



Massachusetts Cannabis Control Commission

Marijuana Retailer

General Information:

License Number: MR282161
Original Issued Date: 10/16/2020
Issued Date: 10/16/2020
Expiration Date: 10/16/2021

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: High Hopes LLC

Phone Number: 508-561-2596 Email Address: russell.bogartz@high-hopes.biz

Business Address 1: 1 Menfi Way, Unit 9

Business Address 2:

Business City: Hopedale

Business State: MA

Business Zip Code: 01747

Mailing Address 1: 8 Hope St

Mailing Address 2:

Mailing City: Hopedale

Mailing State: MA

Mailing Zip Code: 01747

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

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

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 100

Percentage Of Control: 100

Role: Executive / Officer

Other Role:

First Name: Russell

Last Name: Bogartz

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: White, Jewish	

Person with Direct or Indirect Authority 2

Percentage Of Ownership:	Percentage Of Control:	
Role: Executive / Officer	Other Role:	
First Name: Jay	Last Name: Lum	Suffix:
Gender: Male	User Defined Gender:	
What is this person's race or ethnicity?: Asian (Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese)		
Specify Race or Ethnicity: Chinese		

Person with Direct or Indirect Authority 3

Percentage Of Ownership:	Percentage Of Control:	
Role: Executive / Officer	Other Role:	
First Name: Marion	Last Name: Miller	Suffix:
Gender: Female	User Defined Gender:	
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)		
Specify Race or Ethnicity: White		

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

Close Associates or Member 1

First Name: Jay	Last Name: Lum	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Investor, CFO and a Principal with profit sharing percentage.		

Close Associates or Member 2

First Name: Richard	Last Name: Bogartz	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Richard Bogartz is the primary investor. He has not direct or indirect control over the business.		

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Richard	Last Name: Bogartz	Suffix:
Types of Capital: Monetary/Equity	Other Type of Capital:	Total Value of the Capital Provided: \$300000 Percentage of Initial Capital: 50
Capital Attestation: Yes		

Individual Contributing Capital 2

First Name: Jay	Last Name: Lum	Suffix:
Types of Capital: Monetary/Equity	Other Type of Capital:	Total Value of the Capital Provided: \$100000 Percentage of Initial Capital: 17
Capital Attestation: Yes		

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

Date generated: 12/03/2020

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 1 Menfi Way, Unit 9

Establishment Address 2:

Establishment City: Hopedale

Establishment Zip Code: 01747

Approximate square footage of the establishment: 3000

How many abutters does this property have?: 14

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

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Community Outreach Meeting Documentation	Community_Outreach_Attestation.pdf	pdf	5ec339310f6f0d34840b436d	05/18/2020
Certification of Host Community Agreement	HCA_CertificationForm.pdf	pdf	5ec439a00f96d32d20670c6b	05/19/2020
Plan to Remain Compliant with Local Zoning	Plan to Remain Compliant with Zoning REVISED 6.18.20.pdf	pdf	5eed6bba7babe37ab6e46d92	06/19/2020

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

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Other	MRCC PIP Acceptance Letter for High Hopes LLC.pdf	pdf	5ef0a6807babe37ab6e46f6e	06/22/2020
Other	DismasHouse_DonationAcception.pdf	pdf	5ef0a68b1807fa7aabfdb322	06/22/2020
Other	WBI Donor Letter_HighHopes LLC_06.24.2020.pdf	pdf	5ef3d019b0062b7ac1b0c1c6	06/24/2020
Plan for Positive Impact	Disproportionate Impact Plan 6.24.2020_resub.pdf	pdf	5ef4099cdf8b336bef409fbc	06/24/2020

ADDITIONAL INFORMATION NOTIFICATION

Notification:

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Executive / Officer

Other Role: CEO

First Name: Russell

Last Name: Bogartz Suffix:

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 2

Role: Executive / Officer

Other Role: CFO

First Name: Jay

Last Name: Lum Suffix:

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 3

Role: Executive / Officer

Other Role: COO

First Name: Marion

Last Name: Miller Suffix:

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 4

Role: Other (specify)

Other Role: Investor

First Name: Richard

Last Name: Bogartz Suffix:

RMD Association: Not associated with an RMD

Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

No records found

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Bylaws	High Hopes - Bylaws (1).pdf	pdf	5ebc911a7d78332d19fc7d78	05/13/2020
Articles of Organization	High Hopes - Operating Agreement (2).pdf	pdf	5ebc91325f1314349d5f8e08	05/13/2020
Department of Revenue - Certificate of Good standing	CertificateOfGoodStanding_DOR.pdf	pdf	5ec284435fa02a2d3651dde4	05/18/2020
Articles of Organization	High Hopes LLC - Certificate of Organization.pdf	pdf	5ec2f4a0504715348b1e2a22	05/18/2020
Secretary of Commonwealth - Certificate of Good Standing	CertificateGoodStanding_MA_SecretaryOfState_HHLLC.pdf	pdf	5ec6d77c0e32c52d2bdd2e2a	05/21/2020
Department of Revenue - Certificate of Good standing	High Hopes LLC - Letter of Attestation re Unemployment Assistance.pdf	pdf	5ee38395ea7a9324e6465993	06/12/2020

No documents uploaded

Massachusetts Business Identification Number: 001372831

Doing-Business-As Name: High Hopes LLC

DBA Registration City: Hopedale

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
-------------------	---------------	------	----	-------------

Proposed Timeline	Proposed Timeline.pdf	pdf	5ebc91a60f96d32d2066ffb7	05/13/2020
Business Plan	Hopedale Business Plan 14MAY2020.pdf	pdf	5ebf412e8caba634a8439b2c	05/15/2020
Plan for Liability Insurance	High Hopes LLC- Plan for Obtaining Liability Insurance.pdf	pdf	5ec6ebd37d78332d19fc90c6	05/21/2020

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Dispensing procedures	Dispensing Procedures.pdf	pdf	5ebc7b5d5fa02a2d3651d575	05/13/2020
Inventory procedures	Inventory Procedures.pdf	pdf	5ebc7b5f5c6c422d41afb9cf	05/13/2020
Maintaining of financial records	Managing of Financial Records.pdf	pdf	5ebc7b611cd17834bad62b23	05/13/2020
Record Keeping procedures	Recordkeeping Procedures.pdf	pdf	5ebc7b91ddb8c72d5360ad6e	05/13/2020
Prevention of diversion	Prevention of Diversion.pdf	pdf	5ebc7b93ce51fd2d12e5d828	05/13/2020
Qualifications and training	Qualifications and Training Procedures.pdf	pdf	5ebc7b940f6f0d34840b393c	05/13/2020
Quality control and testing	Quality Control and Testing.pdf	pdf	5ebc7b950f96d32d2066ff88	05/13/2020
Storage of marijuana	Storage of Marijuana.pdf	pdf	5ebc7b47dc04134928169db	05/13/2020
Security plan	Security Plan.pdf	pdf	5ebc7bb50e32c52d2bdd1b53	05/13/2020
Transportation of marijuana	Transportation of Marijuana.pdf	pdf	5ebc7bcdcb1edf34af2de285	05/13/2020
Restricting Access to age 21 and older	Restricting Access to Age 21 or Older.pdf	pdf	5ec34597ddb8c72d5360b831	05/18/2020
Plan for obtaining marijuana or marijuana products	Plan for Obtaining Marijuana and Marijuana Products.pdf	pdf	5ec44325502f482d48990cc0	05/19/2020
Personnel policies including background checks	Personnel Policies Including Background Checks (6.19.2020).pdf	pdf	5eed6dc77babe37ab6e46d97	06/19/2020
Diversity plan	DiversityPlan_12AUG2020.pdf	pdf	5f34511e8093f4686f9ca1d9	08/12/2020

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

ATTESTATIONS

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

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

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

Notification: I Understand

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification:

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

HOURS OF OPERATION

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

Community Outreach Meeting Attestation Form

Instructions

Community Outreach Meeting(s) are a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). 935 CMR 500.101(1), 500.101(2), 501.101(1), and 501.101(2). The applicant must complete each section of this form and attach all required documents as a single PDF document before uploading it into the application. If your application is for a license that will be located at more than one (1) location, and in different municipalities, applicants must complete two (2) attestation forms – one for each municipality. Failure to complete a section will result in the application not being deemed complete. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(2) and 501.400(2).

Attestation

I, the below indicated authorized representative of that the applicant, attest that the applicant has complied with the Community Outreach Meeting requirements of 935 CMR 500.101 and/or 935 CMR 501.101 as outlined below:

1. The Community Outreach Meeting was held on the following date(s): 4/22/2020
2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).



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

- a. Date of publication: 4/9/2020
- b. Name of publication: Milford Daily News

5. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was filed with clerk of the municipality. A copy of this filed notice is labeled and attached as "Attachment B."

- a. Date notice filed: 3/27/2020

6. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was mailed at least seven (7) calendar days prior to the community outreach meeting to abutters of the proposed address, and residents within 300 feet of the property line of the applicant's proposed location as they appear on the most recent applicable tax list, notwithstanding that the land of the abutter or resident is located in another municipality. A copy of this mailed notice is labeled and attached as "Attachment C." Please redact the name of any abutter or resident in this notice.

- a. Date notice(s) mailed: 4/7/2020

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



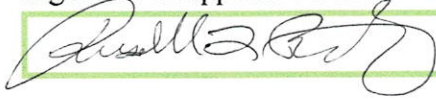
Name of applicant:

High Hopes LLC

Name of applicant's authorized representative:

Russell Bogartz

Signature of applicant's authorized representative:



MARIJUANA
LEGAL NOTICE

Notice of Community Outreach Meeting regarding Proposed Marijuana Retail establishment at 1 Menfi Way Unit 9, Hopedale Mass by High Hopes LLC.

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for April 22nd at 7:00pm via a Zoom meeting with capacity for 500 participants. The proposed Marijuana Retail store by Russell Bogartz/High Hopes, LLC is anticipated to be located at 1 Menfi Way, Unit 9 in Hopedale, MA. There will be an opportunity for the public to ask questions.

Instructions for connecting to the Outreach Meeting via Zoom using a computer with internet connection are available on the High Hopes website:

<https://high-hopes.biz/public>. If you do not wish to use a computer, you can join the meeting by calling (929) 205-6098 on any telephone. At the first prompt, enter the meeting ID 488 394 847 followed by # and # again.

AD#13882923
MDN 4/8/20

Whether you're looking for
the right job or
looking to fill a job

Jobs

will get the job done.
wickedlocaljobs.com



Russell Bogartz <russell.bogartz@gmail.com>

Online Public Outreach

5 messages

Russell Bogartz <russell.bogartz@gmail.com>

Fri, Mar 27, 2020 at 8:43 PM

To: Brian Keyes <bkeyes@hopedale-ma.gov>, twesley@hopedale-ma.gov, "Louis J. Arcudi" <larcudi@hopedale-ma.gov>, Susan Brouwer <sbrouwer@hopedale-ma.gov>, Robert Reed <rreed@hopedale-ma.gov>
Cc: Jay Lum <jaylum@aol.com>, David Coletta <david@colettas.org>, Marion Miller <marionjmiller912@gmail.com>

Hi all,

We at High Hopes were thrilled to hear the news from Bob that the town will allow us to conduct an online public outreach meeting! We are trying to target **4/22/2020 at 7:00 pm** as our date and time. The mission of this email is to ask if there will be at least one BOS member available to attend the meeting. We intend to use **Zoom** as the online meeting solution and we will be able to have up to 500 people join the meeting.

Notifications:

We will ensure that there is an ad in the Milford Daily news at least 14 days in advance and add instructions and details about how to find the meeting to be able to participate online. Along with the required information the last ad had, our new ad will contain the following:

- A link to our website with instructions to connect via computer online
- A call in number with instructions for those who'd rather just call in on their phone.
- A link to view the content we plan to display in the meeting so they can follow along if they choose to just call in.

Content for the meeting will be provided in the form of a PDF. We will also include a link for a free download to view a PDF in case they don't have it. We also plan to do a "dry run" before the date and invite folks via the facebook Hopedale bulletin board. This will be a chance to ensure that the process works and give us a chance to fix any last minute issues.

With regard to our abutters, we will send another round of regular mailers out with at least 14 days notice as the regulations stipulate.

Please let us know if 4/22/2020 at 7:00 pm will work.

Sincerely,
Russ Bogartz

Thomas Wesley <TWesley@hopedale-ma.gov>

Fri, Mar 27, 2020 at 8:45 PM

To: Russell Bogartz <russell.bogartz@gmail.com>, Brian Keyes <bkeyes@hopedale-ma.gov>, "Louis J. Arcudi" <larcudi@hopedale-ma.gov>, Susan Brouwer <sbrouwer@hopedale-ma.gov>, Robert Reed <rreed@hopedale-ma.gov>
Cc: Jay Lum <jaylum@aol.com>, David Coletta <david@colettas.org>, Marion Miller <marionjmiller912@gmail.com>

I defer to Chairman Keyes. Further discussion would be a violation of Open Meeting laws.
Tom

Get [Outlook for iOS](#)

From: Russell Bogartz <russell.bogartz@gmail.com>**Sent:** Friday, March 27, 2020 8:43:25 PM**To:** Brian Keyes <bkeyes@hopedale-ma.gov>; Thomas Wesley <TWesley@hopedale-ma.gov>; Louis J. Arcudi <larcudi@hopedale-ma.gov>; Susan Brouwer <sbrouwer@hopedale-ma.gov>; Robert Reed <rreed@hopedale-ma.gov>**Cc:** Jay Lum <jaylum@aol.com>; David Coletta <david@colettas.org>; Marion Miller <marionjmiller912@gmail.com>**Subject:** Online Public Outreach

Leaser: High Hopes LLC
Address: 1 Menfi Way, Unit 9
Date Notice Sent: 4/6/2020

Abutter: Joseph Menfi
Abutter Address: 2 Airport Drive

Dear Abutter:

The purpose of this letter is to serve as a notice a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for April 22nd at 7:00pm via a Zoom meeting with capacity for 500 participants. The proposed Marijuana Retail store by Russell Bogartz/High Hopes, LLC is anticipated to be located at 1 Menfi Way, Unit 9 in Hopedale, MA. There will be an opportunity for the public to ask questions. Instructions for connecting to the Outreach Meeting via Zoom using a computer with internet connection are available on the High Hopes website: <https://high-hopes.biz/public>. If you do not wish to use a computer, you can join the meeting by calling (929) 205-6099 on any telephone. At the first prompt, enter the meeting ID 488 394 847 followed by # and # again.

The records of the Town of Hopedale's Assessor's office show that you own property with a boundary within three hundred feet from the property line of the proposed establishment. This letter is to meet the notice requirement as set out by the Commonwealth of Massachusetts Cannabis Control Commission.

Sincerely,

Russell Bogartz and Jay Lum, Principals
High Hopes, LLC
Telephone Number: 508-561-2596
Email Address: russell.bogartz@high-hopes.biz

Host Community Agreement Certification Form

Instructions

Certification of a host community agreement is a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). Applicants must complete items 1-3. The contracting authority for the municipality must complete items 4-8. Failure to complete a section will result in the application not being deemed complete. This form should be completed and uploaded into your application. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(2) and 501.400(2).

Certification

The parties listed below do certify that the applicant and municipality have executed a host community agreement on the specified date below pursuant to G.L. c. 94G § 3(d):

1. Name of applicant:

High Hopes LLC

2. Name of applicant’s authorized representative:

Russell Bogartz

3. Signature of applicant’s authorized representative:

Russell Bogartz

Digitally signed by Russell Bogartz
Date: 2020.05.13 07:49:21 -04'00'

4. Name of municipality:

Town of Hopedale

5. Name of municipality’s contracting authority or authorized representative:

Diana M. Schindler, Town Administrator



6. Signature of municipality's contracting authority or authorized representative:

Diana Schindler

Digitally signed by Diana Schindler
Date: 2020.05.13 14:54:22 -04'00'

7. Email address of contracting authority or authorized representative of the municipality (*this email address may be used to send municipal notices pursuant to 935 CMR 500.102(1) and 501.102(1).*):

dschindler@hopedale-ma.gov

8. Host community agreement execution date:

5/11/20



PLAN TO REMAIN COMPLIANT WITH LOCAL ZONING

At the May 21, 2019 Town Meeting, the Town of Hopedale amended its Zoning Bylaw to regulate Non-Medical Marijuana Retailers. In particular, pursuant to Hopedale's amended Zoning Bylaw, a Non-Medical Marijuana Retailer is allowed by a Special Permit on property located in the Industrial, Light Industrial, and Commercial Districts. On September 20, 2019, the Attorney General's office approved the Zoning Bylaw amendment.

High Hopes LLC's proposed facility is at 1 Menfi Way, Unit 9, Hopedale, MA (the "Facility"). The Facility is located in the Commercial District and is eligible for a Special Permit from the Hopedale Zoning Board of Appeals ("ZBA"). Application will be made to the ZBA once a Provisional License from the Cannabis Control Commission is obtained so that the license can be included in the application package.

Special Permit Requirements

High Hopes LLC (the "Company") will satisfy all application requirements for a special permit for Non-Medical Marijuana Retailer in Hopedale's Commercial District, as set forth in § 10.6 of the Zoning Bylaw.

- A. The Company will file an application for a special permit with the Town Clerk.
- B. The Company will also provide a copy of the application, including the date and time of filing, certified by the Town Clerk, with the ZBA.
- C. The application will comply with the rules adopted by the ZBA relative to the procedures for submission and approval of special permits.
 - a. The Company shall provide detailed site plans of the lot showing the dimensions of the lot and the location and size of any existing or proposed building and showing streets and ways adjacent to the lot.
- D. The Company will pay all required fees for the Special Permit application.

In connection with its Special Permit Application, the Hopedale Zoning Bylaw authorizes the ZBA to consider whether:

- 1. The use will not have detrimental effects which outweigh its benefits to the neighborhood, Town or zoning district in which it is located;
- 2. The use is consistent, insofar as practicable, with the Town's Master Plan officially adopted by the Planning Board;
- 3. The use will not materially endanger or be hazardous to the public health and safety;
- 4. Sufficient off-street parking exists or will be provided to serve the use;

5. The use can be adequately served by municipal water and sewer systems and other necessary utilities, or the ZBA is satisfied that the proposed alternatives will comply with all applicable regulations; proposed septic systems shall comply with Title 5 of the State Environmental Code or more stringent regulations adopted by the Board of Health;
6. The use will not result in a substantial increase of volume or rate of surface water runoff to neighboring properties and streets;
7. The use will not result in contamination of the ground water supply, a well, stream, pond, watercourse or wetland;
8. The use will not create undue traffic congestion or unduly impair pedestrian safety.

