



Massachusetts Cannabis Control Commission

Marijuana Cultivator

General Information:

License Number: MC283154
Original Issued Date: 05/26/2022
Issued Date: 04/14/2023
Expiration Date: 05/26/2024

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Kapnos, Inc.

Phone Number: 781-264-1233 Email Address: brianstriar@gmail.com

Business Address 1: 2 Merchant St. Business Address 2: Unit 4

Business City: Sharon Business State: MA Business Zip Code: 02067

Mailing Address 1: 2 Merchant St. Mailing Address 2: Unit 4

Mailing City: Sharon Mailing State: MA Mailing Zip Code: 02067

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a

DBE

PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

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

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 20 Percentage Of Control: 20

Role: Owner / Partner Other Role:

First Name: Lynne Last Name: Striar Suffix:

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Gender: Female 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 2

Percentage Of Ownership: 20 Percentage Of Control: 20

Role: Owner / Partner Other Role:

First Name: Cheryl Last Name: Giannopoulos Suffix:

Gender: Female User Defined Gender:

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

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Cheryl Last Name: Suffix:

Giannopoulos

Types of Capital: Monetary/ Other Type of Capital: Total Value of the Capital Provided: Percentage of Initial Capital:

Equity \$5742.5 50

Capital Attestation: Yes

Individual Contributing Capital 2

First Name: Lynne Last Name: Striar Suffix:

Types of Capital: Monetary/Equity Other Type of Capital: Total Value of the Capital Provided: \$5742.5 Percentage of Initial Capital: 50

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: 2 - 4 Merchant Street

Establishment Address 2:

Establishment City: Sharon Establishment Zip Code: 02067

Approximate square footage of the Establishment: 9000 How many abutters does this property have?: 7

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

Cultivation Tier: Cultivation Environment:

FEE QUESTIONS

Date generated: 11/01/2023 Page: 2 of 6

Cultivation Tier: Tier 02: 5,001 to 10,000 sq. ft. Cultivation Environment: Indoor

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload
				Date
Certification of Host Community	Signed HCA Certification - Kapnos Inc.pdf	pdf	606359574967a0078ae98865	03/30/2021
Agreement				
Community Outreach Meeting	Community Outreach Attestation with	pdf	606361061c41b407a7675442	03/30/2021
Documentation	Attachements.pdf			
Plan to Remain Compliant with	Plan to Remain Compliant with Local	pdf	6063632d59735d07bd824230	03/30/2021
Local Zoning	Zoning.pdf			

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	Туре	ID	Upload
				Date
Other	ELEVATE Northeast & EON Foundation_Acceptance Letters.pdf	pdf	60ef5a450bb484027d8bf8b1	07/14/2021
Plan for Positive Impact	Kapnos-PIP_Revised_3.21.2022.pdf	pdf	6238e68294e880000986c9e2	03/21/2022

ADDITIONAL INFORMATION NOTIFICATION

Notification:

INDIVIDUAL BACKGROUND INFORMATION Individual Background Information 1

Role: Other Role:

First Name: Lynne Last Name: Striar Suffix:

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 2

Role: Other Role:

First Name: Cheryl Last Name: Giannopoulos Suffix:

RMD Association: Not associated with an RMD

Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

No records found

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Туре	ID	Upload

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				Date
Articles of Organization	Kapnos, Inc Articles of Organization.pdf	pdf	604a3af3d7adff35b5a4feff	03/11/2021
Bylaws	Kapnos, Inc - Bylaws.pdf	pdf	604a3b0e75f93835952f0914	03/11/2021
Secretary of Commonwealth - Certificate of Good Standing	Kapnos Inc - SOC COGS.pdf	pdf	6063592d7e61bd07773ac889	03/30/2021
Department of Revenue - Certificate of Good standing	DOR COGS.pdf	pdf	60ef5ab3aa87100331f659b1	07/14/2021
Department of Revenue - Certificate of Good standing	DUA Registration Exemption.pdf	pdf	615385bb2831f56830cd4687	09/28/2021

Certificates of Good Standing:

Document Category	Document Name	Туре	ID	Upload
				Date
Secretary of Commonwealth -	11.1_Certificate of Good Standing from the	pdf	6418c36750f99b0008b03f83	03/20/2023
Certificate of Good Standing	Secretary of the Commonwealth of			
	Massachusetts.pdf			
Department of Unemployment	11.3_Certificate of Good Standing from the	pdf	6418c3d450f99b0008b03fa6	03/20/2023
Assistance - Certificate of Good	Massachusetts Department of Unemployment			
standing	Assistance.pdf			
Department of Revenue -	11.2_Certificate of Good Standing from the	pdf	6419cdf750e43b0008387a16	03/21/2023
Certificate of Good standing	Massachusetts Department of Revenue.pdf			

Massachusetts Business Identification Number: 001451809

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Proposed Timeline	Kapnos, Inc - Proposed Timeline.pdf	pdf	604a6c5f93441135c0c33944	03/11/2021
Business Plan	Kapnos, Inc - Business Plan.pdf	pdf	604a6df3efe1e0359b95c8bf	03/11/2021
Plan for Liability Insurance	12.1_Insurance Certificate.pdf	pdf	6418c59550f99b0008b0439d	03/20/2023

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload
				Date
Policies and Procedures for cultivating.	Cultivation Policies.pdf	pdf	604a6e79e15067356d20c685	03/11/2021
Restricting Access to age 21 and older	Restricting Access 21+.pdf	pdf	604a6e91efe1e0359b95c8c4	03/11/2021
Security plan	Security Plan.pdf	pdf	604a6e9cb3603835a49f5169	03/11/2021
Prevention of diversion	Prevention of Diversion.pdf	pdf	604a6eaa01124c35d20a2c41	03/11/2021
Transportation of marijuana	Transportation of Marijuana.pdf	pdf	604a6ec1183b5235aa44e9df	03/11/2021
Quality control and testing	Quality Control and Testing.pdf	pdf	604a6ef679e02335ddb61dc3	03/11/2021

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Personnel policies including background	Personnel Policies.pdf	pdf	604a6f0cb3603835a49f5173	03/11/2021
checks				
Record Keeping procedures	Record Keeping Procedures.pdf	pdf	604a6f1693274435ba9e30fe	03/11/2021
Maintaining of financial records	Maintaining Financial	pdf	604a6f2040676f35abee2823	03/11/2021
	Records.pdf			
Qualifications and training	Qualifications and Training.pdf	pdf	604a6f38183b5235aa44e9ed	03/11/2021
Energy Compliance Plan	Energy Compliance Plan.pdf	pdf	604a6f4440676f35abee2827	03/11/2021
Dispensing procedures	Dispensing Procedures.pdf	pdf	604a700cefe1e0359b95c8dc	03/11/2021
Storage of marijuana	Storage of Marijuana.pdf	pdf	6063643e3e0ae507c93128ca	03/30/2021
Inventory procedures	Inventory Procedures .pdf	pdf	6063675689d65207913abdd5	03/30/2021
Diversity plan	Diversity Plan_Revised.pdf	pdf	61ce0b1a7baa3f462ea4a3fe	12/30/2021

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.: | 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.: | 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

Notifcation:

COMPLIANCE WITH POSITIVE IMPACT PLAN

Progress or Success Goal 1

Description of Progress or Success: Kapnos, Inc. is not yet operational, and has not yet been provisionally licensed for one year, therefore there is nothing to report.

COMPLIANCE WITH DIVERSITY PLAN

Diversity Progress or Success 1

Description of Progress or Success: Kapnos, Inc. is not yet operational, and has not yet begun hiring, therefore there is nothing to report.

HOURS OF OPERATION

Monday From: Open 24 Hours

Monday To: Open 24 Hours

Tuesday From: Open 24 Hours

Tuesday To: Open 24 Hours

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Wednesday From: Open 24 Hours

Thursday From: Open 24 Hours

Thursday To: Open 24 Hours

Friday From: Open 24 Hours

Friday From: Open 24 Hours

Saturday From: Open 24 Hours

Saturday To: Open 24 Hours

Sunday To: Open 24 Hours

Sunday From: Open 24 Hours

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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:	
	Kapnos, Inc.	
2.	Name of applicant's authorized representative:	
	Lynne Striar	
3.	Signature of applicant's authorized representative:	
	hy 8t	
4.	Name of municipality:	
	Sharon	
5.	Name of municipality's contracting authority or authorized representative:	
	Fred Turkington, Town Administrator	
		1

6.	5. Signature of municipality's contracting authority or authorized representative:					
	fal SZ-179					
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).):					
	FTurkington@townofsharon.org					
8.	Host community agreement execution date:					
	8/12/20					



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 $\mathsf{date}(s)$:

9/30/2020

- 2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
- 3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).

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

a.	Date of publication:	9/16/20
b.	Name of publication:	Times Advocate

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:	9/18/20
u.	Date notice mea.	

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: 9/14/2020

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

Name of applicant:
Kapnos Inc.
Name of applicant's authorized representative:
Lynne Striar
Signature of applicant's authorized representative:
My Str



vear's maze will be "vote. In order to provide a safe experience for our guests, we are limiting the number of guests admitted per-hour in accordance with state guidelines. In order to regulate the number of visitors to the Maze, we are requiring guests to purchase tickets in advance on our website. Please note that if you arrive to the maze without a ticket, you may be refused entry. We are also requiring guests and employees to follow the safety measures outlined below. Guest Safety Guidelines for 2020:

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- Everyone regardless of age - must wear a mask on the premises, including inside of the corn maze.
- Parties are required to maintain a distance of at least 6 feet from each other.
- · Guests will be required to use hand sanitizer before and after participating in any of the onsite attractions and games.

SAUCHUK FARMS - 200 Center St., Plympton. Information: 781-585-1522; https:// www.sauchukmaze.com We intend to open our corn maze and pumpkin patch in September under Phase III, Step I reopening standards for Massachusetts. Reservations will be required to prevent overcrowding. Events and activities that attract large crowds will be cancelled, such as the corn box, pig races, and special events. We are currently in discussions with the Plympton Board of Health, and we will not start selling tickets or other reservations until we receive our Large Event Permit from the BOH. More information will follow as details are developed.

SCHARTNER FARMS - 279 West Berlin Road, Bolton. Information: 978-779-6293; http://schartnerfarm.com/ Open weekends from 10 a.m.-5 p.m.; private events offered weekdays. The 2020 season will tentatively begin on Sept. 19, and will run through the end of October or when Mother Nature tells us to close. This vear's maze honors first responders; the farm will offer a free maze pass for first responders - EMS, fire, police, medical personnel - with valid ID. Masks are required for entering the farm; for the maze and orchards, it will be optional as long as social distancing is maintained. No hayrides this year. Prices: apples -- \$12 per peck, \$22 per half-bushel; maze ages 3-11, \$7, 12 and older,

WOJCIK'S FARM - 65 Milk St., Blackstone, Information: https://wojcikfarm.com/ Farm open weekends from 10 a.m.-5 p.m. Apple picking, corn mazes, cider doughnuts, farm store and much more.

Face masks required.

Plate#661230 RI VIN: 1J4HR48N05C53699 Manuel Diaz 190 Livronder 19 190 Division st Apt 2 Pawtucket, RI 02860

VIN: 3N1CB51DX4L477780 Jameson Phebe 124 Pine St Attleboro, MA 02703 and

Attleboro, Ma 02/03
and
2006 Volkswagen Jetta
Plate#NJ/A
VIN:
3VWRG71K86M776844
Samuel Philippe
10 Arboretum Way Apt # 1014
Canton, MA 02021
and
2006 Nissan Altima
Plate#9HDP90 MA
VIN: 1N4BL11D46N331642
Rosa Aponte
9 Norton Glenn RD Apt 56
Norton, MA 02766
and
2002 Honda Odyssey

2002 Honda Odyssey Plate#HBB6541 NC

Plate#HBB6541 NC
VIN:
2HKRL180X2H530054
Jesy Andre Cherry
2786 Meridan Dr Api 8
Greenville, NC 27834
a007 Chevrolet Malibu
Plate#CO-218 RI
VIN: 1G12558F77F247829
Stephanie Araujo
6 Gerald St
Cumberland, RI 02864
and

and 2015 Honda Accord Plate#8GX331 MA

Plate#8GX331 MA
Plate#8GX331 MA
HGCR2F36FA170268
Jean Rodney Pierre
53 Decota Dr
Stoughton, MA 02072
and
2007 Honda Civic
Plate#XF-244 RI
LIC Jalomba
46 Handcock St
Pawtucket, RI 02860
and
2004 Kia Optima
Plate#8Bj376 MA

VIN: KNAGD126845274823 Coleman Doherty 115 Harriett Rd East Falmouth, MA 02536

ast Falmouth, MA 02536 2004 Mitsubishi Edipse Plate#N/A VIN: 4A3AC44GX4E044975 Michael Ashley 36 Whitewood Cir Norwood, Ma 02062 And last 2004 Honda Civic Plate#Au91029 CT VIN:

VIN: 2HGES16394H540795 Natashalee Rodriguez 29 Fellows Rd Apt 5 Oakdale, Ct 06370 by Chris Colahan-Prop.

AD#13912251 Times Advocate 9/16, 9/23, 9/30/20

SHARON/ZBA/PUBLIC HEARIN G9/30/20

LEGAL NOTICE TOWN OF SHARON BOARD OF APPEALS

A public hearing will be held at the Sharon Community Center via Zoom Meeting link as described Meeting ID 509 811 4431 password: 02067 Meeting link as described Meeting ID 509 B11 4431 passwort 20267
https://zoom.us/i/5098114431 7pwdJuniskt_9/WinBadHFCWnpaM1BEM
Htw0109_on Wednesday, September 3020 at wo p.m. to reconsider the petition of Sharon Standing Building Committee. Applicant(s) seeks lot dimensional relief from the dimensional relief from 2011 from 20

that https://www.townofsharon.net/zoning-board-of-appeals/pages/upcoming-applications.
All persons desiring to be heard on this matter should appear at the time and place designated.
Abe Brahmachari, Chair

AD#13913010 Times Advocate 9/16, 9/23/20

Date: August 28, 2020

SHARON/PL/ZONING BY-LAWS LEGAL NOTICE Town Of Sharon

The Planning Board will hold a Zoom virtual Public Hearing, on proposed amendments to the "Sharon Zoning Bylaws", on Thursday, September 24, 2020 at 7:00 PM to be acted upon at the Annual Town Meeting. The proposed amendments would modify the Sharon Zoning By-Laws" to allow "retail sale of gasoline and diesel fuel accessory to retail stores" within "Business District D" by special permit from the Zoning Board of Appeals, as special permit granting authority. Further, to allow "retail sale of gasoline and diesel fuel" and "storage of gasoline and diesel fuel accessory to retail sale in underground storage lanks, in

line and diesel fuel accessory to retail sale in underground storage tanks; in storage in tanks partially below mean ground elevation, or in above ground storage tanks' within those portions of the Water Resource Protection District Located within Business District D by Special Permit from the Zoning Board of Appeals, as special permit granting authority.

authority.

"Business District D" is located on land bounded generally by Interstate I-95 to the west, by South Walpole Street to the east, and by South Walpole Street to the teast, and by South Main Street to the east, and by South Main Street to the south. The Parcels are shown on the Assessor's Map as Map 57, Parcel 22, and the approximate area is approximately 60 acres. The land included in "Business District D" is located entirely within the Groundwater Resource Protection District and the land will remain in that overlay district. All associated documents can be found on the Town of Sharon's Home Webpage "News & Notices" page under "Sharon Callery Zoning language change to allow petroleum in Business District D". Here is the link to that page: https://www.townofsharon.net/sites/diffusionsharon.gallery zoning language change to allow potroleum in Genenian in business dis-

zoning language change to allow p etroleum dispensing in business dis-

In compliance with the Governor's emergency declaration relative to the conduct of public meetings, the Town has arranged to conduct remote meetings using Zoom video/audio conferencing. When the meeting is about to start,

start, click this link: https://lsc2web.zom.us/i/661933129
Z?owd=akf-mV1A3RkIXeEhyamIHeGS
tRVdzZz09, in your web browser and join the meeting using the meeting ID: and password: Meeting ID: 661 933
1292, Password: 20267. If you don't have a microphone and anticipate that you may want to speak, you can dial in using any one of these phone numbers and supply the Meeting ID listed above: 1 312-626-6799; 1 929-205-6099; 1 253-215-8782: 1 301-715-8592: 1 346-248-7799; and 1 669-900-833. The purpose of the public hearing is to provide interested parties with an opportunity to comment.

All interested parties should plan to

Shannon McLaughlin, Chair Sharon Planning Board

Times Advocate 9/9, 9/16/20

CC/3 PALMER RD
LEGAL NOTICE
TOWN OF WALPOLE
NOTICE OF INTENT
CONSERVATION COMMISSION
PUBLIC HEARING

PUBLIC HEARING
In accordance with Massachusetts
General Laws, Chapter 131, Section
40, the Wetlands Protection Act, and
the Town of Walpole Wetlands
Protection Bylaw, notice is hereby
given of the intent of Michal Brait to
restore altered wetlands and install a
path and dock to Willett Pond at 3
Palmer Road within 100 feet of bordering vegetative wetlands. Plans are
on file with the Conservation
Commission office. The public hearing
on the above matter will be held in the
Walpole Town Hall or via a virtually
accessible video on September 23,
2020 beginning at 7:30 p.m. All interested persons are requested to be
present.

John Wiley, Chairman Walpole Conservation Commission

AD# 13909908 Times Advocate 9/16/20

AD#13911563

WITNESS, Hon. Patricia Gorman, First Justice of this Court

Patrick W McDermott Register of Probate AD# 13912770 Times Advocate 9/16/20

CITATION ON PETITION FOR ORDER OF COMPLETE SETTLEMENT Estate of: Paul D Salemi

Date of Death: 02/01/2019

To all interested persons

A Petition for Order of Complete Settlement has been filed by Barbara A Salemi of Sharon MA requesting that the court enter a formal Decree of Complete Settlement including the allowance of a final account, 1st & Final Account as Complete Settlement and other such relief as may be requested in the Petition.

requested in the Petition.

IMPORTANT NOTICE
You have the right to obtain a copy of the Petition from the Petitioner or at the Court. You have a right to object to this proceeding. To do so, you or your attorney must file a written appearance and objection at this Court before 10:00 a.m. on the return day of 09/30/2020. This is NOT a hearing date, but a deadline by which you must file a written appearance and objection if you object to this proceeding. If you fail to file a timely written appearance and objection swithin thirty (30) days of the return day, action may be taken without further notice to you.

WITNESS, Hon. Patricia Gorman, First Justice of this Court.

