



Massachusetts Cannabis Control Commission

Marijuana Retailer

General Information:

License Number: MR282975
Original Issued Date: 12/03/2020
Issued Date: 12/03/2020
Expiration Date: 12/03/2021

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: RC Retail Amherst LLC

Phone Number: 203-639-5153 Email Address: sam@red-cardinal.net

Business Address 1: 328 College Street

Business Address 2:

Business City: Amherst

Business State: MA

Business Zip Code: 01002

Mailing Address 1: 200 Pratt Street

Mailing Address 2:

Mailing City: Meriden

Mailing State: CT

Mailing Zip Code: 06450

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:

Percentage Of Control:

Role: Other (specify)

Other Role: Capital Contributor

First Name: Salvatore (Sam)

Last Name: Carabetta Suffix:

Gender: Male	User Defined Gender:
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)	
Specify Race or Ethnicity:	

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

Percentage of Control: 100	Percentage of Ownership: 100
Entity Legal Name: Red Cardinal MA, LLC	Entity DBA: DBA City:
Entity Description: Sole owner and Managing Member of RC Retail Amherst LLC	
Foreign Subsidiary Narrative:	
Entity Phone: 203-639-5153	Entity Email: sam@red-cardinal.net Entity Website:
Entity Address 1: 30 Pullman Street	Entity Address 2:
Entity City: Worcester	Entity State: MA Entity Zip Code: 01606
Entity Mailing Address 1: 200 Pratt Street	Entity Mailing Address 2:
Entity Mailing City: Meriden	Entity Mailing State: CT Entity Mailing Zip Code: 06450
Relationship Description: Red Cardinal MA, LLC wholly owns and is the managing member of RC Retail Amherst LLC. Red Cardinal MA, LLC is wholly owned by Red Cardinal LLC. Salvatore (Sam) R. Carabetta is the 99% owner and managing member of Red Cardinal LLC.	

Entity with Direct or Indirect Authority 2

Percentage of Control:	Percentage of Ownership:
Entity Legal Name: Red Cardinal LLC	Entity DBA: DBA City:
Entity Description: Parent company owning all membership interests/units of Red Cardinal MA LLC	
Foreign Subsidiary Narrative:	
Entity Phone: 203-639-5153	Entity Email: sam@red-cardinal.net Entity Website:
Entity Address 1: 200 Pratt Street	Entity Address 2:
Entity City: Meriden	Entity State: CT Entity Zip Code: 06450
Entity Mailing Address 1: 200 Pratt Street	Entity Mailing Address 2:
Entity Mailing City: Meriden	Entity Mailing State: CT Entity Mailing Zip Code: 06450
Relationship Description: Red Cardinal MA, LLC wholly owns and is the managing member of RC Retail Amherst LLC. Red Cardinal MA, LLC is wholly owned by Red Cardinal LLC. Salvatore (Sam) R. Carabetta is the 99% owner and managing member of Red Cardinal LLC.	

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Salvatore (Sam)	Last Name: Carabetta	Suffix:
Types of Capital: Debt	Other Type of Capital:	Total Value of the Capital Provided: \$200000 Percentage of Initial Capital: 100
Capital Attestation: Yes		

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

First Name: Salvatore (Sam) Last Name: Carabetta Suffix:
Marijuana Establishment Name: RC Cultivation LLC Business Type: Marijuana Cultivator
Marijuana Establishment City: Worcester Marijuana Establishment State: MA

Individual 2

First Name: Salvatore (Sam) Last Name: Carabetta Suffix:
Marijuana Establishment Name: RC Cultivation LLC Business Type: Marijuana Product Manufacture
Marijuana Establishment City: Worcester Marijuana Establishment State: MA

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 328 College Street
Establishment Address 2:
Establishment City: Amherst Establishment Zip Code: 01002
Approximate square footage of the establishment: 1000 How many abutters does this property have?: 23
Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?: Yes

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	RC Retail-Amherst Host Community Certification Form.pdf	pdf	5da5e8a3d5c8962b282d986f	10/15/2019
Plan to Remain Compliant with Local Zoning	RC Retail Amherst Plan to Remain Complaint with Local Zoning.pdf	pdf	5dc436d7ea4df3530e643138	11/07/2019
Community Outreach Meeting Documentation	RC Retail Amherst Community Outreach Meeting Attestation Form.pdf	pdf	5dcd76a3bcb01253152f5bc0	11/14/2019

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

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Other	Family Outreach Willing to Work With RC Retail Amherst Letter.pdf	pdf	5dc5e67440e348579197b7ab	11/08/2019
Plan for Positive Impact	RC Retail Amherst_Positive Impact Plan.pdf	pdf	5f1f40e24601b5701e615b43	07/27/2020

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Other (specify) **Other Role:** Capital Contributor

First Name: Salvatore (Sam) **Last Name:** Carabetta **Suffix:**

RMD Association: Not associated with an RMD

Background Question: yes

ENTITY BACKGROUND CHECK INFORMATION

Entity Background Check Information 1

Role: Other (specify) **Other Role:** Owner and Managing Member

Entity Legal Name: Red Cardinal MA, LLC **Entity DBA:**

Entity Description: Sole owner and Managing Member of RC Retail Amherst LLC

Phone: 203-639-5153 **Email:** sam@red-cardinal.net

Primary Business Address 1: 30 Pullman Street **Primary Business Address 2:**

Primary Business City: Worcester **Primary Business State:** MA **Principal Business Zip Code:** 01606

Additional Information: Red Cardinal MA, LLC wholly owns and is the managing member of RC Retail Amherst LLC. Red Cardinal MA, LLC is wholly owned by Red Cardinal LLC. Salvatore (Sam) R. Carabetta is the 99% owner and managing member of Red Cardinal LLC.

Entity Background Check Information 2

Role: Parent Company **Other Role:**

Entity Legal Name: Red Cardinal LLC **Entity DBA:**

Entity Description: Parent company owning all membership interest/units of Red Cardinal MA LLC

Phone: 203-639-5153 **Email:** sam@red-cardinal.net

Primary Business Address 1: 200 Pratt Street **Primary Business Address 2:**

Primary Business City: Meriden **Primary Business State:** CT **Principal Business Zip Code:** 06450

Additional Information: Red Cardinal MA LLC wholly owns and is the managing member of RC Retail Amherst LLC. Red Cardinal MA LLC is wholly owned by Red Cardinal LLC. Salvatore (Sam) R. Carabetta is the 99% owner and managing member of Red Cardinal LLC.

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Bylaws	RC Retail Amherst LLC Operating Agreement.pdf	pdf	5dc20a2dbcb01253152f444e	11/05/2019
Secretary of Commonwealth - Certificate of Good Standing	RC Retail Amherst Certificate of Good Standing SOC.pdf	pdf	5dc20a977aad8653363bb512	11/05/2019
Articles of Organization	RC Retail Amherst Certificate of Organization.pdf	pdf	5dc20bd9a9ef3857c4457e2d	11/05/2019
Department of Revenue - Certificate of Good standing	RC Retail Amherst Certificate of Good Standing DoR.pdf	pdf	5e5d851349038b46abf1c373	03/02/2020
Secretary of Commonwealth - Certificate of Good Standing	RC Retail Amherst Department of Unemployment Attestation.pdf	pdf	5e5d853156474b469c110b0e	03/02/2020

No documents uploaded

Massachusetts Business Identification Number: 001385774

Doing-Business-As Name: Red Cardinal

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	RC Retail_Plan for Obtaining Liability Insurance.pdf	pdf	5dc314d8ea4df3530e642ec0	11/06/2019
Proposed Timeline	RC Retail_Proposed Timeline.pdf	pdf	5dcd6542d5b0805341c61d12	11/14/2019
Business Plan	RC Retail Amherst Business Plan UPDATED.pdf	pdf	5f1f34e95272ec7447e7b441	07/27/2020

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Prevention of diversion	RC Retail_Prevention of Diversion .pdf	pdf	5dc3241d0f35e05798b35978	11/06/2019
Storage of marijuana	RC Retail_Storage of Marijuana .pdf	pdf	5dc324570f35e05798b3597c	11/06/2019
Transportation of marijuana	RC Retail_Transportation Procedures .pdf	pdf	5dc3245826aa775320859d66	11/06/2019
Inventory procedures	RC Retail_Inventory Procedures.pdf	pdf	5dc32459160e3b57a3dd0be7	11/06/2019
Quality control and testing	RC Retail_Quality Control and Testing .pdf	pdf	5dc3245abcb01253152f46bf	11/06/2019
Dispensing procedures	RC Retail_Dispensing Procedures.pdf	pdf	5dc3245b8bdcfd57ae5243cc	11/06/2019
Qualifications and training	RC Retail_Qualifications and Training .pdf	pdf	5dc32479160e3b57a3dd0beb	11/06/2019
Record Keeping procedures	RC Retail_Recordkeeping Procedures.pdf	pdf	5dc324798bdcfd57ae5243d0	11/06/2019
Maintaining of financial records	RC Retail_Maintaining Financial Records.pdf	pdf	5dc3247abcb01253152f46c3	11/06/2019
Restricting Access to age 21 and older	RC Retail_Plan for Restricting Access to age 21 and Older.pdf	pdf	5dc4776826aa77532085a0ab	11/07/2019
Diversity plan	Hope Community Church Signed Letter.pdf	pdf	5dc5e7ccfd468857b99bb2d1	11/08/2019
Plan for obtaining marijuana or marijuana products	RC Retail Amherst_Plan for Obtaining Marijuana Products_Updated.pdf	pdf	5f1f4419cb97e3700c535df4	07/27/2020
Security plan	RC Retail Amherst_Security Plan.pdf	pdf	5f2089561c4abd74527f53d3	07/28/2020
Personnel policies including background checks	RC Retail Amherst_Personnel Policies.pdf	pdf	5f2089618767bb7013cb218a	07/28/2020
Diversity plan	RC Retail Amherst_Diversity Plan.pdf	pdf	5f21d65ac124977059ce873f	07/29/2020

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

ATTESTATIONS

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

Commission.: I Agree

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

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

Notification: I Understand

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

HOURS OF OPERATION

Monday From: 9:00 AM	Monday To: 8:00 PM
Tuesday From: 9:00 AM	Tuesday To: 8:00 PM
Wednesday From: 9:00 AM	Wednesday To: 8:00 PM
Thursday From: 9:00 AM	Thursday To: 8:00 PM
Friday From: 9:00 AM	Friday To: 8:00 PM
Saturday From: 10:00 AM	Saturday To: 8:00 PM
Sunday From: 10:00 AM	Sunday To: 8:00 PM

Host Community Agreement Certification Form

The applicant and contracting authority for the host community must complete each section of this form before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant and/or municipality appear in italics. Please note that submission of information that is "misleading, incorrect, false, or fraudulent" is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).

Applicant

I, Salvatore R. Carabetta, (*insert name*) certify as an authorized representative of RC Retail Amherst LLC (*insert name of applicant*) that the applicant has executed a host community agreement with Town of Amherst (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on September 25, 2019 (*insert date*).



Signature of Authorized Representative of Applicant

Host Community

I, PAUL BOCKEMAN, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for TOWN OF AMHERST (*insert name of host community*) to certify that the applicant and TOWN OF AMHERST (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on SEPTEMBER 25, 2019 (*insert date*).



Signature of Contracting Authority or
Authorized Representative of Host Community

PLAN TO REMAIN COMPLIANT WITH LOCAL ZONING

RC Retail Amherst LLC (“RC Retail”) will be compliant with the local zoning requirements set forth in the Amherst Zoning By-law. In accordance with Zoning By-law Section 3.363, RC Retail’s proposed marijuana retailer is located in the Village Center Business Zoning District designated for marijuana retailers.

In compliance with 935 CMR 500.110(3), the property is not located within 500 feet of a pre-existing public or private school providing education in kindergarten or any of grades 1 through 12.

As required by Amherst’s Zoning By-law, RC Retail will apply for a Special Permit and/or Site Plan Approval, as applicable, from the Zoning Board of Appeals. In accordance with Section 10.37 of the Amherst Zoning By-law, a Special Permit shall lapse within two years of the date that it is filed with the Town Clerk by the Zoning Board of Appeals unless it has been both recorded at the Registry of Deeds and substantial construction or use thereunder has commenced within this period.

RC Retail will apply for any other local permits required to operate a marijuana retailer at the proposed location. RC Retail will comply with all conditions and standards set forth in any local permit required to operate a marijuana retailer at RC Retail’s proposed location.

RC Retail has already attended several meetings with various municipal officials and boards to discuss RC Retail’s plans for a proposed marijuana retailer and has executed a Host Community Agreement with Amherst. RC Retail will work cooperatively with Amherst’s municipal departments, boards, and officials to ensure that RC Retail’s marijuana retailer will comply with all local laws, regulations, rules, and codes with respect to design, construction, operation, and security.

Community Outreach Meeting Attestation Form

The applicant must complete each section of this form and initial each page before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant appear in italics. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).

I, **Salvatore Carabetta**, (*insert name*) attest as an authorized representative of **RC Retail Amherst LLC** (*insert name of applicant*) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on **August 6th, 2019** (*insert date*).
2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on **July 29th, 2019** (*insert date*), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document*).
3. A copy of the meeting notice was also filed on **July 30th, 2019** (*insert date*) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).
4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on **July 29th, 2019** (*insert date*), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).

5. Information was presented at the community outreach meeting including:
 - a. The type(s) of Marijuana Establishment to be located at the proposed address;
 - b. Information adequate to demonstrate that the location will be maintained securely;
 - c. Steps to be taken by the Marijuana Establishment to prevent diversion to minors;
 - d. A plan by the Marijuana Establishment to positively impact the community; and
 - e. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.
6. Community members were permitted to ask questions and receive answers from representatives of the Marijuana Establishment.

gazettenet.com

Legals

NOTICE OF PUBLIC MEETING

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for August 6, 2019 at 6:00 p.m. in the Webster Ballroom at The Inn on Boltwood, 30 Boltwood Avenue, Amherst, Massachusetts. The proposed Marijuana Retailer is anticipated to be located at 328 College Street. There will be an opportunity for the public to ask questions.

July 29

32142

Attachment B
Municipal Notice to Town Officials

NOTICE OF COMMUNITY OUTREACH MEETING

RC RETAIL AMHERST, LLC

NOTICE is hereby given that RC Retail Amherst, LLC ("RC Retail") will hold a Community Outreach Meeting on August 6, 2019 at 6 p.m. in the Webster Ballroom at The Inn on Boltwood, located at 30 Boltwood Avenue, Amherst, MA 01002 to discuss the proposed siting of a Marijuana Establishment in the Town of Amherst.

RC Retail intends to apply for a license to operate as a Marijuana Retailer, to be located at 328 College Street, Amherst, in accordance with MGL c. 94G, and the Massachusetts Cannabis Control Commission's regulation at 935 CMR 50.000 *et seq.*

Topics to be discussed at the meeting will include, but not be limited to: the type of Marijuana Establishment to be located at 328 College Street in Amherst; plans for maintaining a secure facility; plans to prevent diversion to minors; plans to positively impact the community; and, plans to ensure the establishment will not constitute a nuisance to the community.

Interested member of the community are encouraged to ask questions and receive answer from RC Retail's representatives about its proposed facility and operations.

