



## Massachusetts Cannabis Control Commission

### Marijuana Microbusiness

#### General Information:

License Number: MB281355  
Original Issued Date: 07/20/2020  
Issued Date: 07/20/2020  
Expiration Date: 07/20/2021

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Hidden Hemlock, LLC

Phone Number: 781-640-0422  
Email Address: gmbellino@gmail.com

Business Address 1: 167 Stoney Cover Road  
Business City: Cummaquid Business State: MA Business Zip Code: 02637  
Business Address 2:  
Mailing Address 1: 155 Federal Street  
Mailing City: Boston Mailing State: MA Mailing Zip Code: 02110  
Mailing Address 2: Suite 700

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

Priority Applicant: no  
Priority Applicant Type: Not a Priority Applicant  
Economic Empowerment Applicant Certification Number:  
RMD Priority Certification Number:

### RMD INFORMATION

Name of RMD:  
Department of Public Health RMD Registration Number:  
Operational and Registration Status:  
To your knowledge, is the existing RMD certificate of registration in good standing?:  
If no, describe the circumstances below:

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY

#### Person with Direct or Indirect Authority 1

Percentage Of Ownership: 36.87 Percentage Of Control: 33.33  
Role: Owner / Partner Other Role: Board Member

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

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 36.87 Percentage Of Control: 33.33  
Role: Owner / Partner Other Role: Board Member  
First Name: Jeffrey Last Name: Bellino Suffix:  
Gender: Male User Defined Gender:  
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)  
Specify Race or Ethnicity:

Person with Direct or Indirect Authority 3

Percentage Of Ownership: 1.14 Percentage Of Control:  
Role: Owner / Partner Other Role:  
First Name: Michael Last Name: Bellino Suffix:  
Gender: Male User Defined Gender:  
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)  
Specify Race or Ethnicity:

Person with Direct or Indirect Authority 4

Percentage Of Ownership: 1.14 Percentage Of Control:  
Role: Owner / Partner Other Role:  
First Name: Brett Last Name: Esber Suffix:  
Gender: Male User Defined Gender:  
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)  
Specify Race or Ethnicity:

Person with Direct or Indirect Authority 5

Percentage Of Ownership: 11.99 Percentage Of Control:  
Role: Owner / Partner Other Role:  
First Name: Steven Last Name: Gibbs Suffix:  
Gender: Male User Defined Gender: M  
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 6

Percentage Of Ownership: 11.99 Percentage Of Control: 33.33  
Role: Owner / Partner Other Role: Director  
First Name: Gregory Last Name: Kristof Suffix:  
Gender: Male User Defined Gender: M  
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)  
Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

#### CLOSE ASSOCIATES AND MEMBERS

No records found

#### CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Greg Last Name: Bellino Suffix:  
Types of Capital: Monetary/Equity Other Type of Capital: Total Value of the Capital Provided: \$96000 Percentage of Initial Capital: 64  
Capital Attestation: Yes

#### Individual Contributing Capital 2

First Name: Jeff Last Name: Bellino Suffix:  
Types of Capital: Monetary/Equity Other Type of Capital: Total Value of the Capital Provided: \$54000 Percentage of Initial Capital: 36  
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

Cultivation Environment: Indoor Establishment Activities: Both Cultivating and Manufacturing  
Establishment Address 1: 370 Wareham Street  
Establishment Address 2:  
Establishment City: Middleborough Establishment Zip Code: 02346  
Approximate square footage of the Establishment: 19850 How many abutters does this property have?: 43  
Have all property abutters have been notified of the intent to open a Marijuana Establishment at this address?: Yes

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	HCA Certification Form Signed.pdf	pdf	5c607d423d84de123a60f95e	02/10/2019
Community Outreach Meeting Documentation	COM Feb 10 2019.pdf	pdf	5c60802e635d511b3474e29b	02/10/2019
Plan to Remain Compliant with Local Zoning	Compliance With Local Requirements.pdf	pdf	5c608062d7a931124ee0186d	02/10/2019

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

#### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
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#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

Role: Owner / Partner Other Role: Board Member

First Name: Gregory Last Name: Bellino Suffix:

RMD Association: Not associated with an RMD

Background Question: no

##### Individual Background Information 2

Role: Owner / Partner Other Role: Board Member

First Name: Jeffrey Last Name: Bellino Suffix:

RMD Association: Not associated with an RMD

Background Question: no

##### Individual Background Information 3

Role: Owner / Partner Other Role:

First Name: Michael Last Name: Bellino Suffix:

RMD Association: Not associated with an RMD

Background Question: no

##### Individual Background Information 4

Role: Owner / Partner Other Role:

First Name: Brett Last Name: Esber Suffix:

RMD Association: Not associated with an RMD

Background Question: no

##### Individual Background Information 5

Role: Owner / Partner Other Role:

First Name: Steven Last Name: Gibbs Suffix:

RMD Association:

Background Question:

##### Individual Background Information 6

Role: Owner / Partner Other Role: Director

First Name: Gregory Last Name: Kristof Suffix:

RMD Association:

Background Question:

#### ENTITY BACKGROUND CHECK INFORMATION

No records found

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Secretary of Commonwealth - Certificate of Good Standing	Certificate of Good Standing from the Secretary of the Commonwealth of Massachusetts 2020.pdf	pdf	5e57d42fd29b0704447da41b	02/27/2020
Department of Revenue - Certificate of Good standing	Certificate of Good Standing from the Massachusetts Department of Revenue 2020.pdf	pdf	5e57d431fe55e40432f73403	02/27/2020
Bylaws	CorpSearchViewPDF.aspx.pdf	pdf	5e73c001961ad539052bada6	03/19/2020
Bylaws	Operating Agreement 5 12 2020 Fully Executed Part B.pdf	pdf	5ebb11b58caba634a843919e	05/12/2020
Bylaws	Operating Agreement 5 12 2020 Fully Executed Part C.pdf	pdf	5ebb11bd5c6c422d41afb629	05/12/2020
Bylaws	Operating Agreement 5 12 2020 Fully Executed Part D.pdf	pdf	5ebb11cd502f482d4898fc32	05/12/2020
Bylaws	Operating Agreement 5 12 2020 Fully Executed Part A.pdf	pdf	5ebb11e1ce51fd2d12e5d489	05/12/2020

No documents uploaded

Massachusetts Business Identification Number: 001313665

Doing-Business-As Name:

DBA Registration City:

### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	6 buisness plan summary.pdf	pdf	5c5f20c25fd63c1b24eb3865	02/09/2019
Proposed Timeline	4 Updated PROPOSED SCHEDULE V2.pdf	pdf	5e57d86f7225f0046965bb9f	02/27/2020
Plan for Liability Insurance	5 limited liability coverage V2.pdf	pdf	5e57d8a564339304b09021cf	02/27/2020

### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Production methods	D3b – Methods of production.pdf	pdf	5c5f23843183181258e19482	02/09/2019
Sample of unique identifying marks for branding	Identifying mark.pdf	pdf	5c5f23921e71bd12623299ae	02/09/2019
Prevention of diversion	7b - Prevention of Diversion.pdf	pdf	5c5f23f9293a5312448e7785	02/09/2019
Storage of marijuana	7c -Storage of Marijuana.pdf	pdf	5c5f2408d7a931124ee01749	02/09/2019
Dispensing procedures	7h - Dispensing procedures.pdf	pdf	5c5f24455fd63c1b24eb386a	02/09/2019
Personnel policies including background checks	7g - Personnel Policies.pdf	pdf	5c5f24553d84de123a60f854	02/09/2019
Record Keeping procedures	7i - Record-keeping Procedures.pdf	pdf	5c5f2463293a5312448e7789	02/09/2019
Maintaining of financial records	7j - Maintenance of Financial Records.pdf	pdf	5c5f246fd7a931124ee0174d	02/09/2019

Security plan	HH Security Plan Updated V2.pdf	pdf	5e57d9927225f0046965bba5	02/27/2020
Transportation of marijuana	7d - Transportation of Marijuana v2.pdf	pdf	5e57d9d869dc9d0456dbba20	02/27/2020
Inventory procedures	7e - Inventory Procedures V2.pdf	pdf	5e57da0c1c3b1d04a32b51f3	02/27/2020
Restricting Access to age 21 and older	Restrict access to all individuals under the age of 21 V2.pdf	pdf	5e57da3c1c3b1d04a32b51f7	02/27/2020
Quality control and testing	7f - Procedure for Quality Control V2.pdf	pdf	5e57da924dd5bb04941093e8	02/27/2020
Qualifications and training	8 - Qualifications and Trainings V2.pdf	pdf	5e57db217b9883042b374da3	02/27/2020
Policies and procedures for cultivating	D2 - Cultivation Plan V2.pdf	pdf	5e57dc7461c9e9045a79549b	02/27/2020
Types of products	D3a - Types and forms produced and Description of Products V2.pdf	pdf	5e57dcb64dd5bb04941093f4	02/27/2020
Diversity plan	Diveristy Plan V3.pdf	pdf	5e73c0b72b97cf38fa3729a0	03/19/2020

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

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

### ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

### COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

### COMPLIANCE WITH DIVERSITY PLAN

No records found

### PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

### HOURS OF OPERATION

Monday From: 7:00 AM Monday To: 5:00 PM

Tuesday From: 7:00 AM Tuesday To: 5:00 PM

Wednesday From: 7:00 AM    Wednesday To: 5:00 PM

Thursday From: 7:00 AM    Thursday To: 5:00 PM

Friday From: 7:00 AM    Friday To: 5:00 PM

Saturday From: 7:00 AM    Saturday To: 5:00 PM

Sunday From: 9:00 AM    Sunday To: 1:00 PM

## Host Community Agreement Certification Form

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

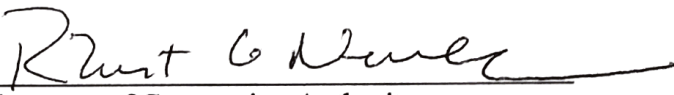
### Applicant

I, Jeff + Greg Bellino, (insert name) certify as an authorized representative of Hidden Hemlock LLC (insert name of applicant) that the applicant has executed a host community agreement with Middleborough (insert name of host community) pursuant to G.L.c. 94G § 3(d) on 2-8-19 (insert date).

  
Signature of Authorized Representative of Applicant

### Host Community

I, Robert C. Donos, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Middleborough (insert name of host community) to certify that the applicant and Middleborough (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 2-8-19 (insert date).

  
Signature of Contracting Authority or  
Authorized Representative of Host Community

## 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, Greg Bellino, (insert name) attest as an authorized representative of Hidden Hemlock 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 10/25/18 (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 10/18/18 (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 10/18/18 (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 10/18/18 (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.



violations. Each day of a facility's non-compliance could be punishable by a civil penalty between

### LEGAL NOTICE

Notice is hereby given that a **Community Outreach Meeting** for a proposed **Marijuana Establishment** is scheduled for **6:00pm on 25 October 2018** at the **Holiday Inn Express & Suites Middleboro Raynham** at **43 Harding St, Middleborough, MA 02346**. The proposed Micro-business (Cannabis Cultivator and Product Manufacturer) is anticipated to be located at **370 Wareham Street (Charlotte Court, Lot 2 Building 1) Middleborough, MA 02346**. There will be an opportunity for the public to ask questions.

October 18, 2018  
The Middleboro Gazette Newspaper  
Notice also on [www.masspublicnotices.org](http://www.masspublicnotices.org)

Commonwealth of Massachusetts  
The Trial Court  
Probate and Family Division  
Plymouth Probate and Family Court  
52 Obery Street  
Suite 110  
Plymouth, MA 01960  
(508)747-6100  
Docket No. PL18-0001  
CITATION ON PETITION  
FOR FORMAL ADJUDICATION  
Estate of: **Barbara J. Evans**  
Date of Death: 09/18/2018

To all interested persons:  
Formal Probate of Will with  
Personal Representative  
**Erik W. Evans** of Dublin, MA, requests  
that the Court enter a formal Order and for such other relief as may be required in the Petition. The Petitioner requests that: **Erik W. Evans** of Dublin, MA, be appointed as Personal Representative of said estate to serve without bond in an unsupervised capacity.

to the  
editor!

**YOUR**  
customer

To Whom It May Concern,

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for 6:00pm on 25 October 2018 at the Holiday Inn Express & Suites Middleboro Raynham at 43 Harding St, Middleborough, MA 02346. The proposed Microbusiness (Cannabis Cultivator and Product Manufacturer) is anticipated to be located at 370 Wareham Street (Charlotte Court, Lot 2 Building 1) Middleborough, MA 02346. There will be an opportunity for the public to ask questions.

Sincerely,  
Hidden Hemlock, LLC

To Whom It May Concern,

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for 6:00pm on 25 October 2018 at the Holiday Inn Express & Suites Middleboro Raynham at 43 Harding St, Middleborough, MA 02346. The proposed Microbusiness (Cannabis Cultivator and Product Manufacturer) is anticipated to be located at 370 Wareham Street (Charlotte Court, Lot 2 Building 1) Middleborough, MA 02346. There will be an opportunity for the public to ask questions.

Sincerely,  
Hidden Hemlock, LLC

The plans for the proposed facility will be in compliance with all local codes, ordinances and bylaws for the physical address of the Marijuana Establishment. Hidden Hemlock has contracted a licensed attorney and licensed engineer to maintain compliance with zoning, planning, conservation, public health, site plan review and any other town requirement. In addition, the engineer has designed the facility to be in compliance with the most current edition of the Massachusetts building code, fire code, mechanical code, plumbing code, electrical code, ASHRAE, NFPA, and other standard engineering practices where there is no regulating authority.

Hidden Hemlock has made multiple presentations and participated in numerous discussions on its proposed adult-use Marijuana Establishment to the Board of Selectmen in Middleborough. The presentations and discussions included complying with local zoning codes, ordinances, regulations, permitting and approvals. The Middleborough Board of Selectmen voted to authorize the negotiated Host Community Agreement and Development Agreement between Hidden Hemlock and the Town of Middleborough on February 4, 2019. Hidden Hemlock will comply with all requirements set forth in the documents.

Adult-use Marijuana Establishments are allowed within the Cannabis Business District (CBD), which includes 370 Wareham Street, the proposed Marijuana Establishment location. The proposed Marijuana Establishment location complies with all applicable setback distance requirements. In general Hidden Hemlock must meet all local bylaws relating to the Cannabis Business District in addition to all other applicable requirements and will not be able to operate if deficiencies are identified, until being resolved.

Additionally, Hidden Hemlock has had discussions with the municipal Fire Department, Health Department, Police Department, Planning Board, Building Department, Gas & Electric Department, Water and Wastewater Department and Conservation Commission, ensuring a professional relationship and compliance with applicable regulations, authorizations, applications and permitting requirements.

**Plan to Positively Impact Areas Of Disproportionate Impact  
Amended 10/28/2019 (Initial RFI) and 3/19/2020 (RFI2)**

Goals:

1. Hidden Hemlock shall attempt to hire a total of 20% of its staff which fall within the following criteria for areas of disproportionate impact:
  1. Massachusetts residents who reside within an area of disproportionate impact.
  2. Massachusetts residents who have past drug-convictions.
  3. Massachusetts residents with parents or spouses who have past drug-convictions.
2. Hidden Hemlock shall promote sustainable efforts by organizing an annual river cleanup in an area of disproportionate impact, such as but not limited to Taunton, Wareham, Brockton, Mansfield, New Bedford, Randolph, Braintree and Fall River. The ultimate goal of the river cleanup is to improve the health of local waterways while educating participants of the importance of a clean environment and proper waste management.
3. Hidden Hemlock shall attempt to utilize contractors based out of areas of disproportionate impact.

Programs:

1. Hidden Hemlock will give hiring preference to individuals that fall under the Commission's definition of disproportionately impacted areas, including:
  - Massachusetts residents who reside within an area of disproportionate impact, such as but not limited to Taunton, Wareham, Brockton, Mansfield, New Bedford, Randolph, Braintree and Fall River, for example.

When Hidden Hemlock is seeking employment applicants, Hidden Hemlock shall post an ad in the local newspaper (such as but not limited to the South Coast Today, Standard-Times, Herald News of Fall River and Taunton Daily Gazette) for a duration of at least two weeks. Hidden Hemlock shall give preference to individuals) for a duration of at least two weeks, stating that the Company is specifically seeking Massachusetts residents who meet one or more of the following; Massachusetts residents who reside within an area of disproportionate impact, Massachusetts residents who have past drug-convictions or Massachusetts residents with parents or spouses who have past drug-convictions. Hidden Hemlock shall give preference to individuals that meet the definition of disproportionately impacted areas when evaluating applicants; however, applicants who meet the definition of disproportionately impacted areas must also maintain appropriate experience, knowledge and competence to fulfil the cannabis-related job requirements.

## **Plan to Positively Impact Areas Of Disproportionate Impact**

Hidden Hemlock, LLC

2. Hidden Hemlock shall promote sustainable efforts within a disproportionately impacted area. Hidden Hemlock staff will volunteer in an annual river cleanup, collecting trash and properly disposing/recycling of the collected items at an appropriate disposal facility.
3. When hiring contractors or purchasing supplies Hidden Hemlock shall give priority to entities located within areas of disproportionate impact. Hemlock shall give preference to said entities, if the entity provides a bid/quote acceptable to complete the required work within an acceptable timeline, budget and sustainable efforts.

### Metrics:

Hidden Hemlock will track, maintain and disclose measurement metrics to Commission to ensure the Company is meeting the identified goals of this plan.

1. Hidden Hemlock will count the number of individuals hired who meet one or more of the following: Massachusetts residents who reside within an area of disproportionate impact, Massachusetts residents who have past drug-convictions or Massachusetts residents with parents or spouses who have past drug-convictions. This number will be divided by the total number of employees at the Company to ensure that 20% of all individuals hired fall within this goal within the first two years of issuance of a final license.
2. Hidden Hemlock's river cleanup program shall meet the following:
  - a. Conduct at least one river cleanup per year.
  - b. Water body must be located in an area of disproportionate impact.
  - c. At least 50% of Company staff shall participate in the cleanup for 2-4 hours.
  - d. Provide drinks and food for all participants.
  - e. Provide means for disposal of collected items.
3. Upon issuance of a final license, when hiring contractors for projects in excess of \$100,000, Hidden Hemlock shall issue an RFP (request for proposal) to at least one entity located within an area of disproportionate impact.

### Progress:

Hidden Hemlock (the establishment) will document the progress or success of the plan which will be provided to the CCC upon license renewal, which takes place one year from provisional licensure, and each year thereafter, whether or not the establishment has received a final license.

