



# Massachusetts Cannabis Control Commission

## Public Record Request

### Marijuana Product Manufacturer

#### General Information:

License Number: MP281588  
Original Issued Date: 04/13/2020  
Issued Date: 04/13/2020  
Expiration Date: 04/13/2021  
Payment Received: \$10000      Payment Required: \$10000

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Hudson Botanical Processing, LLC

Phone Number: 508-395-4179      Email Address: brian.adams@hbprocessing.com

Business Address 1: 9 Kane Industrial Dr, Unit 1

Business Address 2:

Business City: Hudson

Business State: MA

Business Zip Code: 01749

Mailing Address 1: 5 Kane Industrial Dr.

Mailing Address 2:

Mailing City: Hudson

Mailing State: MA

Mailing Zip Code: 01749

### 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: 3.2      Percentage Of Control:

Role: Other (specify)      Other Role: Tax & Legal Adviser

First Name: Luke      Last Name: Bean      Suffix:

Gender: Male      User Defined Gender:

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

Specify Race or Ethnicity:

### Person with Direct or Indirect Authority 2

Percentage Of Ownership: 36.8      Percentage Of Control: 50

Role: Other (specify)      Other Role: Adviser

First Name: Kathleen      Last Name: Adams      Suffix:

Gender: Female      User Defined Gender:

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

Specify Race or Ethnicity:

### Person with Direct or Indirect Authority 3

Percentage Of Ownership: 60      Percentage Of Control: 50

Role: Owner / Partner      Other Role:

First Name: John      Last Name: Adams      Suffix:

Gender: Male      User Defined Gender:

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

Specify Race or Ethnicity:

## ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

## CLOSE ASSOCIATES AND MEMBERS

No records found

## CAPITAL RESOURCES - INDIVIDUALS

### Individual Contributing Capital 1

First Name: Kathleen      Last Name: Adams      Suffix:

Types of Capital: Monetary/Equity      Other Type of Capital:      Total Value of the Capital Provided: \$250000      Percentage of Initial Capital: 62.5

Capital Attestation: Yes

## CAPITAL RESOURCES - ENTITIES

### Entity Contributing Capital 1

Entity Legal Name: Kane Industrial Trust      Entity DBA:

Email:      Phone: 978-562-0900

kkane@kaneindustrialpark.com

Address 1: 5 Kane Industrial Dr.      Address 2:

City: Hudson      State: MA      Zip Code: 01749

Types of Capital: Other, Buildings      Other Type of Capital: Tenant Fit-up      Total Value of Capital Provided: \$150000      Percentage of Initial Capital: 37.5

Capital Attestation: Yes

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

#### DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

#### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 9 Kane Industrial Dr., Unit 1

Establishment Address 2:

Establishment City: Hudson

Establishment Zip Code: 01749

Approximate square footage of the Establishment: 5000

How many abutters does this property have?: 13

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

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	SKM_C65819032114110.pdf	pdf	5c9428eeb411c1126cf065f5	03/21/2019
Community Outreach Meeting Documentation	scan0037.pdf	pdf	5c942e943d84de123a614c4b	03/21/2019
Plan to Remain Compliant with Local Zoning	Plan to Comply with Local Codes and Ordinances.pdf	pdf	5c942f3f5d4b0b1b3ebc3b0b	03/21/2019

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

#### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Plan to Positively Impact Areas of Disproportionate Impact 10_7 (1).pdf	pdf	5dc4985c7aad8653363bbb93	11/07/2019
Other	andy's Attic letter.pdf	pdf	5dc4986774bb15534cd4b263	11/07/2019

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

#### INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Owner / Partner

Other Role:

First Name: John

Last Name: Adams    Suffix:

RMD Association: Not associated with an RMD

Background Question: no

#### Individual Background Information 2

Role: Other (specify)

Other Role: Investor/advisor

First Name: Kathleen

Last Name: Adams Suffix:

RMD Association: Not associated with an RMD

Background Question: no

#### Individual Background Information 3

Role: Owner / Partner

Other Role:

First Name: Luke

Last Name: Bean Suffix:

RMD Association: Not associated with an RMD

Background Question: no

#### ENTITY BACKGROUND CHECK INFORMATION

##### Entity Background Check Information 1

Role: Other (specify)

Other Role: Landlord providing tenant fit-up to be paid back over time

Entity Legal Name: Kane Industrial Trust

Entity DBA:

Entity Description: Industrial Leasing Company

Phone: 978-568-0900

Email: kkane@kaneindustrialpark.com

Primary Business Address 1: 5 Kane Industrial Dr.

