



## Massachusetts Cannabis Control Commission

### Marijuana Product Manufacturer

#### General Information:

License Number: MP281383  
Original Issued Date: 06/12/2020  
Issued Date: 05/13/2021  
Expiration Date: 06/12/2022

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Temple Hill Collective, Inc.

Phone Number: 603-203-1675  
Email Address: info@templehillcollective.com

Business Address 1: 154 Quabbin Blvd	Business Address 2:
Business City: Orange	Business State: MA
Business Zip Code: 01364	
Mailing Address 1: 154 Quabbin Blvd	Mailing Address 2:
Mailing City: Orange	Mailing State: MA
Mailing Zip Code: 01364	

### 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: 100	Percentage Of Control: 80
Role: Executive / Officer	Other Role:

First Name: Joseph Last Name: Carbone 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

No records found

#### CLOSE ASSOCIATES AND MEMBERS

No records found

#### CAPITAL RESOURCES - INDIVIDUALS

No records found

#### CAPITAL RESOURCES - ENTITIES

No records found

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

#### DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

#### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 154 Quabbin Blvd

Establishment Address 2:

Establishment City: Orange Establishment Zip Code: 01364

Approximate square footage of the Establishment: 10000 How many abutters does this property have?: 7

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

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	2019-02-21 06-50.pdf	pdf	5c6e926c5d4b0b1b3ebbf32	02/21/2019
Plan to Remain Compliant with Local Zoning	Plan To Remain Compliant With Local Zoning 1.0.pdf	pdf	5e874da5b3c49635509eaa04	04/03/2020
Community Outreach Meeting Documentation	IMG_0001-2.pdf	pdf	5e874e33b014bf38e46cdd90	04/03/2020

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.: \$1

#### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Positive Impact Plan.3.0.pdf	pdf	5e8f60022eba6d38ef1667b5	04/09/2020

## ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

## INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

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

## ENTITY BACKGROUND CHECK INFORMATION

No records found

## MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	Good Standing DOR.pdf	pdf	5c546fdc2724e81b52558a6f	02/01/2019
Secretary of Commonwealth - Certificate of Good Standing	Good Standing SoC.pdf	pdf	5c546ff88d16491b5c0f56f3	02/01/2019
Bylaws	PHA By-Laws 10.16.19.pdf	pdf	5e6f7630172cbc3545971d03	03/16/2020
Articles of Organization	AOO.pdf	pdf	5e8211de81ed8a355b8d7701	03/30/2020

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	Cert of GS Tax.pdf	pdf	6061f4765100e00770db0c79	03/29/2021
Department of Unemployment Assistance - Certificate of Good standing	Dept of Unemployment COG.pdf	pdf	6061f4a93e0ae507c9312385	03/29/2021
Secretary of Commonwealth - Certificate of Good Standing	Good Standing - Sec. of Commonwealth.pdf	pdf	60621b6bc94e7f0783733c66	03/29/2021

Massachusetts Business Identification Number: 000729297

Doing-Business-As Name:

DBA Registration City:

## BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	BUSINESS PLAN.pdf	pdf	5c51c20e8d16491b5c0f51bb	01/30/2019
Proposed Timeline	TIMELINE.pdf	pdf	5c6ac0cad7a931124ee02568	02/18/2019
Plan for Liability Insurance	Liability Insurance Revised.pdf	pdf	5e6f784e961ad539052ba13c	03/16/2020
Proposed Timeline	THCI Updated Operational Timeline.pdf	pdf	60621b0a694f45077ebc4f2e	03/29/2021

## OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Types of products Manufactured.	1. Types of Products Manufactured - UPDATED.pdf	pdf	605377841c41b407a7672aa0	03/18/2021
Method used to produce products	2. Methods Used To Produce Products - UPDATED.pdf	pdf	605377a0021c1507b3980e73	03/18/2021
Sample of unique identifying marks used for branding	3. Sample of Unique Identifying Marks Used For Branding - NEEDS WORK.pdf	pdf	605377b44c3a6c079db3d17f	03/18/2021
Restricting Access to age 21 and older	4. Restricting Access to Age 21 or Older.3.0 - UPDATED.pdf	pdf	605377e3c94e7f0783731817	03/18/2021
Security plan	5. Security Plan 2.0 - UPDATED.pdf	pdf	6053780015bf0e07a4ba56ba	03/18/2021
Prevention of diversion	6. Prevention of Diversion 1.0 - UPDATED.pdf	pdf	6053781459735d07bd821833	03/18/2021
Storage of marijuana	7. Storage of Marijuana - UPDATED.pdf	pdf	60537827e5be0207aec7208a	03/18/2021
Transportation of marijuana	8. Transportation of Marijuana - UPDATED.pdf	pdf	6053783789d65207913a943b	03/18/2021
Inventory procedures	9. Inventory Procedures - UPDATED.pdf	pdf	605378464c3a6c079db3d185	03/18/2021
Quality control and testing	10. Quality Control and Testing.1.0 - UPDATED.pdf	pdf	6053785415bf0e07a4ba56be	03/18/2021
Dispensing procedures	11. Dispensing Procedures - UPDATED.pdf	pdf	6053786b5100e00770dae7d5	03/18/2021
Personnel policies including background checks	12. Personnel Policies - UPDATED.pdf	pdf	6053788315bf0e07a4ba56c2	03/18/2021
Record Keeping procedures	13. Record Keeping Procedures.1.0 - UPDATED.pdf	pdf	605378b1e5be0207aec72090	03/18/2021
Maintaining of financial records	14. Maintaining of Financial Records - UPDATED.pdf	pdf	605378d03e0ae507c9310027	03/18/2021
Diversity plan	15. Diversity Plan.3.0 - UPDATED.pdf	pdf	605378e44c3a6c079db3d18d	03/18/2021
Qualifications and training	16. Qualifications and Training 1.0 - UPDATED.pdf	pdf	6053790059735d07bd82183f	03/18/2021
Energy Compliance Plan	THCI Energy Compliance Plan.pdf	pdf	60537bce3e0ae507c931003b	03/18/2021
Plan to Obtain Marijuana	THCI Plan to Obtain Marijuana.pdf	pdf	60537e6a021c1507b3980ead	03/18/2021

## ATTESTATIONS

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

Date generated: 09/24/2021

Page: 4 of 5



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

I certify that to the best knowledge of any of the individuals listed within this application, there are no background events that have arisen since the issuance of the establishment's final license that would raise suitability issues in accordance with 935 CMR 500.801.: I Agree

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

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

#### COMPLIANCE WITH POSITIVE IMPACT PLAN

Progress or Success Goal 1

Description of Progress or Success: We have not began operations as 3.18.2021, therefore we have not begun operating our Positive Impact Plan.

#### COMPLIANCE WITH DIVERSITY PLAN

Diversity Progress or Success 1

Description of Progress or Success: We have made a strong effort to be compliant with our Diversity Plan. As of 3.18.21, we have 5 registered agents.

Included in our registered agents are the following:

1 female employee

1 veteran employee

We employ a total of 40% of diverse employees in our current workforce, which is the goal we set forth in our Diversity Plan.

#### PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

Item 1

Label Picture:

Document Category	Document Name	Type	ID	Upload Date
	Product TBD.pdf	pdf	605386493e0ae507c9310076	03/18/2021

Name of Item: TBD Item Type: Edible MIP

Item Description: We are not operational yet, this information is still TBD.

#### HOURS OF OPERATION

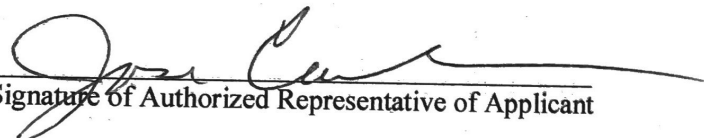
Monday From: 8:00 AM	Monday To: 5:00 PM
Tuesday From: 8:00 AM	Tuesday To: 5:00 PM
Wednesday From: 8:00 AM	Wednesday To: 5:00 PM
Thursday From: 8:00 AM	Thursday To: 5:00 PM
Friday From: 8:00 AM	Friday To: 5:00 PM
Saturday From: 8:00 AM	Saturday To: 5:00 PM
Sunday From: 8:00 AM	Sunday To: 5:00 PM

## 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).

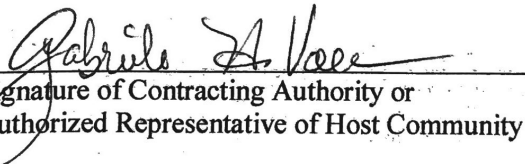
### Applicant

I, Joseph Carbone, (insert name) certify as an authorized representative of PHA Industries Inc. (insert name of applicant) that the applicant has executed a host community agreement with Orange, MA (insert name of host community) pursuant to G.L.c. 94G § 3(d) on 10/29/2018 (insert date).

  
Signature of Authorized Representative of Applicant

### Host Community

I, Gabriele H. Voelker, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Orange (insert name of host community) to certify that the applicant and Town of Orange (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 10/29/2018 (insert date).

  
Signature of Contracting Authority or  
Authorized Representative of Host Community

**PHA Industries Inc.**  
**Host Community Information**  
**Plan to Remain Compliant with Local Zoning**

**Purpose**

To ensure that PHA Industries is currently in compliance with zoning ordinances in the town of Orange, MA. Additionally, to ensure that PHA Industries will remain in compliance with zoning ordinances in a continual manner throughout the duration of its operations.

**Background**

PHA Industries Inc. has been in business at 153 Quabbin Boulevard in the Randall Pond Industrial Park in Orange, MA for 19 years. In our current business, we have always been and will continue to remain compliant with all applicable zoning ordinances and bylaws and we will continue to follow all guidelines set forth by the Town of Orange.

**Compliance Plan**

To date, PHA has held a community outreach meeting for our planned Marijuana Product Manufacturing license, and we have successfully entered a Host Community Agreement with the town of Orange.

Our location at 153 Quabbin Boulevard, in the Randall Pond Industrial Park is appropriate “by right”.

Currently, Orange, MA does not set forth specific zoning bylaws in regards to cannabis operations within the town. Although there are no specifically prescribed ordinances in regards to cannabis, PHA Industries has continuously remained in good standing with the town, we will continue to remain compliant with all applicable zoning ordinances and bylaws, and we will follow all future guidelines set forth by the Town of Orange at all times.

Finally, in an effort to maintain ongoing compliance, PHA Industries will, on a continual basis, continue to work in conjunction with all applicable Town of Orange municipal departments, boards, and officials to ensure that PHA’s Marijuana Establishment remains compliant with all local laws, regulations, rules, and codes with respect to planning, construction, operation, and safety/security. In order to facilitate this coordination with the town of Orange, PHA Industries will employ a regulatory compliance manager who will continually assess the changing municipal zoning and ordinance bylaws in the town of Orange.

## 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, Joseph Carbone, (insert name) attest as an authorized representative of P/A Industries, Inc. (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 2/19/19 (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 2/8/19 (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 2/4/19 (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 2/4/19 (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).

Attachment A

2/5/2019 12:14 PM

Joe Carbone &lt;joecarbone@verizon.net&gt;

Fwd: legal proof

To carbonec16@comcast.net

-----Original Message-----

From: shunter &lt;shunter@recorder.com&gt;

To: joecarbone &lt;joecarbone@verizon.net&gt;

Sent: Tue, Feb 5, 2019 11:36 am

Subject: legal proof

Hi Joe Here is the proof of your legal to run on Friday Feb 8th, please call me at 413-772-0261 x228 with payment, before 10am on Thursday suzanne

## Greenfield Recorder

14 Hope Street, Greenfield, MA

413-772-0261 | Fax: 413-774-5511 | Customer Service: 413-772-0148

## Advertising Invoice

**LEGALS CASH ACCOUNT**14 HOPE ST  
GREENFIELD, MA 01301

Cust#:15585

Ad#:24036

Phone#:4137720261228

Date:02/05/2019

Salesperson: SUZANNE HUNTER

Classification: Legals

Ad Size: 1.0 x 1.80

**Advertisement Information:**

Description	Start	Stop	Ins.	Cost/Day	Total
The Recorder	02/08/2019	02/08/2019	1	45.68	45.68

**Payment Information:**

Date:

02/05/2019

Order#

24036

Type

BILLED ACCOUNT



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<b>Total Amount:</b>	<b>45.68</b>	
<b>Tax:</b>		<b>0.00</b>
<b>Amount Due:</b>	<b>45.68</b>	

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**\*8223\* JOE CARBONE/COMMUNITY OUTREACH MEETING - Thank you for your business!**

### Ad Copy

**A community outreach meeting** for a proposed marijuana extraction facility is scheduled for Tuesday, February 19, 2019, at 1:00pm in the Orange Town Offices, 2nd floor on Prospect St., Orange, MA.

The proposed extraction and manufacturing site is anticipated to be located at 153 Quabbin Blvd., Orange, MA 01364.

There will be an opportunity for the public to ask questions.

February 8

24036

- 
- 24036.pdf (20 KB)
  - shunter\_24036\_1549384518476.png (11 KB)
  - relogo.jpg (81 KB)

**TOWN OF ORANGE  
RUTH B. SMITH AUDITORIUM  
RENTAL AGREEMENT**

Date (s) Requested: 2/19/19 Time Requested: 1:00 P.M.

Name of Organization: P41A Industries

Address Street 153 Quabbin Blvd

City Orange Zip Code 01364

Telephone Number 978-544-8770 E-mail \_\_\_\_\_

Contact Person Joe Carbone

1. Purpose of rental public outreach meeting

2. Liability Insurance  
(please include copy of insurance certificate) \_\_\_\_\_  
If no, can insurance be obtained? \_\_\_\_\_

3. Police Coverage if needed no  
(978-544-2129)

4. Board of Health if serving food no  
(978-544-1107)

5. Clean up ☒ A. Organization will assume cleanup responsibilities  
\_\_\_\_\_ B. Organization will pay additional fee for janitorial services; fee dependent on amount of work done.