- Goal 1: Hidden Hemlock will maintain and provide the CCC with a breakdown of its staff which fall within the following criteria for areas of disproportionate impact:
  1. Massachusetts residents who reside within an area of disproportionate impact.
  2. Massachusetts residents who have past drug-convictions.

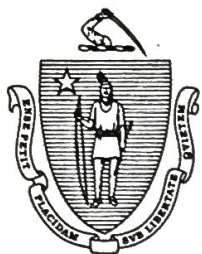
## **Plan to Positively Impact Areas Of Disproportionate Impact**

Hidden Hemlock, LLC

3. Massachusetts residents with parents or spouses who have past drug-convictions.
- Goal 2: Hidden Hemlock will obtain a document from the town confirming that the establishment participated in an annual river cleanup. The confirmation document will include a list of marijuana establishment agents that participated in the annual event. The document will be provided to the CCC.
  - Goal 3: Upon issuance of a final license, when hiring contractors for projects in excess of \$100,000, Hidden Hemlock will maintain a record of RFPs issued to contractors indicating that at least one entity located within an area of disproportionate impact was provided an RFP. The record of RFPs will be provided to the CCC. In the event projects in excess of \$100,000 were not completed/conducted Hidden Hemlock will provide the CCC with such a statement.

### **Additional Requirements:**

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



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

William Francis Galvin  
Secretary of the  
Commonwealth

February 13, 2020

TO WHOM IT MAY CONCERN:

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

**HIDDEN HEMLOCK, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **February 19, 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; that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156C, § 70 for said Limited Liability Company's dissolution; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are:  
**JEFFREY BELLINO, GREGORY BELLINO**

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

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



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

*William Francis Galvin*

Secretary of the Commonwealth



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



JEFFREY W BELLINO  
HIDDEN HEMLOCK  
167 STONEY COVE ROAD  
CUMMAQUID MA 02637

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

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

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

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

### *What if I have questions?*

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

### *Visit us online!*

Visit [mass.gov/dor](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**  
**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: 001313665

1. The exact name of the limited liability company is: HIDDEN HEMLOCK, LLC

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

No. and Street: 167 STONEY COVE ROAD  
 City or Town: CUMMAQUID State: MA Zip: 02637 Country: USA

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

No. and Street: 167 STONEY COVE ROAD  
 City or Town: CUMMAQUID State: MA Zip: 02637 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:**

CONSULTATION AND MANAGEMENT CONSULTING, ESPECIALLY REGARDING LOCAL AGRI CULTURE, ALONG WITH ANY LAWFUL PURPOSE

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

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

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

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	JEFFREY W BELLINO	167 STONEY COVE ROAD CUMMAQUID, MA 02637 USA

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

Title	Individual Name	Address (no PO Box)
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	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code
SOC SIGNATORY	GREGORY M BELLINO	167 STONEY COVE ROAD CUMMAQUID, MA 02637 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	JEFFREY W BELLINO	167 STONEY COVE ROAD CUMMAQUID, MA 02637 USA
REAL PROPERTY	GREGORY M BELLINO	167 STONEY COVE ROAD CUMMAQUID, MA 02637 USA

**9. Additional matters:**

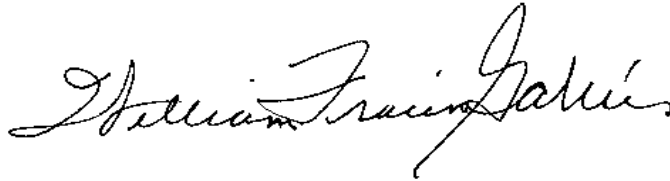
**SIGNED UNDER THE PENALTIES OF PERJURY, this 19 Day of February, 2018,  
JEFFREY W. BELLINO**

*(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:

February 19, 2018 04:38 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*

## 5.2 Number, Appointment and Residency Requirement.

(a) The Board of Directors shall consist of three (3) individuals who shall be elected by the Members in accordance with Section 3.6. Each Director may be removed, and a replacement appointed, at any time by the Members in accordance with Section 3.6. In the event of the death, resignation or removal of a Director, a replacement shall be appointed by the Members in accordance with Section 3.6 at a special meeting of the Members called for that purpose. For the avoidance of doubt, a vacancy on the Board of Directors shall not prevent the Board of Directors from acting in accordance with terms of this Agreement. The number of Directors comprising the Board of Directors may be increased or decreased at any time by the Members. If the Members decrease the number of Directors comprising the Board of Directors, they shall at the same time (to the extent necessary) designate the Director(s) to be removed in connection with such decrease.

(b) Notwithstanding any other provision of this Agreement, at all times a majority of the Directors shall be individuals who have been residents of the Commonwealth of Massachusetts for no less than twelve (12) months prior to the date of their appointment or election as a Director.

(c) The Board of Directors may elect a Chairman of the Board of Directors. The Chairman of the Board of Directors, if any, shall preside at all meetings of the Members and of the Board of Directors at which he or she is present, and shall have such authority and perform such duties as the Board of Directors may from time to time designate.

(d) Except as otherwise agreed by the Members or except as unanimously approved by the Board of Directors, the Directors shall serve as such without compensation from the Company.

## 5.3 Meetings.

(a) An annual meeting of the Board of Directors shall be held during the month of April in each year at such time and location in the Commonwealth of Massachusetts as may be designated by the Board of Directors.

(b) A special meeting of the Board of Directors may be called by written request of a Director delivered to the other Directors; provided that no Director may call more than one special meeting during any consecutive 14-day period without the consent of the other Directors. The call for a special meeting shall state the location of the meeting (which shall be within the Commonwealth of Massachusetts), the date and time of the meeting (which shall be at least three Business Days following the giving of such notice), and the nature of the business to be conducted at the special meeting.

(c) Directors may participate in any annual or special meeting of the Board of Directors by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. The Board of Directors shall make such arrangements as are necessary to permit any Director who cannot attend any meeting of the Board of Directors in person to participate by conference telephone or similar communications equipment.

(d) At any meeting of the Board of Directors, the presence in person of at least a majority of the total number of Directors then comprising the Board of Directors shall constitute a quorum.

(e) Each Director shall be entitled to one vote upon each matter submitted to a vote at a meeting of the Board of Directors. A majority of the votes cast at a meeting of the Board of Directors, duly-called and at which a quorum is present, shall be sufficient to take or authorize action upon any matter that has properly come before the meeting, unless more than a majority of votes cast is required by law, the Certificate of Organization or this Agreement. Minutes shall be kept of all meetings of the Board of Directors. The minutes shall be recorded by the Secretary (or other person designated by the Board of Directors to record the minutes) and filed with the records of the meetings of the Board of Directors.

(f) Any action of the Board of Directors may be taken without a meeting and without a vote if (i) all Directors consent to the action in writing, and (ii) the written consent is filed with the records of the meetings of the Board of Directors. Such actions by unanimous written consent shall be treated for all purposes as actions taken by unanimous vote of the Directors at a meeting duly called at which all Directors were present.

(g) No Director shall be liable for the debts, obligations or liabilities of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Director of the Company.

## **ARTICLE 6 - OFFICERS**

### **6.1 Titles, Election and Term.**

(a) The officers of the Company shall be a President, a Treasurer and a Secretary, all of whom shall be appointed by the Board of Directors and shall hold office until their successors are appointed or until their earlier death, resignation or removal. In addition, the Board of Directors may appoint one or more Vice Presidents and such Assistant Secretaries and Assistant Treasurers as they may deem proper. None of the officers of the Company need be Directors, and any number of offices may be held by the same person.

(b) Any officer may be removed, with or without cause, by the Board of Directors at any time, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer may resign at any time upon written notice to the Board of Directors. Such resignation shall be effective upon receipt by the Board of Directors or at such later time as may be specified in the notice of resignation. Any vacancy in any office may be filled by the Board of Directors as it sees fit.

6.2 President. The President shall be the chief executive officer of the Company with the powers and authority normally associated with the office of President of a corporation under the Massachusetts Business Corporations Act. Subject to the ultimate authority and control of the Board of Directors, the President shall (i) have general and active management of all the business, property and affairs of the Company, (ii) see that all orders and resolutions of the Board of Directors are carried into effect, (iii) act as the duly authorized representative of the

Company in all matters, except where the Board of Directors has formally designated some other person(s) to act, and (iv) in general, perform all the usual duties incident to the office of President of a corporation under the Massachusetts Business Corporations Act.

6.3 Vice President. Each Vice President shall perform such duties and have such powers as the Board of Directors may from time to time prescribe.

6.4 Secretary. The Secretary shall: (i) keep or cause to be kept the minutes of all meetings of the Members and the Board of Directors in one or more books kept for that purpose; (ii) keep or cause to be kept Unit transfer records evidencing ownership of the outstanding Units and the issuance and surrender of Unit Certificates; (iii) keep or cause to be kept a register of the address of each Member, which address has been furnished to the Secretary by the Member; (iv) have custody of the Company's records; (v) see that all notices are duly given in accordance with law and this Agreement; and (vi) in general perform all the usual duties incident to the office of Secretary of a corporation under the Massachusetts Business Corporations Act.

6.5 Treasurer. The Treasurer shall have general supervision of the fiscal affairs of the Company. The Treasurer shall, with the assistance of the President and managerial staff of the Company: (i) see that a full and accurate accounting of all financial transactions is made; (ii) invest and reinvest the capital funds of the Company in such manner as may be directed by the Board of Directors unless that function shall have been delegated to a nominee or agent; (iii) deposit or cause to be deposited in the name and to the credit of the Company, in such depositories as the Board of Directors shall designate or approve, all monies and other valuable effects of the Company not otherwise employed; (iv) prepare any financial reports that may be requested from time to time by the Board of Directors; (v) cooperate in the conduct of any annual audit of the Company's financial records by certified public accountants duly appointed by the Board of Directors; and (vi) in general perform all the usual duties incident to the office of Treasurer of a corporation under the Massachusetts Business Corporations Act.

## **ARTICLE 7 – ANNUAL BUDGET**

### **7.1 Preparation and Approval of Annual Budget.**

(a) On or before October 31 of each Fiscal Year, the President shall prepare and present to the Board of Directors for their review a proposed budget for the next Fiscal Year (the "Proposed Budget"). The Proposed Budget shall be in such form as the Board of Directors shall reasonably require. The Board of Directors shall consider the Proposed Budget and, upon finding such budget (with any adjustments as requested by the Board of Directors having been made) to be acceptable, shall approve such Proposed Budget as the annual budget for the next Fiscal Year (such budget as approved, as the same may be revised from time to time in accordance with this Section 7.1, the "Approved Budget").

(b) The Proposed Budget for any Fiscal Year must be approved by the Board of Directors no later than December 31 of the prior Fiscal Year. If the Board of Directors fails to approve the Proposed Budget on or before December 31, the previous Fiscal Year's Approved Budget shall remain in effect.

(c) Any expenditure not included in the Approved Budget, or in excess of ten percent (10%) of the budgeted amount, will require prior approval of the Board of Directors.

(d) Notwithstanding the foregoing, the officers, on behalf of the Company, may take such actions and make such expenditures as may be deemed necessary to comply with applicable laws, to continue the orderly conduct of the business of the Company and/or to preserve and maintain the Company's contractual arrangements and assets.

## **ARTICLE 8 - PROFITS AND LOSSES**

### **8.1 Profits and Losses.**

(a) For purposes of this Agreement, the profit ("Profit") or loss ("Loss") of the Company for each Tax Year shall be the net income or net loss of the Company for such Tax Year, as determined for federal income tax purposes, but computed with the following adjustments:

- (i) without regard to any adjustment to basis pursuant to Code Section 743;
- (ii) by including the net gain (after expenses) or net loss (after expenses) realized or incurred by the Company in a capital transaction;
- (iii) by taking into account items of deduction attributable to any property of the Company;
- (iv) by including as an item of gross income any tax exempt income received by the Company;
- (v) by treating as a deductible expense any expenditure of the Company described in Code Section 705(a)(2)(B);
- (vi) by excluding any item of income, gain, loss or deduction which is required to be specially allocated to a Member who contributes property other than cash to the Company as a Capital Contribution pursuant to Code Section 704(c) and the Treasury Regulations thereunder;
- (vii) to the extent an adjustment to the adjusted basis of any asset of the Company pursuant to Code Sections 734(b) or 743(b) is required by Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in complete liquidation of a Member's Membership Interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the adjusted basis of the asset) or loss (if the adjustment decreases the adjusted basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Profit or Loss; and

(viii) after making the special allocations (if any) required by Treasury Regulations.

(b) The amounts of the items of income, gain, loss or deduction of the Company to be specially allocated pursuant to Treasury Regulations shall be determined by applying rules analogous to those set forth in subsections (i) through (viii) above. Whenever a proportionate part of Profit or Loss is credited or charged to a Member's Capital Account, every item of profit, gain, loss, deduction or credit entering into the computation of such Profit or Loss, or applicable to the period during which such Profit or Loss is realized, shall be considered credited or charged, as the case may be, to such account in the same proportion.

8.2 Capital Accounts. The Company shall maintain a Capital Account for each Member in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv). Without limiting the foregoing, the provisions of Treasury Regulation Sections 1.704-1(b)(2)(iv)(d) and (g) related to the treatment of property contributed to a company by a Member, are incorporated herein by reference. No Member shall be entitled to withdraw or receive any part of such Member's Capital Account or Capital Amount or receive any distribution with respect to its Units except as provided in this Agreement. No Member shall be entitled to receive any interest on such Member's Capital Account or Capital Amount and no such interest shall accrue. Each Member shall look solely to the assets of the Company for the return of such Member's Capital Contributions and distributions with respect to such Member's Units and, except as otherwise provided in this Agreement, shall have no right or power to demand or receive any property or cash from the Company. No Member shall have priority over any other Member as to the return of such Member's Capital Contributions, distributions or allocations, except as provided in this Agreement.

8.3 Allocations. Except as otherwise provided in Appendix 2 (Regulatory Allocations), each item of income, gain, loss, deduction and credit for any period shall be allocated among the Members such that the ending Capital Account of each Member, immediately after giving effect to such allocations, is, as nearly as possible, equal to (i) the amount of the distributions that would be made to such Member pursuant to Section 11.3 if (A) the Company were dissolved and terminated at the end of such period, (B) its affairs were wound up and each asset on hand at the end of such period was sold for cash equal to its Fair Market Value, (C) all liabilities of the Company were satisfied (limited with respect to each nonrecourse liability to the Fair Market Value of the assets securing such liability) and (D) the net assets of the Company were distributed to such Member in accordance with Section 11.3 minus (ii) such Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, in each case computed immediately prior to such hypothetical sale of assets. If the Company determines in good faith, after consultation with the Company's accountant, that the manner in which the Members' Capital Accounts are maintained should be modified, or that any particular item of income, gain, loss, deduction or credit should be allocated in a manner other than as provided above in order to comply with the Treasury Regulations, then the Company may make such modification and/or such allocation.

8.4 Tax Allocation. In accordance with Code Section 704(c) and the Treasury Regulations thereunder, the items of income, gain, loss, deduction and credit as determined for

federal and other income tax purposes with respect to any property contributed to the capital of the Company or any other property whose value is reflected on the books of the Company used to calculate the balance in the Capital Accounts at a value that differs from the adjusted tax basis of such property shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and the agreed Fair Market Value of such property pursuant to such method as is determined by the Partnership Representative and permitted by the Treasury Regulations promulgated under Section 704(c) of the Code. Allocations pursuant to this Section 8.4 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, a Member's Capital Account.

8.5 Substantial Economic Effect. It is intended that the allocations pursuant to this Article 8 be made in such manner as will have substantial economic effect or otherwise be in accordance with the Member's Membership Interest in the Company in accordance with Treasury Regulations Sections 1.704-1(b) and 1.704-2. Without limiting the foregoing, the provisions of such Treasury Regulations regarding "partner nonrecourse deductions," "nonrecourse deductions," limitations imposed on the deficit balance in a Member's capital account and "qualified income offset," "partnership minimum gain," and "partner nonrecourse debt minimum gain," as such terms are defined in Treasury Regulations Sections 1.704-2(i)(1), 1.704-2(b)(1), 1.704-1(b)(2)(ii)(d), 1.704-2(b)(2) and 1.704-2(i)(2), respectively, are incorporated herein by reference, and shall apply to the Members in their capacity as Members of Units for federal income tax purposes.

8.6 Miscellaneous.

(a) For purposes of determining items of income, gain, loss, deduction and credit allocable to any period, such items shall be determined on a daily, monthly or other basis as determined by the Company in good faith using any permissible method under Code § 706 and the Treasury Regulations promulgated thereunder.

(b) The Members are aware of the income tax consequences of the allocations made by this Article 8 and by the Regulatory Allocations provisions set forth in Appendix 2 and hereby agree to be bound by and utilize those allocations as reflected on the information returns of the Company in reporting their shares of the Company's income and loss for income tax purposes. Each Member agrees to report its distributive share of the Company's items of income, gain, loss, deduction and credit on its separate return in a manner consistent with the reporting of such items to such Member by the Company. Any Member failing to report consistently shall notify the IRS of the inconsistency as required by law and shall reimburse the Company for any legal and accounting fees incurred by the Company in connection with any examination of the Company by applicable taxing authorities with respect to the year for which the Member failed to report consistently.

8.7 Withholding and Payments on Behalf of a Member.

(a) The Board of Directors is hereby authorized to withhold from distributions, or to make payments on behalf of any Member in its capacity as such, all amounts the Board of Directors determines the Company is required by law to withhold or pay on behalf of such

Member (including federal and state income tax withholding, state personal property taxes, and state unincorporated business taxes). All amounts withheld by the Company from distributions or paid by the Company on behalf of a Member pursuant to the foregoing sentence shall nonetheless be deemed to have been distributed to such Member (each such amount, a "Deemed Distribution").

(b) Each Member shall indemnify the Company for (i) Deemed Distributions in any defined period in excess of actual distributions for such defined period, and (ii) all costs and expenses, including interest, penalties and related expenses (provided that the Company shall bear any interest, penalties and related expenses to the extent attributable to the Company's negligence or willful misconduct) incurred in connection with any payment on behalf of such Member, and shall hold the Company harmless from any liability with respect thereto. The Board of Directors may offset distributions to which a Member is otherwise entitled under this Agreement against such Member's obligation to indemnify the Company under this Section 8.7(b).

