share (Investors)	0	0	0	0	0	0

## DIRECT AND OPERATING EXPENSE BREAKDOWN

### DIRECT COSTS

Table 7. Direct costs, \$

<b>\$</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Products Purchase</b>					
<b>Flowers</b>	0	3,248,784	4,323,836	5,103,544	5,883,252
<b>Concentrates</b>	0	4,612,608	6,138,962	7,245,988	8,353,014
<b>Edibles</b>	0	2,300,144	3,061,283	3,613,317	4,165,352
<b>Topicals</b>	0	70,858	94,305	111,311	128,317
<b>Other</b>	0	103,488	137,733	162,570	187,407
<b>Delivery Costs</b>					
<b>Delivery costs</b>	0	0	0	0	0
<b>Fuel</b>	0	0	0	0	0
<b>Other delivery costs</b>	0	0	0	0	0
<b>Other Direct Costs</b>					
<b>Other direct costs</b>	0	0	0	0	0

Initial inventory	0	\\	0	0	0
Other direct costs	0	363	483	570	657
Other direct costs	0	363	483	570	657
<b>Taxes</b>					
Cannabis Business Tax	0	500,430	666,027	786,131	906,234
<b>Total</b>	<b>0</b>	<b>10,837,038</b>	<b>14,423,112</b>	<b>17,024,002</b>	<b>19,624,891</b>

## OPERATING EXPENSES

\$	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	17,000	0	0	0	0
Build - Out Costs	16,000	0	0	0	0
Other Initial costs	15,000	0	0	0	0
Licensing renewal and other legal fees	0	11,615	11,730	11,845	11,960
Professional Services, Commercial Insurance	7,500	30,300	30,600	30,900	31,200
<b>G&amp;A Expenses - Retail</b>					
Training	10,000	10,100	10,200	10,300	10,400
Building Renting	112,000	193,920	195,840	197,760	199,680
Building Maintenance, including utilities	12,758	22,089	22,307	22,526	22,745
Equipment Maintenance	700	1,212	1,224	1,236	1,248
Administrative expenses, including phone and internet	1,050	1,818	1,836	1,854	1,872
Inventory Control Systems, Security & Other Software Services	95,681	165,665	167,306	168,946	170,586
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)	0	0	0	0	0
<b>SG&amp;A Expenses - Marketing &amp; Sales Expenses</b>					
Marketing Expenses, including PR, Branding, Online and Offline advertising	50,000	90,900	61,200	41,200	31,200
Other Marketing & Sales Expenses	5,000	12,120	12,240	12,360	12,480
Other Expenses	0	0	0	0	0
<b>SG&amp;A Expenses - Misc.</b>	<b>8,841</b>	<b>15,844</b>	<b>15,083</b>	<b>14,612</b>	<b>14,442</b>
<b>Salaries &amp; Benefits</b>	<b>0</b>	<b>1,551,854</b>	<b>2,207,886</b>	<b>2,305,418</b>	<b>2,329,715</b>
<b>Total</b>	<b>351,529</b>	<b>2,107,436</b>	<b>2,737,452</b>	<b>2,818,957</b>	<b>2,837,528</b>



## PROFIT & LOSS FORECAST

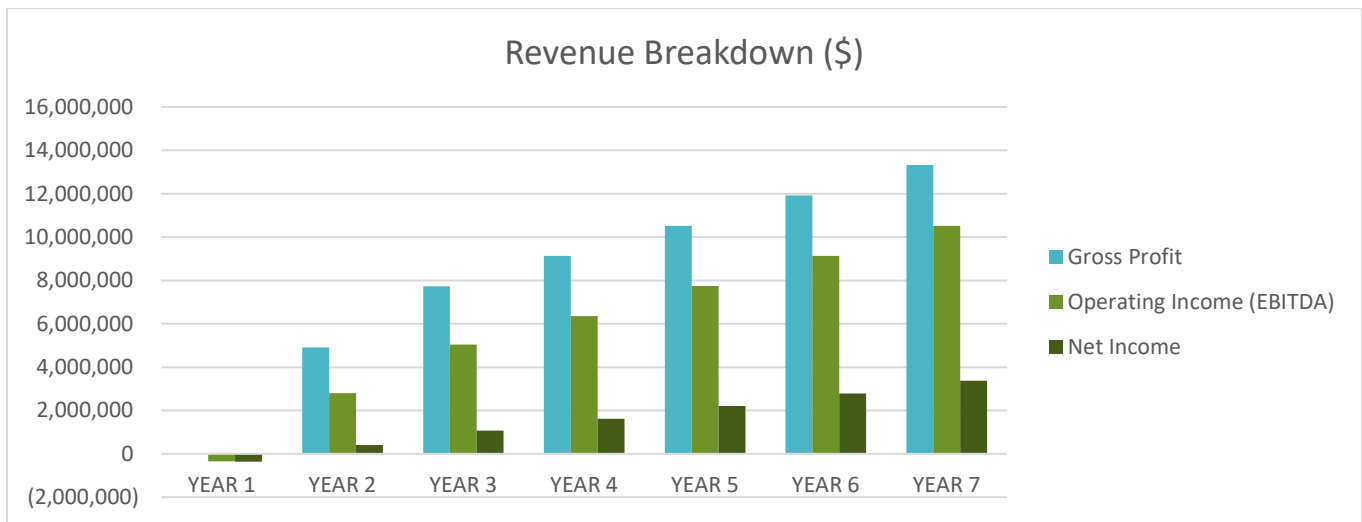
Business's revenue is projected to grow significantly for the first two years' timeframe. The yearly projections are in the table below:

Table 8. Income Statement, \$

### Profit & Loss Statement

\$	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
Revenue	0	16,681,016	22,200,916	26,204,360	30,207,804	34,211,247	38,214,691
COGS - Cost of Goods Sold	0	11,776,570	14,479,490	17,080,932	19,682,374	22,283,816	24,885,257
<b>Gross Profit</b>	0	4,904,446	7,721,426	9,123,428	10,525,430	11,927,432	13,329,434
% Of revenue	#DIV/0!	29%	35%	35%	35%	35%	35%
SG&A Expenses							
G&A Expenses - Initial & General Costs	58,500	41,915	42,330	42,745	43,160	43,575	43,990
Plans / Permits / Traffic study	17,000	0	0	0	0	0	0
Computers - Tablets and office	16,000	0	0	0	0	0	0
Misc. Office/retail equip	15,000	0	0	0	0	0	0
Licensing renewal and other legal fees	0	11,615	11,730	11,845	11,960	12,075	12,190
Professional Services, Commercial Insurance	7,500	30,300	30,600	30,900	31,200	31,500	31,800
G&A Expenses - Retail	232,189	394,804	398,713	402,622	406,531	410,440	414,349
SG&A Expenses - Marketing & Sales Expenses	55,000	498,445	573,790	618,117	625,694	631,710	637,727
Senior Management Salaries & Benefits	0	658,658	1,009,866	1,036,350	1,036,350	1,036,350	1,036,350
IT Salaries & Benefits	0	69,781	105,708	106,744	107,780	108,817	109,853
Other Salaries & Benefits	0	427,990	535,586	540,837	546,087	551,338	556,589
SG&A Expenses - Misc.	8,841	15,844	15,083	14,612	14,442	14,581	14,720
Total SG&A Expenses	354,529	2,107,436	2,681,074	2,762,027	2,780,045	2,796,811	2,813,578
<b>Operating Income (EBITDA)</b>	(354,529)	2,797,010	5,040,352	6,361,401	7,745,385	9,130,621	10,515,856
% Of revenue	#DIV/0!	17%	23%	24%	26%	27%	28%
Depreciation and Amortization	9,465	22,917	22,917	22,883	22,817	22,517	21,917
<b>Earnings Before Interest &amp; Taxes (EBIT)</b>	(363,995)	2,774,093	5,017,435	6,338,517	7,722,568	9,108,104	10,493,940

Interest Expense	0	0	0	0	0	0	0
<b>Earnings Before Taxes (EBT)</b>	(363,995)	2,774,093	5,017,435	6,338,517	7,722,568	9,108,104	10,493,940
Income Tax	0	2,371,495	3,941,534	4,726,919	5,523,009	6,319,350	7,115,743
<b>Net Income</b>	(363,995)	402,598	1,075,901	1,611,598	2,199,560	2,788,753	3,378,196
% Of revenue	#DIV/0!	2%	5%	6%	7%	8%	9%



## CASH FLOW STATEMENT

The cash flow projections show that business will have sufficient cash to support the activity. The following table presents a view of projected cash flow of the business.

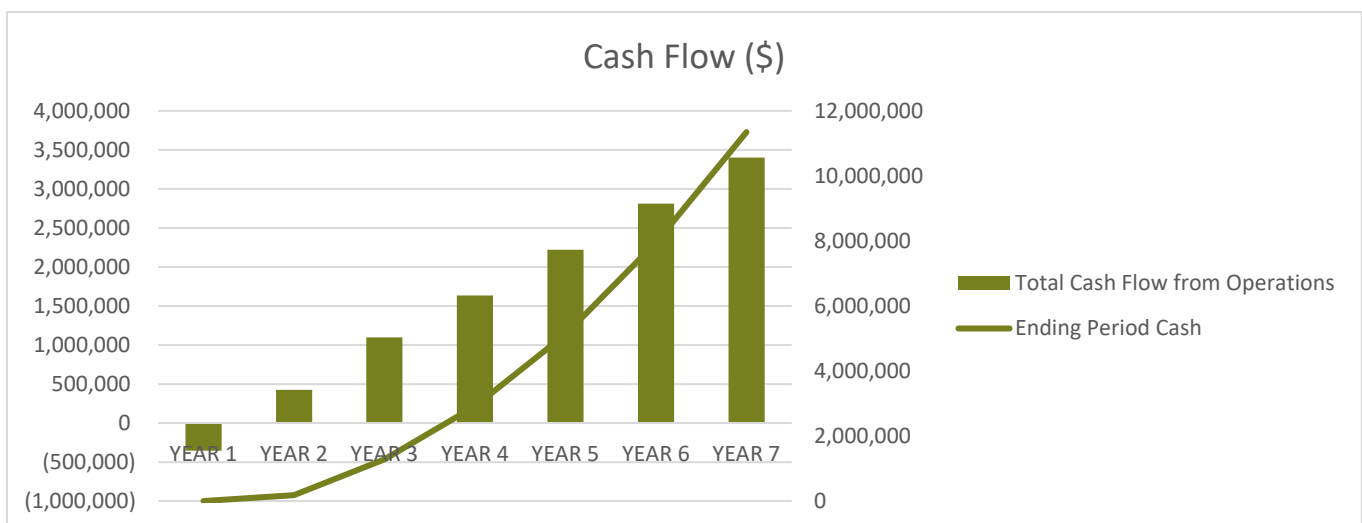




Table 9. Cash Flow Statement, \$

	\$	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
<b>Net Income</b>		(329,321)	449,769	1,129,377	1,665,484	2,253,856	2,843,460	3,433,314
<b>Cash Flow from Operations</b>								
Depreciation		3,632	8,917	8,917	8,883	8,817	8,517	7,917
Change in Receivables		0	0	0	0	0	0	0
Change in Inventory		0	0	0	0	0	0	0
Change in Accounts Payable		0	0	0	0	0	0	0
<b>Total Cash Flow from Operations</b>		(325,689)	458,686	1,138,293	1,674,368	2,262,673	2,851,977	3,441,230
<b>Cash Flow from Investing</b>								
Capital Expenditures (CAPX)		(169,800)	0	0	0	0	0	0
Other		0	0	0	0	0	0	0
<b>Total Cash Flow from Investing</b>		(169,800)	0	0	0	0	0	0
<b>Cash Flow from Financing</b>								
Revolver Issuance / (Repayment)		0	0	0	0	0	0	0
Long-Term Debt Issuance / (Repayment)		0	0	0	0	0	0	0
Paid in Capital		700,000	0	0	0	0	0	0
Drawings (profit share)		0	0	0	0	0	0	0
<b>Total Cash Flow from Financing</b>		700,000	0	0	0	0	0	0
<b>Total Change in Cash</b>		204,511	458,686	1,138,293	1,674,368	2,262,673	2,851,977	3,441,230
<b>Beginning Period Cash</b>		0	204,511	663,196	1,801,490	3,475,858	5,738,530	8,590,508
<b>Ending Period Cash</b>		204,511	663,196	1,801,490	3,475,858	5,738,530	8,590,508	12,031,738

## BALANCE SHEET

The balance sheet shows healthy growth of net worth and strong financial position.

Table 10. Balance Sheet, \$

### Balance Sheet

\$	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
<b>Assets</b>							
Current Assets							
Cash	0	181,185	1,280,003	2,914,484	5,136,861	7,948,131	11,348,244
Receivables	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0
Total Current Assets	0	181,185	1,280,003	2,914,484	5,136,861	7,948,131	11,348,244
Long Term Assets							
Property Plant & Equipment (PPE), gross	589,800	589,800	589,800	589,800	589,800	589,800	589,800
Accumulated Depreciation of PPE	(9,465)	(32,382)	(55,299)	(78,182)	(100,999)	(123,515)	(145,432)
PP&E, net	580,335	557,418	534,501	511,618	488,801	466,285	444,368
<b>Total Assets</b>	<b>580,335</b>	<b>738,603</b>	<b>1,814,504</b>	<b>3,426,102</b>	<b>5,625,662</b>	<b>8,414,415</b>	<b>11,792,612</b>
<b>Liabilities</b>							
Current Liabilities							
Accounts Payable	0	0	0	0	0	0	0
Total Current Liabilities	244,329	0	0	0	0	0	0
Long Term Liabilities	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>244,329</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity</b>							
Paid-in Capital/Drawings	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Retained Earnings	(363,995)	38,603	1,114,504	2,726,102	4,925,662	7,714,415	11,092,612
Current Period Retained Earnings	336,005	738,603	1,814,504	3,426,102	5,625,662	8,414,415	11,792,612
Total Equity	336,005	738,603	1,814,504	3,426,102	5,625,662	8,414,415	11,792,612
<b>Total Liabilities and Equity</b>	<b>580,335</b>	<b>738,603</b>	<b>1,814,504</b>	<b>3,426,102</b>	<b>5,625,662</b>	<b>8,414,415</b>	<b>11,792,612</b>

## MAIN RATIOS

The return on equity ratio (ROE) measures how much the owner and investors earn for their investment in the company. The higher the ratio percentage, the better return is. In general, financial analysts consider return on equity ratios in the 15-20% range as representing attractive levels of investment quality. As we can see ROE (DuPont) for our project is higher and draw up 68%.

Return on assets (ROA) gives an idea as to how efficient management is at using its assets to generate earnings.

Profitability ratios are a class of financial metrics that are used to assess a business's ability to generate earnings as compared to its expenses and other relevant costs incurred during a specific period.

Table 11. Main Ratios for five years

### Ratios

Ratio Analysis	Year 2	Year 3	Year 4	Year 5	Avg. (2-5 years)	Avg (3-5 years)
<b>Return on Equity</b>	74.9%	84.3%	61.5%	48.6%	<b>67.3%</b>	<b>64.8%</b>
Return on Assets	61.0%	84.3%	61.5%	48.6%	<b>63.9%</b>	<b>64.8%</b>
Financial Leverage	1.23	1.00	1.00	1.00	<b>1.06</b>	<b>1.00</b>
Correction Factor	1.00	1.00	1.00	1.00	<b>1.00</b>	<b>1.00</b>
<b>Return on Assets</b>						
Return on Sales	2.4%	4.8%	6.2%	7.3%	<b>5.2%</b>	<b>6.1%</b>
Asset turnover	25.29	17.39	10.00	6.67	<b>14.84</b>	<b>11.36</b>
<b>Profitability</b>						
Gross margin	29.4%	34.8%	34.8%	34.8%	<b>33.5%</b>	<b>34.8%</b>
SG&A as % of Sales	12.6%	12.1%	10.5%	9.2%	<b>11.1%</b>	<b>10.6%</b>
Operating Margin	16.6%	22.6%	24.2%	25.6%	<b>22.2%</b>	<b>24.1%</b>
Interest Expense as % of Sales	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	<b>0.0%</b>
Effective Tax Rate	85.5%	78.6%	74.6%	71.5%	<b>77.5%</b>	<b>74.9%</b>
<b>Asset Turnover Ratios</b>						
Accounts Receivable Turnover	-	-	-	-	-	-
Inventory Turnover	-	-	-	-	-	-
Accounts Payable Turnover	-	-	-	-	-	-
Fixed Asset Turnover	29.3	40.7	50.1	60.4	<b>45.1</b>	<b>50.4</b>
<b>Days Turnover Ratios</b>						
Days Receivables	-	-	-	-	-	-

Days Inventory	-	-	-	-	-	-
Days Payables	-	-	-	-	-	-
Net Trade Cycle	-	-	-	-	-	-
<b>Liquidity Analysis</b>						
Solvency Ratio	-	-	-	-	-	-
Current Ratio	-	-	-	-	-	-
Quick Ratio	-	-	-	-	-	-
CFO-to-Current Liabilities	3.48	-	-	-	3.5	-
Interest Coverage	-	-	-	-	-	-
Cash Interest Coverage	-	-	-	-	-	-
Debt to Equity	0.00	0.00	0.00	0.00	0.0	0.0
Long-Term-Debt to Equity	0.00	0.00	0.00	0.00	0.0	0.0
Long-Term Debt to Tangible Assets	0.00	0.00	0.00	0.00	0.0	0.0
<b>Other Information</b>						
Sales Growth	#DIV/0!	33.1%	18.0%	15.3%	#DIV/0!	22.1%
Statutory Tax Rate	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
De-levered Net Income	402,598	1,075,901	1,611,598	2,199,560		
Purchases	11,776,570	14,479,490	17,080,932	19,682,374		
Weighted Avg Depreciation Rate	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Weighted Avg Interest Rate	-	-	-	-	-	-
<b>DuPont Analyses</b>						
Net Profit Margin	2%	5%	6%	7%	5.2%	6.1%
Asset Turnover	22.58	12.24	7.65	5.37	1195.9%	841.8%
Equity Multiplier	1.00	1.00	1.00	1.00	100.0%	100.0%
DuPont Return on Equity	55%	59%	47%	39%	50.0%	48.5%

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## LONG-TERM FINANCIAL FEASIBILITY PLAN

According to the American Cannabis Company, “despite all the challenges and regulations, nearly 90% of operating dispensaries, wholesale cultivators, and infused products companies report that they are profitable.

In 2016, people in North America spent an estimated \$6.7 billion on legal cannabis and nearly \$9 billion in 2017.

One in five Americans are using some form of legal cannabis and the numbers are expected to grow.

More than a quarter of dispensaries generate annual revenues exceeding \$1 million. Another 15 percent report annual revenues between \$500,000 and \$1 million.

Well-established dispensaries often have thousands and even tens of thousands of loyal clients, tested products, professional packaging, and a dozen more employees.

Such businesses report annual sales that climb as high as \$10 million, while dispensaries located in remote areas bring in closer to \$3 million.

A fair share of dispensary owners also reports taking in \$500,000 or less in annual revenues with those in the low-end generating between \$100,000 and \$250,000 from their sales.

The three (3) Massachusetts retail Establishments split approximately \$56,000,000.00 between them according to Marijuana Business Daily. After the new licensing, there will be nine (9) retail Establishments presumably splitting the \$56 million.

With the assumption that Green Choice1 will take an even share of that, Green Choice1 expects at least \$13,000,000.00 in revenue the first year and increased revenue every year thereafter.

Overhead costs are \$13,098,389.07 leaving Green Choice1 with a “profit” of 621,912, which may be reinvested in Green Choice1 or distributed as profits the first year.

## DETAILED TIMELINE FOR INITIATING OPERATIONS

- 1 Month Property Leasing:
- 2 Months to obtain a Host Community Agreement and hold a Community Outreach Meeting.
- 2 Weeks to finish application materials
- 1 Month or more for review by CCC to declare application complete



- 60 days for municipality to respond to CCC. (If town responds earlier, time is shortened that much)
- 2 Months to obtain a Provisional License
- 6 Months to perform Buildout
- 1 Month for final inspections a Final License granting
- 2 weeks to open doors

**Total + 16 Months**

## FUNDS FOR CAPITAL IMPROVEMENTS AND OPERATING NEEDS

Green Choice will have substantial funds to make capital improvements as well as to meet operational needs. The line of credit will have \$600,000.00 available for use.

## FINANCIAL OVERSIGHT AND COMPLIANCE PLAN

Cannabis institutions operate in a dynamic environment influenced by industry consolidation, convergence of financial services, emerging technology, and market globalization as well as isolation. To remain profitable in such an environment, cannabis institutions continuously assess and modify their product and service offerings and operations in the context of a business strategy. At the same time, new legislation may be enacted to address developments in the marketplace.

All these forces combine to create inherent risk. To address this risk, Green Choice will develop and maintain a sound compliance management system that is integrated into the overall risk management strategy of the institution.

This section discusses the elements of an effective compliance management system -- partners and management oversight, the compliance program, and the compliance audit that will be implemented by Green Choice.

## COMPLIANCE MANAGEMENT SYSTEM

A compliance management system is how an institution:

- ▶ Learns about its compliance responsibilities;
- ▶ Ensures that employees understand these responsibilities;
- ▶ Ensures that requirements are incorporated into business processes;
- ▶ Reviews operations to ensure responsibilities are carried out and requirements are met; and
- ▶ Takes corrective action and updates materials, as necessary.

An effective compliance management system is commonly comprised of three interdependent elements:

- ▶ Board and management oversight;
- ▶ Compliance program;
- ▶ Compliance audit;
- ▶ When all elements are strong and working together, an institution will be successful at managing its compliance responsibilities and risks now and in the future.

Cannabis institutions are required to comply with federal consumer protection laws and regulations. Noncompliance can result in monetary penalties, litigation, and formal enforcement actions. The responsibility for ensuring that an institution is complying appropriately rests with the partners and management of the institution.

Therefore, the Department of Business Regulations expects every cannabis institution to have an effective compliance management system adapted to its unique business strategy.

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## PARTNER AND MANAGEMENT OVERSIGHT

The owners of a cannabis institution are ultimately responsible for developing and administering a compliance management system that ensures compliance with federal consumer protection laws and regulations. To a large degree, the success of an institution's compliance management system is founded on the actions taken by its board and senior management. Key actions that a board and management will take to demonstrate their commitment to maintaining an effective compliance management system and to set a positive climate for compliance include:

- ▶ demonstrating clear and unequivocal expectations about compliance.
- ▶ adopting clear policy statements.
- ▶ appointing a compliance officer with authority and accountability.
- ▶ allocating resources to compliance functions commensurate with the level and complexity of the institution's operations.
- ▶ conducting periodic compliance audits; and
- ▶ providing for recurrent reports by the compliance officer to the board.

Leadership on compliance by the Partners and senior management sets the tone in an organization. The board and senior management will discuss compliance topics during their meetings. They will include compliance matters in their communications to institution personnel and the public. Institution management and staff will have a clear understanding that compliance is important to the board and senior management, and that they are expected to incorporate compliance in their daily operations.

Policy statements on compliance topics provide a framework for the institution's procedures and provide clear communication to management and employees of the board's intentions toward compliance.

The first step a Partners and senior management has taken in providing for the administration of the compliance program is the designation of a compliance officer, Michael Whittaker, CCO and COO. In developing the organizational structure of the compliance program, a board and senior management must grant a compliance officer sufficient authority and independence to:

- ▶ cross departmental lines.
- ▶ have access to all areas of the institution's operations; and
- ▶ effect corrective action.

The compliance officer will have knowledge and understanding of all consumer protection laws and regulations that apply to the business operations of the financial institution. The compliance officer will also have general knowledge of the overall operations of the institution and interact with all the departments and branches to keep abreast of changes (e.g., new products and services or business practices, personnel turnover) that may require action to manage perceived risk.

A compliance officer's general responsibilities include:

- ▶ Developing compliance policies and procedures.
- ▶ Training management and employees in consumer protection laws and regulations.
- ▶ Reviewing policies and procedures for compliance with applicable laws and regulations and the institution's stated policies and procedures.
- ▶ Assessing emerging issues or potential liabilities.
- ▶ Coordinating responses to consumer complaints.
- ▶ Reporting compliance activities and audit/review findings to the board; and
- ▶ Ensuring corrective actions.

Compliance responsibility and accountability will be clearly defined.

To be effective at overseeing compliance and maintaining a strong compliance posture, the compliance officer will be provided with ongoing training, as well as sufficient time and adequate resources to do the job. The compliance officer may utilize third-party service providers or consultants to help administer the compliance program or audit functions. However, the compliance officer will perform sufficient due diligence to verify that the provider is qualified, because ultimately the institution is accountable for compliance with consumer protection laws and regulations

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## COMPLIANCE PROGRAM

A sound compliance program is essential to the efficient and successful operation of the institution, much as a business plan. Green Choice 's compliance program will include the following components:

- ▶ Policies and procedures;
- ▶ Training;
- ▶ Monitoring; and
- ▶ Consumer complaint response.

Green Choice will establish a formal, written compliance program. In addition to being a planned and organized effort to guide Green Choice 's compliance activities, a written program represents an essential source document that will serve as a training and reference tool for all employees. A well planned, implemented, and maintained compliance program will prevent or reduce regulatory violations, provide cost efficiencies, and is a sound business step.

Compliance efforts require an ongoing commitment from all levels of management and will be a part of Green Choice's daily business operations.

---

## POLICIES AND PROCEDURES

Compliance policies and procedures generally should be described in a document and reviewed and updated as the business and regulatory environment changes. Policies have been and will continue to be established that include goals and objectives and appropriate procedures for meeting those goals and objectives. Green Choice 's policies and procedures will provide personnel with all the information needed to perform a marijuana retail establishment operation. This may include applicable regulation cites and definitions, sample forms with instructions, institution policy, and standard operating procedures.

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## TRAINING

Education of Green Choice’s partners, management, and staff are essential to maintaining an effective compliance program. Line management and staff should receive specific, comprehensive training in laws and regulations, and internal policies and procedures that directly affect their jobs.

The compliance officer is responsible for compliance training and establish a regular training schedule for directors, management, and staff, as well as for third-party service providers. Training will be conducted in-house or through external training programs or seminars. Once personnel have been trained on a particular subject, a compliance officer will periodically assess employees on their knowledge and comprehension of the subject matter.

The compliance training program will be frequently updated with current, complete, and accurate information on products and services and business operations of the institution, consumer protection laws and regulations, internal policies and procedures, and emerging issues in the public domain.

---

## MONITORING

Businesses that include a compliance officer in the planning, development, and implementation of business propositions increases the likelihood of a successful compliance monitoring program. For this reason, “Monitoring” is the proactive approach that Green Choice<sup>1</sup> will use to identify procedural or training weaknesses to avoid regulatory violations.

The monitoring system will include regularly scheduled reviews of:

- ▶ Disclosures and calculations for various product offerings;
- ▶ Document filing and retention procedures;
- ▶ Posted notices, marketing literature, and advertising;
- ▶ Various state usury and consumer protection laws and regulations;
- ▶ Third party service provider operations; and
- ▶ Internal compliance communication systems that provide updates and revisions of the applicable laws and regulations to management and staff.

Changes to regulations or changes in business operations, products, or services will trigger a review of established compliance procedures. Modifications that are necessary will be made expeditiously to minimize compliance risk, and applicable personnel in all affected operating units will be advised of the changes.

Monitoring also will include reviews at the transaction level during the normal, daily activities of employees in every operating unit of Green Choice<sup>1</sup>.

The Compliance Officer will monitor employee performance to ensure that they are following Green Choice's established internal compliance policies and procedures.

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## CONSUMER COMPLAINT RESPONSE

Green Choice will be prepared to handle product recalls as well as complaints from consumers in accordance with the Product Recall and Complaint Handling Plan.

## COMPLIANCE AUDIT

The Compliance Officer will conduct an independent review of Green Choice's compliance with consumer protection laws and regulations and adherence to internal policies and procedures. The partners of Green Choice will determine the scope of an audit, and the frequency with which audits are conducted.

In determining the scope and frequency of an audit, the partners will consider such factors as:

- ▶ Expertise and experience of various institution personnel;
- ▶ Organization and staffing of the compliance function;
- ▶ Volume of transactions;
- ▶ Complexity of products offered;
- ▶ Number and type of consumer complaints received;
- ▶ Size of the institution;
- ▶ Organizational structure of the institution;



- ▶ Outsourcing of functions to third party service providers;
- ▶ Degree to which policies and procedures are defined and detailed in writing; and
- ▶ Magnitude or frequency of changes to any of the above.

Regardless of whether audits are conducted by Green Choice personnel or by a contractor, the audit findings will be reported directly to the Partners or a committee of the board. A written compliance audit report will include:

- ▶ Scope of the audit (including departments, branches, and product types reviewed);
- ▶ Deficiencies or modifications identified;
- ▶ Number of transactions sampled by category of product type; and
- ▶ Description of, or suggestions for, corrective actions and time frames for correction.

Board and senior management response to the audit report should be prompt. The compliance officer will receive a copy of all compliance audit reports, and act to address noted deficiencies and required changes to ensure full compliance with consumer protection laws and regulations. Management will also establish follow-up procedures to verify, later, that the corrective actions were lasting and effective.

## CONSUMER EDUCATION

Consumer education is a required function of Green Choice's retail staff and is central to consumer interaction with staff. Retail staff will be made to treat the intake process with extreme sensitivity. The personal background and varying questions of each new consumer is unique and must be treated with careful attention.

### NEW CONSUMER INFORMATION PACKET

The Green Choice staff will listen carefully to what consumers say and to questions consumers ask. Staff will politely answer questions and provide new consumers with a New Consumer Packet during the initial consult. The budtender will create a consumer profile at the register.

The contents of the packets include, but are not limited to, the following: A letter of welcome from the Green Choice staff; an explanation of incentive programs and rewards offered; a post card outlining the differences

between Indica and Sativa strains;; a guide to edibles and topicals; an explanation of different types of cannabis (extracts, tinctures, salves, etc.); a clear breakdown of the dosing limits with instructions on how to access this information through our website “services” section; a chart of edible and concentrate dosing with respect to one’s limit; and a three page introduction to the effects of cannabis on the body with an emphasis on the difference between THC and CBD.

During the intake process, a budtender will encourage a new consumer to use the Green Choice website’s FAQ page that answers questions frequently asked by consumers. If Green Choice receives news from the Massachusetts CCC that should be shared with the public or is requested by the Massachusetts CCC to publicize an item Green Choice will advertise said news or item through the Green Choice website and via its email mailing list and texting platform.

## PRODUCTS AND SERVICES

All officers and managers of Green Choice will ensure that products are being sold in compliance with the laws and regulations.

Green Choice one will offer customers a friendly, inviting, educational and enjoyable experience when buying cannabis products. Green Choice will sell all lawful cannabis products available.

*(END)*

## **Anthony Paolino**

---

**From:** Daniel Lathrop <dlathrop@lathropinsurance.com>  
**Sent:** Thursday, December 29, 2022 9:28 AM  
**To:** Anthony Paolino  
**Subject:** FW: Green Choice Dispensaries LLC

From the bond company...

