



## Massachusetts Cannabis Control Commission

### Marijuana Cultivator

#### General Information:

License Number: MC281292  
Original Issued Date: 01/21/2020  
Issued Date: 02/11/2021  
Expiration Date: 02/13/2022

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: The Headyco LLC

Phone Number: 508-740-3006 Email Address: headyco@yahoo.com

Business Address 1: 177 Huntington Ave STE 1703 Business Address 2: #23871

Business City: Boston Business State: MA Business Zip Code: 02115

Mailing Address 1: 7 Primrose Cir Mailing Address 2:

Mailing City: Saratoga Springs Mailing State: NY Mailing Zip Code: 12866

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Woman-Owned Business

### 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: 100

Role: Owner / Partner Other Role:

First Name: Danielle Last Name: Daly Suffix:

Gender: Female User Defined Gender:

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

Specify Race or Ethnicity:

#### Person with Direct or Indirect Authority 2

Percentage Of Ownership:

Percentage Of Control:

Role: Manager

Other Role:

First Name: Nak

Last Name: Chung

Suffix:

Gender: Male

User Defined Gender:

What is this person's race or ethnicity?: Asian (Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese)

Specify Race or Ethnicity:

#### ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

#### CLOSE ASSOCIATES AND MEMBERS

No records found

#### CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Danielle

Last Name: Daly

Suffix:

Types of Capital: Monetary/Equity

Other Type of Capital:

Total Value of the Capital Provided: \$50000

Percentage of Initial Capital: 100

Capital Attestation: Yes

#### CAPITAL RESOURCES - ENTITIES

No records found

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

#### DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

#### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 4 Lachance St

Establishment Address 2:

Establishment City: Gardner

Establishment Zip Code: 01440

Approximate square footage of the Establishment: 9350

How many abutters does this property have?: 2

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

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

Cultivation Environment: Indoor

#### FEE QUESTIONS

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

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Community Outreach Meeting Documentation	Community Outreach-compressed (1).pdf	pdf	5d251297f29d1909b30c0c61	07/09/2019

Plan to Remain Compliant with Local Zoning	Gardner - Plan to Remain Compliant with Local Zoning.pdf	pdf	5d2517c5c5c3be09dbf08b72	07/09/2019
Certification of Host Community Agreement	HCA.pdf	pdf	5d2f9f0fa442c833e60681b9	07/17/2019

Total amount of financial benefits accruing to the municipality as a result of the host community agreement. If the total amount is zero, please enter zero and provide documentation explaining this number.: \$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	Plan to positively impact areas of disproportionate impact.pdf	pdf	5d90bafcd471f115eb598eb2	09/29/2019

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

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

##### Individual Background Information 2

Role:	Other Role:
First Name: Nak	Last Name: Chung 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
Bylaws	Operating Agreement - (LLC Bylaws).pdf	pdf	5ae79492c357ae0da9a3e8bc	04/30/2018
Articles of Organization	Articles of Organization.pdf	pdf	5ae799c8ccedc435f6f6af83	04/30/2018
Department of Revenue - Certificate of Good standing	Department of Revenue Cert of Good Standing .pdf	pdf	5ae8fdb61fc0413d614fdbb8	05/01/2018
Secretary of Commonwealth - Certificate of Good Standing	Cert of Good Standing .pdf	pdf	5aeb7c56a9bf2311b8c6d48d	05/03/2018

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Unemployment Assistance - Certificate of Good standing	POLICY - AdaptiveHR LLC FWLT The Heady Co LLC.pdf	pdf	5ff34f7316d57608051fb525	01/04/2021
Department of Revenue - Certificate of Good standing	Letter of Good Standing Dept Revenue.pdf	pdf	600091c016d57608051fd5a2	01/14/2021
Secretary of Commonwealth - Certificate of Good Standing	Letter of Good Standing Secretary.pdf	pdf	6000921c09cf8e0810fd50d7	01/14/2021

Massachusetts Business Identification Number: 001321698

Doing-Business-As Name:

DBA Registration City:

#### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	Summary of Business Plan.pdf	pdf	5ae7cb2fa6b56e3d67571335	04/30/2018
Plan for Liability Insurance	Proof of Liability Insurance or Plan to Obtain Insurance.pdf	pdf	5ae7cb6ba9bf2311b8c6d0a3	04/30/2018
Proposed Timeline	Operations Timeline.pdf	pdf	5ff35230b11eae07c3c582da	01/04/2021

#### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Security plan	Security Plan.pdf	pdf	5ae7cd519a67bb11cc7e3f22	04/30/2018
Prevention of diversion	Prevention of Diversion.pdf	pdf	5ae7cda3da8de63d8fd162da	04/30/2018
Storage of marijuana	Storage of marijuana.pdf	pdf	5ae7cdcd00caab11e09c91ff	04/30/2018
Inventory procedures	Inventory Procedures.pdf	pdf	5ae7ce1a53899e3d7b660c14	04/30/2018
Quality control and testing	Procedures for Quality Control and Testing for Potential Contaminants.pdf	pdf	5ae7ce3e3deece0450ce8106	04/30/2018
Dispensing procedures	Dispensing Procedures.pdf	pdf	5ae7ce6a9a67bb11cc7e3f26	04/30/2018
Personnel policies including background checks	Personnel Policies.pdf	pdf	5ae7cea4da8de63d8fd162de	04/30/2018
Record Keeping procedures	Record-Keeping Procedures.pdf	pdf	5ae7ced7ddfb91046e610006	04/30/2018
Maintaining of financial records	Maintenance of Financial Records.pdf	pdf	5ae7cf0900caab11e09c9203	04/30/2018
Restricting Access to age 21 and older	Restricting Access to age 21 and older.pdf	pdf	5ae7d32011a2fe04237f6829	04/30/2018
Separating recreational from medical operations, if applicable	Separating recreational from medical operations.pdf	pdf	5ae7d39b4acea511a83687d6	04/30/2018
Policies and Procedures for cultivating.	Policies and procedures for cultivating.pdf	pdf	5ae7e488da8de63d8fd162f0	04/30/2018

Transportation of marijuana	Transportation Plan.pdf	pdf	5b9729904e62492d8f345d65	09/10/2018
Qualifications and training	Employee Staffing, Qualification and Training Plans.pdf	pdf	5b98785203a477392d0a4694	09/11/2018
Diversity plan	Diversity Plan for Headyco.pdf	pdf	5e0f8c51ef24345344e503af	01/03/2020

## ATTESTATIONS

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

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

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

Notification: I Understand

I certify that any changes in ownership or control, location, or name will be made pursuant to a separate process, as required under 935 CMR 500.104(1), and none of those changes have occurred in this application.: I 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 currently only have 2 employees and the owner, Danielle Daly. One of the employees we hired has been convicted in the past of drug crimes thus putting our percentage at 33% (including the owner). The Headyco's goal of 5% was achieved. We will continue to meet above the target goal.

## COMPLIANCE WITH DIVERSITY PLAN

### Diversity Progress or Success 1

**Description of Progress or Success:** Including the owner we are at 33% women and 33% minority. The Headyco goals are 20% for Women, and 20% for Minorities. The Headyco currently does not hold goals for Veterans, persons with disabilities, or LGBTQ+ but we always encourage management to hire diversity of all types in our company. All goals were met. We will continue to meet above the target goal and revise our goals positively when we can.

## HOURS OF OPERATION

Monday From: 9:00 AM	Monday To: 6:00 PM
Tuesday From: 9:00 AM	Tuesday To: 6:00 PM
Wednesday From: 9:00 AM	Wednesday To: 6:00 PM
Thursday From: 9:00 AM	Thursday To: 6:00 PM
Friday From: 9:00 AM	Friday To: 6:00 PM
Saturday From: 9:00 AM	Saturday To: 6:00 PM

Sunday From: 9:00 AM

Sunday To: 6:00 PM



## 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, Danielle Daly, (insert name) attest as an authorized representative of The Headyco LLC (insert name of applicant) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on July 1, 2019 (insert date).
2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on June 22, 2019 (insert date), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document*).
3. A copy of the meeting notice was also filed on June 21, 2019 (insert date) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).
4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on June 18, 2019 (insert date), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).



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



Attachment  
A

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Our self service portal is under construction.

Please call 978-632-8000 or email your ad to [lineclassified@thegardnernews.com](mailto:lineclassified@thegardnernews.com)

## Search Classifieds



★  
NOTICE Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for July 1st, 2019 at 9:00am to 10:00am at 4 Lachance St, Gardner MA 01440 by proposed company: The Headyco LLC. The proposed Marijuana Cultivation and Product Manufacturer establishment is anticipated to be located at 4 Lachance St, Gardner MA 01440. There will be an opportunity for the public to ask questions. jun22-1t

Post Date: 06/22 12:00 AM

Refcode: #thegardnernews.com 0000404272-01 iPrint

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Post Date: 06/21 12:00 AM

★  
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Post Date: 06/21 12:00 AM

6/21/2019

Gardner MA

Attachment  
B

## Event Details



### Community Outreach Meeting for a proposed Marijuana Establishment

**Monday, July 1, 2019**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for July 1, 2019 at 9:00 AM at 4 LaChance Street, Gardner MA by proposed company: Headyco LLC. The proposed Marijuana Cultivation and Product Manufacturer establishment is anticipated to be located at 4 LaChance St., Gardner MA. There will be an opportunity for the public to ask questions.

**Date:** July 1, 2019  
**Time:** 9:00 AM - 10:00 AM  
**Address:** 4 LaChance Street  
Gardner, MA 01440

**IMPORTANT  
NOTICE**



Attachment  
C

Danielle Daly  
7 Primrose Cir  
Saratoga Springs, NY 12866

June 18, 2019

American Screw & Barrel Inc.  
60 Linus Allain Ave  
Gardner, MA 01440

RE: Notice of Community Outreach Meeting

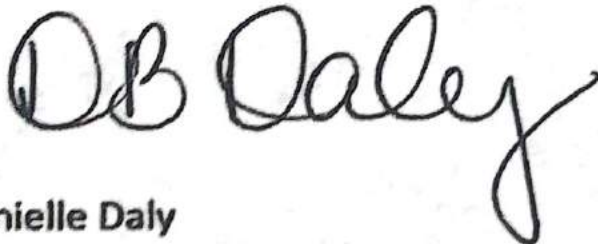
To whom this may concern:

Applicants seeking to be licensed as a Marijuana Establishment under 935 CMR 500.000, which establishes the regulatory requirements for adult use marijuana in the Commonwealth, are required to notify abutters of the proposed address.