## **ARTICLE 9 - DISTRIBUTIONS**

9.1 Determinations of Distributable Funds. No less than ten (10) days prior to each Distribution Date, the Board of Directors shall make a determination of Distributable Funds available for distribution on such Distribution Date. For purposes of this Agreement, the term "Distributable Funds" means, as of the date of determination thereof, Available Cash on such date not required to (i) fund projected operating expenses of the Company (with due consideration given to the positive or negative cash flow projected to be generated by the Company's operations), or (ii) establish appropriate reserves for future cash needs of the Company (including for anticipated capital expenditures), all as determined by the Board of Directors in their reasonable discretion and acting in good faith. The Board of Directors shall promptly notify the Secretary of the Company of each determination of Distributable Funds, and the Secretary shall promptly notify the Members thereof.

9.2 Distributions. All distributions to the Members shall be made on a pro rata basis in accordance with their respective Percentage Interests. Distributions shall be made by the Company on each Distribution Date to the extent of Distributable Funds. For purposes of this Agreement, the term "Distribution Date" means (i) each Quarterly Distribution Date, and (ii) each other date established from time to time by the Board of Directors as a Distribution Date. For the avoidance of doubt, as used in this Agreement, the term "distribution" means each distribution made by the Company to a Member (or an assignee of a Member who has not yet been admitted to the Company as a Member), whether in cash, property or securities of the Company and whether by liquidating distribution, redemption, repurchase or otherwise; provided that none of the following shall be a "distribution" (as that term is used in this Agreement): (i) any redemption or repurchase by the Company of any Units; (ii) any recapitalization, exchange or conversion of Units, or any subdivision (by unit split or otherwise) or any combination (by reverse unit split or otherwise) of any outstanding Units; and (iii) any compensation or amounts payable to a Member for services rendered to the Company.

9.3 Quarterly Distributions. On each December 31, March 31, June 30 and September 30, or if such date is not a Business Day, the next following Business Day (each such

date, a “Quarterly Distribution Date”), the Company shall use its Distributable Funds (as determined by the Board of Directors with respect to such Quarterly Distribution Date) to make a distribution to the Members in accordance with Section 9.2.

## **ARTICLE 10 – TRANSFERABILITY OF MEMBERSHIP INTERESTS**

### **10.1 Limitation on Transfer of Membership Interests.**

(a) A Member shall have no right or power, directly or indirectly, to sell, assign, transfer, devise, give, hypothecate, pledge, encumber or otherwise dispose of (each, a “Transfer”) all or any portion of such Member’s Membership Interest in the Company other than in accordance with the terms of this Agreement; provided that a Member may transfer all or part of their Membership Interest with the prior unanimous consent of all other Members. Any actual, purported or attempted Transfer by any Member of all or any part of such Member’s Membership Interest in the Company that does not comply with the provisions of this Section 10.1 shall be void and of no effect. With respect to any Member that is not an individual, a change of “control” of such Member (as the term “control” is defined within the definition of the term Affiliate) shall be deemed a Transfer of the Units owned by such Member for purposes of this Agreement.

(b) Promptly upon any Transfer of a Membership Interest in accordance with this Section 10.1, the transferee shall become a Party to this Agreement by execution of a joinder agreement in form and substance acceptable to the other Members and thereby assume all the rights and obligations of a Member hereunder.

10.2 Notification and Recordation of Transfers. Promptly upon affecting any Transfer, the transferor shall (i) notify the Secretary of such Transfer, including the nature of the Transfer and the name and contact information of the transferee, and (ii) provide a copy of all documentation affecting the Transfer. Upon receipt of such notification and documentation, if the Transfer is valid under the terms of this Agreement and the transferee has executed a joinder agreement in accordance with Section 10.1(b), the Secretary shall promptly prepare an updated version of Appendix 1 and provide notice of such Transfer, along with a copy of the required joinder agreement and the updated version of Appendix 1 reflecting the Transfer, to each other Member. No Transfer of any interest in the Company or rights under this Agreement shall be binding upon any other Member or the Company until the requirements of this Section 10.2 are met and a copy of the required joinder agreement and the updated version of Appendix 1 reflecting the Transfer are delivered to each other Member.

### **10.3 Right of First Refusal.**

(a) If a Member (such Member, the “Selling Member”) receives a bona fide offer from a third-party (such third-party, the “ROFR Purchaser”) to purchase one or more of the Units owned by such Selling Member which such Selling Member desires to accept (such transaction, the “ROFR Sale”), each of the other Members (each such other Member, a “Non-Selling Member”) shall have a right of first refusal (such right, the “Right of First Refusal”) to purchase (i) their pro rata share (determined in accordance with Section 10.3(c)) of the Units to be included in the ROFR Sale (such Units, the “ROFR Units”), and if such Non-Selling Member

exercises that right, (ii) their pro rata share (determined in accordance with Section 10.3(c)) of any ROFR Units that were not purchased by the other Non-Selling Members pursuant to clause (i) (such ROFR Units, if any, the “Remaining ROFR Units”), in each case, on the same terms and conditions offered by the ROFR Purchaser to the Selling Member. For the avoidance of doubt, this Section 10.3 shall not apply to a transfer of Units that is otherwise permitted by this Agreement.

(b) If the Selling Member desires to enter into a transaction giving rise to the Right of First Refusal, such Selling Member shall promptly notify the Company of such transaction together with the following information: (i) the name of the ROFR Purchaser; (ii) the number of ROFR Units to be included in the ROFR Sale; (iii) the terms and conditions of the ROFR Sale (the “ROFR Transfer Terms”); (iv) a copy of any written offer or agreement pertaining to the ROFR Sale; and (v) a certification by the Selling Member that the ROFR Purchaser has been notified of the rights conferred upon the Non-Selling Members and the Company pursuant to this Section 10.3 and has agreed to recognize those rights (such information, the “ROFR Transaction Information”).

(c) Within three (3) Business Days of receipt of the ROFR Transaction Information, the Company shall provide a copy thereof to all Members together with an explanation of the Non-Selling Members’ Right of First Refusal (the “First ROFR Notice”). Each Non-Selling Member shall then have fifteen (15) Business Days from receipt of the First ROFR Notice to exercise their Right of First Refusal to purchase (i) all (but not less than all) of their pro rata share of the ROFR Units and, if such Non-Selling Member exercises that right, (ii) all (but not less than all) of their pro rata share of any Remaining ROFR Units, by giving written notice thereof to the Company. For the avoidance of doubt, the pro rata share of a Non-Selling Member for purposes of clause (i) of this Section 10.3(c) shall be equal to (x) the number of Units owned by such Non-Selling Member divided by (y) the total number of Units owned by all Non-Selling Members multiplied by (z) the number of ROFR Units (rounded up or down to the nearest whole Unit). For the further avoidance of doubt, the pro rata share of a Non-Selling Member for purposes of clause (ii) of this Section 10.3(c) shall be equal to (x) the number of Units owned by such Non-Selling Member divided by (y) the total number of Units owned by all Non-Selling Members that exercised their right under clause (i) of this Section 10.3(c), multiplied by (z) the number of Remaining ROFR Units (if any) (rounded up or down to the nearest whole Unit).

(d) Within three (3) Business Days of expiration of the 15 Business Day period referred to in Section 10.3(c), the Company shall provide written notice (the “Second ROFR Notice”) to all Members that includes the following: (i) a list of the Non-Selling Members and the number of ROFR Units (if any) to be purchased by such Non-Selling Member pursuant to Section 10.3(a), and (ii) the number of Remaining ROFR Units (if any) that will not be purchased by a Non-Selling Member(s) pursuant to Section 10.3(a) (such Units, the “Second Round Remaining ROFR Units”). Each Non-Selling Member shall then have five (5) Business Days from receipt of the Second ROFR Notice to elect to have the Company purchase all (but not less than all) of the Second Round Remaining ROFR Units (if any) on the ROFR Transfer Terms. If all Non-Selling Members elect to have the Company purchase the Second Round Remaining ROFR Units, the Company shall purchase the Second Round Remaining ROFR Units on the ROFR Transfer Terms.

exercises that right, (ii) their pro rata share (determined in accordance with Section 10.3(c)) of any ROFR Units that were not purchased by the other Non-Selling Members pursuant to clause (i) (such ROFR Units, if any, the “Remaining ROFR Units”), in each case, on the same terms and conditions offered by the ROFR Purchaser to the Selling Member. For the avoidance of doubt, this Section 10.3 shall not apply to a transfer of Units that is otherwise permitted by this Agreement.

(b) If the Selling Member desires to enter into a transaction giving rise to the Right of First Refusal, such Selling Member shall promptly notify the Company of such transaction together with the following information: (i) the name of the ROFR Purchaser; (ii) the number of ROFR Units to be included in the ROFR Sale; (iii) the terms and conditions of the ROFR Sale (the “ROFR Transfer Terms”); (iv) a copy of any written offer or agreement pertaining to the ROFR Sale; and (v) a certification by the Selling Member that the ROFR Purchaser has been notified of the rights conferred upon the Non-Selling Members and the Company pursuant to this Section 10.3 and has agreed to recognize those rights (such information, the “ROFR Transaction Information”).

(c) Within three (3) Business Days of receipt of the ROFR Transaction Information, the Company shall provide a copy thereof to all Members together with an explanation of the Non-Selling Members’ Right of First Refusal (the “First ROFR Notice”). Each Non-Selling Member shall then have fifteen (15) Business Days from receipt of the First ROFR Notice to exercise their Right of First Refusal to purchase (i) all (but not less than all) of their pro rata share of the ROFR Units and, if such Non-Selling Member exercises that right, (ii) all (but not less than all) of their pro rata share of any Remaining ROFR Units, by giving written notice thereof to the Company. For the avoidance of doubt, the pro rata share of a Non-Selling Member for purposes of clause (i) of this Section 10.3(c) shall be equal to (x) the number of Units owned by such Non-Selling Member divided by (y) the total number of Units owned by all Non-Selling Members multiplied by (z) the number of ROFR Units (rounded up or down to the nearest whole Unit). For the further avoidance of doubt, the pro rata share of a Non-Selling Member for purposes of clause (ii) of this Section 10.3(c) shall be equal to (x) the number of Units owned by such Non-Selling Member divided by (y) the total number of Units owned by all Non-Selling Members that exercised their right under clause (i) of this Section 10.3(c), multiplied by (z) the number of Remaining ROFR Units (if any) (rounded up or down to the nearest whole Unit).

(d) Within three (3) Business Days of expiration of the 15 Business Day period referred to in Section 10.3(c), the Company shall provide written notice (the “Second ROFR Notice”) to all Members that includes the following: (i) a list of the Non-Selling Members and the number of ROFR Units (if any) to be purchased by such Non-Selling Member pursuant to Section 10.3(a), and (ii) the number of Remaining ROFR Units (if any) that will not be purchased by a Non-Selling Member(s) pursuant to Section 10.3(a) (such Units, the “Second Round Remaining ROFR Units”). Each Non-Selling Member shall then have five (5) Business Days from receipt of the Second ROFR Notice to elect to have the Company purchase all (but not less than all) of the Second Round Remaining ROFR Units (if any) on the ROFR Transfer Terms. If all Non-Selling Members elect to have the Company purchase the Second Round Remaining ROFR Units, the Company shall purchase the Second Round Remaining ROFR Units on the ROFR Transfer Terms.

(e) Within three (3) Business Days of expiration of the 5 Business Day period referred to in Section 10.3(d), the Company shall provide written notice (the “Third ROFR Notice”) to all Members notifying the Members whether the Non-Selling Members have unanimously elected to have the Company purchase the Second Round Remaining ROFR Units.

(f) If none of the ROFR Units will be purchased by the Non-Selling Members or the Company pursuant to this Section 10.3, the Selling Member may proceed with the ROFR Sale to the ROFR Purchaser; provided that the ROFR Sale must be consummated in accordance with the ROFR Transfer Terms and within sixty (60) days of the initial notification by the Selling Member to the Company of the proposed ROFR Sale. Otherwise, the ROFR Sale shall not be consummated or, if consummated, shall be null and void.

(g) If all the ROFR Units will be purchased by one or more of the Non-Selling Members and/or the Company pursuant to this Section 10.3, the Selling Member shall be entitled and obligated to sell, and such Non-Selling Member(s) and/or the Company shall be obligated to purchase, the ROFR Units on the ROFR Transfer Terms and otherwise in accordance with this Section 10.3.

(h) If some, but less than all, of the ROFR Units will be purchased by one or more Non-Selling Members (such Non-Selling Members, the “Exercising Members”) and the Non-Selling Members do not unanimously elect to have the Company purchase the Second Round Remaining ROFR Units in accordance with Section 10.3(d), the Selling Member shall have ten (10) Business Days following receipt of the Third ROFR Notice to notify the Company and all the Members in writing whether the Selling Member will consummate the sales to the Exercising Members in accordance with this Section 10.3. If the Selling Member elects to consummate such sales, (i) the Selling Member shall be entitled and obligated to sell, and each Exercising Member shall be obligated to purchase, such Units on the ROFR Transfer Terms and otherwise in accordance with this Section 10.3, and (ii) the Selling Member may elect to sell (or not to sell) the Second Round Remaining ROFR Units to the ROFR Purchaser; provided that all such sales must be consummated in accordance with the ROFR Transfer Terms and within sixty (60) days of the initial notification by the Selling Member to the Company of the proposed ROFR Sale. Otherwise, none of the ROFR Units that were subject to the ROFR Sale shall be sold either to the ROFR Purchaser or any of the Exercising Members, and if any such sale is consummated, it shall be null and void.

#### 10.4 Tag-Along Right.

(a) If one or more Members owning more than fifty percent (50%) of the outstanding Units (each such Member, a “TAR Selling Majority Member”) receive a bona fide offer from a third-party (such third-party, the “TAR Purchaser”) to purchase more than fifty percent (50%) of the outstanding Units which such TAR Selling Majority Member(s) desire to accept (such transaction, the “TAR Sale”), each other Member (each such other Member, an “Excluded Minority Member”) shall have the right (the “Tag-Along Right”) to participate in the TAR Sale on a pro rata basis as described in this Section 10.4 on the same terms and conditions offered to the TAR Selling Majority Member(s). The number of Units each Excluded Minority Member may include in the TAR Sale shall be equal to such Excluded Minority Member’s Percentage Interest multiplied by the total number of Units to be included in the TAR Sale (rounded down to

the nearest whole Unit). For the avoidance of doubt, this Section 10.4 shall not apply to a transfer of Units that is otherwise permitted by this Agreement.

(b) If the TAR Selling Majority Member(s) desire to enter into a transaction giving rise to Tag-Along Rights, such TAR Selling Majority Member(s) shall promptly notify the Company of such transaction together with the following information: (i) the name(s) of the TAR Selling Majority Member(s); (ii) the name of the TAR Purchaser; (iii) the number of Units to be included in the TAR Sale; (iv) the terms and conditions of the TAR Sale (the "TAR Transfer Terms"); (v) a copy of any written offer or agreement pertaining to the TAR Sale; and (vi) a certification by the TAR Selling Majority Member(s) that the TAR Purchaser has been informed of the Tag-Along Rights and has agreed to include in the TAR Sale the Units of the Excluded Minority Member(s) in accordance with the terms of this Section 10.4 (such information, the "TAR Transaction Information").

(c) Within three (3) Business Days of receipt of the TAR Transaction Information, the Company shall provide a copy thereof to the Excluded Minority Member(s). The Tag-Along Rights may be exercised by each Excluded Minority Member by delivery of a written notice to the Company (the "Tag-Along Notice") within fifteen (15) Business Days following delivery of the TAR Transaction Information to the Excluded Minority Member(s). The Tag-Along Notice shall state the number of Units the Excluded Minority Member proposes to include in the TAR Sale (not to exceed the number determined in accordance with Section 10.4(a)).

(d) Provided that the terms of this Section 10.4 are complied with, the TAR Selling Majority Member(s) and each Excluded Minority Member that has exercised their Tag-Along Right shall be entitled and obligated to sell their Units to the TAR Purchaser in accordance with the TAR Transfer Terms; provided that the TAR Sale shall not be consummated if the TAR Purchaser does not purchase all the Units that were to be included in the TAR Sale. In addition, the TAR Sale must be consummated in accordance with the TAR Transfer Terms and within sixty (60) days of the initial notification by the TAR Selling Majority Member(s) to the Company of the proposed TAR Sale. Otherwise, the proposed TAR Sale shall not be consummated or, if consummated, shall be null and void.

(e) The TAR Selling Majority Member(s) agree to use reasonable efforts to ensure that the terms of the TAR Sale provide for several, as opposed to joint, liability of the Members who participate in the TAR Sale with respect to breach of representations and warranties and similar covenants.

#### 10.5 Drag-Along Right.

(a) If one or more Members owning more than fifty percent (50%) of the outstanding Units (each such Member, a "DAR Selling Majority Member") receive a bona fide offer from a third-party (such third-party, the "DAR Purchaser") to purchase one hundred percent (100%) of the outstanding Units which such DAR Selling Majority Member(s) desire to accept (such transaction, the "DAR Sale"), the DAR Selling Majority Member(s) shall have the right (such right, the "Drag-Along Right") to compel the other Members (such other Members, the "Remaining Members") to sell their Units to the DAR Purchaser on the DAR Transfer Terms (as defined below); provided that each Remaining Member shall have a right of first-refusal to

purchase, on a pro rata basis in accordance with Section 10.5(c), all the Units owned by the DAR Selling Majority Member(s) on the DAR Transfer Terms.

(b) To exercise the Drag-Along Right, the DAR Selling Majority Members must promptly notify the Company of the DAR Sale together with the following information: (i) the name(s) of the DAR Selling Majority Member(s) and the number of Units owned by each DAR Selling Majority Member; (ii) the name of the DAR Purchaser; (iii) the terms and conditions of the DAR Sale (the “DAR Transfer Terms”); and (iv) a copy of any written offer or agreement pertaining to the DAR Sale (such information, the “DAR Transaction Information”).

(c) Within three (3) Business Days of receipt of the DAR Transaction Information, the Company shall provide a copy thereof to the Remaining Member(s). Each Remaining Member shall then have the right (the “DAR ROFR”) to purchase all the Units owned by the DAR Selling Majority Member(s) on the DAR Transfer Terms. If more than one Remaining Member exercises the DAR ROFR, each Remaining Member who exercised the DAR ROFR shall purchase from each DAR Selling Majority Member the number of Units determined by multiplying the number of Units owned by such DAR Selling Majority Member by a fraction, the numerator of which shall be the number of Units owned by such Remaining Member and the denominator of which shall be the number of Units owned by all Remaining Members that exercised the DAR ROFR. The DAR ROFR may be exercised by written notice to the Company given within fifteen (15) Business Days following delivery of the DAR Transaction Information to the Remaining Member(s).