**Dan Lathrop**  
Lathrop Insurance

**33 Crestview Dr**  
**Westerly, RI 02891**  
Phone: 401-596-2525  
Mobile: 203-666-6583  
E-Mail: [dlathrop@lathropinsurance.com](mailto:dlathrop@lathropinsurance.com)

[Buy Better Insurance Here](#)  
[Instant Life Insurance Instant Quotes](#)

---

**From:** Jim Crawford <jim@aadority.com>  
**Sent:** Thursday, December 29, 2022 9:03 AM  
**To:** Daniel Lathrop <dlathrop@lathropinsurance.com>; Jeff Crawford <jeff@aadority.com>  
**Cc:** Gina Arnold <garnold@lathropinsurance.com>  
**Subject:** RE: Green Choice Dispensaries LLC

The bond renewed on 8/19/22, and the bond form has no expiration date. We received your renewal payment on 6/14/22.

Thanks

**James M. Crawford**  
**A.A. Dority Company, Inc.**  
**226 Lowell Street, Suite B-4**  
**Wilmington, MA 01887**

**Surety Bonds since 1899**

**Phone: 617-523-2935**  
**Fax: 617-523-1707**  
**[www.aadority.com](http://www.aadority.com)**

**NOTE: Our new address is 226 Lowell Street, Suite B-4, Wilmington, MA 01887**



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## RECORD KEEPING PLAN

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## RECORD KEEPING PLAN

### RECORD KEEPING PLAN INTRODUCTION

This Record Keeping Plan describes the policies, procedures, controls, and other measures that will be implemented to ensure all paper and electronic records are properly managed to comply with local and state requirements.

Company records will also be maintained to provide operational information to company managers, advisors, and owners for decision-making purposes, and to provide information in case of insurance, criminal, or regulating authority investigations.

A primary goal is to maintain information that will meet not only regulatory requirements, but also be transparent and admissible in court. State and local laws supersede any item in the Plan that does not meet regulatory requirements.

Within this plan cannabis is often referred to as “the product.” Where an “employee” is referred to in this plan, it also includes other individuals involved with Bonsai, including owners, officers, agents, and others representing the company.

Sensitive records include, but are not limited to, personal identity information, protected health information, credit card data, financial records, intellectual property, password records, information related to a criminal investigation, material covered by any non-disclosure agreements, information identified by regulating authorities as restricted, security and operating records for which the availability would make the company vulnerable to criminal activity, and other information for which the degree of adverse effect that may result from unauthorized access or disclosure is high.

Several record keeping policies overlap with other procedures. Some items are repeated in both the Record Keeping Plan and the other plans, and in other cases, this plan refers to the other documents.

## INSPECTION OF RECORDS

**Green Choice managers and staff will make any and all records available to the Cannabis Control Commission or its agents upon request.**

### **500.105(9): Record Keeping.**

Records of a Marijuana Establishment must be available for inspection by the Commission, upon request. The records of a Marijuana Establishment shall be maintained in accordance with generally accepted accounting principles. Written records that are required and are subject to inspection include, but are not necessarily limited to, all records required in any section of 935 CMR 500.000, in addition to the following:

(a) Written operating procedures as required by 935 CMR 500.105(1);

(b) Inventory records as required by 935 CMR 500.105(8);

€ Seed-to-sale tracking records for all marijuana products as required by 935 CMR 500.105(8)€;

(d) The following personnel records:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;

2. A personnel record for each marijuana establishment agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with the Marijuana Establishment and shall include, at a minimum, the following:

a. all materials submitted to the Commission pursuant to 935 CMR 500.030(2);

b. documentation of verification of references;

c. the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision

d. documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;

- e. documentation of periodic performance evaluations;
- f. a record of any disciplinary action taken; and
- g. notice of completed responsible vendor and eight-hour related duty training.

3. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;

4. Personnel policies and procedures; and

5. All background check reports obtained in accordance with 935 CMR 500.030.

€ Business records, which shall include manual or computerized records of:

1. Assets and liabilities;

2. Monetary transactions;

3. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;

4. Sales records including the quantity, form, and cost of marijuana products; and

5. Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment, including members of the nonprofit corporation, if any.

(f) Waste disposal records as required under 935 CMR 500.105(12); and

(g) Following closure of a Marijuana Establishment, all records must be kept for at least two years at the expense of the Marijuana Establishment and in a form and location acceptable to the Commission.



## GENERAL RECORD KEEPING POLICIES

---

### REGULATORY COMPLIANCE

All records associated with business conducted by Bonsai will be made available to local and state regulatory authorities upon request or on a regular basis as specified by regulations.

Records will be stored in a manner that will make them easily accessible in order to comply with immediate requests for information by local and state authorities.

Records specified for retention under state regulations will be retained for period and in a location as per regulations. Personnel records will be maintained for at least six (6) months after termination of the individual's affiliation with Bonsai.

Records not covered by regulatory standards will be retained for no less than six (6) years.

Should Bonsai cease operations, the members of Bonsai will come to an agreement with local and state regulating authorities for the retention of and accessibility to required records for a specified period.

Anyone who knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any electronic or paper record will face immediate termination and potential criminal prosecution.

Any employee who becomes aware of another's intent or action related to knowingly altering company records must report the information to a security officer or a senior manager.

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### PAPER AND ELECTRONIC RECORDS

Bonsai will use a record management software to scan and index/tag paper files and store electronic files to ensure rapid and accurate access to records.

Paper records will be scanned into electronic format for backup purposes on a periodic basis, no less than once per month. Once the electronic version of the paper record has been backed up, the paper version may be shredded (if sensitive) or discarded.

Paper records to be maintained for longer than one month will be filed within two months according to a system designated by the officer responsible for records management, in cabinets or boxes that are clearly labeled, and in a secured location.

Electronic records scheduled for destruction will be managed according to Guidelines for Media Sanitation, NIST Special Publication 800-88, Revision 1.

Electronic file organization will follow recommendations from the National Institute of Standards and Technology.

A records backup and archiving policy will be developed by senior managers using tools for the management of electronic records recommended by the National Archives.

Sensitive business files will be maintained in a separately secured server location from files used on a daily basis by regular employees. Employees will only have access to records needed to carry out their responsibilities.

Records pertaining to transactions occurring within the last six (6) months shall be stored on the registered premises. Records dating further back will be stored off the premises with DBR's approval.

Backup copies of sensitive archived material will be encrypted, or password protected and stored in a secured cloud environment, or, if on removable media, off-site in a vault or safe where it is easy to access and easily reproducible.

All archived records to be kept for more than seven years will be converted into a format that is standardized such that changes in software and technology will not prevent access to the records.

The integrity and authenticity of stored data will be maintained to the level that they could be accepted as evidence in a court of law. Bonsai will develop a protocol for conducting business on paper in the event of an outage of any electronic system, including the transference of the paper data to the electronic system once the problem is corrected. All employees will be trained on the procedures.

---

## **PRIVACY**

A minimum amount of information will be collected during financial transactions with customers to reduce the likelihood that personal information can be stolen.

Only personal information on employees that is required by law will be collected and stored.

Employee records, particularly those related to work authorization, potential disciplinary investigations, or background checks will be kept confidential and stored in a secure location.

Any medical information collected on employees or customers will be stored separately and under an extra level of security. These records will be kept in accordance with the Americans with Disabilities Act (ADA), the Genetic Information Nondiscrimination Act (GINA), and/or the Health Insurance Portability and Accountability Act (HIPAA), as applicable.

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## **EMPLOYEE INVOLVEMENT**

Staff will be asked to review record keeping procedures related to their specific tasks at least once per year and give recommendations for improvements.

## **ROLES AND RESPONSIBILITIES**

---

### **CHIEF COMPLIANCE OFFICER**

1. The Chief Compliance Officer (CCO) will be responsible for ensuring that this Record Keeping Plan is properly implemented, including dissemination of this plan and the training of employees as to its application. The CCO may designate a Record Keeping Manager to implement certain tasks outlined in this Plan.
2. The CCO will define the structure of a record management system, including a document retrieval system, and maintain training for him/herself and others in the various components of the system.
3. The CCO will develop/maintain an indexing/tagging system which can be utilized to efficiently categorize and retrieve needed data from the document retrieval system.

4. An instruction manual will be written by the CCO describing how to retrieve records from the system. Senior managers will be trained in pulling data from the document retrieval system to ensure that records and datasets can be retrieved immediately upon request from regulating authorities or law enforcement.
5. The CCO is responsible for ensuring the upload of or otherwise providing data from the inventory control or track-and-trace system to the regulating authority in the manner and on the schedule specified by regulations.
6. The CCO will regularly report to the Chief Executive Officer on the status and efficacy of the Record Keeping Plan. The CCO will review the Plan annually and recommend changes or amendments to the Chief Executive Officer to improve procedures or processes.
7. The CCO shall stay up to date on records-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other record keeping experts.

The CCO will coordinate with the officers and managers listed below to ensure that records collected across all departments will be processed according to the Plan. [Delete personnel below that are not associated with your business or modify titles as needed.]

- Chief Financial Officer
- Security Manager
- Quality Assurance Officer
- Inventory Control Manager
- Computing Security Manager
- Cultivation Manager
- Transportation Manager
- Manufacturing Manager
- Processing Manager

---

## RECORD KEEPING MANAGER

1. Receiving and organizing documents from all departments
2. Indexing documents in the document retrieval system
3. Recommend changes to the CCO related to the indexing/tagging system

## RECORD TYPES

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### BUSINESS RECORDS

- Deeds, titles, rental agreements, property records
- Most recent versions of operating plans
- Tax records required by federal, state, and local authorities, including records of late payment penalties and unpaid tax obligations
- Insurance documents
- Permits and licenses
- All correspondence with regulatory authorities
- Up-to-date local and state regulations related to the cannabis license, waste management, environmental compliance, hazardous materials, etc.
- Business documents filed with the Secretary of State
- Business property inventories and related records
- Employee forms, including IRS forms, background check results, documentation of proof of authorization to work, reference verifications, evaluations, and records of investigations and disciplinary actions. Each employee's personal information will only be collected as required by law to reduce potential incidents of identity theft
- OSHA requirements and documentation related to workplace injury, OSHA Form 300, or Form 301 if injuries have occurred
- Property diagrams
- Collective or Cooperative Membership Agreement (if applicable)
- Records relating to physical modification of or upgrades to the premises
- Manufacturer's records related to any generators to be used on the premises and permits or other compliance documentation from air quality regulators
- Labor agreement.
- Staffing plans, organizational charts, and job descriptions.

- Accounting records including, but not limited to, bank statements; monthly, quarterly and annual financial reports; ledgers and journals; vouchers; and all supporting documentation.
- Complete sales receipts/invoices containing all data required by regulating authorities.
- Purchasing receipts/invoices.
- Utility records, including documentation from electrical utility indicating greenhouse gas emission intensity per kilowatt hour (if available).
- Payroll records.
- Records of stipends, bonuses, and non-monetary compensation to individuals or companies, including benefits. The records will include an estimated dollar value for non-monetary compensation.
- Records documenting community involvement.
- Updated emergency contact lists.
- Training records, including type of training offered, date taken, and names of trained employees.
- Meeting minutes and memos.
- All contracts and purchase orders with compassion centers, including documentation of any cancelled contracts or purchased orders and any contracts and purchase orders voided by replacement contracts.
- Invoices and any supporting documentation of all cannabis purchases, acquisitions, sales, transfers, and payments.
- Contracts pertaining to the security alarm and security camera systems.
- Contracts with vendors, including any approved third-party testing providers.

---

## **PERSONNEL RECORDS**

- An employment or engagement description detailing duties, responsibilities, authority, qualifications and supervision.
- If applicable, a copy of any employment or engagement.
- A record of any disciplinary action taken.
- Documentation of all required training, which shall include a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

---

## **SECURITY RECORDS**

- Training records, including type of training offered, date taken, and names of trained employees.
- Police reports resulting from any crime-related event on the property.

- Contracts with outside security providers.
- Security equipment manuals and maintenance and inspection logs.
- Surveillance video: See the Security Plan for details.
- Completed closing procedure checklists.
- Updated lists of employee access levels.
- Security access logs (See Security Plan, Appendix A).
- Signed Key/Key Card User Agreements (See Security Plan, Appendix B).
- Weekly electronic records showing the date, time, and name of personnel accessing secured areas.
- Completed exiting employee checklists.
- Completed visitor logs (See Security Plan, Appendix C).
- Product delivery logs maintained by security personnel (See Security Plan, Appendix D).
- Records of non-conformance to procedures and reason for variance or steps taken to correct problem.
- Incident reports related to emergencies, chemical spills, accidents, external threats, workplace violence, harassment and other unexpected events.

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## INVENTORY CONTROL RECORDS

- All information created within the inventory control/track-and-trace system selected by the regulating authority.
- All UIDs assigned to products in inventory and all unassigned UIDs. UIDs associated with product that has been retired from the track-and-trace system will be retained for six (6) months after the date the tags are retired on site and for at least six (6) years of site with the approval of the DBR.
- All attributes associated with each product UID, including name, type, batch, strain, weight/count, source (if transferred in from another licensee), and transaction dates and times. Additional details required by the regulating authority will also be collected and maintained.
- Updated lists of employees with access to the inventory system.
- Training records, including type of training offered, date taken, and names of trained employees.
- Logs of errors found within the inventory system and notes on steps taken to correct errors.
- All inventory results, including the date, time, and names, signatures, and titles of inventory takers.
- Records regarding missing inventory and documentation of follow-up actions.
- Records of inventory discrepancies reported to law enforcement and/or regulating authorities.
- Documentation regarding notifications from the inventory system that cannot be resolved within the specified timeframe.

In addition to records required by regulations, electronic sortable reports related to the following will be producible for management purposes.

Location of all products on the premises by room/cabinet/storage location, including UID, description, date and time transferred to location, weight or count, name or ID of employee.

Reports of products removed from a storage location, including date and time, UID, description, name or ID of employee, weight or count, and destination.

Reports of transferred products by UID that can be compared electronically pre and post-transfer to identify discrepancies in inventory, and reports of the resulting comparisons.

Reports showing trends in sales patterns, demographics, product quality, or other attributes.

Additional reports requested by senior managers or regulating authorities.

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## **COMPUTING SECURITY RECORDS**

- Signed Network and Computing Resources User Agreements (See Security Plan, Appendix E).
- Software contracts/licensing documentation.
- Electronic record retention policies.
- Documentation of unauthorized attempts to access the computer network.
- Records of device, software, operating systems, and network security updates.
- Results of security audits.
- Certifications of electronic records destruction or disposal.
- Other records selected by the Computing Security Manager for backup to the records management system.

---

## **CULTIVATION RECORDS**

In addition to the records specified in the Business, Security, Inventory Control, and Computing Security Records sections above, Bonsai will retain the following records related specifically to cultivation activities:

- Training records, including type of training offered, date taken, and names of trained employees.



- Scale calibration logs.
- Chemical Safety Data Sheets.
- Records relating to the disposal of product waste, including product UID, description, date of disposal, weight or count of product, reason for disposal, and method of disposal.
- Records relating to the disposal of hazardous waste.
- Environmental compliance documentation.
- Documentation of the previous use of land (if applicable).
- Water supply records.
- Records relating to weighing devices.
- Equipment manuals and maintenance and inspection logs, including chemicals used for cleaning.
- Record of internally-identified biological, chemical, physical or other contamination hazards and steps taken to resolve issues.
- Sampling and testing specifications and results and other quality assurance documentation.
- Janitorial logs relating to sanitation of facilities.
- Maintenance logs, including inspection and repair, relating to lighting, irrigation and ventilation systems, pest control systems, water and effluent discharge systems, etc.
- Record of product complaints and steps taken to resolve issues.
- Adverse event records (related to a negative effect of a product on a user).
- Records relating to product rejections or recalls, including a recall plan.
- Records of non-conformance to procedures and reason for variance or steps taken to correct problem.
- Documentation of data utilized for setting prices and rationale for the selected price.
- See the Cultivation and Chemical Safety Plans for additional record types related to planting, pruning, propagation, harvesting, and fertilizer and pesticide use.

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## **PESTICIDE USE RECORDS**

Bosai will keep detailed records of any pesticide products used and application regiments, including video recording during pesticide applications which must cease if there is a failure or disruption of the video surveillance system.

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## **TRANSPORTATION RECORDS**

- In addition to the records specified in the sections above, Bonsai will retain the following records related specifically to transportation activities:
- Transportation manifests showing all information required by regulating authorities.
- Records showing trip plans and the start and end times of each trip.
- Documentation of approved changes to trip plans.
- Transportation Event Logs of variances between expected and actual trip activities.
- Records of vehicle accidents.

- Records and police reports related to product losses occurring during transportation activities.

---

## **MANUFACTURING RECORDS**

In addition to the records specified in the sections above, Bonsai will retain the following records related specifically to manufacturing activities:

- Training records, including type of training offered, date taken, and names of trained employees.
- Chemical Safety Data Sheets.
- Records relating to the disposal of product waste, including product UID, description, date of disposal, weight or count of product, reason for disposal, and method of disposal.
- Records relating to the disposal of hazardous waste.
- Environmental compliance documentation.
- Records relating to weighing devices.
- Equipment manuals and maintenance and inspection logs, including chemicals used for cleaning.
- Product specifications.
- Sampling and testing specifications and results and other quality assurance documentation.
- Record of identified biological, chemical, physical or other contamination hazards and steps taken to resolve issues.
- Record of product complaints and steps taken to resolve issues.
- Adverse event records (related to a negative effect of a product on a user).
- Records relating to product rejections or recalls, including a recall plan.
- Records of non-conformance to procedures and reason for variance or steps taken to correct problem.
- Janitorial logs relating to sanitation of facilities.
- Documentation of data utilized for setting prices and rationale for the selected price.

---

## **WASTE MANAGEMENT RECORDS**

Bonsai will maintain accurate and comprehensive records regarding waste material that accounts for, reconciles, and evidences all waste activity related to the disposal of cannabis and cannabis products (including any waste material produced through the trimming or pruning of a cannabis plant prior to harvest). Records relating to the disposal of product waste, including:

- Product UID

- Description
- Date of disposal
- Weight or count of product
- Reason for disposal
- Method of disposal

---

## **PACKAGING AND LABELING RECORDS**

In addition to the records specified in the sections above, Bonsai will retain the following records related specifically to packaging and labeling activities: Training records, including type of training offered, date taken, and names of trained employees.

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## **FACILITY RECORDS**

In addition to the records specified in the sections above, Bonsai will retain the following records related specifically to dispensary activities:

- Training records, including type of training offered, date taken, and names of trained employees.
- Documentation of data utilized for setting prices and rationale for the selected price.
- Records of non-conformance to procedures and reason for variance or steps taken to correct problem.
- Odor Management Records

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## **FINANCIAL RECORDS**

**[See Financial Record Keeping Plan.]**

---

## OTHER RECORDS

- Records relating to weighing devices.
- Equipment manuals and maintenance and inspection logs, including chemicals used for cleaning.
- Record of identified biological, chemical, physical or other contamination hazards and steps taken to resolve issues.
- Records of non-conformance to procedures and reason for variance or steps taken to correct problem.
- Janitorial logs relating to sanitation of facilities.

## RELEVANT STATUTES

**935 CMR 500.050(2)(d): Tier Relegation.**

**935 CMR 500.101: Application Requirements**

**935 CMR 500.105(1) Written Operating Procedures.**

**935 CMR 500.105(2) Marijuana Establishment Agent Training.**

**935 CMR 500.105(8): Inventory.**

**935 CMR 500.105(9): Record Keeping.**

**935 CMR 500.105(12)(d): Waste Disposal.**

**935 CMR 500.105(9): Record Keeping.**



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## ENVIRONMENTAL SUSTAINABILITY PLAN

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# ENVIRONMENTAL SUSTAINABILITY PLAN

## INTRODUCTION

The purpose of this Environmental Plan is to ensure that Green Choice operates in a manner that minimally impacts the environment. Indoor cannabis production is known to be energy intensive, but several design, equipment and process choices can be made to strike the best balance between the company's economic success and the social and environmental wellbeing of workers, neighbors, consumers and natural resources.

This plan describes standards and steps that will be taken by Green Choice to minimize carbon footprint and environmental impact while also maximizing energy efficiency, mitigating odors, conserving water, and ensuring high quality, high yielding cannabis production.

It is the responsibility of the [Chief Compliance Officer (CCO)] to ensure that environmental and sustainability procedures are followed by all personnel. It is the responsibility of the Compliance Officer to monitor implementation of this procedure, report necessary corrections and identify options for using renewable energy.

The provisions of this procedure in accordance with the requirements of local, state and federal law and regulations. The [CCO] will update this Plan, as needed, to comply with evolving laws and regulations.

## MINIMIZING CARBON FOOTPRINT

Growing cannabis, particularly in colder climates, can lead to high levels of greenhouse gas emissions mainly because of the high electrical usage, which is supplied by utilities burning fossil fuels to supply the energy. To minimize the amount of carbon compounds that cannabis production and the operation of a business in general could produce, Green Choice will:

- Use LED lighting for all stages of plant growth
- Purchase electric vehicles for company use when practical to do so.
- Incentivize employees to commute to work via public transit, bike or carpool
- Provide a secured bike storage location on the premises



- Have a company bike for employees to use to run errands or during breaks
- Use teleconferencing in place of travel for meetings when possible
- Donate [?% of income] to support local carbon offsetting projects
- Educated staff through online and in-person courses to minimize energy usage
- Install energy-efficient air conditioning systems (see below for more detail)

## MINIMIZING ENVIRONMENTAL IMPACT

Green Choice plans to reduce our environmental impact by starting at the very beginning - building design. We will coordinate during facility planning with [Name of your energy provider] to ensure sustainable energy use and energy conservation. [Note: If you do start to work with your energy provider before you submit this plan, update this document with details of how those interactions are progressing.]

---

## BUILDING DESIGN

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### GREEN MATERIALS

The first stage of environmental responsibility comes with the design of the building. Green materials will be used whenever feasible, such as bamboo or lumber from fast-growing, renewable tree types. Walls and floors will be coated with low-VOC environmentally friendly paints and coatings. A general contractor with experience in Green Building Standards will be hired to advise on additional environmentally responsible construction materials and methods.

---

### HIGH INSULATION VALUE

Building walls will have R-17 or better insulation values so that air conditioning will stay contained in the rooms where it's needed, and outside temperature conditions will not significantly impact indoor climate conditions. Windows in administrative areas will be double-paned insulated windows.

---

## MINIMAL AIR EXCHANGES

The building will be tightly designed to allow no leaks, either for cool air to escape, or for pests and mold spores to enter. Due to the use of supplemental Co<sub>2</sub> in plant rooms, air exchanges with outdoor air are not necessary, but during the winter months, filtered outdoor air intake can serve as a low-cost environmentally friendly source of cooling. The climate control system for the plant production rooms will be designed to switch from electric air conditioning to filtered cold-air intake between the months of November and March. Warm air from plant rooms can be exhausted into hallways and administrative areas to heat those areas in lieu of electric heating during the winter. All circulating air in the facility will be filtered and supplemented as needed to make it suitable for humans and plants.

---

## ODOR CONTROL

Although cannabis odor from living and harvested plants is not considered unhealthy to breathe, it is often considered an environmental nuisance by neighbors, and thus will be controlled in order to minimize community and environmental impact. Air exhausted out of the facility will be treated with carbon filtration and ozone to ensure all odors are neutralized. Further, the outer corridor of the facility will be designed with negative air pressure. This means that opening doors or windows will not emit odors to the outdoors because the outside air will be *pulled* into any openings in the building by high-power ceiling mounted outtake fans around the inner perimeter of the building. These fans are fitted with cannabis-specific carbon filters, so once the air moves into the facility, whatever odors it picks up will be neutralized as it is being exhausted. This is a standard practice in the cannabis industry in the US.

---

## UVC AND HEPA FILTRATION FOR ADMIN AND LAA FUNCTIONS

Inside the Limited Access Areas, air is heavily circulated through a central air treatment system that dries the air, injects Co<sub>2</sub>, cools the air to a predetermined set point and kills any microbial spores using high-exposure UVC lighting. Plants absorb the Co<sub>2</sub> as part of their growth process, meaning there's no net negative carbon impact from using Co<sub>2</sub> in a plant production facility.

---

## ENERGY-EFFICIENT FIXTURES

The building will be outfitted in the latest energy-saving fixtures, including self-closing weather-stripped doors, motion sensing lights in hallways, offices, bathrooms and common areas, motion sensing toilets

and sinks, Energy Star appliances and forced-air hand dryers in bathrooms. Energy-efficient LED lights will be used for all lit signs, office and security lighting.

---

## WIRING AND VOLTAGE

During the build-out process, when electrical infrastructure is being installed, 277v wiring will be used to power the plant light subpanels. This is the most energy efficient voltage and wiring choice and works with all LED horticultural fixtures. Higher voltage equipment will be used whenever safely possible to save energy and improve efficiency.

---

## ELECTRICAL TIME OF USE

A Time of Use (TOU) meter will be ordered from the utility company, which offers lower costs per kWh between the hours of [X and X]. During this time span of lower electrical costs, all reasonable plant production and extraction processes will be heavily used so as to minimize the total amount of daily electrical costs to the company. All items left on and plugged in will operate through digital timers if there are predictable periods during each 24-hour cycle when they need not be using power.

---

## OFFICE/FACILITY POLICIES

A segment of monthly personnel meetings will be dedicated to eco-friendly ideas and suggestions for energy-efficient improvement. All personnel will be trained on and encouraged to enact all of the following energy-saving policies:

- Double-sided printing
- Paper and cardboard recycling
- Food waste composting
- Minimizing paper processes in favor of backed up electronic document systems.
- Reusing washable cups, plates and utensils

- Using the provided filtered drinking water system (no bottled water)
- Use of eco-friendly supplies and packaging in all supply orders
- Using sleep mode properly on computers instead of screensavers
- Turning off all unnecessary equipment when not in use
- Using mobile devices or projectors to distribute materials during meetings
- Purchase a multifunction printer rather than separate machines
- Use the ink-saving mode on printers

The executive staff will also:

- Screen suppliers for positive social and environmental impacts (certifications such as B Corp, Green Business, or Fair Trade)
- Ask the [Facilities Manager](#) to check all plugged-in equipment to determine if it is still needed for daily operations and unplug/remove any equipment that is not currently in use for both administrative and production areas of the facility

---

## WASTE MINIMIZATION

Part of environmental responsibility is waste minimization. [Green Choice](#) will train all employees in waste minimization techniques, which will include at a minimum:

- Composting of food, cardboard and cannabis materials (described in detail in Exhibit A)
- Recycling of all possible items (described in detail in Exhibit A)
- Using rechargeable batteries when possible and retesting batteries assumed to be dead before discarding
- Reuse of containers, media, packaging and equipment parts where possible
- Purchasing of supplies with minimal or recyclable packaging
- Donate used items instead of throwing them away

- Reuse packing materials or donate them to a neighboring business who can use them

## MINIMIZING RESOURCES NEEDS FOR THE PRODUCTION OF CANNABIS

### HIGH PERFORMANCE CULTIVATION TECHNIQUES

A significant but often overlooked component of energy efficiency in cannabis cultivation facilities is yield enhancement. If a facility is on the low end of industry-standard yields, such as 1lb per light, per harvest of dried cannabis, they are effectively using twice as much energy per unit of output as a facility yielding 2 lbs per light. For this reason, [Green Choice](#) is focusing just as much attention on the factors involved with achieving large yields than on the energy usage of the facility's basic infrastructure and equipment.

We know from our cannabis cultivation advisors that maintaining the ideal environmental needs of the plants is critical to achieving maximum yields from plants. Plants must be kept in ideal conditions at all times throughout their growth process in order to unfold into full-sized flowers over the course of their roughly 14-week life from clone to harvest.

These critical plant factors are temperature, humidity, vapor pressure deficit management, fresh/clean air circulation, carbon dioxide, a balanced mineral regimen, oxygen to the roots, proper pruning and attenuation of lighting. Industry-standard yields are ~1.25lbs per light per harvest, but yields can be double that under ideal conditions and treatment. Our experts have consistently been able to yield 1.75-2.2 lbs. per light per harvest in other facilities, which on its own increases our total facility energy efficiency, over other average cultivators, by 40-75%. [\[Make sure you can live up to this if you leave it in here. Only the best growers can do it.\]](#) This is taking into account that our cultivar choices are also made partly on the basis of genetic yield potential and overall vigor.

Conversely, strict biosecurity protocols must be maintained in order for optimal plant production conditions not to be compromised. When, for example, a pest or mold outbreak is allowed to happen, quality and yield will go down while labor and pesticide input will go up, clearly having a significant negative effect on operational efficiency and product quality and value, which leads to excess energy usage per unit of output. [Green Choice](#) has as one of its highest priorities the prevention of pest and mold problems through good building design and cultural practices.

---

## DATA LOGGING FOR OPTIMIZING USAGE

Data collection, logging and analysis is an integral part of optimizing energy and resource use at a cannabis production facility. This means using sensors and meters to track environmental conditions and plant inputs on a minute-to-minute basis on a central computer system. The [Facilities Manager](#) will analyze this data each week to find times of the day, for example, where electrical equipment might be running more intensively or for a longer period than necessary in order to meet optimum plant cultivation requirements. Adjustments aiming towards minimizing energy usage will regularly be made, based on this gathered information.

The [CCO](#) will collect, archive and analyze monthly utility bills to identify further areas of potential energy and resource savings.

## ALTERNATIVE ENERGY PLANS

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### RENEWABLE ENERGY

While Green Choice will rely primarily on electrical service from the local utility company to power its equipment and facility, a [plan may be made to add solar panels over time] to offset the burning of fossil fuels for plant cultivation. By year [5], we expect to cover [25%] of our total electrical usage with renewable energy.

The company will also make all reasonable efforts to identify and utilize options for purchasing renewable energy certificates or other carbon off-set options for routine operations. The [CCO] will report to the executive team regarding options for renewable energy and progress on utilization of renewable energy on a twice-yearly basis.

[Green Choice will talk to its energy provider about what realistic goals Green Choice can set for this item.]

---

### WATER RECLAMATION/FILTRATION

Green Choice will measure runoff from watering events and report this volume in our water usage plan. On average, watering events will have no more than 20% of runoff of water.

Drainpipes from air conditioners and dehumidifiers will be cleaned every 3 months to ensure that reclaimed condensate water is sufficiently clean for reuse. All of the condensate recovery drainpipes will merge into a central reclamation tank for daily plant watering needs. If necessary, this water will be carbon filtered and/or sterilized before being reapplied to plants. Using this water for plant irrigation represents a 90+% savings in total water usage for the cultivation sections of the facility. Tap water will only be needed for plants on days when extra flushing or media drenching is necessary to apply pest prevention substances or cleanse the media of excess mineral content.

---

### DRIP IRRIGATION SYSTEM

An automated drip irrigation will be used to minimize water waste. This is a method by which the water from the main central irrigation tank is served in small, metered doses to individual plants several times per day. This method solves the problem of large amounts of runoff that could be considered environmentally hazardous if it were discharged either into the ground or in high concentrations to the wastewater treatment facility.

---

### WATER USAGE ASSURANCES

- Water Fixtures - All plumbing and irrigation fixtures will be maintained in good working order and promptly replaced or repaired, as needed. Fixtures are in need of replacement or repair if they drip or leak when turned off.
- No water hose, faucet or spigot shall be allowed to flow freely when not in use. All personnel will ensure that fixtures are closed or off when not in use.
- Spill and Waste Mitigation – All personnel will exercise due diligence in preventing accidental spills, discharges or waste of water.