Date: August 27, 2020

Patrick W. McDermott Register of Probate

AD# 13911930 Times Advocate 9/16/20

GOUGH ESTATE
LEGAL NOTICE
Commonwealth of Massachusetts
The Trial Court
Norfolk Probate and Family Court
35 Shawmut Road
Canton, MA 02021
(781) 830-1200

Docket No. NO10P2832PM

CITATION ON PETITION FOR ORDER OF COMPLETE SETTLEMENT

Estate of: Sheila M Gough

To all interested persons:

A Petition for Order of Complete Settlement has been filed by Kathleen M Lauck of Westwood MA requesting that the court enter a formal Decree of Complete Settlement including the allowance of a final account, 1st-8th and Final accounts and other such relief as may be requested in the Petition.

Petition.

MPORTANT NOTICE
You have the right to obtain a copy of the Petition from the Petitioner or at the Court. You have a right to object to this proceeding. To do so, you or your attorner must file a written appearance and objection at this Court before 10:00 a.m. on the return day of 10/07/2020.
This is NOT a hearing date, but a deadline by which you must file a written appearance and objection if you object to this proceeding. If you fail to file a timely written appearance and objection followed by an Affidavit of Objections within thirty (30) days of the return day, action may be taken without further notice to you.

WITNESS, Hon. Patricia Gorman, First Justice of this Court.

Date: September 03, 2020

Patrick W. McDermott Register of Probate

AD# 13912598 Times Advocate 9/16/20

SHARON/CC/11 VICTORIA CIRCLE LEGAL NOTICE PUBLIC HEARING NOTICE SHARON CONSERVATION COMMISSION

COMMISSION

There will be a Virtual Public Hearing held Thursday, October 1, 2020 at 7:40 p.m., in compliance with the Governor's emergency declaration relative to the conduct of public meetings. A Request for Determination of Applicability has been filed by Christopher Conforti under M.G.L. Ch. 131\$40 and the Sharon Wetlands Protection By-laws for repair and extension of existing stairs located at 11 Victoria Circle, Sharon. The Town has arranged to use Zoom video/audio conferencing, Interested citizens can attend the meeting remotely by clicking on the URL code: https://zoom.us//i6619931292

Further information to access the meeting can be found on the October 1, 2020 agenda posted at townof-sharon.net

Margaret D. Arguimbau Chairman

AD#13912525 Times Advocate 9/16/20

front yard and to construct a retaining wall located at 3 Capen Hill Road, Sharon. "The Town has arranged to use Zoom video/audio conferencing. Interested citizens can attend the meeting remotely by clicking on the URL code:

https://goom.us/li/64.1933/1992

UNL code: https://zoom.us/i/6619331292
Further information to access the meeting can be found on the October 1, 2020 agenda posted at townof-sharon.net

Margaret D. Arguimbau Chairman

AD#13912530 Times Advocate 9/16/20

CC/KEOLIS
LEGAL NOTICE
TOWN OF WALPOLE
Request for Determination of
Applicability
CONSERVATION COMMISSION
PUBLIC HEARING

National Public REARING
In accordance the Town of Walpole
Wetlands Protection Bylaw, notice is
hereby given of the intent of Keolis
Commuter Services for review of wetland maps along the railroad rightofhand process of the railroad rightofway for their 5-year Vegetative
Management Plan. Plans are on file at
the Conservation Commission office.
The public hearing on the above matter
will be held during a virtually accessible video (Zoom) meeting on
September 23, 2020 beginning at
7:00p.m. All interested persons are
requested to be present. Contact
Conservation at 508 660-7253 for
access information to virtual meeting.

John Wiley, Chairman Walpole Conservation Commission

AD#13909984 Times Advocate 9/16/20

WALPOLE/ZBA/PUBLIC HEARING 9/16/20

LEGAL NOTICE Town of Walpole Zoning Board of Appeals

Notice is hereby given that the Board of Appeals of the Town of Walpole will hold a PUBLIC HEARING via ZOOM CONFERENCE on WEDNESDAY, September 16, 2020 at 7:00 P.M. on an Application from Christine Goodrich, Case #20-29, with respect to property located at 9 Ginley Road, Walpole, MA, Zoning District RB.

This Application is for a Variance under Section 6.B.1 of the Zoning Bylaws to allow the construction of a garage to be within 23.8' feet of the front yard setback, where thirty (30) feet is required.

This Application may be viewed at the office of the Board of Appeals.

Robert Fitzgerald, Clerk AD#13910745

Times Advocate 9/9, 9/16/20

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for September 30, 2020 at 6:00pm. The Meeting will be conductivated in the second of the

AD#13913004 Times Advocate 9/16/20



www.mdausa.org



lan C. Hedges

From: lan C. Hedges

Sent: Friday, September 18, 2020 2:58 PM

To: Fred Turkington
Cc: Melissa Imbaro

Subject: RE: Virtual Community Outreach Meeting - Kapnos Inc.

Hi Fred,

Please see the notice below that ran in the Times Advocate.

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for September 30, 2020 at 6:00pm. The Meeting will be conducted via Zoom, and attendees can participate via following the following link: tinyurl.com/y2dqbxvt. The meeting ID is 632 803 8391. The proposed Marijuana Cultivator is anticipated to be located at 2-4 Merchant Street, Sharon, Massachusetts 02067. The public can submit questions prior to the meeting via email to ihedges@clozers.com. Additionally, there will be an opportunity for the public to ask questions during the Meeting. Presentation materials can viewed 24 hours prior to the Meeting via the following link: tinyurl.com/y2272vy3.

Best, -lan

Ian C. Hedges

Vieira & DiGianfilippo Ltd. Tel No. (508) 219-5811 Email: <u>IHedges@clozers.com</u>

From: Fred Turkington <FTurkington@townofsharon.org>

Sent: Thursday, September 10, 2020 4:10 PM **To:** Ian C. Hedges <IHedges@clozers.com>

Cc: Melissa Imbaro < MImbaro@townofsharon.org >

Subject: RE: Virtual Community Outreach Meeting - Kapnos Inc.

Ian,

We have an executed HCA, so you are authorized to plan to conduct the virtual community outreach meeting. Once you have Zoom videoconferencing instructions and a notice prepared, kindly send it to myself and Administrative Assistant Melissa Imbaro (copied here) so we can post it on our website and circulate in social media. Given our community demographic, please be mindful of the religious holidays that are observed in September and October when planning your event.

Regards, Fred Turkington Town Administrator

From: Ian C. Hedges [mailto:IHedges@clozers.com]
Sent: Thursday, September 10, 2020 3:51 PM

To: Fred Turkington < FTurkington@townofsharon.org **Subject:** Virtual Community Outreach Meeting - Kapnos Inc.

Good afternoon Fred,

My name is Ian Hedges, and I represent Kapnos Inc., the company that is applying to operate a marijuana cultivation facility at 2-4 Merchant Street in Sharon. As you are probably aware, the Cannabis Control Commission requires that all applicants conduct a community outreach meeting as a part of the application process for the State license. In light of COVID-19, the CCC has allowed for virtual outreach meetings instead of an in person gathering. However, prior to setting up the virtual meeting details, the applicant is required to "approval in writing from the Contracting Authority or Authorized Representative of the host community for a virtual Community Outreach Meeting," hence this email.

We plan on holding the meeting via Zoom sometime late next week/early the following week. Any materials that will be presented at the meeting will be posted online 24 hours ahead of time. If you would be willing to respond to this email approving Kapnos Inc to conduct a virtual community outreach meeting, I would appreciate it. Feel free to give me a call or shoot me an email if you have any questions.

Best, -lan

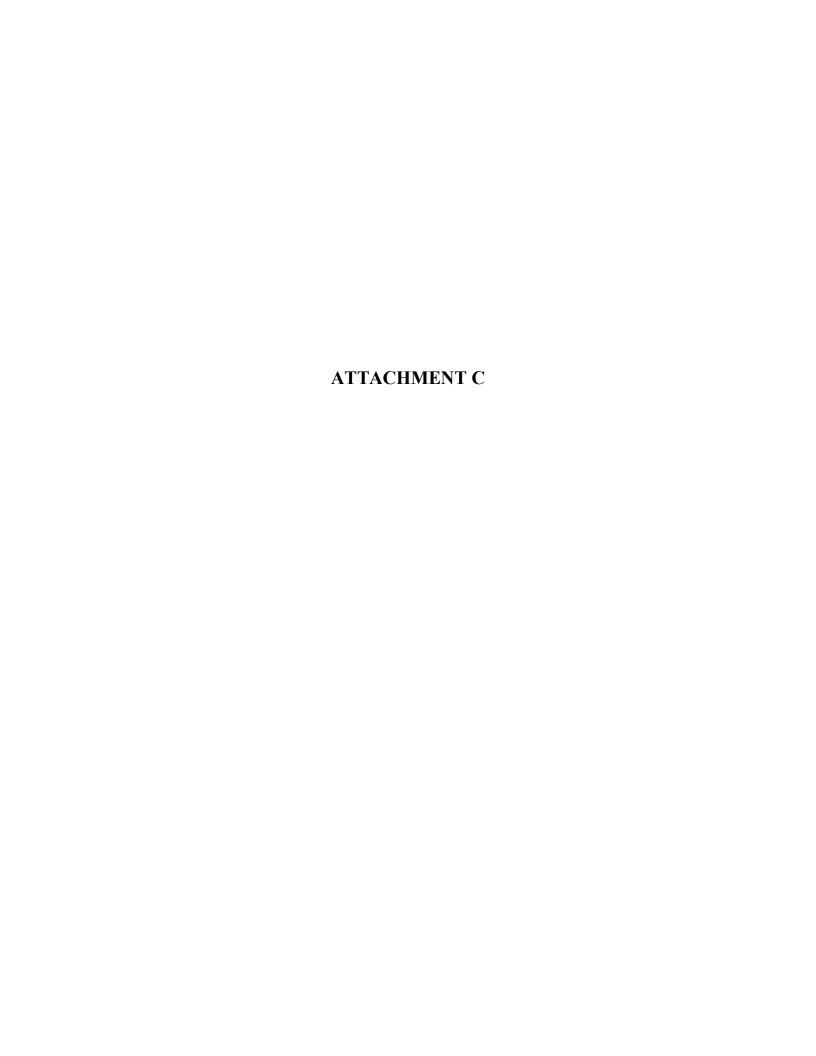
Ian C. Hedges



480 Turnpike Street So. Easton MA 02375 Tel No. (508) 219-5811 Fax No. (508) 238-2309 ihedges@clozers.com www.clozers.com

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Links contained in this email have been replaced by ZixProtect Link Protection. If you click on a link in the email above, the link will be analyzed for known threats. If a known threat is found, you will not be able to proceed to the destination. If suspicious content is detected, you will see a warning.



LEGAL NOTICE

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for September 30, 2020 at 6:00pm. The Meeting will be conducted via Zoom, and attendees can participate via following the following link: tinyurl.com/y2dqbxvt. The meeting ID is 632 803 8391. The proposed Marijuana Cultivator is anticipated to be located at 2-4 Merchant Street, Sharon, Massachusetts 02067. The public can submit questions prior to the meeting via email to ihedges@clozers.com. Additionally, there will be an opportunity for the public to ask questions during the Meeting. Presentation materials can viewed 24 hours prior to the Meeting via the following link: tinyurl.com/y2272vy3.

PLAN TO REMAIN COMPLIANT WITH LOCAL ZONING

Kapnos Inc. ("Kapnos") will remain compliant at all times with the local zoning requirements set forth in the Town of Taunton Zoning Ordinance. In accordance with the Zoning Ordinance, Kapnos' proposed Marijuana Retail Establishment is located at 2-4 Merchant Street in the Light Industrial District designated for retail Marijuana Establishments.

In compliance with 935 CMR 500.110(3) and Sharon Zoning Bylaw, Kapnos' proposed facility is not located within four hundred (400) feet of residential zoning district or from any residential use; from any public or private school, or municipal building open to the general public; from any church or other religious facility; from any public park or recreation area and any principal or accessory private recreational facility use; or from any day care center, nursing home or hospital.

Kapnos will apply for a Special Permit from the Sharon Planning Board. Kapnos will also apply for other local permits, approvals, registrations or certificates, if any, that are required to site and operate a Marijuana Establishment at the proposed location and will comply with all conditions and standards set forth in any such local permit or approval.

Kapnos has engaged municipal officials and the local community to discuss its plans for a proposed Marijuana Establishment, and Kapnos has executed the required Host Community Agreement with the Town and has conducted a community outreach meeting. Kapnos will continue to work cooperatively with various municipal departments, boards, and officials to ensure that the establishment is compliant with all local laws, regulations, rules, and codes with respect to design, operation, and security.

Valerio Romano

From: Valerio Romano

Sent: Monday, March 27, 2023 1:51 PM **To:** fturkington@townofsharon.org

Cc: Brian Striar; Lynne Striar

Subject: Required Request for Cannabis Control Commission Renewal of Kapnos, LLC

Dear Mr. Turkington,

I am the attorney for Kapnos, LLC ("Kapnos"). Pursuant to requirements from the Cannabis Control Commission (the "Commission"), I am writing to request records of any cost to Sharon reasonably related to the operation of Kapnos at 2 Merchant St., Unit 4, Sharon, MA 02067. I have included Brian and Lynne Striar on this request. I realize Kapnos is not yet operational, and therefore a perfectly reasonable response from Sharon to this inquiry may be, "as Kapnos is not yet open, we do not have any expenses to report." This request includes Sharon's anticipated and actual expenses resulting from the operation of Kapnos in Sharon. Additionally, pursuant to direction from the Commission, I am required to state that, "in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a ME shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26."

Please don't hesitate to contact me on my cellular phone (617) 866-7315 with any questions, comments or concerns.

All the best,

-Valerio Romano Attorney for Kapnos, LLC

--

Valerio Romano VGR Law Firm, LLC 167 Washington St., Suite 31 Norwell, MA 02061 (617) 865-3959

valerio@vgrlawfirm.com

https://www.vgrlawfirm.com/

https://www.linkedin.com/in/valerioromano/

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Valerio Romano

From: Fred Turkington <FTurkington@townofsharon.org>

Sent: Tuesday, March 28, 2023 1:12 PM

To: Valerio Romano

Cc: Brian Striar; Lynne Striar

Subject: Re: Required Request for Cannabis Control Commission Renewal of Kapnos, LLC

Mr. Romano:

I spoke with Brian Striar yesterday.

There have been no documented costs incurred by the Town related to the operation of Kapnos, 2 Merchant Street, as the facility has not yet opened. The host community agreement provides for direct billing of unique, specific costs during operations. We don't anticipate any further costs that would trigger an invoice to Kapnos.

Regards, Fred Turkington Town Administrator

From: Valerio Romano <valerio@vgrlawfirm.com>

Sent: Monday, March 27, 2023 1:50 PM

To: Fred Turkington <FTurkington@townofsharon.org>

Cc: Brian Striar <bri>Striar @gmail.com>; Lynne Striar <lstriar@aol.com>

Subject: Required Request for Cannabis Control Commission Renewal of Kapnos, LLC

Dear Mr. Turkington,

I am the attorney for Kapnos, LLC ("Kapnos"). Pursuant to requirements from the Cannabis Control Commission (the "Commission"), I am writing to request records of any cost to Sharon reasonably related to the operation of Kapnos at 2 Merchant St., Unit 4, Sharon, MA 02067. I have included Brian and Lynne Striar on this request. I realize Kapnos is not yet operational, and therefore a perfectly reasonable response from Sharon to this inquiry may be, "as Kapnos is not yet open, we do not have any expenses to report." This request includes Sharon's anticipated and actual expenses resulting from the operation of Kapnos in Sharon. Additionally, pursuant to direction from the Commission, I am required to state that, "in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a ME shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26."

Please don't hesitate to contact me on my cellular phone (617) 866-7315 with any questions, comments or concerns.

All the best,

-Valerio Romano Attorney for Kapnos, LLC

--

Valerio Romano VGR Law Firm, LLC 167 Washington St., Suite 31 Norwell, MA 02061 (617) 865-3959

valerio@vgrlawfirm.com

https://www.vgrlawfirm.com/

https://www.linkedin.com/in/valerioromano/

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PLAN FOR POSITIVE IMPACT

INTENT

Cannabis prohibition has disproportionately impacted certain communities in Massachusetts. As the Commonwealth begins to embrace the adult-use cannabis industry in earnest, Kapnos, Inc. ("Kapnos") recognizes that it has a responsibility to contribute to the communities in which it does business and the surrounding areas in need. Kapnos is fully committed to ensuring that it is making positive and lasting contributions to the communities where the company resides as well as neighboring localities that have been disproportionately impacted.

PURPOSE

The purpose of this document is to summarize Kapnos' plan to ensure our business creates positive and lasting impacts within the communities in which it will be involved.

Kapnos is committed to fostering positive relationships within the community and identifying ways in which to give back. Kapnos seeks to utilize our resources – including time, talent and monies – to provide assistance to those who may be underserved and/or in need. We plan to achieve these goals through charitable giving, volunteer time and community engagement.

INITIATIVES AND METRICS

Kapnos aims to implement the following initiatives to assist those communities that have been disproportionately impacted.

<u>Proposed Initiative</u>: Kapnos will make minimum annual financial contributions of at least \$5,000 to Elevate Northeast (ELEVATE) and \$5,000 to Equitable Opportunities Now (EON). Elevate Northeast ELEVATE is a Massachusetts-based, women-founded 501(c)3 nonprofit organization that exists for the good of the cannabis industry. EON exits to educate and empower people of color to become active participants in the Massachusetts legal cannabis market surrounding Sharon, specifically in the areas of disporportionate impact of Randolph, Brockton and Stoughton.

<u>Goal</u>: Kapnos will make minimum annual contributions of \$5,000 to ELEVATE and EON, which will in turn support and empower those affected by the War on Drugs to ensure equitable ownership and employment opportunities for those in the surrounding minority and underrepresented communities of Randolph, Brockton and Stoughton.

Metrics: Kapnos will maintain a record of its annual donations to ELEVATE and EON. Kapnos will keep records of feedback that we receive relative to the impact of our contributions, if any. This will in turn help us make decisions about adjustments that need to be made in the future. These donations will be outlined in a comprehensive report that will be completed 60 days prior to our annual license renewal (one year from provisional licensure, and each year thereafter) to the Cannabis Control Commission.

Proposed Initiative: Kapnos will offer Economic Empowerment and Social Equity license holders a "first right to purchase" up to fifty percent of our finished products, which will help advance the CCC's Diversity program.