Attachment C
Municipal Notice To Abutters

NOTICE OF COMMUNITY OUTREACH MEETING

RC RETAIL AMHERST, LLC

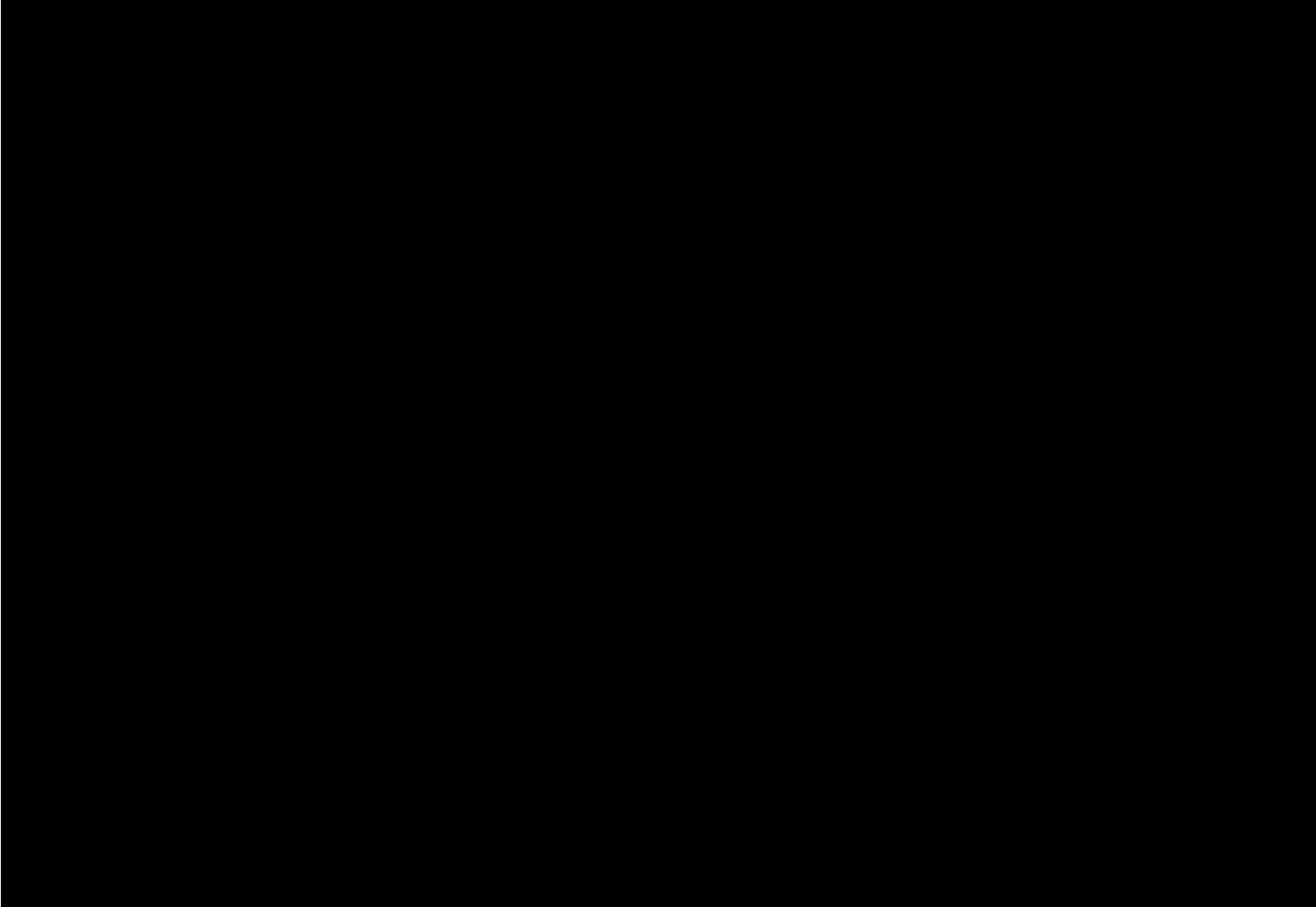
NOTICE is hereby given that RC Retail Amherst, LLC ("RC Retail") will hold a Community Outreach Meeting on August 6, 2019 at 6 p.m. in the Webster Ballroom at The Inn on Boltwood, located at 30 Boltwood Avenue, Amherst, MA 01002 to discuss the proposed siting of a Marijuana Establishment in the Town of Amherst.

RC Retail intends to apply for a license to operate as a Marijuana Retailer, to be located at 328 College Street, Amherst, in accordance with MGL c. 94G, and the Massachusetts Cannabis Control Commission's regulation at 935 CMR 50.000 *et seq.*

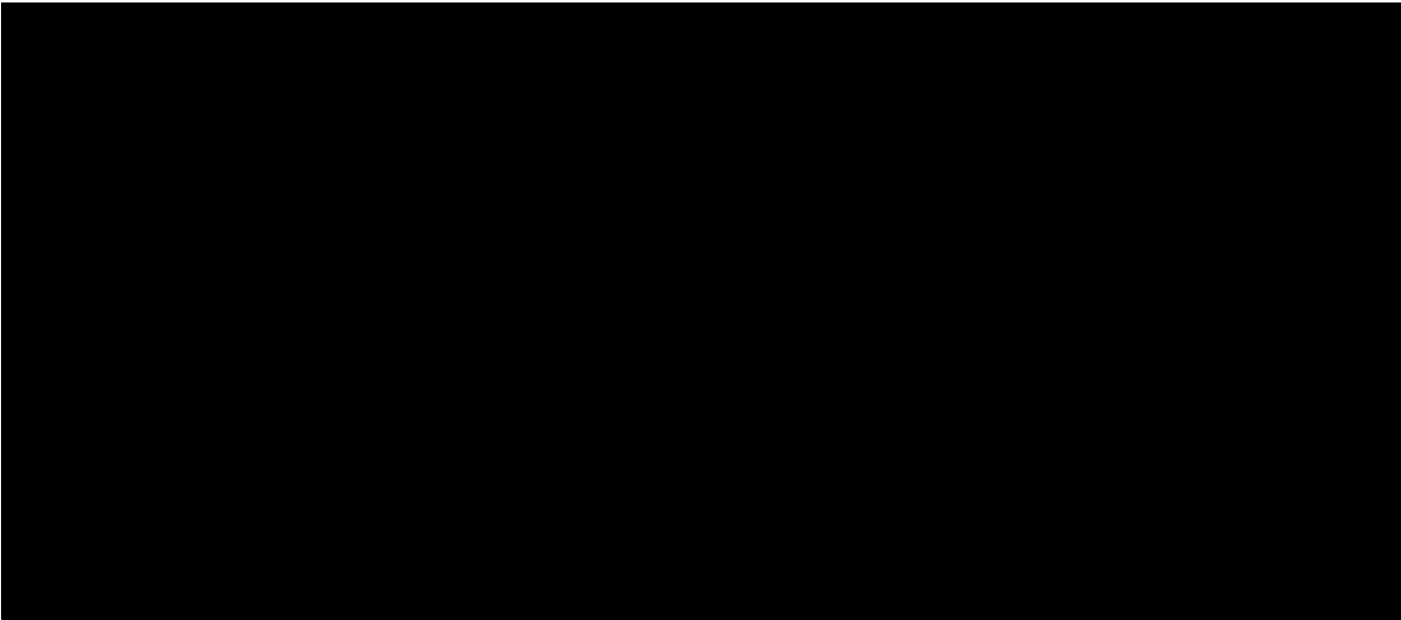
Topics to be discussed at the meeting will include, but not be limited to: the type of Marijuana Establishment to be located at 328 College Street in Amherst; plans for maintaining a secure facility; plans to prevent diversion to minors; plans to positively impact the community; and, plans to ensure the establishment will not constitute a nuisance to the community.

Interested member of the community are encouraged to ask questions and receive answer from RC Retail's representatives about its proposed facility and operations.

Town of Amherst Abutter List

<i>Parcel ID</i>	<i>Parcel Address</i>	<i>Owner1</i>	<i>Owner2</i>	<i>Address</i>	<i>CityStZip</i>
					AMHERST, MA 01002
					AMHERST, MA 01002
					AMHERST, MA 01002
					LUDLOW, MA 01056
					AMHERST, MA 01002
					AMHERST, MA 01002
					AMHERST, MA 01004-0506
					BRAINTREE, MA 02184
					FLORENCE, MA 01062
					AMHERST, MA 01002
					AMHERST, MA 01002
					HADLEY, MA 01035
					AMHERST, MA 01002
					AMHERST, MA 01002

Attachment C
Municipal Notice to Abutters

<i>Parcel_ID</i>	<i>Parcel_Address</i>	<i>Owner1</i>	<i>Owner2</i>	<i>Address</i>	<i>CityStZip</i>
					LONGMEADOW, MA 01106
					SPRINGFIELD, MA 01104
					SPRINGFIELD, MA 01104
					AMHERST, MA 01002
					PELHAM, MA 01002
					AMHERST, MA 01002
					WESTON, MA 02493-2037
					AMHERST, MA 01004
					AMHERST, MA 01002

Plan to Positively Impact Areas of Disproportionate Impact

Overview

RC Retail Amherst LLC (“RC Retail”) is dedicated to serving and supporting populations falling within areas of disproportionate impact, which the Commission has identified as the following:

1. Past or present residents of the geographic “areas of disproportionate impact,” which have been defined by the Commission and identified in its Guidance for Identifying Areas of Disproportionate Impact;
2. Commission-designated Economic Empowerment Priority applicants;
3. Commission-designated Social Equity Program participants;
4. Massachusetts residents who have past drug convictions; and
5. Massachusetts residents with parents or spouses who have drug convictions.

To support such populations, RC Retail has created the following Plan to Positively Impact Areas of Disproportionate Impact (the “Plan”) and has identified and created goals and programs to positively impact past or present residents of the Town of Amherst.

Goals

In order for RC Retail to positively impact past or present residents of the Town of Amherst, RC Retail has established the following goals:

1. Ensure that at least 10% of RC Retail’s staff is comprised of past or present residents of the Town of Amherst.
2. Volunteer a minimum of fifty (50) hours of time annually to Family Outreach of Amherst, 401 Main Street, Suite 12, Amherst, MA 01002 (“Family Outreach”). Family Outreach is the safety net for low-income families in Amherst and the surrounding communities. They address issues that struggling families face including: mental health, domestic violence, addiction, housing, and life skills. Family Outreach provides services ranging from case management to crisis intervention.
3. Contribute a minimum of \$5,000.00 annually to Family Outreach.

Programs

RC Retail has developed specific programs to effectuate its stated goals to positively impact past or present residents of the Town of Amherst. Such programs will include the following:

1. Hiring Practices
 - a. All new jobs postings at RC Retail will be posted on all physical and online job boards at Family Outreach as positions become available (but not less than annually).
 - b. RC Retail will host at least two (2) job fairs at Family Outreach per year. Attendees at the job fair will be provided with an intake form that includes questions to determine if the individual is a past or present resident of the Town of Amherst. Job fairs will be able to accommodate no fewer than twenty (20) attendees.

2. RC Retail Community Service Program

- a. RC Retail will establish a company-sponsored community service program benefiting Family Outreach. RC Retail will dedicate a minimum of fifty (50) hours per year of volunteer time to Family Outreach and will work with Family Outreach to determine the best programs to use such volunteer time. Volunteer time may include assisting Family Outreach's community meal programs and participating in support services and events for Amherst residents.
- b. In addition to RC Retail's commitment to volunteer a minimum of fifty (50) hours of time annually to Family Outreach, RC Retail will also contribute a minimum of \$5,000.00 annually to the organization.

Measurements

The Managing Member will administer the Plan and will be responsible for developing measurable outcomes to ensure RC Retail continues to meet its commitments. Such measurable outcomes, in accordance with RC Retail's goals and programs described above, include:

- Ensuring that at least 10% of the staff is comprised of past or present residents of the Town of Amherst by providing regular staffing audits of employees hired, retained, and promoted;
- Documenting all of the online and physical job postings at Family Outreach;
- Documenting all job fairs held at Family Outreach including the intake forms and resumes received as a result of such job fairs;
- Documenting compliance for each employee with the community service requirements, which will be tracked and include the date when the community service was performed and the type of community service provided; and
- Documenting each annual donation made to Family Outreach.

Beginning upon receipt of RC Retail's first Provisional License from the Commission to operate a marijuana establishment in the Commonwealth, RC Retail will utilize the proposed measurements to assess its Plan and will account for demonstrating proof of success or progress of the Plan upon the yearly renewal of the license. Furthermore, the Managing Member will review and evaluate RC Retail's measurements no less than twice a year to ensure that RC Retail is meeting its commitments.

Acknowledgements

- As identified above, RC Retail intends to provide financial and other support to Family Outreach and acknowledges that Family Outreach has been contacted and will receive the donation of time and funding described herein.
- RC Retail will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.

- Any actions taken, or programs instituted, by RC Retail will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

**OPERATING AGREEMENT
OF
RC RETAIL AMHERST LLC**

This Operating Agreement of RC Retail Amherst LLC, a Massachusetts limited liability company (the "Company"), is entered into and shall be effective as of the 1st day of November, 2019, by and among the Company, each of the Members (defined below) set forth on the signature pages hereto and any Person that may be admitted as a Member after the date hereof subject to and in accordance with terms and conditions of this Operating Agreement, and the Manager (defined below).

WHEREAS, the Company was formed pursuant to the Act (defined below) by the filing on May 29, 2019 of the Certificate of Organization (defined below) with the office of the Massachusetts Secretary of the Commonwealth (the "Massachusetts Secretary");

WHEREAS, prior to the date of this Operating Agreement there has been no written agreement as to the conduct of the business and affairs of the Company;

WHEREAS, since its formation, the Company's sole Member and sole Manager have been Red Cardinal MA LLC, a Massachusetts limited liability company ("Red Cardinal"); and

WHEREAS, the parties hereto desire to set forth the terms of their agreement as to their respective rights, obligations, and duties with respect to the assets, operation and management of the Company, and to effect the continuation of the Company on the terms set forth herein;

NOW THEREFORE, for and in consideration of the mutual covenants herein contained and for other good and valid consideration, the receipt and sufficiency of which are hereby acknowledged, the Members and the Manager enter into this Operating Agreement and hereby agree that the Company shall be operated in accordance with the provisions of this Operating Agreement, under and pursuant to the Act, as follows:

**ARTICLE I
DEFINITIONS**

The foregoing recitals are hereby incorporated in this Operating Agreement as if fully set forth herein. In addition, the following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein);

(a) "Act" shall mean the Massachusetts Limited Liability Company Act as codified in Chapter 156D of the General Laws of Massachusetts and as amended from time to time.

(b) "Affiliate" of any Person means any Person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with the Person specified. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and

policies of such Person, whether through the ownership of voting securities, by contract, or otherwise.

(c) “Capital Account” as of any given date shall mean the Capital Contribution to the Company by a Member as adjusted up to the date in question pursuant to Article VIII.

(d) “Capital Contribution” shall mean any contribution by a Member to the capital of the Company in cash or property (valued at an amount determined by the Manager in its sole and absolute discretion) in accordance with this Operating Agreement, whenever made, including, but not limited to, the Initial Capital Contributions and, in the case of Red Cardinal, any capital contributed to the Company in connection with the construction, build out and development of a brick-and-mortar retail store.

(e) “Cause Event” shall mean, as to any Profits Interest Member:

(i) if such Profits Interest Member or its Owner, as applicable, fails to provide consulting services to the Company as and when reasonably requested by or on behalf of the Company from time to time for no additional consideration;

(ii) if such Profits Interest Member or its Owner is a party to an action for dissolution of his or her marriage;

(iii) if bankruptcy or insolvency proceedings are commenced by or against such Profits Interest Member or its Owner as the debtor in such proceedings;

(iv) if any of such Profits Interest Member’s Membership Interest, or its Owner’s interest in such Profits Interest Member, is Transferred or disposed of involuntarily (whether by law, by judicial or other governmental process, order or proceeding or otherwise);

(v) if such Profits Interest Member Transfers or attempts to Transfer of any of its Membership Interest, or, if its Owner attempts to Transfer any of its interest in such Profits Interest Member, in violation of this Operating Agreement;

(vi) if such Profits Interest Member or its Owner commits any act constituting fraud, gross negligence, willful misconduct or is convicted of a felony;

(vii) if such Profits Interest Member or its Owner breaches any provision of this Agreement or any other agreement, document or other instrument entered into with the Company, including any award agreements granting such Profits Interest Member its Membership Interest in the Company;

(viii) if such Profits Interest Member or its Owner (or any of their respective Affiliates) commences any litigation, arbitration, or similar proceeding against the Company, the Manager, any Voting Member, or any Affiliate of the

Manager or any Voting Member (or against any employees or representatives of any of the foregoing);

(ix) if the Manager determines in its sole and absolute discretion that such Profits Interest Member or its Owner has engaged, or is engaging, in any conduct that is detrimental or reasonably can be expected to be detrimental to the business or operations of the Company or its Affiliates;

(x) if the Manager determines in its sole and absolute discretion that such Profits Interest Member's ownership (or its Owner's indirect ownership) of an interest in the Company has been or will be materially detrimental to, or will otherwise limit, the Company's eligibility for any license or permit that is necessary or desirable in connection with the Company's business; or

(xi) if the Manager determines in its sole and absolute discretion not to open a retail store at 328 College Street, Amherst, MA 01002.