- Wastewater and nutrient water discharge will all be disposed of in accordance with local, state and federal law.
- Pursuant to Massachusetts Plumbing Code, there will be no cross connections between the potable and wastewater lines.

## EQUIPMENT AND WATER EFFICIENCY

### HVAC/ENVIRONMENTAL CONTROLS

LED lighting uses 35-40% less energy than it's HPS (high pressure sodium) legacy equivalent. Lower wattage equates directly to lower heat production, meaning that the air conditioning requirement for each grow room is also 35-40% lower than it would be using other lighting types. This represents a significant savings in electrical usage for the entire facility.

In choosing specific brands and technologies of equipment for climate control in cannabis production, several different critical factors must come into play. The equipment must first and foremost ensure the maintenance of ideal set points for temperature and humidity. Second, the equipment must not, by virtue of its mechanical design, risk the health of the plants through the spreading of mold or mildew through the facility. Mini-split air conditioning units, for example, are known to be energy efficient, but they are virtually impossible to clean, have a high failure rate, and do not maintain tight temperature and humidity set points. Thus, the energy savings they offer is not worth all of the other costs.

More modern technologies designed specifically for indoor cannabis rooms, operate as efficiently as ductless split systems, but do not present any of the risks associated with ductless split systems. The up-front cost is notably higher with an integrated specialty design, but the energy efficiency and reliability are also considerably above that provided by ductless split systems.

### LIGHTING

If Green Choice Cultivates, it will use energy efficient lights in order to save more energy, thereby reducing carbon footprint, a graduated system of increasing plant lighting intensity by 100 micromoles/joule/week will be implemented, such that the full amount of light needed for vegetative plants will graduate up one level for each of 3 weeks, and similarly, the full light for flowering will not be reached until week 5 of 9 total flowering weeks. Given that lower light levels translate to lower air conditioning use (because of less heat production), this graduated system of lighting increases represents an energy savings in the plant cultivation rooms of an estimated 25-30% in comparison to average cannabis cultivation facilities that go to full light intensity as quickly as possible.

---

## REGULAR SERVICING AND SANITATION

All climate control and lighting equipment will be tested, serviced and cleaned on a monthly basis, including filter changes. Dirty, unmaintained equipment uses more energy and risks ideal set points going out of range. No cleaning chemicals will be sprayed into air handling equipment since condensate water is being reclaimed for plant use. At the time of servicing, the condition of the equipment will be assessed to ensure that everything is operating at maximum efficiency and that nothing is leaking or appears to be at risk.

## RESEARCH AND PROCESS REVIEWS

The [CCO] will be responsible for conducting periodic research into improved technologies that could optimize any aspect of operations. Processes will also be regularly reviewed to optimize the amount of human energy that goes into producing ready-for-sale cannabis products. The [CCO] will also:

- Set goals and regularly report to all staff and customers on progress
- Designate a waste reduction and recycling coordinator who will regularly report on progress
- Encourage employees to regularly make suggestions or forward articles they have read about making businesses more green



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**EMPLOYMENT POLICIES AND PROCEDURES**  
**(EMPLOYEE HANDBOOK)**

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# EMPLOYEE HANDBOOK

## GENERAL INFORMATION

This handbook provides a summary of the more important company policies that an employee should know, but it is not intended to be an all-inclusive description of every company policy. Green Choice Dispensaries (Green Choice) reserves the right to interpret, modify, suspend, or cancel policies at any time without prior notice. An employee's willful disregard of company policies may lead to disciplinary action up to and including termination.

This handbook incorporates by reference all of Green Choice's plans to include:

- Green Choice Distribution Plan
- Green Choice Inventory Plan
- Green Choice Security Plan
- Green Choice Energy Conservation Plan
- Green Choice Storage Plan
- Green Choice Quality Control Plan
- Green Choice Staffing and Training Plan
- Green Choice Product Recall Plan
- Green Choice Transportation Plan
- Green Choice Diversion Prevention Plan
- Green Choice Record Keeping Plan
- Green Choice Financial Record Keeping Plan
- Green Choice Diversity Plan
- Green Choice Positive Impact Plan
- Green Choice Compliance Plan

The above listed Plans shall supersede any of the policies contained herein and are collectively referenced as "Bonsai Procedural Plans".

A violation of the above listed Plans is a per se violation of this handbook.

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## COMPANY MISSION STATEMENT

The mission of Green Choice is to provide the greatest varieties and highest quality of medical cannabis products at the most reasonable prices to the Rhode Island medical cannabis market. The Center prides its business on the dedication and professionalism of qualified and experienced staff.



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## **AT-WILL EMPLOYMENT RELATIONSHIP**

Green Choice may end an employment relationship at any time for any (or no) reason without prior notice or without progressive disciplinary action: this is called At-Will Employment. Green Choice adheres to local, state and federal employment laws and employees should direct any questions regarding those laws to the Chief Executive Officer (CEO).

---

## **EQUAL OPPORTUNITY**

Green Choice applies equal opportunity to all employees or applicants; our goal is to obtain individuals best qualified for positions through job-related standards of education, training, experience, and personal qualifications. The Chief Compliance Officer is responsible for policy enforcement.

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## **DISCRIMINATION OR HARASSMENT**

Green Choice prohibits discrimination or harassment related to age, sex, race, color, religion, national origin, disability, sexual orientation or other reasons. Sexual harassment includes verbal, visual or physical conduct of a sexual nature, unwelcome sexual advances, requests for sexual favors and sexually degrading or suggestive communications. An employee who is determined, after investigation, to have engaged in any discrimination or harassment will be subject to immediate disciplinary action up to and including termination.

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## **SUGGESTIONS**

Green Choice considers the exchange of ideas within the company an asset and strongly encourages it; employee should address suggestions to the CEO.

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## **CODE OF CONDUCT**

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### **EMPLOYEE CONDUCT**

Employees are expected to support Green Choice policies, philosophy and established code of conduct. Actions considered contrary to this code include (but are not limited to) displaying a negative attitude or intentional deceit to customers or supervisors; insubordination; willful

damage to Green Choice's reputation or property; engaging in company-competitive work on personal time; use, distribution or sale of illegal drugs; intoxication; theft of company, employee or customer property; storing, carrying or using weapons on Green Choice property; unsafe or reckless operation of equipment, company vehicles, etc.

Employees will not use cannabis on premises. This will result in immediate termination of the offending employee's employment at Green Choice.

---

## **COMPLAINTS AND GRIEVANCES**

Complaints about policies or practices should be brought to your immediate supervisor. If not satisfied with the response, submit the grievance in writing to your supervisor who will bring it to the CEO who will respond in a timely fashion.

---

## **CONFIDENTIAL INFORMATION AND EXTERNAL COMMUNICATIONS**

Public perception of Green Choice results directly from external communication by management and employees. External relations have significant impact on business and must be consistent with Green Choice philosophy and policies. Unauthorized disclosure of any Green Choice, customer or employee information could create serious problems. All employees sign a Non-Disclosure agreement upon employment and may not discuss privileged information except as required for job performance. Any Green Choice, customer or employee information received as part of your job is considered confidential; refer external inquiries regarding Green Choice business to the CEO.

---

## **DISCIPLINARY PRACTICE**

Disregard of procedures or management decisions may cause productivity, time and financial loss. Actions endangering personnel safety, Green Choice reputation, productivity or finances, may result in immediate suspension or termination at first offense; otherwise, the usual disciplinary practice is as follows:

- |                              |   |
|------------------------------|---|
| 1st Offense:                 | Employee receives verbal warning; Manager ensures employee understands the policy or guideline violated.    |
| 2nd Offense:<br>(Same issue) | Employee receives written warning that is added to personnel file and considered during performance review. |
| 3rd Offense:<br>(Same issue) | Employee is suspended without pay for 3 workdays.   |

Continuing offenses of the same issue may result in termination.

## **DIVERSION OF CANNABIS PRODUCTS WILL RESULT IN IMMEDIATE TERMINATION.**

### **YOUR JOB**

There is a 30-day performance probation period for both new hires and internal transfers. All employees are expected to maintain established job performance and behavior standards; the inability to maintain such standards may result in disciplinary action.

---

### **ATTENDANCE**

Employees should be prompt and regular in attendance; excessive tardiness or absence is noted in personnel records, considered during reviews, and may result in disciplinary action. If you are unable to report to work on time, notify Green Choice at least one hour prior to your scheduled work (if circumstances allow). You may leave messages on the Green Choice answering machine before and after working hours. When advanced notice is impossible, notify Green Choice as soon as possible (a member of your immediate family may fulfill this obligation, if necessary). A medical release may be required upon returning to work after an illness of 5 days or more. A conditional medical release must state the conditions and any job limitations. Absence of 3 consecutive workdays without contacting Green Choice may be considered voluntary resignation.

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### **ATTIRE AND APPEARANCE**

Direct labor employees must wear appropriate attire for working with the various products and equipment in the cultivation facility. Employees will wear the appropriate personal protective equipment as per Bonsai Procedural Plans. Employees must change clothing prior to beginning work each day. Green Choice will offer on-site laundry service to its employees.

---

### **BILLABLE HOURS**

Billable Hours are hours spent by direct labor on a job and must be recorded on the Job Folder; failure to accurately account for labor hour is grounds for disciplinary action.

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### **CHANGE OF PERSONAL INFORMATION**

Notify the Record Keeping Manager of any change in personal information or insurance status. Changes in status for insurance plans (e.g., marriage, births, etc.) must be reported within 30 days of the event.

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## **COMPANY CLOSINGS**

Green Choice may close during certain holiday periods or to coincide with customer shut-downs. Employees will be notified of these closings and may be allowed to use Personal Paid, Vacation or Unpaid time during these times.

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## **EMPLOYEE COMMUNICATIONS**

Green Choice routinely informs employees of policy changes and other issues by using the bulletin boards and employee mailboxes; you should check these areas frequently.

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## **FOOD AND DRINK**

Eating and drinking are prohibited in the manufacturing area to ensure worker safety and non-contamination.

---

## **MEDICAL CONDITIONS**

Any person whose medical condition, as determined by medical examination or as observed by a supervisor, poses or reasonably appears to pose a risk of contamination of medical marijuana and/or medical marijuana products will be excluded from medical cannabis operations until the condition is cleared. Medical conditions posing a risk of contamination include open lesions, including boils, sores, or infected wounds, or any other abnormal source of microbial infection. Any incidents that pertain to an employee's health condition will be documented and retained in the employees file and health log for at least 5 years in accordance with HIPAA regulations, the Record Keeping Plan, and any other applicable federal laws. See the full HIPAA statute here: <https://aspe.hhs.gov/report/health-insurance-portability-and-accountability-act-1996>

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## **PERSONAL PROPERTY**

Green Choice is not responsible for loss or damage to personal property. If you damage (excepting negligence) a personal tool while working on a company job, it will be repaired or replaced at company expense.

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## **PERSONAL VEHICLE FOR COMPANY BUSINESS**

If a supervisor approves (in advance) the use of a personal vehicle for Green Choice business, mileage reimbursement is made at IRS mileage rates. An employee must submit a mileage voucher for approval.

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## **PROMOTIONS**

It is practice promoting from within when qualified employees demonstrate the necessary job skills. There is a 30-day probation period for position transfers.

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## **RESIGNATION**

Employees should provide a 2-week written notice. Unless management determines extenuating circumstances, employees resigning without such notice are not eligible for re-employment. An employee ending employment must report to the Record Keeping Manager for out-processing.

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## **WORK HOURS**

The manufacturing shift is from 7:30 a.m. to 4:00 p.m. The shift includes a 1/2-hour unpaid lunch (mandatory) and two 15-minute unpaid breaks (optional). The minimum direct labor hours per week are 37.50 hours (if an employee chooses to take the 2 unpaid breaks daily).

Hourly employees working weekends agree to work a minimum of 4 hours (in keeping with the power failure work payment policy); however, management may waive the minimum to meet company needs.

Managers may authorize different schedules when appropriate.

## **YOUR PAY**

The payroll week is Sunday to Saturday with payday the following Friday.

Hourly employees use the time clock to record work start, end, lunch, and break times; hourly employees should not use work time to change clothes or store/retrieve lunches, make phone calls, etc.

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## **ADVANCE VACATION PAY**

Employees must request advance vacation pay in writing at least 2 weeks prior to the pay period.

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## **EARLY PAYCHECK RELEASE**

An employee may receive early paycheck release at close of business Thursday if the employee is scheduled for a previously-approved Friday absence.

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## **OVERTIME PAY**

Management will not pay unauthorized overtime. Hourly employees are paid at the regular pay rate for 40 hours and time and one-half for time over 40 hours (including holidays). Paid absences are considered work time only for authorized overtime calculations.

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## **PAID ABSENCES**

Submit an Absence Request Form in advance for planned absences and no later than 9:00 a.m. on the Monday following an unexpected absence. It is your responsibility to report changes to or cancellation of previously submitted Absence Requests.

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## **POWER FAILURES AND PAY**

If Green Choice ends work due to a prolonged power failure after the workday begins, hourly employees present are paid 4 hours minimum. Management may authorize certain employees to continue working during an outage and they are paid for actual time worked.

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## **WAGE INCREASES**

Merit raises may be given to employees demonstrating superior achievement, productivity, and attitude. Wage increases are not guaranteed and are based on factors including performance assessment and company operating results.

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## **UNPAID ABSENCES**

Employees must use available Personal Paid or Vacation time before using unpaid time except in the case of a Company closure when employees may choose to use either available paid or unpaid time.

## YOUR BENEFITS

Every employee is covered under Worker Compensation Insurance.

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### BEREAVEMENT TIME

Eligible employees receive one paid day off to attend the funeral of an immediate family member (spouse, child, parent, brother or sister). Management may approve additional unpaid time.

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### DIRECT DEPOSIT

Green Choice offers direct deposit of paychecks.

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### EDUCATIONAL BENEFITS

Employees may be authorized to attend work-related courses or training sessions at Green Choice expense; however, all requests are considered on an individual basis.

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### HEALTH INSURANCE

Insurance with Green Choice co-payment is available to eligible employees; see plan document for detailed information. Qualifying event coverage changes must be reported within 30 days.

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### HOLIDAYS

Eligible employees are paid for 6 holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

A holiday is observed on the day it falls during the workweek. A holiday on Saturday is observed the preceding Friday; a holiday on Sunday is observed the following Monday.

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### PAID PERSONAL TIME



Eligible employees receive 48 hours Personal Paid Time (PPT) on January 1st of each year. You may use PPT in increments 15 minutes or more. Unused PPT is not carried over to the next year nor is cash paid in lieu of PPT.

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## **PURCHASING COMPANY MERCHANDISE**

You may purchase items or materials inventoried by Green Choice at a third-party compassionate care center.

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## **VACATION (FULL-TIME EMPLOYEES)**

On your 1-year employment anniversary, you receive 40 vacation hours and begin accruing time at .01925 per paid labor hour. On your 3-year anniversary, you accrue time at .03850 per paid labor hour. On your 10-year anniversary, you receive 40 vacation hours and accrue time at .05770 per paid labor hour. Note that Vacation time is only accrued on paid labor hours; it is not accrued on vacation or PPT time used during a pay period.

Volunteers

## **YOUR SAFETY**

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### **ACCIDENTS AND INJURIES**

The cultivation facility is equipped with first aid kits in several areas; please be aware of these locations.

You are covered for medical, disability and death benefits for injuries or accidents that occur while working on company business and you should not downplay the possible seriousness of an injury. If the accident is serious, go to the nearest hospital or call an ambulance. Immediately after caring for an injury, you must report it to a supervisor and complete an accident report (whether or not you received medical attention). Failure to report an injury may jeopardize benefits under this coverage.

All accidents must be reported by any employee with any knowledge of the incident to the appropriate managers who will then make all the necessary notifications and take all necessary actions as per Bonsai Procedural Plans. An employee who has knowledge of an accident or injury and fails to report may be subject to disciplinary action.

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### **ALCOHOLIC BEVERAGES**

Consumption of alcoholic beverages on Green Choice property, or intoxication during working hours, is prohibited and is grounds for immediate termination.

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## **COMPANY VEHICLES**

Employees operating Green Choice vehicles must have a valid license, wear a seatbelt, and drive in a safe, courteous manner conforming to all driving regulations. You should not operate a vehicle if prescriptions, illness, etc. impair your ability. If you use a company vehicle on a regular basis, you should maintain the interior/exterior in a clean fashion (at Green Choice expense).

---

## **DAMAGE AND INCIDENT REPORTS**

You must provide management with an Incident Report to report any damage to company, employee or customer property caused by you or someone under your supervision. Reports should be made to the appropriate Manager, Security Manager, and Record Keeping Manager.

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## **ELECTRICAL CONTROLS**

Do not access any electrical machine control panels or electrical boxes; notify the Facilities Manager or CEO if you believe an electrical problem exists.

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## **EMERGENCY EVACUATION**

Signs are posted at all doors showing all exits. If you hear the alarms, you should leave by the nearest exit and go to the designated gathering area (unless you have been informed of a test prior to an alarm). Do not stop to record time or retrieve personal items. You may re-enter the building when notified by management or safety officials.

\*Refer to Green Choice Security Plan containing the Green Choice Emergency Procedures.

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## **ENVIRONMENTAL CONCERNS**

Green Choice conforms to environmental regulations and will not knowingly use a product or procedure that risks safety or harms the environment. Materials used conform to established guidelines. Employees will follow all the guidelines in the data sheets provided to them for

pesticides and hazardous chemicals as per Green Choice Pest Management / Pesticide Control Plan.

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## **EQUIPMENT OPERATION**

Employees operating Green Choice equipment are expected to use caution and conform to safety regulations. Do not operate any equipment if prescriptions, illness, etc. impair your ability. Do not carry on phone conversations or text while operating machines or performing other company work. Direct labor must use proper, safe manufacturing techniques and turn off machines, lights, and other equipment designated as their responsibility.

---

## **FIREARMS AND OTHER WEAPONS**

You may not carry, store or use firearms or other weapons on Green Choice property. Violation of this policy will result in immediate termination. Violations of this clause will be reported to the Security Manager, Record Keeping Manager, Chief Compliance Officer, and CEO immediately.

---

## **ILLEGAL SUBSTANCES**

Use, possession, distribution, or sale of illegal substances is grounds for immediate termination.

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## **INCLEMENT WEATHER TRAVEL**

You may delay reporting to work or leave early (using Paid Personal or Vacation time) without detriment if weather creates hazardous commuting conditions; however, you are expected to follow the established absence notification procedures.

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## **SMOKING**

Green Choice is a no-smoking facility. Smoking is allowed outside the building but not in front of entrances. Employees who smoke should punch out for smoke breaks. Cannabis will not be ingested, absorbed, smoked or used in any other manner while on the premises.

## **FACILITIES**

You may not enter or remain on Green Choice premises except during scheduled work time, for a reasonable time before or after, or when working scheduled overtime.

---

### **LOAN OF COMPANY PROPERTY**

Green Choice property includes tools, materials, books, software, equipment, supplies, etc. You must obtain manager permission to borrow Green Choice property. The manager will prepare a Company Property Loan Agreement form which will remain in effect until the item is returned and its condition verified. You are financially responsible for damage or loss of Green Choice property in your possession under a loan agreement.

---

### **FOOD ON THE MANUFACTURING FLOOR**

Direct labor should use restraint regarding food and beverages on the manufacturing floor: bottled beverages and quick snack foods are acceptable -- foods requiring utensils and uncovered liquids are not. This privilege may be eliminated if abused.

---

### **MAINTENANCE**

Employees should help maintain facility cleanliness and maintenance. Dumpsters are for work purposes only and may not be used for personal trash disposal.

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### **PARKING**

Do not park in areas marked for Green Choice vehicles, visitors, reserved, fire lanes, or required access (e.g. dumpsters) areas. If you leave your vehicle at Green Choice during off-site business, you must allow it to be moved for snow plowing or emergency reasons. You may leave a key with Admin or with another employee (providing that information to Admin). If you are hosting visitors leaving their vehicles here, you must make the necessary arrangements with Admin.

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### **PHONES – COMPANY LINES**

Company phones are for business use. You may make personal local calls if absolutely necessary, but personal long distance or chargeable 'information' calls should be made with a personal phone card or credit card. You should not have lengthy personal phone conversations on company time.

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## **PHONES - PERSONAL**

You should use discretion regarding personal cell phone use and not have lengthy phone calls while on company time for both safety and payroll issues. If you must make or receive a lengthy call or make multiple calls for a legitimate purpose, you should punch out from work time. Also, for both job safety and accuracy purposes, employees should not be carrying on phone conversations or texting while operating machines or performing other company work.

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## **SOLICITATION AND/OR DISTRIBUTION OF MATERIALS**

You may not solicit or distribute materials on Green Choice property except to carry out your assigned duties. Only commercial salespeople calling on Green Choice may come onto the property to solicit business or distribute business-related material without prior permission of management.

## **SANITATION AND HYGIENE STANDARD OPERATING PROCEDURES**

- a. Reporting of personal health conditions
- b. Use of personal protective equipment (PPE)
- c. Maintenance of personal hygiene
- d. Sanitation

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## **REPORTING OF PERSONAL HEALTH CONDITIONS**

Greenleaf has developed standard operating procedures to address prevention of transmission of communicable diseases to products produced by or at the Greenleaf facility. We will implement our quality control policies and procedures for medical marijuana handling which include the following parameters for reporting health conditions that might compromise the cleanliness or quality of the medical marijuana products produced by the Company. These parameters are as follows:

- 1) If any employee displays signs or symptoms of a contagious disease, illness, and/or skin lesions or is aware of contracture of a contagious disease or illness they will agree as

part of their employment agreement to notify their manager. Their manager will require a doctor's note stating they are no longer contagious prior to returning to work.

- 2) If any employee displays signs or symptoms of a contagious disease or illness but does not report their possible illness management will make an immediate decision as to whether the employee will be sent home until the illness resolves.
- 3) If an employee has a disease or illness that is not otherwise contagious, but increases the likelihood of contamination of the medical marijuana, management will make every attempt to provide tasks that present little opportunity for contamination and/or personal protective equipment adequate to mitigate the risk of contamination

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## **USE OF PERSONAL PROTECTIVE EQUIPMENT (PPE)**

Use of PPE is required whenever an activity of use of a material presents a risk of injury. The Occupational Safety Health Administration (OSHA) issues guidelines for activities requiring PPE. Material manufactures are required to issue Safety Data Sheets (SDS) for the use materials they sell. SDS are required to list required PPE for the safe use of a particular material.

We will maintain SDS for every material that meets OSHA's definition of hazardous and are known to be present in the workplace in such a manner that employees may be exposed under normal conditions of use or in a foreseeable emergency. Hazardous substances are segregated into two categories: Health Hazards and Physical Hazards under OSHA Standard 1910.1200.

**Health Hazard:** means a chemical for which there is statistically significant evidence based on at least one study conducted in accordance with established scientific principles that acute or chronic health effects may occur in exposed employees. The term "health hazard" includes chemicals which are carcinogens, toxic or highly toxic agents, reproductive toxins, irritants, corrosives, sensitizers, hepatotoxins, nephrotoxins, neurotoxins, agents which act on the hematopoietic system, and agents which damage the lungs, skin, eyes, or mucous membranes.

**Physical Hazard:** means a chemical for which there is scientifically valid evidence that it is a combustible liquid, a compressed gas, explosive, flammable, an organic peroxide, an oxidizer, pyrophoric, unstable (reactive) or water-reactive.

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## **MAINTENANCE OF PERSONAL HYGIENE**

All employees and agents are required to maintain continuous acceptable standards of hygiene while on duty or in the facility.

1. Hands must be washed after every entrance into a lavatory regardless of whether the toilets were used. The water must be hot (not scalding) and soap must be used. Hands must be lathered for at least 20 seconds, then hands shall be washed until the soap has been washed away. The hands must then be dried with a clean towel.

2. Individuals working with medical marijuana or marijuana products must wear hats or hair nets, beard nets and nitrile gloves if their hands will come in contact with marijuana.
3. Employees working with medical marijuana or marijuana products will be issued company work clothing, such as scrubs, to be used while working with marijuana. The company will contract with a laundry company to ensure cleanliness of clothes worn during the production process.

---

## SANITATION

Proper sanitation is essential and critical to ensuring the safety of our employees and end-product consumers. Anything less than implementation of best-practices is not acceptable. We will maintain a highly sanitary operation. This will be achieved through implementation of our 'Sanitation – Standard Operating Procedures' and in accordance with the regulations, as outlined below:

1. Our operations are supplied with a potable water supply. In addition, we have a 40-gallon hot water heater that is more than sufficient to handle our sanitation and cleaning regimen.
2. All operational areas and rooms in our facility have sheet-rock walls and ceilings that have been properly sealed and painted with antifungal primer and an enamel paint top-coat which is washable. The floors in these areas are constructed of wood and we have added a high-density washable epoxy sealant.
3. Our restrooms are handicap accessible and easily accessible to employees. They fully comply with Rhode Island State Plumbing code and have received approval from the building inspector as indicated by our certificate of occupancy.
4. Our facility is outfitted with a hand-washing sink in the restroom and a three-bay sink in the manufacturing room. Both sinks are accompanied with effective hand-cleaning and sanitization preparations, disposable towels and trash receptacles.
5. The entrance to our facility is located in the interior of a warehouse, therefore, there are barriers prior to entrance to our primary entrance. These three layers of walls will act as a natural barrier to pests, contaminants and insects. In addition, we will thoroughly seal the facility with spray foam, silicon caulking and other materials to create a relatively impenetrable cultivation and production zone. In addition, our climate control equipment and practices will help ensure the establishment of a non-hospitable environment for molds and fungi.
6. Solid-waste disposal receptacles will be kept away from production and storage areas and will be emptied on a daily (or as needed) basis to ensure that waste does not become an attractant, harborage or breeding place for pests. All, non-hazardous and non-marijuana waste will be placed in contractor garbage bags with zip ties and placed in our designated dumpster on the exterior of the facility.
7. Our facility will be cleaned on a daily-basis or as-needed basis and with proper cleaning agents. A cleaning and sanitization log will be maintained at the facility and a description of required cleaning protocols will be maintained for each room or zone.
8. All toxic cleaning compounds, sanitization and or other toxic chemicals will be identified, properly held, stored and disposed of in a manner that protects against contamination of medical marijuana. This will be implemented in accordance with all applicable local, state and federal laws, rules, regulations or ordinances. Toxic chemicals will be kept at a specific "safe-shelf" that has been designed, located and outfitted with signage to



minimize risk. Proper SDS (MSDS) for every chemical in the facility will be maintained according to OSHA requirements along with appropriate training. We will undergo yearly Rhode Island Department of Health OSHA site assessments to ensure we are administering best practices regarding employee safety. We will contract with a waste removal company(s) to remove all toxic substances in compliant manner.

9. All employees working in contact with marijuana or marijuana products will adhere to best hygienic practice while in the facility. This will include mandatory handwashing, clean attire, use of hair/beard nets and facemasks as needed.
10. We will not permit the entry of any animal species into the facility, except if permitted by DBR under the Americans with Disabilities Act.

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## **COVID -19 PROCEDURES**

Employees and customers alike are expected to adhere to all COVID-19 laws and regulation



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**PLAN TO RESTRICT ACCESS TO  
PERSONS 21 AND OLDER**

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## RESTRICTING ACCESS TO AGE 21

Green Choice Dispensaries is aware that no person under 21 years of age shall be allowed to enter the premises or purchase, receive, gift, or otherwise transfer marijuana to or from another person or company.

<i>Unauthorized Transfer of Marijuana, Marijuana Products, or Accessories to Persons Under 21 Years of Age</i>	
<b>Description of Violation</b>	<b>Penalty</b>
Knowingly and intentionally supplying, giving, or providing marijuana, marijuana products, or marijuana accessories to a person, under 21 years of age, either for the person's own use or for the use of the person's parent or another person.	Civil penalty of not more than \$2,000 or imprisonment for not more than one year or both the fine and imprisonment.
Knowingly and intentionally allowing a person under 21 years of age (except for the children and grandchildren of the person charged) to possess marijuana, marijuana products, or marijuana accessories on premises or property owned or controlled by the person charged.	Civil penalty of not more than \$2,000 or imprisonment for not more than one year or both the fine and imprisonment.
<i>Unauthorized Transfer of Marijuana, Marijuana Products, or Accessories to Persons Under 21 Years of Age</i>	
<b>Description of Violation</b>	<b>Penalty</b>

An individual under 18-20 years of age (unless a patient with a registration card for medical use of marijuana) purchases or tries to purchase marijuana, marijuana products, or marijuana accessories.	Civil penalty of not more than \$100 and completion of a drug awareness program.
An individual under 18 years old purchases or tries to purchase marijuana, marijuana products, or marijuana accessories.	Civil penalty of not more than \$100, completion of a drug awareness program, and notification of parent or legal guardian.
An individual under 17 years old purchases or tries to purchase marijuana, marijuana products, or marijuana accessories.	Civil penalty of not more than \$100, completion of a drug awareness program, and notification of parent or legal guardian. Failure to complete drug awareness program within one year of offense may be basis for delinquency proceedings.
An individual 18-20 years of age alters, defaces, or otherwise falsifies identification (ID) offered as proof of age with the intent of purchasing marijuana, marijuana products, or marijuana accessories.	Civil penalty of not more than \$100 and completion of a drug awareness program.
An individual under 18 years old alters, defaces, or otherwise falsifies ID offered as proof of age with the intent of purchasing marijuana, marijuana products, or marijuana accessories.	Civil penalty of not more than \$100, completion of a drug awareness program, and notification of parent or legal guardian.
An individual under 17 years old alters, defaces or otherwise falsifies ID offered as proof of age with the intent of purchasing marijuana, marijuana products, or marijuana accessories.	Civil penalty of not more than \$100, completion of a drug awareness program, and notification of parent or legal guardian. Failure to complete drug awareness program within one year of offense may be basis for delinquency proceedings.

## CHECKING ID

Here are some tips and techniques for checking ID. Remember, it is the customer's obligation to present ID which verifies their age: **they must prove they are 21 or older**. You can always ask for secondary ID if you are unsure.

The *I.D. Checking Guide* is a useful guide covering the licenses and other IDs of all 50 states plus the District of Columbia. It is published each year by the Driver's License Guide Company (1-800-227-8827).

#### UNALTERED:

Always have the customer remove the ID from his or her wallet and hold the ID with your index finger on the top edge and your thumb on the bottom edge. This prevents any of the information from being covered up.

-Use the fingers of your other hand to check for any raised edges around the photograph, bumpy surfaces by the picture, irregular lamination, obvious cuts or slashes, the thickness and quality of the ID, and more.

-Turn the ID 90 degrees to look for number and letters that are out of line with the rest of the print.

#### ID'S SHOULD BE CURRENT:

Check the expiration date first. Expired ID is **not** valid, and you cannot accept it as legal proof of age even if it looks like the person. If the ID is expired, you can stop right there. Return the ID and refuse service.

#### AGE:

Check the date of birth; it must show the person is 18 or older. Look for any alterations of the date of birth.

#### READABLE:

Be sure you can read and understand the ID. If you cannot read an ID in a foreign language or the ID is worn or damaged so that parts are unreadable, do not accept it.