Please accept this letter, and the attached Notice of Community Outreach Meeting, as notice that The Headyco LLC is holding a community outreach meeting on July 1<sup>st</sup>, 2019 at 9:00am to 10:00am at 4 Lachance St, Gardner MA relative to a proposed Marijuana Cultivation and Product Manufacturer Establishments to be located at 4 Lachance St in Gardner MA.

Should you have any questions or concerns, please do not hesitate to contact me.

Very truly yours,



Danielle Daly  
Founder and CEO  
headyco@yahoo.com

Attachment

### **Plan to Remain Compliant with Local Zoning**

Headyco will ensure its location meets all zoning requirements and that all applicable state and local laws will be complied with. As detailed in the business and operating plans; security, storage, inventory, transportation, personnel, etc have been thoroughly vetted.

Headyco will continue to work closely with City Officials on any changing laws or ordinances. The City of Gardner has posted the below zoning ordinance, which will require Headyco to be approved for a Special Permit and remain compliant with local zoning.

Headyco will:

- Periodically check in with City officials on any proposed or actual changes.
- Review monthly the city's website as well as any other .gov links for local zoning changes.

Headyco's team will have a focus on the below changes:

- Legal Environment
- Licensing
- Permits
- State Law
- Zoning
- Building Codes
- Insurance

#### **Gardner Chapter 675 Zoning**

##### **§ 675-1070 Marijuana Establishments.**

###### **A. Purpose**

(1) To provide for the placement of marijuana establishment in appropriate places and under conditions in accordance with the provisions of Massachusetts General Law Chapter 94G

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

(3) To regulate the siting, design, placement, security, safety, monitoring, modification, and discontinuance of marijuana establishments.

**B. Applicability** (1) No marijuana establishment shall be established except in compliance with the provisions of § 675410 (Schedule of Use Regulations) and this § 675-1070 (Marijuana Establishments)

(2) Nothing in this section shall be construed to supersede federal and state laws governing the sale and distribution of Class 1 Controlled Substances.

(3) If any provision of this section or the application of any such provision to any person or circumstance shall be held invalid, the remainder of this section, to the extent it can be given effect, or the application



of those provisions to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, and to this end the provisions of this section are severable.

C. General requirements and conditions for all marijuana establishments.

(1) All marijuana establishments shall be contained within a building or structure.

(2) The hours of operation of marijuana establishments shall be set by the special permit granting authority

(3) No marijuana establishment property line shall be located within 500 linear feet of a lot line where the following districts, activity, or uses occur:

(a) A nonconforming residential dwelling that has not been abandoned or unoccupied for a period of two years;

(b) Any church, public or private school or child-care facility; or place where minors frequent (e.g., a library, ball field, park, sports or family recreation facility, religious facility or the like);

(c) Any other marijuana establishment;

(d) Any drug or alcohol rehabilitation facility; or

(e) Any correctional facility, half-way house or similar facility.

(5) No smoking, burning or consumption of any product containing marijuana or marijuana-related products shall be permitted on the premises of a marijuana establishment.

No marijuana establishment shall be located inside a building containing residential units, including transient housing such as motels and dormitories, or inside a movable or mobile structure such as a van or truck.

(7) Marijuana establishments shall provide the Gardner Police and Fire Departments, Building Commissioner, Board of Health, and the special permit granting authority with the names, phone numbers and e-mail addresses of all management staff and key holders to whom one can provide notice if there are operating problems associated with the establishment.

(8) The City shall have access at any time to inspect the premises of the marijuana establishment to ensure compliance with local and state regulations, excluding client health information protected under the Health Insurance Portability and Accountability Act of 1996.

(9) Pursuant to Massachusetts General Laws Chapter 94G, Section 3(a) (2)(i)-(iii) the maximum number of Licensed Marijuana Establishments in the City shall be consistent with the following provisions:

a) Shall not prohibit one or more types of Marijuana Establishment; b) The number of marijuana retail establishments, shall not exceed 20% of liquor licenses issued for retail sale of alcohol not consumed on the premises in the City of Gardner. Said number to be rounded up to the next whole number; c) The number of Marijuana Establishments shall not exceed the number of registered medical marijuana treatment centers in Gardner engaged in the same type of activity and shall not prevent the conversion of a medical marijuana treatment center licensed or registered no later than July 1, 2017 to a marijuana establishment engaged in the same type of activity.

D. Special permit requirements.

Special Permit Requirements (1) No special permit for any marijuana establishment shall be issued without site plan approval first having been obtained from the Planning Board, § 675-1020, Site plan review, of this chapter. In addition to the standards set forth within, the site plan must meet all dimensional, parking, landscaping, and signage requirements within this chapter.

(2) A marijuana establishment shall only be allowed by special permit from the Gardner Planning Board in accordance with MGL c. 40A, § 9, subject to the following statements, regulations, requirements, conditions and limitations.

(3) A special permit for a marijuana establishment shall be limited to one or more of the following uses that shall be specified by the special permit granting authority:

(a) Marijuana cultivator;

(b) Marijuana product manufacturer;

(c) Marijuana retailer;

(d) Marijuana testing facility;

Marijuana transportation or distribution facility; and

(f) Any other type of licensed marijuana-related business

(4) In addition to the application requirements set forth above, a special permit application for a marijuana establishment shall include the following:

(a) The name and address of each owner of the establishment;

(b) Copies of all required licenses and permits issued to the applicant by the Commonwealth of Massachusetts Cannabis Control Commission and any of its other agencies for the establishment;

(c) Evidence of the applicant's right to use the site of the establishment for the establishment, such as a purchase and sale agreement, deed, owner's authorization, or lease;

(d) Proposed security measures for the marijuana establishment, including lighting, fencing, gates and alarms, etc., to ensure the safety of persons and to protect the premises from theft. A letter from the City of Gardner Police Chief, or designee, acknowledging review and approval of the marijuana establishment security plan is required. To the extent allowed by law, all such documents shall be confidential.

(5) Mandatory findings. The special permit granting authority shall not issue a special permit for a marijuana establishment unless it finds that:

(a) The establishment is designed to minimize any adverse impacts on abutters and other parties in interest, as defined in MGL c. 40A, § 11.

(b) The establishment demonstrates that it will meet all the permitting requirements of all applicable agencies within the Commonwealth of Massachusetts and will comply with all applicable state laws and regulations; and

(c) The applicant has satisfied all the conditions and requirements set forth herein.

(6) A special permit granted under this section shall have a term limited to the duration of the applicant's ownership or leasehold of the premises as a marijuana establishment. A special permit may be transferred only with the approval of the special permit granting authority in the form of an amendment to the special permit with all information required in this § 675-1070.

E. Abandonment or discontinuance of use.

(1) A special permit shall lapse if not exercised within one year of issuance.

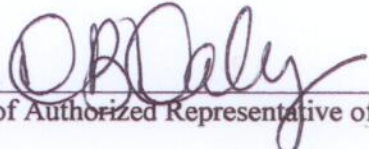
(2) A marijuana establishment shall be required to remove all personal property including but not limited to all material, plants, equipment, accessories, paraphernalia, and any other property no later than the earliest of: a) prior to surrendering its state issued licenses or permits; or b) within six months of ceasing operations.

## 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, Danielle Daly, (insert name) certify as an authorized representative of The Headyco LLC (insert name of applicant) that the applicant has executed a host community agreement with The City of Gardner (insert name of host community) pursuant to G.L.c. 94G § 3(d) on 7-8-19 (insert date).

  
Signature of Authorized Representative of Applicant

### Host Community

I, MARIL HAWKE, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for the City of Gardner (insert name of host community) to certify that the applicant and the City of Gardner (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 7-8-19 (insert date).

  
Signature of Contracting Authority or  
Authorized Representative of Host Community



**Subject:** RE: The Headyco RFI 2  
**From:** Colin Smith <csmith@gardner-ma.gov>  
**Date:** 11/30/2020, 3:47 PM  
**To:** Nak Chung <mnchung11@gmail.com>

Nak, I can confirm that The Headyco, LLC has created no revenue for the city due to the "Host Agreement", and I can confirm there have been no costs to the city related to the operation of the establishment.

Colin Smith  
Executive Aide to the Mayor  
The City of Gardner  
978-632-1900 x 8037  
[csmith@gardner-ma.gov](mailto:csmith@gardner-ma.gov)  
[www.gardner-ma.gov](http://www.gardner-ma.gov)

---

**From:** Nak Chung <mnchung11@gmail.com>  
**Sent:** Monday, November 30, 2020 3:40 PM  
**To:** Colin Smith <csmith@gardner-ma.gov>  
**Subject:** Re: The Headyco RFI 2

**CAUTION:** This email originated from a sender outside of the City of Gardner mail system. Do not click on links or open attachments unless you verify the sender and know the content is safe.

Yes of course. Our License is active until 1/21/2021. I am just getting a head start on this. I would like to submit my application by early January. Thank you.

--  
Nak Chung  
508-864-2268  
[mnchung11@gmail.com](mailto:mnchung11@gmail.com)  
Operations Manager/ Civil Engineer EIT  
The Headyco, LLC  
4 Lachance Street  
Gardner, MA 01440

On 11/30/2020 3:33 PM, Colin Smith wrote:

Hi Nak, can you tell me when you need this information by?

Colin Smith  
Executive Aide to the Mayor  
The City of Gardner  
978-632-1900 x 8037  
[csmith@gardner-ma.gov](mailto:csmith@gardner-ma.gov)  
[www.gardner-ma.gov](http://www.gardner-ma.gov)

---

**From:** Nak Chung <[mnchung11@gmail.com](mailto:mnchung11@gmail.com)>  
**Sent:** Monday, November 30, 2020 2:28 PM  
**To:** Trevor Beauregard <[tbeauregard@gardner-ma.gov](mailto:tbeauregard@gardner-ma.gov)>  
**Cc:** Mayor <[Mayor@gardner-ma.gov](mailto:Mayor@gardner-ma.gov)>; Colin Smith <[csmith@gardner-ma.gov](mailto:csmith@gardner-ma.gov)>; Rachel Stephano (Mayor's Office) <[Mayor\\_Secretary@gardner-ma.gov](mailto:Mayor_Secretary@gardner-ma.gov)>  
**Subject:** Re: The Headyco RFI 2

**CAUTION:** This email originated from a sender outside of the City of Gardner mail system. Do not click on links or open attachments unless you verify the sender and know the content is safe.

Thank you, Trevor, for redirecting the email to the proper authority. To summarize what I require from the city is the following...

1. A statement that we have created no revenue for the city due to the "Host Agreement" because The Headyco, LLC has reported no revenue for our business since we are still under construction.

I think the CCC assumed that application to start period would be under a year but with Covid our start date keeps getting pushed up. The CCC wants a statement if I report no payment to the City for host agreement.