Primary Business Address 2:

Primary Business City: Hudson

Primary Business State: MA

Principal Business Zip Code: 01749

**Additional Information:** Hudson Botanical Processing, LLC (HBP) is fortunate to have a great relationship with Kane Industrial Trust (KIT), who is the owner of the property. KIT is going to cover the build out of the building which is valued to be \$150,000.00, which will be reflected in HBP's rent after year 3 of the lease. HBP will pay back the build out costs at an 8% annual rate for the remainder of the lease. KIT is also giving us 18 months of rent at no cost, the second year at the negotiated lease amount, and the third year with the build out costs added back.

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	dor cert.pdf	pdf	5c7d9eb13183181258e1c11b	03/04/2019
Secretary of Commonwealth - Certificate of Good Standing	SOS Cert.pdf	pdf	5c7d9eb32724e81b5255c644	03/04/2019
Bylaws	Hudson Botanical Processing, LLC - Operating Agreement - to CCC.pdf	pdf	5c9141815fd63c1b24eb86e4	03/19/2019
Bylaws	Op Amendment Vote 1-30.pdf	pdf	5e35abe069dc9d0456db6cfd	02/01/2020
Articles of Organization	Restated Articles.pdf	pdf	5e540b7b7b9883042b3742d3	02/24/2020

No documents uploaded

Massachusetts Business Identification Number: 001364670

Doing-Business-As Name:

DBA Registration City:

## BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Compliance CMR935 (10) Insurance ltr 2.pdf	pdf	5c5f3fdcc4b7a71b66d110d2	02/09/2019
Proposed Timeline	Proposed Op Timeline - MOP.pdf	pdf	5dc49edb40e348579197b4b7	11/07/2019
Business Plan	Hudson Botanical Processing- LLC Buiness plan .pdf	pdf	5e011bc4ef24345344e4ee3f	12/23/2019

## OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Prevention of diversion	Prevention of Diversion.pdf	pdf	5c91579fd7a931124ee06689	03/19/2019
Transportation of marijuana	Transportation of Marijuana (1).pdf	pdf	5cd1dc333ab7900a54efc6a0	05/07/2019
Sample of unique identifying marks used for branding	Unique Branding (2).pdf	pdf	5cd1dc8d9852730f7c7db6fd	05/07/2019
Maintaining of financial records	Maintaining of financial records (1).pdf	pdf	5cd1e42e0644270f9d87f757	05/07/2019
Security plan	combined security plan 6_19_19 no cutt sheets.pdf	pdf	5d0a623e33099617d79463a5	06/19/2019
Storage of marijuana	Storage of Marijuana 6_19-19.pdf	pdf	5d0a630d13edb917cc1fe664	06/19/2019
Method used to produce products	Methods used to produce Products 10_7.pdf	pdf	5d9b95128d8d0715f6674f82	10/07/2019
Inventory procedures	Inventory Procedures (4).pdf	pdf	5dc49f8ad5b0805341c60c96	11/07/2019
Restricting Access to age 21 and older	Restricting Access to age 21 and older (2).pdf	pdf	5dc49fcbdb5b0805341c60c9a	11/07/2019
Quality control and testing	Quality Control and Testing (1).pdf	pdf	5dc49ff10f35e05798b35db6	11/07/2019
Record Keeping procedures	Record Keeping Policy (2).pdf	pdf	5dc4a02f9c1081532b9a405b	11/07/2019
Qualifications and training	Qualifications and training (2).pdf	pdf	5dc4a06966a32657cfbd9b50	11/07/2019
Personnel policies including background checks	HBP Employee Handbook12_23.docx.pdf	pdf	5e011c4e0aa7ba5339f6c9b7	12/23/2019
Diversity plan	Diversity Plan.pdf	pdf	5e5420c864339304b0901742	02/24/2020
Types of products Manufactured.	Types of Products Manufactured 2_24.pdf	pdf	5e5420c902a6e7045352eefd	02/24/2020