<u>Goal</u>: Kapnos is committed to serving communities that have been disproportionately impacted by the War on Drugs by providing individuals and companies with uninhibited access to the wholesale market. Kapnos' goal is to allocate 10% of its product to Social Equity license holders by the end of the company's first year of business, 25% by the end of year two, and up to 50% by the end of year three.

<u>Metrics</u>: Kapnos will maintain records of each Economic Empowerment and Social Equity license holders that participates in the "first right to purchase" initiative. These metrics will be outlined in a comprehensive report that will be completed 60 days prior to our annual license renewal (one year from provisional licensure, and each year thereafter) to the Cannabis Control Commission. Kapnos will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of Marijuana Establishments.

CONCLUSION

Kapnos will conduct continuous and regular evaluations of the implementation of its goals and at any point will retool its policies and procedures in order to better accomplish the goals set out in this Plan for Positive Impact. Kapnos will receive confirmation from an organization that it can receive a donation or work with the marijuana establishment in furthering its goals. It is important to note that no specific organizations are currently a part of this Plan; however, Kapnos will adhere to this acknowledgement should it retool its policies and procedures in the future and in consultation with the Commission. Any actions taken, or programs instituted by Kapnos will not violate the Commission's regulations with respect to limitations on advertising.

MA SOC Filing Number: 202000122980 Date: 8/5/2020 11:55:00 AM



The Commonwealth of Massachusetts William Francis Galvin

Minimum Fee: \$250.00

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

Articles of Organization

(General Laws, Chapter 156D, Section 2.02; 950 CMR 113.16)

Identification Number: 001451809

ARTICLE I

The exact name of the corporation is:

KAPNOS, INC.

ARTICLE II

Unless the articles of organization otherwise provide, all corporations formed pursuant to G.L. C156D have the purpose of engaging in any lawful business. Please specify if you want a more limited purpose:

ARTICLE III

State the total number of shares and par value, if any, of each class of stock that the corporation is authorized to issue. All corporations must authorize stock. If only one class or series is authorized, it is not necessary to specify any particular designation.

Class of Stock	Par Value Per Share Enter 0 if no Par	Total Authorized by Articles of Organization or Amendments Num of Shares Total Par Value		Total Issued and Outstanding Num of Shares
CNP	\$0.00000	10,000	\$0.00	1,000

G.L. C156D eliminates the concept of par value, however a corporation may specify par value in Article III. See G.L. C156D Section 6.21 and the comments thereto.

ARTICLE IV

If more than one class of stock is authorized, state a distinguishing designation for each class. Prior to the issuance of any shares of a class, if shares of another class are outstanding, the Business Entity must provide a description of the preferences, voting powers, qualifications, and special or relative rights or privileges of that class and of each other class of which shares are outstanding and of each series then established within any class.

ARTICLE V

The restrictions, if any, imposed by the Articles of Organization upon the transfer of shares of stock of any class are:

ARTICLE VI

Other lawful provisions, and if there are no provisions, this article may be left blank.

Note: The preceding six (6) articles are considered to be permanent and may be changed only by filing appropriate articles of amendment.

ARTICLE VII

The effective date of organization and time the articles were received for filing if the articles are not rejected within the time prescribed by law. If a *later* effective date is desired, specify such date, which may not be later than the *90th day* after the articles are received for filing.

Later Effective Date: Time:

ARTICLE VIII

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

a,b. The street address of the initial registered office of the corporation in the commonwealth and the name of the initial registered agent at the registered office:

Name: IAN C. HEDGES

No. and Street: 480 TURNPIKE STREET

City or Town: SOUTH EASTON State: MA Zip: 02375 Country: USA

c. The names and street addresses of the individuals who will serve as the initial directors, president, treasurer and secretary of the corporation (an address need not be specified if the business address of the officer or director is the same as the principal office location):

Title	Individual Name	Address (no PO Box)
	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code
PRESIDENT	LYNNE STRIAR	584 MOUNTAIN STREET SHARON, MA 02067 USA
TREASURER	LYNNE STRIAR	584 MOUNTAIN STREET SHARON, MA 02067 USA
SECRETARY	CHERYL GIANNOPOULOS	68 LAKESHORE DRIVE WESTWOOD, MA 02090 USA
VICE PRESIDENT	CHERYL GIANNOPOULOS	68 LAKESHORE DRIVE WESTWOOD, MA 02090 USA
DIRECTOR	LYNNE STRIAR	584 MOUNTAIN STREET SHARON, MA 02067 USA
DIRECTOR	CHERYL GIANNOPOULOS	68 LAKESHORE DRIVE WESTWOOD, MA 02090 USA

d. The fiscal year end (i.e., tax year) of the corporation:

December

e. A brief description of the type of business in which the corporation intends to engage:

APPLY FOR A MARIJUANA CULTIVATOR LICENSE

f. The street address (post office boxes are not acceptable) of the principal office of the corporation:

No. and Street: <u>2 MERCHANT STREET</u>

UNIT #3

City or Town: SHARON State: MA Zip: 02067 Country: USA

g. Street address where the records of the corporation required to be kept in the Commonwealth are located (post office boxes are not acceptable):							
No. and Street:	2 MERCHANT STRI UNIT #3	<u>EET</u>					
City or Town:	SHARON	State: MA	Zip: <u>02067</u>	Country: <u>USA</u>			
which is X its principal office		an office of its transfer agent					
an office of its secretary/assistant secretary		its registered office					
Signed this 5 Day of August, 2020 at 11:55:49 AM by the incorporator(s). (If an existing corporation is acting as incorporator, type in the exact name of the business entity, the state or other jurisdiction where it was incorporated, the name of the person signing on behalf of said business entity and the title he/she holds or other authority by which such action is taken.) LYNNE STRIAR							
© 2001 - 2020 Commonwealth of Massad All Rights Reserved	chusetts						

MA SOC Filing Number: 202000122980 Date: 8/5/2020 11:55:00 AM

THE COMMONWEALTH OF MASSACHUSETTS

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

August 05, 2020 11:55 AM

WILLIAM FRANCIS GALVIN

Heteram Frain Dalies

Secretary of the Commonwealth

By-Laws

of

Kapnos, Inc.

ARTICLE I Articles of Organization

The name and purposes of the Corporation shall be as set forth in Articles of Organization. These By–Laws, the powers of the Corporation and of its directors and stockholders, and all matters concerning the conduct and regulation of the business of the Corporation shall be subject to such provisions in regard thereto, if any, as are set forth in the Articles of Organization; and the Articles of Organization, as from time to time amended, are hereby made a part of these By–Laws. All references in these By–Laws to the Articles of Organization shall be construed to mean the Articles of Organization of the Corporation as from time to time amended.

ARTICLE II Annual Meeting of Stockholders

The annual meeting of stockholders shall be held on the third February of each year at 2 Merchant Street, #3, Sharon, Massachusetts at 2pm local time (or at such other hour as may be fixed by vote of the Board of Directors, or if the Board shall not fix such hour, as may be determined by the President, and set forth in the notice thereof), unless that day be a legal holiday at the site of the meeting, in which case the meeting shall be held at the same hour on the next succeeding business day at the site of the meeting. Purposes for which an annual meeting is to be held, in addition to those prescribed by law, by the Articles of Organization and by these By—Laws, may be specified by the President or by a vote of majority of the directors then in office or by one or more stockholders who are entitled to vote and who hold at least one-tenth part in interest of the capital stock entitled to vote at the meeting.

If such annual meeting is omitted on the day herein provided therefor, a special meeting of the stockholders may be held in lieu thereof, and any business transacted or elections held at such special meeting shall have the same effect as if transacted or held at the annual meeting and, in such case, all references in these By–Laws, except in this Article II and in Article IV, to such special meeting. Any such special meeting shall be called, and the purposes thereof shall be specified in the call, as provided in Article III.

ARTICLE III Special Meeting of Stockholders

A special meeting of the stockholders may be called at any time by the President or by a majority of the directors then in office. A special meeting of the stockholders shall be called by the Clerk or, in the case of the death, absence, incapacity or refusal of the Clerk, by any other officer, upon written application of one or more stockholders who hold at least one-tenth part in interest of

the capital stock entitled to vote at the meeting. Such call shall state the time, place and purposes of the meeting.

ARTICLE IV Place of Stockholders' Meetings

The annual meeting of the stockholders and any special meeting of the stockholders, by whomever called, shall be held at the principal office of the Corporation in Massachusetts, or at such other place in Massachusetts or within the continental limits of the United States of America as may be determined by the person or persons calling such meeting or on whose behalf such meeting was called and stated in the notice thereof. Any adjourned session of any annual or special meeting of the stockholders shall be held in the United States at such place as is designated in the vote of adjournment.

ARTICLE V Notice of Stockholders' Meetings

A written notice of each annual or special meeting of stockholders, stating the place, date and hour thereof, and the purpose or purposes for which the meeting is to be held shall be given at least seven days before the meeting to each stockholder, entitled to vote thereat, and to each stockholder who, under the Articles of Organization or these By–Laws, is entitled to such notice, by leaving such notice with him or at his residence or usual place of business, or by mailing it, postage prepaid, addressed to such stockholder at his address as it appears in the records of the Corporation. Such notice shall be given by the Clerk, or by any other officer, or by a person designated either by the Clerk or by the person or persons calling the meeting, or by the Board of Directors. No notice of the time, place or purposes of any annual or special meeting of the stockholders shall be required to be given to a stockholder if a written waiver of such notice is executed before or after the meeting by such stockholder, or his attorney thereunto authorized, and filed with the records of the meeting.

ARTICLE VI Capital Stock

The total number of shares and the par value, if any, of each class of stock which the corporation is authorized to issue shall be stated in the articles of organization. The Board of Directors may at any time issue all or from time to time any part of the unissued capital stock of the corporation from time to time authorized under the articles of organization, and may determine, subject to any requirements of law, the consideration for which stock is to be issued and the manner of allocating such consideration between capital and surplus.

Each stockholder shall be entitled to a certificate or certificates stating the number and the class and the designation of the series, if any, of the shares held by him, and otherwise in form approved by the board of directors. Such certificate or certificates shall be signed by the president or a vice president and by the treasurer or an assistant treasurer. Such signature may be facsimiles if the certificate is signed by a transfer agent, or by a registrar, other than a director, officer or employee of the corporation. In case any officer who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer before such certificate is issued,

it may be issued by the corporation with the same effect as if he were such officer at the time of its issue.

Every certificate issued for shares of stock at a time when such shares are subject to any restriction on transfer pursuant to the articles of organization, these bylaws or any agreement to which the corporation is a party shall have the restriction noted conspicuously on the certificate and shall also set forth on the face or back of the certificate either (i) the full text of the restriction or (ii) a statement of the existence of such restriction and a statement that the corporation will furnish a copy thereof to the holder of such certificate upon written request and without charge.

Every certificate issued for shares of stock at a time when the corporation is authorized to issue more than one class or series of stock shall set forth on the face or back of the certificate either (i) the full text of the preferences, voting powers, qualifications and special and relative rights of the shares of each class and series, if any, authorized to be issued, as set forth in the articles of organization or (ii) a statement of the existence of such preferences, powers, qualifications and rights and a statement that the corporation will furnish a copy thereof to the holder of such certificate upon written request and without charge.

ARTICLE VII Voting, Proxies, and Stockholder Action Without a Meeting

At any meeting of the stockholders, a quorum shall consist of a majority in interest of all stock issued and outstanding. Stockholders entitled to vote shall have one vote for each share of stock entitled to vote owned by them. No ballot shall be required for the election of directors unless requested by a stockholder present or represented at the meeting and entitled to vote in the election. The Corporation shall not, directly or indirectly, vote upon any share of its own stock.

When a quorum is present at any meeting, a plurality of the votes properly cast for any office shall elect to such office, except where a larger vote is required by law, by the Articles of Organization or by these By–Laws, and a majority of the votes properly cast upon any other question shall, except in any case where a larger vote is required by law, by the Articles of Organization or by these By–Laws, decide the matter.

Stockholders entitled to vote may vote either in person or by proxy in writing dated not more than six months before the meeting named therein, which proxies shall be filed with the Clerk of the meeting, or any adjournment thereof, before being voted. Such proxies shall entitle the holders thereof to vote at any adjournment of such meeting but shall not be valid after the final adjournment of such meeting.

Any action to be taken by stockholders may be taken without a meeting if all stockholders entitled to vote on the matter consent to the action by a writing or writings, filed with the records of the meetings of stockholders. Such consent shall be treated for all purposes as a vote at a meeting.

ARTICLE VIII Board of Directors; Qualification

A Board of no more than five directors shall be elected annually at the annual meeting of the stockholders. The Corporation may operate with any number of Directors under five, regardless of the number of owners/shareholders of the Corporation.

At any time during any year, the Board of Directors may be enlarged within the aforesaid limits by the stockholders at a meeting called for the purpose or by the vote of a majority of the directors then in office. The Board of Directors may be reduced by the stockholders at a meeting called for the purpose. With respect to a reduction, the particular directorships which shall terminate shall be determined by the stockholders, in each case by vote of a majority of the stock outstanding and entitled to vote for the election of directors or, in the case of a reduction which involves the termination of the directorship of an incumbent director, by such larger vote, if any, as would be required to remove such incumbent from office.

Each newly-created directorship resulting from any increase in the number of directors may be filled in the manner provided in Article XIV.

No director need be a stockholder except as may be otherwise provided by law, by the Articles of Organization or these By–Laws. Each director shall hold office until the election of a board of directors at the next annual meeting of stockholders and until his successor is elected and qualified, or his earlier resignation, removal or death. Any director may resign at any time by delivering his written resignation to the President, the Clerk or a meeting of the Board of Directors. The Corporation may operate with a single Director regardless of the number of owners/shareholders of the Corporation.

Directors as such shall not receive any stated salary for their services but by resolution of the Board a fixed sum and expenses of attendance if any may be allowed for attendance at Board meetings. Nothing herein shall be construed to preclude a director from serving the Corporation in any other capacity and receiving remuneration for such services.

ARTICLE IX Powers of Directors

The business and property of the Corporation shall be managed by, and be under the control of, the Board of Directors which shall have and may exercise all the powers of the Corporation except such as the reserved to or conferred upon the stockholder or cooperate officers by law, by the Articles of Organization, or by these By–Laws.

Except as may be otherwise specifically provided by law, by the Articles of Organization or by vote of the stockholders, the Board of Directors is expressly authorized to issue, from time to time, all or any portion or portions of the capital stock of the Corporation of any class, which may have been authorized but not issued or otherwise reserved for issue, for such consideration (but not

less than the par value thereof in case of stock having par value), whether cash, tangible or intangible property, services or expenses, as it may deem best.

ARTICLE X

Meetings of the Board of Directors: Action Without a Meeting; Telephonic Meetings

Regular meetings of the Board of Directors may be held without call or notice at such places and at such times as the Board may from time to time determine, *provided* that reasonable notice of such determination and of any changes therein is given to each member of the Board then in office. A regular meeting of the Board of Directors for the purpose of electing officers and agents may be held without call or notice immediately after and at the same place as the annual meeting of the stockholders and, if held upon due call or notice, for such other and further purposes as may be specified in such call or notice.

Special meetings of the Board of Directors may be held at any time and at any place when called by the President, the Treasurer, or by a director, reasonable notice thereof being given to each director by the Clerk, or, in the case of death, absence, incapacity or refusal of the Clerk, by the officer or directors calling the meeting. In any case, it shall be deemed sufficient notice to a director to send notice by mail at least forty-eight hours, or by telegram at least twenty-four hours, before the meeting, addressed to him at his usual or last known business or residence address or to give notice to him in person, either by telephone or by handing him a written notice at least twenty-four hours before the meeting.

Notwithstanding the foregoing, notice of a meeting need not be given to any director if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting, or to any director who attends the meeting without protesting prior thereto, or at its commencement, the lack of notice to him.

Any action required or permitted to be taken at any meeting of the directors may be taken without a meeting if a written consent is filed with the records of the meetings of the directors.

Members of the Board of Directors may participate in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

ARTICLE XI Officers; Qualification

The officers of the Corporation shall be a President, a Treasurer, a Clerk, and such other officers, which may include one or more Vice Presidents, a Secretary, a Controller, Assistant Treasurers, Assistant Secretaries, Assistant Clerks, or Assistant Controllers, as the Board of Directors may, in its discretion, elect or appoint. The President need not be a director. The Clerk shall be a resident of Massachusetts unless the Corporation has a resident agent appointed for the

purpose of receiving service of process. So far as is permitted by law, any two or more offices may be held by the same person.

Subject to law, to the Articles of Organization, and to the other provisions of these By–Laws, each officer shall have, in addition to the duties and powers herein set forth, such duties and powers as the Board of Directors may from time to time designate.

The President, Treasurer and the Clerk shall be elected annually by the Directors at its first meeting following the annual meeting of stockholders, by vote of a majority of the full Board of Directors. Such other offices of the Corporation as may be created in accordance with these By—Laws may be filled at such meeting by vote of a majority of the full Board of Directors, or at any other time by vote of a majority of the directors then in office.

Each officer shall hold office until the first meeting of the Board of Directors following the next annual meeting of the stockholders and until his successor shall have been elected and qualified or his earlier resignation, removal or death. Any officer may resign at any time by delivering his written resignation to the President, the Clerk or a meeting of the Board of Directors.

ARTICLE XII President and Vice Presidents

The President shall be the chief executive officer of the Corporation and shall have general charge and supervision of the business of the Corporation unless otherwise provided by law, the Articles of Organization, the By–Laws, or specific vote of the Board of Directors. The President shall preside at meetings of the stockholders and, if a director, of the Board of Directors, except as otherwise voted by the stockholders or the Board of Directors.

Any Vice President shall have such duties and powers as shall be designated from time to time by the Board of Directors or by the President and, in any case, shall be responsible to and shall report to the President. Unless otherwise designated by the Board of Directors, in the absence or disability of the President, the Vice President or, if there be more than one, the Vice Presidents in order designated by the Board of Directors shall have the powers of and perform the duties of the President.

ARTICLE XIII Treasurer and Assistant Treasurer

The Treasurer shall be the chief financial and accounting officer of the Corporation and shall be in charge of its accounting records and procedures, its funds and the disbursements thereof, subject to the President and the Board of Directors, and shall have such duties and powers as are commonly incident to the office of a corporate treasurer and such other duties and powers as may be prescribed from time to time by the Board of Directors or by the President. The Treasurer shall be responsible to and shall report to the Board of Directors, but in the ordinary conduct of the Corporation's business, shall be under the supervision of the President.