(d) If none of the Remaining Members exercises the DAR ROFR, each DAR Selling Majority Member and each Remaining Member shall be entitled and obligated to sell their Units to the DAR Purchaser in accordance with the DAR Transfer Terms; provided that the DAR Sale shall not be consummated if the DAR Purchaser does not purchase all the outstanding Units owned by the Members. In addition, the DAR Sale must be consummated in accordance with the DAR Transfer Terms and within ninety (90) days of the initial notification by the DAR Selling Majority Member(s) to the Company of the proposed DAR Sale. Otherwise, the DAR Sale shall not be consummated or, if consummated, shall be null and void.

## **ARTICLE 11 - DISSOLUTION AND LIQUIDATION**

11.1 Events Triggering Dissolution. The Company shall dissolve and commence winding up and liquidation of the Company upon the first to occur of any of the following events:

- (i) the determination by the Members that the Company should be dissolved;
- (ii) the sale of all or substantially all the Company’s assets; or
- (iii) the occurrence of any other event that results in dissolution of the Company under the Act.

11.2 Effect of Dissolution. The dissolution of the Company shall not release the Members from their contractual obligations under this Agreement.

11.3 Liquidation. Upon dissolution under Section 11.1, the Company shall be liquidated. The proceeds shall be applied and distributed in the following order:

- (i) to the payment of debts and liabilities of the Company (excluding any advances or loans that may have been made by any Member to the Company) and the expenses of liquidation;
- (ii) to the setting up of reserves that may be necessary for any contingent or unforeseen liabilities or obligations of the Company;
- (iii) to the repayment of any outstanding advances or loans that may have been made by any Member to the Company, other than Capital Contributions; and
- (iv) the balance to the Members in accordance with the distribution provisions of Section 9.2.

## **ARTICLE 12 – ACCOUNTING, FISCAL, TAX AND ADMINISTRATIVE MATTERS**

12.1 Fiscal Year. The “Fiscal Year” of the Company shall be the twelve-month period beginning on January 1 and ending on December 31 of each year.

12.2 Method of Accounting. The Board of Directors shall select a method of accounting for the Company as deemed necessary and advisable and shall keep, or cause to be kept, full and accurate records of all transactions of the Company in accordance with sound accounting principles.

12.3 Books and Records. All books of account and records of all actions taken by the Company shall be maintained in the principal office of the Company or such other location as may be designated by the Board of Directors. Upon reasonable request, each Member shall have the right, during ordinary business hours and in the Company’s principal office or such other location as may be designated by the Board of Directors, to inspect and copy all accounts, books and other relevant Company documents at such Member’s own expense, including but not limited to the minutes of all Company meetings, copies of all actions taken by written consent of the Board of Directors or the Members, information regarding the business and financial condition of the Company, all tax filings and tax returns, and any other information regarding the affairs of the Company as may be just and reasonable. Upon written request of a Member, the Board of Directors shall also provide a copy of this Agreement and the Company’s Certificate of Organization.

12.4 Bank Accounts. The Board of Directors shall open and maintain (in the name of the Company) one or more bank accounts into which shall be deposited all funds of the Company. Unless otherwise decided by the Board of Directors, each officer, acting individually, shall have authority to withdraw funds from, and to write checks on, all such Company accounts.

12.5 Tax Elections, Tax Filings and Tax Returns. Unless otherwise approved by the Board of Directors, the Company shall be taxed as a partnership. If the Board of Directors elect

to have the Company be taxed as a corporation, any change in that election shall likewise require approval of the Board of Directors. The Board of Directors shall prepare, or cause to be prepared, all necessary tax filings and tax returns for the Company in any relevant jurisdiction.

12.6 Sole Responsibility. Each Member shall be solely responsible for and shall pay such Member's own taxes, licenses and fees of any nature.

12.7 Reports and Statements.

(a) The Company shall deliver to each Member such information as shall be necessary for the preparation by such Member of their tax filings and tax returns in any relevant jurisdiction.

(b) The Board of Directors shall furnish to the Members, at the annual meeting of the Members, a reasonably detailed report on the financial status and results of operations of the Company for the preceding Fiscal Year, including a balance sheet, income statement and statement of cash flows, in each case prepared in accordance with the method of accounting selected by the Directors in accordance with Section 12.2.

12.8 Tax Matters. The Board of Directors shall have the appropriate officers prepare and file, or cause the Company's accountants to prepare and file, a federal information tax return in compliance with Section 6031 of the Code and any required state and local income tax and information returns for each Tax Year of the Company. Any provisions hereof to the contrary notwithstanding, solely for U.S. federal income tax purposes, each Member hereby recognizes that the Company will be subject to all provisions of Subchapter K of Chapter 1 of Subtitle A of the Code; provided, however, the filing of U.S. Partnership Returns of Income shall not be construed to extend the purposes of the Company or expand the obligations or liabilities of the Members. The Company and the Members agree that for so long as the Company is treated as a partnership in accordance with Subchapter K of Chapter 1 of Subtitle A of the Code, the additional terms described in Appendix 3 (Tax Matters) hereto shall apply.

12.9 Fair Market Value. Fair Market Value, as used in this Agreement with respect to a transaction, shall be set by negotiation between the parties to the transaction and, if an agreement on Fair Market Value is not reached within 21 days of a written request for negotiation, then Fair Market Value shall be determined by a single arbitrator selected pursuant to the Commercial Arbitration Rules of the American Arbitration Association consistent with the definition of "Fair Market Value" in Section 1.1. The arbitrator shall conduct a hearing within 30 days after his or her appointment, at which each party will submit an appraisal setting forth its proposed determination of Fair Market Value, and the arbitrator's award must be the amount sought in one of the appraisals. Each party will be permitted six hours of examination to be allotted between direct and cross-examination as that party determines. The location for the hearing will be Boston, Massachusetts.

## ARTICLE 13 - GENERAL PROVISIONS

### 13.1 Indemnification.

(a) To the fullest extent permitted by law, the Company shall indemnify, defend and hold harmless each Director and officer of the Company (each individually, an "Indemnified Party" and, collectively, the "Indemnified Parties") from and against all losses, damages, liabilities, fees, fines, penalties, costs and expenses (including reasonable attorney's fees and court costs) incurred by such Indemnified Party in connection with, arising out of or resulting from any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, to which such Indemnified Party is made a party, or is threatened to be made a party, or is involved in their capacity as a Director or officer of the Company, including amounts paid in satisfaction of any judgment or settlement or compromise of any such action, suit or proceeding, except to the extent such action, suit or proceeding arose out of the gross negligence, fraud or willful misconduct of the Indemnified Party as finally determined by a court of competent jurisdiction (after appeals, if any).

(b) The Company, to the fullest extent permitted by law, may advance to any person entitled to indemnification under Section 13.1(a), any and all expenses (including, without limitation, attorneys fees and disbursements and court costs) reasonably incurred by such person in respect of the action, suit or proceeding with respect to which such person is entitled to indemnification under Section 13.1(a); *provided, however*, that the payment of such expenses in advance of the final disposition of the action, suit or proceeding shall be made only upon delivery to the Company of an undertaking, by or on behalf of such person, to repay all amounts so advanced if it is ultimately determined that such person is not entitled to be indemnified against such expenses under this Section 13 or otherwise.

(c) The indemnification provided for in this Section 13 shall not be deemed exclusive of any other rights to which those indemnified may from time to time be entitled under any agreement, vote of the Board of Directors or otherwise.

13.2 Successors and Assigns. Subject to the provisions of this Agreement relating to transferability, this Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

### 13.3 Governing Law, Choice of Forum and Waiver of Jury Trial.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts applicable to a contract executed and performed in the Commonwealth of Massachusetts without giving effect to the conflicts of laws principles thereof.

(b) Each of the Parties hereby consents and submits to the jurisdiction of the State and Federal Courts located in Boston, Massachusetts in any and all actions arising out of or related to this Agreement. Except as to determinations of Fair Market Value in accordance with Section 12.9, all claims, counterclaims, demands, controversies, disputes, actions or causes of action of any nature or character arising out of or in connection with this Agreement or the

transactions contemplated hereby ("Disputes"), whether legal or equitable, known or unknown, contingent or otherwise, shall be brought and resolved solely in the United States District Court for District of Massachusetts and any appellate courts thereto, or if federal jurisdiction is lacking, then in the Superior Court of the Commonwealth of Massachusetts located in Boston, Massachusetts, and any appellate courts thereto. The Parties agree not to assert any claim, defense or argument that the United States District Court for the District of Massachusetts or, as applicable, the Superior Court of the Commonwealth of Massachusetts located in Boston, Massachusetts, or any appellate court thereto, is not a proper venue or is an inconvenient forum to hear any such Disputes. The Parties further agree that service of process with respect to any such Disputes need not be personally served or served within the Commonwealth of Massachusetts but may be served with the same effect as if the Party in question were served within the Commonwealth of Massachusetts by sending such service to the intended recipient in the manner provided for notices under Section 13.4.

**(c) IT IS MUTUALLY AGREED BY AND AMONG THE PARTIES THAT EACH OF THEM HEREBY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY PURSUANT TO SECTION 13.3(b).**

13.4 Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been delivered (i) when personally delivered, (ii) when transmitted via e-mail, (iii) the day following the day (except, if not a Business Day, then the next Business Day) on which the same has been delivered prepaid to a reputable air courier service for next day delivery, or (iv) the fifth Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the address or communication numbers set forth in Appendix 1. Any Party may change the address and communication numbers to which notices, demands and other communications are to be given or delivered to such Party by giving notice of such change to the other Parties and the Company in accordance with this Section 13.4. Upon receipt of any such notice, the Secretary shall prepare and distribute to all Parties an updated version of Appendix 1 to this Agreement reflecting such change.

13.5 Entire Agreement. This Agreement, together with the other agreements referred to herein, constitutes the full and entire agreement of the Parties with respect to the subject matter hereof. Nothing contained in any prior or contemporaneous letters, correspondence or other communications shall have any effect upon the rights or liabilities of the Parties.

13.6 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.7 Amendments and Waivers.

(a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of any amendment, by all Parties, or in the case of a waiver, by the Party against whom the waiver is sought to be enforced.

(b) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

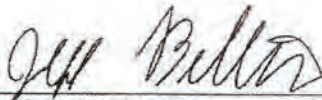
13.8 No Third-Party Beneficiary. This Agreement is made solely and specifically by and for the benefit of the Parties and their respective successors and permitted assigns, and no other Person shall have any rights, interest or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third-party beneficiary or otherwise.

13.9 Counterparts. This Agreement may be executed by the Parties on separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by e-mail transmission shall be as effective as delivery of a manually executed counterpart hereof.

*[SIGNATURE PAGES FOLLOW]*

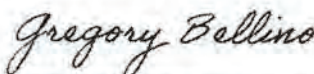
IN WITNESS WHEREOF, the Parties have caused this Second Amended and Restated Operating Agreement to be executed as of the day and year first above written.

HIDDEN HEMLOCK, LLC

By:   
Jeffrey W. Bellino  
President

THE MEMBERS

  
Jeffrey W. Bellino

  
Gregory M. Bellino

  
Michael M. Bellino

  
Brett M. Esber

## APPENDIX 1

### **LIST OF MEMBERS**

<u>Name and Address</u>	<u>No. of Units</u>	<u>Percentage Interest</u>
Jeffery W. Bellino 131 Lewis Road West Yarmouth, MA 02673 E-mail: <a href="mailto:jwbellino@gmail.com">jwbellino@gmail.com</a>	3,230	49.0%
Gregory M. Bellino 768 Main Street Wakefield, MA 01880 E-mail: <a href="mailto:gmbellino@gmail.com">gmbellino@gmail.com</a>	3,230	49.0%
Michael M. Bellino 360 Reeds Bridge Road Conway, MA 01341 E-mail: <a href="mailto:360Bellino@gmail.com">360Bellino@gmail.com</a>	66	1.00%
Brett M. Esber 3803 N. Harrison Street Arlington, Virginia 22207 E-mail: <a href="mailto:brettesber@gmail.com">brettesber@gmail.com</a>	66	1.00%
	<hr/>	<hr/>
Total	6,592	100.0%

Address and communication numbers for notice to the Company:

Hidden Hemlock, LLC  
c/o CT Corporation Systems  
155 Federal Street, Suite 700  
Boston, MA 02110  
Attn: Board of Directors  
E-mail: [gmbellino@gmail.com](mailto:gmbellino@gmail.com)

## APPENDIX 2

### REGULATORY ALLOCATIONS

This Appendix contains special rules for the allocation of items of the Company's income, gain, loss and deduction that override the basic allocations of Profits and Losses in Article 8 to the extent necessary to cause the overall allocations of items of the Company's income, gain, loss and deduction to have substantial economic effect pursuant to Treasury Regulations §1.704-1(b) and shall be interpreted in light of that purpose. Subsection (a) below contains special technical definitions. Subsections (b) through (h) contain the Regulatory Allocations themselves. Subsections (i), (j) and (k) are special rules applicable in applying the Regulatory Allocations.

(a) Definitions Applicable to Regulatory Allocations. For purposes of this Agreement, the following terms shall have the meanings indicated:

(i) "Adjusted Capital Account" means, with respect to any Member, such Person's Capital Account as of the end of the relevant Tax Year increased by any amounts which such Person is obligated to restore, or is deemed to be obligated to restore pursuant to the next to last sentences of Treasury Regulations §§ 1.704-2(g)(1) (share of minimum gain) and 1.704-2(i)(5) (share of member nonrecourse debt minimum gain).

(ii) "Company Minimum Gain" has the meaning of "partnership minimum gain" set forth in Treasury Regulations § 1.704-2(d), and is generally the aggregate gain the Company would realize if it disposed of its property subject to Nonrecourse Liabilities in full satisfaction of each such liability and for no other consideration, with such other modifications as provided in Treasury Regulations § 1.704-2(d). In the case of Nonrecourse Liabilities for which the creditor's recourse is not limited to particular assets of the Company, until such time as there is regulatory guidance on the determination of minimum gain with respect to such liabilities, all such liabilities of the Company shall be treated as a single liability and allocated to the Company's assets using any reasonable basis selected by the Company.

(iii) "Member Nonrecourse Deductions" means losses, deductions or Code § 705(a)(2)(B) expenditures attributable to Member Nonrecourse Debt under the general principles applicable to "partner nonrecourse deductions" set forth in Treasury Regulations § 1.704-2(i)(2).

(iv) "Member Nonrecourse Debt" means any liability of the Company with respect to which one or more but not all of the Members or Persons related to one or more but not all of the Members bears the economic risk of loss within the meaning of Treasury Regulations § 1.752-2 as a guarantor, lender or otherwise.

(v) "Member Nonrecourse Debt Minimum Gain" means the minimum gain attributable to Member Nonrecourse Debt as determined pursuant to Treasury Regulations § 1.704-2(i)(3). In the case of Member Nonrecourse Debt for which the creditor's recourse against the Company is not limited to particular assets of the Company, until such time as there is regulatory guidance on the determination of minimum gain with respect to such liabilities, all such liabilities of the Company shall be treated as a single liability and allocated to the Company's assets using any reasonable basis selected by the Company.

(vi) “Nonrecourse Deductions” means losses, deductions or Code § 705(a)(2)(B) expenditures attributable to Nonrecourse Liabilities (see Treasury Regulations § 1.704-2(b)(1)). The amount of Nonrecourse Deductions for a Tax Year shall be determined pursuant to Treasury Regulations § 1.704-2(c), and shall generally equal the net increase, if any, in the amount of Company Minimum Gain for that Tax Year, determined generally according to the provisions of Treasury Regulations § 1.704-2(d), reduced (but not below zero) by the aggregate distributions during the year of proceeds of Nonrecourse Liabilities that are allocable to an increase in Company Minimum Gain, with such other modifications as provided in Treasury Regulations § 1.704-2(c).

(vii) “Nonrecourse Liability” means any liability (or portion thereof) of the Company for which no Member bears the economic risk of loss under Treasury Regulations § 1.752-3.

(viii) “Regulatory Allocations” means allocations of Nonrecourse Deductions provided in Paragraph (b) below, allocations of Member Nonrecourse Deductions provided in Paragraph (c) below, the minimum gain chargeback provided in Paragraph (d) below, the member nonrecourse debt minimum gain chargeback provided in Paragraph (e) below, the qualified income offset provided in Paragraph (f) below, the gross income allocation provided in Paragraph (g) below, and the curative allocations provided in Paragraph (h) below.

(b) Nonrecourse Deductions. All Nonrecourse Deductions for any Tax Year shall be allocated to the Members in a manner determined by the Company consistent with Treasury Regulations §§ 1.704-2(b) and 1.704-2(c).

(c) Member Nonrecourse Deductions. All Member Nonrecourse Deductions for any Tax Year shall be allocated to the Member who bears the economic risk of loss under Treasury Regulations § 1.752-2 with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable.

(d) Minimum Gain Chargeback. If there is a net decrease in Company Minimum Gain for a Tax Year, each Member shall be allocated items of the Company’s income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member’s share of such net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations § 1.704-2(g)(2) and the definition of Company Minimum Gain set forth above. This provision is intended to comply with the minimum gain chargeback requirement in Treasury Regulations § 1.704-2(f) and shall be interpreted consistently therewith.

(e) Member Nonrecourse Debt Minimum Gain Chargeback. If there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt for any Tax Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt as of the beginning of the Tax Year, determined in accordance with Treasury Regulations § 1.704-2(i)(5), shall be allocated items of the Company’s income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member’s share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations §§ 1.704-2(i)(4) and (5) and the definition of Member Nonrecourse Debt Minimum Gain set forth above. This Paragraph is intended to comply with the member nonrecourse debt minimum gain chargeback requirement in Treasury Regulations § 1.704-2(i)(4) and shall be

interpreted consistently therewith.

(f) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations §§ 1.704-1(b)(2)(ii)(d)(4), (5), or (6), items of the Company's income and gain (consisting of a pro rata portion of each item of the Company's income, including gross income, and gain for such year) shall be allocated to such Member in an amount and manner sufficient to eliminate any deficit in such Member's Capital Account created by such adjustments, allocations or distributions as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation § 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(g) Gross Income Allocation. In the event any Member has a deficit in its Adjusted Capital Account at the end of any Tax Year, each such Member shall be allocated items of the Company's gross income and gain, in the amount of such Adjusted Capital Account deficit, as quickly as possible.

(h) Curative Allocations. When allocating Profits and Losses under Article 8, such allocations shall be made so as to offset any prior allocations of gross income under paragraphs (b) through (g) above and paragraph (j) below to the greatest extent possible so that overall allocations of Profits and Losses shall be made as if no such allocations of gross income occurred.