2. A statement that shows any cost to the city reasonably related to the operation of the establishment.

I believe this number is also zero but I will need you to tell me so I can give that statement to the CCC. I can also report that I requested for this cost and the City had no reply. I just have to prove I asked.

The Headyco is reapplying for the yearly licensing for cannabis cultivation from the CCC. Providing these two statement helps us complete that application. Thank you in advance for your time and I hope you all had a great Thanksgiving.

Sincerely,

--

Nak Chung  
508-864-2268  
[mnchung11@gmail.com](mailto:mnchung11@gmail.com)  
Operations Manager/ Civil Engineer EIT  
The Headyco, LLC  
4 Lachance Street  
Gardner, MA 01440

On 11/30/2020 12:07 PM, Trevor Beauregard wrote:

Nak,  
Since you have not started operations yet, it would most likely be accurate to assume there has been no cost to the City related to your operation, however, I have cc'd the Mayor on this and he may be able to confirm this statement and/or provide the necessary information on any costs.  
Trevor

Trevor Beauregard  
Director  
DCDP  
115 Pleasant Street  
Gardner, MA 01440  
(978) 630-4014, x2

[www.gardner-ma.gov](http://www.gardner-ma.gov)

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**From:** Nak Chung <[mnchung11@gmail.com](mailto:mnchung11@gmail.com)>  
**Sent:** Friday, November 27, 2020 12:00 PM  
**To:** Trevor Beauregard <[tbeauregard@gardner-ma.gov](mailto:tbeauregard@gardner-ma.gov)>  
**Subject:** The Hedyco RFI 2

**CAUTION:** This email originated from a sender outside of the City of Gardner mail system. Do not click on links or open attachments unless you verify the sender and know the content is safe.

Hello Trevor,

For a separate document, can you please reply to this email and provide any cost to the city or town reasonably related to the operation of the establishment.

I am assuming it is zero but if you do have something please provide the amount and details for the cost.

Thank you again.

--

Nak Chung  
508-864-2268  
[mnchung11@gmail.com](mailto:mnchung11@gmail.com)  
Operations Manager/ Civil Engineer EIT  
The Hedyco, LLC  
4 Lachance Street  
Gardner, MA 01440

## **Plan to positively impact areas of disproportionate impact**

Based primarily on arrest rates, the Commission has designated 29 cities as areas of disproportionate impact:

The 29 areas are Abington; Amherst; Boston (certain neighborhoods to be designated by the Commission); Braintree; Brockton; Chelsea; Fall River; Fitchburg; Greenfield; Haverhill; Holyoke; Lowell (certain neighborhoods to be designated by the Commission); Lynn; Mansfield; Monson; New Bedford; North Adams; Pittsfield; Quincy; Randolph; Revere; Southbridge; Spencer; Springfield (certain neighborhoods to be designated by the Commission); Taunton; Walpole; Wareham; West Springfield; and Worcester (certain neighborhoods to be designated by the Commission).

### ***Specific Goal and Program:***

Headyco's main positive impact goal is detailed below:

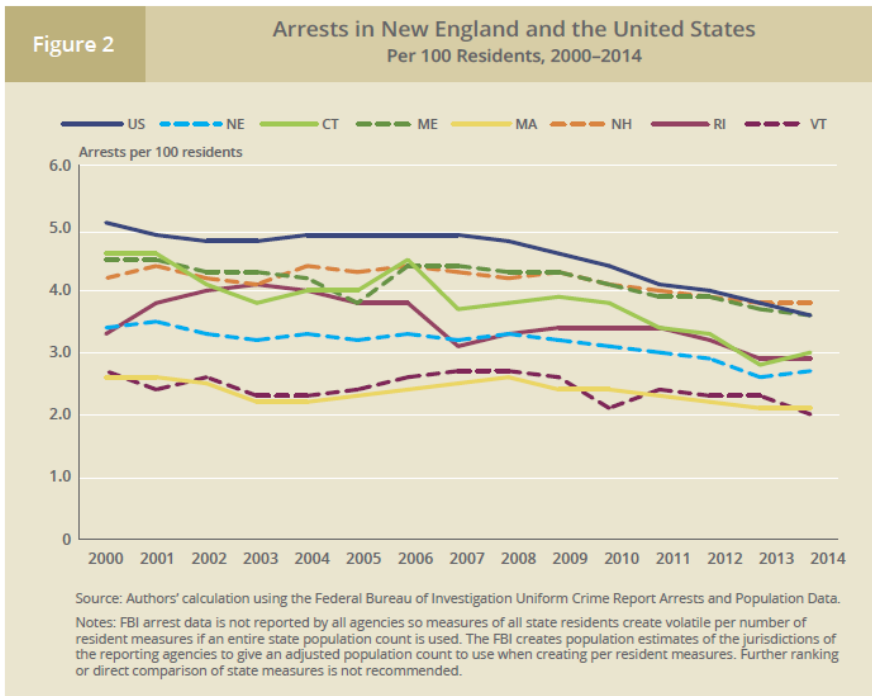
- Attempt to hire Massachusetts residents that specifically have past drug convictions or whose parents or spouses have drug convictions. Headyco will look to target >5% of new employees that have a past drug conviction or parents or spouses who have drug convictions.

Drug convictions, as a percentage of Massachusetts residents, was not easily obtainable information. In determining the 5% goal, Headyco reviewed a number of public sources as well as obtaining a DOC Public Records Request shown below.

The current arrest percentage in Massachusetts is ~2% of the population and the new drug sentencing population is much less than 1%. Drug convictions, as a percentage of the population, should be larger than the incarceration rate, however, significantly less than the total arrest (not drug conviction) rates. Therefore, Headyco determined a hiring rate at >2x the total arrest rates would provide positive impact but also be an obtainable goal.

The concentration of people with criminal records living in certain areas could have very significant adverse impacts on their cities and towns if these individuals are impeded from fully participating in and contributing to their communities. We believe this goal will reduce the barriers to entry in the commercial adult-use cannabis industry and have an overall positive impact to the local community and Massachusetts by hiring these individuals.





\*The Criminal Population in New England: Records, Convictions, and Barriers to Employment By Robert Clifford and Riley Sullivan March 2017

MA DOC State Sentenced New Court Commitment Admissions with a Governing* Drug Offense by Year and Sentencing County (2010-2016)							
County	Year						
	2010	2011	2012	2013	2014	2015	2016
Barnstable	27	15	15	18	22	31	24
Berkshire	51	22	15	13	14	16	18
Bristol	58	37	68	48	38	50	40
Dukes	0	0	2	2	1	0	0
Essex	103	104	61	83	60	65	74
Franklin	9	3	4	3	6	2	4
Hampden	107	86	108	66	59	106	65
Hampshire	4	2	5	2	6	2	3
Middlesex	52	63	63	46	43	41	39
Nantucket	1	0	0	1	0	0	3
Norfolk	24	17	13	16	17	16	15
Plymouth	34	25	30	17	41	31	30
Suffolk	135	139	120	106	117	83	74
Worcester	86	69	59	45	39	44	33
<b>Total</b>	<b>691</b>	<b>582</b>	<b>563</b>	<b>466</b>	<b>463</b>	<b>487</b>	<b>422</b>

\*Note: With respect to an individual who is incarcerated for multiple offenses, the governing offense is the offense that carries the longest maximum sentence.

\*Public records request dated 11-5-17 from the Executive Office of Public Safety & Security Department of Correction

### Program Details and Metrics:

1. Headyco plans to work with local staffing agency's (TBD) to source Massachusetts residents that specifically have past drug convictions or whose parents or spouses have drug convictions.

2. During job postings in “The Gardner News” newspaper, Headyco intends to add language to encourage Massachusetts residents that specifically have past drug convictions or whose parents or spouses have drug convictions to apply.
3. Headyco will make a note on its website, under a job section tab, encouraging Massachusetts residents that specifically have past drug convictions or whose parents or spouses have drug convictions to apply.
4. Metrics: Headyco will count the number of individuals hired who have past drug convictions. This number will be assessed from the total number of individuals hired to ensure that at least 5% of all individuals hired fall within this goal.

Headyco is aware of the “ban the box” laws that took effect in 2010. Headyco will be careful to comply with the existing law, which restricts the scope of the criminal history questions that may be asked. The law does not, however, prevent employers from asking certain criminal history questions later on in the application process. Therefore, we plan to encourage individuals to apply and then later on ask about the past drug conviction records.

***Measurement and Accountability:***

On a yearly basis Headyco will review its Positive Impact Plan to see if its goal is being accomplished and adjust as needed. Associates, at all levels of the firm, will be aware of the impact goal. Headyco will demonstrate proof of success or progress upon the yearly renewal of a license by keeping detailed records of its hiring and posting records.

**Acknowledgements:**

- Headyco acknowledges that we will work with local staffing agencies and job postings (website and newspaper) in the furthering of its goals;
- Headyco will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment;
- Any actions taken, or programs instituted, by Headyco will not violate the Commission’s regulations with respect to limitations on ownership or control or other applicable state laws.

# Operating Agreement

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A private agreement between the members/owners of the LLC, and it details the ownership, rights, and responsibilities of the LLC members.

**LIMITED LIABILITY COMPANY  
OPERATING AGREEMENT OF  
THE HEADYCO LLC**

This agreement is made effective on the 20<sup>th</sup> day of April, 2018 among the member(s) and the company.

**1. Formation.** A limited liability company (LLC) of the above name has been formed under the laws of the State of Massachusetts by filing Articles of Organization (or similar organizing document) with the Secretary of State (or other appropriate office) on 04/20/2018. The purpose of the business shall be to carry on any activity which is lawful under the jurisdiction in which it operates. The LLC may operate under a fictitious name or names as long as the LLC is in compliance with applicable fictitious name registration laws. The term of the LLC shall be perpetual or until dissolved as provided by law or by vote of the member(s) as provided in this agreement. Upon dissolution the remaining members shall have the power to continue the operation of the LLC as long as necessary and allowable under state law until the winding up of the affairs of the business has been completed.

**2. Members.** The name and address of each initial limited liability company member is:

DANIELLE DALY  
177 HUNTINGTON AVE STE 1703 #23871  
BOSTON , MA 02115

**3. Contributions.** The capital contribution of each limited liability company member in exchange for their LLC ownership is:

Name	LLC Ownership	Capital Contribution
DANIELLE DALY	100%	\$ <u>100,000</u>

**NOTE:** The capital contribution may be in the form of cash (or cash equivalents), labor or services (past or future), or property/equipment/assets other than cash. Regardless of the type of capital contribution, it should be expressed above in a dollar equivalent value that is agreed upon by all limited liability company members. Additionally, there may be accounting/tax ramifications for individuals contributing capital other than cash.