Any Assistant Treasurer shall have such duties and powers as shall be prescribed from time to time by the Board of Directors or by the Treasurer and shall be responsible to and shall report to the Treasurer. Unless otherwise designated by the Board of Directors, the Assistant Treasurer or, if there be more than one, the Assistant Treasurers in the order designated by the Board of Directors, shall, in the absence or disability of the Treasurer, have the powers of and perform the duties of the Treasurer.

ARTICLE XIV Clerk and Assistant Clerk

The Clerk shall record all proceedings of the stockholders and Board of Directors in books to be kept therefor, and shall have custody of the Corporation's records, documents and valuable papers. In the absence of the Clerk and all Assistant Clerks from any such meeting, a temporary Clerk shall be chosen by vote of the meeting to record the proceedings thereof in the aforesaid books.

The Clerk shall keep, or cause to be kept, the stock transfer records of the Corporation which shall contain a complete list of the names and addresses of all stockholders and the amount of stock held by each. In addition, the Clerk shall have the custody of the corporate seal and be responsible for affixing it to documents as required unless the Board of Directors shall designate otherwise.

Any Assistant Clerk shall have such powers and perform such duties as shall from time to time be designated by the Board of Directors or the Clerk and shall be responsible to and shall report to the Clerk.

ARTICLE XV Vacancies

Any vacancy in the Board of Directors however occurring, including a vacancy resulting from the enlargement of the Board and any vacancy in any other office, may be filled by the Board of Directors at a meeting where a quorum is present by vote of a majority of the directors present. Each successor as a director or officer shall hold office for the unexpired term and until his successor shall be elected or appointed and qualified, or until his earlier resignation, removal or death. The Board of Directors shall have and may exercise all its powers, notwithstanding the existence of one or more vacancies in its number as fixed pursuant to these By–Laws or by the stockholders.

ARTICLE XVI Certificates of Stock

Each stockholder shall be entitled to a certificate representing the capital stock of the Corporation owned by him, in such form as shall, in conformity with law, be prescribed from time to time by the Board of Directors. Each certificate shall be signed by the President or a Vice President and by either the Treasurer or an Assistant Treasurer, and may, but not need be, sealed

with the corporate seal. If any officer who has signed any such certificate shall have ceased to be such officer before such certificate is issued, the certificate may be issued by the Corporation with the same effect as if he were such officer at the time of issue.

Every certificate for shares of stock which are subject to any restrictions on transfer pursuant to the Articles of Organization, the By–Laws, or any agreement to which the Corporation is a party, shall have the restriction noted conspicuously on the certificate, and shall also set forth, on the face or back, a statement of the existence of such restriction and a statement that the Corporation will furnish a copy thereof to the holder of such certificate upon written request and without charge.

The Corporation shall have two classes of stock, namely voting non-equity stock and non-voting common stock. All terms of the Corporation's by-laws shall apply to each class of stock as if both were capital stock.

ARTICLE XVII Transfer of Shares of Stock; Restrictions

Subject to the restrictions, if any, stated or not on the stock certificates, shares of stock may be transferred on the books of the Corporation only by surrender to the Corporation of the certificate therefor, properly endorsed or accompanied by a written assignment or power of attorney properly executed, with all requisite transfer stamps affixed, and with such proof of the authenticity and effectiveness of the signature as the Corporation shall reasonably require. Except as may be otherwise required by law, the Articles of Organization or these By–Laws, the Corporation shall have the right to treat the person registered on the stock transfer books as the owner of any shares of the Corporation's stock as the owner-in-fact thereof for all purposes, including the payment of dividends, liability for assessments, the right to vote with respect thereto, and otherwise, and accordingly shall not be bound to recognize any attempted transfer, pledge or other disposition thereof, or any equitable or other claim with respect thereto, whether or not it shall have actual or other notice thereof, until such shares shall have been transferred on the Corporation's books in accordance with these By–Laws. It shall be the duty of each stockholder to notify the Corporation of his post office address.

ARTICLE XVIII Loss of Certificates

In the case of the alleged loss, destruction, or wrongful taking of a certificate of stock, a duplicate certificate may be issued in place thereof upon receipt by the Corporation of such evidence of loss and such indemnity bond, with or without surety, as shall be satisfactory to the President and Treasurer or otherwise upon such terms as the Board of Directors may prescribe consistent with law.

ARTICLE XIX Indemnification of Directors and Officers

Each officer or director or former officer or director of the Corporation, and each person who shall at the Corporation's request have served as an officer or director of another corporation of

which the Corporation is or was a stockholder or creditor whether or not then in office, and the heirs, executors, administrators, and assigns of each of them shall be indemnified by the Corporation against all costs and expenses, including fees and disbursements of counsel, reasonably incurred by or imposed upon him or them in connection with or arising out of any action, suit, or proceeding, civil or criminal, in which her or they may be involved, or incurred in anticipation of any action, suit or proceeding, by reason of his being or having been an officer or director of the Corporation or of such other corporation, including the cost of reasonable settlements (other than amounts paid to the Corporation itself) made with a view to curtailment of costs of litigation. Without limiting the generality of the foregoing, no director of the Corporation shall be liable to any person on account of any action undertaken by him as such director in reliance in good faith upon the existence of any fact or circumstance reported or certified to the Board of Directors by any officer of the Corporation or by any independent auditor, engineer, or consultant retained or employed as such by the Board of Directors. The Corporation shall not, however, indemnify any such person, or his heirs, executors, administrators, or assigns, with respect to any matter as to which he shall be finally adjudged in any such action, suit, or proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation. The foregoing right of indemnification shall not be exclusive of other rights to which any such director or officer may be entitled as a matter of law.

ARTICLE XX Seal

The seal of the Corporation shall, subject to alteration by the Board of Directors, consist of a flat-faced circular die with the word "Massachusetts", together with the name of the Corporation and the year of incorporation, cut or engraved thereon.

ARTICLE XXI Execution of Papers

Except as the Board of Directors may generally or in a particular case otherwise authorize or direct, all deeds, leases, transfers, contracts, proposals, bonds, notes, checks, drafts or other obligations made, accepted or endorsed by the Corporation shall be signed or endorsed on behalf of the Corporation by either the President or Treasurer.

ARTICLE XXI Fiscal Year

Except as from time to time provided by the Board of Directors, the fiscal year of the Corporation shall end at the close of business on the last day of December of each year.

ARTICLE XXIII Voting Stock in Other Corporations

Unless otherwise authorized or directed by the Board of Directors, the President, or, in the case of his absence or failure to act, the Treasurer, shall have full power and authority on behalf of the Corporation to attend and to act and to vote at any meetings of stockholders of any corporation in which this Corporation may hold stock, and at any such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such stock and which, as the owner thereof, the Corporation might have possessed and exercised if present. The Board of Directors, by resolution from time to time, or, in the absence thereof, the President, may confer in writing like powers upon any other person or persons as attorneys and proxies of the Corporation.

ARTICLE XXIV Corporate Records

The original or attested copies of the Articles of Organization, By–Laws and records of all meetings of the incorporators, stockholders and directors, and the stock and transfer records, which shall contain the names of all stockholders and the record address and amount of stock held by each, shall be kept in Massachusetts at the principal office of the Corporation or at an office of the Clerk. Said copies and records need not all be kept in the same office. They shall be available at all reasonable times to the inspection of any stockholder for any proper purpose, but not to secure a list of the stockholders for the purpose of selling said list, or copies thereof, or of using the same for a purpose other than in the interest of the applicant, as a stockholder, relative to the affairs of the Corporation.

ARTICLE XXV Amendments

These By–Laws may be amended or added to, altered or repealed in whole or in part by the stockholders, at any annual or special meeting of the stockholders, provided notice of the general purpose of the proposed amendment, addition, alteration or repeal is given in the notice of said meeting, or by the Board of Directors, at any meeting of the Board of Directors, except that the Board of Directors may not amend, add to, alter or repeal any provision hereof which by law, the Articles of Organization or these By–Laws requires action by the stockholders, nor may the Board of Directors take any action to amend Article XVIII of this Article XXIV. Any By–Law adopted by the directors may be amended or repealed by the stockholders.

CERTIFICATION OF BYLAWS

OF

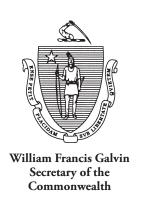
KAPNOS, INC.

a Massachusetts Corporation

KNOW ALL BY THESE PRESENTS:

I, Cheryl Giannopoulos, certify that I am Secretary of Kapnos, Inc., a Massachusetts corporation (the "Company"), that I am duly authorized to make and deliver this certification, that the attached Bylaws are a true and correct copy of the Bylaws of the Company in effect as of the date of this certificate.

Dated: December 1, 2020	
Cheryl Giannopoulos, Secretary	



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

Date: March 11, 2021

To Whom It May Concern:

I hereby certify that according to the records of this office,

KAPNOS, INC.

commonwealth of Massachusetts. I further certify that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156D section 14.21 for said corporation's dissolution; that articles of dissolution have not been filed by said corporation; that, said corporation has filed all annual reports, and paid all fees with respect to such reports, and so far as appears of record said corporation has legal existence and is in good standing with this office.



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

Secretary of the Commonwealth

William Navin Galetin

Certificate Number: 21030336570

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

Processed by: tad

Letter ID: L0990236480 Notice Date: May 25, 2021 Case ID: 0-001-179-983



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE

KAPNOS INC 3 MERCHANT ST BLDG 3 SHARON MA 02067-1614

Why did I receive this notice?

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

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

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

What if I have questions?

If you have questions, call us at (617) 887-6400 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 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

dud b. Glor

Edward W. Coyle, Jr., Chief

Collections Bureau

MEMBERS A.I.C.P.A. M.S.C.P.A

MICHAEL J. LEAHY, C.P.A.
MAUREEN F. CODY, C.P.A.
ROBERT B. O'DONNELL, JR., C.P.A.

August 25, 2021

Cannabis Control Commission Enforcement Department/Licensing 2 Washington Square Worcester, MA 01604

Re: Kapnos, Inc.

To Whom It May Concern:

We represent the above-named business in matters of income taxation and have been forwarded your request for information in conjunction with its licensing process.

While the business was incorporated August 5, 2020, it has not started operations yet, including the hiring of any employees. Therefore, the business is unable to register with the Massachusetts Department of Unemployment Assistance as there are no active employees. Once this status changes, we will engage with the various Massachusetts authorities to register the business.

If you should need any additional information, please do not hesitate to contact me.

Sincerely,

Robert B. O'Donnett, Ir. CPA

Kapnos, Inc.

Business Plan

1. EXECUTIVE SUMMARY

1.1 <u>Mission Statement and Message from the CEO</u>

Kapnos, Inc. ("Kapnos") is a Marijuana Establishment ("ME") applicant committed to cultivating, processing, packaging, and distributing the highest quality marijuana in a safe, secure, and fully compliant facility.

1.2 <u>License Types</u>

Kapnos will work with the Town of Sharon to apply for a Marijuana Establishment license to operate a Marijuana Cultivation facility.

1.3 Product

Kapnos, Inc. will be cultivating traditional sativa, indica, and hybrid cannabis flower.

1.4 <u>Customers</u>

Kapnos intends to sell its products to customers through its retail establishment as well as wholesale the products to other licensed cannabis dispensaries.

1.5 What Drives Us

Kapnos' goals include:

- 1. Cultivating and processing a wide variety of high quality, consistent, laboratory-tested cannabis and derivatives:
- 2. Assisting local communities in offsetting any potential cost of Kapnos' operations within their community;
- 3. Hiring employees and contractors from the local community;
- 4. Hiring employees and contractors from communities that historically have been harmed by the war on drugs;
- 5. Hiring employees from economically distressed communities and giving them the space and knowledge to flourish professionally within Kapnos and the cannabis industry as a whole;
- 6. Having a diverse and representative pool of employees;
- 7. Empowering the next generation of entrepreneurs and leaders through hiring, training, and teaching;

- 8. Running an environmentally-friendly facility through the use of efficient cultivation methods; and
- 9. Creating branded marijuana products that are tested, consistent, and high quality.

2. COMPANY DESCRIPTION

2.1 Structure

Kapnos, Inc., is a Massachusetts corporation applying for Marijuana Establishment license from the Massachusetts Cannabis Control Commission (the "Commission") to cultivate marijuana. Kapnos will file, in a form and manner specified by the Commission, an application for licensure as a ME.

2.2 Operations

Kapnos seeks to locate its facility located at 2-4 Merchant Street, in Sharon, Massachusetts. Kapnos has entered into an agreement to lease the property in Sharon. We will rennovate the existing property to construct a cultivation facility. The proposed facility will be adequately buffered from the streetscape and surrounding residential parcels.

Kapnos intends to construct separate sections in the building to accommodate different phases of the cultivation process, including (1) cultivation areas; (2) a trim, cure, and packaging section; and (3) product intake and preparation area.

Kapnos will establish inventory controls and procedures for reviewing comprehensive inventories of marijuana products in the process of cultivation and finished, stored marijuana; conduct a monthly inventory review and a comprehensive annual inventory at least once every year after the date of the previous comprehensive inventory; and promptly transcribe inventories if taken by use of an oral recording device.

Kapnos will tag and track all marijuana seeds, clones, plants, and marijuana products using a seed-to-sale methodology in a form and manner approved by the Commission.

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

Kapnos will maintain records which will be available for inspection by the Commission upon request. The records will be maintained in accordance with generally accepted accounting principles. Records will be maintained for at least 12 months.

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

Kapnos will provide adequate lighting, ventilation, temperature, humidity, space, and equipment, in accordance with applicable provisions of 935 CMR 500.105 and 500.110. All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Organic material, recyclable material, solid waste, and liquid waste containing marijuana or by-products of marijuana processing will be disposed of in compliance with all applicable state and federal requirements.

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

Prior to commencing operations, Kapnos will provide proof of an escrow account with at least \$5,000 in escrow per license. The bond will ensure payment of the cost incurred for the destruction of cannabis goods necessitated by a violation of applicable statutes or regulations, or the cessation of operation of Kapnos.

Kapnos and Kapnos' agents will comply with all local rules, regulations, ordinances, and bylaws.

2.3 Security

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

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

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

Interior and exterior HD video surveillance of all areas that contain marijuana, entrances, exits, and parking lots will be operational 24/7 and available to the Sharon Police Department. These surveillance cameras will remain operational even in the event of a power outage. The exterior of the facility and surrounding area will be sufficiently lit, and foliage will be minimized to ensure clear visibility of the area at all times.

Only Kapnos' registered agents and other authorized visitors (e.g. contractors, vendors) will be allowed access to the facility, and a visitor log will be maintained in perpetuity. All agents and visitors will be required to visibly display an ID badge, and Kapnos will maintain a current list of individuals with access. On-site consumption of marijuana by Kapnos' employees and visitors will be prohibited. Kapnos will have security personnel on-site during business hours.

2.4 Benefits to the Municipality

Kapnos looks forward to working cooperatively with the Town of Sharon to ensure that it operates as a responsible, contributing member of the Sharon community. The Town stands to benefit in various ways, including but not limited to the following:

JOBS:

• Kapnos' facility will add at least 5 full-time executive jobs and approximately 20 cultivation jobs, in addition to hiring qualified, local contractors and vendors. Employees will receive a living wage, benefits and extensive training.

MONETARY BENEFITS:

• An Agreement with the local municipality with significant monetary donations will provide the Town with additional financial benefits beyond local property taxes.

ACCESS TO QUALITY, LEGAL PRODUCT:

 Kapnos will allow qualified consumers in the Commonwealth to have access to high quality marijuana and marijuana products that are tested for cannabinoid content and contaminants.

CONTROL:

 In addition to the Commission, the Sharon Police Department and other municipal departments will have oversight over Kapnos' security systems and processes.

RESPONSIBILITY:

 Kapnos is comprised of experienced cultivators and professionals who will be thoroughly background checked and scrutinized by the Commission.

2.5 Zoning

In accordance with the Town of Sharon Zoning By-Law, the proposed property will be located in the Industrial Park Two District. The property is not located within 500 feet of the following

uses: pre-existing public or private school, child care facility, library, playground, public park, youth center, public swimming pool, place of worship or any similar facility in which minors commonly congregate in an organize, ongoing basis.

Kapnos will submit for an application of site review and special permit to obtain all of the necessary permits and licenses from the Town of Sharon.

2.6 Cultivation Operations

Kapnos will cultivate, process and package marijuana, and transfer marijuana to other Marijuana Establishments, and to consumers, in accordance with Kapnos' licensed cultivation tier. All phases of the cultivation, processing, and packaging of marijuana by Kapnos will take place in a designated area that is not visible from a public place without the use of binoculars, aircraft or other optical aids.

Application of pesticides by Kapnos will be performed in compliance with M.G.L. c. 132B and the regulations promulgated at 333 CMR 2.00 through 333 CMR 14.00. Any testing results indicating noncompliance will be immediately reported to the Commission, who may refer any such result to the Massachusetts Department of Agricultural Resources. In the event that Kapnos sells or otherwise transfers marijuana to another Marijuana Establishment, Kapnos will provide documentation of its compliance with the testing requirements of 935 CMR 500.160. Kapnos will only label marijuana with the word "organic" if all cultivation is consistent with US Department of Agriculture organic requirements at 7 CFR 205. Soil for cultivation will meet federal standards identified by the Commission.

Kapnos' cultivation process will use best practices to limit contamination including, but not limited to, mold, fungus, bacterial diseases, rot, pests, pesticides not in compliance with 500.120(5) for use on marijuana, mildew, and any other contaminant identified as posing potential harm. Any application of plant nutrient to land used for the cultivation of marijuana will comply with St. 2012, c. 262, as amended by St. 2013, c. 118, § 26, and 330 CMR 31.00: *Plant Nutrient Application Requirements for Agricultural Land and Non-agricultural Turf and Lawns*.

Kapnos, through the use of inventory tracking software approved by the Commission, will assign and record a unique, sequential alphanumeric identifier to each cultivation batch for the purposes of production tracking, product labeling, and product recalls.

CULTIVATION ROOMS AND FACILITIES:

Cultivation Rooms

- Clone Room
- Mother Room
- Vegetative Room
- Flowering Rooms

Support Rooms

- Supply Storage Room (i.e. organic pesticides, fertilizers)
- General (non-plant) Trash Room
- Plant Trash Room
- Locker Rooms
- Mechanical Room
- Electrical room
- Trim Room
- Dry Room

TECHNICAL SPECIFICATIONS:

The Kapnos facility will utilize a water-chilled system/heat to control temperature and humidity levels. Cultivation rooms are individually controlled and monitored through the use of a Direct Digital Control ("DDC"), which is an automated control of a condition or process by a digital device. Adjustable environmental parameters include heat, humidity, and light control. Cultivation rooms that house plant material will be under video surveillance—as outlined in the Kapnos Security Policies and Procedures.