#### DESCRIPTION:

People can lose or gain weight and their hair and eye color (with contact lenses) may change, but the height should be consistent with the information on the ID. Look closely at the distance between the person's eyes; this usually doesn't change even if the person's weight or hairstyle did.

Consult with your manager if the photo or description does not match the person presenting the ID, even if they say they've changed their hairstyle, lost weight, etc.

## QUESTIONING THE CUSTOMER TO VERIFY ID

*With any system of checking ID, you can respectfully ask the customer questions, such as:*

- ❑ What is your address?
- ❑ What is your zip code?
- ❑ What is your middle name?
- ❑ What is your date of birth?
- ❑ How old are you now?
- ❑ What is your astrological sign?
- ❑ What year did you graduate high school/college?
- ❑ Are you an anatomical donor?
- ❑ Do you have a second piece of ID? (If they say no, but you were observant and noticed other ID in their wallet when they gave you the ID you are checking, you can assume the one in your hand is not valid.)

You don't need to know the answers to all of the questions, but observe the way the customer responds, are they confident, hesitant, nervous, taking too much time to respond. This will give you clues to whether they are lying or not.

**Remember, if you have *any doubt* that a piece of ID is valid, do not accept it and do not sell marijuana to that person.**

### Exercise: Examine Your Own ID



*Look at your driver license or DMV ID card and look for the following features:*

☐ ***\_PHOTO:***

☐ ***\_LAMINATION:***

☐ ***\_HEADING***

☐ ***\_DATES:***

### **Confiscating False ID**

You do **not** have a legal duty to confiscate ID you believe is false, and the OLCC does **not** recommend it.

If you decide to confiscate an ID, turn it over to the OLCC, your local law enforcement, or the Oregon DMV as soon as possible. Include the name and address of your business, and the date, time, and reason the ID was taken. For example, the picture on the ID did not match the person presenting it, the ID is torn, the person could not accurately repeat information on the ID such as birth date, address, etc.



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## QUALITY ASSURANCE PLAN

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MARCH 1, 2021

Drafted by Charles A. Reid III, Esq.

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## QUALITY ASSURANCE PLAN

### QUALITY ASSURANCE INTRODUCTION

Green Choice, LLC (Green Choice) is committed to applying a quality management system to all activities carried out during business. The system is designed to ensure that all products sold follow regulations, are safe for consumption and free of any undesirable components and provide a beneficial experience for product users.

The quality management system is also designated to evaluate and improve company processes associated with other business activities, including, but not limited to security, recordkeeping, waste management, inventory control, as well as any operations related to production or transportation of the product.

For the purposes of this plan, quality assurance is defined as processes designed to ensure that quality products and services are provided. The Quality Assurance Plan is the primary component of Green Choice's quality management system, including evaluations of the processes described in this and other operating plans.

Quality control is defined as tasks implemented to ensure the quality of each product and service before it reaches the customer and reporting issues to quality assurance staff such that processes can be improved. Inspections and testing of products and equipment, and specific task procedures to perform these make up the bulk of quality control activities.

Within this plan, cannabis is referred to as "the product." Where an "employee" is referred to in this plan, it also includes other individuals involved with Green Choice, including owners, officers, agents, and others representing the company.

### ROLES AND RESPONSIBILITIES

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#### QUALITY ASSURANCE OFFICER

In order to be effective, the Quality Assurance Officer (QAO) will be a member of the senior staff and be involved in the highest level of decision making related to changes to policies and processes, as well as the introduction of new systems, equipment, and products, such that potential quality issues may be identified prior to the implementation of the activity.

1. The QAO will have at a minimum four years of prior experience in quality assurance in a related industry with at least two of those years including supervisory responsibilities.
2. The QAO will be involved in the vetting and selection of new vendors which will be supplying equipment or other materials that will come into contact with the product, including the product itself, packaging, chemicals, scales, agricultural supplies, air filters, manufacturing equipment, etc.
3. The QAO will be involved in implementing improvements to plans, products, and systems within the company in response to employee, customer, and regulating authority feedback.
4. The QAO will regularly meet with each person responsible for implementing an operating plan and review each item for potential improvement ideas.
5. The QAO will be on the distribution list to receive correspondence and notices from the regulating agencies related to changes in procedures or regulations.
6. When procedures are updated either due to regulation changes or improvements to systems, the QAO will coordinate with managers to update training for employees.
7. The QAO will be responsible for implementing the Recall Plan.
8. The QAO will stay up to date on quality-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other quality assurance experts.
9. The QAO will maintain updated procedures in accordance with the Record Keeping Plan. Employees will be notified when a new updated procedure is made available.

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**THE QAO WILL BE FORWARDED ALL RECORDS RELATED TO THE FOLLOWING:**

1. OSHA-reportable incidents
2. Emergencies
3. Chemical spills
4. Accidents
5. Non-conformance to procedures by any staff member
6. Inspection or maintenance logs produced outside the purview of the QA team in which problems, repairs, or other issues are documented
7. Product rejections or recalls
8. Product complaints from customers or adverse events and steps taken to resolve issues
9. Internally identified biological, chemical, physical or other contamination hazards and steps taken to resolve issues
10. Vehicle accidents
11. Product loss, theft, or diversion
12. Changes to procedures

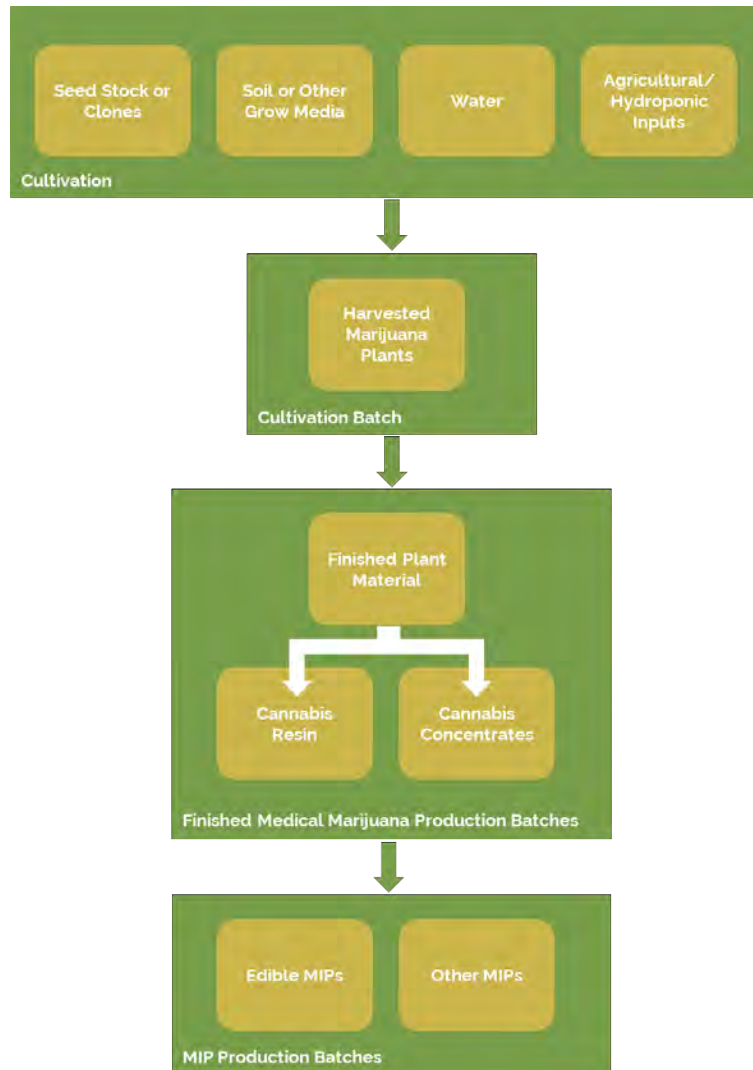
## SANITATION

All agents whose job includes contact with marijuana is subject to the requirements for food handlers specified in 105 CMR 300.000.

1. Any agent working in direct contact with marijuana will conform to sanitary practices while on duty, including:
  - a. Maintaining adequate personal cleanliness; and
  - b. Washing hands appropriately. 935 CMR 500.105(3)
2. Hand-washing facilities will be located in production areas and where good sanitary practices require employees to wash and sanitize their hands. 935 CMR 500.105(3)
3. There will be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations. 935 CMR 500.105(3)
4. Litter and waste will be properly removed so as to minimize the development of odor and the potential for the waste attracting and harboring pests. t to 935 CMR 500.105(12). 935 CMR 500.105(3)
5. Floors, walls, and ceilings will be constructed in such a manner that they may be adequately kept clean and in good repair. 935 CMR 500.105(3)
6. All contact surfaces, will be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination. 935 CMR 500.105(3).
7. Water supply will be sufficient for necessary operations. 935 CMR 500.105(3)
8. Plumbing will be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment. 935 CMR 500.105(3) 11
9. Adequate, readily accessible toilet facilities will be available. 935 CMR 500.105(3)

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## OVERVIEW OF MARIJUANA PRODUCTS AND THEIR PRODUCTION



Testing for finished Marijuana and Marijuana products includes screening for chemical and biological contaminants and cannabinoid profile testing

This protocol defines the minimum testing required to conform with 935 CMR 500.000: *Adult Use of Marijuana* and 935 CMR 501.000: *Medical Use of Marijuana*. Green Choice have discretion to perform analysis beyond these requirements.



Product problems will be reported to the Commission when there is a concern about the quality, authenticity, performance, or safety of any finished Marijuana or Marijuana product. Problems with product quality may occur during manufacturing, shipping, or storage. These may include:

- suspected counterfeit product;
- product contamination;
- defective components;
- poor packaging or product mix-up;
- questionable stability;
- labeling concerns; and
- unknown fillers and cutting agents

Individuals will report any concerns to the Commission by phone: (774) 415-0200;

email: [Commission@CCCMass.com](mailto:Commission@CCCMass.com);

or via Mail to:

Cannabis Control Commission

ATTN: DIRECTOR OF INVESTIGATIONS

2 Washington Square Union Station 2<sup>nd</sup> Floor Worcester, MA 01604

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Production Stage/Product	Contaminants of Concern	Required Testing
<p>Cultivation [see <a href="#"><i>Protocol for Sampling and Analysis of Environmental Media for Marijuana Establishments, Medical Marijuana Treatment Centers, and Colocated Marijuana Operations</i></a>]</p>	<ul style="list-style-type: none"> <li>• Non-organic pesticide residues, metals, and other organic chemicals(e.g. PCBs) taken up by plants from soil/growing media</li> <li>• Non-organic pesticides, metals, and other organic chemicals taken up by plants from water source</li> <li>• Non-organic pesticides applied to plants in noncompliance</li> <li>• Unidentified non-organic pesticides, metals, and other chemicals in non-pesticide agricultural or hydroponic products</li> <li>• Fungi/microbes growing on plants or equipment</li> </ul>	<p>Test soil or other solid media:</p> <ul style="list-style-type: none"> <li>• Pesticides</li> <li>• Metals and other organic chemicals (e.g. PCBs)</li> </ul> <p>Test water sources:</p> <ul style="list-style-type: none"> <li>• Pesticides</li> <li>• Metals</li> <li>• Bacteriological contaminants</li> </ul>

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Production Stage/Product	Contaminants of Concern	Required Testing
Finished Plant Material	<ul style="list-style-type: none"> <li>Contaminants remaining from cultivation</li> <li>Fungal/microbial growth during finishing</li> </ul>	<p>All production batches:</p> <ul style="list-style-type: none"> <li>Pesticides and plant growth regulators</li> </ul> <p>Production batches to be dispensed as finished medical marijuana product:</p> <ul style="list-style-type: none"> <li>Metals</li> <li>Bacteria/fungi/mycotoxins</li> <li>Cannabinoid profile</li> </ul>
Cannabis Resin	<ul style="list-style-type: none"> <li>Contaminants remaining from cultivation</li> <li>Solvents if used to extract resin</li> <li>Fungal/microbial growth during production</li> </ul>	<p>All production batches:</p> <ul style="list-style-type: none"> <li>Solvents (if used)</li> <li>Metals</li> </ul> <p>Only production batches to be dispensed as medical marijuana product:</p> <ul style="list-style-type: none"> <li>Bacteria/fungi/mycotoxins</li> <li>Cannabinoid profile</li> <li>Vitamin E Acetate</li> </ul>

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Production Stage/Product	Contaminants of Concern	Required Testing
Cannabis Concentrates	<ul style="list-style-type: none"> <li>Contaminants remaining from cultivation</li> <li>Solvents used to extract oil</li> <li>Fungal/microbial growth during production</li> </ul>	<p>All production batches:</p> <ul style="list-style-type: none"> <li>Solvents</li> <li>Metals</li> </ul> <p>Only production batches to be dispensed as medical marijuana product:</p> <ul style="list-style-type: none"> <li>Bacteria/fungi/mycotoxins</li> <li>Cannabinoid profile</li> <li>Vitamin E acetate</li> </ul>
MIPs	<ul style="list-style-type: none"> <li>Contaminants in finished marijuana ingredients</li> <li>Fungal/microbial growth during production</li> </ul>	<p>All production batches:</p> <ul style="list-style-type: none"> <li>Bacteria/fungi/mycotoxins</li> <li>Cannabinoid profile</li> </ul>

*\*\*Please note that these Protocols are continually evaluated and revised based upon new scientific and industry information.*

## USABLE MARIJUANA CONTENT

It can be assumed that the yield of a Cannabis resin or concentrate is 19 percent of the starting weight of plant material.

This is based on the assumption that a typical butane extraction from 28.4 g (1 oz.) of flower will yield 5.5 g of oil.

When the weight of Cannabis resin or concentrate in a dispensed product is known, the quantity of usable Marijuana, expressed in equivalent plant material weight, will be calculated by multiplying the resin or concentrate weight by 5.3 (i.e.,  $1 \div 0.19$ ). For example, the quantity of usable Marijuana in 1.9 ounces of Cannabis oil is 10 ounces (1.9 ounces of Cannabis oil x 5.3 = 10 ounces of usable Marijuana). Therefore, 1.9 ounces of Cannabis oil is equivalent to the maximum 60-day supply of useable plant material, unless otherwise modified by a Certifying Healthcare Provider.

The amount of usable Marijuana in a MIP is equal to the amount of usable Marijuana included in the product ingredients, measured before mixing, baking, or other processing or manufacturing steps. If more than one type of

finished Marijuana ingredient is used to prepare a MIP, the amount of usable Marijuana in the MIP is the sum of the usable Marijuana in the ingredients.

## **SAMPLING PROGRAM DESIGN**

Under 935 CMR 500.160(2) and 935 CMR 501.160(2), Marijuana and Marijuana products must be tested for the cannabinoid profile and contaminants. The Marijuana products to be tested include finished plant material (i.e., inflorescences or “buds”), Cannabis resin, Cannabis concentrates, and various types of MIPs. The purpose of testing is to ensure product quality and safety, and to provide information needed for product labeling requirements.

Each ~~MIP~~ production batch must be sampled and analyzed, and the samples collected for a production batch must be representative of all of the Marijuana in the batch. The protocol provides the following definition of production batch:

Per 935 CMR 500.002 and 935 CMR 501.002, Production Batch means a batch of finished plant material, Cannabis resin, Cannabis concentrate, or Marijuana-infused Product made at the same time, using the same methods, equipment, and ingredients. Green Choice will assign and record a unique, sequential alphanumeric identifier to each Production Batch for the purposes of production tracking, product labeling, and product recalls.

Samples from each Production Batch must be collected in a ready-to-use condition.

- Production Batches that will be dispensed or sold to patients or consumers, ready-to-use means ready for packaging or post-packaging.
- Other Production Batches, ready-to use means ready for use as an intermediate or ingredient in making other products.
- After samples are collected, the entire Production Batch must be stored in a secure, cool, and dry location until analytical results are returned by the laboratory.

To perform required testing, Green Choice will collect samples to be analyzed by licensed and appropriately certified ITL. The amounts of sample required for cannabinoid or contaminant testing may vary by analytical method and laboratory- specific procedures, therefore Green Choice will confer with the ITL to determine the minimum sample size required for evaluation.

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Homogeneity	Mass of Production Batch (kg)	Minimum Number of Samples/Subsamples	Collection Method
Production batch can be homogenized or assumed to be well mixed or homogenous	Any production batch mass	1 sample	Mix product  Withdraw amount sufficient for evaluation Submit to laboratory for analysis
Production batch cannot be homogenized or is of unknown homogeneity	$\leq 1$	3 subsamples	Mix product to degree possible  Withdraw subsamples from different areas (such as lower, middle, and upper portions of container)
	1-5	5 subsamples	Composite subsamples, if possible, to amount sufficient for evaluation
	$\geq 5$	10 subsamples	Submit to laboratory for analysis

*\*\*Please note that these Protocols are continually evaluated and revised based upon new scientific and industry information.*

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## REPRESENTATIVE SAMPLING

Specific procedures for collecting representative samples of Marijuana Production Batches are likely to vary

depending on several attributes of the products and production methods:

**Homogeneity** – A sample is more likely to accurately represent the Production Batch if the material is homogenous (i.e., well mixed). Mixing or other homogenization steps help to homogenize the product before sample collection.

**Physical Form** – Production Batches will vary in physical form (e.g., liquids, solids), density, and viscosity. Physical form can affect homogeneity, homogenization steps, and sample collection methods. For example, liquid products can be homogenized by stirring. Grinding and other methods described further below can be used to homogenize solid products.

**Quantity** – Because Production Batches may vary in scale (i.e., volume or weight), varying numbers or sizes of samples may be required to promote representativeness.

In addition, sample representativeness can be affected by the timing and frequency of sample collection. Because of variation among production schedules (e.g., due to product type, production scale, patient, and consumer demand), sampling frequencies will vary among Green Choice and Production Batches. However, representativeness will be ensured by the requirement that all Production Batches are tested.

Representative samples of all materials will be tested for cannabinoid profile and contaminants. The per-batch procedure is as follows:

1. During cultivation: A standard sample size of five (5) grams of plant material is taken from the top, middle and bottom of one plant in each section of the canopy at harvest.
2. During manufacturing: Follow the guidelines provided by the testing laboratory in the selection and preparation of samples and in accordance with the *Protocol for Sampling and Analysis of Finished Marijuana Products and Marijuana-infused Products*.
3. These samples are submitted to identify any unwanted residues and to assure that Cannabinoid and Terpene results are representative of the entire batch. These samples are also utilized for Pesticide and Mold/Microbiological screening to assure that our products meet the highest standards; to be free of pesticide residue, and mold/microbiological counts below thresholds set by the Manager, the American Herbal Pharmacopoeia, and state regulations when applicable.
4. The Manager will determine whether additional testing is necessary.
5. All test results will be recorded in the inventory control system and kept for a minimum of one year.
6. All paper documents related to testing will be forwarded to the QAO and preserved for future reference, recall, etc., in accordance with the Document Retention and Destruction procedure.

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## **SAMPLING GUIDANCE BY MATRIX**

Finished Marijuana products and MIPs can be in varied physical states or matrix (e.g., liquids to hard solids).

To better understand the specific requirements the following guidance is provided based on the matrix of the material to be characterized.

### LIQUIDS (CANNABIS OIL AND SOME MIPS)

Liquid products such as Cannabis oil or liquid MIPS will be thoroughly stirred or mixed before sampling to ensure homogenization of the sample. Cannabis oil or other liquid Cannabis from each Production Batch will be sampled using units of volume. Samples of concentrates or oils will be collected following each Production Batch if they are to be dispensed or sold, and before any further processing into MIPS.

### FINISHED PLANT MATERIAL OR FRIABLE MIPS

Sampling will be performed such that the dried and trimmed inflorescences, or buds, of the Marijuana plant that are collected are representative in maturity and composition of the entire production Batch of finished plant material. The sampling timeframe for Marijuana buds will be after the completion of the finishing (i.e., drying and trimming) of the plant material Production Batch.

Homogenization of the finished plant material may be difficult to accomplish prior to sampling due to the heterogeneous nature of the finished plant material. Recommendations from ISO 1839-1980 guidelines for sampling loose leaf tea (i.e., a material similar in nature to Cannabis plant material) state that in most cases it is “impracticable and purposeless” to re-blend the contents of a large container of tea in order to obtain a representative sample. USP guidance for sampling articles of botanical origin (USP Chapter <561>) recommends that, for items with component parts larger than 1 cm in any dimension, samples will be withdrawn by hand, then combined and mixed prior to analysis. ISO 1839-1980 also states that if the primary samples consist of loose material, they will be combined to constitute the bulk sample for evaluation.

Quartering is a method to promote the representativeness of a homogenized Marijuana sample. Quartering involves heaping the adequately mixed and homogenized ground product into a square shape, dividing the heap into four equal quarters, and selecting samples from two of the opposite quarters, which are mixed and sampled (Sexton and Ziskind, 2013; USP Chapter <561>; WHO, 2007). The remaining quarters may then be combined and mixed, then used for microbiological and contaminant testing (Sexton and Ziskind, 2013; USP Chapter <561>; WHO, 2007). The quartering process may be repeated until the required quantity is obtained, and the remaining material may be returned to the batch if possible (USP Chapter <561>; WHO, 2007).

### SOLIDS AND SEMI-SOLIDS (CANNABIS RESIN AND SOME MIPS)

Solid and semi-solid products such as resin will be ground and thoroughly mixed, if possible, to be homogenized (USP Chapter <561>; WHO, 2007). A grinding device that minimizes loss (e.g., leaching of resins from finished plant material) will be used, and the grinding device will be cleaned thoroughly after each use. Once ground, quartering, as described above, can be used to collect the sample.

If grinding is impracticable, subsamples of the product will be taken from different areas of the product mass. For example, it might be possible to slice the product mass in sections prior to collection of subsamples or take the subsamples directly from different locations on the product surface (e.g., lower, middle, and upper).

Resin and other solids will not be melted as a means of homogenization. Heating the product may alter the



cannabinoid profile or contaminant levels (WHO, 2005) thereby rendering the sample unrepresentative of the source product.

When subsamples are required, subsamples will be composited (combined), if possible, and mixed to obtain a quantity sufficient for evaluation. The quantity sufficient for evaluation may vary by analytical method and laboratory-specific procedures, therefore Green Choice will confer with the ITL to determine the minimum sample quantity required for evaluation.

Compositing subsamples may be impractical for some product types (e.g., hard candies or other products in discrete solid units). In these cases, individual product units can be provided to the ITL as samples for analysis. In some cases, the ITL may combine extracts or digestates prepared from the solid subsamples and analyze the volumetrically combined extract/digestate as a composite.

## QUALITY CONTROL (QC) SAMPLES

Duplicate samples will be collected to provide verification of sampling and laboratory procedures. Specifically, a duplicate will be collected for 5 percent (1 per 20) of the samples collected for each Marijuana product type. Duplicate samples will not be identified to the ITL (this is considered blind quality control). Duplicate samples are used to evaluate any variance in the sampling and analysis procedures. QC samples must be taken on the same day and be derived from the same batch.

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## SAMPLING PREPARATION

Staff will assemble all equipment and information needed before beginning. Items to assemble before sampling include, but are not limited to, the following:

1. Sample collection plan for each product type;
2. Logbook or sample collection forms;
3. Chain-of-custody forms (COCs);
4. Disposable gloves;
5. Decontaminated tool(s), such as a spatula, knife, sampling spear, or pipette;
6. Stainless steel bowl and implement to homogenize the product (e.g., by stirring, chopping, or grinding);

7. Clean, decontaminated surface for sample processing;
8. Sample containers appropriate for the analyses required;
9. Container labels and pen with indelible ink;
10. Supplies to thoroughly clean, decontaminated and dry sampling equipment between samples; and
11. A cooler with ice to keep samples cool until refrigeration or shipment to the laboratory.

Sample collection personnel will create a new entry for each sampling event in a sample collection logbook or prepare sample collection forms for documentation of sample collection. Sample collection documentation will identify the sample collection date and start time, participating personnel, a general description of the product type and batch number sampled, a description of the sampling procedures used, and a record of batches that would potentially be impacted will analysis results indicate unacceptable contamination levels.

Sample collection personnel will identify or determine the cultivation batch number, production batch, and number of samples to be collected based on the guidance provided in Section 5, as well as further guidance obtained in consultation with the laboratory. The number of samples taken from each cultivation and/or production batch must be recorded in the sample collection logbook or forms. Sample cultivation and production Batch Identifiers (ID) for each sample will be recorded. The Batch IDs will be included on sample labels. In addition to the Batch ID, create a unique sample ID for each sample. Sample identifiers will be unique for a given sample event. Record the batch and sample IDs in the sample collection logbook.

Any tools that contact the samples will be made of stainless steel or other inert material to avoid potential contamination of the sample.

Staff will prepare sample labels and affix them to sample containers immediately before sampling. Information will include on the label, at a minimum, the batch and sample IDs and date/time of collection and by whom. Additional information that must be recorded in documentation, if not on the label, includes sample collector's name, product type, collection method, and other details about the product, such as MIP type or production method.

Preparing sample labels and affixing them to sample containers immediately before sampling is recommended. Information to include on the label includes at a minimum the batch and sample IDs and date/time of collection and by whom. Additional information that must be recorded in documentation, if not on the label, includes sample collector's name, product type, collection method, and other details about the product, such as MIP type or production method.

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## SAMPLING STEPS

1. Wear disposable gloves to mitigate potential for contamination of samples.

2. Ensure that the sampling area is clean and decontaminated and lay out any tools and equipment needed.
3. Collect the sample using an appropriate tool. Do not touch the sample with your hands or allow the sample to touch anything that might cause cross contamination.
4. If necessary, place the sample in the stainless-steel bowl or on a decontaminated cutting surface for homogenizing the sample using either the sample collection tool or separate clean, decontaminated implement.
5. Record the time each sample was collected and record any difficulties, inconsistencies with the sampling plan, or other remarks (e.g., environmental conditions) that might be relevant to data analysis or quality assurance.
6. To avoid cross contamination of samples, any tools or equipment that comes in contact with the finished plant material or other marijuana products will be cleaned before collecting the next sample.
7. All samples will be placed in clean, airtight sample containers that are large enough to hold the prescribed sample quantity with minimal headspace. Sample containers must be firmly closed and appropriately labeled.
8. To preserve the chemical and biological composition of the samples, they will be refrigerated or maintained on ice until shipped to the analytical laboratory.
9. Chain-of-custody paperwork will be completed immediately prior to shipment to the analytical laboratory.

Marijuana products and MIPs, especially solids or semi-solids such as finished plant material, may be heterogeneous with respect to distribution of cannabinoids or contaminants. To obtain a representative sample, liquid products will be thoroughly stirred or mixed before sampling. Solid and semi-solid products must be ground and thoroughly mixed. A grinding device that minimizes loss (e.g., leaching of resins) will be used, and the grinding device will be cleaned thoroughly after each use.

Another method to promote the representativeness of a ground marijuana product is quartering. Quartering involves heaping the ground product, dividing the heap into four equal quarters, and selecting samples from two of the quarters, which are combined and mixed (Sexton and Ziskind, 2013). The remaining quarters may then be combined and mixed, then used for microbiological and contaminant testing (Sexton and Ziskind, 2013).

Resin and other solids will not be melted as a means of homogenization. Heating the product may alter the cannabinoid profile or contamination levels (WHO, 2005) thereby rendering the sample unrepresentative of the source product.

Edible products tend to be relatively homogeneous (Sexton and Ziskind, 2013), so a selection of packaged or ready-to-dispense MIPs may be provided to the analytical laboratory to represent a given production batch (Sexton and Ziskind, 2013). MIPs may be either liquid or solid, and the solid MIPs may be of varying density (e.g., baked goods, candies, etc.). Laboratory samples of MIPs will be homogenized prior to testing such that the sample is representative of the whole product. Homogenized samples will be mixed and quartered similar to the procedure described above. If production batches of individually packaged MIPs are sampled, multiple packaged products will be sampled such that they are representative of the production batch size.

Duplicate samples will be collected to provide verification of sampling and laboratory procedures. Specifically, a duplicate will be collected for 5 percent (1 per 20) of the samples collected for each marijuana product type. Duplicate samples will not be identified to the laboratory (this is considered blind quality control). Duplicate samples are used to evaluate any variance in the sampling and analysis procedures. To ensure authenticity, it will be noted that QC samples will be taken on the same day, be derived from the same batch and documented on the DPH test results tracking sheet.

## SAMPLE ANALYSIS

All sample analyses described in this protocol will be conducted by an Independent Testing Laboratory (ITL) that is either:

1. Accredited to International Organization for Standardization (ISO) 17025 by a third-party accrediting body such as A2LA or ACLASS, or
2. Certified, registered, or accredited by an organization approved by the Massachusetts Department of Public Health.
3. Licensed with the Commission pursuant to 935 CMR 500.050(7) and 935 CMR 501.052.

Further requirements concerning the eligibility and responsibilities of analytical laboratories are provided in 935 CMR 500.029 and 935 CMR 501.029.

In addition to the regulatory qualifications and requirements referenced above, the ITL will have a demonstrated ability to perform the specific analytical methods required and to provide defensible documentation and quality assurance.

The sections below identify the analytical methods and analyses required for characterizing the cannabinoid profile of Marijuana products, as well as the presence and levels of potential contaminants, including metals, pesticides and plant growth regulators, microbiological contaminants and mycotoxins, and residual solvents.

## CANNABINOID PROFILE

Although many cannabinoids and related compounds are present in the Cannabis plant, characterization of the cannabinoid profile will include, at a minimum, the dry-weight percentage of delta-nine-tetrahydrocannabinol (D9-THC) and cannabidiol (CBD).

Because target cannabinoid contents and ratios may vary depending on the desired dosage and other use considerations, minimum profile standards are not mandated. However, the cannabinoid profile must be included in product labeling under 935 CMR 500.105(5) and 935 CMR 501.105(5).

## METALS AND MARIJUANA VAPE PRODUCTS

Green Choice will continue to conduct a second heavy metal screening requirement on all finished vape products subject to the First Amended Quarantine Order.

Every vape product sold will be accompanied with a written insert at the point of sale which identifies the manufacturer of the device and its known components, including the battery, and discloses materials used in the device's atomizer coil (e.g. titanium, titanium alloy, quartz, copper, nichrome, Kanthal, or other specified materials). Specific additives used in the production of the vape product, including thickening agents, thinning agents, and terpenes, will also be disclosed along with their Certificates of Analysis.

## PESTICIDES RESIDUES AND PLANT GROWTH REGULATORS

Non-organic pesticides may not be used to cultivate Marijuana in Massachusetts (935 CMR 500.120(5) and 935 CMR 501.120(5)). As discussed in Section 5, all production batches of finished plant material must be tested for residues of prohibited pesticides. At a minimum, samples of finished plant material must be tested for the pesticides, including plant growth regulators, listed in Exhibit 5. Exhibit 5 identifies appropriate analytical methods for each of the listed pesticides.

A production batch of finished plant material may be dispensed to consumers, patients or be used to make other Marijuana products if no individual pesticide or plant growth regulator is detected above 10 ppb. A laboratory that is unable to perform the required testing of pesticide residues at or below the 10 parts per billion (ppb) criteria may determine compliance by ensuring that any pesticide residues are present at a level less than or equal to 5 percent of the US EPA tolerance for the specific residue. EPA pesticide tolerances are available from Title 40 of the Code of Federal Regulations (CFR). In such circumstances, DPH will be notified regarding the specific pesticides to which this method is being applied.