The Company will be able to satisfy the ZBA that the Bylaw's criteria are met.

The use will not have detrimental effects which outweigh its benefits to the neighborhood, Town or zoning district in which it is located. The Company will accomplish this by ensuring compliance with the provisions of the Zoning Bylaw, including parking, signs, landscaping, environmental standards and other pertinent sections. The Facility will, to the extent possible, utilize screening and buffering from adjacent properties. All exterior lighting at the Facility will, to the extent possible, be limited to that required for safety and operational purposes, and reasonably shielded from abutting properties. The Company will also maintain the Facility in good condition.

The Facility will provide various economic benefits to the neighborhood, the district and the Town. The Company will be paying an approximate 3% tax from retail cannabis sales directly to the Town of Hopedale, as laid out in its Host Community Agreement. Additionally, the Company is committed to hiring qualified individuals from areas of disproportionate impact and managing a diverse workplace, as well as working with local vendors, suppliers, contractors and builders from the Town area whenever comparable local vendors are available. Further, the Company will also be donating to several local non-profit organizations. Overall, the Company plans on being involved in the well-being and growth of the Town of Hopedale.

The use is consistent with the Master Plan because it promotes economic development and employment opportunities and increases the Town's tax base through commercial development while minimizing the impact on the Town's resources and municipal services.

The Facility will not materially endanger the public health or safety. The property is an appropriate location for the Facility and its use as a Non-Medical Marijuana Retailer. The Facility is a commercial facility, located in the Commercial District, adjacent to the Hopedale airport. The Facility will not be located in a building that contains any residential units, nor will the Facility be located within 500 feet of a preexisting public or private school. The Facility will maximize pedestrian and vehicular safety on-site, including points of ingress and egress. The Company has also developed a security plan to ensure only authorized individuals have access to the Facility and there are commercial grade locks and alarm systems in place to prevent and detect unauthorized entrance.

The Facility will provide sufficient off-street parking. The Facility is approximately 3,000 square feet and has 15 parking spaces. The number of parking spaces complies with the Zoning Bylaw, which requires 1 space for every 200 square feet of area for stores.

The Facility can adequately be served by municipal water and sewer systems and other necessary utilities. As a retail operation with no manufacturing or cultivation, there will be no excessive or unusual use of water or burden on the sewer system.

As the Facility will be located in a preexisting building, with renovations only to the existing first floor commercial space and not to the structure of the building, it will not result in an increase of surface water runoff to neighboring properties or streets.

The Facility will not cause any contamination of the ground water supply, or any well, stream, pond, watercourse or wetland.

The use will not create undue traffic congestion or unduly impair pedestrian safety because the Facility is already located within a preexisting commercial shopping plaza with other retail establishments. The premises already provide adequate access and routes to accommodate vehicular traffic flow, parking lot with traffic lanes of sufficient width, and sidewalks for pedestrians to access the various stores therein.

In addition, the Company understands that, pursuant to Zoning Bylaw § 10.6(e), the ZBA may impose conditions, safeguards and limitations on time and use as may be appropriate for the protection of the neighborhood, the Town, and the natural environment. The Company understands that it may be required to post a bond or other security in an amount satisfactory to the ZBA for compliance with the conditions. These conditions may include, but are not limited to:

- setbacks greater than the minimum required by the Bylaw;
- screening and buffering from adjacent property;
- limitations on the size, method and time of operation;
- regulation of the number and location of driveways or other traffic features;
- off-street parking and loading; or
- other special features beyond the minimum required by the Bylaw.

There are no further local approvals required beyond the Special Permit. There is also no renewal clause for special permits in the Hopedale Zoning Bylaw.

Application Process

The Company is prepared to file its special permit application, along with all required materials and documentation, after a Provisional License from the Cannabis Control Commission is

obtained so that the license can be included in the application package. Once the Company has submitted its application, it will become eligible to receive a special permit from the ZBA.

After the application is filed and the submission requirements satisfied, the ZBA shall hold a public hearing within sixty-five (65) days after the filing of the application. Notice of this hearing shall be given by publication and posting and by mailing to all “parties in interest”—petitioner, abutters, owners of land directly opposite on any public or private street or way and owners of land within three hundred (300) feet of the property line as they appear on the most recent applicable tax list—in accordance with § 10.5(c) of the Bylaw.

The ZBA shall act within ninety (90) days following the public hearing. Failure by the ZBA to take final action on a special permit application within ninety (90) days following the close of the public hearing shall be deemed to be a grant of the special permit. The granting of a special permit shall require a favorable vote of at least four (4) members of the ZBA. The ZBA shall file the decision with the Town clerk within ninety (90) days following the close of the public hearing and follow certain notification procedures in accordance with § 10.5(e) of the Bylaw.

Plan for Positive Impact on Areas of Disproportionate Impact

1. Plan Goals

The High Hopes LLC (the “Company”) cannabis retail store at 1 Menfi Way, Unit 9, Hopedale, MA (the “Facility”) will develop and implement a Disproportionate Impact Area Plan (the “Plan”) consistent with the guidance of the Cannabis Control Commission (the “Commission”). The goal of the Plan is to have a positive impact on people disproportionately harmed by cannabis prohibition as defined by the Commission.

2. Plan Elements

To achieve its goal, the first and most important element of the Plan has been to locate the Facility within a reasonable distance from Commission-designated areas of disproportionate impact in Worcester County. This will facilitate High Hopes interviewing, hiring and training a minimum of four individuals from these or other areas of disproportionate impact within six months of obtaining a final operating license from the Commission. In order to achieve this goal of hiring and training at least four individuals from areas of disproportionate impact, the Company will post job openings monthly with the local newspapers, The Worcester Telegram and the Milford Daily News, stating that the Company is specifically looking for Massachusetts residents who are Social Equity Program participants, Certified Economic Empowerment recipients, or who have past marijuana convictions. Job openings will be posted with the aforementioned organizations each time an opening is available.

As a second element of the Plan, the Company will donate \$500 monthly to 1) Dismas House, a local Worcester non-profit that provides transitional housing and services from a 35-acre farm and three residential facilities for people recently released from prison. The Company will also donate \$250 monthly to 2) Wachusett Business Incubator, located in Gardner, MA, to help Fitchburg, a designated disproportionate impact area, among other municipalities along the Route 2 corridor. The Wachusett Business Incubator focuses on providing programs for low employment as well as entrepreneurial mentorship to leadership candidates. The Company has obtained written permission from both Dismas House and The Wachusett Business Incubator permitting such monthly donations.

And a third element of the Plan is to become a Legacy Donor at the \$100/Level per month to the Massachusetts Recreational Consumer Council to support the movement for economic and social justice within the Cannabis dispensary community. The Company has obtained written permission from these recipients to accept payment of such monthly donations.

Measurement and Accountability

Regularly measuring success will be a key component of the Plan. The Company will gather pertinent information on a quarterly basis to count the number of individuals hired who fall into one of these three aforementioned categories, and compare the numbers to the total number of employees hired, to establish that 20% of all individuals fall within this goal.

Specifically, at the end of the first year from receipt of a provisional license, and each year thereafter in connection with submission of its renewal application to the Commission, the Company will seek to quantify its success with hiring individuals whom are Social Equity Program participants, Certified Economic Empowerment recipients, or who have past marijuana convictions. The Company will also undertake written assessments of its success in hiring, training, and maintaining these employees consistent with the goals of the Plan and will submit such at each renewal period. The written assessments will include, but not be limited to: (1) number of successful employees that come from the three aforementioned categories, and (2) to the extent necessary, recommendations for improving the effectiveness of the Company's efforts relative to disproportionate impact areas. Progress and success will be demonstrated upon each license renewal period.

3. Legal Obligations/Affirmations

The Company will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.

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

BYLAWS OF HIGH HOPES LLC

ARTICLE I OFFICES AND RECORDS

Section 1.1. PRINCIPAL OFFICE. The principal office of High Hopes LLC (the “Company”) shall be within or without the Commonwealth of Massachusetts as set forth in the Company’s Certificate of Organization or subsequent filing with the Commonwealth of Massachusetts.

Section 1.2. OTHER OFFICES. The Company may also have other offices at any places, within or without the Commonwealth of Massachusetts, as the Managers may designate, or as the business of the Company may require or as may be desirable.

ARTICLE II MEMBERS

Section 2.1. PLACE OF MEETING. Meetings of the members (each a “Member”) shall be held either at the principal office of the Company or at any other place designated by the Managers, either within or without the Commonwealth of Massachusetts, as shall be designated in the notice of the meeting or executed waiver of notice.

Section 2.2. MEETINGS OF MEMBERS BY REMOTE COMMUNICATION. The Managers may authorize Members not physically present at a meeting of Members to participate in a meeting of Members by means of remote communication and be deemed present and entitled to vote at the meeting, subject to any guidelines and procedures adopted by the Managers.

The Managers may also authorize that any annual or special meeting of Members shall be held solely by means of remote communication as set out this Section 2.2 without a physical assembly of Members.

Section 2.3. ANNUAL MEETING. An annual meeting of Members, for the purpose of electing Managers and transacting any other business as may be brought before the meeting, shall be held on such date as the Managers may determine.

Failure to hold the annual meeting at the designated time shall not affect the validity of any action taken by the Company. If the Managers fail to call the annual meeting, any Member may make demand in writing to any officer of the Company that an annual meeting be held.

Section 2.4. SPECIAL MEMBERS’ MEETINGS. Special meetings of the Members may be called:

- (a) by the Managers; or
- (b) upon the demand of the holders of at least twenty-five percent (25%) of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting.

Only business within the purposes described in the Company’s meeting notice may be conducted at a special meeting of the Members.

Section 2.5. RECORD DATE FOR MEMBER ACTION. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the record date shall be:

- (a) on the date fixed by the Managers in the notice of the meeting;
- (b) at the close of business on the day before the first notice is delivered to Members, if no date is fixed by the Managers; or
- (c) on the day before the Members’ meeting, if no notice of meeting is mailed to Members

For action by consent of the Members without a meeting, the record date for Members entitled to approve the action subject of the consent shall be:

- (a) on the date fixed by the Managers; or
- (b) the date that the first Member signs the written consent, if no date is fixed by the Managers.

A record date fixed under this Section may not be more than seventy (70) days before the meeting or action requiring a determination of Members. A determination of Members entitled to notice of or to vote at a Members’ meeting is effective for any adjournment of the meeting unless the Managers fix a new record date, which it shall do if the meeting is adjourned to a date more than one hundred twenty (120) days

after the date fixed for the original meeting.

Section 2.6. NOTICE OF MEMBERS' MEETING. Written notice of any annual or special meeting of Members shall be given to any Member entitled to notice not less than seven (7) days nor more than sixty (60) days before the date of the meeting. The Company is required to give notice only to Members entitled to vote at the meeting. The Company shall give written notice to any Member entitled to notice by mail or by electronic transmission. Written notice by mail is effective on deposit in the United States mail, if mailed postpaid and correctly addressed to the Member's address shown in the Company's current record of Members. Written notice by electronic transmission is effective by (a) facsimile telecommunication when directed to a number furnished by the Member for the purpose; (b) email when directed to an email address furnished by the Member for the purpose; (c) posting on an electronic network together with separate notice to the Member of such specific posting, directed to an email address furnished by the Member for the purpose; or (d) any other form of electronic transmission when directed to the Member in the manner specified by the Member.

Any person entitled to notice of a meeting may sign a written waiver of notice either before or after the time of the meeting. The participation or attendance at a meeting of a person entitled to notice constitutes waiver of notice, except where the person attends for the specific purpose of objecting to the lawfulness of the convening of the meeting.

Section 2.7. VOTING LISTS. The officer or agent having charge of the Unit transfer records for Units of the Company shall prepare an alphabetical list of all Members entitled to notice of the meeting, arranged by voting group and by class and series of Units, with the address of and the number of Units held by each Member. The list shall be available for inspection by any Member beginning two (2) business days after notice of the meeting is given at the principal place of business of the Company or if the meeting will be held at another location, at a place in the city where the meeting will be held, which shall be identified in the meeting notice.

The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

Section 2.8. QUORUM OF MEMBERS. A quorum shall be present for action on any matter at a Member meeting if a majority of the votes entitled to be cast on the matter by a voting group is represented at the meeting in person or by proxy. A voting group includes all Units of one or more classes or series that are entitled to vote and to be counted together collectively on a matter at a meeting of Members.

Once a quorum for a voting group has been established at a meeting, the Members in that voting group represented in person or by proxy at the meeting are deemed present for quorum purposes for the remainder of the meeting and for any adjournment unless: (a) the Member attends the meeting solely to object to defective notice or the conduct of the meeting on other grounds and does not vote the Units or take any other action at the meeting; or (b) the meeting is adjourned and a new record date is set for the adjourned meeting.

The Members in a voting group represented in person or by proxy at a meeting of Members, even if not comprising a quorum, may adjourn the meeting as to the voting group until a time and place as may be determined by a vote of the holders of a majority of the Units of the voting group represented in person or by proxy at that meeting. If the meeting is adjourned for more than one hundred twenty (120) days after the date fixed for the original meeting, a new quorum for the meeting must be established.

Section 2.9. VOTING BY PROXY OR NOMINEE. Units owned by the Company itself or by another company or entity, the majority of the voting stock or interest of which is owned or controlled by the Company, shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding Units at any given time. Nothing in this section shall be construed as limiting the right of the Company or any domestic or foreign company or other entity to vote Units, held or controlled by it in a fiduciary capacity, or with respect to which it otherwise exercises voting power in a fiduciary capacity.

A Member may vote either in person or by proxy executed in writing by the Member or his or her attorney-in-fact. An appointment of a proxy is effective when received by the Secretary or other officer or agent authorized by the Company to tabulate votes. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. A proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest as defined in the Massachusetts Limited Liability Company Act. An appointment made irrevocable is revoked when the interest with which it is coupled is extinguished. The death or incapacity of the Member appointing a proxy shall not affect the right of the Company to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy exercises his or her authority under the appointment.

Units owned by another company, domestic or foreign, may be voted by any officer, agent, or proxy as the bylaws of that company may authorize or, in the absence of authorization, as the management of that company may determine.

An administrator, executor, guardian, or conservator may vote Units held in that fiduciary capacity if the Units forming a part of an estate are in the possession and forming a part of the estate being served by the fiduciary, either in person or by proxy, without a transfer of the Units into the fiduciary's name. A trustee may vote Units standing held in trustee's name, either in person or by proxy, but no trustee shall be entitled to vote Units held by him or her without a transfer of the Units into his or her name as trustee.

A receiver may vote Units standing in the name of a receiver and may vote Units held by or under the control of a receiver without the transfer thereof into the receiver's name if authority so to do be contained in an appropriate order of the court by which the receiver was appointed.

A Member whose Units are pledged shall be entitled to vote the Units until the Units have been transferred into the name of the pledgee, and

thereafter the pledgee shall be entitled to vote the Units transferred, subject to any agreements containing restrictions on the hypothecation, assignment, pledge, or voluntary or involuntary transfer of Units.

Section 2.10. ACTION BY MEMBERS WITHOUT A MEETING. Any action required or permitted to be taken at any annual or special meeting of Members may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall have been signed by the holder or holders of Units with at least the minimum number of votes necessary to take the action at a meeting at which all Members entitled to vote on the action are present and voting. The action shall be evidenced by one or more written consents that (a) describe the action taken, (b) are signed by Members having the requisite votes, (c) bear the date of the signatures of such Members, and (d) are delivered to the Company for inclusion with the records of meetings within sixty (60) days of the earliest dated consent delivered to the Company.

If the action to be taken pursuant to the consent of voting Members without a meeting is one for which notice to all Members would be required by law if the action were to be taken at a meeting, then the Company shall, at least seven (7) days before the action is taken, give notice in the manner specified by Section 2.6 to all nonvoting Members.

ARTICLE III

MANAGERS

Section 3.1. MANAGERS. All company power shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Managers, except such powers expressly conferred upon or reserved to the Members, and subject to any limitations set forth by law, by the Company's Operating Agreement (the "Operating Agreement"; all defined terms used but not defined herein shall have the definitions ascribed to such terms in the Operating Agreement), or by these Bylaws. Managers need not be residents of the Commonwealth of Massachusetts or Members of the Company. The initial Manager shall be Russell Bogartz. Subsequent or Additional Managers shall be appointed by the Members in accordance with the Operating Agreement.

Section 3.2. NUMBER OF MANAGERS. The number of Managers shall initially be one (1) provided that the number may be increased or decreased from time to time by the Required Members. No decrease in the number of Managers shall have the effect of decreasing the number of Managers below the minimum number of individuals permitted by law, nor shall have the effect of shortening the term of any incumbent Manager.

Section 3.3. TERM OF OFFICE. Managers shall hold office until the Manager's death, resignation, or removal. Despite the expiration of a Manager's term, he or she shall continue to serve until his or her successor is elected and qualified or until there is a decrease in the number of Managers.

Section 3.4. REMOVAL. Managers may be removed from office at any time with or without cause by the Required Members. A Manager may be removed by the Required Members only at a meeting called for that purpose, for which the notice must state that the purpose, or one of the purposes, of the meeting is removal of the Manager or Managers.

Section 3.5. RESIGNATION. Except as otherwise required in the Operating Agreement, a Manager may resign at any time by giving notice in the form of an executed resignation to the Managers or to the Company. A resignation is effective when the notice is delivered unless the notice specifies a future date. Acceptance of the resignation shall not be required to make the resignation effective. The pending vacancy may be filled before the effective date in accordance with Section 3.6 of these Bylaws, but the successor shall not take office until the effective date.

Section 3.6. VACANCIES. Vacancies and newly created Managerships, whether resulting from an increase in the number of Managers, or due to the death, resignation, disqualification or removal of a Manager or otherwise, may be filled by the Required Members. A vacancy that will occur at a specific later date may be filled before the vacancy occurs, but the new Manager may not take office until the vacancy occurs.