OVERVIEW OF CULTIVATION ROOMS:

<u>Clone Room:</u> The Clone Room is initially dedicated to the germination of seeds during ramp up, and then will be used to house clones from mother plants, which will be chosen from initial seed stock. Cloning, the act of taking a genetically identical specimen from mother stock, takes place in the clone room. The Cultivation Technician that oversees the Mother Room and Clone Room propagates plant material and is responsible for the plants' life cycle from cutting to vegetative phase.

<u>Mother Room</u>: The Mother Room houses all selected plants from initial seed stock that meet the characteristics that the Director of Cultivation is looking for in each strain of marijuana. The Mother Room consists of Metal Halide Lights that offer the proper wavelengths of light to encourage rapid growth to produce clones on a weekly basis. The Mother Room light cycle is twenty-four (24) hours of light.

<u>Vegetative Room</u>: The Vegetative Room houses all plants that are in between the Clone Room and Flowering Rooms. LED lights will be used to encourage vegetative growth and proper root establishment. Plant material will also be transitioned from low intensity lighting to high intensity to prevent transplant/light shock. The Vegetative Room light cycle varies between eighteen to twenty-four (18-24) hours of light.

<u>Flowering Rooms</u>: The Flowering Rooms consist of marijuana plants fed from the vegetative room. Marijuana plants are placed under a twelve/twelve (12/12) light cycle to initiate flowering. With the use of LED lights, the flowering marijuana plants receive the correct amount of red/orange wavelengths of light to promote proper flowering behavior. The Flowering Rooms are where the plants' life cycles end; this period can vary from eight to twelve (8-12) weeks.

SAFETY:

All agents will complete mandatory safety training sessions. Kapnos agents and Kapnos management will have specific responsibilities to ensure health and safety at the Kapnos facility:

Health and Safety Responsibilities for Kapnos Management:

- Ensure the health and safety of Cultivation Technicians;
- Correct any workplace conditions that are hazardous to the health and safety of Cultivation Technicians;
- Inform Cultivation Technicians about any remaining hazards;
- Make copies of the Workers Compensation Act and OSHA Regulations available by posting throughout the Facility;
- Ensure agents know their rights and responsibilities under OSHA Regulations and the Act and that they comply with them;
- Provide and maintain protective devices, equipment, and clothing, and ensure that agents use them:
- Provide Cultivation Technicians with education, supervision, and training specific to the Cultivation Facility and equipment used to cultivate; and
- Perform ongoing reviews of policies and procedures and update as needed.

Health and Safety Responsibilities for Kapnos Agents:

- Take care to protect individual health and safety and the health and safety of others who may be affected by individual's actions;
- Comply with all regulations and other legal requirements;
- Follow established safe work procedures;
- Use the required personal protective equipment;
- Refrain from horseplay or similar conduct that may endanger others;
- Ensure individual ability to work safely is not impaired by drugs or alcohol;

- Report accidents and other incidents (including near misses) to the Director of Cultivation; and
- Report the following to the Director of Cultivation:
 - o A hazard that might endanger Kapnos agents;
 - A problem with personal protective equipment or clothing; and
 - Any suggestions to improve workplace safety.

Cultivation Agent Health and Safety Program

Eight basic components have been identified to help prevent accidents and injuries from occurring within the Cultivation Facility, as well as to help deal effectively with any incidents that do occur. These components are:

- Hazard Identification & Risk Control—determine which hazards are present in the workplace and take steps to eliminate or minimize such hazards.
- Safe Work Procedures:
 - Dealing with wet surfaces;
 - Wearing proper personal protective equipment and clothing;
 - o Handling solvents with use of protective gloves and proper ventilation; and
 - Using proper body mechanics when lifting heavy objects.
- Orientation, Education, Training & Supervision—properly prepare agents for job duties and ensure policies and procedures are consistently followed.
- Safety Inspections—regular safety inspections throughout Cultivation Facility, which will help identify workplace hazards so that they can be eliminated or controlled.
- Incident Investigation—determine cause of accident or injury and implement preventive measures.
- Health and Safety Meetings—regular meetings to provide an opportunity for agents and managers to communicate any concerns about health and safety.
- First Aid—determine what level of first aid is necessary on-site.
- Records & Statistics—maintain documentation to help identify recurring problems and ensure that hazardous conditions are corrected.

An annual Health and Safety Program review will be carried out to address current concerns. Smoking is prohibited on Kapnos property.

PLANT CARE:

Cultivation Technicians will be responsible for all plant maintenance in their assigned cultivation rooms. Responsibilities will include watering/irrigation, potting/re-potting, pruning and Integrated Pest Management (IPM). The IPM Program is designed to control and limit pests and other pathogens through the use of pesticides/fungicides. Cultivation Technicians will maintain appropriate levels of sanitation in all cultivation areas and keep assigned cultivation rooms clean and free from hazards. Toxic items will be labeled, identified appropriately, held, and stored in

the cultivation supply room in order to protect marijuana and MIPs from being contaminated.

Irrigation

All plants will be top fed via drip irrigation from a centralized feeding system containing a concentrated two-part fertilizer that will be adjusted to the proper ppm/EC levels that are required for the different stages of the marijuana plant cycle. The irrigation water will also be adjusted to the proper pH level to ensure proper nutrient uptake. Cultivation Technicians are responsible for managing the system. Cultivation Technicians will monitor the flow of irrigation through the system to ensure that all plants are receiving adequate amounts of water. Cultivation Technicians will consult with the Cultivation Manager and Director of Cultivation with regards to irrigation frequency and duration.

Potting/Re-Potting

All plants will be using a mixture of coco fiber and perlite in nursery pots. Cultivation Technicians are responsible for potting up plants in their assigned cultivation rooms. Cultivation Technicians will consult with the Cultivation Manager/Director of Cultivation regarding the timing of re-potting in order to maximize plant potential and to ensure that plants do not become root-bound. All Cultivation Technicians will be trained by the Director of Cultivation on proper potting techniques during initial training.

Pruning

Marijuana plants will be pruned regularly to encourage adequate growth traits and to maximize flowering sites on the plant. Pruning will also be used to maximize the yield potential of individual plants and also to eliminate flowering sites that do not receive adequate light due to full canopy. Cultivation Technicians will undergo training in this procedure by the Director of Cultivation during initial training to ensure proper techniques.

Pest Control Prevention

Pests and pathogens will be managed and controlled to the greatest extent possible. Pests include insects, diseases, or any unwanted organism that directly or indirectly damages plants. Kapnos will implement an Integrated Pest Management (IPM) Program to manage and control pest problems. IPM is a systematic approach to managing pests that focuses on long-term prevention or suppression with minimal impact on human health, the environment, and nontarget organisms. A successful IPM Program consists of five (5) main categories: sanitation, monitoring, identification of pest problems, control methods, and evaluation.

SANITATION:

Maintaining a clean and sterile environment is the most important phase of the IPM program. Agents will be responsible for ensuring assigned cultivation rooms are properly maintained, floors remain free from debris, and that tables on which plants are being grown are

clean. Between harvests, Flowering Rooms, including floors, tables and walls, will be treated with a greenhouse disinfectant. All irrigation systems and lines will be cleaned between harvests. Cultivation Technicians will be required to wear one-piece work jumpsuits during shifts to limit the introduction of unwanted pests/pathogens.

Monitoring

IPM requires a thorough assessment of plants and their overall appearance. Cultivation Technicians will perform visual assessments for their dedicated areas and report any findings to the Cultivation Manager and Director of Cultivation.

<u>Identification of Pest Problems</u>

Visual inspections are the primary method for determining if pest problems exist in the Cultivation Facility. Sticky traps will be used throughout cultivation rooms to allow agents to consistently monitor pests that may be present. If and when a pest/pathogen is identified, Cultivation Technicians will immediately notify the Cultivation Manager and Director of Cultivation in order to minimize the risk of the pest/pathogen from spreading. In conjunction with the Director of Cultivation, the Cultivation Manager will create a remedial plan to eliminate the pest or pathogen.

Control Methods

The goal of the IPM Program is to create and maintain a well-organized and sanitized Cultivation Facility. The use of cultural control methods places a focus on proper environmental conditions and is critical to maintaining them. Biological control methods will be used throughout the Cultivation Facility. Biological agents (plant, animal, or microbe) will be used to control pests. When necessary, Cultivation Technicians will use mechanical controls (i.e. handson and exclusion techniques) such as handpicking and destroying pests/or pathogens or destroying plants that are heavily infected in order to prevent other plants from becoming contaminated. Cultivation Technicians will also utilize exclusion methods, such as making sure cultivation room doors remain closed, prohibiting non-essential agents from entering cultivation rooms, and requiring agents to change into uniforms when their shift begins.

Pesticides/fungicides will be applied under the supervision of the Director of Cultivation. There will be no application of any pesticide not in compliance with 500.120(5) in the cultivation of marijuana. To the extent required, the Director of Cultivation will follow all guidelines set forth in Kapnos' IPM and cultivation will be consistent with U.S. Department of Agriculture organic requirements at 7 CFR Part 205. Pesticide/ fungicide applications by agents are to be discussed in advance with the Director of Cultivation. All applicable pesticide/fungicide label instructions and EPA Worker Protection Standards (WPS) guidelines will be followed. This includes applying the pesticide(s)/ fungicide(s) correctly, using appropriate rates, wearing proper personal protective equipment, posting warning signs, respecting restricted entry levels (REI)

and documenting all pesticide/fungicide application information in the cultivation facilities records. EPA Worker Protection Standards Warning Signs will be posted in cultivation rooms where pesticide/fungicide application occurs. Toxic items will be labeled and identified appropriately, held, and stored in the cultivation supply room in order to protect marijuana from being contaminated.

Soil for cultivation will meet the U.S. Agency for Toxic Substances and Disease Registry's Environmental Media Evaluation Guidelines for residential soil levels.

The cultivation process will use best practices to limit contamination, including but not limited to mold, fungus, bacterial diseases, rot, pests, pesticides not in compliance with 500.120(5) for use on marijuana, mildew, and any other contaminant identified as posing potential harm.

Evaluation

All aspects of the IPM Program will be thoroughly documented, including frequency, rates, methodology, and time/date when applied. Such records will be utilized to determine any necessary changes in the IPM Program and will be retained as part of Kapnos' recordkeeping requirements.

CULTIVATION AGENT ENTRANCE PROCEDURES:

All Cultivation Technicians will enter the Cultivation Facility using the main exterior door. Upon entry, Cultivation Technicians will proceed directly to the Locker Rooms to change into Kapnos issued uniforms and will then report to their assigned Cultivation Room(s).

Cultivation Flow

- <u>Clone Room</u>: Initial ramp up begins with the germination of seeds in the Clone Room.
 Seeds will be germinated in rockwool cubes and housed in the clone room for up to 3-4 weeks. All viable plants will continue to be grown under fluorescent lighting in the Clone Room until determined by the Director of Cultivation that plants are ready to be transitioned into the Vegetative Room.
- Vegetative Room: After plants leave the Clone Room they will be transported directly to the Vegetative Room, where they are introduced to high intensity light, which encourages rapid growth. All seeds/clones are repotted into a coco-based media upon entering the Vegetative Room. Marijuana plants will be housed in the Vegetative Room for 2-4 weeks depending on individual, strain-specific characteristics. During the initial ramp up phase, some plants will be diverted into the Mother Room for the purpose of creating mother stock from which future propagation from clone/cuttings will be taken. The Vegetative Room will house plants before they transition into Flowering Rooms.

- Mother Room: All mother stock plants are housed in the Mother Room. Plant growth is
 encouraged through a light cycle and nutrient regimen to produce the maximum amount
 of cuttings/clones. Cultivation Technicians assigned to the Mother and Clone Rooms will
 be responsible for taking cuttings from mother stock and propagating within the Clone
 Room.
- Flowering Rooms: After plants are grown in the Vegetative Room, they will be transported directly into Flowering Rooms. In the Flowering Rooms a 12 hour on/12 hour off light cycle flowering will be initiated. Marijuana plants finish their life cycle in the Flowering Rooms and can spend anywhere from 8-12 weeks in the flowering phase. Flowering Rooms may house multiple varieties and different stages of the marijuana flowering phase. All plants will remain properly labeled and tracked using POS Software throughout the process. Kapnos anticipates harvests on a weekly or bi-weekly schedule to ensure a steady flow of marijuana is available.

Production Plan

All initial plant stock will come from the germination of seeds. After initial seed germination, all subsequent plants will be propagated via cutting/clone from mother stock. Under the supervision of the Director of Cultivation, Cultivation Technicians will use a variety of techniques to encourage rapid, vigorous growth in both the Mother and Vegetative Rooms to ensure a sufficient number of plants to feed the Flowering Rooms.

Harvest

When marijuana plants reach full maturity, as determined by the Director of Cultivation or Cultivation Manager by examining the trichomes of the plant, plants will be cut down to the soil line in the Flowering Rooms and transferred to the Trim Room. Trimming will be conducted by a machine while the flowers are wet. Cultivation Technicians engaged in the harvest process will wear gloves to prevent contamination. After marijuana flowers are processed by the mechanical trimmer, they will be moved to the Dry Room. The environmental conditions in the Dry Room will be maintained to ensure the even drying of marijuana flowers. Once dried, marijuana flowers will be packaged in sealed containers in compliance with Commission regulations. Samples of batches are sent out for third-party testing.

Testing

No marijuana product, including marijuana, may be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. Testing of marijuana products will be performed by an Independent Testing Laboratory in compliance with the Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana infused Products, as amended in November 2016, published by the DPH. Testing of environmental media (e.g., soils, solid growing media, and water) will be

performed in compliance with the Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries published by the DPH.

Kapnos will have a written policy for responding to laboratory results that indicate contaminant levels are above acceptable limits established in the DPH protocols identified in 935 CMR 500.160(1). Any such policy will include notifying the Commission within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch. The notification must be from both Kapnos and the Independent Testing Laboratory, separately and directly. The notification from Kapnos must describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination; Kapnos will maintain the results of all testing for no less than one year; the sale of seeds is not subject to these testing provisions; clones are subject to these testing provisions but are exempt from testing for metals; all transportation of marijuana to and from Independent Testing Laboratories providing marijuana testing services will comply with 935 CMR 500.105(13); all storage of marijuana at a laboratory providing marijuana testing services will comply with 935 CMR 500.105(11); all excess marijuana will be disposed of in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to Kapnos for disposal or by the Independent Testing Laboratory disposing of it directly; and no marijuana product will be sold or otherwise marketed for adult use that has not first been tested by an Independent Testing Laboratory and deemed to comply with the standards required under 935 CMR 500.160.

Solid Growing Media Sampling

Cultivation media will be tested in compliance with Commission protocols. Soil for cultivation will meet the ATSDR Environmental Media Evaluation Guidelines (EMEG) for residential soil levels and limits any pesticide residues, until such time that the Commission identifies an alternate federal standard for soil for cultivation. All soils and solid growing media will be sampled and analyzed initially prior to use for cultivation of marijuana, and at least annually, or quarterly if the soil is amended. Specifically, all source soils or solids will be sampled and analyzed prior to use in cultivation and whenever new soils or solids are received from a different source. Samples will be taken from 5% of individual plant containers. Sample collection documentation will identify the sample collection date and start time, participating personnel, a general description of the media and locations sampled, relevant environmental conditions, a description of the sampling procedures and equipment decontamination/cleaning used, and a record of plants or batches that would potentially be impacted should analysis results indicate unacceptable contamination. Agents performing sampling will use decontaminated sampling tools and equipment to ensure that samples are not contaminated. All instructions from the analyzing laboratory will be followed in the transportation of samples. Laboratory analysis will be performed by a laboratory that is:

- Accredited to International Organization for Standardization (ISO) 17025 by a third-party accrediting body that is a signatory to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement; or
- Certified, registered, or accredited by an organization.

Source soils will be sampled and analyzed:

- Prior to use in cultivation;
- Whenever a new source material is utilized; or
- At a rate of one sample per cubic yard of source soil or, when collected prior to
 distribution among beds or containers, source soil or solids samples will be taken to best
 represent the overall source soils (e.g., collected from different areas and depths of a
 stockpile).

Source soils and solids passing initial testing requirements may be stockpiled for later use without requiring re-analysis unless the stockpile has been contaminated or altered while stored. Situations for re-analysis may include, but are not limited to soils that have been amended, mixed with other source soils/solids, subject to pesticide application, used for other purposes, or inundated by flood waters.

Cultivation soils will be analyzed at least annually during the calendar year of use. Solids tested initially as source soils or solids prior to use in cultivation do not require retesting until the following year (or quarter if amended as described below). If amended, the solid growing media/soil used in cultivation will be sampled and analyzed during the quarter in which it was amended. Cultivation soil and solid samples will be collected to represent the broad range of cultivation units, growth stages, and soil and solid types whether from beds or containers. Sources of solid growing media including soils must be sampled and analyzed prior to use in cultivation and upon any change in the source of solids. Once cleared for use in cultivation, cultivation soils must be sampled and analyzed at least annually and within the quarter that soils are amended. The spatial distribution of samples must be considered to ensure representativeness across the entire cultivation operation. Sampling and analysis frequency, sample locations, and quality control (QC) samples are detailed herein and will comply with all regulatory guidance and will be periodically reviewed and amended to ensure such compliance.

MINIMUM SAMPLING AND ANALYSIS FREQUENCY FOR SOILS AND SOLIDS Source Soils and Solids

- All source soils and solids will be sampled and analyzed prior to use in cultivation.
- All source soils and solids will be sampled and analyzed whenever a new source material is utilized (e.g., different source soil location or different source solid manufacturer).
- All source soils and solids for initial use must be sampled at the rate of one (1) sample per cubic yard of solid media/soil.

Source soils and solids passing initial testing requirements may be stockpiled for later use
without requiring re-analysis unless the stockpile has been contaminated or altered while
stored. Situations for re-analysis may include but are not limited to soils that have been
amended, mixed with other source soils/solids, subject to pesticide application, used for
other purposes, or inundated by flood waters.