Marijuana and Marijuana products will be tested for contaminants specified by the Commission but not limited to any plant growth regulators and the presence of pesticide. State law prohibits use of pesticides on marijuana cultivation. The Commission applies a 10 parts per billion (10 ppb) threshold to determine detection of pesticides for purposes of compliance with pre-market testing requirements. Any product that obtains a true value at the limit of detection (LOD) concentration means there is at least a 99% probability of

reporting a detection. Pesticide detection above the LOD but below the quantification limit (BQL) is also considered out of compliance.

The ITL's will report the pesticide levels in Marijuana products that are detected in the certificate of analysis. If a sample is found to contain pesticides or is above the permissible limits in the pesticides table (exhibit 5), it is considered out of compliance and or a failure. Under 935 CMR 500.120(5) and 935 CMR 501.120(5) licensees are required to immediately report to the Commission any test result indicating pesticide noncompliance. The associated product batch may not be released for retail sale and may not be remediated.

Marijuana and Marijuana products will be tested for the following pesticides:

Pesticide	Use	Residue Analytical Methods
Bifenazate	Acaricide	LC; LC-MS/MS
Bifenthrin (synthetic pyrethroid)	Insecticide	GC-ECD; GC-MS/MS
Cyfluthrin (synthetic pyrethroid)	Insecticide	LC; GC-MS/MS
Etoxazole	Acaricide	GC-MS(/MS)
Imazalil	Fungicide	GC-ECD; LC-MS/MS
Imidacloprid	Insecticide	LC-MS/MS
Myclobutanil	Fungicide	GC-ECD; GC-NPD; GSMS/MS; LC-MS/MS
Spiromesifen	Insecticide	GC-MS; LC-MS/MS
Trifloxystrobin	Fungicide	GC-NPD; GC-MS/MS; LC-MS/MS

Source AHP (2013)

ECD = Electron capture detector; FLD = Fluorescence detector; GC = Gas chromatography; MS =Mass spectrometry; NPD = Nitrogen phosphorous detector; LC = Liquid chromatography

## MICROBIOLOGICAL CONTAMINANTS AND MYCOTOXINS

Analytical requirements for microbiological contaminants and mycotoxins are listed in the table below. Requirements for total viable aerobic bacteria, total yeast and mold, total coliforms, and bile-tolerant gram-negative bacteria are given in colony forming unit (CFU) counts per mass of product sample. The requirement for pathogenic *E. coli* and *Salmonella* spp. is based on detection in a one-gram sample, and the requirement for mycotoxins is based on the concentration per kilogram of sample. Analytical methods for enumerating and identifying specific microbiological contaminants must be consistent with the following United States Pharmacopeia (USP) chapters:

- USP Chapter <61>: Microbiological Examination of Nonsterile Products: Microbial Enumeration Tests. USP 36, Chapter <61>
- USP Chapter <62>: Microbiological Examination of Nonsterile Products: Tests for specified Microorganisms. USP 36, Chapter <62>

Analytical methods for mycotoxins must be consistent with USP chapter:

- USP Chapter <561>: Articles of Botanical Origin. USP 36, Chapter <561>

Cannabis Material	Total Viable Aerobic Bacteria (CFU/g)	Total Yeast and Mold (CFU/g)	Total Coliforms (CFU/g)	Bile-tolerant Gram-negative Bacteria (CFU/g)	E Coli (pathogenic strains) and Salmonella spp.	Mycotoxins <sup>b</sup>
Unprocessed Materials <sup>c</sup>	10 <sup>5</sup>	10 <sup>4</sup>	10 <sup>3</sup>	10 <sup>3</sup>	Not detected in 1 g	<20 µg of any mycotoxin per kg of material
Processed Materials <sup>c</sup>	10 <sup>5</sup>	10 <sup>4</sup>	10 <sup>3</sup>	10 <sup>3</sup>		
CO <sub>2</sub> and Solvent-based Extracts	10 <sup>4</sup>	10 <sup>3</sup>	10 <sup>2</sup>	10 <sup>2</sup>		

CFU: colony forming unit

<sup>a</sup> Except for mycotoxins, analysis requirements are based on AHP (2013).

<sup>b</sup> Mycotoxins include aflatoxin B1, aflatoxin B2, aflatoxin G1, aflatoxin G2, and Ochratoxin A.

<sup>c</sup> Unprocessed materials include minimally processed crude cannabis preparations such as inflorescences, accumulated resins (kief), and compressed resin glands (hashish). Processed materials include various solid or liquid infused edible preparations, oils, topical preparations, and water-processed resin glands ("bubble hash") (AHP, 2013).

## RESIDUAL SOLVENTS

As discussed, residual solvents testing is required only for Cannabis resins and concentrates where solvents have been used in the production process. In particular, a production batch of Cannabis oil may be dispensed or sold as a finished Marijuana product or used to make another Marijuana product only if:

1. Laboratory analysis verifies that all solvents used at any stage of Cannabis oil production, except in cleaning equipment, are below the limits provided in Exhibit 6; and
2. The production batch passes all other applicable testing requirements.

Analyses to determine residual solvent concentrations in Marijuana products must be performed in accordance with the methods identified in USP Chapter <467>.

### Concentration Limits for Residual Solvents

Solvent	Concentration Limit (mg/kg)	Solvent	Concentration Limit (mg/kg)
Acetic acid	5000	Heptane	5000
Acetone	5000	Hexane	290
Acetonitrile	410	Isobutyl acetate	5000
Anisole	5000	Isopropyl acetate	5000
1-Butanol	5000	Methanol	3000
2-Butanol	5000	2-Methoxyethanol	50
Butyl acetate	5000	Methyl acetate	5000
Tert-Butylmethyl ether	5000	3-Methyl-1-butanol	5000
Chlorobenzene	360	Methylbutylketone	50
Chloroform	60	Methylcyclohexane	1180
Cumene	70	Methylethyl ketone	5000



Solvent	Concentration Limit (mg/kg)	Solvent	Concentration Limit (mg/kg)
Cyclohexane	3880	Methylisobutyl ketone	5000
1,2-Dichloroethene	1870	2-Methyl-1-propanol	5000
Dichloromethane	600	N-Methylpyrrolidone	530
1,2-Dimethoxyethane	100	Nitromethane	50
N,N-Dimethylacetamide	1090	Pentane	5000
N,N-Dimethylformamide	880	1-Pentanol	5000
Dimethyl sulfoxide	5000	1-Propanol	5000
1,4-Dioxane	380	2-Propanol	5000
Ethanol	5000	Propyl acetate	5000
2-Ethoxyethanol	160	Pyridine	200
Ethyl acetate	5000	Sulfolane	160

Solvent	Concentration Limit (mg/kg)	Solvent	Concentration Limit (mg/kg)
Ethylene glycol	620	Tetrahydrofuran	720
Ethyl ether	5000	Tetralin	100
Ethyl formate	5000	Toluene	890
Formamide	220	1,1,2-Trichloroethylene	80
Formic acid	5000	Xylene	2170

## Concentration Limits for Residual Levels of Propane, n-Butane, or Iso-Butane

Solvent*	Upper Limit (mg/kg)
Propane (CAS 74-98-6)	12
n-Butane (CAS 106-97-8)	12
Iso-Butane (CAS 75-28-5)	12

## VITAMIN E ACETATE

The Marijuana vape product guidance protocol recommends that for a final, ready-to-sell vape product, a test sample of the finished product containing at least one (1) gram of marijuana oil must be sent to one of the Commission's licensed ITLs for heavy metal and VEA testing.

Marijuana vape products will continue to receive all required contaminant testing for concentrates as required under 935 CMR 500.160 and 935 CMR 501.160.

Additionally, per the Commission's First Amended Vape Order and 935 CMR 500.160 and 501.160, final ready-to-sell vape products must also pass a second heavy metal screen in addition to a Vitamin E Acetate (VEA) screen.

To date, a standardized method for opening Marijuana vape products and extracting the oil contents has not been developed by any of the Commission's licensed ITLs.

## DATA EVALUATION

Green Choice will reanalyze or remediate failed Marijuana and Marijuana products pursuant to 935 CMR 500.160(13)(a),(b), and (c) and 935 CMR 501.160(12)(a),(b) and (c). Upon receiving notification that Marijuana or Marijuana product has failed any test for contaminants, Green Choice will either reanalyze the

Marijuana or Marijuana product, will take steps to remediate the Marijuana or Marijuana product or destroy the Marijuana and Marijuana product. Green Choice will ensure that any failed Marijuana and Marijuana product are properly remediated through the Commission's Seed-to-sale System of Record (Metrc).

## **REANALYSIS**

If Green Choice chooses to reanalyze the sample, the same sample will be submitted for reanalysis at the ITL that provided the initial failed result. If the sample passes all previously failed tests at the original ITL, an additional sample representing the same sample set previously tested will be submitted to an ITL other than the original ITL for a Second Confirmatory Test. To be considered passing and therefore safe for sale, the sample will have passed the Second Confirmatory Test at an ITL other than the ITL that provided the initial failed result. Any Marijuana and Marijuana product that fails the Second Confirmatory Test will not be sold, transferred, or otherwise dispensed to consumers, patients, or Green Choice. Any such product is subject to an Order of Destruction to be issued by the Commission at its discretion.

## **REMEDICATION**

If Green Choice chooses to remediate, a new test sample will be submitted to any licensed ITL, which may include the ITL that provided the initial failed result, for a full-panel test. Any failing Marijuana or Marijuana product may be remediated a maximum of two times. Any Marijuana or Marijuana product that fails any test after the second remediation attempt will not be sold, transferred, or otherwise dispensed to consumers, patients, or Green Choice. Any such product is subject to an Order of Destruction to be issued by the Commission at its discretion.

## **METALS**

Finished Marijuana products will be tested for the four metals listed in tables on the following page. Quantification of metals must be performed with a validated method such as those provided by USP (Chapter

<233>) or FDA (2011). A production batch of finished Marijuana products (e.g., finished plant material, Cannabis resin, or Cannabis concentrate) may only be dispensed or sold to patients or consumer if all four of the metals are below the upper limits for the respective product and intended use specified in Exhibit 4 (e.g., ingestion only or all other uses). These limits are in micrograms ( $\mu\text{g}$ ) of contaminant per kilogram (kg) of product.

*(Rest of Page Intentionally Left Blank)*

(a) All Uses<sup>b</sup>

Metal	Upper Limit (µg/kg)
Arsenic (inorganic)	200
Cadmium	200
Lead	500
Mercury (total)	100

(b) Ingestion Only<sup>c</sup>

Metal	Upper Limit (µg/kg)
Arsenic (inorganic)	1500
Cadmium	500
Lead	1000
Mercury (total)	1500

All products that meet the above limits must bear the following label:

**This product has been evaluated for environmental contamination (impurities) assuming that no more than 10 grams (0.35 ounces) of finished plant material (or the equivalent amount of concentrate) will be consumed per day.**

In addition to the above labeling requirement for all products, products that meet only the upper limit described in (b) Ingestion Use Only must be labeled to indicate:

**This product has been evaluated for impurities based on oral consumption only. DO NOT INHALE THIS PRODUCT.**

Once a production batch of finished Marijuana has been determined to meet the limits, it must bear the following label:

**This product has been evaluated for environmental contamination (impurities) assuming that no more than 10 grams (0.35 ounces) of finished plant material (or the equivalent amount of concentrate) will be consumed per day.**

In addition to the above labeling requirement for all production batches of finished Marijuana, if the quantification of metals is below the upper limits specified for “Ingestion Use Only”, as described in Exhibit (b), the production batch of finished Marijuana must bear the additional label:

**“THIS PRODUCT HAS BEEN EVALUATED FOR IMPURITIES BASED ON ORAL CONSUMPTION ONLY. DO NOT INHALE THIS PRODUCT.”**

## **DESTRUCTION**

If Green Choice chooses to destroy the failed Marijuana and Marijuana product it will do so in accordance with 935 CMR 500.105(12) and 935 CMR 501.105(12). As required by under 935 CMR 500.160(4) and 935 CMR 501.160(4), Green Choice will “have a written policy for responding to laboratory results that indicate contaminant levels are above acceptable limits established in the protocols.”

The analytical results provided by the ITLs, including those for finished Marijuana and Marijuana products discussed in this protocol, will be a primary means for Green Choice to ensure compliance with this requirement.

- The ITL results must include, at a minimum, the following in the laboratory data package:
- Case Narrative:
  - The narrative, written on laboratory letterhead, will describe any sample receipt, preparation, or analytical issues encountered as well as any method non-conformances or exceedance of QA/QC criteria used by the laboratory.
  - The narrative will identify the preparation and analytical methods utilized by the laboratory.
  - The narrative will include a signed statement by an authorized laboratory representative as to the accuracy, completeness, and compliance with the methods of the results presented. Chains-of-custody (COC) information or other paperwork indicating requested analyses and documentation of sample collection and receipt.
  - Summary of analytical results including sample identifier, methods performed, target analytes analyzed for, result or reporting limit, proper qualifier according to laboratory standard procedures, units of measure, preparation date(s), where applicable, and analysis date(s).

Depending on the outcome of the analysis, Green Choice may need to take action to address unacceptable levels of contamination or to perform follow-up investigation. Exhibit 8 is a flowchart Green Choice will use to determine the correct course of action in response to each laboratory analytical data package. As discussed above, if any analysis fails to meet all applicable DQOs, then the finished Marijuana product or MIP cannot be dispensed. In this case, the production batch may be resampled for follow-up testing. A production batch may be retested once and records of the original analysis must be retained. If applicable DQOs are not

met, the production batch cannot be dispensed or sold to consumers or patients or used in the production of MIPs.

1. If a batch of finished plant material fails to meet a metal or a bacteria/fungi/mycotoxin standard described in Exhibits 4 and 6, the finished plant material cannot be dispensed or sold to a patient or consumer as finished Marijuana without first being reanalyzed and/or remediated pursuant to 935 CMR 500.160(13) or 935 CMR 501.160(12).
  - a. Finished plant material that fails to meet a metal, or a bacteria/fungi/mycotoxin standard may be used to derive other finished Marijuana products (e.g., resins, concentrates).
2. If a batch of finished plant material fails to meet a pesticide residue and plant growth regulator limit, it cannot be dispensed to consumers or patients, or used to derive other products. Marijuana and Marijuana products that fail for pesticides or plant growth regulators may not be remediated and the associated batch will be subject to an Order of Destruction issued by the Commission at its discretion.
3. If a concentrate or resin exceeds the residual solvent requirements it cannot be dispensed to consumers or patients without first being reanalyzed and/or remediated pursuant to 935 CMR 500.160(12) and/or 935 CMR 501.160(11).
  - a. If upon reanalysis and/or remediation the concentrate/resin meets the residual solvent standard, the ultimate finished Marijuana product may be dispensed to consumers and patients as long as all applicable limits are met.

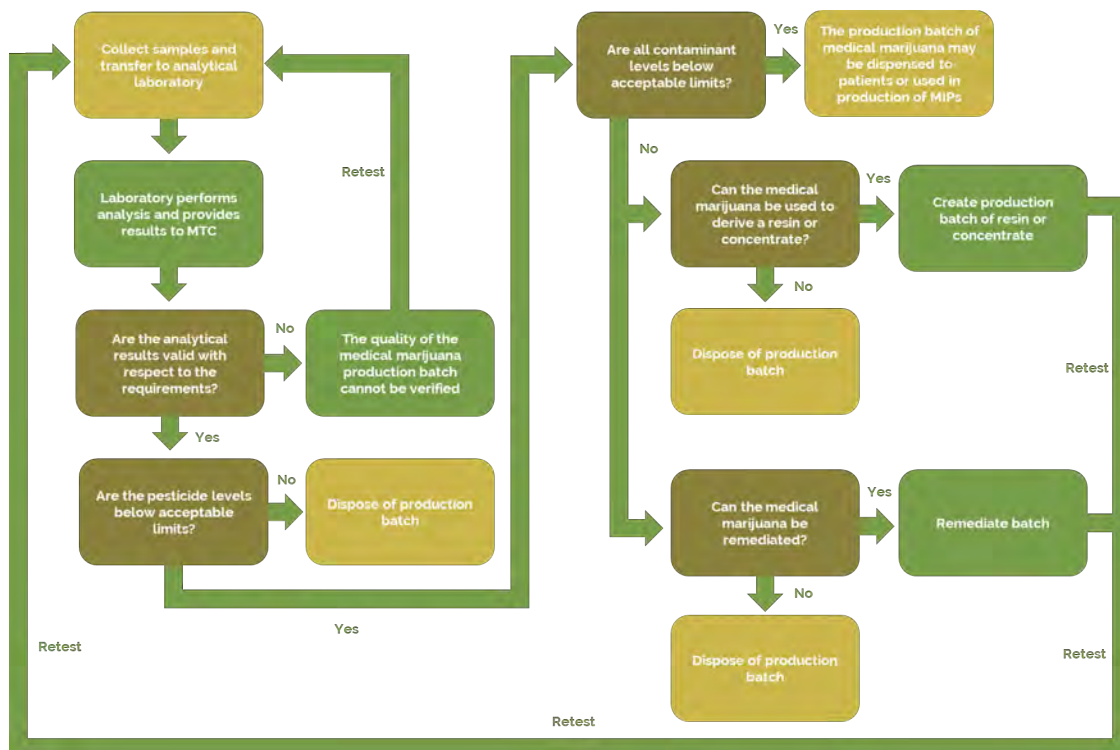
As required by 935 CMR 500.160(5) and 935 CMR 501.160(5), Green Choice will maintain the results of all testing for no less than one year. These records will be available for inspection by the Commission upon request.

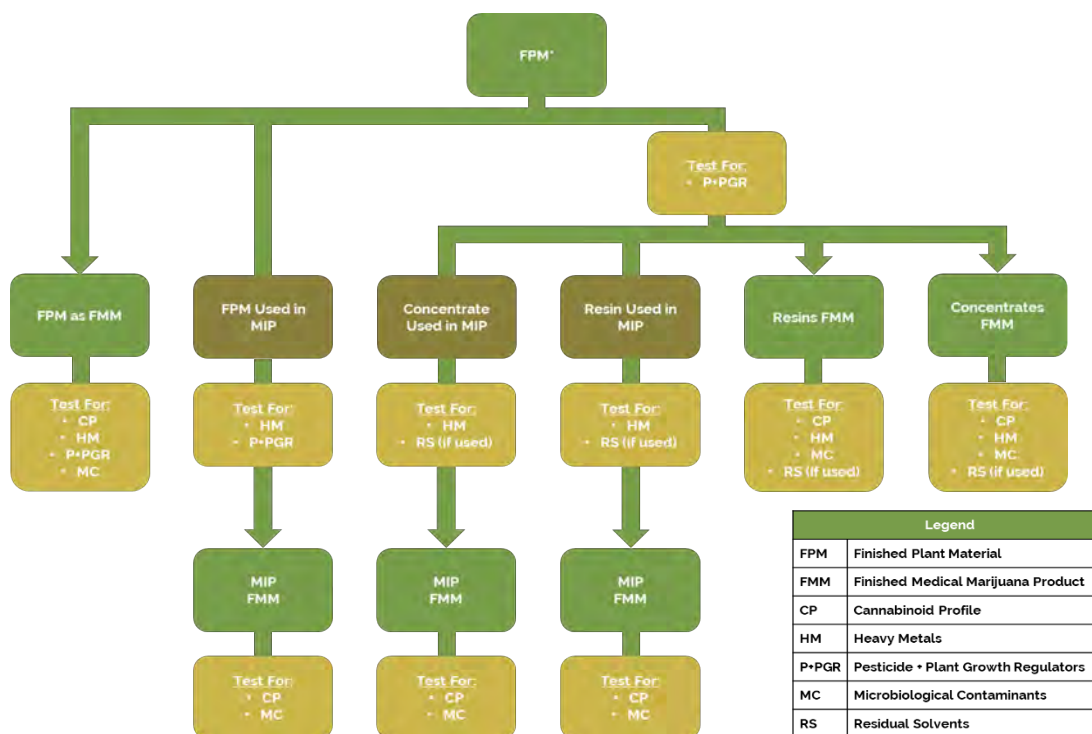
*(Rest of Page Intentionally Left Blank)*

## CONTAMINATED BATCH

If a batch receives a laboratory testing result indicating that the batch is contaminated, Green Choice will follow these steps as diagramed below:

1. Collect Samples and Transfer to laboratory
2. Laboratory performs test
3. If analytical results are not valid, return to step one. If the results are valid, go to step 4.
4. If the pesticide levels are not acceptable, dispose of production batch. If levels are acceptable, go to step 5.
5. If all contaminant levels are acceptable, the product may be sold in accordance with the laws of the Commonwealth. If no, go to step 6.
6. Attempt to remediate the cannabis:
  - a. If the cannabis can be remediated, take remediated batch and go back to step 1. If not, dispose of production batch.
  - b. If the cannabis can be used to derive a resin or concentrate, take batch of resin or concentrate and return to step 1. If the cannabis cannot be used as such, dispose of production batch and notify the CCC.





If Green Choice cannot resolve the remediate the issue, Green Choice will notify the CCC and testing laboratory of such within seventy-two hours (72hrs).

## CULTIVATION QUALITY CONTROL PLAN (WHEN APPLICABLE)

Quality Control is a task-driven activity carried out by Managers and Supervisors who are involved in the growth, harvesting, testing, production, and packaging of the product according to written procedures. Various systems, including the inventory control system, checklists, logs, chain of custody forms, and other instruments will be used as engineering controls to prompt employees to adequately monitor the product and the associated environments.

### PLANT INSPECTION

Employees will inspect the growing plants on a daily and ongoing basis for any signs of nutrient deficiency, pest infestation or damage indicating any sub-optimal conditions. Any problematic symptoms will be reported to the Manager or Supervisor on duty immediately. Problematic symptoms include, at the minimum:

1. Leaves, stems or roots with unusual appearance
2. Stunted growth or discoloration of the plant
3. Unusual resin production quantities
4. Unusual odors



5. Any visible mold, mildew, fungus or other contaminant
6. Insect damage on leaves and stems
7. Visible insects, larvae or eggs on plants
8. Any other visible evidence of deficiency, disease or pests

The Manager is responsible for determining what corrective action, if any, is necessary to correct deficiencies, treat disease or mitigate pests. All treatments will be in accordance with local and state laws and include substances known to be harmless to consumers. The Manager is responsible for determining under what circumstances growing plants will be removed from the cultivation area due to deficiencies, disease, pests or any other factor.

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## EQUIPMENT INSPECTION

The Facilities Manager will work with the QAO to conduct regular testing of all cultivation, manufacturing, packaging, and environmental equipment to ensure proper cleanliness and sanitation levels are being maintained and that no known contaminants are present.

Equipment used for cultivation and manufacturing must be in working order and properly used according to the manufacturer's directions.

Personnel will immediately report any damaged, malfunctioning or inoperable equipment to the Manager or Supervisor.

## APPLICABLE REGULATIONS

This protocol was developed to provide Green Choice with guidance on complying with 935 CMR 500.000: *Adult Use of Marijuana* and 935 CMR 501.000: *Medical Use of Marijuana*. In particular, the detailed steps outlined in this protocol address requirements of the following sections of the regulations. Green Choice will be familiar with the applicable regulations to ensure full compliance.

- 935 CMR 500.105(1)(h), 935 CMR 501.105(1)(h): Plans for quality control, including Marijuana product testing for contaminants.
- 935 CMR 500.105(3), 935 CMR 501.105(3): Handling of Marijuana.
- 935 CMR 500.105(5), 935 CMR 501.105(5): Labeling of Marijuana and Marijuana Products.
- 935 CMR 500.120(6), 935 CMR 500.130(4), 935 CMR 501.120(6) and 935 CMR 501.130(4): Selling and Transferring of Marijuana and Marijuana Products between Green Choice.
- 935 CMR 500.160, 935 CMR 501.160 - Testing of Marijuana and Marijuana Products.

**END**



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## **MAINTENANCE OF FINANCIAL RECORDS PLAN**

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## MAINTENANCE OF FINANCIAL RECORDS

### WHAT IS THE ROLE OF THE CHIEF FINANCIAL OFFICER (CFO)?

The Chief Financial Officer (CFO) will be responsible for finances and accounting, as well as overseeing activities carried out by the Sales Manager.

Responsibilities include, but are not limited to:

- Perform the day-to-day, monthly and year-end operations of the Accounting/ Finance Department.
- Assist the CEO on all strategic and tactical matters as they relate to budget management, cost–benefit analysis, forecasting needs and the securing of new funding.
- Manage the sales operation of the company through the supervision of a Sales Manager.
- Foster a spirit of cooperation, respect and professionalism among employees and other executives.
- Create financial reports such as P&L, Balance Sheet, Cash Flow and budget performance.
- Present and interpret financial data for the Executive Staff and the Board of Directors.
- Ensure compliance with applicable standards, rules, regulations, and systems of internal control.
- Perform the processing and recording of accounts payable transactions.
- Ensure that all invoices and staff reimbursements are paid accurately and in accordance with standard practices.
- Manage the processing of cash receipts, recording of revenue and receivable.
- Ensure that revenues and receivables are correct and maintained.
- Prepare and record taxes for the company (Sales, Payroll, Local) and work with the CPA on Corporate taxes.
- Perform the processing of functional and benefits expense allocations, monthly accruals, amortization of prepaid expenses, fixed assets depreciation and recording of adjusting and reclassification journal entries, if necessary.
- Perform general accounts analysis and reconciliations, including bank statements, fixed assets, employer's benefit costs, accruals and prepaid expenses
- In cooperation with the CCO and the ICM, ensure that the Point-of-Sale System is fully integrated into the Inventory Control System and be responsible for its accuracy and maintenance.

Stay up to date on finance-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other finance/accounting experts.

## WHAT ARE THE ROLE OF THE MEMBERS?

The Members of the organization should provide adequate policies to guide the CFO in handling of the organization's finances; should ensure that there are sufficient internal controls in place; and should regularly review financial reports and records. Policies that the Members may consider include an accounting (or fiscal) policy, investment policy, and an audit policy. The Members may wish to establish committees to carry out this work, including a Finance Committee and an Audit Committee.

In addition, the Members should provide clarity on the organization's mission, goals, structure, and programs. Effective planning includes financial management, and the budget and chart of accounts should reflect organizational priorities and programs. Ultimately, budgeting is part of the organization's overall planning process, and regular reporting is part of the evaluation process that the Members is ultimately responsible for. The Members should regularly review internally prepared financial statements and should annually review the audited financial statements.

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## PLANNING

The Members should take responsibility for developing a reasonable strategic plan for the organization, and this plan should include a financial plan. The organizational plan could span anywhere from one year to several years. When developing a plan, the Members should consider:

- What is the current cost of our programs and management of the organization?
- What resources are available to continue our programs?
- Are our programs as efficient as they could be, or could there be more effective ways of delivering our programs?
- What environmental changes could occur which might affect our funding

The Members should also review its current programs to ensure that they meet the guidelines and requirements of funders

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## POLICIES AND PROCEDURES

The Members is responsible for developing and adopting appropriate policies for the organization, as well as for regularly reviewing these policies. These policies could include accounting (or financial) policies, audit policies, personnel policies, and others. A sound Financial Policy might contain:

- The Fiscal Year of the organization

The Fiscal Year of the organization might be the calendar year, but you may wish to select another month to begin your fiscal year.

- The type of accounting system used to record transactions

Transactions may be recorded using either a "cash" basis or an "accrual" basis. Cash accounting means that transactions are recorded as income when you actually receive a payment, and as expense when you actually

make a payment. Accrual accounting means that you record income when as you earn it, and record expenses as you incur obligations. If NRP has the State Auditors conduct your audit, they will convert your financial statements from cash to accrual.

- Manual or automated accounting system

You may want to require that your books are kept by hand, in a check register or general ledger, or that they are kept in an automated system, on the computer.

- Capitalization Policy

A capitalization policy covers the acquisition of durable equipment, such as computers, copiers, or vehicles, or of buildings. A capitalization policy would provide a minimum dollar amount for purchase of equipment at which point it would be “capitalized” or listed as a fixed asset of the organization. The policy should say also over what period of time the equipment will be depreciated (for example, a computer is generally considered to have a life of three years). The expense for that purchase would be divided out over the lifetime of the equipment, as opposed to being recorded entirely at the time it was purchased.

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## REGULAR REVIEW AND EVALUATIONS

The Members should be involved on a regular basis in reviewing financial reports and other information. As noted above, the Members may want to consider setting aside time on a quarterly basis or semi-annually for a more thorough review of the organization's financial reports. It should also regularly review organizational policies and procedure.

The Members should also review and approve required reports such as annual filings with State and Federal Agencies, as well as the organization's annual audit. These reports include:

- Massachusetts Annual Report
- Massachusetts Annual Registration
- Federal 990's.

The Members should also regularly inquire in to the status of legal obligations and receivables. Questions the Members should ask at least on a quarterly basis, and that you may want to include in a narrative summary for the Members:

- Have payroll taxes been paid, and are they up to date?
- Have quarterly tax reports been filed (Federal 941, MW3)?
- Have salaries been paid and benefits maintained and recorded?
- Have payment requests been made in a timely fashion?
- What is the status of aging receivables?

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## EQUIPMENT AND SOFTWARE AUDITS

Green Choice will not use software or other methods to manipulate or alter sales data. 935 CMR 500.140(6)

Green Choice will conduct a monthly analysis of equipment determine that no software has been installed that could be utilized to manipulate or alter sales data a. 935 CMR 500.140(6)

Green Choice will maintain records that it has performed the monthly analysis.935 CMR 500.140(6)

## ACCOUNTING

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### OUTSIDE ACCOUNTANT

Green Choice will utilize an outside account TBD. This will lower overhead while providing an outside expert to maintain accurate records.

The CFO and Record Keeping Manager shall coordinate to maintain all records and provide them to the accountant.

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## ACCOUNTING SOFTWARE

**Point of Sale System:** Green Choice plans to utilize Leaf Logic or one that is approved by the commission.

**Non-Marijuana Products:** Green Choice will adopt separate accounting practices at the point-of-sale for marijuana and non-marijuana sales. 935 CMR 500.140(6) (required for retail only)

**Bookkeeping:** QuickBooks Professional

## REPORTING

If Green Choice is ever co-located, Green Choice will 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). 935 CMR 500.140(6) (required for retail only)

## RECORDS

Green Choice will comply with 830 CMR 62C.25.1: Record Retention and DOR Directive 16-1 regarding recordkeeping requirements. 935 CMR 500.140(6) (required for retail only)

The following business records will be maintained:

1. Assets and liabilities;
2. Monetary transactions;
3. Books of accounts;
4. Sales records; and
5. Salary and wages paid to each employee. 935 CMR 500.105(9)

Green Choice will maintain records that it has performed the monthly analysis. 935 CMR 500.140(6)



## SEGREGATION OF DUTIES TWO PERSON MODEL

	CEO	CFO
<b>RECEIPTS</b>	Open Mail  Receive and log cash and checks	Prepare and make deposits
<b>DISBURSEMENTS</b>	Approve for payment: <ul style="list-style-type: none"><li>• invoices</li><li>• check requests</li><li>• employee time sheets</li></ul> cashSign checks	Prepare invoices  Write checks  Mail checks  Distribute petty  Distribute payroll
<b>REPORTING / ACCOUNTING</b>	Receive and review bank statements  Reconcile petty cash	Prepare and distribute financial reports  Reconcile bank statements

## Receiving Cash and Checks: Segregation of Duties

The same person should not do the following:

- Receive and log cash and checks
- Prepare, make and record the deposit
- Receive the bank statement

Do not have the Treasurer or Accountant receive and log cash and check

## Receiving Cash and Checks

- Log all incoming cash and checks.
  - ⇒ Name of payer
  - ⇒ Amount of payment
  - ⇒ Date received
  - ⇒ Contract number
- Restrictively endorse all incoming checks.
  - ⇒ Stamp (or write) the name of the organization on the back of the check.
  - ⇒ Stamp (or write) "For Deposit Only" on the back of the check.
  - ⇒ Write your bank account number on the back of the check.
- Bundle checks and cash for deposit along with cover letters or any other back-up information and put in a secure place.
  - ⇒ If you receive large amounts of cash on a regular basis, log the cash and immediately store in a locked strong box.
- Don't spend incoming cash for other purposes. Deposit it intact.
- Make timely bank deposits:
  - ⇒ At regular intervals; or
  - ⇒ When funds accumulated for deposit reach a pre-determined threshold amount.