6. Fee to open and close hall \$25.00

7. Rental Fees: \$100.00/day Function plus janitorial fee (see #8)  
\$ 50.00/day Non-profit function plus janitorial fee (see #8)

\$ 75.00/day Function use of more than 1 day plus janitorial fee (see #8)

8. Janitorial Fees \$150.00

9. Deposit equal to janitorial fee (returned upon inspection of hall)  
(please make separate checks payable to the Town of Orange; memo line – janitorial or rental fee)

10. Town Hall premises to be left in the same condition as when rental began. Signatures secured after the event.

Organization Representative: [Signature]

Date: 2/4/19

Town Hall Representative: [Signature]

Date: 2/4/19

**11. Equipment requested. Check if needed.**

- ☐ **Stage:** Can be used; it is appropriately equipped with outlets and proper amps.
- ☐ **Chairs:** Person renting must provide chairs; the metal folding chairs may be used with permission from the Town Clerk. Various wooden chairs may be used. Chairs must be taken down and returned to original position.
- ☐ **Tables:** Some are on the floor; additional tables would need to be secured by the person renting.
- ☐ **Trash barrels:** May use, but must bring your own bags and remove trash yourself.
- ☐ **Projector:** Not provided by the Town Hall.
- ☐ **Concession Area:** Area is really just counter space without appliances or water.
- ☐ **Piano - Steinway:** Key must be secured from Town Clerk.

Oak furniture including Board of Selectmen chairs, Selectboard desk, desk for Town Clerk, and podium that is roped off MAY NOT BE USED.

**12. Any other pertinent information or requests:** \_\_\_\_\_

**Date:** 2/19/19 **Organization Representative:** 

**Date:** 2/19/19 **Town Hall Representative:** Amanda Carey



**PHA Industries Inc.**  
**Host Community Information**  
**Plan to Remain Compliant with Local Zoning**

PHA Industries Inc. has been in business in the Randall Pond Industrial Park in Orange Massachusetts for 19 years. We will continue to remain compliant and follow all guidelines set forth by the Town of Orange. Our location is appropriate by right.

11/10/2017

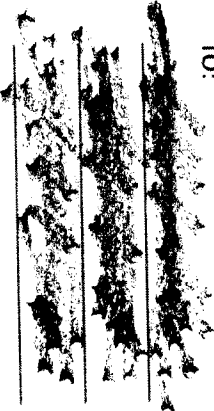
PHA Industries Inc.  
153 Quabbin Blvd  
Orange, MA 01364  
978.544.8770

PHA  
INDUSTRIES

A community outreach meeting for a proposed marijuana extraction facility is scheduled for **Tuesday, February 19, 2019, at 1:00pm** in the Orange Town Offices, 2nd floor on Prospect St., Orange, MA. The proposed extraction and manufacturing site is anticipated to be located at **153 Quabbin Blvd., Orange, MA 01364**. There will be an opportunity for the public to ask questions.



TO:



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**Tom McMenemy** <tom@smallaxema.com>  
To: Leanna Dennis <ldennis@townoforange.org>

Thu, Mar 18, 2021 at 11:23 AM

Good morning Leanna,

We are working on our annual renewal application for the Cannabis Control Commission, and we are required to request documentation from the town detailing any costs incurred by the town that can reasonably be attributed to the operation of our business in town. This might be a bit of a formality at this point since we are not operational yet, but it is required of me to request this information (or lack thereof from the town).

Please see attached letter for my formal request for this documentation. Please let me know if you need any more info from me or if you have any questions.

Thank you!

**Tom McMenemy**  
[tom@smallaxema.com](mailto:tom@smallaxema.com)  
603-203-1675

On Tue, Aug 18, 2020 at 8:41 AM Leanna Dennis <ldennis@townoforange.org> wrote:

[Quoted text hidden]

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 **Municipal Cost Request 3.18.21.pdf**  
25K

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**Leanna Dennis** <ldennis@townoforange.org>  
To: Tom McMenemy <tom@smallaxema.com>

Thu, Mar 18, 2021 at 3:21 PM

Hi Tom,  
I have received your request and forwarded it to the Town Administrator and Director of Community Development who will take care of that for you.  
Thanks,  
Leanna

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**From:** Tom McMenemy <[tom@smallaxema.com](mailto:tom@smallaxema.com)>  
**Sent:** Thursday, March 18, 2021 11:23 AM  
**To:** Leanna Dennis <[ldennis@townoforange.org](mailto:ldennis@townoforange.org)>

**Subject:** Re: PHA Industries - Town Admin Signature Required

[Quoted text hidden]

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**Tom McMenemy** <tom@smallaxema.com>  
To: Leanna Dennis <ldennis@townoforange.org>

Thu, Mar 18, 2021 at 3:26 PM

Thank you very much!

Kindly,  
**Tom McMenemy**  
[tom@smallaxema.com](mailto:tom@smallaxema.com)  
**603-203-1675**

[Quoted text hidden]

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**Tom McMenemy** <tom@smallaxema.com>  
To: Leanna Dennis <ldennis@townoforange.org>

Mon, Mar 29, 2021 at 11:41 AM

Hi Leanna, I was wondering if there was any update on this request?

Thanks!  
**Tom McMenemy**  
[tom@smallaxema.com](mailto:tom@smallaxema.com)  
**603-203-1675**

[Quoted text hidden]

4.8.21

#### No Municipal Response Attestation

We requested documentation of financial cost top the town of Orange on 3.18.21. I attest that as of 4.8.21, we have not received a response from the municipality. I have also attached documentation with time stamps showing the date and content of my request to the administrator's office of the municipality.

A handwritten signature in black ink, appearing to read "Tom McMenemy", with a stylized flourish at the end.

Tom McMenemy, Temple Hill Collective, Inc.

## **PHA Industries Plan For Positive Impact**

In accordance with 935 CMR 500.101(1)(a)(11) and 935 CMR 500.101(2)(b)(10), PHA Industries has developed a Plan for Positive Impact for a specific area of disproportionate impact. PHA industries will implement a Plan for Positive Impact designed to help Massachusetts residents who have a record containing past drug convictions. PHA will ensure that all aspects of the Plan for Positive Impact will strictly adhere to the requirements set forth in 935 CMR 500.105(4) regarding permitted/prohibited advertising, branding, marketing, and sponsorship practices of Marijuana Establishments. Additionally, PHA will ensure that any actions taken or programs instituted by PHA will not violate the Commission's regulations with respect to limitations on ownership, control, or any other applicable state laws.

### **Goals**

1. Remove barriers to entry in the commercial adult-use cannabis industry to a minimum of four (4) qualifying individuals per year.
2. Provide training, guidance, and mentorship to a minimum of four (4) qualifying individuals per year in an effort to instill the skills necessary for success in the adult-use cannabis industry.
3. Provide job opportunities in the adult-use cannabis industry to a minimum of four (4) qualifying individuals per year.

### **Programs**

PHA has developed several programs in order to achieve the goals set forth in the positive impact plan.

- Internship Program – In order to achieve the goals set forth, PHA will provide four (4) full-time paid internships per year to qualifying individuals. Qualifying individuals are persons who possess a criminal record containing convictions for drug-related misdemeanors. PHA will prioritize for individuals who have records that may normally hinder them from gaining meaningful, full-time employment in their desired career fields.

PHA will advertise internship openings using major job posting websites and publications. Each internship will have a duration of four months.

- Training & Mentorship Program - Throughout the course of each internship, PHA management and supervisors will train interns on each facet of our production operation. Interns will be given the chance to study multiple areas of expertise throughout the duration of their internship. Additionally, senior management will actively work with interns to help develop general professional competencies as well as cannabis industry specific competencies. The overall desired outcome of this program is to provide each intern a high level of mentorship that will allow him or her to pursue a successful career in the adult-use cannabis industry.
- Career Placement Program – The ultimate goal of PHA's positive impact plan is to provide a pathway to successful and rewarding cannabis industry careers to qualifying individuals. At the end of each four (4) month internship, PHA will help interns with career placement in the cannabis industry in MA. PHA will first and foremost provide full-time positions to qualified interns at the end of their internships, to the greatest extent that our operation allows. If no openings currently exist at PHA, senior management will use their cannabis industry networks to actively seek and acquire full-time positions for our interns at cannabis companies throughout the state of Massachusetts.

### **Measurement and Accountability**

Through a direct and standardized Plan for Positive Impact, PHA will be able to simply measure the efficacy of the plan, as well as provide instant accountability to the current status and overall success of the plan.

Specifically, PHA will use the following metrics to quantify the success of our Plan for Positive Impact on an annual basis:

- **Minimum of four (4) internships each fiscal year** - PHA will provide a minimum of four (4) internships to four different qualifying individuals on an annual basis.
- **\$40,000 Minimum Annual Investment** - PHA will invest a minimum of \$40,000 on its internship program. This investment will cover the salary, training, and career placement services for each of our four (4) annual internships.
- **Minimum Career Placement Success Rate of 75%** - PHA will maintain a 75% or greater career placement rate for interns who have successfully completed a four-month internship with PHA.

In order to quantifiably measure and track these specific metrics, PHA will implement the following protocols:

- PHA's CEO will personally manage the task of sourcing and hiring qualified applicants for the internship program. The CEO will maintain an ongoing pipeline of internship prospects in an effort to ensure that each quarterly intern commences their internship on: January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup>, and October 1<sup>st</sup> each calendar year, respectively.
- On a quarterly basis, CEO will request an accounting report from CFO detailing total capital expenditure year-to-date (YTD) on internship program in order to ensure that PHA is on pace to deploy the minimum amount of capital required by our Plan for Positive Impact.
- For each internship, CEO will indicate, in the respective personnel file, the subsequent employment status of each intern. The CEO will specifically indicate whether each intern has: retained employment with PHA, retained employment with an outside Marijuana Licensee, or has either not retained employment in the cannabis industry, or employment in general. On an annual basis, CEO will compile the intern subsequent employment data into a written report. This report will be used to determine that a minimum of 75% of interns have retained employment in the adult-use cannabis industry. This annual report will be completed to coincide with PHA's annual license renewal.

In addition to the annual report, and in an effort to maintain full accountability in regards to the execution and efficacy of the Plan for Positive Impact, PHA will, upon request, make available to the Commission the ongoing internship program data including, but not limited to: number of internships commenced and completed, YTD capital expenditure on internship plan, and internship employment outcomes.



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

mass.gov/dor

Letter ID: L1099995520  
Notice Date: January 29, 2019  
Case ID: 0-000-333-869



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



PHA INDUSTRIES INC  
153 QUABBIN BLVD  
ORANGE MA 01364-6413

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

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

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

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

### *What if I have questions?*

If you have questions, call us at (617) 887-6367 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 8:30 a.m. to 4:30 p.m..

### *Visit us online!*

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau





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

William Francis Galvin  
Secretary of the  
Commonwealth

Date: January 30, 2019

To Whom It May Concern :

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

**PHA INDUSTRIES, INCORPORATED**

is a domestic corporation organized on **November 20, 2000** , under the General Laws of the Commonwealth of Massachusetts. I further certify that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156D section 14.21 for said corporation's dissolution; that articles of dissolution have not been filed by said corporation; that, said corporation has filed all annual reports, and paid all fees with respect to such reports, and so far as appears of record said corporation has legal existence and is in good standing with this office.



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

*William Francis Galvin*

Secretary of the Commonwealth

Certificate Number: 19010484290

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

Processed by:

PHA Industries, Incorporated

By-laws

# By-laws of PHA Industries, Incorporated

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# By-laws of PHA Industries, Incorporated

## Article 1      Stockholders

### 1.1      Place of Meetings

All meetings of the stockholders shall be held within the Commonwealth of Massachusetts unless the Articles of Organization permit the holding of the stockholder meetings outside Massachusetts, in which event such meeting shall be held either within or without Massachusetts. Meetings of stockholders shall be held in the principal office of the corporation unless a different place is fixed by the Board of Directors or the President and stated in the notice of the meeting.

### 1.2      Annual Meeting

The annual meeting of the stockholders shall be held on the first Monday in each year (or if that day be on a legal holiday, then the meeting is to be held on the next succeeding full business day) at 10:00 AM, unless a different hour is fixed by the Board of Directors or the President and stated in the notice of the meeting. The purpose for which the annual meeting is to be held, in addition to those prescribed by law, by the Articles of Organization, or by these By-laws, may be specified by the Board of Directors or the President. If no annual meeting is held in accordance with the foregoing provisions, a special meeting may be held in lieu of the annual meeting, and any actions taken at that special meeting shall have the same effect as if they had been taken at the annual meeting, and in such case all references in these By-laws to the annual meeting of the stockholders shall be deemed to refer to such special meeting.

### 1.3      Special Meetings

Special meetings of the stockholders shall be called by the President or the Board of Directors. Upon written application of one or more stockholders who are entitled to vote and who hold at least ten percent (10%) of the capitol stock entitled to vote at the meetings, special meetings shall be called by the Clerk, or in the case of death, absence, incapacity or refusal of the Clerk, then by any other officer.

### 1.4      Notice of Meetings

A written notice of each meeting of stockholders, stating the place, date and hour thereof, and the purposes for which the meeting is to be held, shall be given by the clerk or other person calling the meeting at least seven days before the meeting to each stockholder entitled to vote at the meeting and to each stockholder who by law, by the Articles of Organization or by these By-laws is entitled to such notice, by leaving such notice with him or at his residents or usual place of business, or by mailing it postage prepaid and addressed to him at his address as it appears in the records of the corporation. Whenever any notice is required to be given to a

stockholder by law, by the Articles of Organization or by these By-laws, no such notice be given if a written waiver or notice, executed before or after the meeting by the stockholder or his authorized attorney, is filed with the records of the meeting.

#### 1.5 Quorum

Unless the Articles of Organization otherwise provide, the holders of the majority of the number of shares of the stock issued, outstanding and entitled to vote on any matter shall constitute a quorum with respect to that matter, except that if two or more classes of stock are outstanding and entitled to vote as separate classes, then in the case of each such class a quorum shall consist of the holders of a majority of the number of shares of the stock of that class issued, outstanding and entitled to vote. Shares owned directly or indirectly by the corporation shall not be counted in determining the total number of shares outstanding for this purpose.

#### 1.6 Adjournments

Any meetings of the stockholders may be adjourned to any other time and to any other place at which a meeting of the stockholders may be held under these By-laws by the stockholders present or represented at the meeting, although less than a quorum, or by any officer entitled to preside or act as clerk of such a meeting, if no stockholder is present. It shall not be necessary to notify any stockholder of any adjournment. Any business which could have been transacted at any meeting of the stockholders as originally called may be transacted at any adjournment of the meeting.

#### 1.7 Voting and Proxies

Each stockholder shall have one vote for each share of stock entitled to vote and held of record by such stockholder and a proportionate vote for each fractional share so held, unless otherwise provided by these Articles of Organization. Stockholders may vote either in person or by written proxy dated not more than six months before the meeting named in the proxy. Proxies shall be filed with the clerk of the meeting, or of any adjourned meeting, before being voted. Except as otherwise limited by their terms, a proxy shall entitle the persons named in the proxy to vote at any adjournment of such meeting but shall not be valid after final adjournment of such meeting. A proxy with respect to stock held in the names of two or more persons shall be valid if executed by any one of them, unless at or prior to exercise of the proxy the corporation receives a specific written notice to the contrary from any one of them. A proxy purported to be executed by or on behalf of a stockholder shall be deemed valid unless challenged at or prior to its exercise.