**4. Profit and Loss.** The profits and losses of the limited liability company shall be distributed amongst the members in proportion with the ownership of each member by default, but this may be changed at any time upon a unanimous vote of the members.

**5. Distributions.** The limited liability company shall have the power to make distributions to its members in such amounts and at such intervals as a majority of the members deem appropriate according to law.



**6. Management.** The limited liability company shall be managed by all LLC members. Any member may bind the LLC in all matters in the ordinary course of LLC business. In the event of a dispute between members, final determination shall be made with a vote by the members, votes being proportioned according to capital contributions.

**7. Registered Agent.** For receipt of official legal and tax correspondence from the State of Massachusetts, the registered agent of the limited liability company (sometimes known as a resident agent, statutory agent, agent for service of process, or delivery of service address) shall be maintained in accordance with the requirements of the State of Massachusetts.

**8. Assets.** The assets of the limited liability company shall be registered in the legal name of the LLC and not in the names of the individual members, unless approved by a majority vote of the members.

**9. Records and Accounting.** The limited liability company shall keep an accurate accounting of its affairs using any method of accounting allowed by law. All members shall have a right to inspect the records during normal business hours. The members shall have the power to hire such accountants as they deem necessary or desirable.

**10. Banking.** The members of the limited liability company shall be authorized to set up bank accounts as in their sole discretion are deemed necessary and are authorized to execute any banking resolutions provided by the institution in which the accounts are being set up, or by adopting their own resolution.

**11. Taxes.** The limited liability company shall file such tax returns as required by law. The LLC shall elect to be taxed as a majority of the members decide is in their best interests. The "tax matters partner," as required by the Internal Revenue Code, shall be appointed by unanimous consent of the members.

**12. Separate Entity.** The limited liability company is a legal entity separate from its members. No member shall have any separate liability for any debts, obligations, or liability of the LLC except as provided in this agreement.

**13. Indemnity and Exculpation.** The limited liability company shall indemnify and hold harmless its members, managers, employees, officers, and agents to the fullest extent allowed by law for acts or omissions done as part of their duties to or for the LLC. Indemnification shall include all liabilities, expenses, attorney and accountant fees, and other costs reasonably expended. No member shall be liable to the LLC for acts done in good faith.

**14. Meetings.** The members shall have no obligation to hold annual or any other meeting, but may hold such meetings if they deem them necessary or desirable.

**15. Amendment of this Agreement.** This agreement may not be amended except in writing signed by all of the members.

**16. Conflict of Interest.** No member shall be involved with any business or undertaking which competes with the interests of the limited liability company except upon agreement in writing by all of the members.

**17. Deadlock.** In the event that the members cannot come to an agreement on any matter the members agree to submit the issue to mediation to be paid for by the limited liability company. In the event the mediation is unsuccessful, they agree to seek arbitration under the rules of the American Arbitration Association.

**18. Dissociation of a Member.** A member shall have the right to discontinue membership upon giving thirty days notice. A member shall cease to have the right to membership upon death, court-ordered incapacity, bankruptcy or expulsion. The limited liability company shall have the right to buy the interest of any dissociated member at fair market value.

**19. Dissolution.** The limited liability company shall dissolve upon the unanimous consent of all the members or upon any event requiring dissolution under state law. In the event of the death, bankruptcy, permanent incapacity, or withdrawal of a member the remaining members may elect to dissolve or to continue the operation of the LLC.

**20. General Provisions.** This agreement is intended to represent the entire agreement between the parties. In the event that any party of this agreement is held to be contrary to law or unenforceable, said party shall be considered amended to comply with the law and such holding shall not affect the enforceability of other terms of this agreement. This agreement shall be binding upon the heirs, successors, and assigns of the members.

IN WITNESS whereof, the members of the limited liability company sign this agreement and adopt it as their operating agreement this 20<sup>th</sup> day of April, 2018.

A handwritten signature in cursive script, appearing to read 'DB Daly', is written over a horizontal line.

DANIELLE DALY, MEMBER

# Articles of Organization

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A set of formal documents filed with the Secretary of State to legally document the creation of a new business entity.





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

Minimum Fee: \$500.00

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

Special Filing Instructions

**Certificate of Organization**

(General Laws, Chapter )

Identification Number: 001321698

1. The exact name of the limited liability company is: THE HEADYCO LLC

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

No. and Street: 177 HUNTINGTON AVE STE 1703

#23871

City or Town: BOSTON State: MA Zip: 02115 Country: USA

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

No. and Street: 177 HUNTINGTON AVE STE 1703

#23871

City or Town: BOSTON State: MA Zip: 02115 Country: USA

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

CULTIVATION COMPANY

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

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

Name: LEGALINC CORPORATE SERVICES INC.

No. and Street: 1900 WEST PARK DRIVE

SUITE 280B

City or Town: WESTBOROUGH State: MA Zip: 01581 Country: USA

I, PATTY SCLIMENTI ON BEHALF OF LEGALINC CORPORATE SERVICE resident agent of the above limited liability company, consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 12.

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

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

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

Title	Individual Name	Address (no PO Box)

	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code
SOC SIGNATORY	DANIELLE DALY	177 HUNTINGTON AVE STE 1703, #23871 BOSTON, MA 02115 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	DANIELLE DALY	177 HUNTINGTON AVE STE 1703, #23871 BOSTON, MA 02115 USA

**9. Additional matters:**

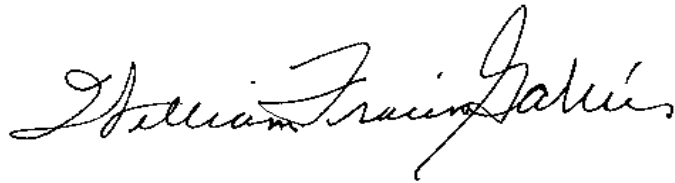
**SIGNED UNDER THE PENALTIES OF PERJURY, this 20 Day of April, 2018,**  
MARSHA SIHA  
*(The certificate must be signed by the person forming the LLC.)*



THE COMMONWEALTH OF MASSACHUSETTS

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

April 20, 2018 11:04 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



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

mass.gov/dor

Letter ID: L1770354816  
Notice Date: April 30, 2018  
Case ID: 0-000-532-789



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



THE HEADYCO LLC  
177 HUNTINGTON AVE STE 1703  
BOSTON MA 02115-3153

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

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

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

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

### ***What if I have questions?***

If you have questions, call us at (617) 887-6367 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

April 30, 2018

TO WHOM IT MAY CONCERN:

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

**THE HEADYCO LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **April 20, 2018.**

I further certify that said Limited Liability Company has filed all annual reports due and paid all fees with respect to such reports; that said Limited Liability Company has not filed a certificate of cancellation or withdrawal; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are: **NONE**

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

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



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



## **Summary of Business Plan:**

### **Executive Summary**

The Headyco LLC (Headyco) is a marijuana cultivator operating as a for-profit Limited Liability Company (LLC). The company is committed to the highest standards of quality, professionalism, and integrity. Headyco will apply its greatest effort to achieve productivity and quality, as set forth in our commitment to produce the best possible marijuana flower, by using the most responsible methods available.

### **Mission Statement**

"To provide the highest quality, sustainable, and responsibly grown marijuana in the commonwealth."

Headyco includes in its mission a notion for a sustainable operation. As Marijuana production is such a heavy consumer of electricity, Headyco has taken the concept of sustainability and stewardship into its mission. The company will look towards LED lighting, software, and other technologies to turn this industry from the heaviest of polluters to one of the cleanest. Future capital allocations plans will include a greenhouse, with nearby solar panels, to attempt a zero carbon footprint.

### **Company Profile**

Female owned and operated, small family business. Danielle, the proprietor, is a mother of 3 young children looking to take her passion of gardening to start a new business. The company will look to produce small "craft" style marijuana.

### **Goals and Objectives**

Develop a cultivation facility that is sustainable and responsible

- a. Quality of the products produced shall meet the highest standards
- b. High biosecurity standards will be put in place to minimize introduction of pests and disease
- c. All product will be subject to high standards of cleanliness and consistency as a "clean" product
- d. Create a safe working environment with zero work-related accidents
- e. Achieve maximum energy efficiency and use clean energy sources
- f. Create a sustainable material flow where inputs and wastes are minimized
- g. Wastes are collected and disposed of in a secure manner
- h. Inventory will be tracked, secured, and kept clean at all times
- i. All facility and transportation of product will be entirely secure 24/7
- j. Continuously strive to achieve excellence and everyday will be an improvement of the last
- k. New technologies and methodologies will be sought after and implemented
- l. Regular employee training will cover all aspects of their operations as well as promote a corporate culture of human resource development and community development

### **Business Philosophy**

Headyco's business philosophy is to cultivate and produce marijuana of the highest quality and with the highest regard for health, safety, security and efficacy for employees and customers.

### **Business Market**

The marijuana offered by Headyco will ultimately be intended for retail dispensing. The end consumer of the products produced by Headyco will be residents and visitors of Massachusetts, aged 21 and over. As Massachusetts is the first recreational legal market in the Northeast, sales should top \$1billion in a short few years using Colorado as a proxy.

### **Recruiting and Hiring**

Headyco intends to offer competitive wages and salaries to all employees. Exact compensation and benefits plans and packages are in the process of being developed. It is Headyco's goal to pay salaries that are, at a minimum, equitable and commensurate with salaries paid for similar work within the labor market. Accordingly, positions will generally be classified and then assigned a salary range that defines a minimum and maximum pay rate. An employee's salary may advance within the salary range as the result of performance reviews, promotions, market conditions and other business considerations. Such increases in pay are considered merit adjustments which are not guaranteed and may vary in timing and degree from employee to employee.

### **Products and Services**

The products offered by Headyco will be a wide variety of craft style marijuana strains. Headyco goal is to source high quality marijuana strain varieties that originated or will be in high demand on the East Coast.

Headyco intends to produce high grade marijuana. We have a three-point strategy to achieve this. First, we will produce products with stringent quality standards. Next, selecting strains/genetics with desirable qualities. The strains intended to be utilized will be high in Tetrahydrocannabinol (THC). Finally, through production and product strategies coupled with rigorous testing we will overcome one of the most significant hurdles for marijuana industry, which is consistent quality and cannabinoid profile.

The cultivation of marijuana will include a wide variety of marijuana strains; all strains will be unique and have different values and benefits. Marijuana varieties will include different strains from indica, sativa, and hybrid dominant genetics. Consumers will experience different desired effects from different marijuana variety strains and genetics.