Section 3.7. MEETINGS OF MANAGERS. Regular (to be held at least annually) and special meetings of the Managers may be held at such times and places within or outside the Commonwealth of Massachusetts as the Managers may fix. Special meetings of the Managers may be called by the President, if any, by the Secretary, or by any two Managers (or one Manager if there are only two Managers).

Section 3.8. MEETINGS OF MANAGERS BY REMOTE COMMUNICATION. Managers may participate in any meeting by, or conduct the meeting through the use of, any means of communication by which all Managers participating may simultaneously hear each other during the meeting. A Manager participating in a meeting by this means is considered to be present in person at the meeting.

Section 3.9. NOTICE OF MANAGERS' MEETINGS. Regular meetings may be held without notice of the date, time, place, or purpose of the meeting. All special meetings of the Managers shall be held upon not less than two (2) days' notice. Such notice shall state:

- (a) the date and time of the meeting;
- (b) the place of the meeting;
- (c) the purpose or purposes for which the meeting is called if the meeting is a special meeting.

The Company or person calling the meeting shall give notice of the meeting to each Manager personally, by telephone or voice mail, by mail, by electronic transmission if consented to by the Manager, or by messenger or delivery service. Notice to each Manager shall also be given by electronic transmission at the Manager's last known e-mail address.

A written waiver of the required notice signed by a Manager entitled to the notice, before or after the meeting, is the equivalent of giving notice to the Manager who signs the waiver. A Manager's attendance at any meeting shall constitute a waiver of notice of the meeting, except where the Manager attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

Section 3.10. QUORUM AND ACTION OF MANAGERS. A majority of the number of Managers shall constitute a quorum for the transaction of business, unless there are only two Managers, in which case both Managers must be present. The act of the majority of the Managers present at a meeting at which a quorum is present at the time of the act shall be the act of the Managers, unless the act of a greater number is required by law, the Operating Agreement, or these Bylaws. The Managers at a meeting for which a quorum is not present may adjourn the meeting until a time and place as may be determined by a vote of the Managers present at that meeting.

Section 3.11. COMPENSATION. Managers shall not receive any stated salary for their services, but by resolution of the Managers a fixed sum and expenses of attendance, if any, may be allowed for attendance at any meeting of the Managers or committee thereof. A Manager shall not be precluded from serving the Company in any other capacity and receiving compensation for services in that capacity.

Section 3.12. ACTION BY MANAGERS WITHOUT A MEETING. Unless otherwise provided by these Bylaws, any action required or permitted to be taken at a meeting of the Managers or any committee thereof may be taken without a meeting if the required number of Managers to take an action, or all committee members then appointed, consent to such action in writing or by electronic transmission and the writings or electronic transmissions are filed with the minutes of the proceedings of the Managers.

Section 3.13. COMMITTEES OF THE MANAGERS. The Managers, by resolution adopted by a majority, may designate one or more Managers to constitute one or more committees, to exercise the authority of the Managers to the extent provided in the resolution of the Managers and allowed under the law of the Commonwealth of Massachusetts.

ARTICLE IV

OFFICERS

Section 4.1. POSITIONS AND APPOINTMENT. The officers of the Company shall be appointed by the Managers, including assistant officers and agents, as may be deemed necessary by the Managers. Any two or more offices may be held by the same person.

Each officer shall serve until a successor is elected and qualified or until the death, resignation or removal of that officer. Vacancies or new offices shall be filled at the next regular or special meeting of the Managers. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4.2. REMOVAL AND RESIGNATION. Any officer appointed or elected by the Managers may be removed with or without cause by the affirmative vote of the majority of the Managers at any regular or special meeting. Any officer or assistant officer appointed by an authorized officer may be removed at any time with or without cause by any officer with authority to appoint such officer or assistant officer. Removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Any officer may resign at any time by delivering notice to the Company. Resignation is effective when the notice is delivered unless the notice provides a later effective date. Any vacancies may be filled in accordance with Section 4.1 of these Bylaws.

Section 4.3. POWERS AND DUTIES OF OFFICERS. The powers and duties of the officers of the Company shall be as provided from time to time by resolution of the Managers or by direction of an officer authorized by the Managers to prescribe the duties of other officers. In the absence of such resolution, the respective officers shall have the powers and shall discharge the duties customarily and usually held and performed by like officers of Companies similar in organization and business purposes to the Company subject to the control of the Managers.

ARTICLE V

INDEMNIFICATION OF MANAGERS AND OFFICERS

The Company shall indemnify a Manager or officer who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she was a Manager or officer of the Company against reasonable expenses incurred by him or her in connection with the proceeding.

The Company may, to the fullest extent permitted by law, indemnify each person who may serve or who has served at any time as a Manager or officer of the Company or of any of its subsidiaries, or who at the request of the Company may serve or at any time has served as a

Manager, officer, administrator or trustee of, or in a similar capacity with, another organization or any employee benefit plan, against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon such person in connection with any proceeding in which he may become involved by reason of his serving or having served in such capacity.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of a Manager, officer or other person entitled to indemnification hereunder.

The foregoing right of indemnification shall be in addition to and not exclusive of any other rights which such Manager or officer or other person may be entitled under the Operating Agreement, any agreement, or pursuant to any action taken by the Managers or Members of the Company or otherwise.

ARTICLE VI

UNIT CERTIFICATES AND TRANSFER

Section 6.1. CERTIFICATES REPRESENTING UNITS. Units may be certificated or uncertificated. If the Units are uncertificated, the Company shall record any Unit transfer in the Company's books and records. In the event the Units are certificated, the certificates representing Units of the Company shall state:

- (a) the name of the Company and that it is organized under the laws of the Commonwealth of Massachusetts;
- (b) the name of the person to whom issued;
- (c) the number and class of Units and the designation of the series, if any, which the certificate represents; and
- (d) a conspicuous statement setting forth restrictions on the transfer of the Units, if any.

No Unit shall be issued until the consideration therefor, fixed as provided by law, has been fully paid.

Section 6.2. REGISTERED MEMBERS. The Company may treat the registered owner of any Units issued by the Company as the holder in fact thereof, for purposes of voting those Units, receiving distributions thereon or notices in respect thereof, transferring those Units, exercising rights of dissent with respect to those Units, exercising or waiving any preemptive right with respect to those Units, entering into agreements with respect to those Units in accordance with the laws of the Commonwealth of Massachusetts, or giving proxies with respect to those Units.

Neither the Company nor any of its officers, Managers, employees, or agents shall be liable for treating that person as the owner of those Units at that time for those purposes, regardless of whether that person possesses a certificate for those Units and shall not be bound to recognize any equitable or other claim to or interest in such Unit or Units on the part of any other person, whether or not it shall have express notice thereof, except as otherwise provided by law.

Section 6.3. LOST CERTIFICATES. The Company may issue a new certificate for its Units in place of any certificate theretofore issued and alleged by its owner of record or such owner's authorized representative to have been lost, stolen, or destroyed if the Company, transfer agent, or registrar is not on notice that such certificate has been acquired by a bona fide purchaser.

A new certificate may be issued in lieu of any certificate previously issued that has become defaced or mutilated upon surrender for cancellation of a part of the old certificate sufficient, in the opinion of the Secretary and the transfer agent or the registrar, if any, to identify the owner of the defaced or mutilated certificate, the number of Units represented thereby, and the number of the certificate and its authenticity and to protect the Company and the transfer agent or the registrar against loss or liability. When sufficient identification for such defaced or mutilated certificate is lacking, a new certificate may be issued upon compliance with all of the conditions set forth in this Section in connection with the replacement of lost, stolen, or destroyed certificates.

ARTICLE VII

MISCELLANEOUS

Section 7.1. SEAL. The Company may adopt a seal in a form approved by the Managers. The Company shall not be required to use the seal and the lack of the seal shall not affect an otherwise valid contract or other instrument executed by the Company.

Section 7.2. CHECKS, DRAFTS, ETC. All checks, drafts or other instruments for payment of money or notes of the Company shall be signed by an officer or officers or any other person or persons as shall be determined from time to time by resolution of the Managers.

Section 7.3. FISCAL YEAR. The fiscal year of the Company shall be as determined by the Managers.

Section 7.4. CONFLICT WITH APPLICABLE LAW OR OPERATING AGREEMENT. These Bylaws are adopted subject to any applicable law and the Operating Agreement. Whenever these Bylaws may conflict with any applicable law or the Operating Agreement, such conflict shall be resolved in favor of such law or the Operating Agreement.

Section 7.5. INVALID PROVISIONS. If any one or more of the provisions of these Bylaws, or the applicability of any provision to a specific situation, shall be held invalid or unenforceable, the provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any provision shall not be affected thereby.

Section 7.6. AMENDMENTS. These Bylaws may be amended, repealed, or otherwise altered by the Managers or sole Manager if there is only one Manager.

HIGH HOPES LLC
OPERATING AGREEMENT
Dated as of October 2, 2019

HIGH HOPES LLC
OPERATING AGREEMENT

THIS OPERATING AGREEMENT of High Hopes LLC (the “Company”) is dated as of October 2, 2019 by and among the Members (as defined below) from time to time party hereto and the Manager (as defined below).

WHEREAS, each of the Members contributed to the Company cash in the amount set forth next to each Member’s name on Schedule I in exchange for either Founder Units or Investor Units (each as defined below);

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the parties agree as follows:

ARTICLE 1.
DEFINITIONS AND RULES OF CONSTRUCTION

Certain capitalized terms are used in this Agreement with the specific meanings set forth below in this Article 1. Except as otherwise explicitly specified to the contrary or unless the context clearly requires otherwise, (a) the capitalized term “Article” refers to articles of this Agreement, (b) the capitalized term “Section” refers to sections of this Agreement, (c) the capitalized term “Schedule” refers to schedules to this Agreement, (d) the capitalized term “Exhibit” refers to exhibits to this Agreement, (e) references to a particular Article or Section include all subsections thereof, (f) the word “including” shall be construed as “including without limitation,” (g) references to a particular statute or regulation include all rules and regulations thereunder and any successor statute, regulations or rules, in each case as from time to time in effect, (h) references to a particular Person include such Person’s successors and assigns to the extent not prohibited by this Agreement and (i) references to “dollars” and “\$” mean United States dollars.

“*Act*” means the Massachusetts Limited Liability Company Act.

“*Additional Capital Contributions*” is defined in Section 3.2.

“*Adjusted Capital Account Deficit*” means, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Taxable Year, after giving effect to the following adjustments:

(i) crediting to such Capital Account any amount which such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulation Sections 1.704-1(b)(2)(ii)(c), 1.704-2 (g)(1), and 1.704-2(i); and

(ii) debiting to such Capital Account the items described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

“*Affiliate*” means, with respect to any Person, any other Person controlling, controlled by, or under common control with, such Person. For purposes of this definition, (a) the term “control” means, when used with respect to any Person, the power to direct the management and policies of such Person, directly or indirectly, whether as an officer or director, through the ownership of voting securities, by contract or otherwise, and (b) the terms “controlling” and “controlled” have correlative meanings.

“Aggregate Capital Contributions” means, with respect to any Member as of any date, the aggregate amount of Capital Contributions made by such Member to the Company on or prior to such date.

“Agreement” means this Operating Agreement, as amended and in effect from time to time.

“Allocable Net Income” is defined in Section 7.6.

“Assets” means, at any time, all assets owned, directly or indirectly, by the Company at such time.

“Authorized Person” means an “authorized person” within the meaning of the Act.

“Book Value” means, with respect to any Asset as of any date, the value at which such Asset is properly reflected on the books and records of the Company as of such date. The initial Book Value of each Asset shall be its cost, unless such Asset was contributed to the Company by a Member, in which case the initial Book Value of such Asset shall be the fair market value of such Asset as agreed by the Manager at the time of contribution, and such initial Book Value shall thereafter be adjusted for depreciation in accordance with clause (d) of the definition of “Profit” and “Loss.” The Book Value of each Asset shall be adjusted to equal its fair market value, as determined by the Manager and subject to the approval of the Manager, as of the following times: (a) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a *de minimis* additional Capital Contribution; and (b) the distribution by the Company to any Member of more than a *de minimis* amount of Assets, including cash, as consideration for an interest in the Company.

“Budget Act” means the Bipartisan Budget Act of 2015.

“Business Day” means any day other than Saturday, Sunday or a day which is a legal holiday in Boston, Massachusetts or on which banks in Boston, Massachusetts are authorized or required by law or other governmental action to close.

“Capital Account” is defined in Section 4.1.

“Capital Contributions” means, with respect to any Member, the sum of (a) the aggregate amount of cash actually contributed by such Member to the Company pursuant to Article 3, plus (b) the aggregate Book Value of any other property (net of liabilities assumed or to which such property is subject) actually contributed by such Member to the Company pursuant to Article 3.

“Cause” means the occurrence of either (i) any material breach of this Agreement by the Manager, or (ii) any action or inaction by the Manager in its capacity as Manager which would be construed a breach of a fiduciary obligation if the Manager were subject to all of the fiduciary duties of a director of a business corporation organized under the Massachusetts Business Corporation Act, in either case after reasonable notice from the Person alleging Cause has occurred and providing the Manager to cure such breach, action or inaction resulting in Cause within thirty (30) days of such notice, to the extent the same is curable.

“Certificate” means the Certificate of Organization of the Company filed pursuant to the Act with the Secretary of the Commonwealth of Massachusetts, as amended and in effect from time to time.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” means the limited liability company formed by virtue of this Agreement and the filing of the Certificate in accordance with the Act, as such limited liability company may from time to time be constituted.

“Company Minimum Gain” has the meaning set forth for “partnership minimum gain” in Treasury Regulation Section 1.704-2(d).

“Dissolution Event” is defined in Section 8.3.1.

“ERISA” means the federal Employee Retirement Income Security Act of 1974, as amended.

“Expenses” shall mean the reasonable and necessary cash and non-cash costs and expenditures of the Company in connection with the operation of the Company and the Manager’s obligations hereunder.

“Fiscal Year” shall mean the twelve month period ended December 31, or such other annual accounting period as may be established by the Manager for federal income tax purposes as determined under the Code.

“Formation Date” means March 13, 2019.

“Founder Member” means those Members holding Founder Units.

“Founder Percentage Interest” means, with respect to any Founder Member, the percent of the outstanding Founder Units held by such Member.

“Founder Units” means the Units having the privileges, preference, duties, liabilities, obligations, and rights specified with respect to Founder Units in this Agreement, and which shall be, except to the extent otherwise required by applicable law, be considered a “profits interest,” as defined in IRS Revenue Procedures 93-27 and 2001-43 for federal income tax purposes, as provided this Operating Agreement and in any Grant Award agreement used for such purpose.

“Independent Third Party” means any person who, immediately prior to the contemplated transaction, does not directly or indirectly beneficially own in excess of 5% of the Founder Percentage Interests that are issued and outstanding, and which shall be separately determined by reference to Founder Percentage Interests only, is not an Affiliate of any such 5% owner and is not the spouse or descendant (by birth or adoption) of any such 5% owner.

“Interests” or “Partnership Interests” means all of a Member’s interest in the Company, including the rights, if any, to receive allocations and distributions, to vote and to consent or approve.

“IRS” means the United States Internal Revenue Service.

“Investor Member” means those Members holding Investor Units.

“Investor Percentage Interest” means, with respect to any Investor Member, the percent of the outstanding Investor Units held by such Member.

“Investor Units” means the Units having the privileges, preference, duties, liabilities, obligations, and rights specified with respect to “Investor Units” in this Agreement.

“Key Person” is defined in Section 9.3.

“Manager” shall mean Russell Bogartz.

“Member” means each Person listed as a member on Schedule I and any other Person who becomes a substituted or additional member as provided herein and is listed as a member of the Company in the books and records of the Company, in each case in such Person’s capacity as a member of the Company.

“Other Business” means any business(es) other than Store One, including, but not limited to, licensed marijuana retail establishments.

“Other Business Net Cash Flow” means, with respect to any calendar month, Period or Fiscal Year, the total of:

(a) all cash revenues and funds received by the Company that are attributed to Other Business (including any funds released to the Company from any escrow account of which the Company is a beneficiary), other than funds or property received as Capital Contributions; minus

(b) except to the extent such amounts are funded by Capital Contributions, such reasonable reserves as shall be approved by the Manager to provide for any contingent, conditional or unmatured liabilities or obligations of the Company attributed to Other Business.

“Partnership Representative” is defined in Section 5.3.2

“Period” shall mean each fiscal quarter and annual accounting period of the Company.

“Person” means any present or future natural person or any corporation, association, partnership, joint venture, limited liability, joint stock or other company, business trust, trust, organization, business or government or any governmental agency or political subdivision thereof.

“Profit” and **“Loss”** has the meaning set forth in Section 4.1.2.

“Regulations” means the Temporary or Final federal income tax regulations promulgated under the Code, as amended by the IRS.

“Regulatory Allocations” has the meaning set forth in Section 6.4.7.

“Required Members” means Members holding a majority of the Founder Percentage Interests.

“Sale of the Company” means the sale (in a single transaction or a series of related transactions) of the Company to any Independent Third Party or group of Independent Third Parties pursuant to which such Independent Third Party or group of Independent Third Parties acquire (a) 50% or more of the then outstanding Interests (whether by merger, consolidation, sale or Transfer of Interests, reorganization, recapitalization or otherwise), or (b) all or substantially all of the assets of the Company and its Subsidiaries, determined on a consolidated basis.

“Store One” means the first licensed marijuana retail establishment owned and operated by the Company in the Commonwealth of Massachusetts.

“Store One Net Cash Flow” means, with respect to any calendar month, Fiscal Year, or other period, the total of:

(a) all cash revenues and funds received by the Company attributed to Store One (including any funds released to the Company from any escrow account of which the Company is a beneficiary), other than funds or property received as Capital Contributions; minus

(b) except to the extent such items are funded by Capital Contributions, such reasonable reserves as shall be approved by the Manager to provide for any contingent, conditional or unmatured liabilities or obligations of the Company that are attributed to Store One.

“**Subsidiaries**” shall mean any Person of which the securities having ordinary voting power to elect a majority of its board of directors or board of managers (or managing or general partners or other persons having similar functions), or other ownership interests (including partnership and membership interests) ordinarily constituting a majority interest in the capital, profits or cash flow of such Person, are at the time, directly or indirectly, owned or controlled by another entity and/or by one or more other Subsidiaries of such entity..