#### 1.8 Action at Meetings

When a quorum is present at any meeting, the holders of a majority of the stock present or represent and voting on a matter (or if there are two or more classes of stock entitled to vote as separate classes, then the case of each such class, the holders of a majority of the stock of

that class present or represented and voting on that matter), shall decide any matter to be voted on by the stockholders, except when a larger vote is required by law, the Articles of Organization or the By-laws. Any election by stockholders shall be determined by a plurality or the votes cast by the stockholders entitled to vote at this election. No ballot shall be required for such election unless requested by a stockholder present or represented at the meeting and entitled to vote in the election. The corporation shall not directly or indirectly vote any shares of its own stock.

#### 1.9 Action without Meeting

Any action required or permitted to be taken at any meeting of the stockholders may be taken without a meeting if all stockholders entitled to vote on the matter consent to the action in writing and the written consents are filed with the records of the meetings of the stockholders. Each such consent shall be treated for all the purposes as a vote at a meeting.

### Article 2      Directors

#### 2.1 Powers

The business of the corporation shall be managed by the Board of Directors, who may exercise all the powers of the corporation except as otherwise provided by law, by the Articles of Organization or by these By-laws. In the event of a vacancy in the Board of Directors, the remaining Directors, except as otherwise provided by law, may exercise the powers of the full Board until the vacancy is filled.

#### 2.2 Number, Election and Qualification

The numbers of Directors which shall constitute the whole Board of Directors shall be determined by the vote of the stockholders or the Board of Directors, but shall consist of not less than three Directors (except that whenever there shall be only two stockholders the number of Directors shall not be less than two and whenever there shall be only one stockholder or prior to the issuance of any stock, there shall be at least one Director). The number of directors may be decreased at any time and from time to time either by the stockholders or by a majority of the Directors then in office, but only to eliminate vacancies existing by reason of the death, resignation, removal or expiration of the term of one or more Directors. The Directors shall be elected at the annual meeting of the stockholders by such stockholders as have the right to vote on such election. No Director need be stockholder of the corporation.

#### 2.3 Enlargement of the Board

The number of Directors may be increased at any time and from time to time by stockholders or by a majority of the Directors then in office.

## 2.4 Tenure

Each Director shall hold office until the next annual meeting of the stockholders and until his successor is elected and qualified, or until his earlier death, resignation or removal.

## 2.5 Vacancies

Unless and until filled by the stockholders, any vacancy in the Board of Directors, however occurring, including a vacancy resulting from an enlargement of the Board, may be filled by vote of a majority of the Directors present at any meeting of Directors at which a quorum is present. Each successor shall hold office for the unexpired term of his predecessor and until his successor is chosen and qualified or until his earlier death, resignation or removal.

## 2.6 Resignation

Any Director may resign by delivering his written resignation to the corporation at its principal office or to the President or Clerk. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

## 2.7 Removal

A Director may be removed from office with or without cause by vote of the holders of a majority of the shares entitled to vote in the election of Directors. However, the Directors elected by the holders of a particular class or series of stock may be removed from office with or without cause only by vote of the holders of a majority of the outstanding shares of such class or series. In addition, a Director may be removed from office for cause only after reasonable notice and opportunity to be heard before the body proposing to remove him.

## 2.8 Regular Meeting

Regular meetings of the Directors may be held without call or notice at such places, within or without Massachusetts, and at such times as the Directors may from time to time determine, provided that any Director who is absent when such determination is made shall be given notice of the determination. A regular meeting of the Directors may be held without a call or notice immediately after and at the same place as the annual meeting of stockholders.

## 2.9 Special Meetings

Special meetings of the Directors may be held at any time and place, with or without Massachusetts, designated in a call by the Chairman of the Board, President, Treasurer, two or more Directors or by one Director in the event that there is only a single Director in office.



#### 2.10 Meetings by Telephone Conference Calls

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

#### 2.11 Notice of Special Meetings

Notice of special meetings of the Directors shall be given to each Director by the Secretary or Clerk or by the officer or one of the Directors calling the meeting. Notice shall be duly given to each Director (i) by notice given to such Director in person or by telephone at least 48 hours in advance of the meeting, (ii) by sending a telegram or telex, or by delivering written notice by hand, to his last known business or home address at least 48 hours in advance of the meeting, or (iii) by mailing written notice to his last known business or home address at least 72 hours in advance of the meeting. Notice need not be given to any Director if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting prior to the meeting or at its commencement the lack of notice to him. A notice or waiver of notice of a Directors meeting need not specify the purposes of the meeting. If notice is given in person or by telephone, an affidavit of the Secretary, Clerk, officer or Director who gives such notice that the notice has been duly given shall, in the absence of fraud, be conclusive evidence that such notice was duly given.

#### 2.12 Quorum

At any meeting of the Board of Directors, a majority of the Directors then in office shall constitute a quorum. Less than a quorum may adjourn any meeting from time to time without further notice.

#### 2.13 Action at Meeting

At any meeting of the Board of Directors at which a quorum is present, the vote of a majority of those present shall be sufficient to take any action, unless a different vote is specified by law, by the Articles of Organization or by these By-laws.

#### 2.14 Action by Consent

Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all the Directors consent to the action in writing and the written consents are filed with the records of the Directors meetings. Each such consent shall be treated for all purposes as a vote at a meeting.

## 2.15 Committees

The Board of Directors may, by vote of a majority of the Directors then in office, elect from their number an executive committee or other committees and may be like vote delegate to committees so elected some of their powers to the extent permitted by law. Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Directors or in such rules, its business shall be conducted as nearly as possible in the same manner as is provided by these By-laws for the Directors. The Board of Directors shall have the power at any time to fill vacancies in such committee, to change its membership or to discharge the committee.

## 2.16 Compensation of Directors

Directors may be paid such compensation for their services and such reimbursement for expenses of attendance at meetings as the Board of Directors may from time to time determine. No such payment shall preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

## Article 3      Officers

### 3.1 Enumeration

The officers of the corporation shall consist of a President, a Treasurer, a Clerk and such other officers with such other titles as the Board of Directors may determine, including, but not limited, to a Chairman of the Board, a Vice Chairman of the Board, a Secretary and one or more Vice Presidents, Assistant Treasurers, Assistant Clerk sand Assistant Secretaries.

### 3.2 Election

The President, Treasurer and Clerk shall be elected annually by the Board of Directors at their first meeting following the annual meeting of stockholders. Other officers may be chosen or appointed by the Board of Directors at such meeting or any other meeting.

### 3.3 Qualification

No officer need be a director or stockholder. Any two or more offices may be held by the same person. The clerk shall be a resident of Massachusetts unless the corporation has a resident agent appointed for the purpose of service of process. Any office may be required by the Directors to give bond for faithful performance of his duties to the corporation in such amount and with such sureties as the Directors may determine. The premiums for such bonds may be paid by the corporations.

### 3.4 Tenure

Except as otherwise provided by law, by the Articles of Organization or by these By-laws, the President, Treasurer and Clerk shall hold office until the first meeting of the Directors following the next annual meeting of stockholders and until their respective successors are chosen and qualified; and all other officers shall hold office until the first meeting of the Directors following the annual meeting of the stockholders unless a different term is specified in the vote choosing or appointing them, or until his earlier death, resignation or removal.

### 3.5 Resignation and Removal

Any officer may resign by delivering his written resignation to the corporation at its principal office or to the President, Clerk or Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

Any officer may be removed at any time, with or without cause, by vote of a majority of the entire number of Directors then in office. An officer may be removed for cause only after reasonable notice and opportunity to be heard by the Board of Directors prior to action thereon.

Except as the Board of Directors may otherwise determine, no officer who resigns or is removed shall have any right to any compensation as an officer for any period following his resignation or removal, or any right to damages on account of such removal, whether his compensation be by the month or the year or otherwise, unless the compensation is expressly provided in a duly authorized written agreement with the corporation.

### 3.6 Vacancies

The Board of Directors may fill any vacancy occurring in any office for any reason and may, in its discretion, leave unfilled for such period as it may determine any offices other than those of President, Treasurer and Clerk.

### 3.7 Chairman of the Board and Vice-Chairman of the Board

The board of Directors may appoint a Chairman of the Board and may designate him as Chief Executive Officer. If the Board of Directors appoints a Chairman of the Board, he shall perform such duties and possess such powers as are assigned to him by the Board of Directors. If the Board of Directors appoints a Vice-Chairman of the Board, he shall, in the absence of disability of the Chairman of the Board, perform the duties and exercise the powers of the Chairman of the Board and shall perform such other duties and possess such other powers as may from time to time be invested in him by the Board of Directors.

### 3.8 President

The President shall be the Chief Operating Office of the corporation. Unless the Board of Directors has designated the Chairman of the Board as Chief Executive Office, the President shall also be the Chief Executive Officer of the corporation. The President shall, subject to the direction of the Board of Directors, have general charge and supervision of the business of the corporation. Unless otherwise provided by the Board of Directors, he shall preside at all meetings of the stockholders and, if he is the Director, at all meetings of the Board of Directors. The President shall perform such other duties and shall possess such other powers as the Board of Directors may from time to time subscribe.

### 3.9 Vice Presidents

Any Vice President shall perform such duties and possess such powers as the Board of Directors, or the President may from time to time prescribe. In the event of the absence, inability or refusal to act of the President, the Vice President (or if there shall be more than one, the Vice Presidents in the order determined by the Board of Directors) shall perform the duties of the President and when so performing shall have the powers of and be subject to the restrictions upon the President. The Board of Directors may assign to any Vice President the title of Executive Vice President, Senior Vice President or any other title selected by the Board of Directors.

### 3.10 Treasurer and Assistant Treasurers

The Treasurer shall perform such duties and shall have such powers as may from time to time be assigned to him by the Board of Directors or the President. In addition, The Treasurer shall perform such duties and have such powers as are incident to the office of the treasurer, including without limitation the duty and power to keep and be responsible for all funds and securities of the corporation, to deposit funds of the corporation in depositories selected in accordance with these By-laws, to disburse such funds as ordered by the Board of Directors, to make proper accounts of such funds, and to render as require by the Board of Directors statements of all such transactions and of the financial condition of the corporation.

The Assistant Treasurer shall perform such duties and possess such powers as the Board of Directors, the President or the Treasurer may from time to time prescribe. In the event of the absence, inability or refusal to act of the Treasurer, the Assistant Treasurer (or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors) shall perform the duties and exercise the powers of the Treasurer.

### 3.11 Clerk and Assistant Clerks

The Clerk shall perform such duties and possess such powers as the Board of Directors, or the President may from time to time prescribe. In addition, the Clerk shall perform such duties and have such powers as are incident to the office of the clerk, including without limitation the duty and power to give notices of all meetings of stockholders and special meetings of the Board of Directors, to attend all meetings of stockholders and the Board of Directors to keep a record of the proceedings, to maintain a stock ledger and prepared lists of stockholders and their addresses as required, to be custodian for corporate records and the corporate seal and to affix and attest to the same on documents.

Any Assistant Clerk shall perform such duties and possess such powers as the Board of Directors, President or the Clerk may from time to time prescribe. In the event of the absence, inability or refusal to act of the clerk, the Assistant Clerk (or if there shall be more than one, the Assist Clerks in the order determined by the Board of Directors) shall perform the duties and exercise the powers of the Clerk.

In the absence of the Clerk or the Assistant Clerk at any meeting of Directors, the person presiding at the meeting shall designate a temporary clerk to keep a record of the meeting.

### 3.12 Secretary and Assistant Secretaries

If a Secretary is appointed, he shall attend all meetings of the Board of Directors and shall keep a record of the meetings of the Directors. He shall, when required, notify the Directors of their meetings, and shall possess such other powers and shall perform such other duties as the Board of Directors or the President may from time to time prescribe.

Any Assistant Secretary shall perform such duties and possess such powers as the Board of Directors, the President or the Secretary may from time to time prescribe. In the event of the absence, inability or refusal to act of the Secretary, the Assistant Secretary (or if there shall be more than one, the Assistant Secretaries in the order determined by the Board of Directors) shall perform the duties and exercise the powers of the Secretary.

### 3.13 Salaries

Officers of the corporation shall be entitled to such salaries, compensation or reimbursement as shall be fixed or allowed from time to time by the Board of Directors.

## Article 4      Capitol Stock

### 4.1      Issue of Capitol Stock

Unless otherwise voted by the stockholders, the whole or any part of any unissued balance of the authorized capitol stock of the corporation or the whole or any part of the capitol stock of the corporation held in its treasury may be issued or dispose of by vote of the Board of Directors, in such manner, for such consideration and on such terms as the Directors may determine.

### 4.2      Certificate of Stock

Each stockholder shall be entitled to a certificate of the capitol stock of the corporation in such form as may be prescribed from time to time by the Directors. The certificates shall be signed by the President or a Vice President, and by the Treasurer or an Assistant Treasurer, but when a certificate is countersigned by a transfer agent or registrar, other than a Director, officer or employee of the corporation, such signature maybe be a facsimile. In case any officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer at the time of its issue.

Every certificate for shares of stock which are subject to any restriction on transfer pursuant to the Articles of Organization, the By-laws, applicable securities laws or any agreement to which the corporation is a party, shall have conspicuously noted on the face or back of the certificate either the full text of the restrictions to the holder of such certificate upon written request and without charge. Every certificate issued when the corporation is authorized to issue more than one class or series of stock shall set fourth on its face or back either the full text of the preferences, voting powers, qualifications and special and relative rights of the shares of each class and series authorized to be issues or a statement of the existence of such preferences, powers, qualifications and rights and a statement that the corporation will furnish a copy thereof to the holder of such certificate upon written request and without charge.

### 4.3      Transfers

Subject to the restrictions, if any, stated or noted on the stock certificates, shares of stock may be transferred on the books of the corporation by the surrender to the corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment of power or attorney properly executed, and with such proof of authority or the authenticity of signature as the corporation or its transfer agent may reasonably require. Except as may be otherwise required by law, by the Articles of Organization or by these By-laws, the corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock

until the shares have been transferred on the books of the corporation in accordance with the requirements of the By-laws.

It shall be the duty of each stockholder to notify the corporation of his post office address and of his taxpayer identification number.