Cultivation Soils or Solids

- All cultivation soils and solid materials will be analyzed at least annually during the
 calendar year of use. Solids tested initially as source soils or solids prior to use in
 cultivation do not require retesting until the following year (or quarter if amended as
 described below).
- If amended, the solid growing media/soil used in cultivation will be sampled and analyzed during the quarter in which it was amended. Note that soil amendment includes any material added to a soil, including other soils, to improve its physical properties, such as water retention, permeability, water infiltration, drainage, aeration, and structure. Note that soil amendment does not include addition of water or fertilizers added solely for nutrients. Materials such as compost or manure that are added for nutrients and to change the character of the soil and that are added in bulk are considered soil amendments for the purpose of this protocol. Application of soil amendments must be consistent with all Commission requirements.
- For cultivation that utilizes beds or other broad area cultivation, solid growing media/soil samples will be collected at the rate of 1 sample per discrete cultivation unit or at least 1 sample per 100 square feet of soil area for larger discrete cultivation units.
- For cultivation that utilizes individual plant containers (as opposed to beds or in-ground cultivation), solid growing media/soil samples will be collected from a minimum of 5 percent of the total number of growing containers.
- Solid growing media samples will be collected to be representative of the horizontal and vertical conditions of the growing configuration.
- When collected prior to distribution among beds or containers, source soil or solids samples will be taken to best represent the overall source soils (e.g., collected from different areas and depths of a stockpile).
- Cultivation soil and solid samples will be collected to represent the broad range of cultivation units, growth stages, and soil and solid types whether from beds or containers.
- Samples will be analyzed individually as grab samples unless the analysis methods used allow analytical reporting limits to be achieved on composite sample analyses that would demonstrate that any single sample in the composite would not exceed the contaminant limits described later in this protocol. In no case may more than five (5) primary samples be composited into a single sample for analysis. When analyzed as a composite, the laboratory results of the composite must demonstrate that each composite subsample is below the relevant contaminant limits, not just the composite itself. For example, if the

results of a five-sample composite are reported as 1.0 mg/kg, any one subsample (20% of the total composite) could contain up to 5 mg/kg when accounting for the effective dilution of the other four subsamples (i.e., 1 sample at 5 mg/kg + 4 samples at 0 mg/kg = average of 1 mg/kg).

• Composite samples are not recommended but are allowable to scale sampling and analysis to fit the cultivation scale and approach. However, use of composite samples to demonstrate compliance would require corrective actions on all individual samples should the composite sample fail to achieve acceptable limits on any target analyte.

A diagram of the cultivation area, the sampling design, and the horizontal and vertical location of each sample will be created for each sampling event and maintained on file for review by inspection authorities.

Quality Control (QC) Samples for Soils and Solids

Field duplicate samples will be collected at least annually and one (1) for every twenty (20) field samples of the solid samples collected to provide verification of field and laboratory procedures. Field duplicate samples will be collected and analyzed for each analytical method performed on the samples. Field duplicate samples will not be identified to the laboratory (blind QC). Blank samples are required to provide important information on potential positive bias on any positive results in field samples.

Equipment rinsate blanks are required whenever non-disposable sampling equipment is used to collect samples at multiple locations such as in source soil testing or testing of hydroponic nutrient solutions. Equipment rinsate blanks must be collected at the rate of one (1) per sampling event per sampling equipment type with at least one (1) equipment rinsate blank for every twenty (20) field samples of the same matrix. Where equipment rinsate blanks are not appropriate (i.e., use of disposable sampling equipment, collection of just one sample location, or direct collection into the sampling container), field blanks may be used to evaluate potential for contamination and potential positive bias at the same frequency of one (1) per sampling event per sampling equipment type with at least one (1) for every twenty (20) field samples of the same matrix.

Water Samples

Kapnos' water supply will be sufficient for necessary operations. Water will not be sampled because water is from a Public Water Source (PWS) used in solids-based cultivation. Public water analysis records will be maintained by Kapnos and available to inspectors to demonstrate adequate analysis of the water and exemption from analysis.

<u>Recalls</u>

Kapnos' policies and procedures for handling voluntary and mandatory recalls of marijuana will be adequate to deal with recalls due to any action initiated at the request or order of the

Commission, and any voluntary action by Kapnos to remove defective or potentially defective marijuana from the market, as well as any action undertaken to promote public health and safety.

Product recalls may be initiated by the Commission or by Kapnos. In the event of a product recall, the following will transpire to ensure that all impacted consumers are promptly notified and such recalled product is destroyed:

- Knowing the product in question, determine the beginning and end dates in which product needs to be recalled (i.e. establish the recall period);
- Kapnos will then publicly post the nature of the recall on its website and at its facilities; and
- The recall will clearly explain the situation and instructions on returning the recalled product.

Consumers will return the recalled product to Kapnos and will be given the option of a refund or credit to be used during that visit. Destruction of the recalled product will occur pursuant to waste disposal requirements.

WASTE DISPOSAL

All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Liquid waste containing marijuana or by-products of marijuana processing will be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26 through 53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers. Organic material, recyclable material, and solid waste generated at a Kapnos facility be redirected or disposed of as follows: organic material and recyclable material will be redirected from disposal in accordance with the waste disposal bans described at 310 CMR 19.017: Waste Bans. To the greatest extent feasible:

- Any recyclable material as defined in 310 CMR 16.02: Definitions will be recycled in a manner approved by the Commission; and
- Any remaining marijuana waste will be ground and mixed with other organic material as defined in 310 CMR 16.02: Definitions such that the resulting mixture renders the

- marijuana unusable for its original purpose. Once such marijuana waste has been rendered unusable, the mixture may be composted or digested at an aerobic or anaerobic digester at an operation that is in compliance with the requirements of 310 CMR 16.00: Site Assignment Regulations for Solid Waste Facilities.
- Solid waste containing cannabis waste generated at a Kapnos facility may be ground up and mixed with solid wastes such that the resulting mixture renders the cannabis unusable for its original purposes. Once such cannabis waste has been rendered unusable, it may be brought to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located; or
- No fewer than two Kapnos agents must witness and document how the marijuana waste is disposed or otherwise handled (recycled, composted, etc.) in accordance with 935 CMR 500.105(12). When marijuana products or waste is disposed or handled, Kapnos will create and maintain a written or electronic record of the date, the type and quantity disposed or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Kapnos agents present during the disposal or other handling, with their signatures. Kapnos will keep these records for at least three years. This period will automatically be extended for the duration of any enforcement action and may be extended by an order of the Commission.

ENERGY EFFICIENCY AND CONSERVATION

Kapnos will demonstrate consideration of the following factors:

- Identification of potential energy use reduction opportunities (such as natural lighting and energy efficiency measures), and a plan for implementation of such opportunities;
- Consideration of opportunities for renewable energy generation, including, where applicable, submission of building plans showing where energy generators could be placed on the site, and an explanation of why the identified opportunities were not pursued, if applicable;
- Strategies to reduce electric demand (such as lighting schedules, active load management, and energy storage); and
- Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through municipal lighting plants.

Kapnos will satisfy minimum energy efficiency and equipment standards established by the Commission and meet all applicable environmental laws, regulations, permits and other applicable approvals, including those related to water quality and solid and hazardous waste management, prior to obtaining a final license under 935 CMR 500.103(2). Kapnos will adopt and use additional best management practices as determined by the Commission, in consultation with the working group established under St. 2017, c. 55, § 78(b), to reduce energy

and water usage, engage in energy conservation and mitigate other environmental impacts, and will provide energy and water usage reporting to the Commission in a form determined by the Commission.

Kapnos will be subject to the following minimum energy efficiency and equipment standards:

- The building envelope for all facilities, except greenhouses, must meet minimum Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: State Building Code), International Energy Conservation Code (IECC) Section C.402 or The American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) Chapters 5.4 and 5.5 as applied or incorporated by reference in 780 CMR: State Building Code, except that facilities using existing buildings may demonstrate compliance by showing that the envelope insulation complies with code minimum standards for Type Factory Industrial F-1, as further defined in guidelines issued by the Commission.
- The Lighting Power Densities (LPD) for cultivation space must not exceed an average of 36 watts per gross square foot of active and growing space canopy, but for Tier 1 and Tier 2 a requirement of 50 watts per gross square foot of active canopy or growing unless otherwise determined in guidelines issued by the Commission.
- Heating Ventilation and Air Condition (HVAC) and dehumidification systems must meet
 Massachusetts Building Code requirements and all Massachusetts amendments (780
 CMR: State Building Code), IECC Section C.403 or ASHRAE Chapter 6 as applied or
 incorporated by reference in (780 CMR: State Building Code).
- Safety protocols must be established and documented to protect workers and consumers (e.g., eye protection near operating grow light).
- Requirements 935 CMR 500.120(11)(b) and (c) will not be required if an indoor marijuana cultivator is generating 100% or more of the onsite load from an onsite clean or renewable resource.
- The Commission may further define these standards, or create reasonable exemptions or modifications, through guidelines issued in consultation with the energy and environmental standards working group established under St. 2017, c. 55, § 78(b), including but not limited to provisions for greenhouses and agricultural buildings.

3. MARKET RESEARCH

3.1 Competitors

Kapnos' competitors include other licensed Marijuana Cultivators throughout the Commonwealth of Massachusetts.

3.2 Competitive Advantage

In every business, there is competition. However, the cannabis industry is known to be highly competitive. Kapnos possesses several strengths which will separate it from the competition. The industry is rapidly growing, and customers are scrutinizing the quality, variety, price and branding of marijuana and marijuana products offered for sale.

Kapnos' competitive advantages over its competition include the strength of its team; quality of its products; efficiencies in cultivation and product manufacturing; and commitment to running a locally-owned and independently-operated business. Kapnos will maintain a laser focus on efficient and compliant operations; the cultivation and manufacturing of market- appropriate products; continued research and development; and growing and empowering a knowledgeable, passionate staff.

3.3 Regulations

Kapnos is a Marijuana Establishment applicant, consistent with the objectives of St. 2016, c. 334, as amended by St. 2017, c. 55 and 935 CMR 500.000.

Kapnos is registered to do business in the Commonwealth as a domestic business corporation. The company will maintain the corporation in good standing with the Massachusetts Secretary of the Commonwealth and the Department of Revenue.

Kapnos will apply for all state and local permits and approvals required to renovate and operate the facility, including but not limited to those required by the Town of Sharon.

Kapnos will also work cooperatively with various municipal departments to ensure that the proposed facility complies with all state and local codes, rules and regulations with respect to design, renovation, operation, and security.

4. PRODUCT / SERVICE

4.1 Product & Service

Kapnos will cultivate traditional sativa, indica, and hybrid cannabis flower.

4.2 **Pricing Structure**

Kapnos' pricing structure will vary based on market conditions. The company plans to produce products of superior quality and will price its products accordingly.

4.3 Research & Development

Kapnos intends to engage in a variety of research and development initiatives to ensure product quality, operational efficiency, and ability to compete.

5. MARKETING & SALES

5.1 Growth Strategy

Kapnos' plan to grow the company includes:

- Strong and consistent branding;
- Intelligent, targeted, and compliant marketing programs;
- Continued networking and relationship building with licensed marijuana establishments;
 and
- A caring and thoughtful staff made of consummate professionals.

5.2 <u>Communication</u>

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

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

In case of accidental ingestion, contact poison control hotline 1-800-222-1222 or 9-1-1. This product may be illegal outside of MA."

5.3 Packaging

Kapnos will ensure that all marijuana products that are provided for sale to consumers are packaged in tamper or child-resistant packaging. Packaging, including any label or imprint affixed to any packaging containing marijuana products, will not be attractive to minors.

5.4 <u>Logo</u>

Kapnos is developing a logo to be used in labeling, signage, and other materials such as letterhead and distributed materials. The logo will be discreet, unassuming, and will not use medical symbols, images of marijuana, related paraphernalia, or colloquial references to cannabis or marijuana.

6. Roles & Responsibilities of Supervisors

6.1 All Supervisors

- Act on behalf of the corporation and its best interest with the appropriate duty of care at all times
- Act with loyalty to the corporation and the shareholders
- Participate in regular meetings
- Report to the Board of Directors (Members)
- Overall planning and strategy of the direction of the company
- Security and Safety of customers
- Management of resale abatement policies
- Monitoring of Inventory and Loss Prevention
- Quality Control Policies
- Secure and safeguard the ongoing financial integrity and viability of company
- Oversee all Facility Planning
- Oversee all training
- Develop and Implement Standard Operating Procedures
- Oversee Community Benefit Programs
- Interact with managerial staff and be accountable to other Supervisors
- Ensure uninterrupted supply of craft cannabis
- Create and Implement Customer Care Plan

6.2 Compliance Supervisor

- Representative of company, handles the responsibilities of management as liaison with governments
- Testing Compliance Policies
- Packaging/ Labeling Compliance Policies
- Diversion Plan and operation procedures
- Developing and Implementing Standard Operating Procedures for compliances
- Interact with managerial staff and be accountable to other Supervisors in matters of Compliance

6.3 Cultivation Supervisor

- Oversee all Facility Planning for cultivation
- Monitoring of Inventory and Loss Prevention in cultivation centers.
- Developing and Implementing Standard Operating Procedures for cultivation
- Quality Control Policies for cultivation
- Interact with managerial staff and be accountable to other Supervisors when pertaining to cultivation
- Oversee all training for cultivation
- Oversee day to day operations of cultivation

6.4 Manufacturing /Wholesale Sales Supervisor

- Oversee all Facility Planning for processing and manufacturing
- Monitoring of Inventory and Loss Prevention in processing and manufacturing centers
- Develop and Implement Standard Operating Procedures for processing and manufacturing
- Quality Control Policies for processing and manufacturing
- Interact with management and be accountable to Supervisors when pertaining to processing and manufacturing
- Oversee all training for processing and manufacturing
- Oversee day to day operations of processing and manufacturing
- Responsible for all wholesale sales
- Retail & Branding Supervisor
- Oversee all Facility Planning for retail center
- Monitoring of Inventory and Loss Prevention in retail center
- Develop and Implement Standard Operating Procedures for retail
- Quality Control Policies for retail
- Interact with managerial staff and be accountable to other Supervisors when pertaining to retail finance and accounting

- Oversee all training for retail and sales
- Oversee day to day operations of retail
- Develop a branding and marketing plan
- Act as CMO until such time that we can bring in outside talent

6.5 FinanceSupervisor

- Treasurer/ Controller
 - Responsible for managing the financial actions of the company
 - Track cash flow
 - Financial Planning
 - Analyze company's financial strengths and weakness and propose corrective actions
 - Manage finance and accounting divisions
 - Ensure company's financial reports are accurate and complete in a timely manner
 - Interact with management and be accountable to Supervisors when pertaining to finance and accounting

6.6 Security Supervisor

- Protect property from theft, embezzlement, sabotage, trespassing, fire and accidents
- Observe and report any unlawful activity
- Protect individuals, property, and proprietary information from harm or misappropriation
- Control access to premises
- Investigate and take the appropriate lawful actions on accidents, incidents, trespassing, suspicious activity, safety, and fire
- Neutralize situations in a professional manner
- Watch for safety and fire hazards and other related situations
- Enforce policies and procedures of the company
- Train new security hires, and inform other staff of security procedures and policies



1468 W. 9th Street Cleveland, OH 44113 Phone: (800) 420-5757

Fax: (800) 420-1975

INSURANCE BINDER

THE TERMS AND CONDITIONS OF THIS CONFIRMATION OF INSURANCE MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS CONFIRMATION CAREFULLY AND COMPARE IT WITH ANY QUOTE AND SUBMISSION DOCUMENTS AND REVIEW THE POLICY FORMS FOR THE ACTUAL COVERAGES PROVIDED.

IN ACCORDANCE WITH YOUR INSTRUCTIONS, AND IN RELIANCE UPON THE STATEMENTS MADE BY THE RETAIL BROKER IN THE INSURED'S APPLICATION/SUBMISSION, WE HAVE OBTAINED INSURANCE AT YOUR REQUEST AS FOLLOWS:

DATE ISSUED: 03/02/2023

PRODUCER: Corcoran & Havlin Insurance Group

287 Linden St

Wellesley, MA 02482-5910

INSURED: KAPNOS, INC.

2 MERCHANT ST UNIT# 4 SHARON, MA 02067

INSURER: Topa Insurance Company

Non-Admitted

POLICY NO.: CNPL00000465-01

COVERAGE: Product Liability

POLICY PERIOD: 02/28/2023 TO 02/28/2024

12:01 A.M. STANDARD TIME AT THE LOCATION ADDRESS OF THE NAMED INSURED. THIS INSURANCE BINDER WILL BE TERMINATED AND SUPERSEDED UPON DELIVERY OF THE FORMAL POLICY(IES) ISSUED TO REPLACE IT.