## ATTESTATIONS

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

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

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

Notification: I Understand

I certify that any changes in ownership or control, location, or name will be made pursuant to a separate process, as required under 935 CMR 500.104(1), and

none of those changes have occurred in this application.:

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

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

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

#### COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

#### COMPLIANCE WITH DIVERSITY PLAN

No records found

#### PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

#### HOURS OF OPERATION

Monday From: Open 24 Hours	Monday To: Open 24 Hours
Tuesday From: Open 24 Hours	Tuesday To: Open 24 Hours
Wednesday From: Open 24 Hours	Wednesday To: Open 24 Hours
Thursday From: Open 24 Hours	Thursday To: Open 24 Hours
Friday From: Open 24 Hours	Friday To: Open 24 Hours
Saturday From: Open 24 Hours	Saturday To: Open 24 Hours
Sunday From: Open 24 Hours	Sunday To: Open 24 Hours



CONFIDENTIAL

# Hudson Botanical Processing, LLC

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**Business plan**  
Prepared September 2019

**Contact Information**

Brian Adams  
brian.adams@hbprocessing.com  
508-395-4179  
9 Kane Industrial Dr.  
Hudson, Ma 01749, United States

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# Executive Summary

## Opportunity

### Problem

The regulated adult use cannabis market is online in Massachusetts, and cannabis consumers are traveling far and wide to purchase legal products. The problem is, cannabis concentrates and infused products available today are sub-par at best, and are way over priced for the quality. For the legal market to beat out the illicit market there needs to be products that are affordable and safe, but also go above and beyond the quality of illegal products.

### Solution

Hudson Botanical Processing, LLC (HBP) is going to produce high quality concentrates and infused products at a competitive price. Unlike a lot of the other products on the market, our products are made in small batches and truly represent the people of Massachusetts. Our customers can rely on getting a consistent and safe product, no matter where its bought.

Additionally, HBP will offer high quality, wholesale cannabis concentrate for other manufactures to purchase.

### Market

Our products are designed to appeal to all demographics that shop for cannabis products. We will sell products that are great for the first time cannabis consumer, but also have other products that the regular buyer cannot refuse.

Many of the concentrates that are currently sold on the market would not meet our stringent internal quality check. Operators that are trying to infuse products or sell direct to consumers will desire concentrate that practically colorless, odorless, and tasteless. HBP will offer this high quality concentrate to the market.

## Competition

Many of the vertically integrated operators in Massachusetts produce concentrates and other infused products, but there is a lack of baked goods and high quality products. Since they are focused on producing so many different products, their quality lacks. HBP's products will always be the highest quality, have great taste, and never use artificial additives.

## Why Us?

It is HBP's desire to change the way people perceive and use cannabis to promote health and life enhancing experiences.

The HBP team is set up for success with individuals who have experience in a wide variety of areas including:

- Cannabis Marketing
- FDA and pharmaceutical operations
- Plant extraction and product formulation
- Business and tax law
- Sales
- Management

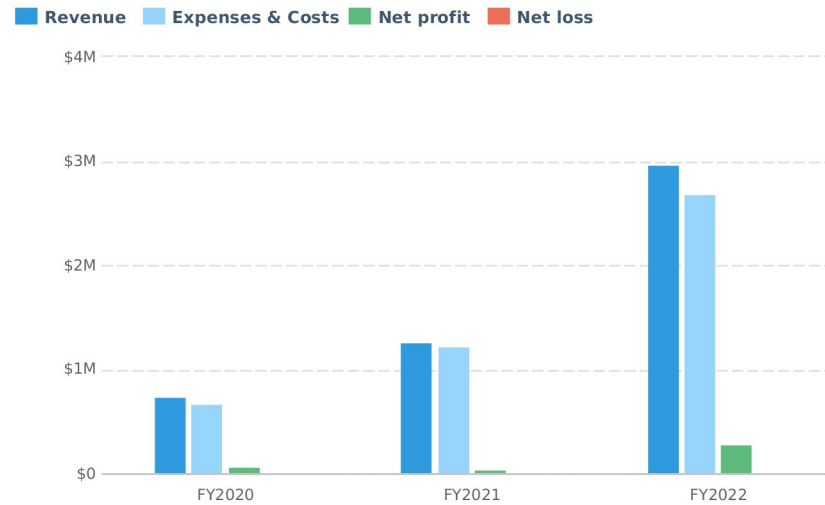
Being one of the first cannabis manufactures in the Massachusetts market, HBP will establish market standards, brand recognition, and customer loyalty. We are committed to excellence in all phases of interaction with clients, partners, and the community. Lastly, our process and products have been optimized for best quality, cost, safety, and delivery.