#### 4.4 Record Date

The Board of Directors may fix in advance a time not more than 60 days preceding the date of any meeting of stockholders or the date for the payment of any dividend or the making of any distribution to stockholders or the last day on which the consent or dissent of stockholders may be effectively expressed for any purpose, as the record date for determining the stockholders having the right to notice of and to vote at such meeting, and any adjournment, or the right to receive such dividend or distribution or the right to give such consent or dissent.

If no record date is fixed and the transfer books are not closed, the record date for determining the stockholders having the right to notice of or to vote at a meeting of stockholders shall be at the close of the business on the day before the day on which notice was given, and the record date for determining the stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors acts with respect to such purpose.

#### 4.5 Replacement of Certificate

In case of the alleged loss or destruction or the mutilation of a certificate of stock, a duplicate certificate may be issued in place of the lost, destroyed or mutilated certificate, upon such terms as the Directors may prescribe, including the presentation of reasonable evidence of such loss, destruction or mutilation and the giving of such indemnity as the Directors may require for the protection of the corporation or any transfer agent or registrar.

#### 4.6 Capitol Stock Share Restriction

All stocks shares issued by this Corporation shall bare the following restrictive legend:

**THE TRANSFER OF ALL CERTIFICATES FOR STOCK SHARES OF PHA INDUSTRIES, INCORPORATED IN ALL CLASSES, IS SUBJECT TO A PURCHASE RIGHT OF FIRST REFUSAL BY PHA INDUSTRIES, INCORPORATED. THIS RIGHT OF FIRST REFUSAL AND ANY LIMITATION ON VOTING STATUS IS SUBJECT TO ALL OTHER CONDITIONS CONTAINED IN THE PHA INDUSTRIES, INCORPORATED BY-LAWS.**

## Article 5      Indemnification

Except as otherwise provided below, the corporation shall, to the extent legally permissible, indemnify each person who is, or shall have been, a director or officer of the corporation or who is serving, or shall have served, at the request of the corporation, as a Director or officer of another organization or in any capacity with respect to any employee benefit plan of the corporation, against all liabilities and expenses (including judgements, fines, penalties, and reasonable attorney fees and all amounts paid, other than to the corporation or such other organization, in compromise or settlement) imposed upon or incurred by any such person in connection with, or arising out of, the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he may be a defendant or with which he may be threatened or otherwise involved, directly, by reason of his being or having been such a Director or officer or as a result of his serving or having served with respect to any such employee benefit plan.

The corporation shall provide no indemnification with respect to any matter as to which any such Director, officer or other person shall be finally adjudicated in such action, suit or proceeding not to have acted in good faith in the responsible belief that his action was in the best interests of the corporation or to the extent such matter related to service with respect to an employee benefit plan, in the best interests of the participants or beneficiaries of such employee benefit plan. The corporation shall provide no indemnification with respect to any matter settled or compromised, pursuant to a consent decree or otherwise unless such settlement or compromise shall have been approved as in the best interests of the corporation or, to the extent such matter relates to service with respect to an employee benefit plan, in the best interests of participants or beneficiaries of such employee benefit plan, after notice that indemnification is involved, by (i) a disinterested majority of the Board of Directors or, (ii) the holders of a majority of the outstanding stock entitled to elect Directors, voting as a single class, exclusive of any stock owned by any interested Director, officer or other person.

Indemnification may include payments by the corporation of expenses in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding upon receipt of an undertaking by the person indemnified to repay such payment if it is ultimately determined that such person is not entitled to indemnification under this Article.

As used in this Article, the terms "Director", "office", and "person" include their respective heirs, executors, administrators and legal representatives, and an "interested" Director, officer or person is one against whom in such capacity the proceedings in question or another proceeding on the same or similar grounds is then pending.

The right of indemnification provided in this Article shall not be exclusive or affect any other rights to which any Director, officer or other person may be entitled under any agreement,



statute, vote of stockholders or otherwise. The corporation's obligation to provide indemnification under this Article shall be offset to the extent of any other source of indemnification or any otherwise applicable insurance coverage under a policy maintained by the corporation or any other person. Nothing contained in this Article shall affect any rights to which corporate personnel other than Directors and officers may be entitled by contract or otherwise.

## Article 6      Miscellaneous Provisions

### 6.1      Fiscal Year

Except as otherwise set forth in the Articles of Organization or as otherwise determined from time to time by the Board of Directors, the fiscal year of the corporation shall in each year end on December 31<sup>st</sup>.

### 6.2      Seal

The seal of the corporation shall, subject to alteration by the Directors, bear its name, the word "Massachusetts" and the year of its incorporation.

### 6.3      Voting of Securities

Except as the Board of Directors may otherwise designate, the President or Treasurer may waive notice of, and act as, or appoint any person or persons to act as, proxy, or attorney-in-fact for this corporation (with or without power of substitution) at, any meeting of stockholders or shareholders of any other corporation or organization, the securities of which may be held by this cooperation.

### 6.4      Corporate Records

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

#### 6.5 Evidence of Authority

A certificate by the Clerk or Secretary, or an Assistant Clerk or Assistant Secretary, or a temporary Clerk or temporary Secretary, as to any action taken by the stockholders, Directors, any committee or any officer or representative of the corporation shall as to all persons who rely on the certificate in good faith be conclusive evidence of such action.

#### 6.6 Articles of Organization

All references in these By-laws to the Articles of Organization shall be deemed to refer to the Articles of Organization of the corporation, as amended and in effect from time to time.

#### 6.7 Severability

Any determination that any provision of these By-laws is for any reason inapplicable, illegal or ineffective shall not affect or invalidate any other provision of these By-laws.

#### 6.8 Pronouns

All pronouns used in these By-laws shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons may require.

### Article 7      Amendment

These By-laws may be amended by vote of the holders of a majority of the shares of each of the capitol stock at the time outstanding and entitled to vote at any annual or special meeting of stockholders, if notice of the substance of the proposed amendment is stated in the notice of such meeting. If authorized by the Articles of Organization, the Directors, by the majority of their number then in office, may also make, amend or repeal these By-laws, in whole or in part, except with respect to (a) the provisions of these By-laws governing (i) the removal of Directors, (ii) the indemnification of Directors and (iii) the amendment of these By-laws and (b) any provisions of these By-laws which by law, the Articles of Organization or these By-laws requires action by the stockholders.

No change in the date fixed in these By-laws for the annual meeting of stockholders may be made within 60 days before the date fixed in these By-laws, and in case of any change in such date, notice thereof shall be given to each stockholder in person or by letter mailed to his last known post office address at least 20 days before the new date fixed for such meeting.

Not later than the time of giving notice of the meeting of stockholders next following the making, amending or repealing by the Directors of any By-law, notice stating the substance of such change shall be given to all stockholders entitled to vote on amending the By-laws.

Any By-law adopted by the Directors may be amended or replaced by the stockholders entitled to vote on amending the By-laws.



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

Minimum Fee: \$100.00

Secretary of the Commonwealth  
One Ashburton Place, Boston, Massachusetts 02108-1512  
Telephone: (617) 727-9640

**Articles of Amendment**

(General Laws, Chapter 156D)

**Federal Employer Identification Number:** 000729297 *(must be 9 digits)*

**CARBON INDUSTRIES, INCORPORATED**

having a registered office at: 126 VILLAGE CROSSING FITCHBURG , MA 01420 USA

**certify that these Articles of Amendment affecting articles numbered:**

☒ Article 1     ☐ Article 2     ☐ Article 3     ☐ Article 4     ☐ Article 5     ☐ Article 6

*(Select those articles 1, 2, 3, 4, 5 and/or 6 that are being amended)*

were duly adopted and approved on 11/5/2004

by the

☒ the incorporators.

or

☐ the board of directors without shareholder approval and shareholder approval was not required.

or

☐ the board of directors and the shareholders in the manner required by law and the articles of organization.

**ARTICLE I**

The exact name of the business entity, ***as amended***, is:  
*(Do not state Article I if it has not been amended.)*

**PHA INDUSTRIES, INCORPORATED**

**ARTICLE II**

The purpose of the business entity, ***as amended***, is to engage in the following business activities:  
*(Do not state Article II if it has not been amended.)*

**ARTICLE III**

*Amendments to Article III cannot be filed on-line at this time*

**ARTICLE IV**

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

*(Do not state Article IV if it has not been amended.)*

## ARTICLE V

**As amended**, the restrictions, if any, imposed by the articles of organization upon the transfer of shares of any class or series of stock are

## ARTICLE VI

**As amended**, other lawful provisions for the conduct and regulation of the business and affairs of the business entity, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the business entity, or of its directors or stockholders, or of any class of stockholders:

*(Do not state Article VI if it has not been amended.)*

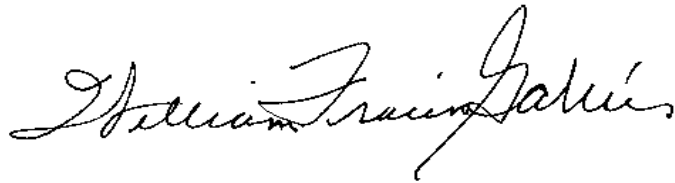
The foregoing amendment(s) will become effective when these Articles of Amendment are filed in accordance with General Laws, Chapter 156B, Section 6 unless these articles specify, in accordance with the vote adopting the amendment, a *later* effective date not more than *ninety days* after such filing, in which event the amendment will become effective on such later date.

**Later Effective Date: Time:**

Signed by JOSEPH CARBONE, its CHAIRMAN OF THE BOARD  
on this **5** Day of November, 2004

## 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:

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, prominent "G" at the end.

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



William Francis Galvin  
Secretary of the  
Commonwealth

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

TO WHOM IT MAY CONCERN:

June 17, 2010

I hereby certify that according to records in this office,

**CARBON INDUSTRIES, INCORPORATED**

was incorporated under the General Laws of this Commonwealth on **November 20, 2000**.

I also certify that in Articles of Amendment filed here **November 5, 2004**, the name of said corporation was changed to:

**PHA INDUSTRIES, INCORPORATED**

I further certify that no other amendments to the Articles of Organization appear of record here and said corporation still has legal existence.

I also certify that in an Annual Report filed here for fiscal year **2009**, the Officers and Directors are listed as follows:

**SEE ATTACHED**

In testimony of which,

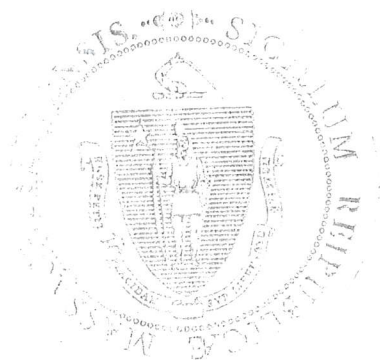
I have hereunto affixed the

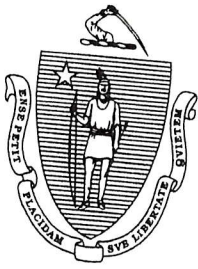
Great Seal of the Commonwealth

on the date first above written.

*William Francis Galvin*

Secretary of the Commonwealth





William Francis Galvin  
Secretary of the  
Commonwealth

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

TO WHOM IT MAY CONCERN:

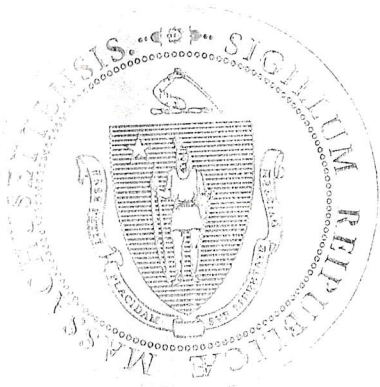
June 17, 2010

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

**PHA INDUSTRIES, INCORPORATED**

is a domestic corporation organized on **November 20, 2000**, under the General Laws of the Commonwealth of Massachusetts.

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



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

*William Francis Galvin*

Secretary of the Commonwealth

D

# The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

One Ashburton Place, Boston, Massachusetts 02108-1512

## ARTICLES OF ORGANIZATION

(General Laws, Chapter 156B)

### ARTICLE I

The exact name of the corporation is:

Carbon Industries, Incorporated

### ARTICLE II

The purpose of the corporation is to engage in the following business activities:

The purpose of Carbon Industries, Incorporated is to engage in the development of process technologies and Pharmaceuticals, as well as to conduct business as allowed by the Commonwealth of Massachusetts in accordance with Massachusetts General Laws, Chapter 156B.

00325055

C ☐  
P ☒  
M ☐  
R.A. ☒

Note: If the space provided under any article or item on this form is insufficient, additions shall be set forth on one side only of separate 8 1/2 x 11 sheets of paper with a left margin of at least 1 inch. Additions to more than one article may be made on a single sheet so long as each article requiring each addition is clearly indicated.



### ARTICLE III

State the total number of shares and par value, if any, of each class of stock which the corporation is authorized to issue.

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
Common:	100	Common:	0	
Preferred:	0	Preferred:	0	

### ARTICLE IV

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

N/A.

### ARTICLE V

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

THE TRANSFER OF ALL CERTIFICATES FOR STOCK SHARES OF CARBON INDUSTRIES, INCORPORATED IN ALL CLASSES, IS SUBJECT TO A PURCHASE RIGHT OF FIRST REFUSAL BY CARBON INDUSTRIES, INCORPORATED. THIS RIGHT OF FIRST REFUSAL AND ANY LIMITATION ON VOTING STATUS IS SUBJECT TO ALL OTHER CONDITIONS CONTAINED IN THE CARBON INDUSTRIES, INCORPORATED BY LAWS.

### ARTICLE VI

\*\*Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or stockholders, or of any class of stockholders:

(See Attachment.)

*\*\*If there are no provisions state "None".*

*Note: The preceding six (6) articles are considered to be permanent and may ONLY be changed by filing appropriate Articles of Amendment.*

Attachment For Section 6 – Articles of Organization:

Other lawful provisions, if any, for the conduct and regulation of the business affairs of the corporation, for its voluntary dissolution, or for limiting, defining or regulating the powers of the corporation, or its directors or stockholders, or of any class of stockholders are as follows:

(a) The directors may make, amend, or repeal the By-laws in whole or in part, except with respect to any provision of such By-laws which by the laws of the Commonwealth of Massachusetts, or these Articles, or the By-laws themselves, requires action by the stockholders.

(b) The corporation shall have the power to be a partner in any business enterprise for which this corporation would have the power to conduct itself.

(c) The corporation, by vote of the majority of the stock outstanding and entitled to vote thereon (or if there are two or more classes of stock entitled to vote as separate classes, then by vote of a majority of each such class of stock outstanding), may (i) authorize any amendment to its Articles of Organization pursuant to Section 71 of Chapter 156B of the Massachusetts General Laws, as amended from time to time, (ii) authorize the sale, lease or exchange of all, or substantially all of its property and assets, including its goodwill, pursuant to Section 75 of Chapter 156B of the Massachusetts General Laws, as amended from time to time, and (iii) approve an agreement of merger or consolidation pursuant to Section 78 of Chapter 156B of the Massachusetts General Laws, as amended from time to time.