PRODUCT LIABILITY

<u>LIMITS OF LIABILITY:</u> \$1,000,000 Each Occurrence

\$2,000,000 General Aggregate

\$250,000 Limited Product Withdrawal \$50,000 Professional Liability

DEDUCTIBLE: \$2,500 Per Claim

\$25,000 Product Withdrawal Deductible

POLICY FORM: Claims Made

RETRO DATE: Inception

EXPOSURES: \$5,000,000 Sales

PRIMARY LOCATION: 2 Merchant St Unit# 4 Sharon, MA 02067

 PREMIUM:
 \$12,350.00

 FEES:
 Administrative Fee
 \$750.00

 #35.00
 \$25.00

Filing Fee \$25.00

 TAXES:
 \$494.00

 TRIA PREMIUM:
 REJECTED

 TOTAL:
 \$13,619.00

FORMS LIST / NOTABLE EXCLUSIONS:

CISDEC T 01 10/17 COMMON POLICY DECLARATIONS-PROD

CIS FORMS 10/17 FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY
CIS ASF 04/19 TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

CIS MP 004 10/17 25% MINIMUM EARNED PREMIUM ENDORSEMENT

CIS CP NBCR 05/20 EXCLUSION - NUCLEAR, BIOLOGICAL, BIO-CHEMICAL, CHEMICAL AND RADIATION

CIS SUIT T N006 06/22 SERVICE OF SUIT CLAUSE
IL 00 17 11/98 COMMON POLICY CONDITIONS

CIS DISCLOSURE TRIA 06/21 DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

IL 00 21 09/08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

IL N 001 09/03 FRAUD STATEMENT

CG 21 73 01/15 EXCLUSION OF CERTIFIED ACTS OF TERRORISM

CIS PROD DEC 01 11/17 PRODUCTS/COMPLETED OPERATIONS LIABILITY DECLARATIONS
CG 00 38 04/13 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

CIS PROF 01 11/17 PROFESSIONAL LIABILITY SUBLIMIT
CIS PROD DWL 01 12/17 AMENDMENT - DEFENSE WITHIN LIMITS

CIS PROD WD 01 11/17 LIMITED PRODUCT WITHDRAWAL EXPENSE ENDORSEMENT

CIS PROD PEST 11/17 LIMITED PESTICIDE COVERAGE

CIS PROD EX 001 11/17 EXCLUSION - SPECIFIED PRODUCTS OR SUBSTANCES
CIS PROD EX 002 11/17 EXCLUSION - SPECIFIED NUTRACEUTICAL SUBSTANCES

CIS PROD EX 003 11/17 EXCLUSION NEW ENTITIES

CIS PROD EX 004 11/17 FUNGI OR BACTERIA EXCLUSION

CIS PROD EX 006 11/17 EXCLUSION - CROSS SUITS

CIS PROD EX 007 11/17 EXCLUSION - ADDITIONAL DAMAGES, TAXES, FINES OR PENALTIES

CIS PROD EX 008 11/17 ILLEGAL FERTILIZER EXCLUSION
CIS PROD EX 012 11/19 EXCLUSION - SPECIFIED DISEASE
CIS PROD EX 013 05/20 EXCLUSION - COMMUNICABLE DISEASE

CIS PROD NBCR 05/20 EXCLUSION - NUCLEAR, BIOLOGICAL, BIO-CHEMICAL, CHEMICAL AND RADIATION

CIS AUDIT PRODUCT 02 10/17 AUDIT PREMIUMS - AMENDATORY ENDORSEMENT

CG 03 00 01/96 DEDUCTIBLE LIABILITY INSURANCE

CG 21 98 12/07 TOTAL POLLUTION EXCLUSION ENDORSEMENT

CG 24 10 07/98 EXCESS PROVISION - VENDORS

CG 33 59 05/14 EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFO

CG 33 70 03/05 SILICA OR SILICA-RELATED DUST EXCLUSION

ATTACHMENTS / SUBJECT TO:

- 1. Copy of the insured's active State license to grow, process or dispense marijuana or hemp
- 2. Copy of insured's Product Labels 2 from each product line

ALL OTHER TERMS AND CONDITIONS APPLY PER FORM

COMMISSION: 13.50

CANCELLATION: THIS POLICY IS SUBJECT TO THE CANCELLATION PROVISIONS AS FOUND IN THE POLICY(IES) OR CERTIFICATE(S) CURRENTLY IN USE BY THE INSURER. THE INSURANCE EFFECTED UNDER THE INSURER'S BINDER CAN BE CANCELLED BY THE INSURER (SUBJECT TO STATUTORY REGULATIONS) BY MAILING, TO THE INSURED AT THE ADDRESS STATED ON THE FACE OF THIS CONFIRMATION OF INSURANCE, WRITTEN NOTICE STATING WHEN SUCH CANCELLATION SHALL BE EFFECTIVE. IN THE EVENT OF CANCELLATION BY THE INSURED, THE EARNED PREMIUM WOULD BE SUBJECT TO THE MINIMUM PREMIUM IF APPLICABLE.

THIS CONFIRMATION OF INSURANCE IS ISSUED BASED UPON THE INSURER'S AGREEMENT TO BIND AND IS ISSUED BY THE UNDERSIGNED WITHOUT ANY LIABILITY WHATSOEVER AS AN INSURER.

PREMIUM PAYMENT IS DUE WITHIN TEN (10) DAYS FROM EFFECTIVE DATE UNLESS OTHERWISE STIPULATED.

TOTAL NUMBER OF PAGES: 3
INSURED: KAPNOS, INC.
DATE ISSUED: 03/02/2023

Reference #:CNPL00000465-01



1468 W. 9th Street Cleveland, OH 44113 Phone: (800) 420-5757

Fax: (800) 420-1975

INSURANCE BINDER

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IN ACCORDANCE WITH YOUR INSTRUCTIONS, AND IN RELIANCE UPON THE STATEMENTS MADE BY THE RETAIL BROKER IN THE INSURED'S APPLICATION/SUBMISSION, WE HAVE OBTAINED INSURANCE AT YOUR REQUEST AS FOLLOWS:

DATE ISSUED: 03/02/2023

PRODUCER: Corcoran & Havlin Insurance Group

287 Linden St

Wellesley, MA 02482-5910

INSURED: KAPNOS, INC.

2 MERCHANT ST UNIT 4 SHARON, MA 02067

INSURER: Topa Insurance Company

Non-Admitted

POLICY NO.: CNPK00000696-01

COVERAGE: Commercial Property and General Liability

POLICY PERIOD: 02/28/2023 TO 02/28/2024

12:01 A.M. STANDARD TIME AT THE LOCATION ADDRESS OF THE NAMED INSURED. THIS INSURANCE BINDER WILL BE TERMINATED AND SUPERSEDED UPON DELIVERY OF THE FORMAL POLICY(IES) ISSUED TO REPLACE IT.

GENERAL LIABILITY

<u>LIMITS OF LIABILITY:</u> \$2,000,000 General Aggregate

Excluded Products & Completed Operations \$1,000,000 Personal & Advertising Injury

\$1,000,000 Each Occurrence

\$500,000 Damage to Premises Rented

\$10,000 Medical Payments

\$1,000,000 Employee Benefits Liability Limit

DEDUCTIBLE: No Deductible

POLICY FORM: Occurrence
EXPOSURES: \$5,000,000 Sales

PRIMARY LOCATION: 2 Merchant St Ste 4 Sharon, MA 02067-1630

COMMERCIAL PROPERTY

Location 1/Building 1: 2 Merchant St STE 4 Sharon, MA 02067	
NO COVERAGE	Building - Replacement Cost, 80% Coinsurance
NO COVERAGE	Ordinance Or Law
\$300,000	Business Personal Property - Replacement Cost, 80% Coinsurance
\$5,000,000	Tenant Improvements and Betterments - Replacement Cost, 80% Coinsurance
\$500,000	Business Income including Extra Expense - 1/3 Monthly Limit of Indemnity
NO COVERAGE	Living Plant Material
NO COVERAGE	Goods in Process
NO COVERAGE	Completed Stock
NO COVERAGE	Seeds

DEDUCTIBLE: \$2,500 Each Claim; 2% Wind and Hail Deductible

Enhancements: Expanded Property Endorsement

Sewer Backup

Equipment Breakdown

Property In Transit \$10,000/\$20,000

 PREMIUM:
 \$19,990.00

 FEES:
 Inspection Fee
 \$175.00

 Administrative Fee
 \$750.00

Filing Fee \$25.00

TAXES: \$799.60
TRIA PREMIUM: REJECTED

TOTAL: \$21,739.60

TERMS / CONDITIONS:

CP 01 09 10/00

25% MINIMUM EARNED PREMIUM AT INCEPTION.

FORMS LIST / NOTABLE EXCLUSIONS:

CIS DEC T 01 10/17 COMMON POLICY DECLARATIONS - PCKG

CIS FORMS 10/17 FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY
CIS ASF 04/19 TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

CIS MP 004 10/17 25% MINIMUM EARNED PREMIUM ENDORSEMENT

CIS SUIT T N006 06/22 SERVICE OF SUIT CLAUSE
IL 00 17 11/98 COMMON POLICY CONDITIONS

CIS DISCLOSURE TRIA 06/21 DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

IL 09 53 01/15 EXCLUSION OF CERTIFIED ACTS OF TERRORISM

IL 00 21 09/08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

IL N 001 09/03 FRAUD STATEMENT

CG 21 51 04/13

AMENDMENT OF LIQUOR LIABILITY EXCLUSION - EXCEPTION FOR SCHEDULED

PREMISES OR ACTIVITIES
MASSACHUSETTS CHANGES

CP 10 64 10/12 MASSACHUSETTS - FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION AND

LIMITATIONS

CIS CGL DEC 01 10/17 COMMERCIAL GENERAL LIABILITY DECLARATIONS CG 00 01 04/13 COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG 04 35 12/07 EMPLOYEE BENEFITS LIABILITY COVERAGE **EXCLUSION - PRODUCTS-COMPLETED OPERATIONS HAZARD** CG 21 04 11/85 CG 21 73 01/15 **EXCLUSION OF CERTIFIED ACTS OF TERRORISM EXCLUSION - BANNED SUBSTANCES** CIS GL 30 01 10/17 CIS GL 34 50 10/17 **EXCLUSION - LIQUOR LIABILITY EXCLUSION - ASSAULT OR BATTERY** CIS GL 34 51 10/17 **EXCLUSION - ASBESTOS** CIS GL 34 52 10/17 **EXCLUSION - FIREARMS** CIS GL 34 53 10/17 CIS GL 34 54 10/17 **EXCLUSION - ANIMAL EXCLUSION - AMERICANS WITH DISABILITIES ACT** CIS GL 34 55 10/17 CIS GL 34 56 10/17 **EXCLUSION - RESIDENTIAL OCCUPANCY** CIS GL 34 57 10/17 **EXCLUSION - LEAD** CIS GL 34 58 10/17 EXCLUSION - ADDITIONAL DAMAGES, TAXES, FINES OR PENALTIES CIS GL 34 59 10/17 **EXCLUSION - CROSS SUITS EXCLUSION - FIDUCIARY** CIS GL 34 60 10/17 CIS GL 34 61 10/17 **EXCLUSION - GOVERNMENTAL ACTS AND CRIMINAL ACTIVITIES EXCLUSION - PROFESSIONAL SERVICES** CIS GL 34 62 10/17 CIS GL 34 66 11/19 **EXCLUSION - SPECIFIED DISEASE EXCLUSION - COMMUNICABLE DISEASE** CIS GL 34 67 05/20 CIS GL NBCR 05/20 EXCLUSION - NUCLEAR, BIOLOGICAL, BIO-CHEMICAL, CHEMICAL AND RADIATION AUDIT PREMIUMS - AMENDATORY ENDORSEMENT CIS AUDIT 01 10/17 EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY CG 21 06 05/14 **EXCEPTION** CG 21 09 06/15 **EXCLUSION - UNMANNED AIRCRAFT** CG 21 36 03/05 **EXCLUSION NEW ENTITIES** CG 21 44 04/17 LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION CG 21 46 07/98 ABUSE OR MOLESTATION EXCLUSION EMPLOYMENT-RELATED PRACTICES EXCLUSION CG 21 47 12/07 CG 21 49 09/99 TOTAL POLLUTION EXCLUSION ENDORSEMENT CG 21 66 06/15 **EXCLUSION - VOLUNTEER WORKERS** CG 21 67 12/04 FUNGI OR BACTERIA EXCLUSION CG 21 96 03/05 SILICA OR SILICA-RELATED DUST EXCLUSION DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT CG 25 04 05/09 CG 24 10 07/98 **EXCESS PROVISION - VENDORS** CIS CP DEC 02 10/17 COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS PAGE CIS CP DEC 02 A 10/17 CANNABIS AND HEMP COVERAGE SCHEDULE CP 00 90 07/88 COMMERCIAL PROPERTY CONDITIONS CP 00 10 10/12 BUILDING AND PERSONAL PROPERTY COVERAGE FORM CP 00 30 10/12 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

CP 10 30 09/17 CAUSES OF LOSS - SPECIAL FORM
CIS CP TRANSIT 11/17 PROPERTY IN TRANSIT

CIS CP 99 50 02/20 EXPANDED PROPERTY ENDORSEMENT

CIS CP 99 11 06/20 PROTECTIVE SAFEGUARDS

CIS CP 99 12 06/20 PROTECTIVE SAFEGUARDS SUPPLEMENTAL SCHEDULE

CIS CP 99 30 10/17 TOTAL FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION

CIS CP 99 31 07/22 EXCLUSION - NAMED STORM

EXCLUSION - COMMUNICABLE DISEASE CIS CP 99 32 05/20 CIS CP 14 20 02/19 ADDITIONAL PROPERTY NOT COVERED - CANNABIS AND HEMP CIS CP 99 60 08/18 **EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT** LIMITATIONS ON COVERAGE FOR ROOF SURFACING CP 10 36 10/12 CIS CP 10 38 02/20 DISCHARGE FROM SEWER. DRAIN OR SUMP (NOT FLOOD-RELATED) WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE CIS CP 99 34 09/21 CP 01 40 07/06 **EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES** IL 09 35 07/02 ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES CG 20 11 04/13

ATTACHMENTS / SUBJECT TO:

- 1. Satisfactory loss control inspection must be completed within 30 days of the policy effective date
- 2. Copy of the insured's active State license to grow, process or dispense marijuana or hemp

ALL OTHER TERMS AND CONDITIONS APPLY PER FORM

COMMISSION: 13.50

CANCELLATION: THIS POLICY IS SUBJECT TO THE CANCELLATION PROVISIONS AS FOUND IN THE POLICY(IES) OR CERTIFICATE(S) CURRENTLY IN USE BY THE INSURER. THE INSURANCE EFFECTED UNDER THE INSURER'S BINDER CAN BE CANCELLED BY THE INSURER (SUBJECT TO STATUTORY REGULATIONS) BY MAILING, TO THE INSURED AT THE ADDRESS STATED ON THE FACE OF THIS CONFIRMATION OF INSURANCE, WRITTEN NOTICE STATING WHEN SUCH CANCELLATION SHALL BE EFFECTIVE. IN THE EVENT OF CANCELLATION BY THE INSURED, THE EARNED PREMIUM WOULD BE SUBJECT TO THE MINIMUM PREMIUM IF APPLICABLE.

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PREMIUM PAYMENT IS DUE WITHIN TEN (10) DAYS FROM EFFECTIVE DATE UNLESS OTHERWISE STIPULATED.

TOTAL NUMBER OF PAGES: 4
INSURED: KAPNOS, INC.
DATE ISSUED: 03/02/2023

Reference #:CNPK00000696-01

Restricting Access to Age 21 or Older

Pursuant to 935 CMR 500.030, all Kapnos Agents are verified to be 21 years of age or older prior to being issued a Marijuana Establishment Agent card. While at the facility or transporting marijuana for the facility, all Kapnos Agents must carry their valid Agent Registration Card issued by the Commission. All outside vendors, contractors and visitors shall be required to wear visitor badges prior to entering limited access areas and shall be displayed at all times. Visitors shall be logged in and out and be escorted while at the Kapnos facility. The visitor log will be available for inspection by the Commission at all times. All visitor badges will be returned to Kapnos upon exit.

Kapnos will have limited access areas identified with clear signage designating the access point for authorized personnel only, pursuant to 935 CMR 500.110(4). Identification badges will be required to be worn at all times by Kapnos employees while at the facility or engaged in transportation. Kapnos will positively identify all individuals seeking access to the facility to limit access solely to individuals 21 years or age or older.

All Limited Access areas will be clearly described by the filing of a diagram of the registered premises, as determined by the Commission, reflecting, where applicable, entrances and exits, walls, partitions, vegetation, flowering, processing, production, storage, disposal and retail sales areas. Access to Limited Access areas will be restricted to employees, agents or volunteers specifically permitted by Kapnos, agents of the Commission, state and local law enforcement and emergency personnel. All Kapnos employees will visibly display an employee identification badge issued by Kapnos at all times while Kapnos is Marijuana Establishments or transporting marijuana.

The following individuals shall be granted immediate access to the facility: Representatives of the Commission in the course of responsibilities authorized by Chapter 334 of the Acts of 2016, as amended by Chapter 55 of the Acts of 2017 or 935 CMR 500.000; representatives of other state agencies in the Commonwealth; emergency responders in the course of responding to an emergency; and law enforcement personnel or local public health, inspectional services, or other permit-granting agents acting within their lawful jurisdiction.

Procedures for Quality Control and Testing of Product

Pursuant to 935 CMR 500.160, Kapnos, Inc. ("Kapnos") will not sell or market any marijuana product that is not capable of being tested by Independent Testing Laboratories, including testing of marijuana products and environmental media. Kapnos will implement a written policy for responding to laboratory results that indicate contaminant levels that are above acceptable levels established in DPH protocols identified in 935 CMR 500.160(1) and subsequent notification to the Commission of such results. Results of any tests will be maintained by Kapnos for at least one year. All transportation of marijuana to or from testing facilities shall comply with 935 CMR 500.105(13) and any marijuana product returned to Kapnos by the testing facility will be disposed of in accordance with 935 CMR 500.105(12). Kapnos will never sell or market adult use marijuana products that have not first been tested by an Independent Testing Laboratory and deemed to comply with the standards required under 935 CMR 500.160.

Kapnos' policies include requirements for handling of marijuana, pursuant to 935 CMR 500.105(3), including sanitary measures that include, but are not limited to: hand washing stations; sufficient space for storage of materials; removal of waste; clean floors, walls and ceilings; sanitary building fixtures; sufficient water supply and plumbing; and storage facilities that prevent contamination.

Pursuant to 935 CMR 500.105(11)(a)-(e), Kapnos will provide adequate lighting, ventilation, temperature, humidity, space and equipment, in accordance with applicable provisions of 935 CMR 500.105 and 500.110. Kapnos will have a separate area for storage of marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, unless such products are destroyed. Kapnos storage areas will be kept in a clean and orderly condition, free from infestations by insects, rodents, birds and any other type of pest. The Kapnos storage areas will be maintained in accordance with the security requirements of 935 CMR 500.110.

Kapnos has a Quality Manager who will oversee the cultivation at the Kapnos facility to maintain strict compliance with DPH regulations and protocols for quality control and analytical testing. In accordance with 935 CMR 500.160 Kapnos grow areas are monitored for temperature, humidity, and CO2 levels this monitoring helps reduce the risk of crop failure. Ethical pest management procedures are utilized to naturally maintain a pest free environment alongside our True Living Organics ('TLO") growing method.

All Marijuana Infused Products ("MIPs") are produced using good manufacturing practices and safe practices for food handling to ensure quality and prevention of contamination.

All Kapnos agents whose job includes contact with marijuana product are subject to the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases*, *Surveillance, and Isolation and Quarantine Requirements*. All Kapnos agents working in direct contact with preparation of marijuana products shall conform to sanitary practices while on duty, including personal cleanliness and thorough hand-washing. The hand-washing facilities will be adequate and convenient with running water at a suitable temperature and conform with all requirements of 935 CMR 500.105(3)(b)(3).

Kapnos will provide sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations, in accordance with 935 CMR 500.105(3)(b)(4). Litter and waste will be properly removed and disposed of and the operating systems for waste disposal shall be maintained in an adequate manner pursuant to 935 CMR 500.105(12). The floors, ceilings and walls will be constructed in a way that allows them to be adequately cleaned and in good repair. All contact surfaces, including utensils and equipment, shall be maintained in a clean and sanitary condition in compliance with 935 CMR 500.105(3)(b)(9). All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana products.

Pursuant to 935 CMR 500.105(3)(b)(11), Kapnos' water supply will be sufficient for necessary operations able to meet our needs. The plumbing requirements of 935 CMR 500.105(3)(b)(12) will be met through adequate size and design and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the Kapnos facility. Kapnos will also provide our employees with adequate, readily accessible toilet facilities that are maintained in sanitary condition and in good repair. All products that can support the rapid growth of undesirable microorganisms will be held in a manner that prevents the growth of these microorganisms.