### **Marijuana Flower**

Description: Headyco intends to cultivate approximately 15-30 strains of marijuana from those with a higher level of THC. These strains will include indica varieties, sativa varieties, and hybrid strains that will be a blended variety with effects similar from both sativa and Indica varieties.

Besides appearance: Indica and sativa plants are commonly believed to have different effects on their user. These effects include sativa being more uplifting and energetic, and best suited for day use while Indica is considered more relaxing and calming and is best suited for night use.

### **Quality of Products**

Cultivating marijuana of the highest quality will be the driving force behind Headyco's marijuana cultivation efforts. We believe in utilizing natural cultivation methodologies and techniques to produce marijuana of the highest quality. All marijuana cultivated by Headyco will be free of any residual contaminants or pests and will pass all required state testing standards.

Headyco will identify State-licensed testing laboratories located to conduct product testing on every batch of marijuana cultivated.

### **Operational Plan**

Headyco will be utilizing cutting-edge technology system of both hydroponic and traditional soil-based systems. Hydroponic and soil-based grow systems will give our gardeners total operational control over everything that happens to and with our plants. We will be able to control the total environment and all inputs delivered to the plants, including temperature, humidity, light wavelengths, light cycles, air movement, air exchange, and carbon dioxide levels. Specialized feed programs will be implemented so we can precisely control the amount and ratio of nutrients the plants ingest. These programs will be tailored to individual strains to maximize each strain's unique habits and potential.

All aspects of the cultivation operation will be monitored 24 hours a day, 365 days a year. We expect to have a maximum 4 harvests per year.

### **Product Pricing**

Headyco's will endeavor to make marijuana affordable and accessible to consumers. Headyco has created a financial pro-forma model that details estimated pricing for cultivated marijuana.

Pricing for all Headyco marijuana will be based on the current fair market value. Pricing will also be computed to ensure Headyco is profitable and able to continue operations and pursue growth strategies. Different pricing structures and strategies will be utilized by Headyco for determining pricing on cultivated marijuana. Pricing structures will be identified upon deployment of operations to ensure all cost associated with the marijuana are captured to, at a minimum, be able to recoup the cost of production.

### **Cultivated Marijuana**



Pricing will be based on cost of production, harvest yield, cost of transporting, and fair market value of marijuana. The pricing model used to forecast cultivated marijuana pricing was based from numbers and figures from the regulated marijuana market in Colorado.

### **Security**

Headyco takes security very seriously. Our security message has two main functions that should be kept in mind at all times.

- 1) All employees must remain aware of their surroundings at all times and take immediate preventative measures to reduce or remove the likelihood of theft or injury to anyone at the facility.
- 2) All employees should take steps to protect all company assets from theft, damage, or acts of violence while providing a safe physical environment.

The video surveillance and full alarm system will be state of the art and comply with all CCC requirements. Video resolution will be sufficient to make a clear and certain photo identification of anyone under observation. The Video surveillance system will have a secure backup. The entire facility will be under observation except for restroom facilities. Any area with the potential to contain marijuana will be under surveillance. Any area where the packing or unpacking of secure containers carrying Marijuana will occur, will be under video surveillance. All entrance and exits from the facility will be under video surveillance from interior and exterior views.

### **Community Plan**

As an organization we realize that when we begin operations we will become a member of the surrounding community and as such we want to become a valuable and productive member within the community. Safety for our employees and the surrounding community is of upmost importance to our organization. With the presence of our facility and the security systems planned for the facility and surrounding area, should help to reduce crime. We have plans to develop and implement community outreach programs.

**Proof of Liability Insurance or Plan to Obtain Insurance:**

Headyco will maintain liability insurance in amounts as required by CCC and will retain certificates of insurance and other policy records. Before the license is secured the company will begin it's search for insurance carries. Shortly after the license is secured the company will execute and obtain the required insurance amounts of coverage for no less that \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually – both general and product liability insurance.

As a small business with limited resources, and only a Tier 2 producer, the company may work with the CCC to reduce the coverage amount if acceptable. If not, the required amount will be obtained.

*A number of Insurance providers have been identified and will be competitively shopped.*

**S2S Insurance**

S2S Insurance Specialists, LLC (S2S) provides risk management services to the Recreational & Medical Industry, both domestic and abroad. Through a specialized platform, S2S helps both public and private companies purchase important Insurance Coverages in the emerging Cannabis Industry.

**Premiere Dispensary Insurance**

Premier Dispensary Insurance has become a leading provider of marijuana business insurance by offering comprehensive and cost-effective policies. Let our licensed professionals protect your business so you can focus on what you do best - serving clients

**Bricks + Mortar Group**

Bricks + Mortar Group insures both medical and recreational cultivators, manufacturers, dispensaries, and transporters in the cannabis industry. We work with the top carriers in the industry to provide the best product for our clients.

**MMD Insurance**

Medical marijuana crop insurance coverage for small, medium and enterprise-level cultivation operations, including greenhouses and nurseries.

**Insurance West Inc.**

Many years specializing in Cannabis Business Insurance. Answer the phone 87% of the time. Talk to a live person not a machine. Many of the applications can be completed over the phone. Best rates. General Liability, Product Liability, Property coverage. Give me a call!

**Crest Insurance Group, LLC**

As leaders in Cannabis insurance products, Crest Insurance Group gives you the edge to secure, protect and enhance your cannabis operations.

Crest is pleased to offer our clients access to one of the few all-lines insurance programs for the Cannabis industry ranging from crop to product liability. Available in all states and DC where all approved cannabis and hemp operations are legalized for medicinal or recreational purposes.

### [Greenpoint Insurance Advisors](#)

Since 2009, Colorado based Greenpoint Insurance Advisors, LLC has provided medical and recreational marijuana business insurance to hundreds of cannabis businesses from approved insurance carriers.

### [Cannabis Insurance Advisors](#)

We have been involved in the specialty insurance marketplace for over thirty years. We have access to all of the major insurance companies which write policies for Medical Marijuana Dispensaries, Growers, Clinics and other Canabusinesses and we will shop the market to find the best coverage at the right price for your specific needs.

### [Marijuana Insurance Agent](#)

In an industry that is often overlooked by other insurance companies, our mission is to protect businesses in the marijuana industry with custom tailored policies. We offer our insurance services to cannabis growers, marijuana dispensaries, medical doctors, property owners, laboratories and manufacturers of infused and ancillary products nationwide.

### [Cannassure](#)

We started Cannassure with the singular purpose of helping the Medical Marijuana Industry secure insurance products at a reasonable cost. Cannassure saw firsthand a glaring need and a complete lack of understanding from the insurance industry as a whole.

### [Cannabis Insurance Associates](#)

We provide insurance and employee benefit solutions to all sectors of the cannabis industry. Currently we have access to more carriers and markets than any other broker in cannabis.

## **Procedures for Quality Control and Testing for Potential Contaminants**

The following steps will be taken to ensure the quality of the marijuana, including purity and the non-presence of potential contaminants.

### **Growing Environment and Quality Control**

It is the goal of the team to deliver the highest quality and purest cannabis. To achieve these high standards, the facility is built for year-round production. Our growing rooms are all capable of maintaining constant environmental conditions including temperature, humidity, and CO2.

The microclimate within each section of the facility must be constantly maintained to prevent pest and disease and achieve the highest and purest quality. To maintain an optimal environment, the facility employees shall ensure that the following conditions are constantly maintained:

- **Temperature:** Control Room temperature in all vegetative and flowering areas should be maintained around 78 F/25.5. Each growing room will be equipped with adequate HVAC in order to maintain required temperatures. Temperature shall be monitored daily by the facility staff.
- **Humidity:** Relative humidity levels must be kept at or below 55% humidity in vegetative areas and at or below 45% in flowering sections of the facility in order to prevent mold contamination. Humidity level in the propagation area shall be maintained at 80%. Humidity shall be monitored daily by the facility staff.
- **Air Circulation:** Circulation fans are used to improve air quality, strengthen plants, and prevent pest and disease. Circulation fans will be placed every four to six feet throughout all growing and drying areas of the facility. We will keep fans running 24 hours a day.
- **Odor Reduction:** After air leaves each working area, it is filtered through a carbon filter before leaving the building.
- **Lighting:** Vegetative lighting will consist of florescent lighting for mother plants, clones, and early vegetation. Larger vegetative plants will be placed under LED or 600-1,000 watt Blue Metal halide lamps to achieve appropriate size to be transferred into the flowering area. Flowering plants will be grown HPS or LED equivalent lighting.
- **Drainage:** All plants will need appropriate drainage. Drainage shall be achieved through the plumbing of each growing surface and will be brought to a central drain located in each section of the facility. Drainage shall be monitored daily by the facility staff.
- **Water:** Employees are responsible for preparing water that is ready to be fed directly to or mixed with nutrients, compost teas, beneficial microbes and/or other biological controls. Determining a plant zone's optimal watering schedule Over-watering and under-watering can be detrimental to a plant's health. The facility cultivation manager shall train each employee to properly assess the watering needs within each plant zone. In traditional soils, place your finger two inches below the soils surface; if it feels dry, water is needed. In a semi-soilless mix, the medium should maintain a moist feeling without feeling soggy.
- **Food (nutrients)** While plants can survive on their basic needs alone, cannabis plants grown under optimal conditions will need nutritious food to thrive. It is the facility manager's responsibility to utilize a precise feeding schedule to ensure plant nutrient needs are met throughout all growth phases.
- **Nutrient Sources and Preparations** There are two main ways to meet the nutrients requirements of plants: organic and inorganic fertilizers. These two ways of feeding plants can be used alone

or combined to form hybrid formulas. Combining these two methods is recommended when growing indoors under optimal conditions and will help each plant reach its maximum genetic potential. The facility cultivation manager shall determine the nutrient formula to be used throughout each stage of the cultivation process.

- Facility cultivation operations must follow the manufacturer's application, storage, and disposal recommendations for the nutrient product. Facility operations must not return unused rooting hormone to the source container. Nitrate-based and other oxidizing fertilizers must be stored away from solvents, fuels and pesticides.

### **Product and Employee Quality**

The safety of the company's employees and consumers who ultimately consume the marijuana is of the utmost importance to Headyco. The company will utilize sanitation and safety protocols and best practices. Good Sanitary Practices and Good Handling Practices are essential cornerstones of the planned sanitation and safety measures that will be implemented within the facility.

Headyco will be proactive and extremely thorough in training all facility employees to mitigate potential sanitation or safety risks. Working conditions will not only meet but exceed the standards established by OSHA, state, and local laws.