## ARTICLE VII

The effective date of organization of the corporation shall be the date approved and filed by the Secretary of the Commonwealth. If a *later* effective date is desired, specify such date which shall not be more than *thirty days* after the date of filing.

N/A.

## ARTICLE VIII

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

a. The street address (*post office boxes are not acceptable*) of the principal office of the corporation in *Massachusetts* is:

126 Village Crossing, Fitchburg, Massachusetts 01420  
(NOTE - There is no "Street" or "Road" after Crossing.)

b. The name, residential address and post office address of each director and officer of the corporation is as follows:

	NAME	RESIDENTIAL ADDRESS	POST OFFICE ADDRESS
President:	Joseph Carbone	126 Village Crossing Fitchburg, MA 01420	N/A.
Treasurer:	SAME	SAME	N/A.
Clerk:	SAME	SAME	N/A.
Directors:	Joseph Carbone	126 Village Crossing Fitchburg, MA 01453	N/A.

c. The fiscal year (i.e., tax year) of the corporation shall end on the last day of the month of: December.

d. The name and business address of the resident agent, if any, of the corporation is:

Joseph Carbone, 126 Village Crossing, Fitchburg, MA 01420

## ARTICLE IX

By-laws of the corporation have been duly adopted and the president, treasurer, clerk and directors whose names are set forth above, have been duly elected.

Yes.

IN WITNESS WHEREOF AND UNDER THE PAINS AND PENALTIES OF PERJURY, I/we, whose signature(s) appear below as incorporator(s) and whose name(s) and business or residential address(es) are clearly typed or printed beneath each signature do hereby associate with the intention of forming this corporation under the provisions of General Laws, Chapter 156B and do hereby sign these Articles of Organization as incorporator(s) this 16th day of November, 20 00.

X Joseph Carbone  
Joseph Carbone, 126 Village Crossing, Fitchburg, MA 01420

Note: If an existing corporation is acting as incorporator, type in the exact name of the corporation, the state or other jurisdiction where it was incorporated, the name of the person signing on behalf of said corporation and the title he/she holds or other authority by which such action is taken.

#195

729297

THE COMMONWEALTH OF MASSACHUSETTS

ARTICLES OF ORGANIZATION  
(General Laws, Chapter 156B)

SECRETARY OF THE  
2000 NOV 20 PM 2:07  
CORPORATION DIVISION

I hereby certify that, upon examination of these Articles of Organization, duly submitted to me, it appears that the provisions of the General Laws relative to the organization of corporations have been complied with, and I hereby approve said articles; and the filing fee in the amount of \$ 200.00 having been paid, said articles are deemed to have been filed with me this 15th day of November 2000.

Effective date: \_\_\_\_\_



WILLIAM FRANCIS GALVIN  
*Secretary of the Commonwealth*

**FILING FEE:** One tenth of one percent of the total authorized capital stock, but not less than \$200.00. For the purpose of filing, shares of stock with a par value less than \$1.00, or no par stock, shall be deemed to have a par value of \$1.00 per share.

TO BE FILLED IN BY CORPORATION  
Photocopy of document to be sent to:

John L. Crawley, Esq.  
\_\_\_\_\_  
5 Revolution Drive  
\_\_\_\_\_  
Leominster, MA 01453  
\_\_\_\_\_  
Telephone: (978) 534-0770  
\_\_\_\_\_

# PHA Industries, Incorporated

## Business Plan

### Proposed Extraction Services Marijuana Product Manufacturer

#### **Executive Summary**

PHA Industries, Inc. is currently engaged in contract research, development and manufacturing of fine and specialty chemicals. Our services apply to many diverse industries including, surfactants, specialty polymers, adhesives, electronics, coatings, pigments, antioxidants, catalysts, etc... Typical unit operations include, reactions, distillations, extractions, filtrations, and drying. We operate our current business out of our facility located at 153 Quabbin Blvd Orange, MA (Randall Pond Industrial Park). We currently have a staff of 8 full time and 1 part-time employee. We are looking to expand our client base and plan to offer our expertise in extraction technology to industries using natural products as a source of bioactive compounds.

#### **Objectives**

Initially, our goal would be to provide services to the cannabis-based businesses on a contract basis. As we are uniquely qualified to safely handle many of the compounds and equipment currently utilized to extract specific compounds from cannabis, we believe that this will provide a very large benefit to the various sectors of this industry. Specifically, our interests are in the extraction and product manufacturing and not the cultivation or dispensing. Based on current trends, we will look to use a variety of methods including clean organic solvents as well as supercritical fluids. Our mission therefore is provide a safe environment for the growers/producers to develop and produce quality extractable organic compounds as required by the consumer marketplace. Longer term, we will seek out opportunities to improve on the manufacturing processes to improve yields, improve quality and reduce costs.

#### **Our Team**

As part of our ongoing business, we employ PhD level chemists, chemical engineers, biologists, accountants, and skilled operations and maintenance personnel. On an as needed basis we use consultants for outside services such as Legal, Staffing, etc...

### **Market Size and Development**

Through advertising to strategic partners and/or affiliates, we will determine the potential needs and scale of projects. We believe that the initial scale for much of the contract work will be quite small and as such, current plans would include the installation of what we would term “pilot-plant” scale. Specifically, less than 500 liter extraction volumes. As the product volumes mature, develop and ideally increase, we will be well positioned to scale-up accordingly. The marketing plans will include a combination of direct selling as well as contracting with consultants and brokers already servicing the industry. Our revenue projections for the first few years are less than \$300,000.00/year.

### **Competition**

Our basic understanding is that while there are a few companies offering contract extraction services, we believe, based on our current business model and location, we can provide an excellent alternative. Further, as growers evaluate the vertical integration approaches, we believe the conclusion in some of the cases will be to outsource the extraction and manufacturing processes.

### **Financial Plan**

We intend to provide this service as an “add-on” area of service and do not plan to use any outside financing for equipment or infrastructure. We will work towards securing the appropriate licensing such that we can offer these services to the industry. We expect that the costs to obtain the license and any modifications to our existing facility will be less than \$400,000.00. Based on the Host Community Agreement, we will support the payments as outlined in the agreement with the Town of Orange, MA.

### **Conclusion**

Our current business model of providing specialized contract research, development and manufacturing services has resulted in the ability to provide stable, high paying jobs. We believe that this potential business will add both revenue and the ability to hire additional staff. We will continue our ongoing business development in areas we are already involved in and thus we do not intend to depend on revenue from the cannabis extraction business to maintain the companies viability.

# PHA Industries, Incorporated

## Plan for Obtaining Liability Insurance for Proposed Extraction Facility

PHA is currently an established business in Orange Massachusetts. Our current liability insurance will comply with all CCC regulations. Attached is a copy of our most recent liability insurance coverage. Prior to receiving a product manufacturer license PHA will add \$1,000,000 in product liability insurance to comply with 935 CMR 500.101 (1) and (2); 935 CMR 500.105 (10).

PHA Industries is insured for \$2,000,000.00 in aggregate annually and has a liability deductible of \$0.00.

Our current insurer is USI.

USI Insurance Services, LLC  
3 Executive Park Dr., Suite 300  
Bedford, NH 03110

MCP018DA240

- No changes in the named insured's organization, operation, location, receipts, financial condition, losses or other conditions that could reasonably be expected to affect eligibility and pricing of renewal coverage
- No change in mailing or location address during the last year

**General Liability Requirements**

- Are the planned renovations structural (load bearing)?

**Underwriting Notes:**

- Call Us! We want to work with you to retain your business!
- All vacant buildings must be fully secured and locked.
- If any location is fully protected by an operational sprinkler system covering 100% of the premises, please let us know.

**II. COVERED LOCATION(S) AND CORRESPONDING CLASSIFICATIONS**

Location #1 - 154 Quabbin Boulevard, Orange, MA 01364

Construction: Joisted Masonry / Protection Class: 6

**Property Coverage**

Perils: Basic Excluding Sprinkler Leakage

Coverage	Limit	Coinsurance	Deductible	Valuation	Rate	Premium
Building	\$500,000	80%	\$5,000	Replacement Cost	0.564	\$2,820

Property Coverage Premium for Location #1: \$2,820

**Warranted Property Conditions**

- Premises Fully Secured and Locked When Not in Use [P-21]
- No structural work for the load bearing members of the building. [P-19]

**Liability Coverage**

Description	Fire Code	Class Code	Basis	Exposure	Prod/CompOps Rate	All Other Rate	Prod/CompOps Premium	All Other Premium
Vacant Buildings - not factories - Other than Not-For-Profit	1180	68606	Total Area	10,000	Excl	27.000	Excl	\$270
				Per 1,000 Total Area				
Contractors - subcontracted work - in connection with renovating Vacant Buildings		91592	Total Cost	100,000	Excl	2.000	Excl	\$280 MP
				Per 1,000 Total Cost				

Liability Coverage Premium for Location #1: \$550

**III. LIABILITY LIMITS OF INSURANCE**

**COMMERCIAL GENERAL LIABILITY**

Each Occurrence	\$1,000,000
Personal Injury and Advertising Injury	\$1,000,000
Medical Expense (Any One Person)	\$5,000
Damage To Premises Rented to You	\$100,000
Products/Completed Ops Aggregate	Excluded
General Aggregate	\$2,000,000
General Liability Deductible	\$0

Total for Location: \$3,370

Please contact us with any questions regarding the terminology used or the coverages provided.

**\*\*Read the quote carefully, it may not match the coverages requested\*\***





## **935 CMR 500.105(1)(O) GENERAL OPERATIONAL REQUIREMENTS FOR MARIJUANA ESTABLISHMENTS**

In accordance with 935 CMR 500.029 and 500.030.002, all Temple Hill Collective, Inc. (THCI) employees and registered agents must be **21 years of age or older**. THCI will only hire individuals aged **21 or older** to be registered agents or employees of THCI.

In accordance with 935 CMR 500.002, all visitors to THCI must be 21 years of age or older to enter the premises.

In accordance with 935 CMR 500.050(5), all consumers entering a Marijuana Retailer must be 21 years of age or older unless the establishment is co-located with a Medical Marijuana Treatment Center.

Although THCI will not operate its own retail operations and thus will not be involved with direct sales of cannabis product to consumers, THCI will remain dedicated to restricting access of its products to persons aged 21 or older.

THCI will operate a commercial grade alarm and surveillance system that meets all the requirements of 935 CMR 500.110(6). Pursuant to 935 CMR 500.110 (1)(a) and 935 CMR 500.110(5) cameras will positively identify individuals entering/exiting the facility and access to the facility will be limited solely to individuals age 21 or over.

THCI security agents will be thoroughly trained in each of the following areas: standard security practices, prevention of diversion, cannabis transportation procedures, areas of restricted and limited access, and prevention of access to individuals under the age of 21 years old.

## **935 CMR 500.105(1)(G) PLANS FOR QUALITY CONTROL AND TESTING PROCEDURES**

Temple Hill Collective, Inc. (THCI) has a mission to provide MA cannabis companies with the highest quality cannabis distillate and cannabis products. At the core of our mission, will be a comprehensive product testing and a quality control plan. All cannabis products intended for sale or transfer will be tested as a means of quality control and to satisfy labeling requirements. THCI will test all manufactured and finished cannabis products.

THCI will adhere to and exceed sanitary guidelines for the handling of Marijuana required by 935 CMR 500.105(3). Staff will use changing rooms to transition into uniforms and store personal belongings before entering the processing and manufacturing areas.

THCI's quality control plan will ensure that the processing and manufacturing areas are in full compliance with CCC regulations and mandatory testing requirements. The protocols below are established to ensure all cannabis products manufactured or produced by THCI are tested for contaminants and cannabinoid profile, in compliance with the testing guidelines outlined by the Commission, and to ensure that the results of all testing are maintained for a minimum of one year in accordance with 935 CMR 500.160(3).

Pursuant to 935 CMR 500.160(1), a contractual arrangement for testing services will be permanently maintained by THCI, with an accredited laboratory approved by the Commission. No cannabis product will be sold or marketed for adult use that is not capable of being tested by the accredited testing agency. All testing will be performed in compliance with the sampling protocol detailed below.

### **Quality Control Protocols**

In accordance with 935 CMR 500.105(3) THCI will ensure that only the leaves and flowers of female marijuana plants are processed, and that all female leaves and flowers are processed accordingly in a safe and sanitary manner as prescribed below:

1. Well cured and generally free of seeds and stems;
2. Free of dirt, sand, debris, and other foreign matter;
3. Free of contamination by mold, rot, other fungus, and bacterial diseases;
4. Prepared and handled on food-grade stainless steel tables; and
5. Packaged in a secure area.

In accordance with CMR 300.000 all agents whose job includes contact with marijuana are subject to the requirements for food handlers as specified.

In accordance with 935 CMR 500.105(3) any agent working in direct contact with marijuana shall conform to sanitary practices while on duty including:

- Maintaining adequate personal cleanliness; and
- Washing hands appropriately

In accordance with 935 CMR 500.105(3) THCI will ensure the following protocols are met and/or adhered to at all times:

- Hand-washing facilities shall be located in production areas where good sanitary practices require employees to wash and sanitize their hands
- Provide sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations
- All litter and waste shall be properly removed so as to minimize the development of odor and the potential for the waste to attract and harbor pests
- All floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair
- All contact surfaces shall be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination
- All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana
- The water supply on premises shall be sufficient for necessary operations
- Plumbing shall be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the facility
- Provide all employees and registered agents with adequate and readily accessible toilet facilities
- All storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination

### **Cannabis Testing Protocols**

#### **Compliance with Commission Testing Directives**

THCI will comply with all Commission testing and guidance, including:

1. Approved laboratories;
2. Frequency required;
3. Contamination response plans;
4. Lot size
5. Sample size and sampling protocol

**Required testing**

All cannabis products produced by THCI must be tested. Mandatory testing includes:

1. Cannabinoid and terpenes profiles
2. Contaminant presence (to be determined by the Commission) including
  - Mold
  - Mildew
  - Heavy metals
  - Plant growth regulators
  - Non-organic pesticides

**Additional Testing May be Required**

The Commission may require additional testing. THCI must comply with all published Commission testing requirements.