“**Tax Distribution Amount**” is defined in Section 7.6.

“**Tax Percentage**” is defined in Section 7.6.

“**Taxable Year**” means the Company's taxable year ending on or about December 31 (or part thereof in the case of the Company's first and last taxable year), or such other year as is (i) required by Section 706 of the Code or (ii) determined by the Manager (if no year is so required by Section 706 of the Code).

“**Treasury Regulations**” means the final or temporary regulations that have been issued by the U.S. Department of Treasury pursuant to its authority under the Code, and any successor regulations.

“**United States Funds**” means such coin or currency of the United States of America as at the time shall be legal tender therein for the payment of public and private debts.

ARTICLE 2. FORMATION OF THE COMPANY

2.1 Formation. The Company was formed on the Formation Date as a limited liability company under and pursuant to the Act by the execution by an Authorized Person of the Company of the Certificate and the filing by an Authorized Person of the Company of the Certificate with the Secretary of the Commonwealth of Massachusetts, in each case on the Formation Date. By execution of this Agreement, the parties hereby continue the Company as a limited liability company under and pursuant to the Act. Each party represents and warrants that: (a) such party is duly authorized to execute, deliver and perform his or its obligations under this Agreement; (b) the Person executing this Agreement on behalf of such party is duly authorized to do so; and (c) this Agreement constitutes the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms.

2.2 Name. The name of the Company shall be “High Hopes LLC.” The business of the Company shall be conducted under such name or, upon compliance with applicable laws and approval of the Manager, any other name that the Manager deems appropriate or advisable.

2.3 Certificate, etc. The Members hereby agree to execute, and the Manager agrees to file and record, or to cause an Authorized Person of the Company to file and record, all such certificates and documents, including amendments to the Certificate, and to do such other acts as may be appropriate to comply with all requirements for the formation, continuation and operation of a limited liability company,

the ownership of property, and the conduct of business, under the laws of the Commonwealth of Massachusetts and any other jurisdiction in which the Company may own property or conduct business, including qualification of the Company as a foreign limited liability company in any jurisdiction in which such qualification is required.

2.4 Principal Business Office; Registered Office; Registered Agent. The principal business office of the Company will be located at 8 Hope Street, Hopedale, Massachusetts 01747, or at such other location as may hereafter be determined by the Manager. The registered office of the Company will be 8 Hope Street, Hopedale, Massachusetts 01747. The registered agent for service of process on the Company will be Russell Bogartz, whose address is 8 Hope Street, Hopedale, Massachusetts 01747. The registered office and the registered agent of the Company may be changed by the Manager from time to time in accordance with the then applicable provisions of the Act and any other applicable laws. The Members shall be notified by the Manager of any change in such principal business office, registered office or registered agent for service of process within 10 Business Days of the date of such change.

2.5 Term. The term of the Company commenced on the Formation Date and shall continue until it is sooner dissolved and terminated pursuant to the provisions of Section 12.1.

2.6 Purposes. The purpose and objective of the Company is to own, operate, and manage one or more registered marijuana establishments and to engage in any other lawful activities allowed to be conducted by a limited liability company.

2.7 Powers. The Company shall have all powers permitted under applicable laws to do any and all things deemed by the Manager to be necessary or desirable in furtherance of the purposes of the Company, in accordance with applicable law and in the best interest of the Company, but subject to all of the provisions of this Agreement.

ARTICLE 3. CAPITAL CONTRIBUTIONS

3.1 Initial Capital Contributions. Each Member contributed to the Company the amount specified opposite such Member's name under the heading "Capital Contribution" on Schedule I, as in effect on the date hereof shall be effective.

3.2 Additional Capital Contributions. No Member shall be required to make an additional Capital Contribution without its prior written consent (an "Additional Capital Contribution") and no Member shall be permitted to make an Additional Capital Contribution without the prior approval of the Manager.

3.3 No Other Capital Contributions. Except as set forth in Sections 3.1 and 3.2, no Member shall be required to make any Capital Contributions to the Company, and, without the prior approval of the Manager, no Member shall be permitted to make any Additional Capital Contribution.

3.4 Limit on Investor Unit Capital Contributions. Without the prior written approval of the Investor Members holding a majority of the Investor Percentage Interests, no Person who is not a Member shall be permitted to make any Capital Contribution that would cause the Capital Contributions of the Investor Members for Investor Units to exceed \$1,500,000.00 in the aggregate.

ARTICLE 4. CAPITAL ACCOUNTS

4.1 Capital Accounts.

4.1.1 Maintenance Rules. The Company shall maintain for each Member a separate capital account (a "Capital Account") in accordance with this Section 4.1.1. Each Capital Account shall be maintained in accordance with the following provisions:

(a) Such Capital Account shall be increased by the cash amount or Book Value of any property contributed by such Member to the Company pursuant to this Agreement, such Member's allocable share of Profits and any items in the nature of income or gains which are specially allocated to such Member pursuant to Section 6.3 or Section 6.4, and the amount of any liabilities of the Company assumed by such Member or which are secured by any property distributed to such Member.

(b) Such Capital Account shall be decreased by the cash amount or Book Value of any property distributed to such Member pursuant to this Agreement, such Member's allocable share of Losses and any items in the nature of deductions or losses which are specially allocated to such Member pursuant to Section 6.3 or Section 6.4 and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) If all or any portion of a Unit is transferred in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Unit (or portion thereof), and reference in this Agreement to a Capital Contribution of, or an allocation or distribution to, a transferee Member shall include a Capital Contribution of, or allocation or distribution previously made to and the then balance thereof, its transferor Member on account of the transferred Unit.

(d) If a new or existing Member contributes money or property to the Company (other than a *de minimis* amount as determined by the Manager) as consideration for the issuance by the Company of any Units after the date hereof, or any other transaction occurs between the Company and a Member that meets the requirements of Treasury Regulation Section 1.704-1(b)(2)(iv), the Manager may cause the Capital Accounts of the Members to be adjusted in accordance with the provisions of Treasury Regulation Section 1.704-1(b)(2)(iv).

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with such Treasury Regulations. If the Manager determines that it is prudent to modify the manner in which the Capital Accounts, or any increases or decreases to the Capital Accounts, are computed in order to comply with such Treasury Regulations, the Manager may authorize such modifications.

4.1.2 Definition of Profits and Losses. "Profits" and "Losses" mean, for each Taxable Year or other Period, an amount equal to the Company's taxable income or loss, respectively, for such Taxable Year or other Period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) The computation of all items of income, gain, loss and deduction shall include tax-exempt income and those items described in Treasury Regulation Section

1.704-1(b)(2)(iv)(i), without regard to the fact that such items are not includable in gross income or are not deductible for federal income tax purposes.

(b) If the Book Value of any Company property is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(e), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such property (provided that if the Book Value of any Company property is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv), the allocation of gain or loss shall be made immediately prior to the related acquisition of the interest in the Company).

(c) Items of income, gain, loss or deduction attributable to the disposition of Company property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the Book Value of such property.

(d) Items of depreciation, amortization and other cost recovery deductions with respect to Company property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the property's Book Value in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g).

(e) To the extent an adjustment to the adjusted tax basis of any Company property pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulation Section 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).

4.2 Negative Capital Accounts. If any Member has a deficit balance in its Capital Account, such Member shall have no obligation to restore such negative balance or to make any Capital Contributions to the Company by reason thereof, and such negative balance shall not be considered an asset of the Company or of any Member.

4.3 No Withdrawal. No Member will be entitled to withdraw any part of his or its Capital Contribution or Capital Account or to receive any distribution from the Company, except as expressly provided in this Agreement.

4.4 Loans From Members. Loans by Members to the Company shall not be considered Capital Contributions.

4.5 Status of Capital Contributions.

4.5.1 No Member shall receive any interest, salary or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise specifically provided in this Agreement.

4.5.2 Except as otherwise provided herein, no Member shall be required to lend any funds to the Company or to make any additional Capital Contributions to the Company. No Member shall have any personal liability for the repayment of any Capital Contribution of any other Member.

ARTICLE 5. BOOKS; REPORTS; AX ELECTIONS; ACCOUNTS

5.1 Books and Records. The Manager shall keep, or cause to be kept, complete, up-to-date and accurate books of account and records of the Company. The books of the Company shall be kept using the accrual basis of accounting and shall be maintained on the basis of United States federal income tax accounting principles, and all such books and records shall at all times be maintained or made available at the principal business office of the Company. Each of (a) a current list of the full name and last known business address of each Member, set forth in alphabetical order, (b) a copy of the Certificate, including all certificates of amendment thereto, (c) copies of the Company's federal, state and local income tax and information returns and reports, if any, for the six most recent years, and (d) copies of this Agreement and of any financial statements of the Company for the six most recent years, shall be maintained at the principal business office of the Company. All records shall be maintained by the Manager for a period of not less than five years after the dissolution of the Company.

5.2 Required Reports.

5.2.1 Tax Information of the Company. The Manager shall prepare, or cause to be prepared, and furnish to each Member (i) final year-end financial statements and Schedule K-1's as soon as reasonably practicable after the end of each Fiscal Year, but in no event later than March 10th of the following Fiscal Year without due notice provided to the Members.

5.2.2 Financial Information

(a) As soon as practicable after the end of any fiscal year but in any event within 120 days thereafter, the Manager shall cause to be provided to each of the Members (i) a balance sheet, statement of income, statement of operations and statement of cash flows for such fiscal year, prepared in accordance with generally accepted accounting principles and (ii) a report setting forth the closing Capital Accounts and the balances thereof of each Member, and a description of the manner of their calculation.

5.3 Tax Status; Partnership Representative; Filing of Returns and Other Writings.

5.3.1 Tax Status. The Manager, at its sole discretion, may take any action that would cause the Company (i) to not be taxed as a partnership, or (ii) to be taxed as a publicly-traded partnership or an association taxable as a corporation.

5.3.2 Partnership Representative. The Manager shall designate, and may change at any time, the "Partnership Representative" for the Company (within the meaning of Section 6223 of the Code), which Partnership Representative shall be the Treasurer of the Company (or, if there is none, a Manager or other officer so designated by the Manager), and shall be the Company's Partnership Representative under the Code and under any comparable provision of state law and shall make all applicable tax elections, determinations and other tax decisions, including, without limitation, the deductibility of a particular item of expense and the positions to be taken on the Company's tax return, and shall approve the settlement or compromise of all audit matters raised by the IRS affecting the Members generally without prejudice to the rights of any Member in its capacity as a "notice member". The Partnership Representative of the Company is Russell Bogartz. The Partnership Representative shall exercise all rights, obligations and duties of a tax partnership representative under the Code and shall be interpreted so as to refer synonymously with a "Tax Matters Partner", "Taxpayer Representative" and any comparable term referenced in the Code, as currently in effect or as in effect at any time in the future. The Partnership Representative shall have the right to resign as Partnership Representative by giving thirty (30) days' written notice to each Member. Upon such resignation, a successor Partnership Representative shall be selected by the Manager.

5.3.3 Returns. The Manager (a) shall cause the preparation and timely filing of all tax returns of the Company, and which may include any elections, disclosures, and other matters as may then be addressed under the Code, (b) shall, on behalf of the Company, timely file all other writings required by any governmental authority having jurisdiction to require such filing and (c) shall cause the timely filing and reporting of such information to the applicable governmental authorities and to the Members.

5.4 Fiscal Year; Fiscal Quarters. The fiscal year of the Company shall end on December 31 of each year, and the fiscal quarters of the Company shall end on March 31, June 30, September 30 and December 31 of each year.

5.5 Reserves. The Manager shall cause the Company, and shall cause the Company to cause its Subsidiaries, to establish such reasonable cash reserves or other accounting reserves as the Manager reasonably determines to be necessary to provide for timely payment of Expenses and other liabilities of the Company, or to reflect the values of the Company's assets, or for other similar or related purposes.

5.6 Bank Accounts; Investments; etc.

5.6.1 Bank Accounts. The Manager shall cause the Company to establish and maintain its bank accounts at any FDIC-insured bank or federally-insured credit union selected by the Manager from time to time. The Manager shall give written notice to the Members of the location and account number of each bank account of the Company and shall notify the Members in writing prior to any change thereto.

5.6.2 Investments. To the extent that the Company has funds that are not required for its current operations or for distribution to the Members, the Company from time to time, at the sole discretion of the Manager, shall invest such funds in (a) short-term marketable direct obligations issued by the United States of America or any agency thereof, (b) short-term marketable obligations issued by any Person and fully guaranteed by the United States of America or any agency thereof or (c) overnight demand deposits issued by any FDIC-insured bank or federally-insured credit union.

5.7 Opt Out Election. The Members agree to make the election provided in Code Section 6221(b)(1) for each taxable year of the Company for which the Company is eligible to make such election. The Partnership Representative is authorized to make the disclosure required under Code Section 6221(b)(D)(ii) and the Members hereby agree to provide their names and taxpayer identification numbers to the Partnership Representative for this purpose. The Members reserve the right to agree by unanimous written consent not to make the election described above for any taxable year of the Company.

5.8 Push Out Election. If the Company is not eligible to make the election provided in Code Section 6221(b)(1), or does not make such election pursuant to Section 5.7, then, in the event of an IRS audit of the Company, the Manager may cause the Partnership Representative to timely make the election provided in Code Section 6226(a), to treat a "partnership adjustment" as an adjustment to be taken into account by each Member or Former Member in accordance with Code Section 6226(b). If the election under Code Section 6226(a) is made, the Partnership Representative shall ensure that the Company furnish to each Member or Former Member for the year under audit a statement reflecting such Person's share of the adjusted items as determined in the notice of final partnership adjustment. Except as otherwise required by applicable law or regulatory requirements or determined by the Manager, each Member and Former Member agrees to amend such Member or Former Member's tax returns as necessary, and pay any resulting taxes, interest and penalties in connection with the Company's election under Section 6225(a) of the Code, as amended by the Budget Act, and to take into account any adjustments and pay any taxes, interest and penalties that result from the Company's election under Section 6226 of the Code, as amended by the Budget Act.

5.9 Former Members. Any Person who is a Member of the Company but ceases to be a Member prior to any assessment resulting from examination by the IRS (a “Former Member”), agrees to continue to be bound by the terms of this Agreement with respect to any such assessment attributable to the taxable period when such Person was a Member of the Company, as determined by the Manager.

ARTICLE 6. ALLOCATIONS

6.1 In General. The income, gains, losses, deductions and credits of the Company shall be allocated for federal, state and local income tax purposes among the Members in accordance with this Article 6 and in a manner which is consistent with the respective Partnership Interests owned by such Members, and the allocations that are necessary due to the distinctions and differences that exist with respect to Store One and each Other Business. The Manager shall have the power and authority, consistent with the applicable provisions of the Code and the Regulations thereunder, to make all accounting, tax and financial determinations and decisions with respect to the Company.

6.2 Allocations of Profit or Loss. After giving effect to the allocations in Section 6.6, for each taxable Period, allocations of Profit or Loss from the First Store shall be allocated among the Members according to the provision of Section 7.1, and allocations of Profit and Loss from Other Business shall be allocated to each Investor Member according to each Investor Member’s pro rata ownership of Investor Units.

6.3 Special Allocations.

6.3.1 The Company's Profit and Loss (and items of income, gain, credit, deduction, loss and expense) for any Fiscal Year (or other applicable period) shall be allocated among the Members so as, to the extent possible, to cause each Member's Capital Account balance, as increased by the amount of such Member's share of Company Minimum Gain, the amount of such member's share of Member nonrecourse debt minimum gain (as defined in Treasury Regulation Section 1.704-(i)(5)) and any other amount such Member is deemed obligated to restore pursuant to Treasury Regulation Section 1.704-2, to equal, as nearly as possible, the amount that would be distributed to such Member if: (a) the Company were dissolved and terminated, (b) the assets of the Company were sold for an amount equal to their respective Book Values, (c) all Company liabilities were satisfied (limited with respect to each nonrecourse liability to the book value of the assets(s) securing such liability) and (d) the Store One Net Cash Flow and Other Business Net Cash Flow were distributed in accordance with Sections 7.1 and 7.2.

6.3.2 In furtherance of the foregoing, the Manager is hereby directed to resolve any ambiguity in the provisions of this Agreement in a manner that will preserve, protect and further the intention of the Members to cause this Agreement to comply with the aforesaid provisions for federal income tax purposes and, subject to the last sentence of this Section 6.3.2, to adopt such curative provisions to this Article 6 as the Manager may deem necessary. In the event of a dispute, the decision of the independent tax counsel employed by the Company and reasonably acceptable to the Manager shall be final.

6.4 Regulatory and further Special Allocations. Notwithstanding the provisions of Sections 6.1, 6.2 and 6.3:

6.4.1 To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or 743(b) is required to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated, as provided in Treasury Regulation Section 1.704-1(b)(2)(iv)(m), as an item of Profit (if the adjustment increases the basis of the

asset) or Loss (if the adjustment decreases such basis) and such Profit 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 Treasury Regulations.

6.4.2 Except as otherwise provided in Treasury Regulation Section 1.704-2(f), if there is a net decrease in Company Minimum Gain (determined according to Treasury Regulation Section 1.704-2(d)(1)) during any Taxable Year, each Member shall be specially allocated Profits for such Taxable Year (and, if necessary, subsequent Taxable Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulation Section 1.704-2(g). The items to be so allocated shall be determined in accordance with Treasury Regulation Section 1.704-2(6) and 1.704-2(j)(2). This paragraph is intended to comply with the minimum gain chargeback requirement in Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

6.4.3 Member Nonrecourse Deductions shall be allocated in the manner required by Treasury Regulation Section 1.704-2(i). Except as otherwise provided in Treasury Regulation Section 1.704-2(i)(4), if there is a net decrease in Member Minimum Gain during any Taxable Year, each Member that has a share of such Member Minimum Gain shall be specially allocated Profits for such Taxable Year (and, if necessary, subsequent Taxable Years) in an amount equal to that Member's share of the net decrease in Member Minimum Gain. Items to be allocated pursuant to this paragraph shall be determined in accordance with Treasury Regulation Section 1.704-2(i)(4) and 1.704-2(j)(2). This paragraph is intended to comply with the minimum gain chargeback requirements in Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

6.4.4 In the event any Member unexpectedly receives any adjustments, allocations or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), Profits shall be specially allocated to such Member in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit created by such adjustments, allocations or distributions as quickly as possible, provided that an allocation pursuant to this Section 6.4.4 shall be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 6 have been tentatively made as if this Section 6.4.4 were not a term of this Agreement.. This paragraph is intended to comply with the qualified income offset requirement in Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

6.4.5 Any Nonrecourse Deductions for any Taxable Year shall be specially allocated to the Members in accordance with their respective interest in the Company.