### **Contamination Prevention:**

Prevention will consist of a three-pronged strategy, as there are three types of potential contaminants that require unique prevention plans, strategies and equipment: (1) Biological, (2) Physical and (3) Chemical. Examples of biological contaminants include bacteria, viruses, parasites, mold and mildew. Examples of physical contaminants include foreign substances such as dirt, dust, glass, or metal shavings. Examples of chemical contaminants include plant cleaning compounds, sanitizing agents, and solvents.

The sanitation and safety measures that will be implemented will effectively mitigate all biological, physical, and chemical contaminant threats. The proper physical barriers, cutting edge preventive contamination technology, and thorough protocols for employees will prevent potential contaminants from entering the facility in the first place.

Proper hand-washing facilities and stations, stocked with sanitizing soap and paper towels, will be in appropriate areas throughout the facility.

The facility will be equipped with appropriate storage for marijuana. In order to prevent the growth of mold or bacteria, the flower will be stored and dried a humidity level < 50%. Products that have been exposed to water, fire, smoke, extreme temperatures, or improper storage conditions will be disposed of.

### **Cleaning and Maintenance:**

Headyco will regularly clean and sanitize all equipment, utensils and surfaces. This will ensure that the facility is maintained in a sanitary condition, limiting the potential for contamination or adulteration of the marijuana within the facility. This includes maintaining floors, walls, and ceilings in good repair and excellent condition.

Management will make sure that the facility is maintained in good condition and within local and state building code. Leaks, chipping paint, separated molding, and other maintenance issues provide opportunity for mold growth. In order to ensure the cleanliness of the facility, the Facility Manager will address all maintenance issues in a timely manner.

### **Waste Handling and Disposal**

All litter, waste, and trash will be promptly removed before being properly disposed of so that they do not constitute a source of contamination. Headyco will contract with a licensed waste handler to pick up and remove the waste in accordance with the regulations.

Other types of waste, such as cardboard, paper, plastic, and glass, will be recycled appropriately. Waste is not allowed to accumulate within the facility, as it creates opportunity for contamination, and is a fire hazard.

### **Separate Secure Designated Storage for Chemicals**

All chemicals, including cleaning compounds, sanitizing agents, and solvents, will be clearly identified, and separately and securely stored.

### **Pest Protection Procedures**

Our facility will be kept well maintained and in sanitary condition to prevent rodents, cockroaches, termites, and other pests from residing within its walls. Regular and proper cleaning and maintenance of the facility ensure that the conditions do not become hospitable to pests.

The facility will be routinely inspected for signs of pests such as droppings and physical damage.

Physical control methods include physical barriers that will be the first line of defense against pests, such as vent guards, screens, and filters. They also include the physical removal of pests that may already be present via traps or vacuuming.

Headyco will ensure that the area immediately outside and surrounding the facility is free of any pests, which could potentially enter the facility through the air or via human traffic. This will be accomplished by preventative measures, which include the removal of trees, shrubs and any dense vegetation surrounding the exterior of the facility that could potentially become a breeding ground or home for pests; and regularly applying preventative outdoor pesticide treatments, as needed seasonally.

### **Laboratory for Potential Contaminants:**

Headyco will ensure that all state and local regulations regarding laboratory testing and procedures are implemented and adhered to by all employees involved with laboratory testing. Management shall properly educate and train staff members on laboratory testing laws and procedures prior to an employee's involvement in the testing process.

Headyco shall provide to a retail dispensary organization the laboratory test results for each batch of cannabis product purchased by the dispensary organization, if sampled. Each dispensary organization shall have that laboratory results available upon request to customers.

Each batch of marijuana should be tested by an approved laboratory pursuant to a random sample, which shall be tested by the approved laboratory for:



- microbiological contaminants
- mycotoxins
- pesticide active ingredients
- residual solvent
- purposes of conducting an active ingredient analysis.

If laboratory results indicate contaminant levels are above acceptable limits established in the DPH protocols identified in 935 CMR 500.160:

1. Headyco will notify the Commission within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch. The notification must be from both Headyco and the Independent Testing Laboratory, separately and directly.
2. The notification from Headyco will describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.

## **Personnel Policies:**

Headyco will properly train all of its employees before they are permitted to work in any facility.

Prior to being offered an employment position with headyco, all potential applicants will be required to pass a background check as per the regulations and otherwise is of good moral character.

Headyco intends to offer competitive wages and salaries, to all employees. Exact compensation and benefits plans and packages are in the process of being developed. It is Headyco's goal to pay salaries that are, at a minimum, equitable and commensurate with salaries paid for similar work within the labor market. Accordingly, positions will generally be classified and then assigned a salary range that defines a minimum and maximum pay rate. An employee's salary may advance within the salary range as the result of performance reviews, promotions, market conditions and other business considerations. Such increases in pay are considered merit adjustments which are not guaranteed and may vary in timing and degree from employee to employee.

### **Affirmative Action Policy**

It is Headyco's policy to recruit and employ the best-qualified personnel and provide equal opportunity without regard to race, religion, color, sex, sexual orientation, national origin, age, marital status, veteran status, or non-job function related disability in all matters related to employment and to treatment on the job.

Each employee of Headyco will be treated on an equal basis with all other employees in accordance with applicable local, state, and federal laws. This policy applies to every phase of the employment relationship, including recruitment, hiring, promotion, demotion, transfer, discipline, lay-off, termination, rates of pay, and other benefits.

### **Personnel Development**

Headyco management will be responsible for making a commitment to the on-going education and professional development of Headyco registered employees. Once commencing work within a Headyco facility, there will be multiple opportunities for continuing education and advancement within the organization. Crossover opportunities will be available and encouraged so employees can learn other areas of the business if they wish to advance to another department, such as a trimmer learning the basics of processing or growing.

### **Performance Reviews**

Headyco will implement periodic performance reviews that will be utilized to evaluate registered employee performance on an individual level.

### **Employment**

Number of Employees—exact number of employees employed by Headyco is to be determined upon deployment of operations and the establishment of personnel requirements; the breakdown of these requirements can be seen below within the job description section.

Type of Labor—the team at Headyco will comprise skilled, unskilled, and professional workers. The various positions within the organization will call for different laborers with different skill sets. The

cultivation manager will need to be very skilled in the cultivation of marijuana, whereas an entry-level cultivation laborer will likely be unskilled and trained to the job requirements and functions.

**Pay Structure**—Headyco will determine this upon deployment of operations and the establishment of personnel requirements. Employee compensation will be competitive with industry standards

**Drug and Alcohol-Free Workplace Policy**—Headyco will be a Drug and Alcohol-Free Workplace Policy and all employees will need to adhere to that policy while working in any Headyco facility.

**Personal Hygiene Policy**—Headyco will highlight that personal hygiene is very important. All employees will need to adhere to while working for Headyco. Bathrooms will be kept clean and employees will be expected to wash hands often and maintain cleanliness.

**State Laws** - Registered employees will be required to read the relevant state and city law pertaining to marijuana in order to have a general understanding of the laws and regulation with which that they must comply.

**Sexual Harassment** - Headyco prohibits any form of physical, verbal, visual, or sexual harassment of any of its employees in the work place by any person. Sexual harassment includes:

- unwelcome sexual flirtations, advances, or propositions
- verbal abuse of a sexual nature
- subtle pressure or requests for sexual favors or activities
- unnecessary touching of an individual
- graphic or verbal commentaries about an individual's body
- sexually degrading words used to describe an individual
- a display in the workplace or sexually suggestive objects or pictures
- sexually explicit or offensive jokes
- physical assault.

**Jury or Maternity or Paternity Leave:** Part time and Fully time employees will receive generous time off for special circumstances. Headyco will follow all state regulations in regards to Jury or Parental leave.

### **Types of Unacceptable Behavior**

The following list of offenses is among, but not all inclusive of behavior that may result in immediate discipline, suspension, or discharge.

- supplying false and/or misleading information as a means of obtaining employment
- use of intoxicating liquor or drugs during work hours
- use of intoxicating liquor or drugs off the job in such a way as to interfere with attendance at work or ability to work
- theft or willful damage to Headyco property or the property of other employees
- carrying of weapons
- failure or refusal to perform work as directed, or willful neglect of duties
- immoral conduct or conduct that violates the common decency of fellow employees, Headyco, or the community
- excessive tardiness

- absence without approval
- submitting inaccurate time sheets
- unsatisfactory work performance

### **Action to Be Taken**

Management shall take the following progressive disciplinary steps:

- meet with the employee to discuss the matter
- inform the employee of the nature of the problem and the necessary corrective action
- prepare written documentation for management's and employee's own records indicating that the meeting has taken place.

If there is a second occurrence, then management shall hold another meeting with the employee and take any of the following steps:

- issue a written reprimand to the employee
- suspend the employee without pay
- terminate the employee.

### **Job Termination**

All termination actions will follow standard procedures. Basic steps include:

1. Notify key personnel of job termination
2. Obtain all facility keys, ID badges or other company property
3. Disable/change all terminated key personnel facility security access codes or passwords
4. Notify all remaining staff of the job termination of the key personnel and inform them of the conditions of termination (i.e. employee is no longer allowed on the premise and to notify police or other authorities if said employee returns, etc.

### **OSHA**

Safety Data Sheets (SDS) will be onsite and easily accessible for all chemicals found within the facility. Headyco will follow all regulations and guidelines set by the Occupation Safety and Health Administration (OSHA).

### **Extreme Event**

Several emergency situations are possible within the facility that may constitute a risk to the safety of employees. These emergencies may be related to extreme weather, fire, medical emergencies, robberies, or other unforeseen incidents. In the event of an emergency, emergency responders such as firefighters and EMTs are not required to follow the company Visitor Policy and will be provided unhindered access to any area of the facility necessary to perform their duties. As soon as practicable, employees will contact management to inform them of the emergency.

In the event of a fire, employees should activate pull down fire alarms, panic alarms, or utilize any other method to alert building occupants of the fire. The building must be evacuated immediately. If appropriately trained in fire extinguisher use, employees may attempt to extinguish the fire. If possible, without endangering their personal safety, employees should assist others in evacuation. Once outside at the designated meeting spot, employees should call 911 for assistance.

Emergency situations due to winter conditions are common. In the event of a severe blizzard, employees are not required to report to work if driving conditions would pose a risk to their personal safety.



### **Record-keeping procedures:**

Headyco intends to implement a recordkeeping plan which adheres to all state requirements. Electronic record keeping will be championed through the selection, implementation, and management of a third-party electronic tracking system that will monitor inventory and transactions at the facility. Headyco will also dedicate limited access space within the facilities to the storage of transaction records that require a physical printed copy.

To ensure accurate records are created, properly maintained, and updated regularly, the Company will extensively train its staff on all technology and systems appropriate to their level of security clearance.