THCI will ensure that all storage of cannabis at a laboratory providing cannabis testing services must comply with 935 CMR 500.105(11) and all transportation of cannabis to a testing facility will comply with 935CMR 500.105(13). All cannabis not passing laboratory testing standards will be disposed of in compliance with 935 CMR 500.105(12).

**Contaminated Test Results Protocol - 935CMR 500.160(2)**

Upon receiving notification that test results do not meet acceptable limits and after determining the contamination cannot be remediated, THCI will notify the Commission within seventy-two (72) hours of the findings. This notification must come from both THCI and from the independent testing agency that performed the test. In this notification, THCI will follow protocol to determine the cause of the contamination and proper method of disposal, pursuant to 935 CMR 500.160(2).

**Policy and Procedure for Sampling and Testing Cannabis and Cannabis Infused Products General Requirements**

All employees who handle, or package cannabis in any way will do so in accordance with the requirements for food handlers specified in 105CMR 300.000. All cannabis and cannabis products must be handled on food-grade stainless steel tables. All cannabis and cannabis products must be stored in special limited access storage areas in accordance with the security requirements of 935 CMR 500.110. Processed and packaged cannabis and cannabis products must be free of: seeds, stems, dirt, debris, contaminants, bacteria, mold, bud rot and fungus in accordance with 935 CMR 500.105(3)(A).

**Sampling Program Design**

Sample collection must be conducted in a manner that provides analytically sound and representative samples so that all cannabis products sold are safe, effective, and accurately labeled. We must document every sampling and provide this documentation to the Commission upon request. Each cannabis production batch must be sampled and analyzed.

## **Summary of Process**

Prior to Sample Collection: The agent must assemble all equipment and materials needed before beginning. Items to assemble before sampling include, but are not limited to, the following:

- Sample collection plan for each product type; Logbook or sample collection forms
- Chain-of-custody forms/manifest sheets
- Decontaminated tool(s); Stainless steel bowl and implement to homogenize the product
- Clean, decontaminated sampling surface
- Sample containers appropriate for the analyses required
- Container labels and ink pen
- Supplies to thoroughly clean, decontaminate and dry sampling equipment between samples (isopropyl, paper towels)
- A cool dry place to store samples
- Food Grade Nitrile Gloves
- Food Grade Hair Net and Beard Guard
- Safety Glasses if needed
- Sanitizing Solution
- 1 Roll Paper Towels
- Isopropyl Alcohol
- Sharpie/Pens
- Certified Scale
- Weighing Vessel
- Parchment Paper
- Large Food Grade Stainless Steel Trays

## **Sampling Procedure**

Sample Preparation: Prepare sample labels and affix them to sample containers immediately before sampling. The label must include:

- Batch number
- Sample ID
- Date/time of collection
- The collection agent's name and registration number

Sample Collection: Collect the planned samples from the intended production batch one at a time. Follow these basic steps for each sample:

1. Wear disposable gloves to mitigate potential for contamination of samples.
2. Ensure that the sampling area is clean and decontaminated and lay out any tools and equipment needed.

3. Collect the sample using your hands or an appropriate tool.  
Do not touch the sample with your hands or allow the sample to touch anything that might cause cross-contamination.
4. Place the sample into the corresponding pre-labeled sample container.
5. Record the weight and time each sample was collected.
6. To avoid cross contamination of samples, any tools or equipment that comes in contact with any cannabis products must be cleaned before collecting the next sample with isopropyl alcohol.
7. Chain-of-custody paperwork will be completed prior to sample pickup by the independent testing laboratory and a copy will also be emailed after the samples depart THCI. A physical copy of the manifest must be provided to the laboratory's transport agent for travel and the items must be manifested from the inventory seed to sale software.

Handling Samples: After samples are collected and labeled, they must be delivered to the lab as soon as possible. Samples must be handled using the following protocol:

- Sample containers must be stored in a contaminant free environment
- Sample containers will not be stored for more than one (1) year
- Preservatives or pre-preserved containers must be used before expiration date
- Sample containers must be made of the appropriate materials based on the analytical methods being performed.
- Until analyzed, samples must be preserved to minimize chemical or physical changes or degradation according to the analytical method references.
- If necessary, samples must be refrigerated or maintained on ice until shipped to the laboratory.
- Samples must be placed in dark, airtight containers.
- To be considered a valid sample, all samples must be analyzed prior to the technical holding time as defined in each analytical method.
- All samples are considered in custody of sample collection staff prior to shipment.
- Stored samples must be locked to prevent tampering or contamination.
- Chain of custody seals may be used to ensure samples are not tampered with.
- Seal sample containers in clear plastic bags with visible labels. Sample Analysis: All sample analysis must be conducted by an independent

laboratory who possess one or more of the following credentials:

1. Accredited to International Organization for Standardization (ISO) 17025 by a third party accrediting body such as A2LA or ACLASS,
2. Certified, registered, or accredited by an organization approved by the Massachusetts Department of Public Health

Test Results Protocol:

Test results must include the following in the laboratory data package:

- A narrative written on laboratory letterhead describing sample receipt, preparation, any analytical issues encountered, and test method non-conformances or exceeded QA/QC criteria.
- The narrative must identify the preparation and analytical methods utilized by the laboratory
- A signed statement by an authorized laboratory representative as to accuracy, completeness and compliance with the methods of the results presented.
- Chain of custody paperwork including requested analyses and documentation of sample collection and receipt.
- Summary of analytical results of samples including, identifier, methods performed, target analytes, results or reporting limit, proper qualifiers according to laboratory standard procedures, units of measure, preparation dates and analysis dates.



# Temple Hill Collective, Inc.

154 Quabbin Blvd Orange MA

July 20th, 20220

## EMPLOYEE HANDBOOK

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## **FOREWORD**

We consider the employees of Temple Hill Collective, Inc. to be one of its most valuable resources. This handbook has been written to serve as the guide for the employer/employee relationship.

There are several things to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning the applicability of a policy or practice to you, you must address your specific questions to the senior management. Neither this handbook nor any other company document confers any contractual right; either express or implied, to remain in the company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will with or without cause and without prior notice by the company, or you may resign for any reason at any time. No supervisor or other representative of the company (except the president) has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

The procedures, practices, policies and benefits described here may be modified or discontinued from time to time. We will try to inform you of any changes as they occur.

This handbook and the information in it must be treated as confidential. No portion of this handbook must be disclosed to others, except THCI employees and others affiliated with THCI whose knowledge of the information is required in the normal course of business.

## Employee Handbook Acknowledgment and Receipt

**I have received my copy of the Employee Handbook.**

The employee handbook describes important information about THCI, and I understand that I must consult my manager or Human Resources regarding any questions not answered in the handbook. I have entered into my employment relationship with THCI voluntarily and acknowledge that there is no specified length of employment. **Accordingly, either I or THCI can terminate the relationship at will, with or without cause, at any time, so long as there is not violation of applicable federal or state law.**

I understand and agree that, other than the president of the company, no manager, supervisor or representative of THCI has any authority to enter into any agreement for employment other than at will; only the president of the company has the authority to make any such agreement and then only in writing signed by the president of THCI

This handbook and the policies and procedures contained herein supersede any and all prior practices, oral or written representations, or statements regarding the terms and conditions of my employment with THCI. By distributing this handbook, the company expressly revokes any and all previous policies and procedures that are inconsistent with those contained herein.

I understand that, except for employment-at-will status, any and all policies and practices may be changed at any time by THCI, and the company reserves the right to change my hours, wages and working conditions at any time. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify or eliminate existing policies. Only the president of THCI has the ability to adopt any revisions to the policies in this handbook.

**I understand and agree that nothing in the Employee Handbook creates, or is intended to create, a promise or representation of continued employment and that employment at THCI is employment at will, which may be terminated at the will of either THCI or myself. Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document.** I understand and agree that employment and compensation may be terminated with or without cause and with or without notice at any time by THCI or myself.

I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

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Employee's Signature

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Employee's Name (Print)

---

Date

**TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE**

# DIVERSITY

## Equal Employment Opportunity Statement

THCI provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran in accordance with applicable federal, state and local laws. THCI complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

THCI expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, national origin, age, genetic information, disability or veteran status. Improper interference with the ability of THCI employees to perform their expected job duties is absolutely not tolerated.

## THCI's Anti harassment Policy and Complaint Procedure

THCI is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, THCI expects that all relationships among persons in the office will be business-like and free of bias, prejudice and harassment.

It is the policy of THCI to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran. THCI prohibits any such discrimination or harassment.

THCI encourages reporting of all perceived incidents of discrimination or harassment. It is the policy of THCI to promptly and thoroughly investigate such reports. THCI prohibits retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

### Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an

individual because of his/her race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

### **Individuals and Conduct Covered**

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to THCI (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

### **Complaint Process**

Individuals who believe they have been the victims of conduct prohibited by this policy statement or who believe they have witnessed such conduct must discuss their concerns with their immediate supervisor, Human Resources or any member of management.

When possible, THCI encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that his or her behavior is unwelcome and request that it be discontinued. Often this action alone will resolve the problem. THCI recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

THCI encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, although no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation must be reported immediately and will be promptly investigated and addressed.

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately.

False and malicious complaints of harassment, discrimination or retaliation may be the subject of appropriate disciplinary action.

## Progressive Discipline

Every employee has the duty and the responsibility to be aware of and abide by existing rules and policies. Employees also have the responsibility to perform his/her duties to the best of his/her ability and to the standards as set forth in his/her job description or as otherwise established.

THCI supports the use of progressive discipline to address issues such as poor work performance or misconduct. Our progressive discipline policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. Our progressive discipline policy has been designed consistent with our organizational values, HR best practices and employment laws.

Outlined below are the steps of our progressive discipline policy and procedure. THCI reserves the right to combine or skip steps in this process depending on the facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the offense is repeated despite coaching, counseling and/or training; the employee's work record; and the impact the conduct and performance issues have on our organization.

The following outlines THCI's progressive discipline process:

- **Verbal warning:** A supervisor verbally counsels an employee about an issue of concern, and a written record of the discussion is placed in the employee's file for future reference.
- **Written warning:** Written warnings are used for behavior or violations that a supervisor considers serious or in situations when a verbal warning has not helped change unacceptable behavior. Written warnings are placed in an employee's personnel file. Employees must recognize the grave nature of the written warning.
- **Performance improvement plan:** Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the employee may be given a final warning or placed on a performance improvement plan (PIP). PIP status will last for a predetermined amount of time not to exceed 90 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the organization. At the end of the performance improvement period, the performance improvement plan may be closed or, if established goals are not met, dismissal may occur.

THCI reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including oral and written warnings, suspension with or without pay, demotion and discharge.

## Separation of Employment

Separation of employment within an organization can occur for several different reasons.

- **Resignation:** Although we hope your employment with us will be a mutually rewarding experience, we understand that varying circumstances cause employees to voluntarily resign employment. Resigning employees are encouraged to provide two weeks' notice, preferably in writing, to facilitate a smooth transition out of the organization. Management reserves the right to provide an employee with two weeks' pay in lieu of notice in situations where job or business needs warrant such action. If an employee provides less notice than requested, the employer may deem the individual to be ineligible for rehire depending on the circumstances regarding the notice given.

- **Retirement:** Employees who wish to retire are required to notify their department director and the Human Resource department in writing at least one (1) month before the planned retirement date.

It is the practice of THCI to give special recognition to employees at the time of their retirement. The recipient must be employed with THCI for five (5) years to be eligible for a retirement gift. The amount provided for the gift is \$100 per year, based on the employee's uninterrupted full-time service. The department director must contact the Human Resource department to purchase a gift or a gift card. Departmental funds may not be used to augment the gift.

- **Job abandonment:** Employees who fail to report to work or contact their supervisor for three (3) consecutive workdays must be considered to have abandoned the job without notice, effective at the end of their normal shift on the third day. The supervisor must notify the Human Resource department at the expiration of the third workday and initiate the paperwork to terminate the employee. Employees who are separated due to job abandonment are ineligible to receive accrued benefits and are ineligible for rehire.
- **Termination:** Employees of THCI are employed on an at-will basis, and the company retains the right to terminate an employee at any time.

### **Return of Company Property**

The separating employee must return all company property at the time of separation, including uniforms, cell phones, keys, PCs and identification cards. Failure to return some items may result in deductions from the final paycheck. An employee will be required to sign the Wage Deduction Authorization Agreement to deduct the costs of such items from the final paycheck.

# WORKPLACE SAFETY

## Workplace Bullying

THCI defines bullying as “repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment.” Such behavior violates the company Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

The purpose of this policy is to communicate to all employees, including supervisors, managers and executives, that the company will not tolerate bullying behavior. Employees found in violation of this policy will be disciplined up to and including termination.

Bullying may be intentional or unintentional. However, it must be noted that where an allegation of bullying is made, the intention of the alleged bully is irrelevant and will not be given consideration when meting out discipline. As in sexual harassment, it is the effect of the behavior upon the individual that is important. THCI considers the following types of behavior examples of bullying:

- **Verbal bullying:** Slandering, ridiculing or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- **Physical bullying:** Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person’s work area or property.
- **Gesture bullying:** Nonverbal threatening gestures or glances that convey threatening messages.
- **Exclusion:** Socially or physically excluding or disregarding a person in work-related activities.

## Violence in the Workplace

All employees, customers, vendors and business associates must be treated with courtesy and respect at all times. Employees are expected to refrain from conduct that may be dangerous to others.

Conduct that threatens, intimidates or coerces another employee, customer, vendor or business associate will not be tolerated. THCI resources may not be used to threaten, stalk or harass anyone at the workplace or outside the workplace. THCI treats threats coming from an abusive personal relationship as it does other forms of violence.

Indirect or direct threats of violence, incidents of actual violence and suspicious individuals or activities must be reported as soon as possible to a supervisor, or any member of senior management. When reporting a threat or incident of violence, the employee must be as specific and detailed as possible. Employees must not place themselves in peril, nor must they attempt to intercede during an incident.

THCI will promptly and thoroughly investigate all reports of threats of violence or incidents of actual violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as possible. THCI will not retaliate against employees making good-faith reports of violence, threats or suspicious individuals or activities. In order to maintain workplace safety and the integrity of its investigation,



THCI may suspend employees suspected of workplace violence or threats of violence, either with or without pay, pending investigation.

Anyone found to be responsible for threats of or actual violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

THCI encourages employees to bring their disputes to the attention of their supervisors or Human Resources before the situation escalates. THCI will not discipline employees for raising such concerns.

## **Smoking Policy**

Smoking is permitted in dedicated areas only. Currently the only dedicated area is in the parking lot located at 154 Quabbin Blvd within 10 feet of the southern end of the white fence. If you are not sure where that area is located, consult your supervisor or a member of senior management. There is a container located there to dispose of all extinguished cigarette butts. This container must be emptied as necessary.