## RECEIPTS JOURNAL

[illegible]

[illegible]

## Purchasing / Check Requests

- Establish a Members approved purchase authorization policy which includes:
  - ⇒ Who can authorize purchases / check requests and the dollar ceiling that requires authorization
  - ⇒ The number of signatures required for purchases above a certain dollar amount
- Require three competitive bids or price quotations for purchases of \$500 or more.
- Develop a policy statement with regard to conflicts of interest, including employee-vendor and Members member-vendor relationships.
- Require advance approval for all purchases. A purchase authorization order / check request form should include:
  - ⇒ Name of person requesting the purchase
  - ⇒ Vendor name and address
  - ⇒ Description of goods / services
  - ⇒ Estimated cost of goods / services
  - ⇒ Brief description of organizational use for goods / services
  - ⇒ Budget category to which goods / services should be charged
  - ⇒ Authorization signatures (it is best to have at least two signatures)
- Before approving a purchase / check request, review the request against the amount remaining in the appropriate budget category to be sure funds will not be spent in excess of the approved budget.
- Give copies of approved purchase authorizations to both the person who will pay the bills and the person who will receive incoming goods.
- Count and inspect all incoming items.
- Obtain a receipt, shipping slip, invoice, or other receiving documentation for all incoming items and services received. Note any changes or problems with the order on the documentation.
- Give receiving documentation with noted comments to the person who pays the bills.
- Before paying for purchases, make sure the purchase authorization / check request and receiving documents match.

## Check / Purchase Request

Check Payable To: \_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Amount of Check: \_\_\_\_\_ Check # \_\_\_\_\_

Coding of check:

Amount	Description	Funding Source	Line Item

Requested By: \_\_\_\_\_ Date: \_\_\_\_\_

Treasurer Review: \_\_\_\_\_ Date: \_\_\_\_\_

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

## Preparing the Deposit

- Photocopy all checks and record on the copies key identifying information about payments.
  - ⇒ Date received
  - ⇒ Funding source or program
  - ⇒ Contract number
- Prepare a detail of cash receipts with identifying information.
- Make copies of any cover letters or back-up information received with payments.
- Prepare deposit by listing all checks and cash received on deposit slip.
- Photocopy deposit slip and attach:
  - ⇒ Check copies
  - ⇒ Cash detail
  - ⇒ Other back-up information which accompanied payments
- Make deposit at bank and obtain a receipt showing correct amount and date of deposit.
- Attach bank receipt to duplicate deposit slip and supporting documents.
- Determine if a transfer from checking to savings or other investment accounts is needed.
- File duplicate deposit slip and attached documents in transaction file.



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**RETAIL STAFF QUALIFICATIONS  
AND TRAINING PLAN**

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## STAFFING AND TRAINING PLAN

### STAFFING AND TRAINING PLAN INTRODUCTION

Green Choice is a new not-for-profit company that will begin operations with only four (4) employees who will fill multiple employee roles and carry out the respective duties and responsibilities thereof. As noted in Green Choice's final Application for Medical Marijuana Compassion Center License, however, the number of employees will range from three to ten.

The information in this plan is designed to provide guidance for managers and supervisors related to the responsibilities of staffing and hiring. This plan is designed to support the development of human capital and staff capabilities to maximize the efficiency and effectiveness of the organization. It will be reviewed and updated six months after the company starts operations and annually thereafter to adapt to changes in the needs of the company or trends in the industry.

Green Choice is committed to following all local, state, and federal laws related to labor and employment. Green Choice will adhere to requirements as described by:

- The [Wage and Hour Division](#) of the U.S. Department of Labor
- The Massachusetts Department of Labor Standards
- The Massachusetts General Laws

To ensure health and safety, employees will wear gloves and be provided with appropriate bathroom facilities, break rooms, and break times according to state and federal law. To ensure compliance with Rhode Island OSCA laws and regulations, a timecard system will be installed, and benefits will be provided to all full time employees, and part time employees as allowed. Limited sick time and other benefits will be provided to full and part time employees as appropriate to be in compliance with laws and regulations.

Green Choice will ensure that all its employees are trained accordingly in respect to the receiving of materials and will follow guidelines for inspection of said products to ensure there are no defects or contaminants and that all products follow CCC regulations. All employees will be trained on how to properly enter that information into the Metrc Seed to Sale software for tracking purposes according to CCC regulations. Employees will be trained to visually inspect any new products opened and ensure that they were properly sealed prior to opening. Employees will be trained to use the correct safety

equipment consisting of gloves and glasses. All products will be delivered to a secure garage where inspection will take place prior to entering the storage facility to ensure no contamination of products.

During the process of cultivation, Compassion by Green Choice will use a hands-on approach with thorough visual inspection to ensure each plant is receiving optimal nutrients, lighting, and atmosphere control to promote the best plants possible and keep free from pests and disease. Employees will be trained to routinely inspect the leaves, tops and underneath, to look for pests or deficiencies indicating the start of a problem. If a problem is detected, employees will use the manual provided to determine the problem and solution. Employee will document actions in the Metrc Seed to Sale software. Inspections will be done on a routine basis, with every plant getting individual attention.

Green Choice will ensure that all persons working in direct contact with medical cannabis and cannabis products conform to hygienic practices while on duty, including maintaining adequate personal cleanliness and washing hands thoroughly in an adequate hand-washing area before starting work and at any other time when the hands may have become soiled or contaminated. All personal protective clothing and equipment will be provided as required by OSHA.

Green Choice's employment practices are based on job qualifications, performance, and conduct without regard to race, color, religion, national origin, age, sex, marital status, height, weight, disability, genetic information, or any other legally protected status.

Green Choice provides reasonable accommodation to qualified individuals with disabilities in accordance with the law. Any employee with a need for accommodation due to a disability will be encouraged to notify his/her supervisor as soon as possible.

It is in our best interest to hire individuals according to planned needs. The staffing portion of this plan is designed to estimate the positions that will be necessary to efficiently manage the business and specify the job descriptions and expected qualifications for each.

## GENERAL STAFFING POLICIES

Green Choice will use best practices to staff positions and retain employees. The following policies will be carried out to ensure efficient operations:

- All Employees will attend Responsible Vendor Training yearly.
- Employees receive a minimum of eight (8) hours of ongoing training annually. 935 CMR 500.105(2)
- All new employees will complete the Responsible Vendor Program within 90 days of being hired. 935 CMR 500.105(2) Green Choice will ensure that employees are trained on job specific duties prior to performing job functions. 935 CMR 500.105(2)
- Include managers in the hiring process for positions they will be responsible for supervising.

- Ensure that an adequate number of employees are hired and scheduled for each shift to reduce stress caused by continuous overwork.
- When appropriate, employees will be cross trained such that they may provide assistance to another department that temporarily becomes busier than normal.
- Ensure that backup support is available through a system of on-call or part-time workers in case scheduled staff cannot come in for a shift.
- Managers will maintain a combined record of additional educational qualifications and skills that employees have such that new opportunities may be filled from within the company when possible.
- Utilize a Hiring Tracker (Appendix A) to manage the status of hiring employees.
- Utilize a variety of recruiting resources, including online career websites, recruiting agencies, job fairs, placement departments at training agencies, etc.
- Utilize an Intake Checklist (Appendix B) to ensure all documentation is properly collected and activities associated with hiring an employee are completed.
- Provide an environment in which employees feel respected and appreciated for quality work.
- An Employee Handbook will be provided to all staff as part of the training process specifying expected behaviors, company policies, and a disciplinary procedure.
- Managers will be trained in best hiring practices, effective training techniques, and appropriate evaluation methods, which are further detailed in sections below.

## STAFFING REQUIREMENTS

The following table specifies the staffing positions that will eventually be filled and anticipated associated costs related to their functions.

**Note 1:** During the start-up period, management and staff will be working in a Multi-Disciplined environment.

**Note 2:** During the start-up period, the CEO will be responsible for overseeing all areas of management including but not limited to company financial management, product management, security, and all associated operational logistics.

Senior Management		Month	Base Annual Salary	Benefits %
1	CEO	26	120,000	20.0%
2	COO	14	110,000	20.0%
3	CCO	26	110,000	20.0%
4	Record Keeping Manager	14	100,000	20.0%

5	CFO	14	110,000	20.0%
6	ICM / Procurement Mng.	14	100,000	20.0%
7	Retail Manager	14	100,000	20.0%
	Social Security taxes			6.2%
	Medicare tax			1.5%
	Insurance			7.5%
Total Senior Management Salaries & Benefits			\$ 750,000.00	
Total Senior Management Headcount				7
<b>Business Development</b>		Month	Base Annual Salary	Benefits %
1	Trans. Manager	25	40,000	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Social Security taxes			6.2%
	Medicare tax			1.5%
	Insurance			7.5%
Total Business Development Salaries & Benefits \$			40,000.00	
Total Business Development Headcount				1
<b>Sales</b>		Month	Base Annual Salary	Benefits %
1	Assistant Retail Manager	39	50,000	20.0%
2	Budtenders	14	40,000	20.0%
3	Budtenders	14	40,000	20.0%
4	Budtenders	14	40,000	20.0%
5	Budtenders	14	40,000	20.0%
6	Budtenders	14	40,000	20.0%
7	Budtenders	14	40,000	20.0%
	Social Security taxes			6.2%
	Medicare tax			1.5%
	Insurance			7.5%
Total Salesperson Salaries & Benefits			\$ 290,000.00	
Total Salesperson Headcount				7

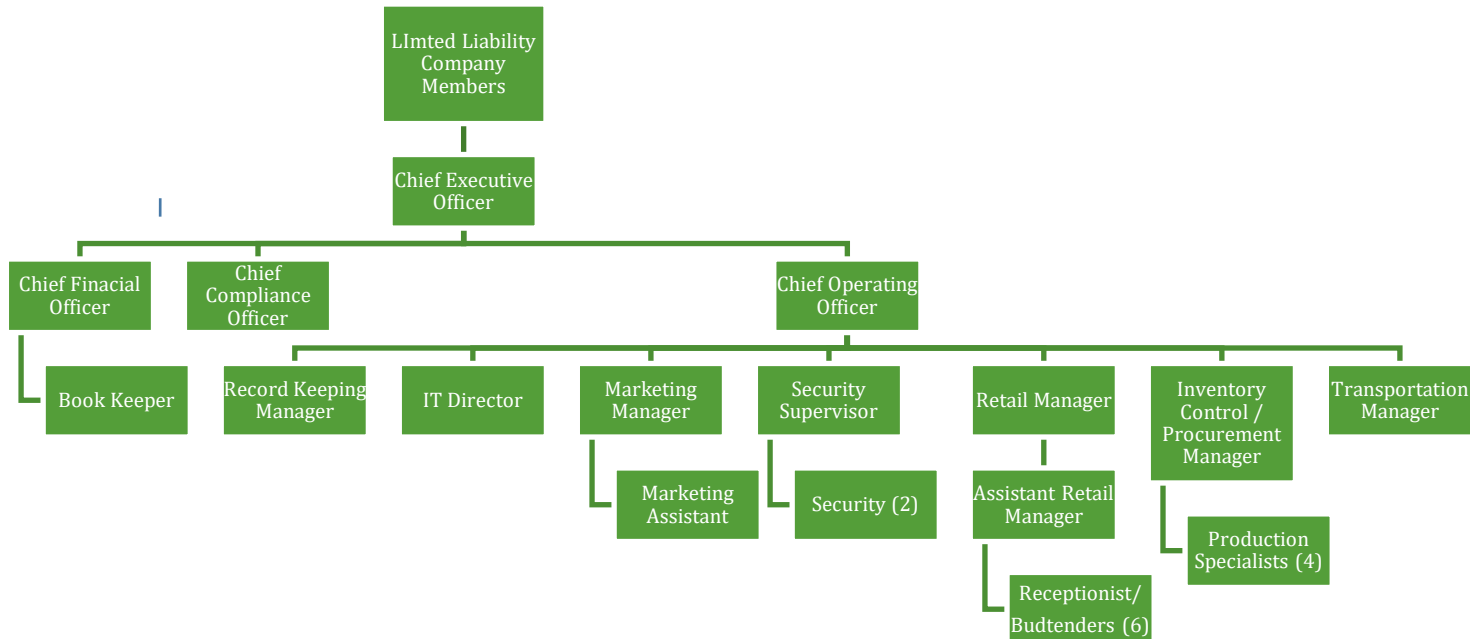
<b>Marketing</b>		Month	Base Annual Salary	Benefits %
1	Marketing Manager	17	75,000	20.0%
2	Marketing Assistant	21	40,000	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Social Security taxes			6.2%
	Medicare tax			1.5%
	Insurance			7.5%
Total Marketing Salaries & Benefits			\$ 155,250.00	
Total Marketing Headcount				2
<b>IT</b>		Month	Base Annual Salary	Benefits %
1	IT Director	17	75,000	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Other	1	-	20.0%
	Social Security taxes			6.2%
	Medicare tax			1.5%
	Insurance			7.5%
Total IT Salaries & Benefits			\$ 101,250.00	
Total IT Headcount				1
<b>Other</b>		Month	Base Annual Salary	Benefits %
1	Security Supervisor	24	50,000	20.0%
2	Security	14	40,000	20.0%
3	Security	14	40,000	20.0%
4	Production Specialist	14	50,000	20.0%
5	Production Specialist	14	50,000	20.0%
6	Production Specialist	14	50,000	20.0%
7	Production Specialist	14	50,000	20.0%
8	Bookkeeper	14	50,000	20.0%
	Social Security taxes			6.2%

	Medicare tax	1.5%
	Insurance	7.5%
Total Other Salaries & Benefits	\$ 513,000.00	
Total Other Headcount		8
<b>Total Salaries &amp; Benefits</b>	<b>\$ 1,849,500.00</b>	
<b>Total Headcount</b>		<b>26</b>

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## ORGANIZATIONAL CHART



## JOB DESCRIPTIONS

### CHIEF EXECUTIVE OFFICER

The Chief Executive Officer (CEO) is the primary representative of the company to regulators, law enforcement, and the public and provides direction and leadership in the company's mission, vision, values, and strategy. The CEO implements and manages the strategic services, goals and objectives of the organization. It is also an important role of the CEO to set an example of professionalism and respect for others in all areas of operations.

Responsibilities include, but are not limited to:

- Operate the organization according to direction provided by the Board of Directors.
- Facilitate an open communication system to support operations and administration of the Board by advising and informing its members.
- Report progress and statistical performance measures to the Board on a quarterly basis.

- Oversee all operations and business activities to ensure they produce the desired results based on goals and timelines.
- Hire qualified personnel for Executive Staff positions.
- Build and maintain a positive working relationship with Executive Staff and be open to suggestions for improvements from employees.
- Enforce adherence to legal guidelines and standard operating procedures to maintain the company's legal status and business ethics.
- Implement the Business Plan and make suggestions for its improvement.
- Set goals for performance and growth.
- Review financial and other reports to track business performance and devise methods for improvements.
- Build relations with key partners and stakeholders and act as a point of contact for investors.
- Foster a spirit of cooperation, respect and professionalism among employees and other executives.
- Analyze problematic situations and occurrences and provide solutions to ensure company success and growth.
- Maintain a deep knowledge of the cannabis markets and industry
- Stay up to date on management-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other management experts.

#### Requirements:

- BA in business required, MBA is strongly desired
- 3 years of experience as a CEO, COO or CFO
- 2 years of experience working in the pharmaceutical or cannabis field desired
- In-depth knowledge of corporate governance and general management best practices
- Ability to demonstrate an understanding of business functions, including finances, HR, sales, and marketing
- Strategic planning and business development experience
- Excellent communication skills
- Ability to pass a background check

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#### **CHIEF COMPLIANCE OFFICER**

The Chief Compliance Officer (CCO) reports to the CEO and is responsible for implementing the Security Plan, the Inventory Control Plan, and the Record Keeping Plan by managing designees who will be responsible for a subset of tasks.

Responsibilities include, but are not limited to:

- Manage security compliance according to state guidelines and the Security Plan.
- Have a sufficient understanding of computing security to the extent that he or she is able to select a qualified individual or contractor to implement the computing security component of the Security Plan.
- Manage a budget covering compliance-related resource.
- Work with local and state government agencies on environmental issues and specific licensing requirements.
- Serve as the company's secondary expert (after the Inventory Control Manager) in the use of the Inventory Control System and ensure compliance with all related regulations.
- Monitor and interpret the regularly changing rules of state cannabis commerce and communicate with staff accordingly.
- Define the structure of a record management system, including a document retrieval system, in compliance with the Record Keeping Plan.
- Oversee the training compliance system for all employees.
- Work closely with the Quality Assurance Officer to monitor and improve the implementation of standard operating procedures.
- Oversee the maintenance of records such that requests for information from regulating authorities or law enforcement will be met by required deadlines.
- Foster a spirit of cooperation, respect and professionalism among employees and other executives.
- Stay up to date on compliance-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other compliance experts.

Requirements:

- Ability to demonstrate an extensive knowledge of state and local cannabis compliance laws
- Proficiency or willingness to rapidly undertake extensive training in the use of the state's selected inventory tracking system
- 3 years of experience in management or HR in a related industry
- Familiarity with team building and training employees on compliance issues
- Motivated self-starter and proficient at multi-tasking
- Aptitude in solving problems independently
- Strong verbal and written communications
- Sound decision-making ability
- Ability to pass a background check

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## **INVENTORY CONTROL MANAGER**

Under the direction of the CCO, the Inventory Control Manager (ICM) will be responsible for carrying out tasks specified in the Inventory Control Plan. In consultation with the CCO and the QAO, the ICM will recommend changes and amendments to the Inventory Control Plan on an annual basis.

Responsibilities include, but are not limited to:

- Serve as the company expert on the state-required inventory control system (ICS) and be aware of updates and compliance requirements related to the system
- Act as the point of contact with the system vendor
- Train and manage at least one other employee to have a sufficient knowledge in the use of the ICS to carry out upper level functions in the absence of the ICM and the CCO
- Train incoming employees on the use of the ICS based on the requirements of his or her position
- Foster a spirit of cooperation, respect and professionalism among employees and other managers
- Maintain ICS training records and all other documentation and logs per regulations and procedures
- Keep related equipment in good working condition and secured when not in use
- Develop a method to collect inventory information in the event of loss of access to the electronic inventory system
- Carry out inventory verifications and report discrepancies
- Resolve system notifications within a specified time period
- Run reports from the ICS as requested

Requirements:

- 2-3 years of experience in a management position in a related industry
- 2 years of experience working with a computer-based inventory system
- Experience in the cannabis industry preferred
- Willingness to quickly learn regulations related to inventory control and participate in extensive training to develop an expertise in the ICS
- Ability to pass a background check

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## **RECORD KEEPING MANAGER**

The Record Keeping Manager (RKM) reports to the CCO and is responsible for complying with record-related regulations and implementing tasks in the Record Keeping Plan. Records are maintained to provide operational information to company managers, advisors, and owners for decision-making purposes, and to provide information in case of insurance, criminal, or regulating authority investigations.

Responsibilities include, but are not limited to:

- Manage records within a digital, indexed record management software such that materials may be quickly retrieved in the event of a request from regulators or law enforcement officials
- Work with the CCO to improve indexing or tagging categories to apply to each document
- Scan paper records into the record management system on a daily or weekly basis
- Delete or discard digital and paper records according to the company's record retention policy
- Work with the Computing Security Manager to ensure records are stored securely, backed up, and easily accessible

Requirements:

- Must be at least 21 years of age
- Must have at least 2-3 years of administrative or record keeping experience, preferably in a legal, tax or other highly regulated industry
- Experienced in using standard computer programs and able to learn new software within a relatively brief period of time
- Willing to rapidly become familiar with regulations and record keeping standards
- Able to pass a background check

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## **SECURITY MANAGER**

Under the direction of the CCO, the Security Manager (SM) is responsible for carrying out the bulk of the responsibilities identified in the Security Plan and managing Security Officers.

Responsibilities include, but are not limited to:

- Implement and enforce safety regulations and policies.
- Ensure the protection of people, property, and assets.
- Reduce risks, respond to incidents, and limit liability in all areas of financial, physical, and personal risk.
- Act as liaison to the local Police Department (PD).
- Schedule all security services and officers.
- Manage a budget covering security resources and employees.
- Ensure all security equipment and systems are operated and maintained according to manuals, standard security practices, and the Security Plan.
- Administer the access control program, including the enrollment of personnel in the company's access control system.
- Compile reports as required by the CCO.
- Utilize all security systems to discover security breaches and identify compliance issues.
- Train personnel according to established procedures and conduct regular security meetings to discuss problems and plans going forward.
- Ensure the maintenance of training records and security logs.
- Manage all visitor access to the facility.
- Act as liaison to all departments on security measures, procedures, and needs.
- Coordinate the security of transportation activities, including the planning of delivery routes to ensure the safety and security of the delivered goods and employees.
- Conduct security evaluations to ensure constant improvement and compliance.
- Ensure the reporting and documentation of all incidents and provide initial information for investigations to the CCO.
- Ensure that all records are forwarded properly according to the Record Keeping Plan.
- Foster a spirit of cooperation, respect and professionalism among employees and other managers.
- Stay up to date on security-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other security experts.

Requirements:

- 5-10 Years Security Management Experience
- Minimum of HS Diploma or equivalent, college degree preferred

- Board certified in security management by ASIS International as a CPP highly preferred
- Must be willing and able to work a flexible schedule based on the demands of the business
- Aptitude for solving problems independently
- Strong verbal and written communications
- Sound decision-making ability
- Ability to pass a background check

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### **SECURITY STAFF UNARMED (NOT CURRENTLY ON SITE)**

Security Staff report to the Security Manager and assist in maintaining the safety and security of the staff, products, and the facility.

Responsibilities include, but are not limited to:

- Conduct periodic inspection of premises to protect against fire, theft, vandalism, and illegal activity.
- Maintain required records and logs.
- Prevent access to any unauthorized persons within the registered premises
- Assist any staff with security access issues.
- Monitor any suspicious behavior by guests, visitors, or personnel.
- Ensure compliance with state and local regulations and company procedures.
- Prepare reports as requested by the Security Manager.

Requirements:

- At least 21 years of age
- A current security guard license or the ability to receive a license, including a background check, from the Rhode Island Office of the Attorney General within three months of the date of hire.
- Prior security, law enforcement or military experience preferred

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### **COMPUTING SECURITY MANAGER**

Under the direction of the CCO, the Computing Security Manager (CSM) will manage the security related to data and technology and will be responsible for ensuring compliance with the Computing Security portion of the Security Plan.

Responsibilities include, but are not limited to:

- Interpret and establish security technologies and create an information security framework and architecture that protects sensitive data from threats.
- Monitor computing operations and infrastructure by reviewing alerts and logs on a daily basis.
- Ensure that security tools and technology are maintained and updated.
- Ensure that security vendors are appropriately vetted, meet contractual agreements and comply with regulations and policies.
- Identify patterns in which employees are failing to comply with procedures and recommend additional training or procedure updates to the CCO.
- Foster a spirit of cooperation, respect and professionalism among employees and other managers.
- Manage a budget related to computing resources.
- Evaluate new technologies and make recommendations for their use to the CCO based on industry standards and company needs.
- Audit internal security systems and policies frequently to identify areas needing improvement.
- Develop and maintain a detailed security incident response program.
- Regularly report to the CCO on the status of computing security.
- Stay up to date on computing security-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other cybersecurity experts.

Requirements:

- 6-10 years of Computing Security Management experience or a bachelor's degree in computer science, programming or a similar field from an accredited institution and 4 or more years of experience
- Ability to demonstrate an expertise and knowledge of databases, networks, hardware, firewalls and encryption
- Aptitude in solving problems independently
- Strong verbal and written communication
- Sound decision-making ability
- Ability to pass a background check



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## QUALITY ASSURANCE OFFICER

The Quality Assurance Officer (QAO) reports to the CEO and will be involved in decision making related to changes to policies and processes. Guided by the Quality Assurance Plan, he or she will facilitate improvements to plans, products, and systems within the company in response to employee, customer, and regulating authority feedback.

Responsibilities include, but are not limited to:

- Work closely with the Chief Compliance Officer and other managers to monitor and improve Standard Operating Procedures.
- In departments that utilize mechanical equipment, work with managers and employees to develop step-by-step procedures and maintenance logs for the use, sanitation and inspection of each item.
- Assist managers with employee training by preparing instructional materials, hands-on exercises and evaluation tools.
- Complement training conducted by other managers by providing in-person training on issues related directly to quality control.
- Foster a spirit of cooperation, respect and professionalism among employees and other executives.
- Monitor the introduction of new systems, equipment, and products, such that potential quality issues may be identified prior to the implementation of new processes.
- Maintain an awareness of regulations related to SOPs and product quality control.
- Maintain an updated source for all current policy and procedure documents in both paper and digital format and ensure easy access to employees at all levels.
- Work with department managers to conduct job risk analyses and make training and procedure recommendations based on the results.
- Perform a periodic analysis of reports and production data to identify problematic patterns and recommend updates or changes to policies and procedures.
- Assist with regulatory inspections.
- Implement procedures related to adverse events and recalls according to the Quality Assurance Plan.
- Stay up to date on quality-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other quality assurance experts.

## Requirements:

- 3 - 5 years of experience in Quality Assurance in a related field or a bachelor's degree in Quality Assurance from an accredited institution and 1 - 2 years of experience
- Experience in employee training
- Aptitude in solving problems independently
- Strong verbal and written communications
- Ability to think critically and logically in applying systems and processes to meeting company goals
- Ability to pass a background check

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## FACILITIES MANAGER

The Facilities Manager (FM) reports to the CEO and is responsible for building maintenance, environmental controls, operations and safety, janitorial services, sanitation, storage and maintenance of chemicals, and non-cannabis waste management.

Responsibilities include, but are not limited to:

- Maintain lighting, HVAC and mechanical systems in excellent working condition.
- Coordinate with the Security Manager to maintain the function and safety of the facility's hardware and infrastructure.
- Manage a budget associated with facilities functions.
- Hire manage and train facilities staff.
- Create and implement task-specific SOPs and carry out job risk analyses with the assistance of the Quality Assurance Officer.
- Be aware of federal, state and local regulations related to cannabis business premises requirements.
- Be familiar with local building code and permit regulations.
- Develop a maintenance and inspection schedule for all building and infrastructure systems.
- Conduct or oversee the routine maintenance and inspection of environmental and other major systems critical to the operation of the organization.
- Develop and maintain logs and checklists to simplify maintenance and inspection activities.
- Schedule and facilitate required inspections by outside organizations.
- Determine which types of work can be handled by company personnel and under what circumstances an outside contractor must be called in.
- Serve as the lead responder to critical equipment malfunctions, including the maintenance of a list of critical equipment and phone numbers to call in case of breakdowns.
- Maintain an on-site inventory of selected equipment parts to facilitate rapid repairs in the event of a malfunction.

- Work with the Security Manager to support the maintenance of security systems.
- Manage chemicals, non-cannabis waste and other refuse.
- Train facilities employees in the proper procedures for handling and disposing of chemicals, including the [Globally Harmonized System](#) of Classification and Labeling of Chemicals (GHS) and the use of Safety Data Sheets (SDSs).
- Keep records of training for each training module related to chemicals and non-cannabis waste management for every facilities employee, including the date training occurred, type of training, the signature of the employee upon completion of training, the signature of an authorized person who can verify completion of training, and the date retraining is due
- Forward all records and logs to the Record Keeping Manager
- Become familiar with all company Standard Operating Procedures to identify areas in which the Facilities Department may support other business activities.

#### Requirements:

- At least 5-10 years of building/facilities management experience, including repairs to mechanical and structural components
- Experience with electrical, HVAC, lighting, plumbing, ventilation and other infrastructure component installation and adjustments
- Experience working with outside vendors and contractors
- Excellent organizational, planning and problem-solving/troubleshooting skills
- Must be able to work independently with limited supervision

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### CHIEF FINANCIAL OFFICER

The Chief Financial Officer (CFO) will be responsible for finances and accounting, as well as overseeing activities carried out by the Sales Manager.

Responsibilities include, but are not limited to:

- Perform the day-to-day, monthly and year-end operations of the Accounting/ Finance Department.
- Assist the CEO on all strategic and tactical matters as they relate to budget management, cost-benefit analysis, forecasting needs and the securing of new funding.
- Manage the sales operation of the company through the supervision of a Sales Manager.

- Foster a spirit of cooperation, respect and professionalism among employees and other executives.
- Create financial reports such as P&L, Balance Sheet, Cash Flow and budget performance.
- Present and interpret financial data for the Executive Staff and the Board of Directors.
- Ensure compliance with applicable standards, rules, regulations, and systems of internal control.
- Perform the processing and recording of accounts payable transactions.
- Ensure that all invoices and staff reimbursements are paid accurately and in accordance with standard practices.
- Manage the processing of cash receipts, recording of revenue and receivable.
- Ensure that revenues and receivables are correct and maintained.
- Prepare and record taxes for the company (Sales, Payroll, Local) and work with the CPA on Corporate taxes.
- Perform the processing of functional and benefits expense allocations, monthly accruals, amortization of prepaid expenses, fixed assets depreciation and recording of adjusting and reclassification journal entries, if necessary.
- Perform general accounts analysis and reconciliations, including bank statements, fixed assets, employer's benefit costs, accruals and prepaid expenses
- In cooperation with the CCO and the ICM, ensure that the Point-of-Sale System is fully integrated into the Inventory Control System and be responsible for its accuracy and maintenance.
- Stay up to date on finance-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other finance/accounting experts.

#### Requirements:

- At least 5 years of experience in accounting for a similar business size and a bachelor's Degree in Business or Accounting, CPA preferred
- If less than 3 years of experience in sales, willingness to attend training related to managing sales personnel
- Expert knowledge in Microsoft Dynamics SL financial reporting software
- Strong organizational skills and ability to prioritize workload in order to meet tight deadlines in a fast-paced and dynamic work environment
- Excellent communication skills, written and verbal, with the ability to clearly communicate issues to all levels of management
- Excellent analytical and problem-solving skills
- Proficient in Microsoft Office (Word, PowerPoint, Excel)
- Highly detail oriented and proficient in record keeping
- Team player and able to collaborate with others in the organization
- Ability to pass a background check

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## **RETAIL MANAGER**

The Sales Manager reports to the CFO and will serve as the lead in developing sales and marketing strategies that will result in success in a highly competitive industry. A candidate having existing contacts with established businesses will be given preference.