Below we will address the relevant records that we will maintain:

#### **Cultivation Inventory Data & Transaction Recordkeeping**

The electronic tracking system should collect information about every entry into the system with a unique time/date stamp and credentials of the associated employee. As a result, all transactions will have a complete audit trail including but not limited to the following:

- Inventory tracking including transport of Company marijuana
- Sales and compliance with regulations
- Financial records including Company income, expenses, bank deposits and withdrawals, and audit reports
- Laboratory results of all tests that were conducted
- Description of any breach or halt in the security system and tracking system
- Any additional/other information requested by the department

Employees Records - Will include a completed application, resume and results of the background check. Any other employee records that become necessary to have completed by the employee.

Recalled Inventory - Any recalled inventory that is discovered to be defective, expired or contaminated will be removed from inventory for sales and stored in an area that needs to be destroyed. A report will be prepared showing the inventory item including identifying tag. When entered into the inventory system, generating a report will be part of this package.

Physical Counts / Audits - At a minimum Headyco will do a month-end audit and reconciliation of each product that is in inventory and reconcile to the financial statements and the inventory system.

Advertising Material – Headyco will keep records of all Department approved advertising literature and brochures. We will maintain copies of all advertising material used to provide the Department if audited to show proof that all rules and regulations are being followed regarding advertising.

#### **Information & Recordkeeping**

Headyco will investigate any reports or notification of recordkeeping misconduct, CCC regulation or policy violations. Any loss or unauthorized alteration of company records discovered or suspected by any employee must be reported immediately. The alteration, falsification, loss or misplacement of records, failure to complete records/logs, gross inaccuracies, negligence or other errors of records will be considered policy violations and will not be tolerated. Employees will be investigated and disciplined, terminated and/or prosecuted, based upon investigation findings.

**Conclusion**

In addition to Headyco's legal obligation to maintain records of operations information, employees have a responsibility to ensure true and correct records are maintained in a timely and organized manner, which will provide real-time operating information to management. Such information included in business records is necessary to make quick and informed decisions in the normal course of business and to meet all regulatory requirements for recordkeeping and operations.

**Maintenance of Financial Records:**

Headyco is committed to the transparency of accounting data and adhering to Generally Accepted Accounting Principles (GAAP) in financial reporting. To achieve this goal, the company will contract with a certified public accountant (CPA) or employ a CPA and/or qualified accounting professionals to manage company financial information and reporting. All financial records will be maintained on secure, internal computer network with limited access.

**Restricting Access to age 21 and older**

Access to the cultivation facility will be accessible to employees of Headyco only who have passed a background check and are over 21 years of age. All outside vendors, contractors and visitors shall obtain a visitor identification badge prior to entering the building and shall be escorted at all times by a Headyco employee. All visitors must be logged in and out and that log shall be available for inspection by the Commission at all times. At time of logging in, the Headyco employee shall check the visitor's identification to verify age of 21 and older. If the age cannot be verified, access shall be denied.

Please see the Security Plan for further detailed plans on restricted access to the cultivation facility.

**Separating recreational from medical operations, if applicable**

Not applicable

### **Employee Staffing, Qualification and Training Plans:**

Headyco intends to use several different methods to recruit employees. We will use print and online media using sites such as Worcester Gazette, craigslist and zip recruiter. Once a pool of candidates is identified, Headyco will begin the interview process using video teleconference and in person interviews.

### **Recruiting and Benefits:**

Headyco intends to offer competitive wages and salaries, as well as benefits packages that include paid time off and health insurance, to all employees. Exact compensation and benefits plans and packages are in the process of being developed. It is Headyco's goal to pay salaries that are, at a minimum, equitable and commensurate with salaries paid for similar work within the labor market. Accordingly, positions will generally be classified and then assigned a salary range that defines a minimum and maximum pay rate. An employee's salary may advance within the salary range as the result of performance reviews, promotions, market conditions and other business considerations. Such increases in pay are considered merit adjustments which are not guaranteed and may vary in timing and degree from employee to employee.

Number of Employees—exact number of employees employed by Headyco is to be determined upon deployment of operations and the establishment of personnel requirements; the breakdown of these requirements can be seen below within the job description section.

Type of Labor—the team at Headyco will comprise skilled, unskilled, and professional workers. The various positions within the organization will call for different laborers with different skill sets. The cultivation manager will need to be very skilled in the cultivation of marijuana, whereas an entry-level cultivation laborer will likely be unskilled and trained to the job requirements and functions.

### **Job Descriptions and Qualifications**

Employees will need to meet all local, state and federal requirements. Must be 21 years of age or older, demonstrate evidence of good moral character and reputation, pass a background and referral check. We are a flexible organization and will not require post schooling and prior experience. We are open to all backgrounds and prior life experiences including giving people a second chance or an opportunity that may not exist in other companies.

**Chief Operating Officer:** Responsible for overall operation of entire facility; oversight of cultivation operational activities, processing/trimming operational activities, and security operational activities. Reports to Owner Danielle or acting CEO.

### **Responsibilities and Qualifications:**

Manages Cultivation Group operations. Participates in formulating and administering company policies, directing and coordinating all divisional department activities to develop and implement long-range goals and objectives to meet business and profitability growth objectives.

Reviews analyses of activities, costs, operations, and forecast data to determine department progress toward stated goals and objectives.



Confers with management to develop, review, update, and implement business strategic planning, including sales, financial performance, and new product development.

Oversees cultivation departments to review production and operating reports and resolve operational, manufacturing and facility problems to ensure minimum costs and prevent operational delays and ensure future growth.

Oversees key projects, processes and performance reports, data and analysis.

Reviews operations and plans to meet requirements for sales planning and to ascertain manufacturing or outsourcing requirements to develop new markets.

Reviews and approves preparation of accounting analysis for budgetary planning and implementation, production efficiency, financial reporting, budgetary planning and submittal for capital expenditures.

Interacts with management teams to ensure compliance and adherence to state regulations.

Is able to communicate effectively with management and subordinates.

Develops and maintains company policies and documentation.

Manages employee relations with support of administrative personnel.

Establishes goals and objectives and ensures their delivery in a timely manner.

Achieves financial sustainability through the consistent oversight of current business operations while investigating new business opportunities

**Cultivation Manager/Head Grower:** Responsible for oversight of cultivation operational activities. Must ensure compliance with all laws and regulations and maintain accurate records and documentation. Reports to Owner Danielle or acting CEO.

**Responsibilities and Qualifications:**

Manages day to day operations in the cultivation facility.

Develops and implements a crop production plan for the facility, including nutrient management, irrigation, pest control, environmental control, and other crop-specific practices.

Develops, implements, and trains team members on techniques and practices in all areas of propagation, transplanting, pruning, topping, schwazing, irrigation, fertilization, composting, soil management, pest management, disease detection, inventory controls, and infrastructure maintenance.

Establishes cultivation and production plan and forecasts with management, determining type, quantity, and quality of plants to be produced Inspects crops and growing conditions, monitors quality, and takes action to proactively anticipate and address crop-specific issues before they emerge.

Continually recommends and implements cultivation management improvements, including plans for Integrated Pest Management (IPM), seed/clone genetics, nutrients, soil amendments, and other relevant techniques, materials, and/or pesticides.

Ensures maintenance of facilities, communicating needs for supplies and equipment and ensuring ongoing cleanliness and functionality in and between all cultivation and processing facilities.

Maintains safe and healthy work environment while following OSHA regulations, organization standards, and legal requirements.

Incorporates risk management strategies for the cultivation facility within specific guidelines that address hazards, such as theft, diversion, tampering, power outages, or natural disasters. Ensures the cultivation of consistent, repeatable, reliable, safe, and high-quality product commensurate with market demand. Ensures compliance with State regulations.

Establishes cultivation goals and objectives to ensure their delivery in a timely manner.

Is accountable for purchases and expense for cultivation-related consumables.

Participates in continuing cultivation education and seminars to be at the forefront of industry best practice.

In the event of a voluntary or mandatory recall procedure, would serve as part of the Internal Recall Team.

**Cultivation Team Members:** Responsible for oversight of all vegetative and flower areas. Responsible for proper record keeping and documentation. Reports directly to Cultivation Manager.

**Responsibilities and Qualifications:**

Performs all cultivation tasks, including: cloning, transplanting, feeding, defoliation, topping, flushing, foliar and preventative applications, waste disposal, and inventory management.

Supports the Cultivations Manager in any tasks assigned.

Adheres to cultivation warehouse protocols and nutrient regiment.

Manages plant scheduling and organization to precisely project all cultivation needs on a daily, weekly, and monthly basis.

Catalogs and analyzes each individual strain throughout the entire plant life cycle.

Manages cloning and early vegetation with at least a 90% success rate.

Executes preventative maintenance and elimination of all types of pests and pathogens (i.e. mold, powdery mildew, spider mites, root aphids, fungus, gnats).

Maintains a clean and organized work environment.

Maintains a working knowledge of soil and hydroponic growing methodologies as well as understanding of temperature and humidity manipulation.

Maintains knowledge of plant diseases, insects, and fungi, as well as Integrated Pest Management (IPM) protocols.

Maintains comprehensive knowledge of medical marijuana strains: Sativa, Indica, and Hybrids.

**Maintenance Team Member:** This position sees all aspects of the day-to-day facility and equipment maintenance, repairs and upgrades, and provides for the compliance related elements of the facilities operations. This position is responsible for light maintenance, and all general cleaning and upkeep in and around the cultivation facility. Reports to Cultivation Manager

**Responsibilities and Qualifications:**

Ensures safe and satisfactory operation of equipment, irrigation/fertilization systems, environmental controls, and other relevant systems by adhering to preventive maintenance schedules following manufacturer's instructions, troubleshoot malfunctions, budget and execute repairs, maintain equipment inventories, and evaluate new equipment and techniques.

Plans, organizes, coordinates, assigns and evaluates maintenance needs with approval of the Cultivation Manager. Assures all activities are carried out in accordance with local and state standards. Ensures all work sites, shop areas, and equipment are safe for the employees and visitors.

Attends construction meetings with management, architects, engineers, and contractors.

Prepares and recommends maintenance operating budgets and monitors operating expenses to meet budget objectives.

Maintains inventory and purchases materials, supplies, and equipment related to facilities maintenance.

Prepares and maintains appropriate maintenance records of completed activities.

Establishes, coordinates and implements preventive maintenance on all systems in the building including; HVAC, lighting, irrigation systems, etc.

Coordinates pot washing.

Coordinates light cleaning schedule.

Coordinates exterior landscaping.

Maintains fire equipment and coordinates inspections.