Employees who violate the smoking policy will be subject to disciplinary action up to and including immediate discharge.

## **Drug and Alcohol Policy**

All employees are expected to come to work in a condition fit to perform their duties. Drugs and/or alcohol use are extremely detrimental to the safety and productivity of employees in the workplace. No THCI employee may be under the influence of any illegal drug or alcohol while in the workplace, while on duty or while operating equipment owned or leased by THCI.

The unlawful manufacture, possession, distribution, transfer, purchase, sale or use of alcoholic beverages or illegal drugs while on THCI property, while on duty, or while attending business related activities is prohibited. However, at those organization-sponsored events where alcohol is available, a moderate consumption of alcohol will be permitted. Failure to comply with these policies may lead to termination, or a lesser form of discipline in some cases.

Employees may use physician-prescribed medications, provided that the use of such drugs does not adversely affect job performance or the safety of the employee or other individuals in the workplace.

THCI recognizes that employees may wish to seek professional assistance in overcoming drug or alcohol problems. When appropriate, THCI may refer the employee to approved counseling or rehabilitation programs. Please contact THCI's CEO for more information about the benefits potentially available under the employee medical benefit plans and any possible referral sources. These inquiries are kept confidential.

## **Weapons Policy**

No handguns or other firearms (even if permits, licenses and registrations required are up to date and available), explosives, or weapons of any kind are allowed on THCI premises.

# **WORKPLACE EXPECTATIONS**

## **Confidentiality**

Our clients and other parties with whom we do business entrust the company with important information relating to their businesses. It is our policy that all information considered confidential will not be disclosed to external parties or to employees without a “need to know.” If an employee questions whether certain information is considered confidential, he/she must first check with his/her immediate supervisor.

This policy is intended to alert employees to the need for discretion at all times and is not intended to inhibit normal business communications.

## **Background Checks & Employee Personnel Files**

All agents must be 21 years of age or older, and must satisfy the background and CORI checks required by Massachusetts law and regulation.

THCI's Compliance Specialist must administer background checks and suitability determinations for all THCI employees. Compliance Specialist duties will include the following:

- In collaboration with the CSO, implementing and administering background checks on all employees in a manner consistent with Massachusetts law and regulation;
- Reviewing background checks prior to any employee commencing work, and prior to any employee being granted access to any THCI facility in a manner consistent with Massachusetts law and regulation, including 935CMR 500.100;
- Registering each employee with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04 for purposes of determining suitability.
- For purposes of further ensuring employee suitability, the CSO must:
  - a) Review any and all conditions, offenses, and violations occurring in Massachusetts or any other state, whether under state law or under the laws of the United States, or the law of any military, territorial or Native American tribal authority, or any other jurisdiction.
  - b) Review any and all criminal disqualifying conditions, offenses, and violations, including the crimes of attempt, accessory, conspiracy, and solicitation.
  - c) Where applicable, review 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.
  - d) Exclude from consideration any juvenile dispositions as a factor for determining suitability.
  - e) Analyze all background checks to Massachusetts law, including but not limited to 935CMR 500.800, inclusive of all tables and exhibits.
  - f) Not less frequently than monthly, consult the Commission for purposes of determining any change of law, regulation or guidance, and to determine any

change in recommended best practice.

- g) Administer the THCI background check protocol, in accordance with Massachusetts law and regulation, and any guidance provided by the CCC from time to time, including 935CMR 500.802 and related tables.
- h) Determine whether grounds exist for Mandatory Disqualification or Presumptive Negative Suitability Determination and, in the event a Presumptive Negative Suitability Determination is made, THCI will consider the following factors: (i) time since the incident; (ii) age of the subject at the time of the incident; (iii) nature and specific circumstances of the 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.

Upon finding an adverse determination, a Compliance Specialist must:

- Report the adverse finding to the CSO immediately;
- Within seven (7) days of such determination, provide the applicant a copy of the background screening report and a final adverse determination letter providing the applicant with instruction relative to the right to dispute the contents of the report and rights to supplement or pursue an appeal to the Suitability Review Commission;
- Document such adverse determination in compliance with all requirements set forth in 935 CMR 500 et seq.; and
- Maintain such determination within THCI personnel records.

Employee files are maintained by the Human Resource department and are considered confidential. Managers and supervisors may only have access to personnel file information on a need-to-know basis.

Personnel file access by current employees and former employees upon request will generally be permitted within three days of the request unless otherwise required under state law. Personnel files are to be reviewed in the Human Resource department. Personnel files may not be taken outside the department.

Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information.

[Note: Please be advised that company policy may be subject to state requirements, including potential requirements to provide copies of personnel files.]

## **Timecards**

Hourly employees are required to submit completed and signed timecards by no later than 10am Monday for the hrs worked in the previous week. Human Resources may not be able to properly pay employee without a completed timecard.

**935 CMR 500.105(1)(M) LIST OF BOARD MEMBERS AND EXECUTIVES**

This list will be updated and amended as needed.

This list is current as of 01/28/19

[illegible]

## **935 CMR 500.105(1)(F) RECORDKEEPING AND INVENTORY PROTOCOLS**

Temple Hill collective, Inc. (THCI) will use the real-time seed to sale software (METRC) to track and reference detailed records regarding current and past production of cannabis products. This inventory will include at a minimum all raw and bulk cannabis, cannabis and cannabis products that are in process, all finished cannabis and cannabis products and all quarantined, defective and contaminated cannabis pursuant to 935 CMR 500.105(8)(b).

All cannabis and cannabis products will be tagged and tracked with a barcode generated from the seed to sale software and will be done in a manner approved by the Commission pursuant to 935 CMR 500.105(8)(d).

Authorized THCI agents will follow proper inventory procedures when cataloguing product and performing inventory reviews. Each department will run monthly inventory audits; duplicate copies will be kept for a minimum of two years. A comprehensive yearly inventory will also be performed in accordance with 935 CMR 500.105(8)(c).

In accordance with 935 CMR 500.105(8)(f), THCI will have all finished cannabis and cannabis products, for sale or otherwise marketed for adult use, tested by the independent testing agency MCR Labs, or another Commission licensed testing facility in MA.

### **935 CMR 500.105(9) – Record Keeping**

THCI will keep and maintain all written operating procedures in accordance with and as prescribed by 935 CMR 500.105(9) and 935 CMR 500.105(1)

In accordance with 935 CMR 500.105(9) THCI will maintain all records in accordance with generally accepted accounting principles.

THCI will maintain accurate and up to date records of all operating procedures, inventory audits, seed to sale records, inventoried products, and waste disposal for a minimum of 3 years. All records will be available on site and are subject to inspection by the Commission at any time in accordance with 935 CMR 500.105(9) and 935CMR 500.1059(12)

Employee records will be regularly maintained to satisfy the requirements outlined in 935 CMR 500.105(9)(d). Corporate documents, provisional and final certificates, accounting information, and other required documentation, as expressed in 935 CMR 500.105(9)(e) will be securely maintained and available upon request from the CCC.

## **935 CMR 500.105(9)(E) – FINANCIAL RECORDS**

Pursuant to 935 CMR 500.105(9)(e) all financial records will be securely maintained and available upon request from the CCC.

THCI employs an accountant/bookkeeper to specifically aggregate, organize, and maintain the following financial records:

- Assets and liabilities;
- Monetary transactions;
- Books of accounts, including 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, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment, including members of the nonprofit corporation, if any.

## **THCI Diversity Plan**

In accordance with 935 CMR 500.101(c)(7)(k), Temple Hill Collective, Inc. (THCI) has developed a diversity plan in order to promote equity among the following demographics of people: women, minorities, veterans, people with disabilities, and people identifying as LGBTQIA+. THCI will implement this diversity plan in accordance with the following goals, programs, and measurement and accountability protocols.

THCI will adhere to all requirements set forth in 935 CMR 500.105(4) which provides the permitted/prohibited advertising, branding, marketing, and sponsorship practices of Marijuana Establishments.

THCI will ensure that any actions taken, or programs instituted will not violate the Commission's regulations with respect to limitations on ownership or control or all other applicable state laws.

### **Goals**

THCI is dedicated is to promoting equity among a diverse group of individuals including: women, minorities, people with disabilities, people identifying as LGBTQIA+, and veterans.

At THCI, promoting equity among diverse groups of people manifests itself in two ways:

1. By mandating that the percentage of diverse individuals who work or contract for THCI equates to a **minimum of 40%** of the overall number of employees within the organization. Additionally, THCI will ensure our diverse workforce includes a minimum of 25% women, and 15% of a combination of minorities, people with disabilities, people identifying as LGBTQIA+, and veterans.
2. By mandating that the percentage of diverse individuals who work for THCI in a management or executive position equates to a **minimum of 20%** of the overall number of employees in management or executive roles at THCI. Additionally, THCI will ensure our diverse management and executive team includes a minimum of **10% women**, and **10% of a combination of** minorities, people with disabilities, people identifying as LGBTQIA+, and veterans.

### **Programs**

THCI has developed several programs in order to achieve the goals set forth in the diversity plan:

- Marketing job opportunities a large group of diverse people – THCI will leverage the use of mass marketing tools such as Monster.com, Indeed.com, Craigslist.com, as well a local print media in order to market job openings to the largest group of individuals possible. THCI will also supplement candidate pool, as necessary, by using the services of a professional staffing agency.
- Hiring Events / Recruitment Meetings – THCI will initially, and periodically as needed, host local hiring events and recruitment meetings. These tools will provide THCI with access to a local and diverse pool of potential applicants. THCI will also be able to use these events to provide guidance to diverse applicants who may not otherwise have a source of accurate and reliable information regarding the opportunities available in the adult-use cannabis industry in Massachusetts.
- Promoting from within the organization – this program will be instrumental in achieving the goal of increasing the amount of diverse individuals in management and executive roles within the organization. THCI as a policy will offer available management and executive positions to qualified current employees before attempting to recruit individuals from outside the organization.



### Measurement and Accountability

Through a direct and standardized diversity plan, THCI will be able to simply measure the efficacy of the plan, as well as provide instant accountability to the current status and overall success of the plan. The specific metrics that THCI will strive to attain on a perpetual basis are as follows:

- Upon receiving provisional licensing, as well as on a perpetual basis, THCI employees will be comprised of a **minimum of 40% of individuals** from one or more of the following demographics: women, minorities, people with disabilities, people identifying as LGBTQIA+, and veterans. The breakdown of diverse demographics will be adhered to as follows: **25% women**, and **15% of a combination** of minorities, people with disabilities, people identifying as LGBTQIA+, and veterans.
- Upon receiving provisional licensing, as well as on a perpetual basis, THCI management and executive team will consist of a **minimum of 20% of individuals** from one or more of the following groups: women, minorities, people with disabilities, people identifying as LGBTQIA+, and veterans. The breakdown of diverse demographics will be adhered to as follows: **10% women**, and **10% of a combination** of minorities, people with disabilities, people identifying as LGBTQIA+, and veterans.

In order to quantifiably measure and track these specific metrics, THCI will implement the following protocols:

- All personnel files will include an indication of each employee's diversity designation. This will allow THCI to measure, as a percentage, the amount of employees with a diversity designation in relation to our entire workforce.
- At a minimum, on a quarterly basis, THCI's CEO will perform an audit of all personnel files to ensure that the above-specified percentages of diversity designated employees meets or exceeds the minimums set forth in this diversity plan.
- The CEO will compile the data derived from each quarterly audit into an annual written report detailing the status and current compliance of the diversity plan as well as a detailed description of THCI's plans for ongoing compliance with our diversity plan. This annual report will be completed to coincide with THCI's annual license renewal.

In addition to the annual report, and in an effort to maintain full accountability in regards to the execution and efficacy of the diversity plan, THCI will, upon request, make available to the Commission the diversity demographic data contained in our personnel files, as well as the results of each quarterly diversity audit.

## **935 CMR 500.105(1)(H) STAFFING PLAN AND STAFFING RECORDS**

Employee training is a critical component of Temple Hill Collective's (THCI) operation and success. Our executive team is responsible for the development and execution of the THCI training plan. Pursuant to 935 CMR 500.105(2) training will be tailored to the roles, responsibilities and job functions of each registered agent, and includes at a minimum a Responsible Vendor Program as described under 935 CMR 500.105(2)(b). No employee or consultant may work on-site prior to receiving required orientation training. No employee or consultant may work on-site if any training module is 8 weeks or more past due.

A new employee will be educated about their responsibilities during their initial training with the company. Each employee's training will include an introduction to the security policies and responsibilities, and demonstrations of the proper use of security devices, including the panic alarm system.

Additionally, on an annual basis, all employees will receive additional security training sessions.

Training Topics: Initial and ongoing security training for all employees will include:

- Proper security device operation.
- Handling and safekeeping practices for all product, currency, and business documents.
- Opening and closing procedures for the facility.
- Proper identification methods for people attempting to or successfully committing crimes against the company.
- Proper employee actions before, during and after a burglary or robbery committed against the company.

They include:

- a) Contact supervisors during emergencies
- b) Personal safety during the incident
- c) Proper incident reporting

THCI does not discriminate in hiring or operating decisions. All managers and supervisors must comply with all applicable EEOC and MCAD guidelines when managing personnel issues. All THCI policies and practices are designed to prevent discriminate based on race, color, height, weight, gender, sexual orientation, religious affiliation, marital status, disability or medical condition.

All agents must be 21 years of age or older, and must satisfy the background and CORI checks required by Massachusetts law and regulation.

## Executive Management

**Chief Executive Officer:** The CEO must provide overall leadership and vision for THCI. The CEO will work with and support the executive management team and employees to assure that THCI is setting reasonable business and community benchmarks, achieving its goals and fulfilling its mission. CEO duties must include the following:

- Develop, oversee and execute a staffing plan and certain hiring protocols;
- Develop and implement personnel policies and procedures;
- Develop protocols to attract, hire, advance, discipline and terminate employees and volunteers as needed to support operations;
- Ensure compliance with 935CMR 500.105(2)(b), including all Responsible Vendor Training requirements for employees;
- Ensure compliance with all workplace policy laws and requirements;
- Ensure compliance with Massachusetts law and regulations, including 935 CMR 500.000 et seq.;
- Prepare and amend from time to time a THCI plan to assure ongoing compliance with the provisions of 935CMR 500.101(2)(e)(8);
- Prepare and amend from time to time a set of detailed written operating procedures to assure ongoing compliance with the provisions of 935 CMR 500.105(1);
- Keep and maintain all THCI records, and making such records available for inspection by the Commission, upon its request, in accordance with 935CMR 500.105(9);
- Working with the executive management team to implement a plan to prevent the diversion of product in accordance with the applicable regulations, including 935 CMR 500.101 and 935CMR 500.105;
- Working with the executive management team to implement a diversity plan to promote equity among minorities, women, veterans, people with disabilities, and people of all gender identities and sexual orientations;
- Ensure that such anti-diversion plan incorporate the use of video monitoring, employee training, written guidance to employees, executive supervision and physical inspection of the premises, among other tactics;
- Ensure that each member of the executive management team must attest by his signature that he has read and understands the requirements of 935CMR 500.000 et seq., and must keep a copy of such attestation within the books and records of THCI;
- Lead THCI's interactions with state regulators and municipal officials; and
- Working as the team leader with other executives and employees, to review THCI's business and community objectives, and implement plans to achieve those objectives.