## Expectations

### Forecast

For a total investment of \$250,000.00, and a tenant fit up worth \$150,000.00, Hudson Botanical Processing is expect to generate just over \$900,000.00 in revenue for the first year of operation. In year two we expect to really hit stride, reducing our operating costs and increasing operating efficiencies to net a total revenue of \$2.5 million. We always expect to hit gross margins of over 30% no matter what the market demanded is for our products.

## Financial Highlights by Year



# Opportunity

## Problem & Solution

### Problem Worth Solving

The cannabis industry is now online in Massachusetts, and there is an opportunity for the state to benefit financially and socially through the responsible use of cannabis. Hudson Botanical Processing, LLC (HBP) is looking to create new business and employment opportunities in the emerging cannabis industry.

High-quality, great tasting vapes that are not filled with artificial flavors and fillers are needed in Massachusetts. Many consumers are not informed about the harmful chemicals such as PG, PEG, MCT, plastics, metals and vitamins that are often found in finished vaporizer products.

High-quality distillate that can be produced at a competitive price is also lacking in Massachusetts. Many of the producers in the commonwealth use in-efficient processes to produce distillate and, therefore, offer the product at high prices.

Just about anyone who thinks of a cannabis infused goodie thinks of baked goods, such as brownies and cookies. In Massachusetts there is little to no baked goods offered on the market today.

There are brands all over the country that would like to penetrate the Massachusetts market, but due to federal prohibition these companies are not allowed to ship across state lines. Instead the products must be produced and distributed in Massachusetts. This makes it very tough for established brands in other states to offer their products

in the commonwealth. There only options to expand into Massachusetts is to either open a facility or partner with a licensed operator.

## **Our solution**

We have built a team of experts with experience in the cannabis and pharmaceutical industry, along with a group of advisers that are highly experienced in tax, legal, high-level sales, and management. With our unique team, we have been able to develop a proprietary, cryogenic ethanol extraction method that gives us the highest quality concentrate, at a very competitive price.

HBP is dedicated to producing natural products, at competitive prices that are a safer alternative to other options on the market. HBP will only offer vapes that utilize glass chambers which will be filled with distillate and natural, botanically derived terpenes. All of the components from our hardware to our terpenes will be verified by a third-party testing agency to ensure safety and integrity of the products. We will never compromise our products by using chemicals or hardware that could harm or even danger our customers, just to save a few dollars.

Our baked goods will be made in small snackable sizes to save calories and not overwhelm consumers with too much food for only 5mg of THC per serving. All of our products will be the size of a half dollar or smaller. We want our customers to enjoy their cannabis experience from the taste of our product to the effect of the cannabinoids.

HBP is a full-service cannabis manufacturing company serving the operational needs of the cannabis industry. Headquartered in Massachusetts, we offer brands the ability to quickly penetrate the market and have a trusted partner to produce and distribute their products.

## Target Market

As reported by the Massachusetts department of health, one in five Massachusetts residents use marijuana at least once in the past month, which is a regular monthly consumer base of 1.4 million people. In fact, Massachusetts has the highest reported cannabis use per capita than any other state. The same poll found 53% of Massachusetts residents perceive marijuana to have slight or no risk, meaning there is a potential customer base of 3.6 million people. It is one of our goals to make sure that the 32% of people who support marijuana, but do not consume regularly have a great experience trying HBP products.