(i) Ordering. The allocations in this Exhibit to the extent they apply shall be made before the allocations of Profits and Losses under Article 8, and in the order in which they appear above.

(j) Code Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any asset of the Company pursuant to Code § 734(b) or Code § 743(b) is required, pursuant to Treasury Regulations § 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

(k) Forfeiture Allocations. Further, in the event that final Treasury Regulations are promulgated by the United States Department of the Treasury requiring certain forfeiture allocations as contemplated by proposed Treasury Regulations Section 1.704-1(b)(4)(xii)(1), the Parties shall amend this Agreement in such a manner as shall be most beneficial to the non-forfeiting Members.

## APPENDIX 3

### TAX MATTERS

#### Article 1.

Centralized Partnership Audit Regime Definitions. For purposes of this Agreement, the following terms shall have the meanings indicated:

1.1 “Adjustment” means any amount of income, gain, loss, deduction, or credit of a partnership or any partner’s distributive share as required under IRC §6625.

1.2 “Adjustment Year” means (i) the taxable year in which adjustment is finalized which is the year in which Notice of Final Adjustment is mailed, (ii) the adjustment year in which the Partnership files an Administrative Adjustment Request (amended return) or (iii) the adjustment year in which the Partnership seeks judicial review and the court decision becomes final.

1.3 “BBA” means the, Bipartisan Budget Act of 2015, Pub. L. No. 114-74, codified in IRC §§6221 through 6241.

1.4 “CPAR” means the Centralized Partnership Audit Regime whose detailed provisions are contained in this Appendix and in IRC §6221 et. seq.

1.5 “Election Out” means the election provided in IRC §6221(b)(1) for each taxable year of the Partnership for which the Partnership is an Eligible Partnership permitted to make such election and makes the election on a timely filed return.

1.6 “Eligible Partner” must be an individual, C corporation, S corporation, estate of a deceased partner (for 2 years) and a foreign entity treated as a C corporation if it were a domestic entity.

1.7 “Eligible Partnership” means an entity taxed as an income tax partnership consisting of only Eligible Partners.

1.8 “Partnership” means the Company, so long as it has elected to be treated as a partnership under the IRC.

1.9 “Partnership Representative” means the Partnership’s “Partnership Representative,” as defined in IRC §6223. The Partnership Representative must be a Member.

1.10 “Reviewed Year” means the partnership tax year to which the item being adjusted relates.

1.11 “Sufficient Voting Interest” means Members holding an aggregate Percentage Interest of at least seventy percent (70%).

## Article 2 Tax Audit Distributions

2.1 Audit Distributions. Any distribution made under this Article for current year income tax shall include an additional distribution for tax resulting from an audit adjustment for which an election is made under the IRC §6226(a).

2.2 Amounts Withheld. All amounts withheld pursuant to the IRC or any provision of any state or local tax law with respect to any payment or distribution to the Partnership or the Members shall be treated as amounts distributed to the Members pursuant to this Article 2 for all purposes under this Appendix. The Partnership is authorized to withhold from distribution to the Members and to pay over to any federal, state or local government any amounts required to be so withheld pursuant to the IRC or any provisions of any other federal, state or local law and shall allocate such amounts to the Members with respect to which such amounts were withheld.

The Partnership shall withhold and/or apply distributions under this Article to any tax adjustment determined under IRC §6621, et. seq.

2.3 Withholding and Payment of Taxes Attributable to Members.

(a) The Partnership Representative may cause the Partnership to pay to the applicable governmental authority any taxes (and any penalties, interest, and other assessments and charges in respect thereof, together with such taxes resulting from an adjustment being hereinafter collectively referred to as “taxes” for purposes of this Article 2.3) that the Partnership is required to withhold and remit or otherwise pay with respect to a Member (including any former Member or any assignee or transferee who has not yet become a Member, in either case, an “Equity Owner”), including any taxes the Partnership may be obligated to pay under any composite or withholding tax regime or under IRC §6225 (as amended from time to time, including by the BBA, in respect of the Equity Owner or the Equity Owner’s Membership Interest). The payment of those taxes by the Partnership (except to the extent that payment is made with funds received from the Equity Owner that, under this Article 2.3 or Article 2.4, are not treated as a Capital Contribution) will be treated as a distribution to the Equity Owner (i.e., as an advance of distributions otherwise payable under Article 9 of the Agreement as the case may be); and therefore, the payment will reduce, by an equal amount and in the order they otherwise would be made, the distributions otherwise payable to the Equity Owner under Article 9.

(b) The Partnership Representative may, by delivering a written demand to the Equity Owner, require the Equity Owner to make a payment of immediately available funds of any amount that the Partnership Representative determines is needed by the Partnership to discharge its withholding or other tax liability in respect of the Equity Owner. The Equity Owner shall make the cash payment to the Partnership as instructed in the Partnership Representative’s written demand (including at the time and in the amount and manner so instructed by the Partnership Representative), but the Partnership Representative must allow the Equity Owner at least ten (10) days to make that payment. If the Equity Owner refuses or fails to timely make the full amount of the required payment to the Partnership, the Equity Owner will be in breach of this Exhibit and must indemnify and hold the Partnership, the Partnership Representative and the

other Members harmless against any costs, penalties, payments, legal or professional fees or other losses incurred by the Partnership, the Partnership Representative, or the other Members as a result of that refusal or failure. In addition to the other remedies that the Partnership may have, the Equity Owner shall pay interest at the lower of the prime rate (as published in The Wall Street Journal) plus five (5) percentage points, per annum, or the highest rate of interest allowed by applicable law (the “Default Rate”), on the amount under this Article 2.3 that the Equity Owner fails to timely pay to the Partnership. Any amount paid by an Equity Owner to the Partnership under this Article 2.3 will not be treated as a Capital Contribution or otherwise added to the indemnifying Member’s Capital Account, except to the extent (if at all) the Partnership Representative determines that such characterization or treatment is necessary or appropriate.

2.4 Indemnification and Reimbursement for Payments on Behalf of a Member. If the Partnership is obligated to pay any amount to a governmental authority or to any other Person (or otherwise makes a payment) because of a Member’s (including any former Member’s) status (whether as a Member, a “partner” for tax purposes, a nonresident, or any other status under applicable Law) or the payment is otherwise attributable to the Member (including any former Member) or all or any portion of the Member’s Interest (including (i) federal, state, local or foreign withholding taxes with respect to foreign or nonresident partners, state personal property taxes, state or local unincorporated business taxes, and taxes, penalties, interest and other assessments and charges (together with such taxes, being hereinafter collectively referred to as “taxes” for purposes of this Article 2.4) payable under Subchapter C of Chapter 63 of the IRC, as those provisions are amended from time to time, including by the BBA and (ii) any such taxes that are attributable to, or made in respect of, any portion of the Interest for which the Member is a direct or indirect successor-in-interest), then, except as otherwise provided in this Article 2.4 with respect to such payment by the Partnership, such Member (including any former Member, in either case, an “Indemnifying Member”) shall indemnify and otherwise pay the Partnership in full for the entire amount paid (including, any interest, penalties and expenses associated with such payment, the combined amount being referred to herein as “Tax Indemnity Amount”). At the option and in the sole discretion of the Partnership Representative, (x) the Tax Indemnity Amount may be treated as a distribution to the Indemnifying Member (except to the extent such payment is made with funds received from the Indemnifying Member that, under this Article 2.4 are not to be treated as a Capital Contribution), and thereby charged against the Indemnifying Member’s Capital Account and reducing by an equal amount and in the order they otherwise would be made, the distributions otherwise payable to the Indemnifying Member under Article 9 or (y) the Indemnifying Member shall promptly, upon notification by the Partnership Representative of the Indemnifying Member’s obligation to indemnify the Partnership, make a payment to the Partnership of immediately available funds, at the time and in the amount and manner directed by the Partnership Representative, equal to the full amount to be indemnified or otherwise paid by the Indemnifying Member under this Article 2.4 but the Partnership Representative must allow the Indemnifying Member at least ten (10) days to make that payment. If the Indemnifying Member refuses or fails to timely make the full amount of any required payment to the Partnership under this Article 2.4, the Indemnifying Member will be in breach of this Appendix and must indemnify and hold the Partnership, the Partnership Representative and the other Members harmless against any costs, penalties, payments, or other losses incurred by the Partnership, the Partnership Representative, or the other Members as a result of that refusal or failure. In addition to the other remedies that the Partnership may have,

the Indemnifying Member shall pay interest at the Default Rate on the amount under this Article 2.4 that the Indemnifying Member fails to timely pay to the Partnership. Any amount paid by the Indemnifying Member to the Partnership under this Article 2.4 will not be treated as a Capital Contribution or otherwise added to the Indemnifying Member's Capital Account, except to the extent (if at all) the Partnership Representative determines that such characterization and treatment is necessary or appropriate. All decisions and actions to be taken, or that may be taken, by the Partnership under this Article 2.4 or Article 2.3 will be taken as determined and directed by the Partnership Representative.

### Article 3 Management of the Partnership

3.1 Election Out. If the Partnership qualifies to elect out of the partnership audit rules under IRC §6221(b), in filing the yearly Federal partnership tax return (Form 1065), for the Partnership by the statutory due date including valid extensions, an election to elect out of the partnership audit rules under IRC §6221(b) will be default required unless a Sufficient Voting Interest vote to not make such election on that year's return.

3.2 Election Out Process. If the Partnership makes the Election Out, the Partnership is authorized to make the disclosure required under IRC Article 6221(b)(D)(ii) and the Members hereby agree to provide their names and taxpayer identification numbers to the Company for this purpose.

3.3 Partnership Representative. The partnership representative of the Partnership pursuant to IRC §6223(a) shall be Greg Bellino.

3.4 Substitute Partnership Representative. In the event that said Member, while acting as the "Partnership Representative" or "Tax Matters Partner," ceases to be a Member for any reason, the Members shall, by a Sufficient Voting Interest vote, immediately elect a substitute Partnership Representative who shall become the "Partnership Representative" of the Partnership.

3.5 Authorization of Partnership Representative.

(a) The Partnership Representative is authorized to act on behalf of the Partnership in connection with all tax proceedings; however, the Partnership Representative may not, without the approval of a Sufficient Voting Interest, (1) make elections under IRC §6226; (2) file an administrative adjustment request under IRC §6227; (3) file suit under IRC §6234; (4) settle any tax disputes or lawsuits with the Internal Revenue Service, the US Department of Justice or state or local taxing authority; or (5) extend the period of limitation for adjustment of tax under IRC §6235 or applicable state statutes or local laws (all Articles as in effect as specified in the BBA). The Partnership Representative shall consult regularly, or as frequently as is necessary, with the Manager or Board, as the case may be, prior to placing the matter before the Members for a vote, and the Partnership Representative shall adhere to the decision of a Sufficient Voting Interest.

(b) The Partnership shall reimburse the Partnership Representative for all expenses reasonably incurred in connection with all examinations of the Partnership's affairs by any taxing authority, including any resulting tax proceedings, and is authorized to expend Partnership funds for professional services and costs associated therewith.

(c) The Partnership Representative may rely on the advice or services of any lawyers, accountants, tax advisers, or other professional advisers or experts and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

### 3.6 [Reserved]

3.7 Readjustment. Each Member hereby irrevocably waives any rights to file a petition for a readjustment of Partnership items pursuant to IRC §6226 and agrees that the Partnership Representative shall have the exclusive authority to negotiate and enter into settlement agreements on such Members' behalf with the Internal Revenue Service in connection with any tax audit proceeding involving any Partnership item and waives any right to negotiate or enter into such settlement agreements.

3.8 Partnership Representative Power of Attorney. Each Member hereby makes, constitutes and appoints the Partnership Representative, with full power of substitution, the Member's true and lawful attorney, in the Member's name, place and stead to make, subject to the approval of the Board of Directors, any and all elections for federal, state and local tax purposes, including, without limitation, (a) any election under IRC §§703(b), 709(b), 754, 6221(b), and 6226, and (b) any election, if permitted by applicable law: (i) to adjust the basis of Partnership Property pursuant to IRC §§754, 734(b), and 743(b), or comparable provisions of state or local law, in connection with transfers of interests in the Partnership and Partnership distributions; (ii) to extend the statute of limitations for assessment of tax deficiencies against the Members with respect to adjustments to the Partnership's federal, state or local tax returns; (iii) to elect to amortize the organizational expenses of the Partnership and the startup expenditures of the Partnership under Article 195 of the IRC ratably over a period of sixty (60) months as permitted by IRC §709(b) and (iv) to the extent provided in IRC §§6221 through 6231, to represent the Partnership and the Members before taxing authorities or courts of competent jurisdiction in tax matters affecting the Partnership and the Members in their capacity as such and to file any tax returns and to execute any agreements or other documents relating to or affecting such tax matters, including agreements or the documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Partnership and the Members; provided that, anything in this Article 3.8 or elsewhere in this Appendix to the contrary notwithstanding, the Partnership Representative shall, unless otherwise directed by the affirmative vote of a Sufficient Voting Interest then outstanding, make timely elections under IRC §6221(b), electing out of the new partnership audit rules prescribed by the BBA. The foregoing power of attorney will be deemed to be coupled with an interest, is irrevocable, and will survive each Member's death, disability, dissolution and liquidation. Each Member hereby waives any and all defenses which may be available to contest, negate or disaffirm the action of the Partnership Representative taken in good faith pursuant to such power of attorney.

### 3.9 Duties and Obligations of Partnership Representative.

(a) The Partnership Representative is authorized and required to represent the Partnership (at the Partnership's expense) in connection with all examinations of the Partnership's affairs by all taxing authorities, including resulting administrative and judicial proceedings, and shall have the following duties and obligations:

(b) The Partnership Representative shall have a continuing obligation to provide the Internal Revenue Service or state or local taxing authorities with sufficient information so that proper notice can be mailed to all Members as provided in IRC §6223 and applicable state statutes or local laws, and the Members shall furnish the Partnership Representative with such information (including information specified in IRC §6230(e) or other state statutes) as the Partnership Representative may reasonably request for such purpose.

(c) The Partnership Representatives shall have no implied duties or obligations. The Partnership Representative may rely upon any notice, instruction, request or other instrument, not only as to its due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained herein, which the Partnership Representative shall believe to be genuine and to have been signed or presented by the person or parties purporting to sign the same.

(d) If an election is not made under IRC §6226(a), the Partnership Representative shall endeavor to correct any potential tax overstatements to the Partnership by adhering to the modification procedures set forth in the CPAR.

### 3.10 Audits.

(a) If an audit or tax proceeding results in an imputed underpayment under IRC §6225, and the Partnership Representative makes an election under IRC §6226(a), the Partnership shall furnish to each Member of the Partnership for any portion of the year or years audited a statement reflecting the Member's allocable share of the adjusted items as determined in the notice of final partnership adjustment and each such Member shall take such adjustments into account as required under IRC §6226(b) and shall be liable for any related interest, penalty, addition to tax, or additional amount (all Articles as in effect as specified in the BBA).

(b) The Partnership Representative may extend the statute of limitations, file a request for administrative adjustment, file suit concerning any tax refund or deficiency relating to any Partnership administrative adjustment or enter into any settlement agreement relating to any Partnership item of income, gain, loss, deduction or credit for any taxable year of the Partnership.

(c) The Partnership and all Members shall be bound by the Partnership Representative's actions. To the extent any IRS audit or tax proceeding could result in an increase in any Member's personal liability for taxes, the Partnership Representative shall keep

the Members (including potentially affected former Members) informed on a timely basis of all material developments with respect to any such tax proceeding.

#### Article 4 Representations and Warranties and Covenants

##### 4.1 Cooperation.

(a) Each Equity Owner shall provide such cooperation and assistance, including executing and filing forms or other statements about the Member as reasonably requested by the tax matters partner or Partnership Representative, as applicable, to enable the Partnership to satisfy any applicable tax, compliance or reporting requirement, to make any election or to qualify for any exception from or reduced rate of tax or other tax benefit or be relieved of liability from any tax regardless of whether such tax benefit or requirement existed on the date such member was admitted to the Partnership. If the Equity Owner fails to provide any such forms, statements or other information requested by the Partnership Representative, as applicable, such Equity Owner will be required to indemnify the Partnership for the share of the tax deficiency paid or payable by the Partnership that is due to such failure (as reasonably determined by the Partnership Representative). The obligations set forth in this Article 4.1 shall survive such Equity Owner ceasing to be an Equity Owner and/or the termination, dissolution, liquidation and winding up of the Partnership.

(b) The Members agree that, upon the Partnership Representative's request, they shall provide the Partnership Representative with any information regarding their individual tax returns and liabilities that may be relevant under IRC §6225(c) or other state or local rule and file amended tax returns as provided in IRC §6225(c)(2) or applicable state or local laws, with timely payment of any tax due. Such obligations will continue until released in writing by the Partnership from such obligation, even if a Member withdraws from or disposes of their interest in the Partnership. If any Member withdraws or disposes of their Units, they shall keep the Partnership advised of their contact information until released in writing by the Partnership from such obligation.

(c) Each Member hereby waives, releases and agrees not to sue the Partnership Representative or any of the Partnership Representative's affiliates, officers, directors, employees, partners or agents for damages in respect of any claim in connection with, arising out of, or in any way related to, the Partnership Representative's duties under this Exhibit except for willful misconduct or fraud.

4.2 Survival of Tax Indemnification Obligations. A Member's obligations under Article 2.3 and Article 2.4 shall survive the termination, dissolution, liquidation and winding up of the Partnership (or all or any portion of the Indemnifying Member's Interest or other Transfer of all or any portion of the Indemnifying Member's Interest) and, for purposes of this Article 4.2 the Partnership shall be treated as continuing in existence. The Partnership may pursue and enforce all rights and remedies that it may have against each Indemnifying Member under this Article 4.2 and each Equity Owner under Article 2.3 including instituting a proceeding governed by the applicable terms of this Appendix to collect such payments with interest at the Default

Rate, exercising its power of attorney and other rights with respect to that obligation and the Tax Indemnity Amount under Article 2.4, or exercising any other rights or remedies that the Partnership may have.

#### Article 5 Amendment After Member Withdrawal

The Partnership may elect, under IRC §6226(a), to flow any audit adjustment through to those persons who were Members in the Reviewed Year without consent of former Members or amendment of this Appendix. Notwithstanding the preceding sentence, any amendment of this Appendix shall not be construed as to prevent or estop the Partnership from making an election under IRC §6226(a) absent specific reference to this Article and to the election.

#### Article 6 Conflicts

In the event of any conflict between this Appendix and the Agreement, this Appendix shall control for so long as the Company constitutes a partnership in accordance with Subchapter K of Chapter 1 of Subtitle A of the Code.