**Chief Security Officer:** The CSO is responsible for implementing security policies and procedures for THCI. The CSO will maintain, implement, review and amend such policies as required by the business. CSO duties must include the following:

- Ensure compliance with all provisions of 935CMR 500.110;
- Review and ensure proper maintenance of all security apparatus, including physical, human and technological security methods and equipment;
- Interact with state inspectors and municipal law enforcement authorities;
- Train and supervise security staff;
- Develop a plan for educating employees on the strict anti diversion policy at THCI;
- Develop, review and supervise the process through which THCI will report security incidents;
- Prepare reports, in written and electronic form, relative to the maintenance of security at THCI, and generate any reports required by regulation to be provided to state regulators or law enforcement;
- Maintain current list of all authorized and registered employees working for THCI;
- Maintain current list of all employees authorized to access designated areas of the facility;
- Lead a working group comprised of the CEO, CPO and any other designated personnel to ensure that current policies and procedures are properly implemented, integrated, effective, and relevant to ensure the safety of THCI employees and assets;
- Work with the CS to ensure that all personnel complete and satisfy all background checks requirements prior to performing any THCI functionality; and
- Provide staffing, shift change and general oversight of security operations.
- In the event of any suspected diversion incident, perform an internal audit, referencing video surveillance, and product tracking software, to locate the time, place and agent involved with the discrepancy, and document and report in accordance with 935CMR 500.110(1)(m).

Chief Production Officer: The CPO is responsible for managing all product manufacturing. In collaboration with the CEO, CPO duties must include the following:

- Overseeing and managing all aspects of product manufacturing including supply chain management, production line work flow and efficiency, and inventory, transfer, and packaging management
- Ensuring quality control and testing of cannabis infused products in compliance with 935CMR 500.160;
- Preparation of product for wholesale markets;
- In collaboration with Inventory Manager, develop procedures for inventory management, including electronic tracking and the allocation of physical space, shelves and containers within the premises including inventory protocols in compliance with 935CMR 500.105(8) and (9); and
- In collaboration with Inventory Manager develop production scheduling to support sales and product development objectives.

Chief Cultivation Officer: The CCO shall operate and be responsible for maintenance, staffing and ongoing operation of the cultivation facility. CCO duties shall include the following:

- Implement all policies and procedures relating to the cultivation facility;
- Coordinate all cultivation staff work hours, assignments and collaborations;
- Develop plan to meet the demands of the business;
- Coordinate repairs and maintenance;
- Supervise and train cultivation employees in an ongoing capacity;
- Provide mandatory training for new cultivation employees;
- Maintain a record of space allocations;
- Work with cultivation staff to promote successful operations in THCI's cultivation facility;
- Maintain a database of environmental conditions;
- Provide pest control strategies and ensure integrated pest management program effectiveness; and
- Continually adjust all systems and cultivation operations for optimum efficiency and production;
- Ensure quality control and testing of marijuana flower in compliance with 935 CMR 500.160.

### **THCI Employees**

Compliance Specialist: The Compliance Specialist must administer background checks and suitability determinations for all THCI employees. Compliance Specialist duties must include the following:

- In collaboration with the CSO, implementing and administering background checks on all employees in a manner consistent with Massachusetts law and regulation, including 935 CMR 500.000;
- Reviewing background checks prior to any employee commencing work, and prior to any employee being granted access to any THCI facility in a manner consistent with Massachusetts law and regulation, including 935CMR 500.100;
- Registering each employee with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04 for purposes of determining suitability.
- For purposes of further ensuring employee suitability, the CSO must:
  - a. Review any and all conditions, offenses, and violations occurring in Massachusetts or any other state, whether under state law or under the laws of the United States, or the law of any military, territorial or Native American tribal authority, or any other jurisdiction.
  - b. Review any and all criminal disqualifying conditions, offenses, and violations, including the crimes of attempt, accessory, conspiracy, and solicitation.
  - c. Where applicable, review 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.

d. Exclude from consideration any juvenile dispositions as a factor for determining suitability.

e. Analyze all background checks to Massachusetts law, including but not limited to 935CMR 500.800, inclusive of all tables and exhibits.

f. Not less frequently than monthly, consult the Commission for purposes of determining any change of law, regulation or guidance, and to determine any change in recommended best practice.

g. Administer the THCI background check protocol, in accordance with Massachusetts law and regulation, and any guidance provided by the CCC from time to time, including 935CMR 500.802 and related tables.

h. Determine whether grounds exist for Mandatory Disqualification or Presumptive Negative Suitability Determination and, in the event a Presumptive Negative Suitability Determination is made, THCI will consider the following factors: (i) time since the incident; (ii) age of the subject at the time of the incident; (iii) nature and specific circumstances of the 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.

Upon finding an adverse determination, a Compliance Specialist must:

- Report the adverse finding to the CSO immediately;
- Within seven (7) days of such determination, provide the applicant a copy of the background screening report and a final adverse determination letter providing the applicant with instruction relative to the right to dispute the contents of the report and rights to supplement or pursue an appeal to the Suitability Review Commission;
- Document such adverse determination in compliance with all requirements set forth in 935 CMR 500 et seq.; and
- Maintain such determination within THCI personnel records.

## **Cultivation Positions**

Cultivation Specialist: Cultivation Specialists are responsible for all tasks assigned by the CCO. Cultivation Specialists will report directly to CCO. Responsibilities include, but are not limited to:

- Nutrition, water and irrigation;
- Cleaning and sterilizing;
- Pruning and potting;
- Application of pesticide and pest control;
- Plant and media monitoring for mold and pest; and
- Propagation
- Harvesting

## **Inventory Positions**

Inventory Manager: On a weekly basis, the Inventory Manager must record an inventory count, and must submit report to the CPO. Additional Inventory Manager duties must include the following:

- Develop and implement comprehensive inventory controls;
- Develop and implement comprehensive reporting policies to meet internal and external reporting requirements;
- Maintain all inventory records;
- Staffing and supervising all Associate Inventory Agents;
- Handle, store, label and track all inventory; and
- Working with the CPO and CSO, implement safe and compliant transportation protocols, including but not limited to compliance with 500.050(5)(a);

Associate Inventory Agents: these agents support the daily functionality of the Inventory Manager. Associate Inventory Agents duties include:

- Maintaining all records relating to inventory, including storage, transfer, audit, package, inventory levels and demand, and other records as required by the business;
- Documenting the acquisition, sale, disposal and ending inventory counts on a daily and monthly basis;
- Ensuring that product is properly packaged, stored, labeled, maintained and recorded within THCI's electronic and physical systems; and
- Ensuring proper storage and disposal of waste in accordance with 935 CMR 500.105(12).

## **Product Manufacturing**

Manufacturing Associates: Manufacturing Associates are responsible for producing concentrates cannabis product. Manufacturing associates report directly to the CPO and are responsible for:

- Receiving daily tasks from the CPO;
- Extracting cannabis and trim;
- Maintaining and operating all equipment and machinery;
- Storing, curing, and packaging products;
- Reporting to the CPO on a daily basis with respect to quality, quantity and expected inventory; and
- Cleaning and maintaining all furniture, fixtures and equipment relating to cannabis product production.

## **Personnel Records**

Personnel records for each employee will be maintained for at least twenty-four (24) months after employee separation from the company. Personnel records must include, but not be limited to, the following:

- Job description stating duties, authority, responsibilities, qualifications, and supervision;
- Employment agreement, if any;
- Documents related to employee training, including training regarding privacy and confidentiality requirements, and a signed statement of the employee indicating the date, time, and place of such training;
- Documentation relating to compensation, including a statement of graduated compensation by date and pay rate;
- Performance evaluations;
- Disciplinary records, if any;
- Documents relating to background investigation, including CORI reports; and
- All materials required by the Commission pursuant to 935 CMR 500.030(2).

Personnel records will be kept in a secure location to maintain confidentiality and be accessible only to the CEO or designees, inclusive only of members of the executive management team.



Temple Hill Collective, Inc (THCI), as a licensed Product Manufacturer without indoor growing facilities, plans to remain compliant with the energy and conservation regulations codified in 500.105 (1)(q) and 500.105(15) by all means necessary. The following information details the steps we have taken and will continue to take in order to remain compliant with the aforementioned regulations.

As a general overview, the renovation and build-out of our facility will be unilaterally managed by D.R. Poulin Construction Company, based upon the specifications engineered by the McKenzie Engineering Company specifically for product manufacturing operations at 154 Quabbin Blvd. in Orange, MA. The planned renovations were engineered and designed to specifically meet the energy efficiency and conservation requirements of the Massachusetts Energy Code. The following compliance statement has been prepared by McKenzie Engineering to reflect the compliance of the proposed renovations:

The proposed building design represented in these documents is consistent with the building plans, specifications, and other calculations submitted with the permit application. The proposed building has been designed to meet the requirements of the Massachusetts Energy Code.

The heating load for this building, and the cooling load has been determined using the applicable Standard Design conditions found in the Code. The HVAC equipment selected to heat and cool the building shall be no greater than 125% of the design load as specified in sections 780CMR 1310 and J4.4

Air leakage: Joints, penetrations, and all other such openings in the building envelope that are sources of air leakage must be sealed. Recessed lights must be type IC rated and installed with no penetrations or installed inside an appropriate airtight assembly with a .5" clearance from combustible materials and 3" clearance from insulation.

Vapor Retarder: Required on the warm-in-winter side of all non-vented framed ceilings, walls, and floors.

Duct Insulation: Ducts in unconditioned spaces must be insulated to R-5. Ducts outside the building must be insulated to R-8.

Duct Construction: All ducts must be sealed, The HVAC system must provide a means for balancing

Temperature Controls: Thermostats are required for each separate HVAC system.

HVAC Equipment Sizing: Rated output capacity of the heating/cooling system is not greater than 125% of the design load as specified in sections 780CMR 1310 and J4.4

In addition to the compliance statement outlining compliance with the Massachusetts Energy Code, THCI plans to remain compliant with the energy compliance regulations reflected in the 935 CMR 500 by focusing on the following areas:

- Energy Efficiency - THCI plans to run as efficient of an operation as possible and the area of energy efficiency is no exception. In general, our business will be a relatively low energy demanding business. Many of our processes will be done manually, and the equipment used in our facility will be Energy Star Certified whenever available. In addition to meeting the efficiency requirements of the Massachusetts Energy Code, we plan to outfit our entire facility

with energy efficient LED fixtures. Further, all of our LED lights will be equipped with timers and/or motion/occupancy sensors as deemed necessary. This will ensure that all lighting will only be used precisely as needed. Second, we have designed our facility with multiple heating and cooling zones. This will allow precise and fine-tuned control of our heating and cooling systems based off specific zone demand, which ultimately allows us to operate our HVAC systems as energy efficiently as possible. Lastly, our COO will continuously monitor our energy usage on a month to month and year to year basis. As we gather data on our usage, we will harness the information gleaned from the data to further optimize our operations to allow for even greater energy efficiencies as our operation matures.

- **Renewable Energy Sources** - At THCI, we are dedicated to doing our part to be as energy efficient as possible. This ultimately means keeping as small of a carbon footprint as possible. We plan on having as low of an impact as possible by managing our energy efficiency through the means mentioned above. As it stands, our operation is already designed to consume a relatively small amount of energy compared to a manufacturing company of a similar size. To even further reduce our carbon footprint, we explored the option of installing solar panels on the roof of our facility to potentially provide some or all of the electricity that our business demands, and hopefully to also produce surplus energy that can flow back into the grid. At this time, we decided to forego installing solar panels pre-launch, as we are completely self-funded, and capital resources are a limiting factor for our operation. With that said, THCI plans to reinvest heavily into our infrastructure (especially our energy infrastructure) and one important goal is to include solar panels into our Energy Efficiency Plan at a time in the near future when cash flow allows for this investment.

- **Energy Demand** – Keeping track of our energy demand is a crucial step in maintaining energy efficiency, as well as increasing energy efficiency. At the outset of operations, THCI's COO will actively monitor energy demand on a rolling basis to build a dataset that illustrates the ebbs and flows of our operation's energy demand. Once this dataset provides actionable information, THCI's COO and CEO will actively adjust and tweak our operations in order to optimize for the most efficient control of our operation's energy demand. THCI will also explore partnering with a company such as NRG Energy that specializes in providing an energy demand and usage insight platform to enterprises who are interested in optimizing their energy usage. Additionally, there are specific actions that THCI will utilize from the outset of operations to ensure that our energy demand and usage is as efficient as possible. These actions include but are not limited to: using Energy Star equipment whenever available, installing programmable thermostats, using energy efficient lighting and occupancy sensors for lighting, ensuring a tightly sealed building envelope to maximize HVAC efficiency, performing regular maintenance and filter cleanings on HVAC equipment, turning off all equipment when not in use and overnight, using an insulated water heater, ensuring that all employees are trained and accountable for taking part in energy reduction strategies, and allowing employees to work remotely whenever possible.

- **Engagement with Energy Efficiency Programs** – we have begun interfacing with Mass Save in order to determine the best path for our business to ensure maximum energy efficiency. Mass Save has indicated that the first step towards an energy efficient operation is to ensure that all planned renovations/construction are compliant with the Massachusetts Energy Code, as such, our engineering firm, McKenzie Engineering, has designed the facility to be compliant with the

Massachusetts Energy Code. Once we have built the facility and begin to outfit the facility with our equipment and fixtures, we will have a Mass Save vendor visit our site and perform an energy use audit in order to ensure that we are operating in a manner that allows THCI to be as energy usage and demand efficient as possible. As our business grows and matures, THCI plans to regularly use the services of Mass Save and their affiliates to provide our business with ongoing energy audits to ensure that THCI stays current with the most energy efficient operations as possible.