We expect our vape products to appeal to the regular and occasional buyer. Our disposable vape product will appeal more to an occasional buyer or someone new to vaping who doesn't want to commit to buying a reusable battery. The occasional buyer is most likely more concerned with discretion and ease of use, which our vapes will provide. HBP's vapes will be small and easy to conceal, all while lacking the same amount of odor that traditional inhalation methods produce. Additionally, the regular buyer may be drawn to disposable vapes because they provide complete ease of use that are ready to go straight out of our packaging. The 510 vape cartridges may appeal more to a regular buyer because they will save money per milligram, and use their own battery to customize their experience to their liking.

Manufacturing high quality cannabis concentrates is not an easy task, and many companies will struggle to meet the desired quality of concentrate that their customers want. We have the flexibility to be able to work with fellow operators and produce concentrates that are the best fit for their products.



## Competition

### Current alternatives

Our biggest competition that we will face are the vertically integrated operators that are producing all their own products. There are about 40 vertically integrated operators in the state right now. We foresee new businesses in the industry not trying to mimic this model.

### Our advantages

From the competitive analysis that we have done, no one can match our quality and flavor profiles. We do not foresee having any issues selling to independent dispensaries, but it will be more challenging to gain the business of the vertically integrated operators.

Our extraction process allows us to produce the highest quality extract at a much lower cost than other methods currently being used. We will always be able to make high-quality extract at a cheaper price/ gram than many other operators.

Our vapes will use only the highest quality, glass ceramic hardware, so our customers don't have to worry about heavy metals or other harmful leachables getting into their vape oil. It is HBP's promise to produce high quality products as naturally as possible, we will never use artificial fillers or additives.

Not only will the flavors and quality of our products shine through, but New Englanders will gravitate towards our branding, which encompasses everything New England has to offer.

# Execution

## Marketing & Sales

### Marketing Plan

Operators and brands in the highly regulated cannabis industry are not given the same marketing and advertising liberties that other industries are allowed. Cannabis companies have to prove that 85% of their audience is 21 years or older. Also traditional digital marketing channels such as Google ads and Facebook ads are not viable because they will not work with cannabis companies. The channels below are what we will focus our marketing resources and time too:

#### In-store Collateral

- One pagers with our company profile and product offerings
- Brochures

#### Website

- Our company website will be a static website that displays our product offerings and services.
- Promote thought leadership incentives supporting cutting edge research and developments in the cannabis industry. It is our responsibility to make sure that the public is properly informed about the emerging cannabis industry and all the amazing benefits that the plant can provide.
- We will have a contact form for customer to provide feedback and for wholesale buyers to show interest.
- Eventually we will post unique content and optimize our online presence.

### Social Media

- HBP will have profiles with all the leading social media platforms such as Facebook, Twitter, LinkedIn and Instagram.
- Our social media strategy will mostly serve our loyal customers and allow them to engage with our brand, products, and community.
- We will adapt a thought leadership program, which we will post content that is most relevant to help our customers better understand cannabis and all its amazing benefits.

### Retail Agent Collateral

- Training material to educate dispensary employees on our products is paramount to our success.
- We will focus a good majority of our marketing bandwidth on educating retail agents (budtenders) because we realize they are the ones with the most face time with the consumers that buy our products.

### Cannabis Wholesale Websites

- Product photos that highlight our quality and brand reputation.
- Product descriptions that thoroughly portray the feature and benefits of our products.

### Cannabis media outlets

- Work with cannabis specific media outlets to market and advertise our products and services.

### Cannabis events & conferences

- We will try and attend as many local cannabis industry events as possible to get the word out about Hudson Botanical Processing.

Our branding and marketing will be clean, clear, and simple with little to no correlation to the old school stigmatization of cannabis - it is our goal to break these stigmas using cutting edge strategy and execution. None of our marketing and branding will ever be directed towards minors.

## **Sales Plan**

HBP is strictly a business-to-business organization, that will be selling finished goods to licensed cannabis retailers across the state of Massachusetts. As the business grows we will be tracking our sales leads through a basic sales funnel model, which will be broken down by where we stand in the sales cycle including when we first connect, to when the sale is made. All sales and contact information will be tracked in a spreadsheet, until we find it necessary to purchase a CRM platform.