Our quality assurance manager will ensure all batches of marijuana will be tested, by an independent testing laboratory pursuant to 935 CMR 500.160. All products shall be tested for the cannabinoid profile and for contaminants as specified by the Department, including but not limited to mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides.

Environmental media will be tested in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the Department of Public Health pursuant to 935 CMR 500.160(1). All testing results will be maintained by Kapnos for no less than one year in accordance with 935 CMR 500.160(3).

Samples that fail testing will be reported and destroyed. Pursuant to 935 CMR 500.160(9), no marijuana product shall be sold or marketed for sale that has not first been tested and deemed to comply with the Independent Testing Laboratory standards.

Personnel Policies

It is Kapnos, Inc's ("Kapnos") policy to provide equal opportunity in all areas of employment, including recruitment, hiring, training and development, promotions, transfers, termination, layoff, compensation, benefits, social and recreational programs, and all other conditions and privileges of employment, in accordance with applicable federal, state, and local laws. Kapnos will make reasonable accommodations for qualified individuals with known disabilities, in accordance with applicable law.

Management is primarily responsible for seeing that equal employment opportunity policies are implemented, but all members of the staff share the responsibility for ensuring that, by their personal actions, the policies are effective and apply uniformly to everyone. Any employee, including managers, determined by Kapnos to be involved in discriminatory practices are subject to disciplinary action and may be terminated. Kapnos strives to maintain a work environment that is free from discrimination, intimidation, hostility, or other offenses that might interfere with work performance. In keeping with this desire, we will not tolerate any unlawful harassment of employees by anyone, including any manager, co-worker, vendor or clients.

In accordance with 935 CMR 500.105(2), all current owners, managers and employees of Kapnos that are involved in the handling and sale of marijuana will successfully complete Responsible Vendor Training Program, and once designated a "responsible vendor" require all new employees involved in handling and sale of marijuana to complete this program within 90 days of hire. This program shall then be completed annually and those not selling or handling marijuana may participate voluntarily. Kapnos will maintain records of responsible vendor training compliance, pursuant to 935 CMR 500.105(2)(b). Responsible vendor training shall include: discussion concerning marijuana effect on the human body; diversion prevention; compliance with tracking requirements; identifying acceptable forms of ID, including medical patient cards; and key state and local laws.

All Kapnos policies will include a staffing plan and corresponding records in compliance with 935 CMR 500.105(1)(h) and ensure that all employees are aware of the alcohol, smoke, and drug-free workplace policies in accordance with 935 CMR 500.105(1)(j). Kapnos will also implement policies to ensure the maintenance of confidential information pursuant to 935 CMR 500.105(1)(k). Kapnos will enforce a policy for the dismissal of agents for prohibited offenses according to 935 CMR 105(1)(l).

All Kapnos employees will be duly registered as marijuana establishment agents and have to complete a background check in accordance with 935 CMR 500.030(1). All marijuana establishment agents will complete a training course administered by Kapnos and complete a Responsible Vendor Program in compliance with 935 CMR 500.105(2)(b). Employees will be required to receive a minimum of eight hours of on-going training annually pursuant to 935 CMR 500.105(2)(a).

Record Keeping Procedures

Kapnos, Inc.'s ("Kapnos") records will be available to the Cannabis Control Commission ("CCC") upon request pursuant to 935 CMR 500.105(9). The records will be maintained in accordance with generally accepted accounting principles. All written records required in any section of 935 CMR 500.000 are subject to inspection, in addition to written operating procedures as required by 935 CMR 500.105(1), inventory records as required by 935 CMR 500.105(8) and seed-to-sale tracking records for all marijuana products are required by 935 CMR 500.105(8)(e).

Kapnos will also keep all waste disposal records as required by 500.105(12), including record keeping procedures. Kapnos will ensure that at least 2 Marijuana Establishment Agents witness and document how the marijuana waste is disposed or otherwise handled in accordance with 935 CMR 500.105(12). When the marijuana products or waste is disposed or handled, Kapnos will create and maintain a written or electronic record of the date, the type, and quantity disposed or handled, the manner of disposal or other handling, the location of the disposal or other handling, and the names of the Agents present during the disposal or handling, with their signatures. Kapnos will keep these records for at least 3 years.

Personnel records will also be maintained, in accordance with 935 CMR 500.105(9)(d), including but not limited to, job descriptions for each employee, organizational charts, staffing plans, personnel policies and procedures and background checks obtained in accordance with 935 CMR 500.030. Personnel records will be maintained for at least 12 months after termination of the individual's affiliation with Kapnos, in accordance with 935 CMR 500.105(9)(d)(2). Additionally, business will be maintained in accordance with 935 CMR 500.104(9)(e) as well as waste disposal records pursuant to 935 CMR 500.104(9)(f), as required under 935 CMR 500.105(12).

Following the closure of the Marijuana Establishment, all records will be kept for at least two years at the expense of Kapnos and in a form and location acceptable to the Commission, pursuant to 935 CMR 500.105(9)(g). In accordance with 935 CMR 500.105(9), records of Kapnos will be available for inspection by the Commission upon request. Kapnos' records will be maintained in accordance with generally accepted accounting principles. Kapnos will have all required written records and available for inspection, including all written operating procedures as required by 935 CMR 500.105(1) and business records as outlined by 935 CMR 500.105(9)(e).

Maintaining of Financial Records

Kapnos, Inc. ("Kapnos") policy is to maintain financial records in accordance with 935 CMR 500.105(9)(e). The records will include manual or computerized records of assets and liabilities, monetary transactions; books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices and vouchers; sales records including the quantity, form, and cost of marijuana products; and salary and wages paid to each employee, stipends 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 non-profit corporation.

Kapnos will conduct monthly sales equipment and data software checks and initiate reporting requirements for discovery of software manipulation as required by 935 CMR 500.140(6)(d). Kapnos will not utilize software or other methods to manipulate or alter sales data in compliance with 935 CMR 500.140(5)(c). Kapnos will conduct a monthly analysis or its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate or alter sales data.

Kapnos will maintain records that it has performed the monthly analysis and produce it upon request to the Commission. If Kapnos determines that software had been installed for the purpose of manipulation or alteration of sales data or other methods have been utilized to manipulate or alter sales data we will: disclose the information to the Commission; cooperate with the Commission in an investigation relative to data manipulation; and take other action as directed by the Commission to comply with the applicable regulations. Pursuant to 935 CMR 500.140(6)(e), Kapnos will comply with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements.

Following the closure of Kapnos, all records will be kept for at least two years at the expense of Kapnos and in a form and location acceptable to the Commission, in accordance with 935 CMR 500.105(9)(g). Financial records shall be kept for a minimum of three years from the date of the filed tax return, in accordance with 830 CMR 62C.25.1(7) and 935 CMR 500.140(6)(e).

Qualifications and Training

Pursuant to 935 CMR 500.105(2)(a) Kapnos, Inc. ("Kapnos") will ensure all dispensary agents complete training prior to preforming job functions. Training will be tailored to the role and responsibilities of the job function. Dispensary agents will be trained for one week before acting as a dispensary agent. At a minimum, staff shall receive eight hours of on-going training annually. New dispensary agents will receive employee orientation prior to beginning work with Kapnos. Each department managed will provide orientation for dispensary agents assigned to their department. Orientation will include a summary overview of all the training modules.

In accordance with 935 CMR 500.105(2), all current owners, managers and employees of Kapnos that are involved in the handling and sale of marijuana will successfully complete Responsible Vendor Training Program, and once designated a "responsible vendor" require all new employees involved in handling and sale of marijuana to complete this program within 90 days of hire. This program shall then be completed annually and those not selling or handling marijuana may participate voluntarily. Kapnos will maintain records of responsible vendor training compliance, pursuant to 935 CMR 500.105(2)(b). Responsible vendor training shall include: discussion concerning marijuana effect on the human body; diversion prevention; compliance with tracking requirements; identifying acceptable forms of ID, including medical patient cards; and key state and local laws.

All employees will be registered as agents, in accordance with 935 CMR 500.030. All Kapnos employees will be duly registered as marijuana establishment agents and have to complete a background check in accordance with 935 CMR 500.030(1). All registered agents of Kapnos shall meet suitability standards of 935 CMR 500.800.

Training will be recorded and retained in dispensary agent's file. Training records will be retrained by Kapnos for at least one year after agents' termination. Dispensary agents will have continuous quality training and a minimum of 8 hours annual on-going training.

Energy Compliance Plan

Pursuant to 935 CMR 500.105(15), Kapnos, Inc. ("Kapnos") will demonstrate consideration of ways in which to improve energy efficiency in its operations. This shall include identification of potential energy use reduction opportunities and a plan for implementation of such opportunities; Consideration of opportunities for renewable energy generation; Strategies to reduce electric demand; and Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through Municipal Lighting Plants.

Pursuant to 935 CMR 500.120, Kapnos' cultivation operations will satisfy minimum energy efficiency and standards established by the Commission and meet all applicable environmental laws, regulations, permits and other applicable approvals. This includes, but is not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management, and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7.00: Air Pollution Control as a condition of obtaining a final license under 935 CMR 500.103(2) and as a condition of renewal under 935 CMR 500.103(4).

Kapnos cultivation operations shall adopt and use additional best management practices as determined by the Commission to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts, and shall provide energy and water usage reporting to the Commission in a form determined by the Commission. Each License renewal application submitted by Kapnos will include a report of the Kapnos' cultivation operations' energy and water usage over the 12-month period preceding the date of application.

Kapnos will ensure that the building envelope for all facilities meet minimum Massachusetts Building Code requirements and all Massachusetts amendments, International Energy Conservation Code or The American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) Chapters 5.4 and 5.5 as applied or incorporated by reference in 780 CMR: State Building Code. The lighting used by Kapnos for cultivation operations will meet one of the compliance paths as outlined by the Commission in 935 CMR 500.120(12)(b).

Horticulture Lighting Power Density will not exceed 36 watts per square foot, except for Tier 1 and Tier 2 which will not exceed 50 watts per square foot. All horticultural lighting used in our facility is equipment that is listed on the current Design Lights Consortium Solid-state Horticultural Lighting Qualified Products List ("Horticultural QPL") or other similar list approved by the Commission as of the date of licensure application, and lighting Photosynthetic Photon Efficacy (PPE) is at least 15% above the minimum Horticultural QPL threshold rounded up to the nearest 0.1 micromoles per joule, pursuant to 935 CMR 500.120(11).

If Kapnos seeks to use horticultural lighting not included on the Horticultural QPL or other similar list approved by the Commission we will seek a waiver pursuant to 935 CMR 500.850 and provide documentation of third-party certification of the energy efficiency features of the proposed lighting. All of our facilities, regardless of compliance path we choose, shall provide third-party safety certification by an OSHA NRTL or SCC-recognized body, which shall certify that products meet a set of safety requirements and standards deemed applicable to horticultural lighting products by that safety organization, in accordance with 935 CMR 500.120(11).

The Heating Ventilation and Air Conditioning (HVAC) and dehumidification systems used by Kapnos will must meet Massachusetts State Building Code requirements and all Massachusetts amendments, IECC Section C.403 or ASHRAE Chapter 6 as applied or incorporated by reference in (780 CMR: State Building Code). Kapnos will provide a certification from a Massachusetts Licensed Mechanical Engineer that the HVAC and dehumidification systems meet Massachusetts building code as specified in 935 CMR 500.120(11) and that such systems have been evaluated and sized for the anticipated loads of the facility.

Pursuant to 935 CMR 500.120(12)(d), Kapnos will implement safety protocols to protect workers and consumers. Kapnos will explore the possibilities of utilizing onsite generation from clean or renewable generating sources or renewable thermal generation.

Diversity Plan

I. Intent

Kapnos Inc.'s (Kapnos) founding team is committed to maintaining a workforce and environment rich in diversity. Kapnos is proudly a women-owned business, and our commitment to diversity and equity are represented in our leadership as listed in "St. 2017, c.55, An Act To Ensure Safe Access To Marijuana" and will continue in our employment and inclusion efforts.

It is the policy of Kapnos to foster equal opportunity for all employees and to promote principles of diversity management that will enhance the level of effectiveness and efficiency of its programs. The concept of diversity management is a strategic business objective that seeks to increase organizational capacity in a workplace where the contributions of all employees are recognized and valued. Kapnos' goal is to build a high-performing, diverse workforce based on mutual acceptance and trust.

II. Purpose

The purpose of this plan is to outline the responsibilities of Kapnos and its management team and Agents to ensure that Kapnos is a diverse and inclusive company that promotes a discrimination-free work environment and providing opportunities for all employees to use their diverse talents to support the company's mission.

III. Goals

The goals that Kapnos is committed to achieving though this plan and our vision include:

- Make the Kapnos workplace and management team as diverse as possible, with a goal to have 51% of Kapnos' staff include women, minorities, veterans, people with disabilities and people identifying as LBGTQ+. Make the Kapnos workplace a safe, accepting, respectful, welcoming, comfortable and supportive place to work and visit.
- 2. Increase the number of individuals that identify as women, minorities, veterans, people with disabilities and LBGTQ+ in management positions in the establishment, with a goal to have 25% of Kapnos' managers and executives fall into the above-listed demographics, while providing tools to ensure their success. Ultimately, it is Kapnos'

goal to have its management's demographics reflect that of its employees:

- 50% women;
- 25% minorities;
- 10% veterans;
- 10% persons with disabilities; and
- 10% LGBTQ+
- 3. Include as our suppliers, contractors and wholesale partners a diverse array of participants, with a goal to have 8% of our business partners qualify as minority business enterprises, 8 % qualify as women business enterprises, and 8% qualify as veteran business enterprises, with an ultimate goal to have approximately 25% of our business partners meet these aforementioned qualifications. Kapnos plans to engage with Elevate Northeast, Equitable Opportunities Now and the Veterans Cannabis Project, among others, to help advance these initiatives.

IV. Recruitment, Hiring, and Inclusion

Kapnos looks to recruit and hire diverse employees and plans to promote equity among minorities, women, veterans, people with disabilities and people identifying as LBGTQ+ in the operation of our company. To promote diversity, equity, and inclusion Kapnos will;

- 1. At least once a month, promote our Diversity Hiring policy on recruitment websites, on our social media presence and in the local newspaper, The Enterprise, stating that the establishment is specifically looking for women, minorities, or persons with disabilities to work for the establishment.
- 2. Use job descriptions that are catered to and appeal to diverse candidates.
- 3. Engage with Industry trade groups, training companies and recruitment companies that promote diversity and inclusion.
- 4. Celebrate the diversity staff bring and ask employees to introduce parts of their culture into the workplace. We will advertise that we offer employees with various languages so to be able to offer the opportunity for customers to speak to their budtender in their own language. We will encourage and celebrate holidays other than the standard Christmas-Easter-St. Patrick's Holidays to include other holidays celebrated by other cultures. We will celebrate Diwali, Eid, Haitian Declaration of Independence, Khmer New Year, International Women's Day, Pride Day/Week, Disability Independence Day, International Workers Rights Day, Veterans Day, and other holidays that celebrate important occasions across diverse groups.
- 5. Kapnos included in its Host Community Agreement to offer employment opportunities first to Sharon residents with efforts to engage with minority-based neighborhoods of surrounding Towns and Cities.

- 6. Ultimately, it is Kapnos' goal to hire employees representative of the following demographics:
 - 50% women;
 - 25% minorities:
 - 10% veterans;
 - 10% persons with disabilities; and
 - 10% LGBTQ+

IV. Diverse Management and Executive Positions

Kapnos is determined to provide a work environment that is a diverse and inclusive from the bottom up and top down. We want to encourage a broad range of opinions, ideas and perspectives that drives creativity, innovation and excellence. Our goal, focuses on recruiting, but also on training and developing the talent already at the company — especially towards management and executive positions. To ensure diversity in management, Kapnos will;

- 1. Create a yearly employee review and promotion process that employs equity principles for current employees;
- 2. Provide or promote trainings or mentorship programs for individuals falling into the above-listed demographics to promote their entry into the marijuana industry and management positions;
- 3. Establish relationships with specific organizations that are diversity-focused for the purposes of: a) Networking with their constituencies for employment purposes; b) Providing information on employment opportunities; c) Providing trainings or informational sessions for individuals falling into the above-listed demographics on the marijuana industry.

V. Retail Partner Diversity Plan

Kapnos is committed to utilizing, to the extent possible, LGBTQ+-owned, minority-owned, women owned, veteran owned, service disabled veteran-owned, and business owned by persons with disabilities as suppliers, contractors and retail partners. Kapnos recognizes that sourcing products and services from previously under-used suppliers helps to sustain and progressively transform a company's supply chain, thus quantitatively reflecting the demographics of the community in which it operates by recording transactions with diverse suppliers.

Kapnos will draft and implement a plan that focuses on and requires that the underrepresented business identified above are included and chosen, when possible, as our suppliers, contractors and wholesale partners. In the process, Kapnos will post monthly advertisements in local newspaper, including the Sharon Advocate and The Enterprise, stating that the establishment is specifically looking for women, minorities, veterans, LGBTQ+ individuals, or persons with disabilities to work for the establishment. In doing so, Kapnos will remain cognizant of and adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of Marijuana Establishments

VI. Evaluation

Kapnos realizes that any plan needs to be evaluated once it is implemented. We will perform an ongoing and comprehensive evaluation of this plan to ensure that it accomplishes our 3 goals.

- 1. As we begin to recruit and hire potential employees the management team will evaluate the applicant pool and application to ensure that our recruitment policies are generating a diverse representation.
- 2. Retain on staff or hire a Workplace Diversity Specialist consultant who will be able to conduct a formal assessment that will produce a data-based report on Kapnos' hiring practices in regards to diversity and equity. The staff or consultant may use a variety of methods to assess which are not limited to employee satisfaction surveys, have employees self-declare gender, race, ethnicity, abilities/disabilities, and languages spoken or feedback from employees and stakeholders as to the effectiveness of the policy and to see if our goals are attained.
- 3. Upon renewal of the applicant's license, Kapnos and its consultant will conduct a review of hiring practices and goals to ensure its goals are met, and if not, what adjustments need to be made in the applicants hiring practices and policies. Moreover, the team will verify that any actions taken, or programs instituted, by Kapnos will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable laws of the Commonwealth of Massachusetts.
- 4. If, at any time, it is found that the plan is not reaching our goals the executive management team will convene a special working group to evaluate the plan and make the necessary changes. This group may include outside consultants and professionals.