6.4.6 If any Member has an Adjusted Capital Account Deficit at the end of any Taxable Year, each such Member shall be specially allocated Profits in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 6.4.6 shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit in excess of such sum after all other allocations provided for in Article 6 have been made as if Section 6.4.4 above and this Section 6.4.6 were not in the Agreement.

6.4.7 The allocations set forth in Sections 6.4.1, 6.4.2, 6.4.3, 6.4.4, 6.4.5, and 6.4.6, above (the "Regulatory Allocations") are intended to comply with certain requirements of the Treasury Regulations under Code Section 704. Notwithstanding any other provisions of this Article 6 (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating Profits and Losses among Members so that, to the extent possible, the net amount of such allocations of Profits and Losses and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to such Member if the Regulatory Allocations had not occurred.

6.5 Curative Allocations. If the Partnership Representative determines, after consultation with counsel experienced in income tax matters, that the allocation of any item of Company income, gain, loss, deduction or credit is not specified in this Article 6 (an "unallocated item"), or that the allocation of any item of Company income, gain, loss, deduction or credit hereunder is clearly inconsistent with the Members' economic interests in the Company (determined by reference to the general principles of Treasury Regulation Section 1.704-1(b) and the factors set forth in Treasury Regulation Section 1.704-1(b)(3)(ii)) (a "misallocated item"), then the Manager may allocate such unallocated items, or reallocate such misallocated items, to reflect such economic interests; provided that no such allocation will be made without the prior consent of each Member that would be affected thereby (which consent no such Member may unreasonably withhold) and provided further that no such allocation shall have any material effect on the amounts distributable to any Member, including the amounts to be distributed upon the complete liquidation of the Company.

6.6 Tax Allocations.

6.6.1 All income, gains, losses, deductions and credits of the Company shall be allocated, for federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses, deductions and credits among the Members for computing their Capital Accounts, except that if any such allocation for tax purposes is not permitted by the Code or other applicable law, the Company's subsequent income, gains, losses, deductions and credits shall be allocated among the Members for tax purposes, to the extent permitted by the Code and other applicable law, so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts. Each item of income, gain, loss, deduction and credit realized by the Company in any taxable year shall be allocated pro rata to the Members according to the amount of Profit or Loss, as the case may be, allocated to them in such year.

6.6.2 Items of Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) and the traditional method of Treasury Regulation Section 1.704-3(b), or such other method elected by the Partnership Representative, so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value.

6.6.3 If the Book Value of any Company property is adjusted pursuant to Section 4.1.2(b) hereof, subsequent allocations of items of taxable income, gain, loss and deduction with respect to such property shall take account of any variation between the adjusted basis of such property for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c).

6.6.4 Allocations of tax credit, tax credit recapture, and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Board taking into account the principles of Treasury Regulation Section 1.704-1(b)(4)(ii).

6.6.5 Allocations pursuant to this Section 6.6 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, distributions or other items pursuant to any provisions of this Agreement.

ARTICLE 7.
DISTRIBUTIONS

7.1 Distributions of Store One Net Cash Flow. All Store One Net Cash Flow, if any, received by the Company and attributable to each Period (or portion thereof) of the Company or such

shorter period as may be determined by the Manager, and distributable other than in connection with the liquidation of the Company, shall, as soon as practicable after the end of such Period (or portion thereof), be distributed as follows:

(a) first, seventy five percent (75%) of the Store One Net Cash Flow to the Investor Members and twenty five percent (25%) of the Store One Net Cash Flow to the Founder Members until the Investor Members have received distributions equaling, in the aggregate, one hundred and forty percent (140%) of their paid in Capital Contributions; and

(b) second, once the Investor Members have received distributions equaling, in the aggregate, one hundred and forty percent (140%) of their Capital Contributions, and with respect to all distributions made thereafter, fifty percent (50%) of the Store One Net Cash Flow shall be allocated to the Founder Members and fifty percent (50%) of the Store One Net Cash Flow shall be allocated to the Investor Members; and

(c) all distributions to the Founder Members and Investor Members shall be made pro rata with respect to each such class of Members according to their respective Percentage Interest in the Founder Units and Investor Units, as the case may be.

7.2 Distribution of Other Business Net Cash Flow. All Other Business Net Cash Flow, if any, received by the Company and attributable to each Period (or portion thereof) of the Company or to such other Period as may be determined by the Manager, and distributable other than in connection with the liquidation of the Company, shall, as soon as practicable after the end of such Period (or portion thereof), be distributed exclusively to the Founder Members in accordance with each Founder Member's pro rata ownership of Founder Units.

7.3 Distributions in Liquidation.

7.3.1 General Rule for Sales of Assets. Net proceeds derived from any transaction involving the sale or other disposition of all or substantially all of the Company's Assets, together with any Store One Net Cash Flow and Other Business Net Cash Flow, Company's based on the separate amounts, as determined by the Manager, as to the amounts of the Store One Net Cash Flow and the Other Business Net Cash Flow, during the period of winding up of the Company, shall be applied and distributed in the following order of priority:

(a) first, to the payment of any debts and liabilities of the Company;

(b) second, to the setting-up of reserves (the amount of which shall be subject to the approval of the Manager) to provide for any contingent, conditional or unmatured liabilities or obligations of the Company;

(c) third, (1) the Store One Net Cash Flow to the Members in accordance with the priority of distribution set forth in Section 7.1 and as required by Section 7.9 hereof and (2) the Other Business Net Cash Flow to the Founder Members pro rata in accordance with their Membership Interest; and

The net proceeds derived from the Assets attributed to Store One and to the Other Business shall be finally determined in the good faith discretion of the Manager, which determination shall be conclusive and binding on the Members.

7.3.2 Distributions of Non-Cash Proceeds. To the extent that the proceeds are in a form other than cash, such non-cash proceeds shall be, in the Required Member's discretion, either (i) reduced to cash or some other easily divisible and reasonably liquid asset for subsequent distribution among the Members in the order and in the manner provided in this Article 7 or (ii) distributed among the Members in the order and in the manner provided above in this Article 7. To the extent that non-cash proceeds are not reduced to cash or other liquid asset and are distributed to the Members, distributions under this Article 7 shall be made in a manner such that the Members receive their pro rata share of the cash proceeds from such transaction and each class or type of non-cash proceeds. It is recognized and agreed by all Members that any such non-cash or property distribution may result in the ownership of such assets being held by two or more Members as tenants in common. The Fair Market Value of such non-cash proceeds at the time of the Distribution shall be reasonably determined in good faith by the Manager.

7.3.3 Timing of Payments. All payments under this Section 7.3 shall be made as soon as reasonably practicable and in any event by the later of (a) the end of the fiscal year in which such liquidation or winding up occurs and (b) within 90 days after the date on which such liquidation or winding up occurs.

7.4 No Distributions in Foreign Currency. Except as may otherwise be required by law, no distribution by the Company of any currency other than United States dollars shall be permitted without the prior written consent of the Manager.

7.5 No Distributions in Violation of Agreement. No Member shall be entitled to receive any distribution from the Company as a direct or indirect consequence of such Member's violation of the terms of this Agreement.

7.6 Tax Distributions. Subject to applicable law and any limitations contained elsewhere in this Agreement, no more than ten (10) days after the end of each Period, in the event the Company allocates net taxable income to the Members, the Company shall distribute cash to each Member in an amount equal to the excess of (a) product of (i) the Tax Percentage; and (ii) such Member's aggregate distributive share of the Company's Profit for such Period and all prior Periods, net of such Member's aggregate distributive share of the Company's Loss for such Period and all prior Periods (as to each such Member, such share is referred to herein for any such Period as such Member's "Allocable Net Income"), over (b) all amounts otherwise distributed to such Member pursuant to Section 7.1 and 7.2 for such Period (as to each such Member, such excess is referred to as such Member's "Tax Distribution Amount"); provided, that to the extent the Company is unable to distribute the full Tax Distribution Amount to each Member for a given Period, any distributions made pursuant to this Section 7.6 with respect to such Period shall be made to the Members pro rata in accordance with their respective portion of Allocable Net Income. As used herein, the "Tax Percentage" means that percentage with respect to each Period that is the combined maximum marginal federal, state and local income tax rate (taking into account any preferential rate for capital gains or other income) applicable to a married individual filing jointly, resident in the Commonwealth of Massachusetts. Any Tax Distribution Amounts distributed to a Member pursuant to this Section 7.6 shall be applied against and deemed to reduce amounts otherwise distributable to Members pursuant to Sections 7.1 and 7.2.

7.7 Tax Payments and Withholding. Notwithstanding any other provision of this Agreement, the Manager is authorized to take any action that it reasonably determines to be necessary or appropriate to cause the Company to comply with any foreign or United States federal, state or local tax payment and withholding requirement with respect to any allocation, payment or distribution by the Company to any Member or other Person. All taxes or other amounts withheld from payments to the Company shall be treated as a reduction in the proceeds received by the Company and shall not be treated as a distribution to any Member. All refunds of such withheld taxes that are received by any Member shall be treated as a

distribution to such Member. All amounts required to be withheld or otherwise paid by the Company pursuant to the Code or any provision of any state, local or foreign tax law with respect to any payment, distribution or allocation to the Company or any Member and treated by the Code (whether or not withheld pursuant to the Code) or any such tax law as amounts payable by or in respect of any Member or any Person owning an interest, directly or indirectly, in such Member shall be treated as amounts distributed to the Member with respect to which such amount was withheld pursuant to this Article 7 for all purposes under this Agreement. Each Member must promptly, upon demand by the Company, reimburse the Company for any tax paid by the Company in respect of such Member which is not withheld from a distribution to such Member. To the extent such amount is not paid by the Member concurrently with the Company's payment of the withholding tax to a taxing authority, such amount shall be treated as a loan made to such Member and shall be payable on demand by the Company and shall accrue interest at 7% from the date of the Company's payment to the taxing authority. Any unpaid balance as of the date a Member disposes of all of his, her or its interest in the Company shall remain a personal obligation of such Member. To the extent that the Company pays any tax, interest or penalty, with respect to any audit adjustment relating to income taxes, such payment shall be treated in the same manner as a withholding of tax pursuant to this Section 7.7 with respect to the Member which would otherwise have had to make such payment if the Code had not been amended by the new partnership audit rules enacted under the Budget Act to provide for such payment by the Company (ignoring any tax status of such Member that would have reduced or eliminated all or part of such payment unless the Company succeeded in reducing or eliminating such portion of such payment by reason thereof). Each Member shall cooperate with the Company to provide such documentation as may be necessary or advisable to reduce the amount of tax, interest or penalty payable by the Company.

7.8 Restricted Distributions. Notwithstanding any provision to the contrary contained in this Agreement, the Company, and the Manager on behalf of the Company, shall not make a distribution to any Member on account of such Member's interest in the Company if such distribution would violate the Act or other applicable law.

7.9 Distributions of Other Business Property. Notwithstanding anything to the contrary in this Article 7 or otherwise contained in this Agreement, all distributions of any amounts received whether in cash or other property with respect to the Other Business shall be distributed exclusively to the Founder Members.

7.10 Guaranteed Payments. Any payment of salary, bonus or taxable fringe benefits made by the Company to a Member, including the Manager, shall be considered and treated as a "guaranteed payment" pursuant to the requirements and rules of Section 707(c) of the Code.

ARTICLE 8. RIGHTS AND OBLIGATIONS OF MEMBERS

8.1 Limited Liability. No Member shall be personally liable for any of the debts, liabilities, obligations or contracts of the Company, and no Member shall be required to lend any funds to the Company. Each Member shall only be liable to make payment of the Capital Contributions of such Member as and when due hereunder. If and to the extent that the Capital Contributions of any Member shall be fully paid, such Member shall not, except as by the express provisions of the Act regarding repayment of sums wrongfully distributed to such Member, be required to make any further contributions to the Company.

8.2 No Control. The Investor Members shall have no right to vote on any matter regarding the business and affairs of the Company, except as set forth in Section 13.9. The Required Members shall have the right to elect the Manager or Managers of the Company, but otherwise shall not have the right to

vote on any matter regarding the business and affairs of the Company except as described in Sections 8.3 and 13.9 Without limiting the foregoing, (i) the Members (other than a Member acting in its capacity as the Manager) shall not participate in the management or control of the business of, or transact any business for, the Company, and (ii) the Members (other than a Member acting in its capacity as the Manager) shall have no power to sign on behalf of, or bind, the Company.

8.3 Approval Rights.

8.3.1 Approval of Matters Regarding the Company. The Required Members shall have the right to approve only the following actions of the Company, except as specifically set forth herein:

- (a) any action or inaction that would cause the dissolution of the Company pursuant to the Act (a “Dissolution Event”);
- (b) a Sale of the Company; and
- (c) permit the Company to merge or consolidate with any Person, convert to any other type of business entity, cause the conversion of any equity securities of the Company, or otherwise change the capital structure of the Company.

8.4 No Resignation. No Member shall have the right (a) to resign as a Member or (b) to demand a return of capital.

8.5 Bylaws. The Company’s Bylaws attached hereto as Exhibit A shall set forth additional meetings and actions regarding the Members, as such may be amended from time to time.

ARTICLE 9. RIGHTS AND OBLIGATIONS OF MANAGER

9.1 Manager; General Responsibilities and Authority.

9.1.1 In accordance with Section 24 of the Act, management of the Company shall be vested in the Manager. The Manager (a) shall have full responsibility and exclusive and complete discretion in the management and control of the business and affairs of the Company for the purposes stated in this Agreement, (b) shall make all decisions affecting the Company’s affairs and business and (c) shall have full, complete and exclusive discretion to take any and all action that the Company is authorized to take and to make all decisions with respect thereto. Without limiting the foregoing the Manager shall have the authority to approve any of the following:

- (a) borrowing (whether secured or unsecured) by the Company and each financing or securitized transaction to which the Company is a party;
- (b) each plan or agreement by the Company to acquire any assets other than in the ordinary course of business;
- (c) the admission of any additional Member to the Company, except as otherwise set forth in this Agreement;
- (d) the guarantee by the Company of the obligations of any third party;

- (e) authorize or issue any Interests or other equity securities (or any instrument convertible or exchangeable into Interests or other equity securities) (by reclassification or otherwise) or authorize or issue any equity security, including any new class of Units, by any Subsidiary of the Company;
- (f) accept any additional Capital Contributions (except as limited pursuant to section 3.4);
- (g) make or authorize any payment or declaration of a distribution, or redeem or purchase, any equity security of the Company or any other Subsidiary;
- (h) purchase, either directly or indirectly through any Subsidiary, capital stock of any corporation, any voting interest in any partnership, joint venture or other entity, or substantially all of the assets of another entity, or make any loan or advance to such an entity;
- (i) enter into any transaction that does not expressly require the approval of the Required Holders pursuant to Section 8.3;
- (j) appoint or remove any director, manager or officer of any Subsidiary of the Company; and
- (k) establish any reserves for the Company or any of its Subsidiaries;
- (l) amend this Agreement, subject to Section 13.9 hereof.

9.1.2 The Manager's obligations are subject to the availability of funds of the Company in sufficient amounts and on a timely basis to discharge its obligations to supervise the operations of the Company. The Manager shall provide or arrange for such personnel as may be necessary to accomplish the ownership and maintenance of the Assets and the operations and management of the Company in accordance with this Agreement.

9.1.3 The Required Members shall have the authority to appoint new or additional Managers, and, in such case, the vote of a majority of the Managers then in office shall be required to approve any act of the Company that otherwise would require the approval of the sole Manager. Meetings and actions by multiple Managers shall be governed by the Company's Bylaws attached hereto as Exhibit A, as such may be amended from time to time.

9.1.4 Any Person dealing with the Company or the Manager may rely on a certificate signed by the Manager as to:

- (a) the identity of the Manager or the Members;
- (b) the existence or nonexistence of any fact or facts which constitute conditions precedent to acts by the Manager or are in any other manner germane to the affairs of the Company;
- (c) who is authorized to execute and deliver any instrument or document on behalf of the Company;
- (d) the authenticity of any copy of this Agreement and any amendment hereto; or

(e) any act or failure to act by the Company or as to any other matter whatsoever involving the Company or any Member.

9.2 Authorized Persons. The Manager shall have the power to designate Authorized Persons of the Company from time to time.

9.3 Key Persons. The Manager may designate one or more key persons who shall have primary responsibility for the performance of the Manager's obligations under this Agreement with respect to the Assets (each, a "Key Person"). Each Key Person shall be subject to all requirements imposed on the Manager under the terms of this Agreement.

9.4 Waiver of Certain Rights. Except as expressly provided in this Agreement, the Members shall have no right to petition a court for the dissolution of the Company.

9.5 Removal of Manager in the event of Cause. In the event of any breach, action or inaction by the Manager constitutes Cause, then at any time thereafter, the Required Members shall be entitled to remove Russell Bogartz as Manager and appoint a new Manager who shall be reasonably satisfactory to the Required Members. The Required Members shall take all actions necessary to appoint such new Manager selected in accordance with this Section 9.5.

9.6 Liability of the Manager. Subject to Section 9.1.1 and except as otherwise required by applicable law, the Manager and its Affiliates shall have no liability to the Company or to any Member for any loss suffered by the Company which arises out of any action or inaction of the Manager or its Affiliates if (a) such action or inaction was approved in writing by the Required Members or Founder Members (as applicable) or (b) each of (i) the Manager or such Affiliate of the Manager reasonably determined in good faith that such action or inaction was in the best interest of the Company and its Subsidiaries and (ii) such action or inaction did not constitute fraud, gross negligence or willful misconduct by the Manager or such Affiliate.

9.7 Reimbursement. The Company shall from time to time reimburse the Manager for its reasonable out-of-pocket expenses incurred in connection with the performance of its duties hereunder.