(f) "Certificate of Organization" shall mean the Certificate of Organization of the Company, as filed with the Massachusetts Secretary of the Commonwealth on or about May 29, 2019, as the same have been and may be amended or restated from time to time.

(g) "Code" shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws, as amended from time to time.

(h) "Company" shall have the meaning given in the preamble of this Operating Agreement.

(i) "Deficit Capital Account" shall mean, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year.

(j) "Entity" shall mean a general partnership, a limited partnership, a domestic or foreign limited liability company, a trust, an estate, an association, a corporation or any other legal or commercial entity.

(k) "Fiscal Year" shall mean the Company's fiscal year, which shall be the calendar year.

(l) "Hypothetical Sale Payment" means, as to any Profits Interest Member on any date, the hypothetical amount such Profits Interest Member would receive if all of the assets of the Company were sold in a single transaction to a third party at fair market value and the proceeds of such sale were applied and distributed on such date in the following order of priority:

(1) To the payments of debts, obligations and liabilities of the Company (other than the contributions of the Members and any loans or advances that may have been made by a Member to the Company);

(2) To the payment of loans by a Member, if any, including any interest thereon;

(3) To the payment of the Members' Capital Contributions plus advances deemed to be Capital Contributions, if any; and

(ii) Any balance then remaining apportioned among all the Members in accordance with their respective Membership Interests.

(m) "Indemnified Party" means each of Red Cardinal, the Manager, the Officers, the Tax Matters Representative, the Designated Individual (if any), or any of their respective principals, heirs, executors, administrators, members, stockholders, employees, employers, officers, directors, managers, beneficial owners, attorneys, or agents (together, the "Indemnified Parties").

(n) "Initial Capital Contribution" shall mean each Member's initial Capital Contribution to the Company pursuant to this Operating Agreement, as set forth on the Membership Schedule.

(o) "Majority Interest" shall mean the Membership Interest of one or more Voting Members, which, taken together, exceed 50% of the aggregate of all Membership Interest of all Voting Members.

(p) "Majority Vote" shall mean the affirmative vote of the Voting Members holding a Majority Interest.

(q) "Manager" means the Person or Persons named as a Manager in Section 5.1 of this Operating Agreement, and any other Person who becomes an additional, substitute or replacement Manager as permitted by this Operating Agreement.

(r) "Member" shall mean each of the parties who executes a counterpart of this Operating Agreement as a Member and each of the parties who may hereafter become Members as permitted herein. If a Person is a Member immediately prior to the purchase or other acquisition by such Person of an additional Membership Interest, such Person shall have all the rights of a Member with respect to such purchased or otherwise acquired Membership Interest.

(s) "Membership Interest" shall mean a Member's entire interest in the Company including, for Voting Members, the right to participate in the management of the business and affairs of the Company, including the right to vote on, consent to, or otherwise participate in any decision or action of or by the Members granted pursuant to this Operating Agreement or the Act (to the extent not otherwise amended by this Operating Agreement). The Membership Interest of each Member shall be as listed on the Membership Schedule.

(t) "Membership Schedule" shall mean the schedule of Members maintained by the Manager with the records of the Company.

(u) "Net Profits" and "Net Losses" shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined in accordance with the method of accounting selected by the Members at the close of each fiscal year on the Company's information tax return filed for federal income tax purposes.

(v) “Operating Agreement” shall mean this Operating Agreement as originally executed and as amended from time to time.

(w) “Owner” means, as to each Profits Interest Member that is an Entity, the Person who owns the equity interests in such Profits Interest Member.

(x) “Operating Proceeds” means the net revenues from the Company’s ordinary operations, less (i) the Company’s operating expenses and other expenditures incident to the operation of the Company’s business (including but not limited to salaries and benefits, taxes, rent and inventory), (ii) the Company’s debt service (including but not limited to principal and interest payments on capital improvements, other indebtedness, or any other sums paid to lenders), and (iii) and the setting aside of such Reserves as the Manager, in its sole discretion, deems necessary to the proper operation of the Company’s business, all as calculated by the Manager in its sole discretion.

(y) “Person” shall mean an individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such “Person” where the context so permits.

(z) “Profits Interest Member” means a Member holding a Profits Interest, as set forth in Section 12.2.

(aa) “Reserves” shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Manager for capital expenditures, working capital, expansions, and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company’s business.

(bb) “Revised Partnership Audit Procedures” means the provisions of Subchapter C of Subtitle A, Chapter 63 of the Code, as amended by P.L. 114 74, the Bipartisan Budget Act of 2015 (together with any subsequent amendments thereto, Treasury Regulations promulgated thereunder, and published administrative interpretations thereof) or any similar procedures established by a state, local, or non-U.S. taxing authority.

(cc) “Transfer” means, with respect to a Membership Interest, any direct or indirect sale, assignment, gift, hypothecation, exchange, pledge or any other transfer, whether for consideration or no consideration, of any Membership Interest or any shares or any interest therein, including permitting or suffering a levy or attachment on the Membership Interest, or any agreement to do any of the same, and also including any direct or indirect sale, assignment, gift, hypothecation, exchange, pledge or any other transfer by any Owner of all or any portion of its interest in any Profits Interest Member.

(dd) “Treasury Regulations” shall include proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Organization and the corresponding sections of any regulations subsequently issued that amend or supersede such.

(ee) “Voting Members” shall mean the Members other than the Profits Interest Members.

ARTICLE II FORMATION AND CONTINUATION OF COMPANY

The Company has been formed as a limited liability company under the Act by the filing of its Certificate of Organization with the Massachusetts Secretary on May 29, 2019. The Certificate of Organization and the filing thereof are hereby ratified and affirmed by the Members.

ARTICLE III BUSINESS OF COMPANY

The business of the Company shall be as set forth in the Certificate of Organization. The Company shall have the authority to do all things necessary or convenient to accomplish its purpose and operate its business as described in this Article III.

ARTICLE IV NAMES AND ADDRESSES OF MEMBERS

Section 4.1 Members. The name and mailing address of each Member and the Membership Interest owned by each Member, as in effect from time to time, shall be listed on Membership Schedule. The Manager shall update the Membership Schedule from time to time as necessary to accurately reflect changes in address and/or Membership Interest owned. Any amendment to the Membership Schedule made to reflect an action taken in accordance with this Agreement shall not be deemed an amendment to this Agreement. Any reference in this Agreement to the Membership Schedule shall be deemed a reference such Membership Schedule as amended, updated, and/or in effect from time to time. The Membership Schedule shall be treated as confidential, and the Manager shall not be required to provide any Member with the name, mailing address or Membership Interest of any other Member.

Section 4.2 Company Address. The principal place of business of the Company is 328 College Street, Amherst, MA 01002, or such other place as may be designated by the Manager from time to time. The Company’s primary mailing address shall be 200 Pratt Street, Meriden, Connecticut 06450, or such other place as may be designated by the Manager from time to time.

ARTICLE V RIGHTS AND DUTIES OF MANAGER AND MEMBERS

Section 5.1 Management. The business and affairs of the Company shall be managed by its Manager, who need not be a Member of the Company. Red Cardinal is the initial Manager of the Company. Upon the resignation of a Manager at a time when no replacement Manager has been named, the Voting Members, acting by a Majority Vote, shall appoint a replacement Manager.

Section 5.2 Certain Powers of Manager. Without limiting the generality of Section 5.1, the Manager shall have power and authority on behalf of the Company:

(a) To cause the Company to engage in any business and to acquire any other property, real or personal, incident to the foregoing purposes.

(b) To acquire, operate, lease and manage or contract for management of the property (real or personal) and business of the Company and to sell or otherwise dispose of property.

(c) To borrow money for working capital for the Company or for other business needs or for investment purposes from individuals, banks, other lending institutions, or from Members or affiliates of Members, on such terms as the Manager deems appropriate, and in connection therewith, to mortgage, hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums.

(d) To enter into contracts with vendors and consultants, including, but not limited to, vendors and consultants who are Members or affiliates of Members or of the Manager.

(e) To purchase liability and other insurance to protect the Company's property and business.

(f) To hold and own any Company real and/or personal properties, including leasehold interests, mortgages, notes or other evidences of indebtedness or security therefore, in the name of the Company or in the name of a nominee.

(g) To invest any Company funds temporarily (by way of example, but not limitation) in time deposits, short-term governmental obligations, commercial paper or other investments.

(h) To sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan, and to distribute the proceeds thereof or to invest and reinvest in other business ventures.

(i) To execute on behalf of the Company all instruments and documents, including, without limitation, checks; drafts; contracts of every kind or nature; notes and other negotiable instruments; leases; mortgages and security agreements; financing statements; documents providing for the acquisition or disposition of property, real and personal, tangible or intangible; assignments; bills of sale; and any other instruments or documents necessary or appropriate, in the opinion of the Manager, to the business of the Company.

(j) To employ accountants, legal counsel, agents or others experts to perform services for the Company and to compensate them from Company funds.

(k) To enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Manager may approve.

(l) To hire and fire employees, agents and consultants and set compensation and management fees from time to time.

(m) To initiate, prosecute and/or defend lawsuits or other actions in the name of or on behalf of the Company or its Members.

(n) To appoint and remove officers of the Company as further described in Article VII.

(o) To cause the Company to issue additional Membership Interests, including Profits Interests or Membership Interests in exchange for additional Capital Contributions, and to exercise all rights of the Company with respect to such Membership Interests, including, but not limited to, causing the Company to redeem such Membership Interests in accordance with this Operating Agreement, all in the Manager's sole discretion.

(p) To do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

Unless authorized to so do by this Operating Agreement or by written authorization of the Manager, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose.

Section 5.3 Manager Has No Exclusive Duty to Company. Except as otherwise provided herein, the Manager shall not be required to manage the Company as his or its sole and exclusive function and may have other business interests and may engage in other activities in addition to those relating to the Company. Red Cardinal, the Manager and any of their respective Affiliates may, however, contract with the Company.

Section 5.4 Bank Accounts. The Manager may from time to time open bank accounts in the name of the Company, and may designate the Manager or any Officer (defined below) to be the signatory thereon.

Section 5.5 Company Books. In accordance with Section 10.2 herein, the Manager shall maintain books of account and records with respect to the Company's business. Upon reasonable request and at such Member's expense, each Voting Member shall have the right to examine such books and records during normal business hours in a manner determined by the Manager not to unreasonably interfere with the business of the Company or the work of its employees. Except as specifically provided in this Section 5.5 as to Voting Members or Section 6.2 as to all Members, or as otherwise required by unwaivable provisions of the Act, no Member shall have the right to examine the Company's books, records, or documents, and neither the Company nor the Manager shall have any additional obligation to provide information, documents, materials, or records of any kind to any Member.

Section 5.6 Standard of Care; Exculpation.

(a) *No Fiduciary Duties.* To fullest extent permitted by law:

(i) notwithstanding any duty otherwise existing at law or in equity, and notwithstanding any other provision of this Agreement, no Indemnified Party shall owe any duty (including fiduciary duties) to the Company, any Member or

any other Person that is a party to or is otherwise bound by this Agreement, in connection with any act or failure to act, whether hereunder, thereunder or otherwise;

(ii) no Indemnified Party shall have any liability to the Company, the Members, or any other Person that is a party to or is otherwise bound by this Agreement for monetary damages or any other loss in connection with any act or failure to act, or breach, whether under this Agreement, the Act or otherwise; and

(iii) notwithstanding anything to the contrary in this Agreement, to the extent that, at law or in equity, an Indemnified Party has duties (including fiduciary duties) and liabilities relating thereto to the Company, any Member, or any other Person, such Indemnified Party acting under this Agreement shall not be liable to the Company, any Member, or any other Person for breach of such duties (including breach of fiduciary duties) for its reliance on the provisions of this Agreement, and the provisions of this Agreement, to the extent that they restrict or eliminate the duties (including fiduciary duties) and liability of an Indemnified Party otherwise existing at law or in equity, are agreed by each Member to replace such other duties and liabilities of such Indemnified Party to the maximum extent permitted by the Act and any other applicable laws.

(b) Each Indemnified Party shall be fully protected in acting, or refraining from acting, in reliance upon the records required to be maintained under Article X and upon such information, opinions, reports or statements by any other Member, Manager, Officer or agent of the Company, or by any other person, as to matters the Indemnified Party believes are within such other person's professional or expert competence and who has been selected by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits or losses of the Company or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

(c) If any provision of Section 5.6 of this Agreement is held to be invalid, illegal or unenforceable, the duties and personal liability of any Indemnified Party to the Company, of any Member or any other Person that is a party to or is otherwise bound by this Agreement shall be eliminated to the greatest extent permitted under the Act.

Section 5.7 Indemnity. The Company shall indemnify and hold harmless each Indemnified Party from and against all losses, liabilities, damages, claims and expenses incurred by such Indemnified Party as a result of any actions or omissions taken or omitted in connection with providing services to the Company, the performance of such Indemnified Person's duties under this Agreement, or by reason of any other action or omission taken or omitted by such Indemnified Person arising out of or in connection with such Indemnified Person's affiliation or relationship with the Company in any way, including, but not limited to, such Indemnified Person's acts or omissions as a member, manager, officer, agent or representative of the Company or its Affiliates.

Section 5.8 Compensation of Manager and Members. The Manager and Officers of the Company may, in the Manager's discretion, receive compensation for their respective services to the Company. The Manager shall be reimbursed all reasonable expenses incurred in managing the Company. Members shall receive no compensation for service to the Company unless there is approval of the Manager.

Section 5.9 Tax Matters Representative. Red Cardinal is hereby designated as the "partnership representative" of the Company for any tax period subject to the provisions of Section 6223 of the Code, as amended by the Revised Partnership Audit Procedures (the "Tax Matters Representative"). At any time and in accordance with the Revised Partnership Audit Procedures, the status of the Tax Matters Representative of the Company may be terminated by the Manager, and the Manager may designate a replacement Tax Matters Representative of the Company. The Tax Matters Representative shall timely appoint a "designated individual" meeting the requirements of the Code and the Treasury Regulations (the "Designated Individual") and the Designated Individual shall act at the direction of the Tax Matters Representative. At any time, the Tax Matters Representative may remove and/or replace any such Designated Individual, all in accordance with the Revised Partnership Audit Procedures. The Tax Matters Representative shall be the exclusive spokesman of the Company in the course of an audit or any litigation involving the Company as a party arising from the tax treatment of any Company item; provided, that the Tax Matters Representative shall not settle, extend the statute of limitations, make any election the Revised Partnership Audit Procedures, or compromise any matter raised by the Internal Revenue Service, in each case, without the Manager's consent. The Members agree to cooperate in good faith to timely provide information reasonably requested by the Tax Matters Representative. To the extent that the Company is assessed amounts under Section 6221(a) of the Revised Partnership Audit Procedures, each current or former Member to which this assessment relates shall pay to the Company such Member's share of the assessed amounts, including such Member's share of any additional accrued interest assessed against the Company relating to such Member's share of the assessed amounts, upon thirty (30) days written notice from the Tax Matters Representative requesting the payment (or alternatively the Tax Matters Representative can reasonably allow some or all of the assessment to reduce a Member's future Company distributions, pro rata and pari passu, based on the Members' shares of the assessment).