**SECOND AMENDED AND RESTATED  
OPERATING AGREEMENT**

**OF**

**HIDDEN HEMLOCK, LLC**

**a Massachusetts Limited Liability Company**

**Dated as of May 5, 2020**

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**SECOND AMENDED AND RESTATED OPERATING AGREEMENT**  
**OF**  
**HIDDEN HEMLOCK, LLC**

THIS SECOND AMENDED AND RESTATED OPERATING AGREEMENT (as further amended, amended and restated, supplemented or otherwise modified from time to time, this "Agreement") is made and entered into as of May 5, 2020 by and among HIDDEN HEMLOCK, LLC, a limited liability company organized and existing under the laws of the Commonwealth of Massachusetts (the "Company"), and the Persons who have executed this Agreement as Members and are listed as Members in Appendix 1 (as such appendix may be amended from time to time in accordance with the terms of this Agreement).

WITNESSETH:

WHEREAS, the Company, Jeff Bellino and Greg Bellino were party to that certain Operating Agreement, dated as of February 1, 2019 (the "Original Agreement"), regulating the Company's operation and the rights and obligations of the Company's members in their capacity as members of the Company; WHEREAS, in connection with the admission of Mike Bellino, Esber and three other individuals (such other individuals, the "SHL Members") as members of the Company, the Original Agreement was amended and restated by that certain Amended and Restated Operating Agreement, dated as of January 1, 2020 (the "First Amended and Restated Operating Agreement"), among the Company, Jeff Bellino, Greg Bellino, Mike Bellino, Esber and the SHL Members;

WHEREAS, on May 4, 2020, the Company, Jeff Bellino, Greg Bellino, Mike Bellino, Esber, the SHL Members and two other individuals entered into that certain Separation and Release Agreement, dated as of May 4, 2020, pursuant to which the SHL Members surrendered their membership interest in the Company, withdrew as members of the Company and agreed that they have no continuing membership interest in the Company or any further rights under the First Amended and Restated Operating Agreement; and

WHEREAS, in connection with the withdrawal of the SHL Members as members of the Company, (i) Mike Bellino and Esber each desire to forfeit 34 Units of Membership Interest in the Company so the Percentage Interest of each of them as of the date hereof is one percent, and (ii) the Company, Jeff Bellino, Greg Bellino, Mike Bellino and Esber desire to amend and restate the First Amended and Restated Operating Agreement in its entirety as set forth below;

THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

## ARTICLE 1 - DEFINITIONS

1.1 Definition of Terms. When used in this Agreement, the following terms shall have the meanings ascribed to them below.

“Act” means the Massachusetts Limited Liability Company Act, M.G.L, c.156C, §1 et seq.

“Affiliate” means, with respect to a referenced Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such referenced Person. For purposes of this definition, “control,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms “controlling,” “controlled by” and “under common control with” have correlative meanings.

“Agreement” has the meaning set forth in the preamble.

“Approved Budget” has the meaning set forth in Section 7.1(a).

“Available Cash” means unrestricted cash on deposit in the account(s) of the Company available for distribution to the Members or for other general company purposes.

“Board of Directors” has the meaning set forth in Section 5.1.

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in Boston, Massachusetts are authorized or required by law to remain closed.

“Capital Account” means, with respect to each Member, the capital account of such Member determined in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv).

“Capital Amount” means, with respect to each Member, (a) such Member’s initial Capital Contribution, plus (b) any subsequent Capital Contributions made by such Member in consideration for additional Units, and minus (c) any amounts distributed to such Member pursuant to Article 9.

“Capital Contribution” means, with respect to a Member, the total amount of cash, and the Fair Market Value (as determined by the Members) of any non-cash assets (net of liabilities secured by the contributed property that the Company is considered to assume or take subject to) and/or services, such Member contributes to the Company as capital in the Member’s capacity as a Member pursuant to this Agreement.

“Certificate of Organization” has the meaning set forth in Section 2.1.

“Code” or “IRC” means the U.S. Internal Revenue Code of 1986, as amended, and any corresponding provision of prior or succeeding law.

“Company” has the meaning set forth in the preamble.

“DAR Purchaser” has the meaning set forth in Section 10.5(a).

“DAR ROFR” has the meaning set forth in Section 10.5(c).

“DAR Sale” has the meaning set forth in Section 10.5(a).

“DAR Selling Majority Member” has the meaning set forth in Section 10.5(a).

“DAR Transaction Information” has the meaning set forth in Section 10.5(b).

“DAR Transfer Terms” has the meaning set forth in Section 10.5(b).

“Deemed Distribution” has the meaning set forth in Section 8.7(a).

“Director” means a member of the Board of Directors appointed or elected in accordance with the terms of this Agreement.

“Disputes” has the meaning set forth in Section 13.3(b).

“Distributable Funds” has the meaning set forth in Section 9.1.

“distribution” has the meaning set forth in Section 9.2.

“Distribution Date” has the meaning set forth in Section 9.2.

“Drag-Along Right” has the meaning set forth in Section 10.5(a).

“Esber” means Brett M. Esber, an individual residing on the date hereof in Arlington, Virginia.

“Excluded Minority Member” has the meaning set forth in Section 10.4(a).

“Exercising Members” has the meaning set forth in Section 10.3(h).

“Fair Market Value” means the value that would be paid in an arm’s-length transaction by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, as further determined in accordance with Section 12.9.

“First Amended and Restated Operating Agreement” has the meaning set forth in the recitals.

“First ROFR Notice” has the meaning set forth in Section 10.3(c).

“Fiscal Year” has the meaning set forth in Section 12.1.

“Greg Bellino” means Gregory M. Bellino, an individual residing on the date hereof in Wakefield, Massachusetts.

“Indemnified Party” has the meanings set forth in Section 13.1(a).

“IRS” means the United States Internal Revenue Service.

“Jeff Bellino” means Jeffrey W. Bellino, an individual residing on the date hereof in West Yarmouth, Massachusetts.

“Losses” has the meaning set forth in Section 8.1

“Member” means each Person signing this Agreement as a member of the Company and any Person who subsequently is admitted as a member of the Company pursuant to this Agreement, in each case, so long as such Person retains a Membership Interest in the Company.

“Membership Interest” means, with respect to each Member, all the rights granted to such Member under the terms of this Agreement and applicable law, including (i) an interest in the Company’s capital, if any, (ii) a share of the Company’s Profits and Losses (and specially allocated items of income, gain and deduction), (iii) a share of any distributions from the Company, and (iv) the right to vote on matters coming before the Members as set forth in this Agreement.

“Mike Bellino” means Michael M. Bellino, an individual residing on the date hereof in Conway, Massachusetts.

“Non-Selling Member” has the meaning set forth in Section 10.3(a).

“Original Agreement” has the meaning set forth in the recitals.

“Party” means each, and “Parties” mean all, of (i) the Company and (ii) each other Person that has executed this Agreement so long as such Person remains a Member.

“Percentage Interest” means, as to each Member, a fraction expressed as a percentage equal to the number of Units issued to such Member over the total number of Units issued and outstanding. Each Member’s Percentage Interest is set forth in Appendix 1 and may be adjusted from time to time as provided in this Agreement.

“Person” means an individual (*i.e.*, a natural person), corporation, partnership, limited partnership, limited liability company, association, trust, estate or other legal entity.

“Profits” has the meaning set forth in Section 8.1.

“Proposed Budget” has the meaning set forth in Section 7.1(a).

“Quarterly Distribution Date” has the meaning set forth in Section 9.3.

“Remaining Members” has the meaning set forth in Section 10.5(a).

“Remaining ROFR Units” has the meaning set forth in Section 10.3(a).

“Right of First Refusal” has the meaning set forth in Section 10.3(a).

“ROFR Purchaser” has the meaning set forth in Section 10.3(a).

“ROFR Sale” has the meaning set forth in Section 10.3(a).

“ROFR Transaction Information” has the meaning set forth in Section 10.3(b).

“ROFR Transfer Terms” has the meaning set forth in Section 10.3(b).

“ROFR Units” has the meaning set forth in Section 10.3(a).

“Second ROFR Notice” has the meaning set forth in Section 10.3(d).

“Second Round Remaining ROFR Units” has the meaning set forth in Section 10.3(d).

“Selling Member” has the meaning set forth in Section 10.3(a).

“Tag-Along Notice” has the meaning set forth in Section 10.4(c).

“Tag-Along Right” has the meaning set forth in Section 10.4(a).

“TAR Purchaser” has the meaning set forth in Section 10.4(a).

“TAR Sale” has the meaning set forth in Section 10.4(a).

“TAR Selling Majority Member” has the meaning set forth in Section 10.4(a).

“TAR Transaction Information” has the meaning set forth in Section 10.4(b).

“TAR Transfer Terms” has the meaning set forth in Section 10.4(b).

“Tax Year” means the Fiscal Year, unless the Board of Directors establishes an annual period as the Company’s Tax Year that is different than the Company’s Fiscal Year.

“Third ROFR Notice” has the meaning set forth in Section 10.3(e).

“Transfer” has the meaning set forth in Section 10.1(a).

“Treasury Regulations” means the regulations issued under the Code, in effective as of the date hereof, as such regulations may be amended from time to time.

“Unit” means a unit of Membership Interest. Except as otherwise provided in this Agreement, the ownership by a Member of Units shall entitle such Member to allocations of Profits and Losses and other items of income, gain, loss or deduction, and distributions, as set forth in this Agreement. For the avoidance of doubt, fractional Units may be issued. The number of Units owned by each Member is set forth in Appendix 1, as such appendix may be revised or updated from time to time as provided in this Agreement.

“Unit Certificate” has the meaning set forth in Section 3.10.

1.2 Construction. Unless otherwise specified, all references herein to Articles, Sections and Appendices are to the articles and sections of, and appendices attached to, this Agreement, and all Appendices are incorporated herein. All headings herein are intended solely for convenience of reference and shall not affect the meaning or interpretation of the provisions of this Agreement. Unless expressly provided otherwise, the word “including” as used herein does not limit the preceding words or terms and shall be read to be followed by the words “without limitation” or words having similar import. Unless expressly provided otherwise, all references herein to days, weeks, months and quarters mean calendar days, weeks, months and quarters, respectively. Unless expressly provided otherwise, references herein to “consent” mean the prior written consent of the party at issue. A reference to any party to this Agreement or another agreement or document includes such party’s successors and permitted assigns. Unless the contrary clearly appears from the context, for purposes of this Agreement, the singular number includes the plural number and vice versa, and each gender includes the other gender. Except where specifically stated otherwise, any reference herein to any applicable law or agreement shall be a reference to such law or agreement as amended, amended and restated, supplemented, modified or reenacted from time to time. The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

## **ARTICLE 2 - COMPANY FORMATION**

2.1 Formation. The Company was formed on February 19, 2018 by the filing of a Certificate of Organization with the Secretary of State of the Commonwealth of Massachusetts (as amended from time to time, the “Certificate of Organization”). The rights and obligations of the Members as Members, and the affairs of the Company, shall be governed by this Agreement, the Certificate of Organization and the laws of the Commonwealth of Massachusetts, including the Act.

2.2 Name. The name of the Company is “Hidden Hemlock, LLC” and all Company business shall be conducted in that name.

2.3 Principal Office; Registered Office; Registered Agent. The principal office of the Company shall be at such location as the Board of Directors shall determine and notify to the Members from time to time. The registered agent for service of process in the Commonwealth of Massachusetts and the registered office of the Company in the Commonwealth of Massachusetts shall be the person and location set forth in the Certificate of Organization. The Board of Directors may, from time to time, change the registered office and registered agent of the Company by appropriate filings as required by law.

2.4 Purposes. The Company is formed for the following purposes:

- (i) to engage in the cultivation, manufacture and sale of cannabis in compliance with the Massachusetts adult-use marijuana laws;
- (ii) to engage in any other lawful act or activity for which limited liability companies may be organized under the Act; and
- (iii) to have all the powers conferred upon limited liability companies organized under the provisions of the Act to carry out the purposes expressed above.

2.5 Term. The term of the Company commenced upon the filing of the Certificate of Organization with the Secretary of State of the Commonwealth of Massachusetts and shall continue until the Company is dissolved and liquidated in accordance with Article 11.

2.6 Nature of Each Member's Interest in the Company. The interest of each Member in the Company shall be deemed intangible personal property for all purposes. All real or other property owned by the Company shall be deemed owned by the Company as an entity, and no Member, individually, shall have any beneficial ownership interest therein.

2.7 Intellectual Property. The Company will own all intellectual property used to operate its business under the name "Hidden Hemlock," including, without limitation, all trade names, social media platforms, passwords and any proprietary know-how, trade secrets and/or formulae used in its business.

### **ARTICLE 3 - MEMBERS**

3.1 Member Information. The name and address, number of Units and Percentage Interest of each Member is set forth in Appendix 1, as such appendix may be amended from time to time in accordance with the terms of this Agreement.

3.2 Admission of New Members. Any Person may become an additional Member with the unanimous consent of, and upon such terms (including the capital contribution to be made by and the number of Units to be issued to such Person) as may be determined by, unanimous vote of the Members; provided that any Person who is a transferee of an interest in the Company as the result of a Transfer permitted by Section 10.1 shall become a Member without such consent; and provided, further, that no additional Member shall become a Member until such Person shall have become a Party to this Agreement (by execution of a joinder

agreement in form and substance acceptable to the other Members) and thereby assumed all the rights and obligations of a Member hereunder. Upon the admission of an additional Member, an updated version of Appendix 1 reflecting the addition of such new Member, the number of Units issued to such new Member and the resulting Percentage Interest of such new Member and each other Member shall be delivered to all Members.

3.3 Liability to Third Parties; Limitation on Liability of the Members. No Member shall be liable for the debts, obligations or liabilities of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Member of the Company. No Member shall have any liability or obligation for any debt, liabilities or obligations of the Company beyond such Member's Capital Contribution or obligation to make a Capital Contribution, except as expressly required by this Agreement or applicable law.

3.4 Other Business Ventures; Non-Compete. Any Member may engage in, or possess an interest in, other business ventures of every nature and description, independently or with others, provided that no Member may, directly or indirectly, compete with the business of the Company as described in Section 2.4(i). Any Member that is not an individual shall cause such Member's Affiliates to abide by the non-compete covenant in this Section 3.4 and shall be responsible for any breach of the non-compete covenant by such Affiliate.

3.5 Business Transactions Involving a Member. A Member may (directly or through an Affiliate of the Member) lend money to, provide services to and transact other business with the Company and, in connection therewith, shall have the same rights and obligations with respect to such matters as a Person who is not a Member or an Affiliate of a Member; provided that each such transaction is approved by the Board of Directors and is on terms comparable to those made in an arms-length transaction.

### 3.6 Meetings of the Members.

(a) An annual meeting of the Members shall be held during the month of April each year following the annual meeting of the Board of Directors held pursuant to Section 5.3(a). Notice of the annual meeting of Members shall be given by the Board of Directors to each Member at least twenty (20) days prior to the date of the annual meeting. The notice shall specify the date, time and location of the annual meeting (which shall be within the Commonwealth of Massachusetts) and an agenda of the topics to be discussed at the meeting. Members may vote in person or by proxy at the annual meeting.

(b) Special meetings of the Members may be called by the Board of Directors and shall be called by the Board of Directors upon the written request of any Member; *provided* that no Member may call more than one special meeting of the Members during any calendar quarter. The call for a Special Meeting shall state the location of the meeting (which shall be within the Commonwealth of Massachusetts), the date and time of the meeting (which shall be at least 14 days following the giving of such notice), and the nature of the business to be transacted at the Special Meeting. Members may vote in person or by proxy at the special meeting.

(c) At all meetings of the Members, the presence in person or by proxy of Members possessing in the aggregate a Percentage Interest in the Company in excess of 50 percent shall constitute a quorum at such meeting.

(d) Members may participate in meetings by means of a conference call or similar communications equipment provided all Members participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at the meeting, except where a Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not properly called or convened. The Board of Directors shall make such arrangements as are necessary to permit any Member who cannot attend any meeting in person to participate by conference telephone or similar communications equipment.

(e) With respect to any matter put to a vote of the Members at a meeting properly called at which a quorum is present, the affirmative vote of Members possessing in the aggregate more than one-half of the aggregate Percentage Interests of all Members present in person or by proxy at such meeting shall be the act of the Members.

(f) Except as otherwise provided in this Agreement, any action of the Members may be taken without a meeting if (i) the action is approved in writing by Members possessing in the aggregate a Percentage Interest in the Company in excess of fifty percent (50%), unless a greater Percentage Interest is required to approve such matter in accordance with the terms of this Agreement or applicable law, (ii) a copy of such written approval is provided to each Member that did not execute the written approval, and (iii) such written approval is filed with the records of the meetings of the Members. Such actions by written approval shall be treated for all purposes as actions taken at a meeting, duly called at which a quorum is present.

(g) Each Member may authorize any Person to act for such Member by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting or voting or participating at a meeting. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it. A copy of each proxy shall be delivered to the Secretary who shall file such proxy with the records of the meetings of the Members.

(h) Each meeting of the Members shall be conducted by a Director selected by the Board of Directors for that purpose or, if no such Director is selected by the Board of Directors, by the Member requesting such meeting or by their designate.

(i) Minutes shall be kept of all meetings of the Members. The minutes shall be recorded by the Secretary, who shall file such minutes with the records of the meetings of the Members.

3.7 Approval by the Members for Certain Actions. The approval of Members holding in the aggregate a Percentage Interest in excess of seventy percent (70%) shall be required for the following actions, which are beyond the normal conduct of the Company's business:

- (i) any merger, consolidation or combination of the Company;

- (ii) the sale or transfer of all or substantially all the Company's assets or its intellectual property; and
- (iii) dissolution of the Company in accordance with Section 11.1.

3.8 Access to Confidential Information and Records. Subject to Section 12.3 hereof, each Member shall have the right to inspect the books and records of the Company.

3.9 Limitation on Members' Authority. No Member shall, solely by virtue of being a Member, have authority or power to act for or on behalf of the Company, to do any act that would be binding on the Company, or to incur any expense on behalf of the Company.

3.10 Unit Certificates. The Company shall issue to each Member a certificate (each such certificate, a "Unit Certificate") evidencing the number of Units issued to such Member. Upon the Transfer of any or all the Units evidenced by a Unit Certificate, the Member transferring such Units shall deliver to the Secretary the Unit Certificate evidencing the Units to be transferred together with the other information and documentation required by Section 10.2. Upon compliance with the requirements of Section 10.2, and provided that the Transfer otherwise complies with the terms of this Agreement, the Secretary shall issue new Unit Certificates to the owners of the Units evidenced by the surrendered Unit Certificate.