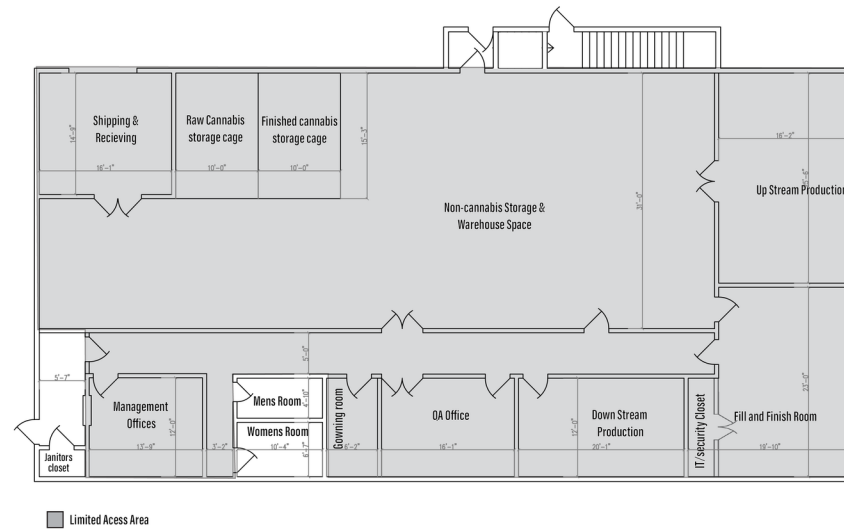
It is our goal to open 5 new accounts each month until we are sold in 95% of all dispensaries in Massachusetts.

## **Operations**

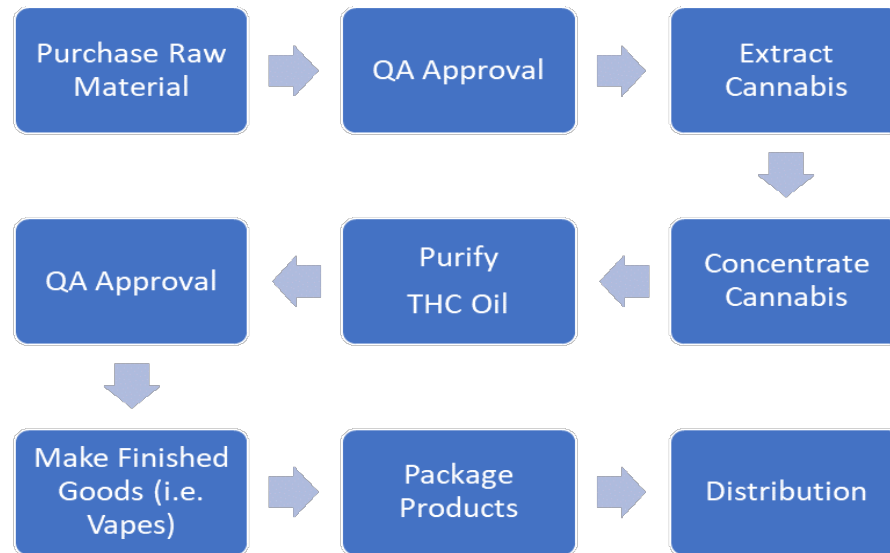
### **Locations & Facilities**

Massachusetts is a densely populated state that is small in area, allowing for easy shipment throughout the state. HBP's manufacturing facility is located right off Main Street in Hudson, MA which is conveniently located close to I-495, I-290, and RT 20.

Appendix C.



### Phases of Production



### Distribution Strategy

As required by the regulations all products that leaves our facility will be weighed and documented on video. We will transport all of our products using our own vehicle, a 2008 Prius. The vehicle and transportation procedures will adhere to all the mandated requirements set forth by the Cannabis Control Commission, included but not limited to the following:

- One person must be present in the vehicle at all times when cannabis is present.

- The vehicle must be tracked by a GPS tracking system that can not be removed.
- A lock box secured to the vehicle
- Adequate communication devices that can be used at any time or anywhere in the state.
- Drivers must report if they break down, or there route is hindered in any way.
- No firearms are allowed in the vehicle.

Once HBP feels pressure that we can not meet our distribution needs, we will explore the third-party options that are available to the industry.

## **Technology**

### **Seed-to-sale tracking**

The state requires METRC, a seed to sale tracking system that every cannabis company is required to use. Until our business scales to a size that we need to bring in a more powerful software to manage our production and inventory, METRC will allow us to keep a close eye on the marijuana products we are moving.