The provisions contained in this Section 5.9 shall survive the dissolution of the Company and the withdrawal of any Member or the transfer of any Member's interest in the Company. Neither the Tax Matters Representative nor the Designated Individual shall have personal liability arising out of his, her or its good faith performance of his, her or its duties as the Tax Matters Representative or Designated Individual, as applicable, hereunder.

ARTICLE VI

ADDITIONAL RIGHTS, DUTIES AND OBLIGATIONS OF MEMBERS AND MANAGER

Section 6.1 Limitation of Liability. Each Member's and Manager's liability shall be limited as set forth in this Operating Agreement.

Section 6.2 Reports to Members. As soon as reasonably practicable after the close of the Company's annual accounting period the Manager will cause to be prepared at the

Company's expense, and will cause the Company to make available to each Member upon request, unaudited financial statements prepared by the Company's accountants containing a balance sheet as of the end of such accounting period and an income statement for such accounting period; provided, however, that the Manager may, in its discretion, cause audited financial statements to be prepared and made available to the Members at the Company's expense. The Manager shall use commercially reasonable efforts to make available to the Members the aforementioned financial statements within 90 days after the end of the accounting period.

Section 6.3 Priority and Return of Capital. Except as may be expressly provided in Article IX, no Member shall have priority over any other Member, either as to the return of Capital Contributions or as to Net Profits, Net Losses or distributions; provided that this Section shall not apply to repayment of loans (as distinguished from Capital Contributions) that a Member has made to the Company.

Section 6.4 Resignation of Manager. A Manager may resign at any time by giving written notice to the Members. The resignation of a Manager shall take effect three (3) business days following the giving of such notice. Unless otherwise specified in the notice, acceptance of the resignation by the Members shall not be necessary. The resignation of a Manager who is a Member shall not, by itself, affect the Member's rights as a Member and shall not constitute a withdrawal of a Member. A successor Manager shall be appointed as provided in Section 5.1, above.

Section 6.5 Members Not Employees of Company. Unless specifically provided herein, no Member shall be considered an employee of the Company, nor shall any Member undertake any activity on behalf of the Company or communicate with outside parties on behalf of the Company, unless specifically authorized to do so by the Manager.

ARTICLE VII OFFICERS

Section 7.1 Titles, Election and Duties. The Manager may appoint officers of the Company ("Officers") to assist in the operation and management of the Company, as it deems appropriate. The Officers may include a President, a Vice-President, a Treasurer, a Secretary, a Chief Executive Officer, a Chief Operating Officer, and such other officers as the Manager may, from time to time, appoint. The duties of Officers shall be such as are prescribed by this Operating Agreement and as may be prescribed or modified by the Manager in its sole discretion. The Manager may appoint such other Officers as it deems appropriate. No Officer shall have the authority to approve, authorize or conduct any business on behalf of the Company that is inconsistent with the Company's purpose or those powers of the Manager set forth in Section 5.2.

Section 7.2 President. The President, if appointed, shall be the Chief Executive Officer of the Company and shall perform such duties as may from time to time be assigned to him/her by the Manager. Generally, the President shall have general control and management of its business and affairs and shall handle the day to day operations of the Company. He/She shall preside at all meetings of the Members and shall perform all duties incident to the office of

President. The President shall report to the Members and the Manager on the affairs of the Company.

Section 7.3 Vice-President. The Vice-President, if appointed, shall perform such duties as may from time to time be assigned to him/her by the Manager or delegated to him/her by the President. In case of the death, disability or absence of the President, he/she shall fulfill all the duties and be vested with all the powers and responsibilities of the President.

Section 7.4 Treasurer. The Treasurer, if appointed, shall serve as the Chief Financial Officer and have charge and custody of and be responsible for all funds and securities of the Company, keep full and accurate accounts of receipts and disbursements and other customary financial records of the Company, deposit all moneys and valuable effects in the name and to the credit of the Company in depositories designated by the Manager, maintain responsibility for reporting, tax returns and asset management and, in general, perform such other duties as may from time to time be assigned to him/her by the Manager or the Members or as are incident to the office of Treasurer.

Section 7.5 Secretary. The Secretary, if appointed, shall keep a book of minutes of all meetings of the Board and shall issue all notices required by law or by this Operating Agreement, and he/she shall discharge all other duties required of a corporate secretary by law or imposed from time to time by the Manager or as are incident to the office of Secretary. He/She shall have the custody of all books, records and papers of the Company, except such as shall be in the charge of the Treasurer or of some other person authorized to have custody and possession thereof by the Manager. He/She is responsible for maintaining and authenticating corporate records.

Section 7.6 Chief Operating Officer. The Chief Operating Officer, if appointed, shall be in charge of identifying, securing and implementing suitable locations for a retail store in Amherst, Massachusetts and shall perform such duties on behalf of the Company as may from time to time be assigned to him/her and defined by the Manager.

Section 7.7 Term of Office. Each Officer shall serve for the term for which such Officer is elected and until such Officer's successor is duly elected or until such Officer's death or until such Officer shall have resigned or have been removed. Any Officer may be removed by the Manager at any time with or without cause and with or without notice or hearing. Vacancies among the Officers may be filled by the Manager.

ARTICLE VIII CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

Section 8.1 Members' Capital Contributions. Concurrently with the execution of this Operating Agreement, each Voting Member has made or has committed to make an initial Capital Contribution to the Company in the amount set forth in the Membership Schedule. To the extent not funded on or before the date of this Operating Agreement, each Member shall fund its initial Capital Contribution on or before such date as the Manager reasonably designates. Upon the funding of its initial Capital Contribution, each Member shall have an initial Capital Account in the amount of its initial Capital Contribution, and the Membership Interest set forth

opposite its name in the Membership Schedule. Each Profits Interest Member, upon the issuance of their respective Profits Interest, shall have the Membership Interest set forth opposite its name in the Membership Schedule.

Section 8.2 Additional Contributions. Except as set forth in Section 8.1, no Member shall be required to make any Capital Contribution. The Manager may determine from time to time that additional Capital Contributions are necessary or appropriate in connection with the conduct of the Company's business, including without limitation, capital for expansion or diversification or to meet operating deficits. In such event, the Voting Members shall have the opportunity (but not the obligation) to participate in such additional Capital Contributions on a pro rata basis in accordance with their respective Membership Interests.

Section 8.3 Capital Accounts.

(a) A separate Capital Account will be maintained for each Member. In general, each Member's Capital Account will be (i) increased by (a) the amount of money contributed by such Member to the Company; (b) the agreed fair market value of property or services contributed by such Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Section 752 of the Code); and (c) allocations to such Member of Net Profits; and (ii) decreased by (a) the amount of money distributed to such Member by the Company; (b) the fair market value of property distributed to such Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code); and (c) allocations to the account of such Member of Net Losses. Capital Accounts will be maintained in accordance with the requirements of 704(b) of the Code and the Treasury Regulations promulgated thereunder.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations.

(c) Upon liquidation of the Company, liquidating distributions will be made as provided in Section 9.7 below, as determined after taking into account all Capital Account adjustments for the Company's taxable year during which the liquidation occurs. Liquidation proceeds will be paid within sixty days of the end of the taxable year (or, if later, within 120 days after the date of the liquidation). The Company may offset damages for breach of this Operating Agreement by a Member whose interest is liquidated (either upon the withdrawal of the Member or the liquidation of the Company) against the amount otherwise distributable to such Member.

(d) No Member shall have any liability to restore all or any portion of a deficit balance in such Member's Capital Account.

ARTICLE IX
ALLOCATIONS, INCOME TAX AND DISTRIBUTIONS

Section 9.1 Allocation of Profits and Losses. The Net Profits and Net Losses of the Company for each Fiscal year will be allocated to the Members in the manner determined to

reasonably reflect the Members' respective Membership Interests set forth the Membership Schedule and in compliance with applicable tax law.

Section 9.2 Distributions.

(a) The Manager shall have sole discretion regarding the amounts and timing of distributions to Members, including to decide to forego payment of distributions in order to provide for the retention and establishment of reserves of, or payment to third parties of, such funds as it deems necessary with respect to the business needs of the Company (which needs may include the payment or the making of provision for the payment when due of the Company's obligations, including, but not limited to, present and anticipated debts and obligations, capital needs and expenses, or any other management or administrative fees and expenses, and reasonable reserves for contingencies). No Member shall have the right to demand and receive property other than cash irrespective of the nature of its Capital Contribution. All amounts withheld pursuant to the Code or any provisions of state and local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member pursuant to this Section.

(b) Except as provided in Section 8.3(c), and subject to Section 12.2:

(i) all distributions of Operating Proceeds determined to be made by the Manager pursuant to Section 9.2(a) shall be made to the Members and pro rata in proportion to their Membership Interests on the record date of such distribution; and

(ii) all distributions other than Operating Proceeds determined to be made by the Manager pursuant to Section 9.2(a) shall be made:

(1) first, to the Members pro rata in proportion to their respective unreturned Capital Contributions until each Member has received distributions pursuant to this Section 9.2(b)(ii)(1) in an amount equal to their unreturned Capital Contributions; and

(2) second, to the Members pro rata in proportion to their respective Membership Interests on the record date of such distribution;

provided, however, so long as allocations are made in accordance with this Article IX, individual Members' distributions may be made or added to their respective Capital Accounts from time to time in the sole and absolute discretion of the Manager.

Section 9.3 Limitation Upon Distributions. No distribution shall be declared and paid unless, after the distribution is made, the assets of the Company are in excess of all liabilities of the Company, except liabilities to Members on account of their Capital Contributions.

Section 9.4 Interest on and Return of Capital Contributions. No Member shall be entitled to interest on its Capital Contribution. No Member shall be entitled to withdraw or resign from the Company or demand return of its Capital Contribution, except as otherwise specifically provided for herein.

Section 9.5 Loans to Company. Nothing in this Operating Agreement shall prevent any Member from making secured or unsecured loans to the Company by agreement with the Company.

Section 9.6 No Right to Distribution. Anything in this Operating Agreement to the contrary notwithstanding, no Member shall be entitled to receive any distribution of money or other property by reason of such persons ceasing to be a Member, except (a) upon dissolution of the Company, or (b) as provided in Article XI below.

Section 9.7 Distribution Upon Dissolution and Termination.

(a) Subject to Section 12.2 below, upon the dissolution of the Company or upon termination thereof, unless the Company's business is continued, the Manager shall proceed to liquidation and termination of the Company, and the proceeds of such liquidation shall be applied and distributed in the following order of priority:

(1) To the payments of debts, obligations and liabilities of the Company (other than the contributions of the Members and any loans or advances that may have been made by a Member to the Company);

(2) To the ordinary and reasonable expenses of liquidation and the setting up of any reserves which the Manager may deem necessary for any contingent or unforeseen liabilities or obligations of the Company, or of the Manager, arising out of or in connection with the Company;

(3) To the payment of loans by a Member, if any, including any interest thereon;

(4) To the payment of the Members' Capital Contributions plus advances deemed to be Capital Contributions, if any; and

(5) Any balance then remaining shall be apportioned among all the Members in accordance with their respective Membership Interests.

(b) A reasonable time shall be allowed for the orderly liquidation of assets of the Company and the discharge of liabilities to creditors so as to enable the Manager to minimize the normal losses attendant upon a liquidation.

ARTICLE X
ACCOUNTING, REPORTS

Section 10.1 Accounting Period. The Company's accounting period shall be the calendar year.

Section 10.2 Records, Audits and Reports. The Company shall maintain or cause to be maintained records and accounts of all operations and expenditures of the Company. At a minimum the Company shall keep at its principal place of business the following records:

(a) A current and a past list setting forth in alphabetical order the full name and last known business, residence, or mailing address of each Member.

(b) A copy of the Certificate of Organization of the Company and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any articles of amendment have been executed.

(c) Copies of the Company's federal, state and local income tax returns and financial statements for the three most recent years, or, if such returns or statements were not prepared for any reason, copies of the information and statements provided to the members to enable them to prepare their federal, state and local tax returns for such period.

(d) Copies of the Company's current effective written Operating Agreement and all amendments thereto and copies of any written operating agreements no longer in effect.

(e) Other writings, if any, prepared pursuant to a requirement in this Operating Agreement.

Section 10.3 Returns and Other Elections. The Company shall cause the preparation and timely filing of all returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, shall be furnished to the Members as soon as practical, but in any event within 90 days, after the end of the Company's fiscal year. All elections permitted to be made by the Company under federal or state laws may be made by the Manager.

ARTICLE XI TRANSFERABILITY

Section 11.1 General.

(a) The provisions of this Article XI are intended to ensure stability in the management and business operations of the Company. Acceptance of these provisions is a material inducement to the Company and each Member in their admission to the Company and receipt of a Membership Interest.

(b) No Member shall have the right to Transfer all of any part of its Membership Interest except as hereinafter provided in this Article XI, except with the prior written consent of the Manager, which consent may be given or withheld in the Manager's sole and absolute discretion. Any attempted Transfer of a Membership Interest, or any part thereof, not in compliance with this Article or any terms of this Operating Agreement is null and void ab initio.

Section 11.2 Rights of Assignees. The purchaser or assignee of a Membership Interest shall have no right to participate in the management of the business and affairs of the Company or to become a Member unless and until such person is admitted as a Member in accordance with this Operating Agreement. Notwithstanding the foregoing, any such purchaser or assignee shall be deemed by acceptance of such purchase or assignment to have agreed to be bound by all of

the provisions of this Operating Agreement, including without limitation the provisions of this Article XI.

Section 11.3 Admission of Substitute Members. A purchaser or assignee of a Membership Interest shall be admitted as a Member and admitted to all the rights of the Member who initially sold the Interest only with the approval of the Manager. The Manager may grant or withhold the approval of such admission for any reason in the Manager's sole and absolute discretion. If so admitted, such Member has all the rights and powers and is subject to all the restrictions and liabilities of the Member who originally sold the Membership Interest. The admission of a purchaser or assignee of a Membership Interest as a Member, without more, shall not release the Member who originally sold the Membership Interest from any liability to Company that may have existed prior to the approval.

Section 11.4 Drag-Along Rights. If at any time a third party makes an offer to purchase, and Red Cardinal agrees to sell, at least a majority of the Membership Interest then held by Red Cardinal, Red Cardinal will have the right, but not the obligation, to require all other Members to sell a pro rata percentage of their Membership Interests to such third party, free of all liens or other encumbrances, for an amount equal to the amount that such Member or would receive if the total amount to be paid by such third party to acquire such Membership Interests (after providing for any purchase price adjustments, indemnification, or other obligations imposed on the sellers, which will be shared among the sellers pro rata (except for any such obligations that relate solely to a particular Member)) were distributed to the Members in accordance with the order and priority set forth in Section 9.2. Each Member (a) will be deemed to have provided any applicable consent to and favorable vote for (and, if requested, to confirm such consent to and vote for in writing), and agrees to raise no objections against, such sale, (b) shall execute and deliver all related documentation and take such other action in support of such sale, and make such representations and warranties, as may reasonably be requested by the Manager in order to carry out such sale and the terms and provisions of this Section 11.4, including, without limitation, executing and delivering instruments of conveyance and transfer, any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, and any similar or related documents, (c) shall bear and be solely responsible for its pro rata portion (based on Membership Interests being sold) of the Company's fees, costs, and expenses incurred in connection with such sale, and (d) hereby acknowledges and agrees that, in connection with such sale or any other sale of the Company or all or substantially all of its assets, it is not entitled to any dissenter's rights, appraisal rights, or similar rights under the Act or otherwise, and hereby waives all related claims (including any claims for breach of fiduciary duty arising out of or related to any such sale, claims relating to the fairness of such sale, the amount, nature, form or terms of consideration paid for the Membership Interests, the process or timing of such sale, or any similar claims), except for claims related to the net proceeds of such sale not being paid to the Members in accordance with the provisions of this Operating Agreement. Each Member hereby grants the Manager a power-of-attorney to sign any and all agreements and instruments being executed in connection with such sale pursuant to this Section 11.4 on behalf of such Member. Red Cardinal will, in its sole discretion, decide whether or not to pursue, consummate, postpone or abandon any sale as contemplated by this Section 11.4, and the terms and conditions thereof. Neither Red Cardinal nor any of its affiliates will have any liability to the other Members or the Company arising from, relating to or in connection with the

pursuit, consummation, postponement or terms and conditions of any such sale, except to the extent Red Cardinal has failed to comply with the provisions of this Section 11.4.