#### **ARTICLE 4 – CAPITAL CONTRIBUTIONS**

##### 4.1 Capital Contributions.

(a) Upon execution of the First Amended and Restated Operating Agreement, each of the Members contributed his pro rata share of the sum of Five Thousand Dollars (\$5,000.00) to the capital of the Company in exchange for which such Member was issued the number of Units set forth opposite his name below (which Units were validly issued and outstanding, fully-paid and non-assessable):

<u>Member</u>	<u>No. of Units</u>	<u>Capital Contribution</u>
Jeff Bellino	3,230 Units	\$2,425.00
Greg Bellino	3,230 Units	\$2,425.00
Mike Bellino	100 Units	\$75.00
Esber	100 Units	\$75.00

(b) As of the date hereof, (i) Mike Bellino and Esber each surrendered thirty-four (34) Units of Membership Interest, resulting in each Member owning the number of Units (as of the date hereof) set forth below:

<u>Member</u>	<u>No. of Units</u>
Jeff Bellino	3,230 Units
Greg Bellino	3,230 Units
Mike Bellino	66 Units
Esber	66 Units

(c) Each new Member (if any) admitted in accordance with Section 3.2 shall make their initial Capital Contribution in cash or other property as the Members may designate.

4.2 Additional Capital Contributions. No Member shall be required to make any additional Capital Contributions to the Company without such Member's consent.

4.3 No Interest on Capital Contributions. No interest shall be due from the Company on any Capital Contribution of any Member.

4.4 Non-dilution of Membership Interests. Except upon the admission of a new Member(s) in accordance with the terms of this Agreement, the Membership Interest of a Member shall not be subject to dilution except with the consent of such Member.

4.5 Initial Company Valuation. The Members recognize and acknowledge that the Company may not engage in the business described in Section 2.4(i) unless and until a final marijuana establishment license is issued to the Company and the Massachusetts Cannabis Control Commission approves the commencement of operations by the Company. As the application for that license is pending and issuance of the license is uncertain, the Members agree that, as of the date of this Agreement, the value of the Company is equal to the nominal value of the cash Capital Contributions of the Members set forth in Section 4.1 (in other words, \$5,000.00).

## **ARTICLE 5 – BOARD OF DIRECTORS**

5.1 General Authority and Powers. The Company shall be a manager-managed limited liability company, and except for situations in which approval of the Members is required by this Agreement or by non-waivable provisions of applicable law, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, a board of directors (the "Board of Directors") in accordance with this Agreement and the Act. The Board of Directors (i) shall be, and shall have all rights and powers of, a "manager" as that term is used in the Act, and (ii) except to the extent otherwise specifically provided herein or by non-waivable provisions of applicable law, shall function in the same manner as the board of directors of a Massachusetts corporation, including, without limitation, approving any merger or dissolution or sale of substantially all of the Company's assets. For the avoidance of doubt, no single Director shall have the power or authority to execute agreements, contracts or other documents or otherwise act for or on behalf of the Company.

Hidden Hemlock is family owned and operated by Massachusetts natives and is positioned to enter the adult-use cannabis market as a micro-scale cultivator and manufacturer, focusing on growing safe and sustainable, small-batch or “craft” style cannabis.

The cannabis market is quickly maturing, and many consumers have developed refined palates for quality cannabis; large facilities have difficulty providing the level of attention each individual plant requires due to the sheer size of the facility.

Hidden Hemlock is differentiating itself by opting for a micro-business license to operate a co-located Tier 1 cultivation and product manufacturing facility. Limiting the facility footprint is an advantage, allowing increased attention to each plant, which enables healthy and safe cultivation practices. Hidden Hemlock will provide the Commonwealth with the highest quality, safest and most sustainably grown cannabis, and aim to exceed the standards of adult-users all while maintaining compliance with applicable regulations.

Hidden Hemlock is co-founded by brothers, Jeff and Greg Bellino, two highly educated professionals aware of industry trends and consumer expectations. Jeff is a Registered Environmental Engineer (PE) and holds a BS in Environmental Science and an MS in Environmental Engineering. Greg is a seasoned Environmental and Sustainability Advisor and holds a BS and MS in Environmental Science. Greg has extensive horticultural experience, specifically with the application of Integrated Pest Management (IPM) practices obtained from the University of Massachusetts Horticultural Research Center. With their expertise in sustainability and engineering, dedication to energy efficient growing methods will be at the forefront of their business.

Hidden Hemlock will propagate, vegetate and flower various strains of cannabis concurrently, allowing for perpetual harvests throughout the year. When operating at full capacity Hidden Hemlock will employ 7-10 FTE's. Hidden Hemlock's primary product lines will include flower, solventless extract (rosin) and pre-roll joints. Organically crafted cannabis and solvent-less extraction is the way of the industry and Hidden Hemlock will be a reliable provider of both. Hidden Hemlock will cultivate strains dedicated to specific product lines which ensures consistency so consumers can depend on Hidden Hemlock for a safe, reliable and familiar source of adult-use cannabis or related product.

Quantifying and projecting the market is difficult due to limited consumer data. However, our proposed facility being located in Middleborough was strategically targeted due to its proximity to three of the most populated counties within the Commonwealth (Plymouth, Bristol and Norfolk), with a combined population of 1.73M. Dense populations will position the business in an area with exceptional customer potential. In addition our proposed location is adjacent to Interstate 495, allowing for efficient and effective transportation.

Due to the uncertainty of the industry, a conservative set of assumptions has been applied to estimate future cash flow, sales, cost of goods, assets, liabilities and capital, allowing Hidden Hemlock to generate worst case scenario projections. . For conservative financial forecasting purposes, we have analyzed and applied the bottom end of the market price for the existing adult-use wholesale cannabis industry. Our

projections ensure free cash flow from operations amounting in a healthy return on investment and successful operation. Generated profits will be largely reinvested back into the business to maximize canopy footprint, improve manufacturing capabilities, increase staff training, and supplement branding efforts.

Brand development is a key factor in operating a successful company in the cannabis industry which is why Hidden Hemlock has been in contact with marketing agencies. The marketing and sales strategy of Hidden Hemlock will be based on generating long-term personalized relationships with dispensaries and product manufacturers located throughout Massachusetts, and building a strong rapport for providing consistent, safe, organically and sustainably crafted cannabis and related products. Hidden Hemlock is an active member of the adult-use and medical-use cannabis industry, participating in local events, conferences and business groups.

Hidden Hemlock will provide the consumer with a handcrafted and sustainably cultivated product that can be trusted and enjoyed by first-time users and connoisseurs alike.

**Business Plan (Plan to Obtain Liability Insurance)**

**Amended 2/26/2020**

Hidden Hemlock has amended the Business Plan (Plan to Obtain Liability Insurance) per the Commission's comments to ensure the company will operate in compliance with all applicable sections of 935 CMR 500. The original Business Plan (Plan to Obtain Liability Insurance) submitted as part of the application will be supplemented with the following information (below you will see the list of comments made by the Commission in bold text, and below the response by Hidden Hemlock in regular text.) followed by the original Business Plan (Plan to Obtain Liability Insurance).

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**The applicant submitted a plan to obtain a liability insurance policy. The policy to be obtained must include general liability and product liability insurance coverage of no less than \$1 million per occurrence and \$2 million in aggregate annually. The deductible for each policy can be no higher than \$5,000 per occurrence. 935 CMR 500.101(1) and (2); 935 CMR 500.105(10) (required)**

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

*Original Submission:*

Hidden Hemlock has been in communication with Leonard Adams Insurance (LAI) of 5201 SW Westgate Drive Suite 300A, Portland, OR and upon application approval and at the earliest required time by the Commission, Hidden Hemlock will obtain liability coverage which meets the requirements of 935 CMR 500.105(10)(a) from LAI. According to LAI, coverage is typically received within 10-15 business days of insurance application submittal.

Hidden Hemlock's personnel policies will fully comply with municipal, state and federal regulations (including but not limited those set forth in 935 CMR 500.105), and include without limitation:

(1) Equal opportunity and non-discrimination will be afforded in all aspects of the employment relationship including, among others, hiring, promotion, transfer, selection for training opportunities, wage and salary administration and application of benefit plans; (2) The workplace will be free from any harassment (sexual or any other reason or type of harassment); (3) prohibiting retaliation against any Marijuana Establishment Agent (MEA) for filing a complaint of sexual or other unlawful harassment; (4) procedures to prevent the diversion of marijuana; (5) Immediate dismissal of any MEA who has: (a) Diverted marijuana, which shall be reported to law enforcement officials and to the Commission; (b) Engaged in unsafe practices with regard to operation of the Marijuana Establishment, which shall be reported to the Commission; or (c) Been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a military, territorial, or Indian tribal authority. (6) maintaining the confidentiality of information; (7) compliance training in municipal, state and federal laws; (8) prohibition of smoking on premises, consuming alcohol or any illegal substances; (9) guidelines for appropriate conduct while working on behalf of Applicant (including performance, work habits, attitude and conduct); (10) dress code for MEAs; (11) competitive benefits (insurance, paid and unpaid time off, profit sharing, etc.); (12) employee security, including personal safety and crime prevention techniques; (13) procedure for the handling of cash on Marijuana Establishment premises including but not limited to storage, collection frequency, and transport to financial institution(s); (14) procedures for energy efficiency and conservation: (a) energy or natural resource reduction, (b) consideration of renewable energy sources, (c) engagement with energy efficiency programs; (15) inventory controls; (16) segregation and destruction of expired, damaged, deteriorated, mislabeled or contaminated product; (17) transportation policies; (18) transfer, acquisition or sale of product; (18) handling voluntary and mandatory recalls of marijuana; (19) best available techniques for cultivation, processing and manufacturing; (20) product handling and storage; and (21) marketing strategies and branding.

Prior to hiring any Marijuana Establishment Agent, Hidden Hemlock shall perform a background check in accordance with the Commission's requirements.

Hidden Hemlock will develop and implement Written Operating Procedures and ensure that all MEAs are knowledgeable of all procedures and policies, and receive proper training per 965 CMR 500:105 (2); leading to an efficient, compliant and safe work environment.

## **Record-Keeping Procedures**

Hidden Hemlock, LLC

All records will be maintained in accordance with the level of detail of standard accounting principles.

Hidden Hemlock will implement and conduct procedures to ensure accurate recordkeeping including, but not limited to, inventory protocols in compliance with 935 CMR 500.105(8) and (9):

- (1) Written operating procedures as required by 935 CMR 500.105(1);
- (2) Inventory records as required by 935 CMR 500.105(8);
- (3) Seed-to-sale tracking records for all marijuana products as required by 935 CMR 500.105(8)(e);
- (4) The following personnel records:
  - (a) Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
  - (b) A personnel record for each Marijuana Establishment Agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with Hidden Hemlock and shall include, at a minimum, the following:
    - All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
    - Documentation of verification of references;
    - The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
    - Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
    - Documentation of periodic performance evaluations;
    - A record of any disciplinary action taken.
    - Notice of completed responsible vendor and 8-hour related duty training.
  - (c) A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
  - (d) Personnel policies and procedures; and
  - (e) All background check reports obtained in accordance with 935 CMR 500.030;
- (5) Business records, which shall include manual or computerized records of:
  - (a) Assets and liabilities;
  - (b) Monetary transactions;

## **Record-Keeping Procedures**

Hidden Hemlock, LLC

(c) Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;

(d) Sales records including the quantity, form, and cost of marijuana products; and

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

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

(7) Record of properly registered, inspected, and insured vehicle within the Commonwealth;

(8) Video surveillance recordings as required by 935 CMR 500.110(5);

At the closure of Hidden Hemlock, all records will be kept for at least 2 years at the expense of Hidden Hemlock and in a form and location acceptable to the Commission.

All applicable records will be stored in either a secured, fire proof and water proof, locked cabinet or secure electronic format for which only the Executive Management Team will have a key or password.

Records associated with Hidden Hemlock will be available for inspection by the Commission, upon request and in compliance with 935 CMR 500.300 Inspection and Compliance.

Records will be maintained by Hidden Hemlock for a minimum, the required time as stated within various section of 935 CMR 500.000.

## **Maintenance of Financial Records**

Hidden Hemlock, LLC

Both Jeff and Greg Bellino are seasoned project managers and have extensive experience in general contracts, manifests, invoicing and financial record keeping associated with multi-million-dollar projects. The experience gained will be applied to all aspects of financial record keeping, ensuring accordance with generally accepted accounting principles.

Members of the executive team of Hidden Hemlock will implement policies, procedures and trainings to applicable Marijuana Establishment Agents (MEAs) to ensure proper financial accounting and reporting, payroll preparation and administration, budget preparation, project management accounting, and risk management.

Hidden Hemlock will retain all financial records pursuant to 935 CMR 500.000. Hidden Hemlock will maintain organized and secure retention of all business records including: assets and liabilities; monetary transactions; written or electronic accounts that include bank statements, journals, ledgers and supporting documents, agreements, checks, invoices and vouchers; and any other financial accounts reasonably related to Hidden Hemlock and associated MEAs.

Hidden Hemlock will implement appropriate business process management software to ensure sufficient financial record keeping. Hidden Hemlock will utilize an ERP and applicable add-ons that meet record keeping requirements, our business needs and expected growth. Hidden Hemlock has been in communication with and will implement an outsourced payroll system which will also aid in reporting applicable taxes, such as cannabis focused Wurk, Intuit Payroll or a similar Commission approved provider. Utilizing a third-party will ensure an adequate "paper trail" and aid in record keeping for audits, tax and banking reasons.

Per 935 CMR 500.105(1)(n), Hidden Hemlock will develop and implement written operating procedures for the handling of cash during sales, transportation to/from the ME and at the ME including but not limited to storage, collection frequency, and transport to financial institution(s).

Although Hidden Hemlock is not dispensing directly to the consumer, our financial management will be in compliance with all aspects of 935 CRM 500.000 including applicable sub-parts of 935 CMR 500.140(6).

All applicable records will be stored in either a secured, fireproof and waterproof locked cabinet or secure electronic format for which only the Executive Management Team will have a key or password to allow access. Records will be available for inspection by the Commission or any regulatory authority, upon request.

## Operating Policies and Procedures (Restricting Access to Individuals Under 21)

Amended 12/30/2019

Hidden Hemlock has amended the Operating Policies and Procedures (Restricting Access to Individuals Under 21) per the Commission's comments to ensure the company will operate in compliance with all applicable sections of 935 CMR 500. The original Operating Policies and Procedures (Restricting Access to Individuals Under 21) submitted as part of the application will be supplemented with the following information (below you will see the list of comments made by the Commission in bold text, and below the response by Hidden Hemlock in regular text.) followed by the original Operating Policies and Procedures (Restricting Access to Individuals Under 21).

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**Notes: Your plan is not substantially compliant with the Commission's regulations. The items identified below (*that are not checked off*) have not been included in your summary. Your current summary should be removed from your application and replaced by the amended summary that adds and includes the missing items below. No other changes should be made to your summary. The items that need to be addressed include the following:**

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

Hidden Hemlock is neither a Marijuana Retailer nor co-located with a Medical Marijuana Treatment Center. However, any individual entering Hidden Hemlock's facility must be 21 years of age or older. In addition any Marijuana Establishment Agent registered under Hidden Hemlock will be 21 years of older. As such all of Hidden Hemlock's employees will be over 21 years of age.

### Original Submission:

Hidden Hemlock will restrict access into the Marijuana Establishment; individuals under the age of 21 are not permitted within the facility. Hidden Hemlock will thoroughly check any individual prior to permitting access to the Marijuana Establishment, including but not limited to contractors/vendors, volunteers, Marijuana Establishment Agents, and government authorities.

Given the proposed size (micro business with 7-10 full-time staff) and use of the Marijuana Establishment (non-retail), allowing access only to those individuals above the age of 21 is not an issue for Hidden Hemlock and will successfully be implemented and executed. At no point will an individual under the age of 21 have access to Hidden Hemlock's facility, transportation vehicles or product.

Hidden Hemlock will implement strict procedures for the process of preventing diversion (see overview of prevention of diversion for further details) and have an adequate security system in place including visitor clearance procedures (see overview of security plan for further details).

## Operating Policies and Procedures (Quality Control and Testing Procedures)

Amended 2/27/2020

Hidden Hemlock has amended the Operating Policies and Procedures (Quality Control and Testing Procedures) per the Commission's comments to ensure the company will operate in compliance with all applicable sections of 935 CMR 500. The original Operating Policies and Procedures (Quality Control and Testing Procedures) submitted as part of the application will be supplemented with the following information (below you will see the list of comments made by the Commission in bold text, and below the response by Hidden Hemlock in regular text.) followed by the original Operating Policies and Procedures (Quality Control and Testing Procedures).

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**The applicant submitted its Quality Control and Testing Procedures that substantially complies with the Commission's regulations. 935 CMR 500.101(1)(c); 935 CMR 500.101(2)(e) (required).**

**Notes: Your plan is not substantially compliant with the Commission's regulations. The items identified below (*that are not checked off*) have not been included in your summary. Your current summary should be removed from your application and replaced by the amended summary that adds and includes the missing items below. No other changes should be made to your summary. The items that need to be addressed include the following:**

**Ensuring that only the leaves and flowers of the female marijuana plant are processed accordingly in a safe and sanitary manner as prescribed below:**

- **Well cured and generally free of seeds and stems;**

Hidden Hemlock will ensure that only well cured leaves and flowers of female marijuana plants which are free of seeds and stems are processed within and by the Marijuana Establishment (Hidden Hemlock).

- **Free of dirt, sand, debris, and other foreign matter;**

Hidden Hemlock will ensure that only well cured leaves and flowers of female marijuana plants which are free of dirt, sand, debris and other foreign matter are processed within and by the Marijuana Establishment (Hidden Hemlock).

- **Free of contamination by mold, rot, other fungus, and bacterial diseases;**

Hidden Hemlock will ensure that only well cured leaves and flowers of female marijuana plants are processed within and by the Marijuana Establishment (Hidden Hemlock) which is free of contamination by mold, rot, other fungus, pests and bacterial diseases and satisfying the sanitation requirements in 105 CMR 500.000: Good manufacturing practices for food, and if applicable, 105 CMR 590.000: State sanitary code chapter X: Minimum sanitation standards for food establishments.

- **Prepared and handled on food-grade stainless steel tables; and**

Hidden Hemlock will ensure that only well cured leaves and flowers of female marijuana plants are processed within and by the Marijuana Establishment (Hidden Hemlock) which is prepared and handled on food-grade stainless steel tables with no contact with Licensees' or Marijuana Establishment Agents' bare hands.