9.8 Indemnification. To the fullest extent permitted by applicable law, each Member, Key Person and the Manager, and each of their Affiliates shall be entitled to indemnification from the Company (including the advancement of expenses in connection with any claim) for any loss, damage or claim by reason of any act or omission performed or omitted by it on behalf of the Company and in a manner within the scope of the authority conferred on it by this Agreement, except that, without limitation, the Members, Key Persons, the Manager and their Affiliates shall not be entitled to be indemnified in respect of any loss, damage or claim incurred by them by reason of fraud, gross negligence, willful misconduct or material breach of this Agreement; provided, however, that (i) the Company (A) shall fund any indemnification obligations under this Section 9.8 solely out of, and to the extent of, Assets and (B) shall not make any capital call for Additional Capital Contributions to fund any indemnification obligations under this Section 9.8, and (ii) no Member shall have personal liability on account of any indemnification obligations of the Company under this Section 9.8.

9.9 Manager Standard of Care. The Manager shall discharge the Manager's duties to the Company and exercise any rights consistent with the contractual obligation of good faith and fair dealing, which shall be strictly limited to mean honesty in fact in the conduct or transaction of the Company business. Such obligation of good faith and fair dealing shall not restrict the Manager in the exercise of any right or the performance of any obligation to the extent expressly allowed under this Agreement or at law or from taking any action because it would be in their self-interest. Without limiting the foregoing, a

Manager does not violate a duty or obligation to the Company solely because the Manager's conduct furthers the Manager's own interest. A Manager may lend money to, and transact other business with, the Company if either (i) the transaction is fair to the Company or (ii) holders of a majority of the Founders Units (other than the Manager), knowing the material facts of the transaction and the Manager's interest, authorize, approve, or ratify the transaction. The party alleging a breach of the obligation of good faith and fair dealing shall have the burden of proving such breach. A Manager shall not be liable to the Company or its Members for any action he or she takes or omits to take as a Manager, as the case may be, if, in connection with such action or omission, the Manager performed his or her duties in compliance with this Section 9.9.

9.10 No Dissolution. The Manager shall not, without the consent of the Required Members, take any action, or permit any action within its control to be taken, that would cause the dissolution of the Company pursuant to the Act.

ARTICLE 10. OTHER OPPORTUNITIES; NON-DISCLOSURE

10.1 Other Opportunities. Each of the Manager, the Members and their respective directors, officers, employees, partners, members, Subsidiaries and Affiliates, independently or with any other Person, may engage, or own equity interests, in other business ventures of every kind and description that are not connected with the Company, and none of the Company, the Manager and the other Members shall have any rights in or to such other business ventures or the income or profits therefrom by virtue of this Agreement.

10.2 Non-Disclosure. Each of the Manager and the Members agrees that, during and after the term of this Agreement, except as otherwise consented to by the Manager in its reasonable discretion, such Person and its employees, agents and representatives will keep confidential, and will not disclose in any manner whatsoever, in whole or in part, all non-public information with respect to the Company, its Subsidiaries and the Assets, except that such Person shall be permitted to disclose such information: (a) to its employees, agents and representatives who need to be familiar with such information in connection with such Person's investment in the Company and who are charged with an obligation of confidentiality; (b) to any regulatory agency to which such Person is subject; (c) to the extent required by law, so long as such Person shall have first afforded the Company with a reasonable opportunity to contest the necessity of disclosing such information; (d) to the extent necessary for the enforcement of any right of such Person arising under this Agreement; (e) to any other Member; (f) to its partners, members, stockholders, Subsidiaries and Affiliates so long as they agree to keep such information confidential on the terms set forth herein; and (g) to any prospective purchaser of any portion of such Person's interests in the Company, so long as such prospective purchaser agrees to keep such information confidential on the terms set forth herein; provided, however, that in the case of (f) and (g), the Manager reserves the right, in its discretion, to designate certain information as sensitive information at the time of disclosure to a Member and to require the Manager's consent before a Member can further disclose such information to such Person or Persons in (f) and (g); and, provided further, however, that in the case of financial information, such restriction on further disclosure to such Person or Persons in (f) and (g) shall not apply if the Manager has previously disclosed information of a similar nature but from a different financial reporting period and without any restrictions on further disclosure. Notwithstanding the foregoing provisions of this Section 10.2 or anything else in this Agreement, in any confidential agreement or in any other written or oral understanding or agreement to which the Members are parties or by which they are bound, each of the Manager and the Members (and its representatives, agents and employees) may consult any tax advisor regarding the tax treatment and tax structure of the Company and may disclose to any Person, without limitation, the tax treatment and tax structure of the Company and all materials (including opinions or other tax analyses) that are provided relating to such tax treatment or tax structure.

ARTICLE 11.
TRANSFERS OF INTERESTS IN THE COMPANY

11.1 General Limitations. The interest of any Member in the Company may not be sold, assigned, transferred, mortgaged, pledged, hypothecated or otherwise encumbered without the consent of the Manager if the Manager, in its sole and absolute discretion, determines that such transfer may cause the assets of the Company to become “plan assets” for purposes of Title I of ERISA or Section 4975 of the Code under Department of Labor Regulations at 29 C.F.R. 2510.3-101; provided, however, that any Member may sell, assign or otherwise transfer its interest in the Company to any other Member with the prior written consent of the Manager.

11.2 Obligations and Rights of Transferees and Assignees. Any Person who acquires in any manner whatsoever the interest (or any part thereof) of any Member in the Company or otherwise acquires an interest in the Company, irrespective of whether such Person has accepted and assumed in writing the terms and provisions of this Agreement, (a) shall be deemed, by acceptance of the benefit of the acquisition thereof, to have agreed to be subject to and bound by all of the obligations of this Agreement, with the same force and effect as any predecessor in interest in the Company, (b) shall have only such rights as are provided in this Agreement, and (c) without limiting the generality of the foregoing, shall not (i) have the value of his, her or its interest in the Company separately ascertained or (ii) receive the value of such interest, or, in lieu thereof, profits attributable to any right in the Company, in each case except as set forth in this Agreement.

11.3 Non-Recognition of Certain Transfers. Notwithstanding any other provision of this Agreement, any sale, assignment, transfer, mortgage, pledge or hypothecation, or any encumbrance upon, any interest in the Company in contravention of any of the provisions of this Agreement shall be void and ineffective, and shall not bind, or be recognized by, the Company.

11.4 Required Amendments; Continuation. If and to the extent any transfer of an interest in the Company is permitted hereunder, this Agreement (including Schedule I) shall be amended to reflect the admission to the Company of the transferee Member and the elimination of the transferor Member.

11.5 Withdrawal. Except upon transfer of a Member’s entire interest in the Company and the admission of the transferee as a substituted Member in compliance with the terms of this Agreement, no Member shall have the right to withdraw from the Company except with the approval of the Manager. Unless otherwise specifically agreed to by the Manager in connection with a withdrawal, in the event a Member withdraws from the Company, such Member shall not be entitled to receive back his, her or its Capital Contribution at that time and shall not be entitled to receive any other type or form of payment from the Company at that time; instead, such Member shall no longer have the status of a Member.

11.6 Compliance with Securities Laws. Any provision of this Agreement to the contrary notwithstanding, no transfer, sale, assignment or other disposition of any membership interest in the Company may be made except in compliance with the then applicable federal and state securities laws.

ARTICLE 12.
TERMINATION

12.1 Events of Dissolution. Upon the occurrence of any Dissolution Event, the Company shall be dissolved and its affairs wound up. The dissolution of the Company shall be effective on the day on which any Dissolution Event occurs, but the Company shall not terminate until (a) the Assets of the Company shall have been distributed as provided herein and (b) a certificate of cancellation shall have been filed with the Secretary of the Commonwealth of Massachusetts.

12.2 Application of Assets. After the occurrence of any Dissolution Event, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the Assets of the Company in an orderly manner), and the Assets of the Company shall be applied in the manner and in the order of priority set forth in Article 7.

12.3 Gains or Losses in Process of Liquidation. Profit or Loss (or items thereof) realized by the Company in its final fiscal year or other final period shall be allocated among the Members in accordance with Article 6 so as to insure, to the extent possible (as determined in the reasonable judgment of the Manager), that the Capital Accounts of the Members equal the amounts they are then entitled to receive as distributions pursuant to Article 7.

ARTICLE 13. MISCELLANEOUS

13.1 Notices. Except as otherwise specified in this Agreement, any notice required to be given pursuant to this Agreement shall be given in writing. Any such notice, consent, approval, demand or other communication in connection with this Agreement shall be deemed to be given if given in writing (including by telecopy or email) addressed (to the recipient's street address, electronic mail address or fax number, as the case may be), if to the Company at its principal office address and if to a Member, at the last street address, electronic mail address or fax number, as the case may be, of record on the Company's books (or to the addressee at such other address as the addressee shall have specified by notice actually received by the addressor), and if either (a) actually delivered in fully legible form to such address or (b) in the case of a letter, five days shall have elapsed after the same shall have been deposited in the United States mails, with first-class postage prepaid and registered or certified.

13.2 Binding Provisions. The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assigns of the respective parties hereto.

13.3 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts. In the event of a conflict between any provision of this Agreement and any non-mandatory provision of the Act, the provision of this Agreement shall control and take precedence.

13.4 Severability of Provisions. Each provision of this Agreement shall be considered as severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

13.5 Section Titles. Section titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

13.6 Further Assurances. Each of the Manager and the Members shall execute and deliver such further instruments and do such further acts and things as may be required to carry out the intent and purposes of this Agreement.

13.7 Entire Agreement. This Agreement (including the Schedules and Exhibits) constitute the entire agreement between the parties hereto with respect to the transactions contemplated herein, and supersede all prior understandings or agreements between the parties.

13.8 Waiver. The failure by any party hereto to insist upon or to enforce any of its rights shall not constitute a waiver thereof, and nothing shall constitute a waiver of such party's right to insist upon strict compliance with the provisions hereof. No delay in exercising any right, power or remedy created hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy by any such party preclude any other or future exercise thereof or the exercise of any other right, power or remedy. No waiver by any party hereto to any breach of or default in any term or condition of this Agreement shall constitute a waiver of or assent to any succeeding breach of or default in the same or any other term or condition hereof. Each party hereto may waive the benefit of any provision or condition for its benefit contained in this Agreement, but only if such waiver is evidenced by a writing signed by such party.

13.9 Amendment. This Agreement shall not be amended without the prior written consent of the Manager. Notwithstanding the foregoing, Section 7.2 shall not be amended without the prior written consent of the Required Members, and Sections 3.4 and 7.1 shall not be amended without the prior written consent of the Investor Members holding a majority of the Investor Percentage Interests and the Required Members.

13.10 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original and shall constitute one and the same Agreement, binding upon all of the parties.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed by a duly authorized officer as of the date first above written.

MANAGER:

By: _____
Name: Russell Bogartz

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed by a duly authorized officer as of the date first above written.

MEMBERS:

By: _____

Name: _____

Title: _____

Schedule I

CAPITAL CONTRIBUTIONS AND PERCENTAGE INTERESTS

NAME OF MEMBER	TOTAL CAPITAL CONTRIBUTION	FOUNDER UNITS	INVESTOR UNITS
TOTAL			

Exhibit A

Bylaws

See Attached.



Commonwealth of Massachusetts
Department of Revenue
Geoffrey E. Snyder, Commissioner

mass.gov/dor

Letter ID: L0510077504
Notice Date: May 13, 2020
Case ID: 0-000-888-957



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



RUSSELL BOGARTZ
8 HOPE ST
HOPEDALE MA 01747-1814

Why did I receive this notice?

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

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

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

What if I have questions?

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

Visit us online!

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

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

Edward W. Coyle, Jr., Chief
Collections Bureau



The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: \$500.00

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

Certificate of Organization

(General Laws, Chapter)

Identification Number: 001372831

1. The exact name of the limited liability company is: HIGH HOPES LLC

2a. Location of its principal office:

No. and Street: 8 HOPE STREET
 City or Town: HOPEDALE State: MA Zip: 01747 Country: USA

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

No. and Street: 8 HOPE STREET
 City or Town: HOPEDALE State: MA Zip: 01747 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:

ALL RETAIL UNDERTAKINGS PERMISSIBLE UNDER MASSACHUSETTS LAW. THE LLC IS SEE KING A LICENSE FROM THE CANNABIS CONTROL COMMISSION.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: RUSSELL LEONARD BOGARTZ
 No. and Street: 8 HOPE STREET
 City or Town: HOPEDALE State: MA Zip: 01747 Country: USA

I, RUSSELL LEONARD BOGARTZ 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	RUSSELL LEONARD BOGARTZ	8 HOPE STREET HOPEDALE, MA 01747 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 First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code

SOC SIGNATORY

RUSSELL LEONARD BOGARTZ

8 HOPE STREET
HOPEDALE, MA 01747 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	RUSSELL LEONARD BOGARTZ	8 HOPE STREET HOPEDALE, MA 01747 USA

9. Additional matters:

SIGNED UNDER THE PENALTIES OF PERJURY, this 13 Day of March, 2019,
AMANDA COX

(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:

March 13, 2019 11:57 AM

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



William Francis Galvin
Secretary of the
Commonwealth

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

May 18, 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

HIGH HOPES LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **March 13, 2019.**

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

I also certify that the names of all managers listed in the most recent filing are:
RUSSELL LEONARD BOGARTZ

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **RUSSELL LEONARD BOGARTZ, JONATHAN LUM, DAVID COLETTA**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **RUSSELL LEONARD BOGARTZ, JONATHAN LUM, DAVID COLETTA**

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



Letter of Attestation

I, Russell Bogartz, manager of High Hopes LLC, have not registered with the Department of Unemployment Assistance because High Hopes LLC, currently has no hired employees. High Hopes LLC will register with the Department of Unemployment Assistance when employees are hired.

High Hopes LLC

By: 

Russell Bogartz, Manager

High HOPES Business Plan

HIGH HOPES LLC CANNABIS RETAIL ESTABLISHMENT

MARKET OPPORTUNITY

High Hopes plans to open a modest sized store (approximately 500 sq. ft of retail space up to 3000 sq. ft total). We are seeing that similar stores with a similar approach are still attracting 300 to 500 customers a day with each customer buying an average of \$108 to \$117 of product on average.

We are projecting that although market saturation will likely reduce the number of customers, we believe that the price of product is also likely to go down close to proportionately to compensate keeping margins of profit healthy.

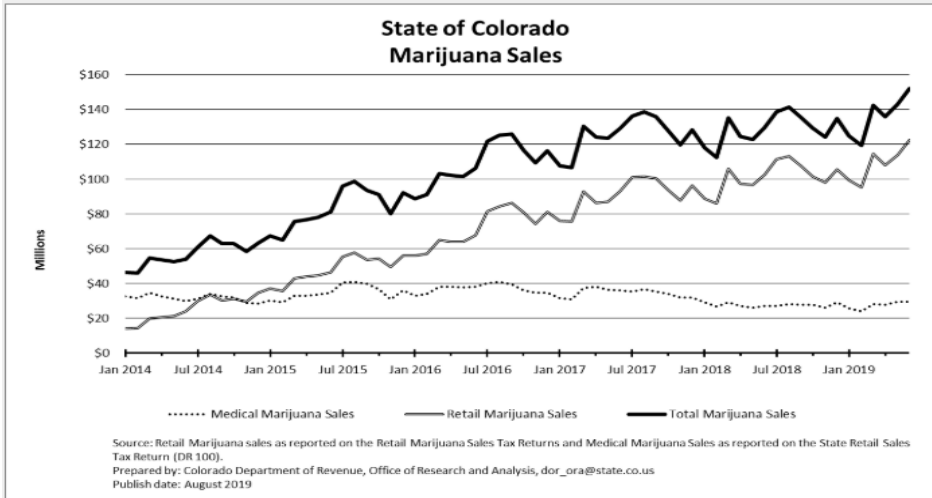
Hopedale's proximity to towns that have established a ban should ensure that High Hopes should have plenty of customers even after the state has more market saturation.

Looking at the data presented in the next slide, we believe that the market is likely going to grow more for several years at a steady rate.

Market Opportunity (cont.)

Colorado marijuana sales over the years

As this slide demonstrates, Colorado cannabis sales have steadily climbed despite significant saturation for the state.



The **table below** shows sales from medical and retail marijuana stores by calendar year starting in January 2014. Although sales of medical marijuana began prior to 2014, CDOR could not systematically track sales until January 2014.