Responsibilities include, but are not limited to:

- Work with the executive team to develop a sales/marketing strategy and identify potential customers.
- Maintain vendor and client databases and relationships.
- Attend and exhibit at trade shows.
- Develop new business relationships in line with the company's strategy.
- Gather related sales data, conduct analyses, and refine the strategy as needed.
- Have a detailed understanding of inventory and prices.
- Guide the marketing strategy based on vendor and consumer feedback.

### **Requirements**

- At least 21 years of age
- A minimum of 3 to 5 years of sales experience in a related industry, previous experience in the cannabis industry preferred
- Strong background in developing business relationships
- Articulate, with effective verbal and written communication skills
- Proficiency with sales management and presentation tools
- Ability to pass a background check

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## **DIRECTOR OF PRODUCTION**

The Director of Production reports to the CEO and is responsible for the overall management of cultivation and manufacturing activities.

Responsibilities include, but are not limited to:

- Manage the budgets, overall supply chains, and operations of the cultivation and manufacturing activities.
- Implement the Cultivation and Manufacturing Plans, primarily through the hiring and supervision of the Cultivation and Manufacturing Managers.
- Ensure product safety and work with other department heads to comply with regulations and required security, inventory control, and other procedures.
- Prepare reports on production, expenses, product quality, safety, etc.
- Analyze report results and prepare recommendations for improvements.
- Present data to the other Executive Staff and to the Board of Directors as requested
- Maintain inventory levels to ensure timely delivery of products to customers.
- Research new technologies that may improve efficiency, safety, and productivity and make recommendations to Executive Staff.
- Regularly meet with Managers and the Quality Assurance Officer to discuss potential new technological ideas, improve procedures and ensure compliance with regulations.
- Foster a spirit of cooperation, respect and professionalism among employees and other executives.
- Stay up to date on cultivation/manufacturing-related issues and trends by means of periodically reviewing the literature, becoming a member of one or more related organizations, participating in conferences, and/or other means of networking with and learning from other experts.

#### Requirements

- A minimum of 3-5 years of experience in cultivation or manufacturing management and leadership experience, including agricultural, pharmaceutical, or herbal medicine industries; Bachelor's degree in a manufacturing or agricultural production field preferred
- A basic understanding of the processes involved in both cultivation and manufacturing; knowledge of the cannabis industry preferred
- Strategic planning and business development experience
- Ability to resolve problems with and between employees in a respectful and fair manner, based on sound human resources principles
- Ability to demonstrate experience in improving production and efficiency
- Excellent communication skills, written and verbal, with the ability to clearly communicate issues to all levels of management
- Ability to quickly become familiar with all regulations and Standard Operating Procedures and monitor regulatory updates

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## CULTIVATION MANAGER/IPM MANAGER

The Cultivation Manager reports to the Director of Production and manages a team of cultivation staff members in the production of high quality cannabis plants and plant materials.

Responsibilities include, but are not limited to:

- Manage a team that handles all aspects of daily cultivation activities in a large-scale indoor grow facility.
- Outline specific roles and responsibilities for plant technicians and work with management to build a team.
- Create and implement task-specific SOPs and carry out job risk analyses with the assistance of the Quality Assurance Officer.
- Provide weekly updates to the Director of Production to consistently re-address grow tactics.
- Maintain indoor plant growing protocols, develop and test nutrient regimens, and strive to improve planting techniques and yields.
- Execute the pest management program including elimination of all types of mold, powdery mildew, spider mites, root aphids, fungus gnats, etc.
- Work with the Inventory Control Manager to perform all cultivation tracking with the inventory control system in compliance with rules and regulations.
- Manage plant scheduling to accurately project all growing requirements on a daily, weekly, and monthly basis to maximize high-quality yield.
- Schedule, manage and oversee cloning processes, achieving a minimum 90% success rate.
- Manage the maintenance of irrigation, climate control systems, cleaning, sanitation, hazard action plans and alert management if there are issues.
- Train employees in task-related processes and health and safety issues.
- Foster a spirit of cooperation, respect and professionalism among employees and other managers.
- Ensure that logs and other records are forwarded to the Record Keeping Manager.
- Work closely with the Quality Assurance Officer to monitor and improve the implementation of standard operating procedures.
- Maintain records such that requests for information from regulating authorities or law enforcement can be met by required deadlines.

Requirements:

- Completion of a course in Plant Pathology from an accredited institution with the equivalent of a B or better as a final grade

- A minimum of 3-5 years of experience managing a cannabis cultivation facility
- Experience developing task-specific procedures and training employees
- Mastery of all grow mediums and irrigation methods
- Experienced in cloning, transplanting, defoliation, super cropping, topping, flushing, pest management, harvesting, drying, trimming, waste disposal and inventory management
- Knowledge of large scale commercial plant growing including crop rotation management, nutrient requirements, mediums, light requirements, and environmental controls
- Knowledge of plant diseases, pests, and nutrient deficiencies and toxicity
- Advanced knowledge of the cannabis plant and genetics
- Knowledge of industry best-practices and current on new techniques with respect to the nutrient needs of individual strains and high yield recipes
- Strong attention to detail, ability to communicate clearly
- Ability to pass a background check

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## TRANSPORTATION MANAGER

The Transportation Manager is responsible for organizing and supervising the implementation of this plan.

Responsibilities include, but are not limited to the following:

- Be knowledgeable of, and ensure compliance with, all relevant State and local regulations.
- Manage a budget covering transportation resources and employees.
- Manage the documentation related to transportation vehicles and ensure that all registrations, insurance, etc. are kept up to date and that information is provided to [CCC](#) as required.
- Hire, train and supervise the transportation staff.
- Coordinate daily shift assignments to meet scheduling requirements.
- With the Security Manager, plan safe and appropriate routes for transportation staff to use when transporting products
- While on duty, be available to drive to any location in which a transportation team may need assistance.
- Develop recommendations and initiate activities that will improve productivity, efficiency, employee development, workplace safety, etc.
- Maintain positive working relationships with employees, management, customers, and regulating or law enforcement authorities.
- Compile reports as required by the Executive Staff, including investigations into causes for product count discrepancies and other issues related to transportation.
- Foster a spirit of cooperation, respect and professionalism among employees and other managers.
- Maintain accurate records and ensure that record keeping procedures are followed.



- Notify employees of changes to task-specific operating procedures.

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## TRANSPORTATION STAFF

Responsibilities include, but are not limited to the following:

- Arrive promptly to carry out scheduled transportation tasks and wear appropriate clothing during work hours.
- Check vehicle brakes/controls/fuel content/lights/turn signals, etc. on the company vehicle daily before starting work
- Ensure that vehicle paperwork (ownership documents, proof of insurance, etc.) is in the vehicle and up to date
- Ensure that all products are loaded into and unloaded from vehicles according to procedures and regulations
- Ensure that transport manifests have been signed off on by responsible parties.
- Stay in regular contact with the dispatcher or manager.
- Review deliveries with customers and assist in resolving problems.
- Fill out all required logs and turn in documentation for record keeping.
- Upon being notified by a representative of the regulating authority or law enforcement that a vehicle is to be inspected while off the company's premises, comply politely with all requests and notify a manager.
- Ensure that the vehicle is empty and secured at the end of each day.
- Follow other procedures in this plan below.

## TRAINING POLICIES

The Executive Staff are responsible for ensuring that all training required by procedures and regulations is provided at no cost to the employee.

The Quality Assurance Manager will also evaluate and identify areas where specified training is lacking, create or advise on providing the new training as needed, and assist in modifying procedures to thereafter require the new training.

The Chief Compliance Officer will designate an employee to keep track of training completion and the frequency of repeated training, as well as manage a reminder system to keep employees informed of due dates of future training.

All employees will have records of training held on site in the administrative offices and archived in the document retrieval system.

The Training Matrix in Appendix C provides a list of training topics and the related operating plan that may be consulted for further details.

All staff will attend Responsible Vendor Training Basic and Advanced Cores yearly. **Responsible Vendor Program documentation will be retained for four (4) years. 935 CMR 500.105(2)**

## MANAGER TRAINING

Green Choice will provide the training to managers in the areas of hiring, training, and performing evaluations. Managers are encouraged to suggest additional training topics as needs arise.

**All owners, managers, and employees shall complete the Responsible Vendor Program. 935 CMR 500.105(2)**

Green Choice will train all employees regarding safety procedures, including medical emergencies, fires, and chemical spill. These training procedures will take place upon being

hired, as well as on a recurring yearly basis. Each employee will also be required to acknowledge their understanding of the safety procedures, with a live ink signature on the acknowledgement form.

## BEST PRACTICES IN HIRING

To ensure a hiring strategy that is consistent, in compliance with legal requirements, and that attracts and keeps high quality employees, managers will be trained in the following:

- The importance of evaluating internal and external business trends to estimate the number and types of employees needed. Internal factors include changes in work shifts, workforce demographics, and downsizing. External factors include a merger or acquisition, changes in legislation, etc.
- How to write and update job descriptions, including required qualifications, particularly noting whether the position requires skills that have already been learned or if on-the-job training is appropriate. Preparation should include asking the following the questions:
  - (a) what skills, knowledge, and abilities are required for the job;
  - (b) what are some of the characteristics of the people who succeed or fail in the job;

(c) what qualifications are needed for the job; and

(d) how does the job relate to others.

- To avoid illegal screening of applicants with disabilities, list job duties describing only what the necessary tasks are, rather than how the tasks are normally performed.
- The need to develop an interview guideline to ensure a similar process is used during all interviews for the same position. The guideline should include standardized questions given in a specific order, a relatively controlled length of time for the interview, and a standardized evaluation form to be filled out by the interviewer.
- Consider that people may feel anxiety during a formal interview, which may misrepresent their true potential.
- Clearly communicate to potential employees the salary, work schedule, and potential future opportunities within the company to reduce misunderstandings after hiring.
- Ask appropriate questions during the interview process to match a potential employee's likes and dislikes with a position that fits their personal preferences.
- Limitations on what an interviewer may ask related to age, disabilities, etc., to follow regulations.
- If any pre-employment testing is utilized, the only testing instruments that may be used are clear and understandable, have been demonstrated as valid for the skills being assessed, and are appropriate for the target population.
- References must be checked and adequately documented.
- All documentation is forwarded to the Record Keeping Manager.

## EFFECTIVE TRAINING TECHNIQUES

- Provide adequate training to employees prior to their first day of work.
- Utilize a variety of instruction methods, such as writing on a board, digital presentations, viewing videos, storytelling, etc.

- Involve students interactively using quizzes, small group activities, case studies, Q&A sessions, question cards, role playing, physical demonstrations, identifying problems in a scene, etc.
- Where appropriate, hands on training is preferred to other methods.
- Upon hiring new employees after the business has started operations, match experienced personnel with beginners to provide support when questions or emergencies arise.
- Each in-person training session must have a sign-in sheet that is used to document the employee's fulfillment of a training requirement. The sheet should include the name of the training module, the date training occurred, the signature of the employee upon completion of training, the signature of an authorized person who can verify completion of training, and the date retraining is due. The completed sheet is forwarded to the Chief Compliance Officer (CO) and the Record Keeping Manager.

## EVALUATING EMPLOYEES

- Carry out regular evaluations to provide positive feedback to workers and identify areas where more training or effort on the part of the employee may be needed.
- Design the evaluation such that an employee feels more confident about doing his/her work after the meeting.
- Avoid stereotyping an employee by gender, culture, disability, etc., which can lead to a misinterpretation of an employee's responses or behavior during an evaluation.
- In addition to annual performance reviews, managers may wish to carry out more frequent "check-ins" to learn about employee concerns and suggest small modifications to processes.
- Prior to an evaluation:
  - Select a private location for the evaluation that will reduce potential interruptions.

- Schedule an appointment with the employee, giving him/her enough time to prepare. Provide the employee with his/her job description and have the employee prepare a short self-evaluation. The employee may already be aware of shortcomings in his or her work that need to be addressed.
  - Review the employee's file, including results of prior reviews.
  - Review any datasets that provide information on the employee's work effort, such as sales results or productivity indicators.
  - Compile any information that has been learned from communication with supervisors or coworkers that may need to be addressed during the meeting.
  - Identify accomplishments for which the employee deserves positive recognition.
  - Prepare a list of questions to ask to help identify areas that may need improvement and to gauge the employee's job satisfaction.
  - If an employee's performance needs to improve, decide ahead of time if it will be a verbal or written warning. Verbal warnings should be documented in the employee's file. If a written warning is appropriate, prepare a detailed list of expectations based on policies and procedures that will need to be met. This may be presented as a Notice of Needed Improvements (Appendix D).
- If an employee makes any negative comments or becomes emotional, view it as an opportunity to learn about a concern. Do not be critical of an employee's emotions. The conversation should be refocused on facts rather than assumptions or feelings. The evaluator should work with the employee to identify a solution to the problem, if not during the meeting, then as soon as possible thereafter.
  - Do not insult an employee. Concerns about his or her work must be presented honestly, and simply described as the need to meet specific expectations.
  - Explain to the employee what the impacts are of his/her inappropriate behavior.
  - Employees should be given an opportunity to improve performance before written disciplinary documentation is placed in his/her file. Find out if repeated tardiness, extensive periods of time on the phone, or other behaviors are due to difficulties that could be helped with counseling or other assistance.
  - Prior to implementing a disciplinary procedure, the manager should verify the facts regarding the misconduct and confirm the company's policy on the issue.
  - If the employee has been provided with a list of needed improvements, both the manager and the employee should sign and date it. A copy should be given to the employee and the original placed in the employee's file. The manager should follow up with the employee and give positive feedback if appropriate or review the disciplinary procedure and next steps that will occur.

- The Disciplinary Policy in the Employee Handbook should be written with a clear understanding of the rights of the employee, which can vary by state, and may also be subject to terms of a Labor Agreement.
- Managers are responsible for consistently following the policy and all legal requirements.
- During a meeting that involves a disciplinary action, the employee should always be given an opportunity to give his/her point of view. Give the employee up to a week to write a response. The response should be maintained as part of the employee's record. The employee may request that a manager from a different department review the evaluation documentation and response.
- Reassignment or suspensions may be appropriate in the case of behavioral issues or severe conflict in which the employee must be removed from a situation immediately, but termination isn't called for. Reassignment refers to retraining (rehabilitative). Suspension means some condition must be met before the suspension is over or the employee is terminated (punitive).
- Decisions to suspend or terminate an employee must be reviewed and approved by a member of the executive staff, or by the Board of Directors if the employee is on the executive staff.

## STAFFING AND TRAINING

Green Choice will implement policies and procedures, including employee training, to fulfill staffing and training guidelines that ensure the secure, safe, sustainable, and proper cultivation of cannabis, and employee compliance with 935 CMR 500.00.

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### STAFFING

Green Choice has a comprehensive staffing plan in place to guide recruitment, hiring, training, and managing its employees. Highlights of the plan feature:

- Precise definition of responsibilities
- Clearly understood chains of authority
- Well-paid, well-qualified, well-trained personnel
- Professional recruiting practices
- Thorough training of new hires

Green Choice's recruiting efforts will be primarily directed at candidates with the following qualifications:

- Health-related educational/professional backgrounds

- Interest and aptitude for alternative medicine
- Clean criminal records
- Experience in restricted access, highly regulated venues

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## EMPLOYEE PRE-EMPLOYMENT SCREENING

Green Choice will require all employees to undergo a complete criminal background check prior to employment. Employees will also be required to sign a series of forms and agreements acknowledging that they are aware of state and local regulations, federal laws, and company policies towards cannabis and cannabis cultivation, and that failure to comply with state and local regulations and company policies could result in immediate termination and potential criminal prosecution, if applicable.

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## EMPLOYEE TRAINING

Qualified candidates will be hired on a three-month probationary status. During this period, they will participate in a rigorous training process, and be evaluated for suitability in a restricted-access environment. Training will include the employee handbook, SOP review, and hands-on training. **All new employees will complete the Responsible Vendor Program within 90 days of being hired. 935 CMR 500.105(2) Green Choice will ensure that employees are trained on job specific duties prior to performing job functions. 935 CMR 500.105(2)** Security personnel, if hired, will take National Incident Management System, Incident Command System (ICS).

Topics covered in training include, but are not limited to:

- Regulatory compliance (the applicability of federal and state regulations to the employees' responsibilities)
- Training on Standard Operating Procedures (SOPs)
- Prevention of Diversion of cannabis
- Security procedures
- Safety procedures

Green Choice will also implement and certify that all security personnel and registered grower agents complete training specifically aimed at the prevention, detection and reporting of any attempts or incidents of diversion.

**Green Choice will ensure that employees receive a minimum of eight (8) hours of ongoing training annually. 935 CMR 500.105(2)** All Managers are required to complete 10 hours of training per calendar quarter. All other employees are required to complete 5 hours of training per calendar quarter. The descriptions of qualifying training, topics covered and testing, and record keeping will be maintained in Green Choice's Comprehensive Training Manual.

Green Choice's Comprehensive Training Manual, containing all materials (training schedules, tests, curriculum, employee handbook) and all attendance records will be made available for inspection by the department as required.

Successful completion of all training courses is contingent on passing a comprehensive knowledge-retention based test with a score of 70% or better administered at the end of each session. Should an employee fail to achieve 70%, a plan of improvement will be implemented per the detailed Training SOP. Employee attendance at all trainings will be recorded physically or electronically created by and retained by the Information and Records Manager.

Green Choice will implement a comprehensive series of trainings for all its employees, on the overall business model and operations of cannabis. All registered agents will benefit from uniformity in rigor and quality of training methodology, materials, testing, and evaluative processes.

Green Choice's training program relies on methodology and curriculum developed by industry experts with decades of combined hands-on experience working with cannabis cultivation facilities.

Green Choice will train all employees to fulfill their duties and exceed the expectations of their positions, including a thorough understanding of all applicable federal, state, and local regulations relating to cannabis operations effectively and efficiently. All employees will gain a greater understanding regarding all aspects of cannabis production from propagation to point of sale, with an overview of SOPs across operations. Trainings are conducted strategically to ensure that all employees increase their knowledge base with a proven (tested) proficiency method. Training will be comprehensive, including classroom lecture and the completion of compliance and infrastructure "failure" simulations.

Green Choice will establish written standard operating procedures to ensure all personnel shall be trained and acknowledge said training to ensure an understanding of irrigation, propagation, cultivation, fertilization, harvesting, drying, curing, processing, or manufacturing, packaging, labeling, and handling of cannabis byproduct, and waste products, and the control thereof, to promote good growing and handling practices.

This training will be done as follows:

### **1. Irrigation**

Green Choice will use a semi-automated nutrient dosage drip irrigation system. Employees will be trained to operate the pumps and also read and understand the monitoring equipment.

### **2. Propagation**

Green Choice will train employees on the process of germinating seeds in a damp, dark place until seeds sprout. At that time, sprouts will be transplanted into a rapid rooter organic plug and placed in a mini greenhouse dome underneath low wattage LED lights while being sprayed with a cloning solution until roots are exposed through the plug. Green Choice will train employees on the process of taking clones from mother plants. Clones will be taken from the different varieties of cannabis strains as needed to



ensure multiple options. Employees will learn to take cuttings from the plants at a 90-degree cut from the lower branches of the plant during the vegetative state. Clones will then be cut at a 45-degree angle, delicately scraping the outer cell membrane to allow a larger surface area for the clone to root. The clones will then be dipped in a cloning gel and placed into a rapid rooter plug which has been soaked in a cloning/water solution and placed into a mini greenhouse dome under a low wattage LED light while being sprayed with a cloning solution until roots are exposed through the plug.

### 3. Cultivation

Employees will be trained to determine when clones and seedlings have enough exposed roots to be transplanted to a Promix grow medium in a one-gallon pot and placed under low wattage LED lighting on an 18-hour on and 6-hour off light cycle controlled by 24-hour light timers. After roughly 2 weeks, the plants will be transplanted into a larger final pot. Approximately 2-4 weeks later, the plants will be ready to enter a flower room and start the budding process all while being tracked using Metrc Seed to Sale software. Vegetative plants will maintain a 1000ppm nutrient schedule until flowering begins. Employees will have been trained to understand that the budding process takes place once the lighting cycle has been changed from an 18 hour on, 6-hour off light schedule to a 12-hour on and 12-hour off light schedule reducing the amount of daytime light promoting the budding process. At this time the flowering plants will start the flowering nutrient schedule and concentrate will be brought up between 1200-1500ppm until they begin the flush process. During the flowering schedule, routine inspections will be done on all plants to ensure proper nutrient dosage, green healthy-looking plants free from pests or molds. Employees will be trained in troubleshooting and preventative practices to ensure a healthy transition from seed to final product. During the flowering process, all cultivation practices will be tracked and documented through Metrc Seed to Sale software promoting good growing practices.

### 4. Fertilization

Green Choice employees will be trained using all CCC approved nutrients based on the NPK chart. Training will include all base, secondary, and trace nutrients as well as additives to ensure healthy plant cultivation. Green Choice uses mostly the Advanced Nutrients line with a couple of secondary nutrients as well as organic guanos. Green Choice will teach all employees how to follow the nutrient chart, check the PH and PPM as well as the monitoring of the drip dosage system. Employees will be trained in using safety precautions when using any fertilizer and wear proper safety equipment required such as glasses and gloves to promote safe practices.

### 5. Harvesting

Green Choice employees will be trained on how to determine when a flowering cannabis plant is ready to be harvested. Through magnification, employees will be taught how to determine that the trichomes of the plant have reached maturity and optimal time to harvest. Once harvest time has been

determined, the employee will be taught how to de-fan the plant to remove all excess leaves and prepare to be cut for drying.

## 6. Drying

Once the plant has been de-fanned, the employee will cut the plant into sections that are roughly 18-24" in length to be dried and hung vertically from drying lines in a climate-controlled room at 70 degrees in 55% humidity for a period of 5-10 days or until the stems snap. Once achieved dryness has been reached, the employee will prepare the dry plant to be final trimmed by hand and stored in air tight containers to start the curing process.

## 7. Curing

Green Choice employees will be taught to store the containers in a climate-controlled room while burping the containers daily to ensure the moisture can escape and fresh air can flow in. Employees will be taught that the curing process can take between 2-4 weeks for all the chlorophyll to convert to THC and finish properly. Employees will be taught to document and record all steps of the harvesting, drying, and curing process through Metrc Seed to Sale software.

## 8. Processing

Green Choice will follow its written standard operating procedures for processing according to CCC regulations and with CCC approval and will train its employees in those standard operating procedures. Green Choice will ensure all its employees are trained accordingly in respect to the receiving of materials and will follow guidelines for inspection of said products to ensure there are no defects or contaminants and that all products follow CCC regulations. All employees will be trained on how to properly enter that information into the Metrc Seed to Sale software for tracking purposes according to CCC regulations. Employees will be trained to visually inspect any new products and to ensure that they were properly sealed prior to opening. Employees will be trained to use the correct safety equipment consisting of gloves and glasses. All products will be delivered to a secure garage where inspection will take place prior to entering the storage facility to ensure no contamination of products.

## 9. Packaging

Green Choice employees will be trained to ensure that any usable medical cannabis is packaged or stored in a product that protects it from contamination. The packaging used will be free from any toxic or deleterious substance which could impact the medical cannabis. All medical cannabis will be tagged with a unique tracking number assigned from the Metrc Seed to Sale software. All packaging or containers will also include the quantity. All medical cannabis that is packaged for sale to a licensed compassion center will include all appropriate data.

Green Choice will follow Massachusetts Code of Regulations 935 CMR 500.00 and ensure that all packaging on finished products contains all applicable warnings, disclosures, and labelling, and is free from all words, graphics, and symbols that could be attractive to minors or could resemble any commercially available consumer products. A company trademarked graphic and name will be adhered to packaging for the purpose of identifying the cultivator producing the product.

If applicable, due to the nature of the product, Green Choice will ensure that a warning regarding use or contact with any nuts or other known allergens as defined in the federal Food Allergen Labeling and Consumer Protection Act of 2004, as administered by the federal Food and Drug Administration, is located on every product. See the Food Allergen Labeling and Consumer Protection Act here:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Allergens/ucm106187.htm>

## 10. Labeling

Using Metrc Seed to Sale software, Green Choice will train all employees on proper labeling practices. All labeling will include a unique identifying number, date of final packaging, expiration date, total weight in ounces or grams, and the estimated amount of THC and CBD. Labeling will also include a disclosure of any pesticides used during cultivation. Additionally, labeling will include instructions for safe storage for medical cannabis and will be accompanied by all test results from Baseline Precision Analytical Laboratory.

The package labeling will not contain any statement or artwork that would mislead any reasonable person to believe the product contains anything other than medical cannabis. Additionally, the packaging will not resemble any trademarked products that could be believed to contain any commercially available snack, baked good, or beverage. Green Choice will ensure that the finished medical cannabis product will not contain any seal, flag, crest, coat of arms, or other insignia that could reasonably mislead any reasonably prudent person to believe that the product has been endorsed or manufactured by the State of Rhode Island or any agency thereof or municipality within.

Package labeling will contain the name of the strain, batch, and quantity as well as a statement containing that the product is for medical use and not for resale. The packaging will be free from any cartoons, images, or graphics that could be appealing to children. Additionally, the package labeling will be in black and white only and be free of the word candy as well as any synonyms and will not have any animal characters as to not attract minors to the product.

## 11. Waste

Green Choice will utilize a locked dumpster with a weekly schedule of pickups for removal of all waste disposal products. All liquid, chemical, hazardous, or solvent waste will be stored in accordance with all Federal, State, and local statutes and regulations, and disposed of accordingly. Green Choice will follow the OSHA regulations regarding toxic and flammable compounds and air contaminants. Employees will be trained that prior to disposal of any medical cannabis or medical cannabis product waste must be made unusable and any medical cannabis plant material made indistinguishable from other plant material. Green Choice will grind any medical cannabis or medical cannabis products and mix them to a 50-50 ratio with composted soil. Destruction of medical cannabis or medical cannabis products or plant material will be done under video surveillance and all records kept according to CCC regulations.

## 12. Distribution, Storage and Transportation

Green Choice will follow its written standard operating procedures for Distribution, Storage, and Transportation Plan and according to CCC regulations and with CCC approval and will train its employees in those standard operating procedures. Green Choice will ensure all its employees are trained accordingly in respect to the receiving of materials and will follow guidelines for inspection of said products to ensure there are no defects or contaminants and that all products follow CCC regulations. All employees will be trained on how to properly enter that information into the Agrisoft Seed to Sale software for sales tracking purposes according to CCC regulations. Employees will be trained to visually inspect any new products and to ensure that they were properly sealed prior to opening. Employees will be trained to use the correct safety equipment consisting of gloves and

### STAFFING AND TRAINING PLAN APPENDICIES

#### STAFFING AND TRAINING APPENDIX A: HIRING TRACKER

Position	Funded (Y/N)	Hire Goal	Hiring Budget	Status	Assigned To	Comments
		1	\$			
		1	\$			
		1	\$			
		5	\$			
		1 (part-time)	\$			
		1	\$			
		2	\$			
		1	\$			
		1	\$			
		1	\$			
		1	\$			
		2	\$			

		1	\$			
		1	\$			
		1	\$			
<b>Totals</b>			\$			
<b>Position</b>	<b>Funded (Y/N)</b>	<b>Hire Goal</b>	<b>Hiring Budget</b>	<b>Status</b>	<b>Assigned To</b>	<b>Comments</b>
		1	\$			

Funded: Money has been allotted to cover salary, benefits, equipment needs, etc.

Hire Goal: Number of people needed to fill positions.

Hiring Budget: Amount allocated for time commitments, job website fees, recruiting agency fees, job fair fees, etc.

Status: Job Description Complete; Position Posted; Interviewing; Intake Process in Progress; Completed.

Assigned To: Person responsible for ensuring process is completed.

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**STAFFING AND TRAINING APPENDIX B: EMPLOYEE INTAKE FORM CHECKLIST**

Employee Name: \_\_\_\_\_

Position: \_\_\_\_\_ Position Code: \_\_\_\_\_

Hire Date: \_\_\_\_\_

[Add or delete documents from the table according to the needs of your business and state and local regulations.]