- **Packaged in a secure area. 935 CMR 500.105(3) (required for cultivators, product manufacturers, microbusiness, and craft marijuana cooperatives)**

Hidden Hemlock will ensure that only well cured leaves and flowers of female marijuana plants are processed within and by the Marijuana Establishment (Hidden Hemlock) which is handled and packaged in a secure area.

**All agents whose job includes contact with marijuana is subject to the requirements for food handlers specified in 105 CMR 300.000.**

Any Marijuana Establishment Agent registered under Hidden Hemlock and/or contracted on behalf of Hidden Hemlock, whose job includes contact with Marijuana or non-Edible Marijuana Products, including cultivation, production, or packaging, is and will be subject to the requirements for food handlers specified in 105 CMR 300.000: Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements.

**Any agent working in direct contact with marijuana shall conform to sanitary practices while on duty, including:**

- **Maintaining adequate personal cleanliness; and**

Any Marijuana Establishment Agent registered under Hidden Hemlock and/or contracted on behalf of Hidden Hemlock, working in direct contact with preparation of Marijuana or non-Edible Marijuana Products will conform to sanitary practices while on duty, including maintaining adequate personal cleanliness.

- **Washing hands appropriately. 935 CMR 500.105(3)**

Any Marijuana Establishment Agent registered under Hidden Hemlock and/or contracted on behalf of Hidden Hemlock, working in direct contact with preparation of Marijuana or non-Edible Marijuana Products will conform to sanitary practices while on duty, including washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.

**Hand-washing facilities shall be located in production areas and where good sanitary practices require employees to wash and sanitize their hands. 935 CMR 500.105(3)**

Hand-washing facilities within the Marijuana Establishment (Hidden Hemlock's facility) will be adequate and convenient and will be furnished with running water at a suitable temperature. Hand-washing facilities will be located in the Marijuana Establishment (Hidden Hemlock's facility) in Production Areas and where good sanitary practices require Employees to wash and sanitize their

hands, and will provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices.

**There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations. 935 CMR 500.105(3)**

The Marijuana Establishment (Hidden Hemlock's facility) will be designed in that there will be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations.

**Litter and waste shall be properly removed so as to minimize the development of odor and the potential for the waste attracting and harboring pests. t to 935 CMR 500.105(12). 935 CMR 500.105(3)**

Litter and waste generated by Hidden Hemlock will be properly removed, disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal will be maintained in an adequate manner pursuant to 935 CMR 500.105(12).

**Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair. 935 CMR 500.105(3)**

Floors, walls, and ceilings within the Marijuana Establishment (Hidden Hemlock's facility) will be constructed in such a manner that they may be adequately kept clean and in good repair. Hidden Hemlock intend to install pharmaceutical grade cleanroom which will be utilized for cultivation and processing.

**All contact surfaces, shall be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination. 935 CMR 500.105(3).**

All contact surfaces within the Marijuana Establishment (Hidden Hemlock's facility), including utensils and equipment, will be maintained in a clean and sanitary condition. Such surfaces will be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils will be so designed and of such material and workmanship as to be adequately cleanable.

**All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana. 935 CMR 500.105(3)**

All toxic items within the Marijuana Establishment (Hidden Hemlock's facility) will be identified, held, and stored in a manner that protects against contamination of Marijuana Products. Toxic items will not be stored in an area containing products used in the cultivation of Marijuana. The Commission may require a Marijuana Establishment to demonstrate the intended and actual use of any toxic items found on the Premises.

**Water supply shall be sufficient for necessary operations. 935 CMR 500.105(3)**

Hidden Hemlock's water supply will be sufficient for necessary operations. If a private water source is utilized it will be capable of providing a safe, potable, and adequate supply of water to meet the Marijuana Establishment's needs

**Plumbing shall be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment. 935 CMR 500.105(3)**

Plumbing within the Marijuana Establishment (Hidden Hemlock's facility) will be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the Marijuana Establishment (Hidden Hemlock's facility). Plumbing will properly convey sewage and liquid disposable waste from the Marijuana Establishment (Hidden Hemlock's facility). There will be no cross-connections between the potable and wastewater lines.

**The establishment shall provide its employees with adequate, readily accessible toilet facilities. 935 CMR 500.105(3)**

Hidden Hemlock will provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair.

**Storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination. 935 CMR 500.105(3)**

Storage and transportation of finished products will be under conditions that will protect them against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers.

**No marijuana may be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratory. 935 CMR 500.140(9)**

Hidden Hemlock will not sell marijuana or otherwise market marijuana for adult use that is not capable of being tested by Independent Testing Laboratory.

*Additional requirements:*

Products that can support the rapid growth of undesirable microorganisms will be held in a manner that prevents the growth of these microorganisms.

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

Hidden Hemlock will comply with sanitary requirements. All Edible Marijuana Products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: State sanitary code chapter X: Minimum sanitation standards for food establishments.

*Original Submission:*

At all times Hidden Hemlock shall adhere to the Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-Infused Products, as amended in November 2016, published by the Department of Public Health (DPH).

Hidden Hemlock will develop and implement written operating procedures for quality control, including but not limited to product testing for contaminants in compliance with 935 CMR 500.000. Hidden Hemlock will designate Quality Control analysts for each stage of production from seed to sale. In addition, designated employees will be tasked with ensuring a safe and sanitary facility which includes all operations and procedures occurring between seed to sale. All staff will be appropriately trained on operating procedures to ensure quality control.

Quality control and testing data will be integrated into batch-based inventory records, using analytical results from licenses laboratory. Each production batch of finished flower or as required by Commission, will be analyzed for contaminants (pesticides, metals, and biological contaminants) and cannabinoid profile.

In addition, Hidden Hemlock will apply the DPH's Protocol for Sampling and Analysis of Environmental Media (e.g., soils, solid growing media, and water) for Massachusetts Registered Medical Marijuana Dispensaries.

Hidden Hemlock shall maintain the results of all testing for no less than one year.

Application of pesticides shall be performed in compliance with M.G.L. c. 132B and the regulations promulgated at 333 CMR 2.00, Pesticide Board. Given the cultivation technique and business strategy, Integrated Pest Management will at all times come before the application of approved pesticides.

Hidden Hemlock shall have a written policy for responding to laboratory results that indicate contaminant levels above acceptable limits established in DPH protocols. The policy shall include notifying the Commission within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch. The notification from Hidden Hemlock will describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination and methods for avoiding future contamination.

All transportation of marijuana to and from independent testing laboratories providing marijuana testing services shall comply with 935 CMR 500.105(M).

In addition, Hidden Hemlock will monitor the indoor climate and conduct regular visual inspections of all organic matter for undesirable characteristics such as the presence of male plants, contamination in the form of pests, molds, fungi and other threats to vegetative growth. All personnel will maintain adequate personal hygiene and all facility equipment will be kept in a clean and sanitary condition to eliminate any possibilities of contamination. Hidden Hemlock's cultivation

rooms are designed and to be constructed with food grade walls, paneling and flooring to ensure airtight and regulated environments.

All staff will be knowledgeable of SOPs and complete training in proper cultivation including nutrient and pesticide application, processing, manufacturing and sanitation practices to ensure a safe environment that eliminates potential sources of contamination. Completing education on these matters will be required on a yearly basis to ensure safe production and will be documented on site. In the case where a new best available technique is integrated into our practice, all applicable SOPs will be immediately updated, and staff will be provided training.

Hidden Hemlock is a craft, small-batch cultivator which will allow proper attention to each area of the facility and each stage of the production process, ensuring a safe product at all times.

## Operating Policies and Procedures (Detailed Description of Qualification and Intended Trainings for Agents)

Amended 12/30/2019

Hidden Hemlock has amended the Operating Policies and Procedures (Detailed Description of Qualification and Intended Trainings for Agents) per the Commission's comments to ensure the company will operate in compliance with all applicable sections of 935 CMR 500. The original Operating Policies and Procedures (Detailed Description of Qualification and Intended Trainings for Agents) submitted as part of the application will be supplemented with the following information (below you will see the list of comments made by the Commission in bold text, and below the response by Hidden Hemlock in regular text.) followed by the original Operating Policies and Procedures (Detailed Description of Qualification and Intended Trainings for Agents).

**Notes: Your plan is not substantially compliant with the Commission's regulations. The items identified below (that are not checked off) have not been included in your summary. Your current summary should be removed from your application and replaced by the amended summary that adds and includes the missing items below. No other changes should be made to your summary. The items that need to be addressed include the following:**

### **A list of anticipated positions and their qualifications.935 CMR 500.105**

Below is a list of Hidden Hemlock's anticipated positions and applicable qualifications:

- Director of Facilities and Operations –
  - B.S. in Science and/or Engineering
  - M.S. in Science and/or Engineering
  - Massachusetts Licensed Professional Engineer
  - 10+ years of professional experience in facility design
  - 5+ years in a managerial role
  - General agricultural experience
  - 15+ years of cannabis cultivation experience
  - Must be 21 years of age or older
  - Ability to maintain strict adherence to all requirements and regulation as outlined in 935 CRM 500, and any further regulatory requirements given by the Commission, Department of Public Health, Department of Agriculture, Department of Energy, and/or any other applicable regulatory body.
  - Must be 21 years of age or older
  - Must pass any and all required background checks
  - Valid driver's license
- Director of EHS and Operations –
  - B.S. in Science and/or Engineering
  - M.S. in Science and/or Engineering
  - ASTM Qualified Environmental Professional
  - 10+ years of professional experience in EHS consulting

- 5+ years in a managerial role
- General agricultural experience
- 15+ years of cannabis cultivation experience
- Ability to maintain strict adherence to all requirements and regulation as outlined in 935 CRM 500, and any further regulatory requirements given by the Commission, Department of Public Health, Department of Agriculture, Department of Energy, and/or any other applicable regulatory body.
- Must be 21 years of age or older
- Must pass any and all required background checks
- Valid driver's license
- **Head Cultivator**
  - B.S. in horticulture, botany, microbiology, plant pathology or similar
  - M.S. in horticulture, botany, microbiology, plant pathology or similar
  - 10+ years of experience managing large scale cultivation operations
  - 5+ years in a managerial role
  - General agricultural experience
  - 15+ years of cannabis cultivation experience
  - Expert knowledge of plant diseases, insects, fungi and IPM practices
  - Ability to maintain strict adherence to all requirements and regulation as outlined in 935 CRM 500, and any further regulatory requirements given by the Commission, Department of Public Health, Department of Agriculture, Department of Energy, and/or any other applicable regulatory body.
  - Must be 21 years of age or older
  - Must pass any and all required background checks
  - Valid driver's license
- **Assistant Cultivator**
  - B.S. in horticulture, botany, microbiology, plant pathology or similar
  - M.S. in horticulture, botany, microbiology, plant pathology or similar
  - 2+ years of experience managing large scale cultivation operations
  - General agricultural experience
  - Knowledge of plant diseases, insects, fungi and IPM practices
  - Ability to maintain strict adherence to all requirements and regulation as outlined in 935 CRM 500, and any further regulatory requirements given by the Commission, Department of Public Health, Department of Agriculture, Department of Energy, and/or any other applicable regulatory body.
  - Must be 21 years of age or older
  - Must pass any and all required background checks
  - Valid driver's license
- **Assistant Cultivator**
  - B.S. in horticulture, botany, microbiology, plant pathology or similar
  - M.S. in horticulture, botany, microbiology, plant pathology or similar

- 2+ years of experience managing large scale cultivation operations
- General agricultural experience
- Knowledge of plant diseases, insects, fungi and IPM practices
- Ability to maintain strict adherence to all requirements and regulation as outlined in 935 CRM 500, and any further regulatory requirements given by the Commission, Department of Public Health, Department of Agriculture, Department of Energy, and/or any other applicable regulatory body.
- Must be 21 years of age or older
- Must pass any and all required background checks
- Valid driver's license

**Establishments must ensure that employees are trained on job specific duties prior to performing job functions. 935 CMR 500.105(2)**

Hidden Hemlock will ensure that employees are trained on job specific duties prior to performing job functions. Training shall be tailored to the roles and responsibilities of the job function of each Marijuana Establishment Agent, and at a minimum will include a Responsible Vendor Training Program under 935 CMR 500.105(2)(b). Agents responsible for tracking and entering product into the Seed-to-sale SOR will receive training in a form and manner determined by the Commission.

**Establishments must ensure that employees receive a minimum of eight (8) hours of ongoing training annually. 935 CMR 500.105(2)**

Hidden Hemlock will ensure that all employees receive a minimum of eight (8) hours of ongoing training annually.

**All current owners, managers, and employees shall complete the Responsible Vendor Program after July 1, 2019 or when available. 935 CMR 500.105(2)**

All current owners, managers, and employees of Hidden Hemlock will complete the Responsible Vendor Program within the required time-frame implemented by the Commission. After initial successful completion of a Responsible Vendor Training Program, each Owner, manager, and employee involved in the handling and sale of Marijuana for adult use will successfully complete the program once every year thereafter to maintain designation as a "Responsible Vendor"

**All new employees shall complete the Responsible Vendor Program within 90 days of being hired. 935 CMR 500.105(2)**

All new employees of Hidden Hemlock will complete the Responsible Vendor Program within 90 days of being hired.

**Responsible Vendor Program documentation must be retained for four (4) years. 935 CMR 500.105(2)**

Hidden Hemlock 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 on request during normal business hours.

Original Submission:

Current:

Hidden Hemlock workers hold the following qualifications:

- Massachusetts Registered Professional Engineer (Environmental)
- Massachusetts Wastewater Operator (Grade 2-I)
- OSHA HAZWOPER
- OSHA 10 Construction and Safety
- Confined Space Entry
- Environmental Professional - ASTM Phase I Environmental Site Assessment
- ServSafe Food Handler Certificate
- ServSafe Massachusetts Allergen Certificate
- Project Management Training
- First Aid/CPR Certified

Onboarding:

Upon hire, Hidden Hemlock employees will receive regulatory required training and best practice training to ensure all staff are compliant with requirements set out in 935 CMR 500 and to ensure the business can operate properly/competitively. Onboarding training will be conducted both in-house and by third-parties such as Cannabis Training University to ensure all staff are familiar with local/state/federal regulations, operating procedures, policies, practices, facility layout, equipment training and health & safety (hazard identification, personnel protective equipment, first aid, emergency action plan, electrical safety, fire prevention, hazard communication program, blood borne pathogen exposure control, etc.).

Annual/Refreshers:

Hidden Hemlock employees will complete the following yearly in-class and/or online training sessions to stay current with safety, operations, and industry standards:

- Yearly engineering TCH (training contact hours) to remain current with license requirements
- Yearly wastewater operator TCH to remain current with license requirements
- Seminars on organic farming practices (Northeast Organic Farming Association)
- Training specific to the Massachusetts cannabis industry offered by Cannabis Training Institute, Cannabis Training University or equal
- OSHA 8 hour refresher course
- Privacy and Confidentiality training
- First Aid/CPR Certified
- ERP training by provider (Leaf Logix/Metric)
- Process equipment training by provider (PurePressure)
- Various trainings to ensure efficient cultivation and processing

## **Qualifications and Trainings**

Hidden Hemlock, LLC

- Required trainings pursuant to 935 CMR 500.105 (2)

**Operating Policies and Procedures (Diversity Plan)**  
**Amended 10/20/2019 (Initial RFI) and 3/19/2020 (RFI2)**

Goals:

1. Hidden Hemlock shall hire a total of at least 10% of its staff which fall within one of the following demographics:
  - A. Minorities;
  - B. Women;
  - C. Veterans;
  - D. People with disabilities; and
  - E. People of all gender identities and sexual orientations (LGBTQ).
2. Secure one or more single purchase orders or wholesale supply agreements with licensed Marijuana Establishments within the Social Equity Program.

Programs:

1. When Hidden Hemlock is seeking employment applicants, Hidden Hemlock shall give preference to individuals that fall within the above demographics (Goal 1); however, applicants who fall within the above demographics must also maintain appropriate experience, knowledge and competence to fulfil the cannabis-related job requirements.

When Hidden Hemlock is seeking employment applicants, Hidden Hemlock shall post an ad in the local newspaper (such as but not limited to the South Coast Today, Standard-Times, Herald News of Fall River and Taunton Daily Gazette) for a duration of at least two weeks. Hidden Hemlock shall give preference to individuals that meet the criteria included in Goal 1 (above) when evaluating applicants; however, applicants who meet the criteria in Goal 1 (above) must also maintain appropriate experience, knowledge and competence to fulfil the cannabis-related job requirements.

2. Hidden Hemlock shall develop a network of licensed Marijuana Establishments (retailers/product manufactures) who Hidden Hemlock shall distribute products too. Hidden Hemlock shall give preference to Marijuana Establishments within the Social Equity Program when entering wholesale supply agreements; however, contractual agreements of a Social Equity Program participant must be equal to current market rates and meet all business requirements.

Metrics:

Hidden Hemlock will track, maintain and disclose measurement metrics to Commission to ensure the Company is meeting the identified goals of this plan.

1. Hidden Hemlock will count the number of individuals hired who meet one or more of the above demographics (Goal 1). This number will be divided by the total number of

employees at the Company to ensure that at least 10% of all individuals hired fall within the above demographics (Goal 1) within the first two years of issuance of a final license.

2. Within two years of issuance of a final license, Hidden Hemlock will secure one or more single purchase orders or wholesale supply agreements with licensed Marijuana Establishments within the Social Equity Program.

#### Progress:

Hidden Hemlock (the establishment) will document the progress or success of the plan which will be provided to the CCC upon license renewal, which takes place one year from provisional licensure, and each year thereafter, whether or not the establishment has received a final license.

- Goal 1: Hidden Hemlock will maintain and provide the CCC with a breakdown of its staff which fall within the following within one of the following demographics:
  - Minorities;
  - Women;
  - Veterans;
  - People with disabilities; and
  - People of all gender identities and sexual orientations (LGBTQ).
- Goal 2: Hidden Hemlock will maintain documentation in the form of a purchase agreement, supply agreement, document between marijuana establishments or correspondence with Marijuana Establishments within the Social Equity Program to track the progress of the goal. In the event that Hidden Hemlock and a Marijuana Establishment within the Social Equity Program do not sign such an agreement, Hidden Hemlock will maintain documentation to track the progress such as a document between marijuana establishments indicating that an agreement was not met or a purchase was not completed however communications regarding a sale between the two marijuana establishments were executed.

#### Additional Requirements:

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