Section 11.5 Special Repurchase and Forfeiture Rights Applicable to Profits Interest Members.

(a) At any time following the occurrence of a Cause Event as to any Profits Interest Member (such Profits Interest Member, a “Defaulting Member”), the Company may, in the sole discretion of the Manager, terminate all or any portion of a Defaulting Member’s Membership Interest in the Company. Such termination shall be effective immediately upon the Company providing notice of such termination to such Defaulting Member (a “Default Notice”), whereupon the applicable Defaulting Member’s entire Membership Interest and all other rights and interest in the Company, including but not limited to the right to receive any accrued but then-unpaid distributions, shall immediately, and without requiring any further action by any Person, be forfeited, canceled and of no further effect.

(b) At any time, upon not less than three days’ prior notice to a Profits Interest Member, the Company shall have the right to purchase and redeem, and require any Profits Interest Member to Sell to the Company, such Profits Interest Member’s entire Membership Interest for a purchase price equal to such Profits Interest Member’s Hypothetical Sale Payment as of the date of such Notice. The amount of such Hypothetical Sale Payment will be determined by a third-party appraiser chosen by the Manager in its sole discretion, and will be paid to the applicable Profits Interest Member within ninety days after such appraiser has delivered its determination of such amount to the Company (a copy of which determination will be provided to the applicable Profits Interest Member as promptly as reasonably practicable).

(c) In the event the Company exercises any of its rights under this Section 11.5, the applicable Profits Interest Member(s) shall take such additional action, and shall execute and deliver and acknowledge such additional certificates, instruments and documents as may be necessary or reasonably required to transfer, convey and assign its Membership Interest in accordance with the rights so exercised.

ARTICLE XII
ADDITIONAL MEMBERS

Section 12.1 New Members. Any person or entity acceptable to the Manager and the Voting Members holding a Majority Interest may become a Member in the Company either by the issuance by the Company of Membership Interests for such consideration as the Manager and such Members by their written consent shall determine, subject to the terms and conditions of this Operating Agreement. No new Members shall be entitled to the retroactive allocation of losses, income or expense deductions incurred by the Company. The Members may, at their option, at the time a Member is admitted, close the Company books (as though the Company’s tax year had ended), or make pro-rata allocations of loss, income and expense deductions to a new Member for that portion of the Company’s tax year in which a Member was admitted in accordance with the provisions of Section 706(d) of the Code and the Treasury Regulations promulgated thereunder.

Section 12.2 Profits Interests. Notwithstanding anything herein to the contrary, the Members agree and acknowledge that any Membership Interest issued on or after the date of this Operating Agreement in respect of the performance of services (other than any interest issued in exchange for Capital Contributions) is intended to qualify as a "profits interest" within the meaning of Revenue Procedure 93-27 and Revenue Procedure 2001-43 ("Profits Interest"), and the economic rights of any Member holding a Profits Interest under this Operating Agreement shall be limited to the extent necessary so that such interest will qualify as a Profits Interest under Revenue Procedure 93-27 and Revenue Procedure 2001-43, and this Operating Agreement shall be interpreted accordingly. In general, this limitation means that, with respect to any Profits Interest issued on or after the date of this Operating Agreement, the economic rights with respect to such interest are limited to net income or appreciation in the Company occurring after the original date when such interest was granted (such limitation, the "Profits Interest Restriction"), all as reasonably determined by the Manager. Notwithstanding anything in this Agreement to the contrary, (a) a Profits Interest shall not include any right to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any decision of the Members, and (b) no Profits Interest Member shall have any right to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any decision of the Members.

ARTICLE XIII DISSOLUTION AND TERMINATION

Section 13.1 Dissolution.

(a) The Company shall be dissolved and its affairs shall be wound up upon the happening of the first to occur of the following:

- (i) at the time, if any, specified in its Certificate of Organization;
- (ii) upon written consent of Manager and the Voting Members holding at least two-thirds of the Membership Interest held by all Voting Members.
- (iii) at the time, if any, that there are no remaining Members of the Company; or
- (iv) upon entry of a decree of final dissolution under Section 44 of the Act.

(b) As soon as possible following the occurrence of any of the events specified in this Section 13.1 effecting the dissolution of the Company, the Manager shall proceed to wind up the Company's business in accordance with the Section 45 of the Act, and the Members shall cooperate as required.

ARTICLE XIV MISCELLANEOUS PROVISIONS

Section 14.1 Notices. Any notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be in writing and may be delivered

by certified or registered mail, postage prepaid, by hand, by e-mail or by any nationally recognized private courier. Such notices shall be mailed or delivered to the Members (or, in the case of a Profits Interest Member that is an Entity, to the Owner of such Profits Interest Member) at the addresses set forth in the Membership Schedule, or such other address as a Member may notify the other Members and the Company of in writing. Any notices to be sent to the Company or the Manager shall be delivered to the principal place of business of the Company, or at such other address as the Company or Manager may specify in a notice sent to all of the Members. Any notices sent to the Company or Manager by e-mail shall be promptly followed by another method of delivery such as delivery by certified or registered mail, postage prepaid, by hand, or by any nationally recognized private courier. Notices shall be effective (a) if mailed, on the date three days after the date of mailing, (b) if delivered via e-mail, on the date of delivery (with confirmation of delivery) or, if delivery is later than 5:00 p.m. local time at the mailing address of the recipient, on the next day or; (c) if hand delivered or delivered by private courier, on the date of delivery.

Section 14.2 Application of Massachusetts Law. This Operating Agreement, and the application of interpretation hereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Massachusetts, and specifically the Act.

Section 14.3 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to any property of the Company.

Section 14.4 Amendments. This Operating Agreement may not be amended except by the written agreement of the Manager and the Voting Members holding a Majority Interest, except that (a) the Manager may amend the Membership Schedule from time to time without the agreement of any Members in order to reflect changes to the Members and Membership Interests otherwise made in accordance with this Operating Agreement, and (b) no amendment shall become effective without the consent of the Members adversely affected thereby if such amendment would (i) materially adversely and disproportionately amend the provisions of this Operating Agreement relating to allocations, distributions, or deficit restoration obligations of such Members provided for herein, or (ii) otherwise increase the liability or obligations of such Members.

Section 14.5 Side Letters. Notwithstanding the provisions of this Operating Agreement, it is hereby acknowledged and agreed that the Company or the Manager, without any further act, vote, or approval of any Member, and notwithstanding the provisions of Section 14.4, may enter into side letters or similar agreements ("Side Letters") to or with individual Members, or their Affiliates, consultants or related parties, which have the effect of establishing rights under, or altering or supplementing, the terms of this Operating Agreement as to such Member. The parties hereto agree that any rights established, or any terms of this Operating Agreement altered or supplemented, in any such Side Letter shall govern with respect to the applicable Member (but not any of such Member's assignees or transferees unless so specified in such Side Letter), notwithstanding any other provision of this Operating Agreement. Each Member, as applicable, agrees to treat such Side Letters as confidential information.

Section 14.6 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations.

Section 14.7 Restrictive Covenants.

(a) Each Member acknowledges that information pertaining to the Company, the Manager, each of their respective Affiliates, or any of their respective businesses (collectively, "Confidential Information") is confidential. Each Member agrees to treat as confidential all such Confidential information, together with any analyses, studies or other documents or records prepared by such Member, its Affiliates, its subsidiaries or any representative or other Person acting on behalf of such Member (collectively, its "Authorized Representatives"), which contain or otherwise reflect or are generated from Confidential Information, and will not, and will not permit any of its Authorized Representatives to, disclose any Confidential Information, provided that any Member (or its Authorized Representative) may disclose any such information: (i) as has become generally available to the public through no act or fault of the Member or its Authorized Representatives; (ii) as may be required or appropriate in any report, statement or testimony submitted to any governmental authority having or claiming to have jurisdiction over such Member (or its Authorized Representative), but only that portion of the data and information which, in the written opinion of counsel for such Member or Authorized Representative, is required or would be required to be furnished to avoid liability for contempt or the imposition of any other material judicial or governmental penalty or censure; (iii) as is required or appropriate in response to any summons or subpoena or in connection with any litigation; or (iv) as to which the Manager has consented in writing. Notwithstanding the foregoing, the parties (and each employee, representative, or other agent of the parties) may disclose to any and all persons, without limitation of any kind, the tax treatment and any facts that may be relevant to the tax structure of the Company, provided, however, that no party (and no employee, representative, or other agent thereof) shall disclose any other information that is not relevant to understanding the tax treatment and tax structure of the Company (including the identity of any party and any information that could lead another to determine the identity of any party), or any other information to the extent that such disclosure could reasonably result in a violation of any applicable law.

(b) Each Member agrees that, while it is a Member and for a period of two years thereafter, it will not, without the prior written consent of the Company, (i) directly or indirectly provide any services to any of the Company's actual or potential competitors or directly or indirectly hold any equity or other economic interests in such competitors; (ii) contact, or cause to be contacted, directly or indirectly, or engage in any form of oral, verbal, written, recorded, transcribed, or electronic communication with any of the Company's actual or potential customers for the purposes of conducting business that is competitive or similar to that of the Company or for the purpose of disadvantaging the Company's business in any way; (iii) directly or indirectly hire, solicit, or recruit, or attempt to hire, solicit, or recruit, any employee of the Company to leave their employment with the Company; or (iv) solicit, encourage, or induce, or cause to be solicited, encouraged or induced, directly or indirectly, any franchisee, joint venture, supplier, vendor or contractor who conducts or conducted business with the Company, to terminate or adversely modify any business relationship with the Company or not to proceed with, or enter into, any business relationship with the Company.

(c) Each Member agrees that it will not disparage or encourage or induce others to disparage any of the Indemnified Parties. For the purposes of this Agreement, the term "disparage" includes, without limitation, making comments or statements to the press and/or media, on the internet, to any agent, representative or employee of any government or political entity, to any Indemnified Party, or to any individual or entity with whom any of the Indemnified Party have a business relationship, which adversely affects in any manner (i) the conduct of the business of any of the Indemnified Parties (including, without limitation, any business plans or prospects), (ii) the value of any Indemnified Party in an actual or prospective sale, (iii) the business reputation of any Indemnified Party, or (iv) the rights and obligations of any Indemnified Party under any contract, statute, ordinance, rule, or regulation.

(d) Each Member's obligations under this Section 14.7 shall survive and remain binding on such Member and enforceable by the Company and its Affiliates and successors following any termination of this Operating Agreement, dissolution of the Company, and any redemption, forfeiture, sale, or other Transfer of such Member's Membership Interest.

Section 14.8 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

Section 14.9 Headings. The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

Section 14.10 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

Section 14.11 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

Section 14.12 Severability. If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

Section 14.13 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

Section 14.14 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditors of the Company.

Section 14.15 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

Section 14.16 Entire Agreement. The Operating Agreement represents the entire agreement among all the Members and between the Members and the Company.

Section 14.17 No Partnership Intended for Nontax Purposes. The Members have formed the Company under the Act, and expressly do not intend hereby to form a partnership under either the State Uniform Partnership Act or the State Uniform Limited Partnership Act. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member is making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

Section 14.18 Waiver of Trial by Jury; Arbitration. **EACH MEMBER IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS OPERATING AGREEMENT OR ITS MEMBERSHIP INTEREST.** Each Member agrees that if any dispute, controversy or question relating to its Membership Interest or this Operating Agreement arises among the Members and/or between a Member and the Company or the Manager, (i) either party may send written notice of such dispute to the other party (a "Dispute Notice"), and (ii) the parties will attempt in good faith to negotiate a mutually acceptable resolution of such dispute, including by at least one (1) in-person meeting between such Members and/or a representative of the Company. In the event such dispute is not resolved within fifteen (15) days after delivery of a Dispute Notice, then the parties shall continue to attempt in good faith to resolve such dispute by negotiation and consultation between the parties and their respective legal counsel, including by at least one (1) in-person meeting between the parties and their respective legal counsel. Statements made by the parties and/or their representatives during the dispute resolution procedures set forth in this paragraph and documents specifically prepared for such dispute resolution procedures shall be considered part of settlement negotiations and shall not be admissible as evidence in any arbitration or other litigation proceeding between the parties without the mutual consent of the parties. If the dispute cannot be resolved by the parties within thirty (30) days (which time may be extended by mutual consent of both parties) after delivery of the Dispute Notice, then either party may refer the dispute for decision by arbitration under the rules of the American Arbitration Association (the "AAA"). The parties will adhere to the AAA's Expedited Procedures during the arbitration process. The compensation and expenses of the arbitrator and any administrative fees or costs associated with the arbitration proceeding, plus the prevailing party's reasonable legal fees and expenses, will be paid by the non-prevailing party. The award or determination made by the arbitrator will be final, conclusive and binding upon the parties, and subject to enforcement by a court of competent jurisdiction. Except as otherwise specified in this paragraph, each Member agrees that arbitration is its exclusive remedy for the settlement of disputes arising under this Operating Agreement or otherwise relating to its Membership Interest. The venue for any dispute resolution meetings or arbitration proceedings among the parties under this Operating Agreement will be Meriden, Connecticut. The provisions of this paragraph will survive and remain enforceable against each

Member following any termination of this Operating Agreement or any redemption or forfeiture of such Member's Membership Interest.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and caused this instrument to be executed as of the date first set forth above.

MANAGER:

Red Cardinal MA LLC

By: Red Cardinal LLC

Its: Manager, duly authorized



By: Salvatore R. Carabetta

Its: Member, duly authorized

MEMBERS:

Red Cardinal MA LLC

By: Red Cardinal LLC

Its: Manager, duly authorized



By: Salvatore R. Carabetta

Its: Member, duly authorized



William Francis Galvin
Secretary of the
Commonwealth

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

September 5, 2019

TO WHOM IT MAY CONCERN:

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

RC RETAIL AMHERST LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **May 29, 2019.**

I further certify that said Limited Liability Company has filed all annual reports due and paid all fees with respect to such reports; that said Limited Liability Company has not filed a certificate of cancellation; that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156C, § 70 for said Limited Liability Company's dissolution; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are: **RED CARDINAL MA LLC**

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **RED CARDINAL MA LLC**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **RED CARDINAL MA LLC**



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

William Francis Galvin

Secretary of the Commonwealth



The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: \$500.00

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

Certificate of Organization

(General Laws, Chapter 156C)

Identification Number: 001385774

1. The exact name of the limited liability company is: RC RETAIL AMHERST LLC

2a. Location of its principal office:

No. and Street: 200 PRATT STREET
City or Town: MERIDEN State: CT Zip: 06450 Country: USA

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

No. and Street: 30 PULLMAN STREET
City or Town: WORCHESTER State: MA Zip: 01606 Country: USA

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

THE PURPOSES OF THE LIMITED LIABILITY COMPANY IS TO OPERATE RETAIL STORE(S) IN MASSACHUSETTS, SELL GOODS TO CONSUMERS, AND TO ENGAGE IN ANY LAWFUL ACT OR ACTIVITY FOR WHICH LIMITED LIABILITY COMPANIES MAY BE FORMED UNDER THE MASSACHUSETTS LIMITED LIABILITY COMPANY ACT.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: C T CORPORATION SYSTEM
No. and Street: 155 FEDERAL STREET
SUITE 700
City or Town: BOSTON State: MA Zip: 02110 Country: USA

I, C T CORPORATION SYSTEM resident agent of the above limited liability company, consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 12.