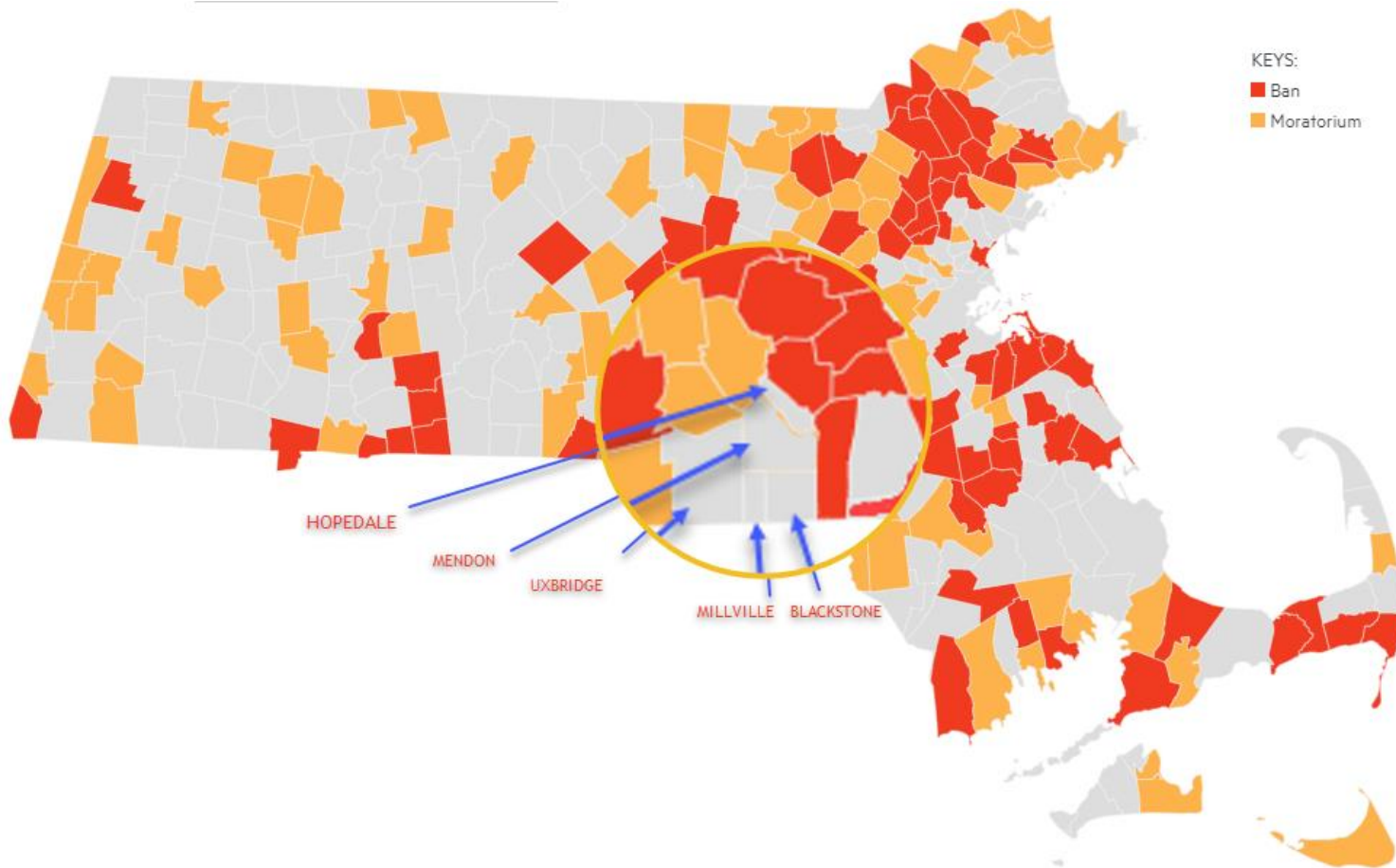
Marijuana Sales

Calendar Year	Marijuana Sales by Calendar Year	Total Marijuana Sales Since Jan 2014
2014	\$683,523,739	\$683,523,739
2015	\$995,591,255	\$1,679,114,994
2016	\$1,307,203,473	\$2,986,318,467
2017	\$1,507,702,219	\$4,494,020,686
2018	\$1,545,691,080	\$6,039,711,766
2019 (Jan - Jun)	\$817,713,277	\$6,857,425,043

Updated August 2019

Location Advantage

Hopedale provides a great location in that it is near many towns in MA that have banned Cannabis Establishments. Gray towns are towns that allow Cannabis Establishments. Red towns have banned it and Orange towns are in moratorium (may be dated).



Who is High Hopes?

High Hopes, LLC was founded by Russ Bogartz in November of 2018. The name “High Hopes” comes from the idea of starting a new company and the anticipation that comes from a new start. High Hopes is driven by the idea of doing things the RIGHT way. Not just for the company, but for its customers, its investors, the town that hosts the company, the employees of the company and all of its vendors and partners. The officers for High Hopes, LLC are Russ Bogartz, Jay Lum and Dan Afonso.

Russ Bogartz – CEO of High Hopes, LLC – Russ has been a resident of Hopedale since 2015 and has lived in the area (Milford) since 2003. He has 2 daughters currently in Milford High School. Russ has worked as a Product Manager and Business Analyst for the last 15 years ranging from small to very large companies. He went to school for Music with trombone as his primary instrument. He still plays professionally in the area in various ensembles and functions. Russ started High Hopes, LLC after seeing the business potential as the Cannabis laws changed in Massachusetts. He is passionate about excellent customer experiences and doing things the “right way” as well as the most efficient way.

Jay Lum – CFO of High Hopes, LLC – Jay has been a resident of Hopedale for over 30 years. He’s raised 2 kids who both graduated from Hopedale High School. Jay earned a B.S. in Accounting from Bentley University and an MBA from Babson College and has extensive financial and managerial experience in shared services, distribution and manufacturing companies both large and small in size. Jay has held the title of Accounts Payable Manager and Controller and has worked for companies including General Dynamics, W.B. Mason and the Commonwealth of Massachusetts. While Jay retired in 2015, he has found working in the Cannabis industry quite exciting and fun.

Marion Miller – COO of High Hopes, LLC – Marion has had a well-rounded career in procurement and material planning in such fields as biotechnology, laboratory equipment, and manufacturing safety equipment. She has worked with suppliers in both well-established product lines and up-and-coming emerging commodities to meet the needs of customers. Marion is a graduate of the University of California at San Diego with a B.A. in Psychology.

Unique selling Points

The High Hopes team has identified several key gaps that customers are experiencing with their current cannabis purchasing processes.

CBD products – While some establishments provide some CBD products, High Hopes will provide a large spectrum of products for customers to experience:

- Nature's cream
- Relief Roll on
- Tinctures (including water soluble versions)
- Face masks
- Bath Sands
- Broad Spectrum Vapes
- Soft Gel Caps

Information and Education – Many establishments supply some handouts, but High Hopes plans to go the extra mile and contract professionals that are experienced applying cannabis for health solutions and relief to provide scheduled workshops and discussions for the public. This will be especially helpful to customers who are new to cannabis products to manage expectations about what can be expected by different products.

Informative and intuitive website – This is where High Hopes feels almost all of the establishments online now are really falling short. In some cases just finding the location and hours of operation are a chore for users. Below are some of the features that we plan for our website:

- Ability to register and order in advance.
- Locations and times for workshops/clinics to learn more.
- Overview of product offerings with options for users to view more information on each.
- Humor (this is surprisingly important).

Unique selling Points

Brochure of High Hopes' CBD vendor.



earth medicine®


Certified Product List

Just What The Doctor Ordered.

MicroCBD™ is Doctor-approved and formulated to support your Endocannabinoid System (ECS).* Your ECS is comprised of CB1 and CB2 receptors that spread in a Natural Healing Network across your brain and body. The job of your ECS is to harmonize imbalances. Through the rigors of stress and life, this crucial Healing Network can fatigue, resulting in a variety of health complications.*

MicroCBD™ is designed for maximum absorption.* Better absorption means your Healing Network can get the fuel it needs to do its job restoring balance to your life.* Let me be the first to welcome you to the Earth Medicine family. We believe in wellness, and we believe in you!

Luis N. Pacheco
Luis N. Pacheco
M.D., FAAP, 30 years
Clinical Associate Professor
Sports-Medicine Expert



ease.

Natural CBD Drops

Organic ingredients and cooling mint combine within each bottle for a noticeably calming yet refreshing experience.

Product Benefits

- MicroCBD™
- Water-soluble
- Immediate absorption*
- Relaxation for normal stressors*
- Recovery support from exercise*
- Restless balance for sleep ease*
- Calm restoration for focus*
- Natural endocannabinoid support*
- 30ml

Available Strengths

- 300 mg
- 600 mg
- 1200 mg



alive.

Natural CBD Drops


Organic ingredients and energizing lemon combine within each bottle for a noticeably invigorating experience.

Product Benefits

- MicroCBD™
- Water-soluble
- Immediate absorption*
- Relaxation for normal stressors*
- Recovery support from exercise*
- Calm restoration for focus*
- Energy enhancement over time*
- Natural endocannabinoid support*
- 30ml

Available Strengths

- 300 mg
- 600 mg
- 1200 mg



recover.

Muscle & Joint Gel


Relaxing essences of mint, eucalyptus and menthol combine with the natural penetrating power of capsaicin, white camphor bark and ginger root for deep-reaching, long-lasting relief.*

Product Benefits

- MicroCBD™
- Accelerated absorption*
- Support for minor aches*
- Normal exercises recovery*
- Support for soreness*
- Movement support*
- Soothing for sleep discomfort*
- Natural ingredients for softer skin*
- Natural endocannabinoid support*

Available Sizes

- 4oz (400mg MicroCBD™)
- 2oz (200mg MicroCBD™)



balance.

Broad-Spectrum Cartomizer


The natural restorative power of Earth Medicine's broad-spectrum CBD is infused with Sweet Thistle, terpenes to promote wellness, calm and balance.* The natural hemp taste is floral with an earthy spice.

Product Benefits

- Calm restoration*
- Balance for discomforts*
- Focus for mental relaxation*
- Internal balance for sleep*
- Accelerated absorption*
- Natural endocannabinoid support*
- A great addition to MicroCBD™ sublingual tincture
- Universal 510 threaded compatible with most devices
- Device required - sold in our online store

Available Sizes

- 0.5ml (250mg)



Plans for operation

- ▶ Operating hours will be 10 am to 7 pm initially 7 days a week. High Hopes plans to go to 6 days a week once the weakest day for business is identified.
- ▶ All security requirements to be compliant with the CCC will be followed. Some examples:
 - ▶ Silent security alarm.
 - ▶ Panic alarm.
 - ▶ Security guards to ensure that policies are followed and all patrons are of legal age, prevent loitering.
 - ▶ Securing of all entrances.
 - ▶ Access to vault limited to times only when product must be accessed for purposes of replenishment or close of operation.
 - ▶ Proper lighting of the exterior of the establishment.
- ▶ If parking becomes a regular ongoing issue, High Hopes will work with the host town to negotiate a solution.
- ▶ High Hopes plans to have literature available to educate customers. Also planned workshops shall be posted to inform customers when and where these workshops will be available.

Attacking the market

- ▶ High Hopes will actively engage websites like Leafly.com, weedmaps.com and the like. HH will create a presence that shows off the quality and approach to service that makes it unique.
- ▶ High Hopes has developed a relationship with Massachusetts' first wholesale license holder, Eagle Eyes Transport. This relationship will make High Hopes' ability to stock the best product consistently and without shortage in a way that will simply not be possible compared to other retailers.
- ▶ The excellent service, features of the store, website, pre-ordering, etc. will create a word of mouth buzz on social media to further drive business.
- ▶ The fact that customers will feel at ease that they have access to the education about cannabis and CBD products via High Hopes literature and workshops will create a reputation that customer service and excellent product and product selection can't be rivaled.

Financial backing

High Hopes is actively recruiting investors at this time. Currently we are have commitments from 6 investors totaling about \$600K.

P&L Sheet

REVENUE	YEAR 1	YEAR 2	YEAR 3
Avg # of Customers Daily	300	330	360
Avg. Amt per Customer	\$ 80.00	84	86
Avg. Daily Revenue	\$ 24,000.00	\$ 27,720.00	\$ 30,960.00
Monthly Revenue	\$ 720,000.00	\$ 831,600.00	\$ 928,800.00
TOTAL REVENUE	\$ 8,640,000.00	\$ 9,979,200.00	\$ 11,145,600.00
COSTS	YEAR 1	YEAR 2	YEAR 3
Staff	\$ 604,373.12	\$ 622,504.31	\$ 641,179.44
Administration (Officers)	\$ 392,704.00	\$ 404,485.12	\$ 416,619.67
ONE TIME COSTS	\$ 436,800.00	\$ 50,000.00	\$ 50,001.00
Inventory	\$ 4,233,600.00	\$ 4,889,808.00	\$ 5,461,344.00
TOTAL COSTS	\$ 5,667,477.12	\$ 5,966,797.43	\$ 6,569,144.12
NET PROFITS BEFORE TAXES	\$ 2,972,522.88	\$ 4,012,402.57	\$ 4,576,455.88
FED INCOME TAX	\$ 828,802.80	\$ 1,053,314.72	\$ 1,084,914.17
STATE TAX	\$ 237,801.83	\$ 320,992.21	\$ 366,116.47
HOPEDALE HCA FEE	\$ 259,200.00	\$ 299,376.00	\$ 334,368.00
TOTAL TAX	\$ 1,325,804.63	\$ 1,673,682.93	\$ 1,785,398.64
NET PROFIT AFTER TAXES	\$ 1,646,718.25	\$ 2,338,719.64	\$ 2,791,057.25

PLAN FOR OBTAINING LIABILITY INSURANCE

High Hopes LLC (the “**Company**”) has secured quotes from an established insurance company (name to be provided to the Cannabis Control Commission if requested) to purchase general liability and products liability coverage for its cannabis retail facility in the amounts required in 935 CMR 500.105(10) - specifically, 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, and with the deductible for each policy being no higher than \$5,000 per occurrence. The Company is prepared to purchase such coverages for the retail facility upon approval of this application.

Maintaining of Financial Records

The High Hopes LLC (the “Company”) retail store located at 1 Menfi Way Unit 9, Hopedale, MA (“Facility”), will properly record sales in full compliance with Cannabis Control Commission (the “Commission”) rules and maintain records of same in the manner required by the Commission and applicable law. Sales recording and maintenance requirements include, but are not limited to, the following:

- The Company shall only use a point-of-sale system approved by the Commission, in consultation with the Department of Revenue and/or a sales recording module approved by the Department of Revenue.
- The Company shall not manipulate or alter sales data or make use of software or other methods to manipulate or alter sales data.
- The Company shall conduct a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate or alter sales data.
- The Company shall maintain records that it has performed the monthly analysis and produce any such records upon Commission request.
- If the Company determines that software has been installed for the purpose of manipulation or alteration of sales data or other methods have been utilized to manipulate or alter sales data, it shall: (1) immediately disclose the information to the Commission; (2) cooperate with the Commission in any investigation regarding manipulation or alteration of sales data; and (3) take such other action directed by the Commission to comply with applicable Commission rules.
- The Company shall comply with 830 CMR 62C.25.1: Record Retention and Department of Revenue Directive 16-1 regarding recordkeeping requirements.
- The Company shall adopt and maintain separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales.
- The Company will cooperate with any audits and examinations of the point-of-sale system used by the Company to ensure compliance with Massachusetts tax laws and Commission regulatory requirements.
- The Company is not collocated with a medical marijuana treatment center. Therefore, there is no ability or need for submission of preexisting medical sales data to the Commission for use in determining adequacy of marijuana and marijuana products. However, if the Company were collocated with a medical marijuana treatment center, then the Company would maintain and provide to the Commission accurate sales data collected during the six months prior to the Company’s application to ensure an adequate supply of marijuana and marijuana products under 935 CMR 500.140(10).

Records maintained by the Company will include financial records maintained in accordance with generally-accepted accounting principles. Additionally, the Company will maintain business records, which will be retained for at least two years after Facility closure, and which shall include manual or computerized records of the following items specified in Commission rules:

- The Company's assets and liabilities;
- Monetary transactions;
- Books of accounts, which shall include, but not be limited to, journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
- Sales records including the quantity, form, and cost of marijuana products; and
- Salary and wages paid to each employee, stipends paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with the Company.

Please note that many of the Company's records will be retained for periods longer than the minimum two years after Facility closure, including certain records not specified in Commission rules that will be retained permanently.

Recordkeeping Procedures

The High Hopes LLC (the “Company”) retail store located at 1 Menfi Way Unit 9, Hopedale, MA (“Facility”), will maintain required records and make them available for inspection by the Cannabis Control Commission (the “Commission”), upon request. These records will include the following records that will be retained for at least two years after Facility closure:

- Detailed written operating procedures in all areas specified by Commission rules;
- Inventory records;
- Seed-to-sale tracking records for all marijuana products;
- Recordkeeping mandated by Department of Revenue rules at 830 CMR 62C.25.1 and Department of Revenue directive 16-1 regarding recordkeeping requirements;

The following personnel records:

- Job descriptions for each employee and volunteer position;
- Organizational charts consistent with the job descriptions;
- Personnel records for each marijuana establishment agent which are to be maintained at least 12 months after termination of the individual’s affiliation with the Company and shall include
 1. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 2. Documentation of verification of references;
 3. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
 4. 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;
 5. Documentation of periodic performance evaluations;
 6. Records of any disciplinary action taken; and
 7. Notice of completed and eight-hour duty training and, when applicable, responsible vendor;
- A staffing plan that will demonstrate accessible business hours;
- Personnel policies and procedures; and
- All background check reports obtained in accordance with 935 CMR 500.030.

Business records, including, but not limited to:

- Assets and liabilities;
- Monetary transactions;
- Books of accounts;
- Salary records; and
- Salary and wages paid to each employee

Waste disposal records, which shall be kept for at least three (3) years; and

Incident reports filed with the Commission and appropriate local law enforcement authorities.

Please note that many the Company's records will be retained for periods longer than the minimum two years after Facility closure, including certain records not specified in Commission rules that will be retained permanently.

All financial records shall be maintained in accordance with generally accepted accounting principles.

Qualifications and Training for Marijuana Establishment Agent Employees

Overview of Personnel

The Chief Operations Officer of the planned High Hopes LLC (the “Company” or “High Hopes”) retail store located at 1 Menfi Way, Unit 9, Hopedale, MA, is responsible for maintaining and updating a staffing plan that will ensure High Hopes has the right quantity of staff with the current skill set and experience to ensure the success of all operations, subject to leadership and overall supervision from the Company’s Chief Executive Officer. New employees may not work on-site until they have received initial orientation training and any critical task-specific training. All staff, both employees and volunteers, must be 21 years of age or older and hold a marijuana establishment agent license and registration card issued by the Cannabis Control Commission (the “Commission”).

High Hopes staff will potentially include up to and including the following positions:

- CEO (Chief Executive Officer)
- CFO (Chief Financial Officer)
- COO (Chief Operations Officer)
- CTO (Chief Technical Officer)
- Security Director
- Financial Contractor
- Store Manager
- Cannabis Consultant or Budtenders/Greeters
- Security Guards
- Cannabis Nurse/Lecturer by contract

Roles, Responsibilities and Qualifications

- **CEO** - Responsible for the overall success and compliance with the state for High Hopes LLC. Ensures a long-range business strategy and vision. Instills the company culture by example and is ultimately responsible for staffing all director level and above positions. Qualifications - 15 years corporate experience, passion for excellent process and able to inspire colleagues.
- **CFO** - Responsible for all financial records and compliance with the state for High Hopes LLC. Responsible for ensuring that all taxes and cash flow, payroll records and point-of-sale (POS) records are maintained. Coordinates with COO to ensure that overlap from operations into financial aspects are followed in accordance with State Law and in compliance with the CCC. Qualifications - 10 years of experience as Senior Analyst or

controller, experience with computing taxes and complex financial scenarios. Bachelors degree/MBA. Highly proficient with Excel and other accounting software solutions.