<b>Document</b>	<b>Original in File</b>	<b>Dept. to Receive Copy</b>	<b>Date Copy Sent</b>	<b>Person Responsible</b>	<b>Date Forwarded to Record Keeper</b>
Job Description					
Resume					
Employment Application					
Authorization to Conduct Checks					
Background Check					
Reference Check					

Documentation					
Offer Letter					
Insurance Acceptance Form		Insurance Co.			
Computing Security Agreement*					
W-4		IRS			
Direct Deposit Form		Bank			
Personal Data Form					
Form I-9		IRS			
State Income Tax Form		State Income Tax Dept.			
Key/Key Card User Agreement*					
Driving Agreement (Drivers Only)					

\*Available in the Security Plan

## STAFFING AND TRAINING APPENDIX C: TRAINING MATRIX

<p>Referenced Operating Plan (Column 3)</p> <p>C = Cultivation Plan</p> <p>D = Dispensary/Retail</p> <p>E = Employee Handbook</p> <p>H = Health &amp; Safety Plan</p> <p>I = Inventory Control Plan</p> <p>O = Odor Control Plan</p> <p>Q = Quality Assurance Plan</p> <p>R = Record Keeping Plan</p> <p>S = Security Plan</p> <p>ST = Staffing &amp; Training</p> <p>W = Waste Management Plan</p> <p>OT = Other</p>	<p>Key to Employee Types (Columns 4-11)</p> <p>1 All Employees</p> <p>2 Managers</p> <p>3 Security Personnel</p> <p>4 Cultivation Employees</p> <p>5 Manufacturing Employees</p> <p>6 Packaging and Labeling Employees</p> <p>7 Transportation Employees</p> <p>8 Dispensary/Retail Employees</p>
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Training Topic	Brief Description	Plan	1	2	3	4	5	6	7	8
Effective Training Techniques	Instruction methods, student interaction, documentation and record keeping	ST		X						
Best Practices in Hiring	Writing job descriptions, preparing for an interview, regulations guiding interview questions	ST		X						
Evaluating Employees	Fair evaluations, preparing for a meeting, dealing with unsatisfactory performance	ST		X						



Reg-Federal Regulations	Information from the <a href="#">Wage and Hour Division</a> of the U.S. Department of Labor; OSHA workplace injury documentation	OT	X								
Reg-State Regulations	[Add link to State Regulations]	OT	X								
Reg-Local Regulations	[Add link to Local Regulations]	OT	X								
Reg-Environmental Regulations	[Add link to Environmental Regulations]	OT	X								
Sensitive Records	Definition, storage requirements, access, computing security, retention policy	R, S	X								
Employee Orientation	Policies, pay, benefits, evaluations, suspension, disciplinary procedures	E	X								
Emergency Preparation	Good housekeeping, prevention, engineering controls, finding emergency numbers, practice and drills	S	X								
CPR/1st Aid (Encouraged for all)	Recognizing and responding to a variety of medical situations, when to call for help	S		X	X						
Emer-Armed Robbery	Appropriate response, silent alarm, noticing details, notifying management, contacting law enforcement	S	X								
Emer-Burglary	Avoiding affected areas, notifying management, contacting law enforcement	S	X								
Emer-Other Security Breaches	Types, risks, response procedures, notifying management, contacting emergency responders	S	X								
Emer-Medical Emergencies	Notifying person on staff with CPR/1st Aid training, notifying management, contacting emergency responders	S	X								
Emer-Fire Emergencies	Evacuation procedure, fire extinguishers, notifying management, contacting emergency responders	S	X								

Emer-Evacuation Procedure	Panic alarm, routes of egress, closing doors, safely maintaining secured areas, designated meeting place, notifying management, contacting emergency responders	S	X								
Emer-Drills and Emergency Exercises	Schedule, expectations, procedures, follow-up training	S	X								
Observation and Incident Reporting	Identifying behavioral cues, vulnerable areas needing extra security, reporting an issue	S	X								
Types of Diversion	Internal, customer, robbery, other potential issues	S	X								
Diversion Prevention	Inventory Control System, limiting access, reducing diversion opportunities, signage	S	X								
Diversion Response Procedures	Incident reporting, audits, notifying regulators and law enforcement	S	X								
Inventory Control System	Purpose, UID labels, system use, control points, system security, regulations, restrictions, notifications	I	X								
Inventory Procedure	Employee responsibilities, changes in disposition, storage of un-inventoried items, receiving, transfers, surveillance, maintaining inventory control if access to the system is lost	I	X								
Certified Scales	Purpose, proper use, calibration, maintenance, logs	I	X								
Inventory Reporting	Accessing reports from the inventory control system, regularly scheduled reports, responding to requests from regulators/law enforcement, system backups	I		X							
Inventory Validation	Regulations, schedule, responsibilities, logging discrepancies, record keeping	I	X								



Alarm Systems	Regulatory requirements, operation, maintenance, alarmed locations, logs	S		X	X								
Video Surveillance Systems	Equipment, operation, maintenance, procedures, retrieval, retention	S		X	X								
Vault/Safe Access	Physical requirements, access procedures and logs, surveillance	S		X	X								
Closing Procedure	Closing checklist, facility map, checking locks and security equipment, procedure for broken locks or systems	S		X	X								
Safety Committee	Purpose, responsibilities, procedure reviews, soliciting comments from staff, staying informed on issues	H	X										
Tool and Equipment Safety	Training on safe use of tools and machines	H	X	X									
Facility Safety Rules	Evacuation procedures, maintaining safe paths of egress, emergency equipment maintenance	H	X										
Hazard Management	Recognizing hazards, inspections, unsafe work practices, reporting	H	X										
Job Hazard Analysis	Purpose, responsibilities, frequency, process, updating procedures	H	X										
Safety Data Sheets (SDSs)	Globally Harmonized System, purpose, sections, hazard pictograms, hazard communication	H, C	X										
Container Labeling	SDSs, requirements, symbols, signal words, hazard statements	H	X										
Personal Protective Equipment (PPE)	Purpose, proper use, maintaining supplies, SDS information	H	X										
Chemical Spill Response	Incidental vs. non-incidental spills, PPE, clean up supplies, identifying potential risk to the environment	S or H	X										

Respiratory Protection	Proper equipment and use, respiratory risks, SDSs	H				X	X			
Protecting the Environment by Monitoring Water	Regulations, testing procedures, logs and record keeping, modifying pH	W				X	X			
Ladder Safety	Types of ladders, safe use, 3 points of contact	H	X							
Heat Stress	Risks, identifying symptoms, response procedure	H				X	X			
Poison Control	Sources of poisons, response procedure, posting of Poison Center phone #	H	X							
Safe Lifting	Body positioning, when to ask for help or use equipment, PPE	H	X							
Lockout System	Taking equipment out of service, responsibilities, lockout removal procedure	H								
Fire Extinguisher Use (Encouraged for all)	Locations, PASS, safety precautions	S		X	X					
Electrical Safety (as needed)	Risks, precautionary measures, PPE, advanced equipment lockout	H								
Basic Safety Rules	Housekeeping, obeying signs, training, following procedures, etc.	H	X							
Sanitation	Frequency, process, PPE	H	X							
Logs and Record Keeping	Purpose, types, document retrieval system, retention	R	X							
Equipment	Proper use, maintenance, inspections, repairs, lockout, contamination issues, logs	C, M, P				X	X	X		
Driving Safety (+ All Company Drivers)	Awareness, space between vehicles, driving in heavy traffic and inclement weather, what to do when an accident occurs	T							X	
Product Testing		Q				X	X			

Testing Sample Preparation	Purpose, selecting samples, record keeping	Q				X	X				
Bloodborne Pathogens	Response procedure, Hepatitis B	H	X								
Storage Requirements (temp, humidity, etc.)	Environmental conditions of finished flower and associated products and materials	C		X		X	X	X	X	X	
Processing	Processing stages, environmental conditions	C				X					
Methods of Cultivation	Plant stages, seeds vs. cloning, lighting requirements	C				X					
Plant Inspection	Daily checklist, logging plant and environmental conditions, pest management	C, Q				X					
Tracking Lots and Plants	Managing seed and cutting lots, applying UIDs, cross referencing to cultivation records	C				X					
Media	Media types and watering methods	C				X					
Cultivation Equipment	Types and purpose	C				X					
Fertilizers	Procedure for administering nutrients	C				X					
Seed Propagation		C				X					
Clone Propagation	Required attire, tool preparation, procedure, monitoring	C				X					
Vegetative Growth and Flowering	Definitions, light requirements, length	C				X					
Harvesting	Process description, cautions	C				X					
Job-specific Risks and Emergencies	Specific types of accidents that may occur, use of job risk analysis, managing changes in workflow or processes, updating procedures	M	X								

Good Manufacturing Practices	Risk analysis and management, quality assurance, safety, existing guidelines	M					X	X		
Working with Solvents	SDSs, potential health hazards, evaluating exposure, engineering controls, PPE, containers and labeling, reuse	M					X			
Extraction Methods	Types of extracts, chemistry, working with heating elements, working with batches, inventory control, scales and other equipment, workflow, safety, sanitation, storage	M					X			
Mixing	Working with batches, inventory control, ingredients, scales and mixing equipment, safety, sanitation, storage	M					X			
Infusion Methods	Working with heating elements, working with batches, inventory control, ingredients, scales and infusion equipment, safety, sanitation, storage	M					X			
In-process Sampling and Controls	Selecting a sample, preparing a sample, homogenization, workflow, inventory control, procedures for failed samples, record keeping	M					X			
Food/Ingredient Safety and Storage	Perishables, variations in shelf life, effects of heat, light, and oxygen	M					X	X		
Reuse of Materials	Working with batches, inventory control	M					X			
Equipment Inspection	Risks of working with equipment, maintenance procedures, maintenance and repair logs, sanitation, record keeping	CMP				X	X	X		
Contamination Control	Routes of contamination, sanitation, PPE and other engineering controls,	CMPD				X	X	X		X
Expirations/Time Limits	Effects of heat, light, and oxygen, determining expiration dates, managing expired products, inventory control	Q		X		X	X	X		X

Batch Management	Understanding batches, when/if batches can be mixed, inventory control issues, logs and record keeping	I				X	X			
UID Issuance and Control	Procuring and secure storage of UID tags	I		X		X	X	X		
Label Design	Avoiding appealing to children, label requirements, proofing	P						X		
Packaging and Labeling Procedures	Ensuring accurate and complete label information in accordance with state law	Q						X		
Quality Control	Responsibilities, sampling and testing, adverse events and recalls, changes to procedures	Q	X							
Interacting with Regulators		S		X	X					
Interacting with Law Enforcement		S		X	X					
Point of Sale System	Software, security, integration into inventory control system, scales	D								X
Returns, Complaints, Adverse Events, and Recalls	Who to notify, response procedures, logs and record keeping	Q		X						X
Sales Techniques	Interacting with and educating customers	D								X
Managing Consumer Data (if applicable)	Consumer privacy, HIPAA regulations, record storage, retention, limiting access	D								X
Waste Management	Regulations, collection and storage, inventory control, disposal	W	X							
Product Side Effects/Consumer Safety	Intoxicating effects, risks, laws	D								X
Product Dosage, Strengths, and Metabolism	Differences in product types, CBD vs. THC	D or M								X





Management of Accidentally Opened Product Packaging		W					X	X	X	X	X
Packaging of Sold Products		D									X
Preventing Access to Children		D							X		X
Odor Control	Definitions, mitigation, procedures, physical measures and equipment, system maintenance	O					X	X			
Workplace Violence Policy	Expectations, reporting new or potential incidents, disciplinary action	S	X								

---

## STAFFING AND TRAINING APPENDIX D: NOTICE OF NEEDED IMPROVEMENTS

### Employee Information

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Employee ID: \_\_\_\_\_

Position: \_\_\_\_\_

Manager: \_\_\_\_\_

---

### Warning Status

\_\_\_\_ First Warning

\_\_\_\_ Second Warning

\_\_\_\_ Final Warning

---

### Area of Needed Improvement

\_\_\_\_ Lateness/Leaving Early

\_\_\_\_ Low Productivity

\_\_\_\_ Skipped Shift

\_\_\_\_ Procedure Violation

\_\_\_\_ Inappropriate Behavior

\_\_\_\_ Other: \_\_\_\_\_

---

Description of Issue, including date and time of a specific incident if applicable:

Needed Improvements:

---

**Acknowledgements**

By signing this form, I verify that I understand the types of improvements needed as specified above. I also understand that making these improvements is necessary to avoid possible disciplinary action. If I do not agree with the information documented in this form, I may write a reply, and have it placed in my file attached to this form and have the information reviewed by a second evaluator.

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Evaluator Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witness if employee does not sign: \_\_\_\_\_ Date: \_\_\_\_\_

---

## STAFFING AND TRAINING APPENDIX E: PERSONAL VEHICLE DRIVING AGREEMENT

Employees may be requested to operate their owned, leased, or rented vehicle to conduct Green Choice business.

Green Choice does not assume any liability for bodily injuries or property damage the vehicle owner, driver, or passengers may become personally obligated to pay arising out of such operation. When operating your personal vehicle on behalf of Green Choice, the following policies must be followed:

- The driver must be determined to meet all Green Choice driver qualification standards described in this agreement before being permitted to operate a personal vehicle on Green Choice business. Failure to continue to meet these qualification standards will result in revocation of the Employee's driving responsibilities.
- The vehicle being operated must not bear markings that indicate that the vehicle is being used to transport cannabis or indicate the name of the registered/licensed facility.
- The vehicle being operated must be equipped with a global positioning system monitoring device that is monitored by the originating registered/licensed facility during an authorized transport.
- The vehicle being operated must have a locked storage compartment within which the cannabis and cannabis product being transported is secured.
- The vehicle being operated must have a valid registration, and proof of registration must be kept in the vehicle. Employee drivers must possess a current and valid driver's license on their person always while operating the vehicle.
- Automobile insurance meeting the legal minimum requirements of the vehicle's state of registry must be maintained on the vehicle being used, and a valid insurance identification card must be kept in the vehicle. Proof of such insurance must be provided to Green Choice when the driver is initially added to Green Choice's driver list and whenever requested thereafter.
- Green Choice does not specify and assumes no responsibility for any other coverage Employees carry on the vehicles used but encourages those operating vehicles on behalf of Green Choice on a regular basis to maintain limits of at least \$100,000 each person/\$200,000 each occurrence for bodily injury and \$100,000 property damage, or a combined single liability (CSL) limit of \$300,000, plus uninsured motorist (UM) and underinsured motorist (UIM) coverage.
- Vehicles should be maintained to permit reliable and safe operation. The vehicle owner/driver is responsible for all maintenance and associated costs.
- Seatbelts and other required safety restraints must be used always.
- All traffic laws must be obeyed. Green Choice is not responsible for and will not reimburse Employees for any moving or non-moving violations received because of operating a vehicle on behalf of the organization.

- Vehicles may not be operated while the driver is under the influence of alcohol or any other controlled substance, including any prescription or over-the-counter medications that may affect driving ability.

### Reporting Requirements

To ensure that drivers maintain compliance with the company driver qualification standard, drivers are required to report all moving violations and at-fault accidents, or drivers' license status changes (suspension, revocation, new license, etc.) to a supervisor within 72 hours of conviction, determination, or status change effective date.

### Accidents Involving Use of Personal Vehicles

If you are involved in an accident in your personal or rented vehicle while traveling on business, a claim should be filed with your personal automobile insurance company, as that policy will provide primary coverage. However, the accident should still be reported to your supervisor.

### Violations of Policy

Failure to comply with any of these policies may result in suspension of driving responsibilities on behalf of Green Choice.

I have reviewed and received a copy of this Green Choice Vehicle and Driving Agreement. I agree to abide by all policies and procedures to ensure the safety of myself and the public, when driving to conduct business on behalf of Green Choice.

---

(Print your first and last name)

---

Signature

---

Date

## GREEN CHOICE DISPENSARIES, LLC DIVERSITY AND INCLUSION PLAN

### 1. PURPOSE

This strategy is a plan to help us achieve our business and people goals. It provides a shared direction and commitment for the organization so we can work together to respect and value our diverse workforce and build a more inclusive workplace, specifically, to include more People of color, particularly Black, African American, Hispanic, Latinx, and Indigenous people; Women; Disadvantaged Groups; Persons with disabilities; and LGBTQ+ individuals, collectively referred to as “Disadvantaged Groups”. It comprises of three key goals and identifies the priorities and actions we will take over the next year and each year thereafter. It outlines the goals, programs, and how we will track progress and measure success.

### 2. GOALS, PROGRAMS, MEASUREMENTS

#### GOAL 1 Have a Diverse Staff

Green Choice Dispensaries, LLC (Green Choice) is dedicated to increasing the number of Disadvantaged Groups in the cannabis industry by providing opportunity, training, knowledge, materials, and real-life experience in the areas of operating and administering a marijuana cultivator, manufacturer, and retailer. Disadvantaged Groups will be employed with opportunities to be trained in all areas of the operations including those outside their scope of employment.

- o 40% women;
- o 35% minorities;
- o 30% veterans;
- o 10% persons with disabilities; and
- o 20% LGBTQ+

#### Maintain at Least 40% Employees from Disadvantaged Groups at Green Choice

Green Choice understands the value of the diverse skills that are learned by taking the various walks of life. To take advantage of these skills as well as offering a new industry to Disadvantaged Groups, Green Choice will seek to maintain 40% of its total staff to be members of Disadvantaged Groups.

#### PROGRAM

Green Choice will utilize Facebook, Instagram, LinkedIn, Monster.com, Indeed.com and potentially other social media platforms beginning upon the granting of a provisional license to reach potential employees who are also members of a Disadvantaged Group. Solicitations will be posted monthly until all positions are filled.

Green Choice will track where employees from the Disadvantaged groups first engaged Green Choice’s solicitation for employment in order to improve the number of members of these groups reached.

#### MEASUREMENT

Green Choice should be within 15% of these amounts one year from the granting of a provisional license and within 5% one year thereafter.

- o 40% women;
- o 35% minorities;
- o 30% veterans;

- o 10% persons with disabilities; and
- o 20% LGBTQ+

**GOAL 2**      Increase Diverse Group Entrepreneurship in General and in the Cannabis Industry

Green Choice Dispensaries, LLC is dedicated to aiding Disadvantaged Groups who have completed the Inclusiveness Program discussed below with opportunities to start their own cannabis business by providing materials for operational plans, contact networking opportunities, and compliance instruction. Disadvantaged Group employees will be allowed to meet with and potentially utilize the same team members used by Green Choice Dispensaries, LLC to accomplish licensing and operations. Green Choice would like to have 100% of the staff who are members of a disadvantaged group to be trained on all areas of the operation in order to become a master of the retail field thereby providing the employees with economic mobility. Once trained, Green Choice would like to see 33.33% of any one out of every three of the Disadvantaged Group Employees who request application materials to receive a license from the Commission.

**PROGRAM**      Inclusiveness Program

Green Choice Dispensaries, LLC will create a program called the Inclusiveness Program (the Program). The Program will be broken down into four phases to accomplish the goals of this diversity plan:

Phase 1: Recruitment

Phase 2: Background Check and CCC Agent Qualification Requirements

Phase 3: Employment and OJT

Phase 4: Permanent Employment / Entrepreneurial Phase

Phase 1

Green Choice Dispensaries, LLC will send Disadvantaged Group focused job advertisements to Facebook, Instagram, LinkedIn, Monster.com, Indeed.com and potentially other social media platforms, veteran organizations, and employment agencies. Monthly as positions are available.

Green Choice Dispensaries, LLC will focus their efforts to reach Disadvantaged Groups. 5.4 employees of the planned 26 employees should be members of a Disadvantaged Group

Phase 2

Green Choice Dispensaries, LLC will gather all forms and information required by the CCC for agent qualification and background screening. Once presented to the CCC, Green Choice Dispensaries, LLC will ensure all Disadvantaged Groups receive the required training as per law and good business practices.



### Phase 3

Employees will receive training in various areas of the operations outside the scope of their employment. Employees will or may be scheduled to work in other areas in accordance with Green Choice Dispensaries, LLC's staffing capabilities and needs; this is to increase and expand the employee's operational cannabis knowledge.

### Phase 4

Phase 4 is the most critical point: this is where Green Choice Dispensaries, LLC aids the employee in obtaining gainful employment in the cannabis industry other than at Green Choice at an employee's request. Green Choice Dispensaries, LLC will support the employee by providing references and information on training received by them.

If the employee wishes to start their own cannabis businesses, Green Choice Dispensaries, LLC will support them by providing materials for operational plans, contact networking opportunities, and compliance instruction. Green Choice Dispensaries, LLC will provide ongoing mentorship and advice.

**MEASURMENT** Number of Members Disadvantaged Groups Working at Green Choice per Year  
The baseline will be 40% per year thereafter. 5.4 employees is 40% of planned employees.

Number of Disadvantaged Groups Who left Green Choice with Gainful Employment  
Gainful employment will be considered employment that brings an employee's overall household income above the national poverty line.

Green Choice seeks to make this at least 80% (4 employees meeting this) as there is an individuality factor to be considered.

Number of Disadvantaged Groups Who Left Green Choice and Own a Cannabis business or ancillary cannabis business

Green Choice will record who attempted to start a cannabis business and was successful. However, they numbers shall be treated differently. It is a success if one member of a disadvantaged group is educated and provided with resources yet chooses not to utilize the knowledge and tools based on their newfound skills and knowledge. Green Choice would like to see 33.33% of any one out of every three of the Disadvantaged Group Employees who request application materials to receive a license from the Commission.

### **3. ACKNOWLEDGMENTS:**

- a. The applicant acknowledges and is aware, and will adhere to, the requirements set forth in 935 CMR 500.105(4) and 935 CMR 501.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every ME and MTC, respectively; and
- b. 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.



# COMcheck Software Version COMcheckWeb Mechanical Compliance Certificate

## Project Information

Energy Code: 2020 Massachusetts Energy Conservation Code  
Project Title: Green Choice Dispensary  
Location: Blackstone, Massachusetts  
Climate Zone: 5a  
Project Type: Alteration

Construction Site:  
114 Main Street  
Blackstone, Massachusetts 01504

Owner/Agent:  
Green Choice Dispensaries, LLC

Designer/Contractor:  
Demitri Baker  
Creative Environment Corp.  
195 Frances Avenue, Building 2  
Cranston, Rhode Island 02910  
401-438-7733  
dbaker@cec-engineering.com

## Mechanical Systems List

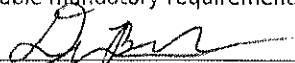
### Quantity System Type & Description

- 1 RTU-1 (Single Zone w/ PerimeterSystem):  
Heating: 1 each - Central Furnace, Gas, Capacity = 81 kBtu/h  
Proposed Efficiency = 81.00% Et, Required Efficiency: 80.00 % Et or 78% AFUE  
Cooling: 1 each - Packaged Terminal Unit, Capacity = 58 kBtu/h, Air-Cooled Condenser, Air Economizer  
Proposed Efficiency = 11.60 EER, Required Efficiency = 9.50 EER  
Proposed Part Load Efficiency = 0.00 , Required Part Load Efficiency = 0.00  
Fan System: RTU-1 SA -- Compliance (Motor nameplate HP and fan efficiency method) : Passes  
  
Fans:  
FAN 4 Supply, Constant Volume, 1800 CFM, 1.0 motor nameplate hp, 0.0 fan efficiency grade, 0.0 total fan efficiency, 0.0 design fan efficiency , fan exception: Single fan <= 5HP
- 1 RTU-2 (Single Zone w/ PerimeterSystem):  
Heating: 1 each - Central Furnace, Gas, Capacity = 81 kBtu/h  
Proposed Efficiency = 81.00% Et, Required Efficiency: 80.00 % Et or 78% AFUE  
Cooling: 1 each - Packaged Terminal Unit, Capacity = 35 kBtu/h, Air-Cooled Condenser, Air Economizer  
Proposed Efficiency = 11.80 EER, Required Efficiency = 9.50 EER  
Proposed Part Load Efficiency = 0.00 , Required Part Load Efficiency = 0.00  
Fan System: RTU-2 SA -- Compliance (Motor nameplate HP and fan efficiency method) : Passes  
  
Fans:  
FAN 5 Supply, Constant Volume, 1200 CFM, 0.5 motor nameplate hp, 0.0 fan efficiency grade, 0.0 total fan efficiency, 0.0 design fan efficiency , fan exception: Single fan <= 5HP
- 1 AC/ACCU-1 (Single Zone):  
Split System Heat Pump  
Heating Mode: Capacity = 12 kBtu/h,  
Proposed Efficiency = 12.50 HSPF, Required Efficiency = 8.20 HSPF  
Cooling Mode: Capacity = 13 kBtu/h,  
Proposed Efficiency = 25.50 SEER, Required Efficiency = 14.00 SEER  
Proposed Part Load Efficiency = 0.00 , Required Part Load Efficiency = 0.00  
Fan System: AC & ACCU Input Power -- Compliance (Motor nameplate HP and fan efficiency method) : Passes  
  
Fans:  
FAN 7 Supply, Single-Zone VAV, 530 CFM, 1.2 motor nameplate hp, 0.0 fan efficiency grade, 0.0 total fan efficiency, 0.0 design fan efficiency , fan exception: Single fan <= 5HP

## Mechanical Compliance Statement

*Compliance Statement:* The proposed mechanical alteration project represented in this document is consistent with the building plans, specifications, and other calculations submitted with this permit application. The proposed mechanical systems have been designed to meet the 780 CMR Massachusetts State Building Code, 9th Edition, Energy Efficiency requirements in COMcheck Version COMcheckWeb and to comply with any applicable mandatory requirements listed in the Inspection Checklist.

Demitri Baker - Mechanical Designer  
Name - Title

  
Signature

09/30/22  
Date



# COMcheck Software Version COMcheckWeb

## Interior Lighting Compliance Certificate

### Project Information

Energy Code: 2020 Massachusetts Energy Conservation Code  
Project Title: Green Choice Dispensary  
Project Type: Alteration

Construction Site:  
114 Main Street  
Blackstone, Massachusetts 01504

Owner/Agent:

Designer/Contractor:  
Dana Bizon  
Creative Environment Corp.  
195 Frances Avenue  
Cranston, Rhode Island 02910  
401-438-7733  
dbizon@cec-engineering.com

### Allowed Interior Lighting Power

A Area Category	B Floor Area (ft <sup>2</sup> )	C Allowed Watts / ft <sup>2</sup>	D Allowed Watts
1-Retail	2881	0.84	2420
Total Allowed Watts =			2420

### Proposed Interior Lighting Power

A Fixture ID : Description / Lamp / Wattage Per Lamp / Ballast	B Lamps/ Fixture	C # of Fixture	D Fixture Watt.	E (C X D)
<u>Retail (2881 sq.ft.)</u>				
L1: PENDANT LIGHT: LED Other Fixture Unit 13W:	1	15	10	150
L2: TRACK LIGHT AND SINGLE CIRCUIT : Wattage based on 128 feet of track	0	0	1024	1024
L3: PENDANT LIGHT: LED Other Fixture Unit 13W:	1	3	11	33
L4: RECESSED 4" DOWNLIGHT: LED Other Fixture Unit 13W:	1	15	11	165
L5: RECESSED 2X2 LIGHT: LED Panel 19W:	1	14	18	252
L6: UNDERCABINET LIGHT: LED Undercabinet Unit 11.4W:	1	1	11	11
L7: PENDANT LIGHT: LED Other Fixture Unit 13W:	1	6	12	72
L8: 4' LINEAR UTILITY LIGHT: LED Other Fixture Unit 36W:	1	2	35	70
Total Proposed Watts =			1777	

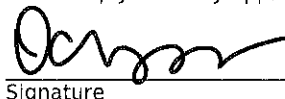
### Interior Lighting PASSES

#### Interior Lighting Compliance Statement

**Compliance Statement:** The proposed interior lighting alteration project represented in this document is consistent with the building plans, specifications, and other calculations submitted with this permit application. The proposed interior lighting systems have been designed to meet the 780 CMR Massachusetts State Building Code, 9th Edition, Energy Efficiency requirements in COMcheck Version COMcheckWeb and to comply with any applicable mandatory requirements listed in the Inspection Checklist.

Dana Bizon - Electrical Design Engineer

Name - Title



Signature

10/04/2022

Date



*Document D*

MAIN OFFICE  
195 Frances Avenue, Building 2  
Cranston, Rhode Island 02910  
P: (401) 438-7733  
[www.cec-engineering.com](http://www.cec-engineering.com)

***Green Choice Dispensary  
Fit-out Project***

***HVAC and Electrical  
Energy Narrative***

***October 4, 2022***

CEC Project No. 20220057

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## PART 1 - PROJECT OVERVIEW

- A. The project is a 2,700 square foot tenant fit-out of an existing vacant mercantile space into a new cannabis dispensary.
- B. Heating and cooling is primarily by packaged rooftop units sized and controlled to achieve the greatest flexibility and efficient operation.
- C. The Operating Instructions, Building Plans, Maintenance Manuals, Control Manuals and As-built Drawings will be located in the dispensary office.
- D. The Designer of Record will certify that the systems have been installed in accordance with the approved Construction Documents in conformance with 780 CMR 1301.

## PART 2 - BASIS OF DESIGN

- A. HVAC (Also see attached COMcheck Compliance Report)
  - a. Interior Temperature Setpoints:
    - i. 70 degree F heating when occupied; 65 degree F heating when unoccupied for dispensary retail and support spaces.
    - ii. 75 degree F cooling when occupied; 80 degree F cooling when unoccupied for dispensary retail and support spaces.
    - iii. 65 degree F heating at all time for dispensary vault.
    - iv. 67 degree F cooling at all times for dispensary vault.
  - b. Outdoor Ambient Design Temperatures:
    - i. 7 degree F winter.
    - ii. 91 degree F db, 73 degree F wb summer.
  - c. Occupancy:
    - i. 39 people total
  - d. Ventilation:
    - i. Outside ventilation air 13.4 cfm per person minimum in the dispensary retail spaces and 9.2 cfm per person minimum in the dispensary support spaces.
- B. LIGHTING (See attached COMcheck Compliance Report):



## PART 3 - SEQUENCE OF OPERATIONS AND INTERACTIONS

### A. HVAC

- a. Heating and cooling will be provided by two (2) packaged rooftop units, one (1) split system, and two (2) electric unit heaters. Each rooftop unit, split system, and unit heater shall be controlled by a separate local thermostat located within the space it is serving. Each rooftop unit will deliver a fixed amount of outside air when the building is occupied. The outside air dampers will be shut when the building is unoccupied. Each rooftop unit be provided with an airside economizer with barometric relief.

### B. LIGHTING

- a. Ambient lighting in the Sales Area will be controlled by an Automated Lighting Control System (ALCS). Lighting in Office and Storage Areas are controlled by occupancy sensors.

## PART 4 - SYSTEM AND EQUIPMENT CAPACITIES

### A. HVAC

- a. RTU-1 and RTU-2 are constant volume, single-package rooftop units with natural gas furnaces for heating and electric direct expansion air conditioners for cooling. AC/ACCU-1 is a split system with an electric direct expansion heat pump for heating and cooling. Unit heaters CUH-1 and CUH-2 are with electric resistance for heating.

<u>Unit #</u>	<u>Cooling Total (MBH)</u>	<u>Heating Total (MBH)</u>	<u>Outdoor Air (CFM)</u>
RTU-1	58.9	81.0	360
RTU-2	35.3	81.0	240
AC/ACCU-1	12.0	13.6	--
CUH-1	--	10.2	--
CUH-2	--	10.2	--





**B. LIGHTING**

- a. The ambient lighting system for the Sales area will be via 10-watt, 11-watt and 12-watt LED pendants, and 33-watt LED track lighting.
- b. The ambient lighting system for the Office and Storage areas will 18 watt, 2x2 LED troffers.
- c. The ambient lighting in the employee lounge areas will be 10-watt LED pendants and 11-watt LED downlights.

**C. POWER DISTRIBUTION:**

- a. The tenant space electric service will be 300 amperes, 120/240 volt, 1 phase, 3 wire.

## PART 5 - TESTING

The following tests and inspections shall be performed by the General Contractor with the Owner and the Owner's Representative present. The tests and inspections must comply with the criteria stated for the work to be accepted.

**A. HVAC:**

- a. Inspect HVAC unit for any physical damage. There shall be no dents or distortion of the metal.
- b. Inspect each HVAC unit for any unusual noise or vibration. There shall be no unusual noise or vibrations when the unit is operating.
- c. Inspect the seal of each rooftop unit and its mounting curb for leaks. There shall be no leaks indicated when using a smoke stick while the unit is running.
- d. Verify that the HVAC systems are functioning correctly. The furnace shall operate when the thermostat calls for heat and the air conditioner must function when the thermostat calls for cooling. The outside air damper shall open when the thermostat is in the occupied mode and shall remain closed when the thermostat is in the unoccupied mode.
- e. In addition, a completed manufacturer's installation checklist will be submitted to the Owner.
- f. Contractor to perform a full air side balance on each rooftop unit.

**B. LIGHTING**

- a. Demonstrate the ALCS System controlling the lighting system automatically dims and turns the lights off and on at the prescribed times.
- b. Inspect that all fixtures are functioning.



## PART 6 - OPERATIONS MANUALS AND MAINTENANCE MANUALS

When the space is completed and ready for occupancy, the General Contractor shall provide the following items before the review and final testing will begin:

A. HVAC:

- a. Two (2) complete sets of Operating Manuals; the manuals shall cover:
  - i. Package Rooftop HVAC Units
  - ii. Heat Pump Split System
  - iii. Unit Heaters

B. LIGHTING:

- a. Two (2) sets of operating manuals:
  - i. Occupancy Sensors
  - ii. Controls



## **PART 7 - RECORD DRAWINGS AND CONTROL DOCUMENTS**

When the space is completed and ready for occupancy, the General Contractor shall provide the following items before the review and final testing will begin:

- As-built Drawings of the HVAC, Electrical and Lighting Systems. One (1) set shall be ¼ inch scale drawings for the Owner. Another set shall be reduced to fit on legal size paper.
- Copy the final Test, Adjust and Balance (TAB) Report.

End of Narrative



## APPENDIX A – COMcheck Compliance Reports