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	RED CARDINAL MA LLC	200 PRATT STREET MERIDEN, CT 06450 USA

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

Susman, Duffy & Segaloff, P.C.
Attorneys at Law

James H. Segaloff
Joseph E. Faughnan
Laura M. Sklaver
Thomas E. Katon
Karen Baldwin Kravetz
Meghan K. Gallagher
Philip G. Kent

Jason L. Stevenson
Caleb F. Hamel
Adam D. Miller
Jason Sklar

59 Elm Street
New Haven, Connecticut 06510-1300

Please Reply To:

P.O. Box 1684
New Haven, Connecticut 06507-1684
(203) 624-9830

Facsimile (203) 562-8430

Allen H. Duffy
(1931-1986)

Of Counsel
Michael Susman
Gerald T. Weiner

FACSIMILE TRANSMITTAL SHEET

TO: Massachusetts Secretary of Commonwealth
Corporations Division

FAX NO.: 617-742-4538

RE: **Written Consent for use of name RC Retail Amherst LLC**

DATE: May 29, 2019

FROM: Jay Stevenson, Esq.

NUMBER OF PAGES (INCLUDING COVER SHEET): 2

Please call Jay Stevenson at (203) 624-9830 x208 if you have any questions or problems regarding this transmission.

MEMORANDUM:

Enclosed please find written consent from RC Retail LLC for use of the name RC Retail Amherst LLC as a Massachusetts limited liability company. This consent is being sent in connection with a Certificate of Organization for RC Retail Amherst LLC, Transaction ID number 11660278, originally submitted May 28, 2019 and being resubmitted today, May 29, 2019.

THE INFORMATION CONTAINED IN THIS COMMUNICATION IS CONFIDENTIAL, MAY BE ATTORNEY/CLIENT PRIVILEGED, MAY CONSTITUTE INSIDE INFORMATION AND IS INTENDED ONLY FOR THE USE OF THE ADDRESSEE. UNAUTHORIZED USE, DISCLOSURE OR COPYING IS STRICTLY PROHIBITED AND MAY BE UNLAWFUL. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER AT THE ABOVE TELEPHONE NUMBER.

**WRITTEN CONSENT
OF THE MANAGER
OF
RC RETAIL LLC**

THE UNDERSIGNED, being the Manager of RC Retail LLC (the "Company"), a Massachusetts limited liability company, hereby consents to and adopts the following resolutions for and on behalf the Company:

WHEREAS, the Company was formed to operate retail stores on behalf of its parent company, Red Cardinal MA LLC (the "Parent Company"), in the Commonwealth of Massachusetts.

WHEREAS, the Parent Company desires to form another limited liability company in Massachusetts to operate as an additional subsidiary.

NOW, THEREFORE, pursuant to a motion duly made and approved by the Manager of the Company be it resolved that:

RESOLVED, that the Parent Company is hereby authorized to form a Massachusetts limited liability company to be called **RC Retail Amherst LLC** and register said company with the Massachusetts Secretary of the Commonwealth; and it is

FURTHER RESOLVED, that **RC Retail Amherst LLC** is hereby authorized to use the name **RC Retail Amherst LLC** in the Commonwealth of Massachusetts.

Effective as of the 28th day of May 2019.

BEING THE MANAGER OF RC RETAIL LLC:

RED CARDINAL MA LLC

Its: Manager

RED CARDINAL LLC

Its: Manager



By: Salvatore R. Carabetta

Its: Member, duly authorized

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	RED CARDINAL MA LLC	200 PRATT STREET MERIDEN, CT 06450 USA

9. Additional matters:

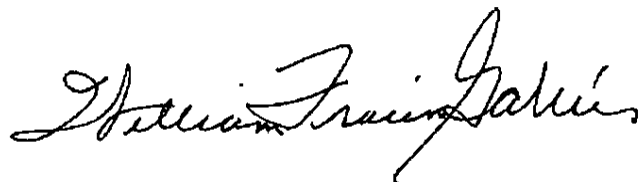
SIGNED UNDER THE PENALTIES OF PERJURY, this 29 Day of May, 2019,
JASON STEVENSON

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

THE COMMONWEALTH OF MASSACHUSETTS

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

May 29, 2019 12:13 PM

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

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



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

mass.gov/dor

Letter ID: L0009695104
Notice Date: September 17, 2019
Case ID: 0-000-513-751



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



SALVATORE R. CARABETTA
RC RETAIL AMHERST LLC
328 COLLEGE ST
AMHERST MA 01002-2331

Why did I receive this notice?

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

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

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

What if I have questions?

If you have questions, call us at (617) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 8:30 a.m. to 4:30 p.m..

Visit us online!

Visit mass.gov/dor to learn more about Massachusetts tax laws and DOR policies and procedures, including your Taxpayer Bill of Rights, and MassTaxConnect for easy access to your account:

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

Edward W. Coyle, Jr., Chief
Collections Bureau

**Certificate of Good Standing or Compliance from the Massachusetts
Department of Unemployment Assistance Attestation Form**

Signed under the pains and penalties of perjury, I, Salvatore R. Carabetta, an authorized representative of RC Retail Amherst LLC ("RC Retail"), certify that RC Retail does not currently have employees and is therefore unable to register with the Massachusetts Department of Unemployment Assistance to obtain a Certificate of Good Standing or Compliance.



11/08/2019

Date

Name: Salvatore R. Carabetta

Entity: RC Retail Amherst LLC

PLAN FOR OBTAINING LIABILITY INSURANCE

RC Retail Amherst LLC (“RC Retail”) is in the process of obtaining quotes from Cannasure Insurance Services, Corcoran & Haylin Insurance, Lighthouse Insurance Agency LTS and Nine Point Strategies, to maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually and product liability coverage for no less than \$1,000,000 per occurrence & \$2,000,000 in aggregate annually. The policy deductible will be no higher than \$5,000 per occurrence. RC Retail will consider additional coverage based on availability and cost-benefit analysis.

If adequate coverage is unavailable at a reasonable rate, RC Retail will place in escrow at least \$250,000 to be expended for liabilities coverage (or such other amount approved by the Commission). Any withdrawal from such escrow will be replenished within 10 business days of any expenditure. RC Retail will keep reports documenting compliance with 935 CMR 500.105(10) in a manner and form determined by the Commission pursuant to 935 CMR 500.000.

RC RETAIL AMHERST LLC

BUSINESS PLAN

May 7, 2020

EXECUTIVE SUMMARY

Mission Statement

RC Retail Amherst LLC (“RC Retail”) is an applicant, for a Marijuana Establishment License within the Commonwealth. RC Retail is committed to providing consistent, high quality cannabis to consumers who are 21 years of age or older.

License Types

RC Retail is applying for the following License from the Massachusetts Cannabis Control Commission (the “Commission”) to operate Marijuana Establishment in Massachusetts:

- Marijuana Retailer at 328 College Street, Amherst, MA

What Drives Us

RC Retail’s goals include:

1. Providing customers 21 years of age or older with a wide variety of high quality, consistent, laboratory-tested cannabis and derivatives;
2. Assisting local communities in offsetting the cost of RC Retail’s operations within its communities;
3. Hiring employees and contractors from within the communities served;
4. Hiring employees and contractors from communities that have been disproportionately impacted by the war on drugs;
5. Having a diverse and socially representative pool of employees;
6. Empowering the next generation of entrepreneurs and leaders through hiring, training and teaching; and
7. Running an environmentally friendly Marijuana Establishment.

TEAM

General

RC Retail has put together a team to implement the operations of the Marijuana Establishment and intends to create approximately 15 full-time staff positions within the first three years of operation. No Person or Entity Having Direct or Indirect Control over RC Retail’s team is or will be a controlling person with over more than three licenses in a particular class of license.

Founder

Salvatore (Sam) R. Carabetta

Sam has more than 25 years of extensive experience in development, financing, construction management and property management for all types of real estate. Throughout his career he has been directly involved in the management and construction of residential mixed-income properties, including over 100 new, rehabbed and design/build developments. Sam understands

the strict requirements for building projects using government tax credits from having completed many Low-Income Housing Tax Credit projects over the past 10 years. He supervises the day-to-day management of various projects and a staff of construction experts for projects valued at several hundred million dollars.

COMPANY DESCRIPTION

Structure

RC Retail is a Massachusetts limited liability company that is applying for a License from the Commission to operate a Marijuana Establishment in the Commonwealth.

RC Retail will file, in a form and manner specified by the Commission, an application for licensure as a Marijuana Establishment consisting of three packets: An Application of Intent packet; a Background Check packet; and a Management and Operations Profile packet.

Operations

RC Retail will establish inventory controls and procedures for the conduct of inventory reviews and comprehensive inventories of finished, stored marijuana; conduct a monthly inventory of finished, stored marijuana; conduct 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.

RC Retail will tag and track all marijuana and marijuana products using Metrc and in a form and manner approved by the Commission.

No marijuana product, including marijuana, will be sold or otherwise marketed for adult use that has not first been tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000.

RC Retail 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 and maintained for at least 12 months or as specified and required by 935 CMR 500.000.

RC Retail 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 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. If adequate coverage is unavailable at a reasonable rate, RC Retail will place in escrow at least \$250,000 to be expended for liabilities coverage (or such other amount approved by the Commission). Any withdrawal from such escrow will be replenished within 10 business days of any expenditure. RC Retail will keep reports documenting compliance with 935 CMR 500.105(10) in a manner and form determined by the Commission pursuant to 935 CMR 500.000.

RC Retail 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.

RC Retail 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.

RC Retail has placed in escrow a sum of \$5,000 to be expended for coverage of liabilities. The escrow account will be replenished within ten business days of any expenditure required under 935 CMR 500.105: *General Operational Requirements for Marijuana Establishments* unless RC Retail has ceased operations. Documentation of the replenishment will be promptly sent to the Commission.

RC Retail and RC Retail agents will comply with all local rules, regulations, ordinances, and bylaws.

Security

RC Retail 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.

RC Retail's 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 Police Department. These surveillance cameras will remain operational even in the event of a power outage. The exterior of the dispensary and surrounding area will be sufficiently lit, and foliage will be minimized to ensure clear visibility of the area at all times.

Only RC Retail's 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 RC Retail will maintain a current list of individuals with access. RC Retail will have security personnel on-site during business hours.

On-site consumption of marijuana by RC Retail's employees and visitors will be prohibited.

Benefits to The Host Community

RC Retail looks forward to working cooperatively with the host community to ensure that RC Retail operates as a responsible, contributing member of such host community. RC Retail has established a mutually beneficial relationship with the host community in exchange for permitting RC Retail to site and operate.

RC Retail's host community stands to benefit in various ways, including but not limited to the following:

1. Jobs: A Marijuana Establishment facility will add a number of full-time jobs, in addition to hiring qualified, local contractors and vendors.
2. Monetary Benefits: A Host Community Agreement with significant monetary donations will provide the host community with additional financial benefits beyond local property taxes.
3. Access to Quality Product: RC Retail 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.
4. Control: In addition to the Commission, the Police Department and other municipal departments will have oversight over RC Retail's security systems and processes.
5. Responsibility: RC Retail is comprised of experienced professionals who will be thoroughly background checked and scrutinized by the Commission.
6. Economic Development: RC Retail's operation of its facilities will help to revitalize its host communities and contribute to the overall economic development of the local community.

MARKET RESEARCH

Customers

RC Retail will only sell marijuana and marijuana products to customers ages 21 years and older that provide valid identification.

Regulations

RC Retail is a Massachusetts limited liability company. RC Retail will maintain the company in good standing with the Massachusetts Secretary of the Commonwealth, the Department of Revenue, and the Department of Unemployment Assistance. RC Retail will apply for all state and local permits and approvals required to build out and operate the facility.

RC Retail 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.

Products & Services

In addition to traditional sativa, indica, and hybrid cannabis flower, RC Retail will offer a wide range of products that will allow RC Retail to serve customers with a wide variety of needs.

Products RC Retail intends to offer include, but will not be limited to:

1. Concentrates
2. Topical Salves
3. Creams and Lotions
4. Patches
5. Oral Mucosal and Sublingual Dissolving Tablets
6. Tinctures
7. Sprays
8. Inhalation Ready to Use Extracted Hash Oils
9. Pre-Dosed Oil Vaporizers
10. Ingestion Capsules
11. Infused Food and Beverages

Pricing Structure

RC Retail's pricing structure will vary based on market conditions. RC Retail plans to provide products of superior quality and will price accordingly.

MARKETING & SALES

Growth Strategy

RC Retail's plan to grow the company includes:

1. Strong and consistent branding;
2. Intelligent, targeted, and compliant marketing programs;
3. An exemplary customer in-store experience; and
4. A caring and thoughtful staff made of consummate professionals.

Communication

RC Retail 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 face of the advertisement.

All marketing, advertising, and branding produced by or on behalf of RC Retail 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.”

RC Retail will seek events where 85% or more of the audience is reasonably expected to be 21 years of age or older, as determined by reliable, current audience composition data. At these events, RC Retail will market its products and services to reach a wide range of qualified consumers.

RC Retail will communicate with customers through:

1. A company-run website;
2. A company blog;
3. Popular cannabis discovery networks such as WeedMaps and Leafly;
4. Popular social media platforms such as Instagram, Facebook, Twitter, and SnapChat; and
5. Opt-in direct communications.

RC Retail will provide a catalogue and a printed list of the prices and strains of marijuana available to consumers and will post the same catalogue and list on its website and in the retail store.

Sales

RC Retail will sell its products and services by engaging customers with knowledgeable personnel.

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

Packaging for marijuana products sold or displayed for consumers in multiple servings will allow a consumer to easily perform the division into single servings and include the following statement on the exterior of the package in a printed font that is no smaller than ten-point Times New Roman, Helvetica, or Arial, including capitalization: “INCLUDES MULTIPLE SERVINGS.” RC Retail will not sell multiple serving beverages and each single serving of an edible marijuana product contained in a multiple-serving package will be marked, stamped, or otherwise imprinted with the symbol issued by the Commission under 935 CMR 500.105(5) that

indicates that the single serving is a marijuana product. In no instance will an individual serving size of any marijuana product contain more than five (5) milligrams of delta-nine tetrahydrocannabinol.

Logo

RC Retail has developed a logo to be used in labeling, signage, and other materials such as letterhead and distributed materials.

The logo is discreet, unassuming, and does not use medical symbols, images of marijuana, related paraphernalia, or colloquial references to cannabis or marijuana.

RC Retail's logo can be seen below:



FINAL REMARKS

RC Retail has the experience and know-how to safely and efficiently provide high quality, consistent, laboratory-tested cannabis and derivatives. RC Retail hopes to bring its high-quality standards to adult-use consumers to provide them with a safe and clean community environment. RC Retail's security systems and comprehensive security measures will also help ensure a safe and secure environment that will help deter and prevent diversion.

In Massachusetts adult-use sales eclipsed \$250 million in the first eight months of 2019, and as more Marijuana Establishments become operational, the sales growth rate continues to expand month after month. RC Retail is prepared to position itself well in this market and contribute to this growth through a highly experienced team of successful operators working under an established framework of high quality standard operating procedures and growth strategies. In doing so, RC Retail looks forward to working cooperatively with Amherst to help spread the benefits that this market will yield.