- **COO** - Responsible for hiring all positions lower than director level. Responsible for all operations of the company. Manages all agency contracts, Drive company results from both an operational and a financial perspective, working closely with the CEO and other key leadership team members. Assure that all product and project plans are defined, communicated, and maintained to achieve on-time delivery of implementation goals. Qualifications - 10-15 years of cross-functional leadership experience with growing organizations. Exceptional executive presence, business acumen, communication and presentation skills.
- **CTO** - Responsible for developing and evolving the vision for technology used by High Hopes LLC both internally and externally; implementing the vision and/or overseeing staff who implement it; evaluating and interacting with vendors who provide technology solutions to High Hopes; in short, staying one step ahead of the technology needs of the company. Qualifications: 10+ years of technology leadership experience with small startups, excellent communications skills across a range of different technology perspectives (user, developer, business), hands-on, jack-of-all-trades attitude.
- **Security Director** - Responsible for overseeing all security guard staff, ensuring that all security requirements are in compliance with the CCC. Liaising with the security company vendor(s) and providing guidance in policies and SOP's (standard operating procedures) for all staff where it's relevant to securing product and cash.
- **Financial Contractor** - This role is not a permanent full time position. High Hopes will need a part time financial consultant/accountant to assist with the preparation and calculation of tax documents and payments as well as with monthly and quarterly reconciliations of inventory and revenue. The person having this role would ideally have experience with preparation of documents to support other cannabis establishments. Without that experience, it's likely this candidate would need 5 to 7 years experience as a financial professional.
- **Store Manager** - Responsible for ensuring smooth operation of the store and providing excellent customer service personally when needed. Responsible for ensuring all budtender shifts are properly scheduled and time is calculated appropriately. Responsible for making corrections to time worked records as needed. Able to cover any duties for any budtender, inventory specialist or security detail if needed. Must be an expert and knowledgeable about all products available in the store and ultimately responsible for tying inventory records to actual inventory.
- **Cannabis Consultant or Budtender/Greeter** - Responsible for processing transactions between customers and the store. Ensures that the customer has an excellent experience and provides information about all products in a way that gives the best chance of the customer getting exactly the product and experience they are looking for. Provides feedback to Store Manager and Officers about ways to improve the experience and efficiency of the store. High Hopes plans to have the greeter be a rotating position among the Budtenders.
- **Security Guard** - Responsible for ensuring that customers entering the store are 21 years of age or older. Ensures that there is no loitering in or around the store. Ensures that no

cannabis is consumed anywhere near the store or the property that the store is on. Provides feedback to the Security Director to make improvements in policy and SOP's as they are discovered. If no action is taken by the Security Director, they are expected to bring concerns directly to the COO.

- **Cannabis Nurse** - The Cannabis Nurse will be a contract role that will provide lecture and discussion content to the public. High Hopes will cover the cost of a space to rent and materials required to promote education about cannabis consumption. The Cannabis Nurse will need to have passed the core curriculum of the Cannabis Medical Institute and belong to the American Cannabis Nurse Association.

Employee Background Check and Training:

The Company will invest in training to ensure regulatory compliance, decrease turnover and deliver consistent service.

In order to be retained as an employee, the candidate must be age 21 or older, undergo a background check that complies with Commission requirements and become licensed by the Commission as a licensed marijuana agent.

The Company [(or qualified third party)] will provide training to sell quality cannabis and cannabis products, ensure regulatory compliance, and deliver consistent service.

Training will, at minimum, include not less than eight hours of training annually, or such other amounts as are required by the Commission, and will be completed within ninety (90) days of each new hire. [Each training is done one-on-one with the COO, a manager or an exceptional employee or, in appropriate cases, an outside vendor. Training topics will include, but not be limited to, the following areas:

- Local, state and federal cannabis laws and rules
- How to check customer and visitor IDs
- Personnel, product and premises security, including, but not limited to, display of ID badges on Facility employees and visitors to the Facility
- Marijuana and marijuana products handling procedures, including handwashing, sanitation practices, and ensuring product is in lawful, sale-able condition
- Locations of Limited Access Areas ("LAAs"), locations or knowledge of keys and lock codes to such areas, and who are entitled to enter them.
- Recordkeeping and other specific regulatory responsibilities
- Strategies for avoiding diversion, theft and loss of cannabis products
- Protocols for emergency situations
- Protocols and requirements for transportation of cannabis products to and from the Facility, whether by Facility staff or by third-party transportation providers
- Incident reporting protocols
- Waste disposal procedures
- Quality control

- Effects of marijuana on the body and recognizing and preventing substance abuse
- Privacy and confidentiality of sensitive information.]

Additionally, all current owners, managers, and employees will complete the Commission's Responsible Vendor Program prior to the commencement of business operations. Employees hired thereafter shall complete the Responsible Vendor Program within 90 days of being hired. All documentation related to the Responsible Vendor Program will be retained for at least four (4) years.

High Hopes Quality Control and Testing

High Hopes LLC (the “Company” or “High Hopes”), at its 1 Menfi Way, Unit 9, Hopedale, MA retail store, will implement and adhere to the following quality control and testing procedures as required by 935 CMR 101(1)(c)(7):

- Staff will review all product delivered from other licensed providers to ensure that it is, by appearance: (1) well cured and generally free of seeds and stems; (2) free of dirt, sand, debris, and other foreign matter; and (3) free of contamination by mold, rot, other fungus, and bacterial diseases.
- At all times, the Company staff will comply with Cannabis Control Commission (the “Commission”) requirements for the handling of marijuana including, but not limited to, the following:
- To the extent the Company engages in any processing of marijuana, it shall do so in a safe and sanitary manner by doing the following:
 - If it processes plant and plant products, only processing the leaves and flowers of the female marijuana plant and keeping the product: (1) well cured and generally free of seeds and stems; (2) free of dirt, sand, debris, and other foreign matter; (3) free of contamination by mold, rot, other fungus, and bacterial diseases; (4) prepared and handled on food-grade stainless steel tables; and (5) packaged in a secure area;
 - If it processes non-edible marijuana products, the Company shall comply with all of the sanitary requirements in 935 CMR 105(3)(b), such as: (1) meeting Massachusetts food handling requirements; (2) complying with sanitary practices including personal hygiene and adequate handwashing before starting work and after hands are soiled or contaminated; (3) providing adequate space for equipment and storage of materials; (4) litter and waste will be properly removed and any operating systems for waste disposal shall be adequately maintained; (5) floors, walls and ceilings shall be kept clean and in good repair; (6) adequate safety lighting shall be maintained; (7) buildings, fixtures and physical facilities shall be kept in sanitary condition; (8) contact surfaces shall be kept in clean and sanitary condition using approved sanitary agents; (9) all potentially toxic items will be properly identified, held and stored in a manner that prevents contamination of product; (10) water supplies and plumbing toilet facilities will be adequate to a level that prevents contamination and takes waste away from the establishment; and (11) all means of storage and transportation of finished products shall have sufficient measures to protect the products and prevent the products from becoming unsafe; and
 - If it processes edible marijuana products, the Company shall assure that processing shall comply with applicable sanitary/sanitation requirements, including preparation, handling and storage in compliance with minimum sanitation standards for food establishments in 105 CMR 590.000.
- Staff also will review product received from other licensed providers for the presence of required testing results from independent testing laboratories that were commissioned by

Licensed Medical Establishment (“LME”) counterparties; copies of any test results received from other LMEs shall be retained for not less than one year.

- Although product received from other licensed providers is itself subject to quality control testing requirements established by Commission rules, to the extent testing or retesting is required (such as if product received appears to be contaminated but capable of remediation), the Company will sample product and/or environmental media, if applicable, and send out such samples for testing by a licensed Independent Testing Laboratory to the extent required by the Commission in full compliance with requirements in 935 CMR 500.160 including, but not limited to:
 - Tests shall be performed in compliance with the medical cannabis product testing standards and protocols supported by the Commission;
 - Testing results on all samples shall be retained for not less than one year;
 - Sales of seeds are not subject to these testing requirements;
 - Sales of clones are subject to these testing requirements but are exempt from testing for metals;
 - Transportation to and from the Independent Testing Laboratory must comply with Commission rules at 935 CMR 500.105(13); and
 - Any excess marijuana returned from the Independent Testing Laboratory for disposal must be properly disposed of by the Company in compliance with 935 CMR 500.105(12).
- To the extent the Company receives laboratory testing results indicating that the marijuana or marijuana product falls below Commission standards, the Company shall notify the Commission within 72 hours after becoming aware of such results.
- If the contaminated marijuana or marijuana product cannot be remediated, the Company shall dispose of the product (to the extent not already disposed of by the testing laboratory) and notify the Commission of such product disposal.
- To the extent the Company receives results indicating contamination after some product in such batch already has been sold to customers, the Company will reach out to each customer and request that they immediately return the product to the Company for replacement product at no cost or for a full refund.
- The Company will separately contact the source of the contaminated product, forward a copy of testing results if available, and request an action plan from such other Licensed Marijuana Establishment for addressing the source of contamination.

High Hopes Plan for Restricting Access to Age 21 or Older

High Hopes LLC's ("High Hopes" or the "Company") facility at 1 Menfi Way Unit 9, Hopedale, MA, will be an approximately 3,000 square foot dispensary structure (the "Facility"). All employees and registered agents of the Company shall be 21 years of age or older. [The Facility will include a customer entrance that will also be used by employees and deliveries.] The main entrance, and any other access points, to the Facility will come with commercial grade locks, and will require the use of either a keycard or passcode to unlock the door.

The Company will never knowingly invite or allow a person under the age of 21 into the Facility. The Facility begins at the entrance where a licensed security employee will verify the customer is at least 21 years old, and from there he or she will unlock the secured door to let in the customer. If a customer cannot produce a valid ID, the customer may not enter the Facility. If the ID presented appears to be fake or altered, the security employee will seek to retain the ID and will contact appropriate law enforcement personnel.

The customer entrance will lead into a reception area that does not have cannabis or cannabis products, but will include state-mandated informational brochures.

The sales room will have sales counters (which will only be accessible to employees) with secure bins to house the marijuana products. Other display cases will have edibles, oils, lotions, and other marijuana-infused products, but these will not be accessible to customers without a sales agent's assistance. For commercial site visitors, such as law enforcement officers, health professionals, Cannabis Control Commission inspectors or staff, they will also enter through the main entrance and show identification, after which the receptionist will call management to provide assistance. Such commercial site visitors also must be at least 21 years old.

Personnel Policies Including Background Checks

High Hopes LLC (the “Company”) will maintain personnel policies suitable for an employer in the Commonwealth of Massachusetts at its 9 Menfi Way, Hopedale, MA retail store. Additionally, the Company will maintain and enforce personnel policies required by Cannabis Control Commission (“Commission”) rules, including, but not limited to, ensuring that:

- (1) hiring is consistent with the Company’s Diversity Plan and Disproportionate Impact Plan, each submitted separately herewith;
- (2) employees pass background checks and secure Commission licenses as Marijuana Establishment Agents as a condition for being hired on a pay or voluntary basis;
- (3) references are checked prior to hiring all employees;
- (4) training is conducted for each employee each year to at least the minimum extent required by Commission rules, and records confirming same are signed for by the employee; and
- (5) records of personnel are maintained and retained in accordance with Commission record retention requirements.

Projected staff will include at least the following positions:

- CEO (Chief Executive Officer)
- CFO (Chief Financial Officer)
- COO (Chief Operations Officer)
- CTO (Chief Technical Officer)
- Security Director
- Financial Contractor
- Store Manager
- Budtenders/Greeters
- Security Guards
- Cannabis Nurse/Lecturer by contract

Please note that this projected personnel list may change once operations begin. More or fewer positions may become available depending on the demand for the product and the efficiency of the operation. Details of the duties of the Board and the above positions are listed in the qualifications and training procedures policy, separately submitted herewith.

The Company’s employees shall not be permitted to use, possess or be under the influence of drugs, tobacco or alcohol during business hours. In addition, the Company’s employees shall not be permitted to use or possess drugs, whether or not such employee is working, that are criminalized by federal law, other than marijuana legally obtained from a licensed adult-use retailer or medical marijuana dispensary. The Company reserves the right to randomly drug test employees.

In terms of employee conduct, the Company will immediately dismiss any employee who has:

- Diverted marijuana, which shall be reported to law enforcement officials and to the Commission;
- At any time while working for the Company or at the Company's Facility, including vehicles used for the transportation of marijuana products (as applicable), used, possessed, or were under the influence of alcohol, tobacco, or drugs deemed illegal under federal law (except for the possession of marijuana products during the normal course of business for the Company's business purposes);
- Engaged in unsafe practices with regard to operation of the Marijuana Establishment, which shall be reported to the Commission; or
- Been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state or jurisdiction.

In terms of personnel recordkeeping, the Company will retain records of at least the following categories:

- Job descriptions for each employee and volunteer position;
- Organizational charts consistent with the job descriptions;
- A personnel record for each marijuana establishment agent, to be retained until not less than 12 months following termination of the individual's affiliation with the Company, and that will specifically include, at minimum: (1) the registration information on the agent submitted in connection with individual agent licensure; (2) documentation of verification of references; (3) the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision; (4) 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; (5) documentation of periodic performance evaluations; (6) records of any disciplinary action taken; and (7) notice of completed responsible vendor and eight-hour related duty training;
- A staffing plan that will demonstrate accessible business hours;
- Personnel policies and procedures; and
- All background check reports obtained by the Company.

The Company shall ensure all employee records and confidential information are kept confidential, except as otherwise required by law or court order. All physical copies of confidential information and employee records shall be kept in a locked file cabinet and only the CEO, CFO, COO and CTO will be provided with the key to access such locked file cabinet. All electronic copies of confidential information and employee records shall be kept in a password-protected file and only the CEO, the Inventory/Operations Director and/or other Board Members or Executives will be provided with the password to access such password-protected file.

Diversity Plan

High Hopes LLC (the “Company” or “High Hopes”) cannabis retail store at 1 Menfi Way Unit 9, Hopedale, MA will develop and implement a Diversity Plan (the “Plan”) consistent with the guidance of the Cannabis Control Commission (the “Commission”) and state and federal law. The Plan will be established in conjunction with comprehensive anti-harassment and reasonable accommodation policies, and consistent with appropriate record keeping policies and procedures.

Plan Goals

The goals of the Plan will be for the Company to hire, train and retain a high quality, diverse workforce, consistent with the culture and diversity of the community in Worcester County. The emphasis of the Plan will be to recruit a diverse applicant pool and provide training and advancement opportunities to create and maintain a diverse workplace and to support the success of minority employees in all protected classifications, including, but not limited to, race, gender, veteran status, disability status and LGBTQ+. In particular, the Company plans to hire at least four of its employees from the above-listed demographics within the six months of receipt of a final license from the Commission.

The Company will retain records of the number of individuals hired that fall within these protected statuses, and maintain data that show compliance via quarterly performance metrics. Our goal will be to hire the following: 50% Women; 40% minorities, 20% veterans, 10% persons with disabilities, and 10% LGBTQ+.

Programs

In order to attract, hire, promote and retain at least four employees from the above listed demographics, the Company will post employment ads on job boards such as Marijuana Job and Cannabis Careers (MJCC), and working with recruiters such as HempStaff.com. The Plan will also include posting monthly advertisements in the Worcester Telegram, the MassHire Worcester Career Center Job Seekers board, which will include the statement that High Hopes is specifically looking to interview and hire women, minorities, and persons with disabilities. The Company will only accept applications from persons who are 21 years of age or older. Such job postings will be posted when openings are available.

We will also work with Quality & Productivity Solutions, Inc. to utilize their training course in Marlboro; “Sales, Marketing and Customer Service” provided through MassHire. This will help support the success and retention of a diverse workforce. The

Company will open up this training to all employees and actively encourage them to attend. Nevertheless, all employees will be required to attend the trainings at least once. Trainings will be held semi-annually. The principals will ensure that all employees receive the oversight, guidance and constructive feedback necessary to support their individual job performance. Dignity, respectful communication and collaboration will be the key values emphasized in all areas of training, continuing education and supervision. The Company seeks to ensure all employees have the necessary training and opportunities to succeed not only in the Company's organization, but in the cannabis industry more generally.

Measurement and Accountability

Regularly assessing success will be a key component of the Plan. The Company will gather pertinent information quarterly to measure the efficacy of each of the programs under the Plan by evaluating the equity of all employees. As needed, based on the results of each assessment, the methods used will be modified to more effectively achieve the goals of the Plan.

Our on-going assessment plan will include metrics compiling the number of individuals hired who fall within the designated demographics of but not limited to, minorities, women, veteran status, disability status. We will compare this to the total number of individuals hired to ensure that 50% of all persons hired fall within this goal.

At the end of the first year from receipt of a provisional license, and each year thereafter in connection with submission of its renewal application to the Commission, the Company will undertake written assessments of its success with Diversity, consistent with the goals of the Plan and will submit such at each renewal period. The written assessment will include, but not be limited to, (1) self-reported and/or objective data on the success of hiring individuals from the designated demographics, (2) self-reported and/or objective data on the characteristics of the Plan, (3) a written good faith evaluation of the Company's success at hiring, training, and maintaining the designated numbers of employees from the above demographics, and (4) recommendations for improving the effectiveness of the Company's diversity efforts. Such assessments will include evaluation of both qualitative and quantitative information.

Diversity Officer

The Company recognizes that for the Plan to be effective, the day-to-day responsibility for implementation of the Plan and all related anti-harassment and reasonable accommodation policies must rest with the managerial and supervisory staff. It is the responsibility of all managers and supervisors to commit to the values and goals of the Plan. To coordinate all efforts, assess success, evaluate programs and serve as a resource to all employees, a Diversity Officer will have the primary responsibility for directing and monitoring implementation of the

Plan. He or she will exercise authority with the full support of the organization and its leadership. It will be his or her responsibility to guide, evaluate, and quantify the effectiveness and success of the Diversity Plan.

The Diversity Officer, once named, will immediately enroll in and complete two training programs in the areas of reasonable accommodation policies, and other programs that support and promote diversity, such as Massachusetts Diversity Awareness Training and the National Diversity Council. He or she will also attend at least one additional training program and/or workshop on an annual basis.

Acknowledgements

The Company acknowledges that it will adhere to the following minimum requirements:

1. The Company has contacted and received permission, or will do so in the future, prior to communicating employment openings to all schools and organizations;
2. The Company will adhere to the requirements set forth in 935 CMR 500.105(4), which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment; and
3. Any actions taken, or programs instituted, by the Company will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.