**Trim/Cure Team Member:** Responsible for trimming process, proper record keeping, and documentation and responsible for oversight of curing process, proper record keeping and documentation. Reports to the cultivation manager.

## **Responsibilities and Qualifications**

Weighs harvested plants in their entirety to determine total plant wet weight for recording in the seed-to-sale tracking system.

After full plant wet weight is recorded, defoliates harvested plant in order to remove waste and by-products such as stalks, stems, dry and crispy leaves and bulk fan leaf.

Weighs all waste and by-products for recording in the seed-to-sale tracking system. If hand trimming, uses sterilized scissors or shears to trim remaining fan leaves from the plant.

If machine trimming, preps and sterilizes proper equipment, and monitors plant input and output to ensure successful process.

Weighs final waste, marijuana bud weight and marijuana tight trim weight and records in the seed-to-sale tracking system.

Preps trimmed plant material for the ongoing quality control process, including drying and curing.

Acts as a second level of defense by exercising good quality control practices and report problems to the cultivation team and management. Assists the cultivation team, when needed, with pruning live cannabis plants in the flowering cycle to encourage better growth.

Maintains a clean and organized work environment.

Maintains a culture of professionalism and service.

## **Training:**

Headycos employees will complete training prior to performing job functions. Trainings will be tailored to the roles and responsibilities of the job function and include a Responsible Vendor Program. Employees will receive eight hours of on-going training annually.

Headycos will develop a robust training and employment retention program where we can encourage personal and professional growth within our organization. This is a brand-new industry for Massachusetts, and many of the skills required are specialized. Because there is not an existing labor pool network with these specialized industry skill-sets within the state, this presents an amazing opportunity to attract a diverse workforce and train them to become industry experts. We will provide vocational training to integrate new-hires into the industry. Once they become accomplished experts in their field they will have a valuable personal asset and be set on a career path. Our job opportunities offer sustaining careers in a vibrant growing industry.

Employees will be required to read the relevant state and city law pertaining to marijuana in order to have a general understanding of the laws and regulation with which that they must comply.

There will be specific training for employees involved within cultivation operations and trimming. Ongoing and cross-functional training will be continued as operations commence. All employees will also be required to receive training on general sanitary requirements.

Headyco will fully prepare facility staff on all aspects of the business before operations are commenced. Training and education will be all-encompassing, covering regulatory compliance, seed-to-sale tracking, security and diversion prevention, health and safety protocols, sanitation, transportation, also including all cultivation. Employee training will cover but not be limited to the following:

- Cultivation Operations: Detailing and explaining the various daily operations, activities, tasks, and responsibilities associated with Headyco cultivation operations.
- Laws and Regulations/Compliance Training—Adhering to all state, city, and company regulations. All Headyco employees will be required to have a general knowledge of all applicable laws and regulations dealing with the regulated cultivation, manufacturing, and transporting marijuana products.
- Federal Laws— Headyco management will require employees to review various Federal laws and memos concerning marijuana.
- Policies Regarding Regulations—it is the duty of Headyco management to ensure regulatory requirements are followed at all times by all employees. Management shall maintain a zero-tolerance policy for any infractions that would violate state, local, or company-level regulatory measures.
- New Regulations—All new regulations shall be followed as of their effective date. Training of new employees regarding newly enacted State regulatory measures shall take place before the effective date of said newly enacted State regulation(s) in order to ensure that all team members have a complete understanding of such measures and can fully comply with the same.

### **Responsible Vendor Training.**

On or after July 1, 2019, all employees of Headyco that are involved in the handling and sale of marijuana shall have attended and successfully completed a responsible vendor program to be designated a “responsible vendor.”

All new employees involved in the handling and sale of marijuana shall successfully complete a responsible vendor program within 90 days of hire.

After initial successful completion of a responsible vendor program, each employee involved in the handling and sale of marijuana shall successfully complete the program once every year thereafter to maintain designation as a “responsible vendor.”

Administrative employees who do not handle or sell marijuana may take the “responsible vendor” program on a voluntary basis.

Headyco will maintain records of responsible vendor training program compliance for four years and make them available to inspection by the Commission and any other applicable licensing authority upon request during normal business hours.

### **Certification Training Program Standards.**

The following bullet points reflect the vendor program and Headyco management should generally be aware of the rules.

- a. No owner or employee of a responsible vendor program shall have an interest in a licensed Marijuana Establishment
- b. Program providers shall submit their programs to the Commission every two years for approval as a responsible vendor program
- c. The program shall include at least two hours of instruction time
- d. The program shall be taught in a real-time, interactive classroom setting where the instructor is able to verify the identification of each individual attending the program and certify completion of the program by the individual identified
- e. The program provider shall maintain its training records at its principal place of business during the applicable year and for the following three years
- f. The provider shall make the records available for inspection by the Commission and any other applicable licensing authority upon request during normal business hours
- g. The program shall provide written documentation of attendance and successful passage of a test on the knowledge of the required curriculum for each attendee
- h. Attendees who can speak and write English must successfully pass a written test with a score of 70% or better
- i. Attendees who cannot speak or write English may be offered a verbal test, provided that the same questions are given as are on the written test and the results of the verbal test are documented with a passing score of 70% or better; and
- j. Program providers shall solicit effectiveness evaluations from individuals who have completed their program.

#### **Certification Training Class Core Curriculum**

The below bullet points are the anticipated curriculum for vendor training:

- a. Discussion concerning marijuana's effect on the human body. Training shall include:
  - i. Marijuana's physical effects based on type of marijuana product
  - ii. The amount of time to feel impairment
  - iii. Visible signs of impairment; and
  - iv. Recognizing the signs of impairment.
- b. Diversion prevention and prevention of sales to minors, including best practices
- c. Compliance with all tracking requirements; and
- d. Acceptable forms of identification. Training shall include:
  - i. How to check identification



- ii. Spotting false identification
  - iii. Medical registration cards issued by the DPH
  - iv. Provisions for confiscating fraudulent identifications
  - v. Common mistakes made in verification.
- e. Other key state laws and rules affecting employees include:
- i. Local and state licensing and enforcement
  - ii. Incident and notification requirements
  - iii. Administrative and criminal liability
  - iv. License sanctions and court sanctions
  - v. Waste disposal
  - vi. Health and safety standards
  - vii. Patrons prohibited from bringing marijuana onto licensed premises
  - viii. Permitted hours of sale
  - ix. Conduct of establishment
  - x. Permitting inspections by state and local licensing and enforcement authorities
  - xi. Licensee responsibilities for activities occurring within licensed premises
  - xii. Maintenance of records
  - xiii. Privacy issues
  - xix. Prohibited purchases and practices.

## **HR Compliance**

Headyco will utilize an Employee Handbook/manual that is compliant with all Massachusetts laws. All employees will be required to read the Employee Handbook prior to commencing work at Headyco. The Employee Handbook will outline various company policies that must be followed.

Drug and Alcohol Free Workplace Policy—Headyco will develop and implement a Drug and Alcohol Free Workplace Policy that will highlight the policies and procedures that employees will need to adhere to while working for Headyco.

Personal Hygiene Policy—Headyco will develop and implement a Personal Hygiene Policy that will highlight the personal hygiene policies and procedures that employees will need to adhere to while working for Headyco.

Code of Conduct—Headyco will develop and implement a Code of Conduct that will highlight the policies and procedures relating to employee conduct and ethics that will need to adhere to while working for Headyco.

## **Personnel Development:**

Headyco management will be responsible for making a commitment to the on-going education and professional development of Headyco employees. Once commencing work at Headyco, there will be

multiple opportunities for continuing education and advancement within the organization. Headyco management will be responsible for establishing a development path where employees learn from experience and work directly with their crew leaders to learn all aspects of their job. Crossover opportunities will be available and encouraged so employees can learn other areas of the business if they wish to advance to another department, such as a trimmer learning the basics of growing.

**Performance Reviews:**

Headyco will implement periodic performance reviews that will be utilized to evaluate employee performance on an individual level. Employee performance reviews will be conducted on a semi-annual basis and maintained within the employees personnel file.

**Job Termination**—all termination actions will follow standard procedures. Basic steps include:

1. Notify key personnel of job termination
2. Obtain all facility keys, ID badges or other company property
3. Disable/change all terminated key personnel facility security access codes or passwords
4. Notify required authorities of the job termination of the key personnel
5. Notify all remaining staff of the job termination of the key personnel and inform them of the conditions of termination (i.e. employee is no longer allowed on the premise and to notify police or other authorities if said employee returns, etc.)
6. Contact security vendor and monitoring company to notify them of the job termination of key personnel.

## **Diversity Plan**

Headyco's diversity plan will promote equity among the following demographics:

1. Minorities
2. Women
3. Veterans
4. People with disabilities
5. LGBTQ+

### **GOALS (DIVERSITY PLAN)**

Headyco will have a goal of >20% of all employees in the above-listed 5 demographics and provide tools to ensure their success.

### **PROGRAMS (DIVERSITY PLAN)**

Headyco plans to recruit and promote employment opportunities for individuals falling into the above-listed 5 demographics by:

1. During job postings in "The Gardner News" newspaper, Headyco intends to add language that the company encourages women, veterans, people with disabilities, people of color, formerly incarcerated people, people who are lesbian, gay, bisexual, transgender, and/or gender nonconforming (LGBTQ+), first and second generation immigrants, and people from low-income families to apply. A diversity of lived experiences is reflective of those who work for Headyco.
2. Distribute internal workplace newsletters (via email) that encourage current employees to recommend individuals falling into the above-listed demographics for employment. Headyco intends to distribute this newsletter at least twice a year.

### **MEASUREMENTS (DIVERSITY PLAN)**

Headyco will begin the program in the first year of operation and will document the number of internal workplace newsletters and job postings in The Gardner News. We anticipate at least two newsletters a year and at least four job postings.

At least on a yearly basis Headyco will review its plan to see if its goal is being accomplished and adjust as needed. Associates, at all levels of the firm, will be "diversity" aware. Hiring associates will be held accountable to the goal. Headyco will demonstrate proof of success or progress upon the yearly renewal of a license by keeping detailed records. The records will include the number of newsletters, job postings and the number of individuals from the above-referenced demographic groups who were hired and retained.

## **DIVERSITY CONCLUSION**

Headyco is committed to fostering a corporate culture of diversity and inclusion that offers people of all races, color, religion, gender, age, sexual orientation, national origin, physical or mental handicap or disability and in which all aspects of diversity are acknowledged and respected. Headyco's policies will provide a positive and inclusive work environment which values individual differences and enables every team member to contribute and develop to the level of his or her potential.

**Acknowledgements:**

- Headyco will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment;
- Any actions taken, or programs instituted, by Headyco will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.