QUALITY CONTROL AND TESTING

Quality Control

RC Retail Amherst LLC (“RC Retail”) will comply with the following sanitary requirements:

1. Any RC Retail agent whose job includes contact with marijuana or nonedible marijuana products, including cultivation, production, or packaging, is subject to the requirements for food handlers specified in 105 CMR 300.000, and all edible marijuana products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000, and with the requirements for food handlers specified in 105 CMR 300.000.
2. Any RC Retail agent working in direct contact with preparation of marijuana or nonedible marijuana products will conform to sanitary practices while on duty, including:
 - a. Maintaining adequate personal cleanliness; and
 - b. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
3. RC Retail’s hand-washing facilities will be adequate and convenient and will be furnished with running water at a suitable temperature. Hand-washing facilities will be located in RC Retail’s production areas and where good sanitary practices require employees to wash and sanitize their hands, and will provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
4. RC Retail’s facility will have sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;
5. RC Retail will ensure that litter and waste is properly removed and disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal will be maintained in an adequate manner pursuant to 935 CMR 500.105(12);
6. RC Retail’s floors, walls, and ceilings will be constructed in such a manner that they may be adequately kept clean and in good repair;
7. RC Retail’s facility will have adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
8. RC Retail’s buildings, fixtures, and other physical facilities will be maintained in a sanitary condition;
9. RC Retail will ensure that all contact surfaces, including utensils and equipment, will be maintained in a clean and sanitary condition. Such surfaces will be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils will be so designed and of such material and workmanship as to be adequately cleanable;
10. All toxic items will be identified, held, and stored in a manner that protects against contamination of marijuana products. Toxic items will not be stored in an area containing products used in the cultivation of marijuana. RC Retail acknowledges and understands that the Commission may require RC Retail to demonstrate the intended and actual use of any toxic items found on RC Retail’s premises;

11. RC Retail will ensure that its water supply is sufficient for necessary operations, and that any private water source will be capable of providing a safe, potable, and adequate supply of water to meet RC Retail's needs;
12. RC Retail's plumbing will be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the marijuana establishment. Plumbing will properly convey sewage and liquid disposable waste from the marijuana establishment. There will be no cross-connections between the potable and wastewater lines;
13. RC Retail will provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair;
14. RC Retail will hold all products that can support the rapid growth of undesirable microorganisms in a manner that prevents the growth of these microorganisms; and
15. RC Retail will store, and transport finished products under conditions that will protect them against physical, chemical, and microbial contamination, as well as against deterioration of finished products or their containers.

RC Retail's vehicles and transportation equipment used in the transportation of marijuana products or edibles requiring temperature control for safety will be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the marijuana products or edibles from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR 1.908(c).

RC Retail will ensure that RC Retail's facility is always maintained in a sanitary fashion and will comply with all applicable sanitary requirements.

RC Retail will follow established policies and procedures for handling voluntary and mandatory recalls of marijuana products. Such procedures are sufficient to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by RC Retail to remove defective or potentially defective marijuana products from the market, as well as any action undertaken to promote public health and safety.

Any inventory that becomes outdated, spoiled, damaged, deteriorated, mislabeled, or contaminated will be disposed of in accordance with the provisions of 935 CMR 500.105(12), and any such waste will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations.

Testing

RC Retail will not sell or otherwise market marijuana or marijuana products that are not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. 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.

Any Independent Testing Laboratory relied upon by RC Retail for testing will be licensed or registered by the Commission and (i) currently and validly licensed under 935 CMR 500.101: *Application Requirements*, or formerly and validly registered by the Commission; (ii) accredited

to ISO 17025:2017 or the most current International Organization for Standardization 17025 by a third-party accrediting body that is a signatory to the International Laboratory Accreditation Accrediting Cooperation mutual recognition arrangement or that is otherwise approved by the Commission; (iii) independent financially from any Medical Marijuana Treatment Center, Marijuana Establishment or Licensee; and (iv) qualified to test marijuana and marijuana products, including marijuana-infused products, in compliance with M.G.L. c. 94C, § 34; M.G.L. c. 94G, § 15; 935 CMR 500.000: *Adult Use of Marijuana*; 935 CMR 501.000: *Medical Use of Marijuana*; and Commission protocol(s).

Testing of RC Retail's marijuana products will be performed by an Independent Testing Laboratory in compliance with a protocol(s) established in accordance with M.G.L. c. 94G, § 15 and in a form and manner determined by the Commission, including but not limited to, the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products*. Testing of RC Retail's environmental media will be performed in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the Commission.

RC Retail's marijuana will be tested for the cannabinoid profile and for contaminants as specified by the Commission including, but not limited to, mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides. RC Retail acknowledges and understands that the Commission may require additional testing.

RC Retail's policy of responding to laboratory results that indicate contaminant levels are above acceptable limits established in the protocols identified in 935 CMR 500.160(1) will include notifying the Commission (i) within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch and (ii) of any information regarding contamination as specified by the Commission immediately upon request by the Commission. Such notification will be from both RC Retail and the Independent Testing Laboratory, separately and directly, and will describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.

RC Retail will maintain testing results in compliance with 935 CMR 500.000 *et seq* and the record keeping policies described herein and will maintain the results of all testing for no less than one year. RC Retail acknowledges and understands that testing results will be valid for a period of one year, and that marijuana or marijuana products with testing dates in excess of one year shall be deemed expired and may not be dispensed, sold, transferred or otherwise conveyed until retested.

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 RC Retail's marijuana at a laboratory providing marijuana testing services will comply with 935 CMR 500.105(11). All excess marijuana will be disposed in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to RC Retail for disposal or by the Independent Testing Laboratory disposing of it directly. All Single-servings of marijuana products will be tested for potency in accordance with 935 CMR 500.150(4)(a) and subject to a potency variance of no greater than plus/minus ten percent (+/- 10%). Any

marijuana or marijuana products submitted for retesting prior to remediation will be submitted to an Independent Testing Laboratory other than the laboratory which provided the initial failed result. Marijuana submitted for retesting after documented remediation may be submitted to the same Independent Testing Laboratory that produced the initial failed testing result prior to remediation.

QUALIFICATIONS AND TRAINING

RC Retail Amherst LLC (“RC Retail”) will ensure that all employees hired to work at a RC Retail facility will be qualified to work as a marijuana establishment agent and properly trained to serve in their respective roles in a compliant manner.

Qualifications

In accordance with 935 CMR 500.030, a candidate for employment as a marijuana establishment agent must be 21 years of age or older. In addition, the candidate cannot have been convicted of a criminal offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States, or foreign jurisdiction, or a military, territorial, or Native American tribal authority.

RC Retail will also ensure that its employees are suitable for registration consistent with the provisions of 935 CMR 500.802. In the event that RC Retail discovers any of its agents are not suitable for registration as a marijuana establishment agent, the agent’s employment will be terminated, and RC Retail will notify the Commission within one (1) business day that the agent is no longer associated with the establishment.

Training

As required by 935 CMR 500.105(2), and prior to performing job functions, each of RC Retail’s agents will successfully complete a comprehensive training program that is tailored to the roles and responsibilities of the agent’s job function. Agent training will at least include the Responsible Vendor Training Program and eight (8) hours of on-going training annually.

All of RC Retail’s current Owners, managers, and employees that are involved in the handling and sale of marijuana at the time of licensure or renewal of licensure will have attended and successfully completed the mandatory Responsible Vendor Training Program operated by an education provider accredited by the Commission to provide the annual minimum of three (3) hours of required training to marijuana establishment agents to be designated a “Responsible Vendor”. Once RC Retail is designated a “Responsible Vendor”, all new employees involved in the handling and sale of marijuana will successfully complete a Responsible Vendor Training Program within 90 days of the date they are hired. After initial successful completion of a Response Vendor Training Program, each Owner, manager, and employee involved in the handling and sale of marijuana will successfully complete the program once every year thereafter to maintain designation as a “Responsible Vendor”.

RC Retail will also encourage administrative employees who do not handle or sell marijuana to take the “Responsible Vendor” program on a voluntary basis to help ensure compliance. RC Retail’s records of Responsible Vendor Training Program compliance will be maintained for at least four (4) years and made available during normal business hours for inspection by the Commission and any other applicable licensing authority on request.

As part of the Responsible Vendor Training Program, RC Retail’s agents will receive training on a variety of topics relevant to marijuana establishment operations, including but not limited to the following:

1. Marijuana's effect on the human body, including:
 - Scientifically based evidence on the physical and mental health effects based on the type of Marijuana Product;
 - The amount of time to feel impairment;
 - Visible signs of impairment; and
 - Recognizing signs of impairment
2. Diversion prevention and prevention of sales to minors, including best practices;
3. Compliance with all tracking requirements;
4. Acceptable forms of identification, including:
 - How to check identification;
 - Spotting false identification;
 - Patient registration cards formerly and validly issued by the DPH or currently and validly issued by the Commission; and
 - Common mistakes made in verification
5. Other key state laws and rules affecting Owners, managers, and employees, including:
 - Local and state licensing and enforcement;
 - Incident and notification requirements;
 - Administrative and criminal liability;
 - License sanctions;
 - Waste disposal;
 - Health and safety standards;
 - Patrons prohibited from bringing marijuana onto licensed premises;
 - Permitted hours of sale;
 - Conduct of establishment;
 - Permitting inspections by state and local licensing and enforcement authorities;
 - Licensee responsibilities for activities occurring within licensed premises;
 - Maintenance of records;
 - Privacy issues; and
 - Prohibited purchases and practices.

RECORDKEEPING PROCEDURES

General Overview

RC Retail Amherst LLC (“RC Retail”) has established policies regarding recordkeeping and record-retention in order to ensure the maintenance, safe keeping, and accessibility of critical documents. Electronic and wet signatures are accepted forms of execution of RC Retail documents. Records will be stored at RC Retail in a locked room designated for record retention. All written records will be available for inspection by the Commission upon request.

Recordkeeping

To ensure that RC Retail is keeping and retaining all records as noted in this policy, reviewing Corporate Records, Business Records, and Personnel Records to ensure completeness, accuracy, and timeliness of such documents will occur as part of RC Retail’s quarter-end closing procedures. In addition, RC Retail’s operating procedures will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis.

- **Corporate Records**

Corporate Records are defined as those records that require, at a minimum, annual reviews, updates, and renewals, including:

- Insurance Coverage:
 - Directors & Officers Policy
 - Product Liability Policy
 - General Liability Policy
 - Umbrella Policy
 - Workers Compensation Policy
 - Employer Professional Liability Policy
- Third-Party Laboratory Contracts
- Commission Requirements:
 - Annual Agent Registration
 - Annual Marijuana Establishment Registration
- Local Compliance:
 - Certificate of Occupancy
 - Special Permits
 - Variances
 - Site Plan Approvals
 - As-Built Drawings
- Corporate Governance:
 - Annual Report
 - Secretary of Commonwealth Filings

- **Business Records**

Business Records require ongoing maintenance and updates. These records can be electronic or hard copy (preferably electronic) and at minimum include:

- Assets and liabilities;
- Monetary transactions;
- Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
- Sales records including the quantity, form, and cost of marijuana products;

- Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over the RC Retail.
- Personnel Records

At a minimum, Personnel Records will include:

 - Job descriptions for each agent and volunteer position, as well as organizational charts consistent with the job descriptions;
 - A personnel record for each marijuana establishment agent. Such records will be maintained for at least twelve (12) months after termination of the agent's affiliation with RC Retail and will include, at a minimum, the following:
 - All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 - Documentation of verification of references;
 - The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
 - Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
 - Documentation of periodic performance evaluations; and
 - A record of any disciplinary action taken.
 - Notice of completed responsible vendor and eight-hour related duty training.
 - A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
 - Personnel policies and procedures; and
 - All background check reports obtained in accordance with [M.G.L c. 6 § 172, 935 CMR 500.029: Registration of Independent Testing Laboratory Agents], 935 CMR 500.030: Registration of Marijuana Establishment Agents 803 CMR 2.00: Criminal Offender Record Information (CORI).
- Handling and Testing of Marijuana Records
 - RC Retail will maintain the results of all testing for a minimum of one (1) year.
- Inventory Records
 - The record of each inventory will include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the agents who conducted the inventory.
- Seed-to-Sale Tracking Records
 - RC Retail will use Metrc as the seed-to-sale tracking software to maintain real-time inventory. The seed-to-sale tracking software inventory reporting will meet the requirements specified by the Commission and 935 CMR 500.105(8)(e), including, at a minimum, an inventory of marijuana plants; marijuana plant-seeds and clones in any phase of development such as propagation, vegetation, flowering; marijuana ready for dispensing; all marijuana products; and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal.

- Sales Records for Marijuana Retailer
 - RC Retail will maintain records that it has performed a monthly analysis of 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 the sales data and produce such records on request to the Commission.
- Incident Reporting Records
 - Within ten (10) calendar days, RC Retail will provide notice to the Commission of any incident described in 935 CMR 500.110(9)(a), by submitting an incident report in the form and manner determined by the Commission which details the circumstances of the event, any corrective action taken, and confirmation that the appropriate law enforcement authorities were notified within twenty-four (24) hours of discovering the breach or incident .
 - All documentation related to an incident that is reportable pursuant to 935 CMR 500.110(9)(a) will be maintained by RC Retail for no less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities within RC Retail's jurisdiction on request.
- Visitor Records
 - A visitor sign-in and sign-out log will be maintained at the security office. The log will include the visitor's name, address, organization or firm, date, time in and out, and the name of the authorized agent who will be escorting the visitor.
- Waste Disposal Records
 - When marijuana or marijuana products are disposed of, RC Retail will create and maintain an electronic record of the date, the type and quantity disposed of or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two RC Retail agents present during the disposal or other handling, with their signatures. RC Retail will keep disposal records for at least three (3) years. This period will automatically be extended for the duration of any enforcement action and may be extended by an order of the Commission.
- Security Records
 - A current list of authorized agents and service personnel that have access to the surveillance room will be available to the Commission upon request.
 - Recordings from all video cameras which shall be enabled to record twenty-four (24) hours each day shall be available for immediate viewing by the Commission on request for at least the preceding ninety (90) calendar days or the duration of a request to preserve the recordings for a specified period of time made by the Commission, whichever is longer.
 - Recordings shall not be destroyed or altered and shall be retained as long as necessary if RC Retail is aware of pending criminal, civil or administrative investigation or legal proceeding for which the recording may contain relevant information.
- Transportation Records
 - RC Retail will retain all transportation manifests for a minimum of one (1) year and make them available to the Commission upon request.

- Vehicle Records (as applicable)
 - Records that any and all of RC Retail's vehicles are properly registered, inspected, and insured in the Commonwealth and shall be made available to the Commission on request.
- Agent Training Records
 - Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual indicating the date, time, and place he or she received the training, the topics discussed and the name and title of the presenter(s).
- Responsible Vendor Training
 - RC Retail shall maintain records of Responsible Vendor Training Program compliance for four (4) years and make them available to inspection by the Commission and any other applicable licensing authority on request during normal business hours.
- Closure
 - In the event RC Retail closes, all records will be kept for at least two (2) years at RC Retail's expense in a form (electronic, hard copies, etc.) and location acceptable to the Commission. In addition, RC Retail will communicate with the Commission during the closure process and accommodate any additional requests the Commission or other agencies may have.
- Written Operating Policies and Procedures

Policies and Procedures related to RC Retail's operations will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis. Policies and Procedures will include the following:

 - Security measures in compliance with 935 CMR 500.110;
 - Employee security policies, including personal safety and crime prevention techniques;
 - A description of RC Retail's hours of operation and after-hours contact information, which will be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000.
 - Storage of marijuana in compliance with 935 CMR 500.105(11);
 - Description of the various strains of marijuana to be cultivated, processed or sold, as applicable, and the form(s) in which marijuana will be sold;
 - Price list for Marijuana and Marijuana Products, and alternate price lists for patients with documented Verified Financial Hardship as defined in 501.002: *Definitions*, as required by 935 CMR 501.100(1)(f);
 - Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.105(8) and (9);
 - Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
 - A staffing plan and staffing records in compliance with 935 CMR 500.105(9)(d);
 - Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
 - Alcohol, smoke, and drug-free workplace policies;
 - A plan describing how confidential information will be maintained;
 - Policy for the immediate dismissal of any dispensary agent who has:

- Diverted marijuana, which will be reported to Law Enforcement Authorities and to the Commission;
 - Engaged in unsafe practices with regard to RC Retail Amherst operations, which will be reported to the Commission; or
 - Been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.
- A list of all board of directors, members, and executives of RC Retail, and members, if any, of the licensee must be made available upon request by any individual. This requirement may be fulfilled by placing this information on RC Retail's website.
- Policies and procedures for the handling of cash on RC Retail premises including but not limited to storage, collection frequency and transport to financial institution(s), to be available upon inspection.
- Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.
- Policies and procedures for energy efficiency and conservation that will include:
 - Identification of potential energy use reduction opportunities (including but not limited to natural lighting, heat recovery ventilation 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 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.
- Policies and procedures to promote workplace safety consistent with applicable standards set by the Occupational Safety and Health Administration, including plans to identify and address any biological, chemical or physical hazards. Such policies and procedures shall include, at a minimum, a hazard communication plan, personal protective equipment assessment, a fire protection plan, and an emergency action plan.
- License Renewal Records
 - RC Retail shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should 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 Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

Record-Retention

RC Retail will meet Commission recordkeeping requirements and retain a copy of all records for two (2) years, unless otherwise specified in the regulations

MAINTAINING OF FINANCIAL RECORDS

RC Retail Amherst LLC's ("RC Retail") operating policies and procedures ensure financial records are accurate and maintained in compliance with the Commission's Adult Use of Marijuana regulations (935 CMR 500). Financial records maintenance measures include policies and procedures requiring that:

- Confidential information will be maintained in a secure location, kept separate from all other records, and will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided however, the Commission may access this information to carry out its official duties.
- All recordkeeping requirements under 935 CMR 500.105(9) are followed, including:
 - Keeping written business records, available for inspection, and in accordance with generally accepted accounting principles, which will include manual or computerized records of:
 - Assets and liabilities;
 - Monetary transactions;
 - Books of accounts, which will 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, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over the RC Retail.
- All sales recording requirements under 935 CMR 500.140(5) are followed, including:
 - Utilizing a point-of-sale (POS) system approved by the Commission, in consultation with the DOR, and a sales recording module approved by DOR;
 - Conducting a monthly analysis of its equipment and sales date, and maintaining records, available to the Commission upon request, that the monthly analysis has been performed;
 - Complying with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements;
 - Adopting separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales;
 - Maintaining such records that would allow for the Commission and the DOR to audit and examine the point-of-sale system used in order to ensure compliance with Massachusetts tax laws and 935 CMR 500; and
- Additional written business records will be kept, including, but not limited to, records of:
 - Compliance with liability insurance coverage or maintenance of escrow requirements under 935 CMR 500.105(10) and all bond or escrow requirements under 935 CMR 500.105(16);
 - Fees paid under 935 CMR 500.005 or any other section of the Commission's regulations; and
 - Fines or penalties, if any, paid under 935 CMR 500.360 or any other section of the Commission's regulations.
- License Renewal Records

- RC Retail shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should 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 Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

PLAN FOR RESTRICTING ACCESS TO AGE 21 AND OLDER

Pursuant to 935 CMR 500.050(8)(b), RC Retail Amherst LLC (“RC Retail”) will only be accessible to consumers and visitors 21 years of age or older with a verified and valid government-issued photo ID. Upon entry into the premises of the marijuana establishment by an individual, an RC Retail agent will immediately inspect the individual’s proof of identification and determine the individual’s age, in accordance with 935 CMR 500.140(2).

In the event RC Retail discovers any of its agents intentionally or negligently sold marijuana to an individual under the age of 21, the agent will be immediately terminated, and the Commission will be promptly notified, pursuant to 935 CMR 500.105(1)(m). RC Retail will ensure that all employees and registered agents are 21 years of age or older. RC retail will not hire any individuals who are under the age of 21 or who have been convicted of distribution of controlled substances to minors in the Commonwealth or a like violation of the laws in other jurisdictions, pursuant to 935 CMR 500.030(1).

Pursuant to 935 CMR 500.105(4), RC Retail will not engage in any marketing, advertising or branding practices that are targeted to, deemed to appeal to or portray minors under the age of 21. RC Retail will not engage in any advertising, marketing and branding by means of television, radio, internet, mobile applications, social media, or other electronic communication, billboard or other outdoor advertising, including sponsorship of charitable, sporting or similar events, unless at least 85% of the audience is reasonably expected to be 21 years of age or older as determined by reliable and current audience composition data. RC Retail will not manufacture or sell any edible products that resemble a realistic or fictional human, animal or fruit, including artistic, caricature or cartoon renderings, pursuant to 935 CMR 500.150(1)(b). In accordance with 935 CMR 500.105(4)(a)(5), any marketing, advertising and branding materials for public viewing will include a warning stating, **“For use only by adults 21 years of age or older. Keep out of the reach of children. Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of marijuana. Please Consume Responsibly.”** Pursuant to 935 CMR 500.105(6)(b), RC retail packaging for any marijuana or marijuana products will not use bright colors, resemble existing branded products, feature cartoons or celebrities commonly used to market products to minors, feature images of minors or other words that refer to products commonly associated with minors or otherwise be attractive to minors. RC Retail’s website will require all online visitors to verify they are 21 years of age or older prior to accessing the website, in accordance with 935 CMR 500.105(4)(b)(13).

HOPE COMMUNITY CHURCH

16 Gaylord Street, Amherst MA 01002

Rhonda Gordon
Church Administrator

Rev. Gloria Lomax
Presiding Minister

October 3, 2019

RC Retail Amherst , LLC
200 Pratt Street
Meriden CT 06450
Attention: Salvatore R. Carabetta

Dear Mr. Carabetta:

On behalf of Hope Community Church in Amherst, Massachusetts, this shall confirm that Hope Community Church has been contacted by RC Retail Amherst, LLC regarding a partnership and intended donations.

This correspondence shall serve as confirmation that Hope Community Church has agreed to partner with RC Retail Amherst, LLC and is willing to accept such donations.

Sincerely,

A handwritten signature in black ink, appearing to read "Rhonda Gordon", with a long horizontal flourish extending to the right.

Rhonda Gordon
Administrator

PERSONNEL POLICIES INCLUDING BACKGROUND CHECKS

Overview

RC Retail Amherst LLC (“RC Retail”) will securely maintain personnel records, including registration status and background check records. RC Retail will keep, at a minimum, the following personnel records:

- Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
- A personnel record for each marijuana establishment agent;
- A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
- Personnel policies and procedures; and
- All background check reports obtained in accordance with 935 CMR 500.030.

Agent Personnel Records

In compliance with 935 CMR 500.105(9), personnel records for each agent will be maintained for at least twelve (12) months after termination of the agent’s affiliation with RC Retail and will include, at a minimum, the following:

- All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
- Documentation of verification of references;
- The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
- Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
- Documentation of periodic performance evaluations;
- A record of any disciplinary action taken;
- Notice of completed responsible vendor and eight-hour related duty training; and
- Results of initial background investigation, including CORI reports.

Personnel records will be kept in a secure location to maintain confidentiality and be only accessible to the agent’s manager or members of the executive management team.

After-Hours Contact Information

Salvatore Carabetta – (203) 906-6303

Business Hours (Subject to Approval by the Special Permit Granting Authority)

Monday: 9:00am-8:00pm
Tuesday: 9:00am-8:00pm
Wednesday: 9:00am-8:00pm
Thursday: 9:00am-8:00pm
Friday: 9:00am-8:00pm

Saturday: 8:00am-8:00pm
Sunday: 10:00am-8:00pm

Agent Background Checks

- In addition to completing the Commission’s agent registration process, all agents hired to work for RC Retail will undergo a detailed background investigation prior to being granted access to a RC Retail facility or beginning work duties.
- Background checks will be conducted on all agents in their capacity as employees or volunteers for RC Retail pursuant to 935 CMR 500.030 and will be used by the Director of Security, who will be registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration and the Commission for purposes of determining the suitability of individuals for registration as a marijuana establishment agent with the licensee.
- For purposes of determining suitability based on background checks performed in accordance with 935 CMR 500.030, RC Retail will consider:
 - a. All conditions, offenses, and violations are construed to include Massachusetts law or like or similar law(s) of another state, the United States or foreign jurisdiction, a military, territorial or Native American tribal authority, or any other jurisdiction.
 - b. All criminal disqualifying conditions, offenses, and violations include the crimes of attempt, accessory, conspiracy, and solicitation. Juvenile dispositions will not be considered as a factor for determining suitability.
 - c. Where applicable, all look-back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802 commence upon the date of disposition; provided, however, that if disposition results in incarceration in any institution, the look-back period will commence upon release from incarceration.
- Suitability determinations will be made in accordance with the procedures set forth in 935 CMR 500.800. In addition to the requirements established in 935 CMR 500.800, RC Retail will:
 - a. Comply with all guidance provided by the Commission and 935 CMR 500.802: Tables B through D to determine if the results of the background are grounds for Mandatory Disqualification or Presumptive Negative Suitability Determination.
 - b. Consider whether offense(s) or information that would result in a Presumptive Negative Suitability Determination under 935 CMR 500.802. In the event a Presumptive Negative Suitability Determination is made, RC Retail will consider the following factors:
 - i. Time since the offense or incident;
 - ii. Age of the subject at the time of the offense or incident;
 - iii. Nature and specific circumstances of the offense or incident;
 - iv. Sentence imposed and length, if any, of incarceration, if criminal;
 - v. Penalty or discipline imposed, including damages awarded, if civil or administrative;
 - vi. Relationship of offense or incident to nature of work to be performed;

- vii. Number of offenses or incidents;
 - viii. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
 - ix. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including, but not limited to, professional or educational certifications obtained; and
 - x. Any other relevant information, including information submitted by the subject.
- c. Consider appeals of determinations of unsuitability based on claims of erroneous information received as part of the background check during the application process in accordance with 803 CMR 2.17: Requirement to Maintain a Secondary Dissemination Log and 2.18: Adverse Employment Decision Based on CORI or Other Types of Criminal History Information Received from a Source Other than the DCJIS.
- All suitability determinations will be documented in compliance with all requirements set forth in 935 CMR 500 et seq. and guidance provided by the Commission.
 - Background screening will be conducted by an investigative firm holding the National Association of Professional Background Screeners (NAPBS®) Background Screening Credentialing Council (BSCC) accreditation and capable of performing the searches required by the regulations and guidance provided by the Commission.
 - References provided by the agent will be verified at the time of hire.
 - As a condition of their continued employment, agents, volunteers, contractors, and subcontractors are required to renew their Program ID cards annually and submit to other background screening as may be required by RC Retail or the Commission.

Personnel Policies and Training

As outlined in RC Retail's Record Keeping Procedures, a staffing plan and staffing records will be maintained in compliance with 935 CMR 500.105(9) and will be made available to the Commission, upon request. All RC Retail agents are required to complete training as detailed in RC Retail's Qualifications and Training plan which includes but is not limited to the RC Retail's strict alcohol, smoke and drug-free workplace policy, job specific training, Responsible Vendor Training Program, confidentiality training including how confidential information is maintained at the marijuana establishment and a comprehensive discussion regarding the marijuana establishment's policy for immediate dismissal. All training will be documented in accordance with 935 CMR 105(9)(d)(2)(d).

RC Retail will have a policy for the immediate dismissal of any dispensary agent who has:

- Diverted marijuana, which will be reported the Police Department and to the Commission;
- Engaged in unsafe practices with regard to RC Retail operations, which will be reported to the Commission; or

- Been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.

Diversity Plan

Overview

RC Retail Amherst LLC (“RC Retail”) is dedicated to promoting equity in its operations for diverse populations, which the Commission has identified as the following:

1. Minorities;
2. Women;
3. Veterans;
4. People with disabilities; and
5. People identifying as LGBTQ+ .

To support such populations, RC Retail has created the following Diversity Plan (the “Plan”) and has identified and created goals/programs to promote equity in RC Retail’s operations.

Goals

In order for RC Retail to promote equity for the above-listed diverse populations in its operations, RC Retail has established the following goal:

- Hiring and maintaining a staff of individuals comprised of at least 30% women, at least 20% minorities, and at least 10% individuals who identify as LGBTQ+.

Programs

RC Retail has developed specific programs to effectuate its stated goals to promote diversity and equity in its operations, which will include the following:

1. Hiring and Recruitment Program:
 - a. Workforce diversity initiatives that include the distribution of quarterly interoffice newsletters to employees to encourage the recruitment of members of diverse populations and the posting of employment opportunities in career center(s) serving diverse populations as positions become available (but not less than annually); and
 - b. Placement of advertisements for career opportunities in publications with diverse reader demographics such as the Rainbow Times, as positions become available (but not less than twice annually).
2. RC Retail/Hope Community Church Partnership Program:
 - a. RC Retail has established a partnership with Hope Community Church at 16 Gaylord Street, Amherst, MA 01002. Hope Community Church is an anchor in the Amherst community and provides a variety of programs and opportunities that benefit the diverse populations living in the surrounding community. The goals of the partnership include:
 - i. Establishing a network between RC Retail and Hope Community Church for employment purposes;
 - ii. Hosting at least two (2) job fairs per year at Hope Community Church to recruit qualified minorities, women, and people who identify as LGBTQ+ who are served by Hope Community Church; and
 - iii. Hosting at least two (2) educational seminars regarding industry-specific information at Hope Community Church for individuals falling into the above-listed demographics. Educational seminars will

be able to accommodate no fewer than ten (10) individuals. Topics for the educational seminar may include: common marijuana retailer compliance issues; roles and responsibilities at a marijuana retailer; and marijuana inventory and tracking processes and requirements.

3. Charitable Giving Program: RC Retail will make a monetary donation in the amount of no less than \$5,000.00 annually to Hope Community Church to provide additional funding to support programs and improve facilities that serve diverse populations.

Measurements

The Managing Member will administer the Plan and will be responsible for developing measurable outcomes to ensure RC Retail continues to meet its commitments. Such measurable outcomes, in accordance with RC Retail's goals and programs described above, include:

1. Conducting annual employment composition audits to review the percentages of all staff that are women, minorities, and people who identify as LGBTQ+ to determine if RC Retail is meeting the above listed goals. Such composition audits will be completed in accordance with any employment law standards and requirements;
2. Placing employment ads in publications with diverse readership demographics two (2) or more times per year;
3. Documenting the hosting of at least two (2) job fairs per year at Hope Community Church to recruit qualified minorities, women, and people who identify as LGBTQ+ who are served by Hope Community Church; and
4. Documenting the hosting of at least two (2) educational seminars regarding industry-specific information at Hope Community Church for individuals falling into the above- listed demographics.

Beginning upon receipt of RC Retail's first Provisional License from the Commission to operate a marijuana establishment in the Commonwealth, RC Retail will utilize proposed measurements to assess its Plan and will account for demonstrating proof of success of progress of the Plan upon the yearly renewal of the license. The Managing Member will review and evaluate RC Retail's measurable outcomes no less than twice annually to ensure that RC Retail is meeting its commitments.

Acknowledgements

- RC Retail will make a monetary donation in the amount of no less than \$5,000.00 annually to Hope Community Church to provide additional funding for programs which serve minority youth and adults located in the surrounding community.
- RC Retail has spoken with Hope Community Church and acknowledges that Hope Community Church has agreed to (1) partner with RC Retail in connection with the RC Retail/Hope Community Church Partnership Program, and (2) accept donations.
- In administering the Plan, RC Retail will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.
- Any actions taken, or programs instituted, by RC Retail will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.