### **QuickBooks**

We will use QuickBooks as our accounting solution

### **Company specific spreadsheets**

We will have company specific spreadsheets that will track :

- Production flow

- Sales Funnel
- Ingredient inventory
- Hardware inventory
- Cleaning schedule
- Employment records
- Batch records
- Inventory

### **G-suite**

We will use G - suite as a form of communication and data sharing.

### **Social Media Platforms**

We will use the typical social media platforms to engage with our clients and customers.

### **Equipment & Tools**

Our Co-Founder, Dr. Robert Tuttle has leveraged his relationships and contacts from the pharmaceutical and biochemical industry to purchase used and new equipment at a great price. Dr. Tuttle is providing the needed equipment to Hudson Botanical Processing for a value of \$32,724.31, which will be paid back to him when the company is profitable. The following is the list of equipment being sold:

- Calibrated Electronic Balance
- Cannabis Materials Decarb Oven System
- Bulk Cannabis 2 Liter Industrial Grinder



- Stainless Steel Product Selective Extraction Vessels
- Large and Medium Solid/ Liquid Separation Filtration Buchner Funnels
- 5 High Performance Vacuum Pumps
- 20 Liter Rotary Evaporation Concentrating Vacuum Still and Large Heat Exchanger
- 5 Liter Short Path Fractional Differential Purification Vacuum Still and Medium Heat Exchanger
- Stainless Steel Vacuum Cold Boiling Solvent Vessel
- 50 Shot Heated Product Dispenser

In addition, we need to purchase the following:

- Commercial Oven or vacuum oven
- 2 Commercial freezers

## **Milestones & Metrics**

### **Key metrics**

To start we will focus on increasing our margins by cutting down on the cost of goods sold by becoming exponentially more efficient. Another important metric that we will watch closely is HBP's ability to create jobs for our community. As our volume of sales increase we will be able to leverage our purchasing power to save on our production costs. It will always be our goal to hit profit margins in the 30% - 50% range.

# Company

## Overview

Hudson Botanical Processing, LLC was founded by Dr. Robert Tuttle and Brian Adams, who are the acting managers of the company. In addition, we have three advisers that assist when their expertise is needed. Kathy Adams, is the tie breaker in any voting disputes between Brian and Robert. Kathy Adams is the sole investor of the company, who is providing the start-up capital necessary to get the business off the ground. Luke Bean is our tax and legal adviser.

### Equity Structure:

- Dr. Robert Tuttle - 37.5%
- Brian Adams - 37.5%
- Kathy Adams - 23%
- Luke Bean - 2%

## Team

### Management team

#### Dr. Robert Tuttle, PhD

Dr. Tuttle's 38 year industrial biopharmaceuticals, botanical and Biologics career has had two main focuses.

First, Dr. Tuttle extracted a wide variety of 25 plants for their useful biochemicals as an academic and in the biotech industry. As part of Dr. Tuttle's PhD thesis work at Harvard University, he extracted the microscopic algae *Cryptothecodinium* and found large amounts of the active ingredient of fish oil (DHA) and found three new steroids. This led to his Lever Hume postdoctoral fellowship To the Department of Biochemistry at the University of Liverpool where he characterized the three steroids that he had found at Harvard and grew 19 more Marine microalgae. This work was followed by his Roche Pharma postdoctoral fellowship to the Department of biochemistry at the Norwegian technical Institute in Trondheim Norway, where Dr. Tuttle extracted these 19 Marine microalgae and found red, orange and yellow biochemicals that could be used to organically color selected foods. Then, Dr. Tuttle extracted 100 pounds of dried daffodil bulbs to extract a rare noncommercial biochemical named lycorene for use in genetic engineering and industrial yeast to make commercial amounts of vitamin C. Then, Dr. Tuttle, through his company Ultra Biotech and a consortium of three other companies, invented an industrial process to separate commercial biofuels from oak hardwood. Then, in China, Dr. Tuttle ensured the quality and FDA compliance for Hunan Hundai to extract 6 ton batches of Chinese Yew Tree bark to produce the powerful anticancer drug Abraxane, for which Dr. Tuttle shares a patent. Finally, Dr. Tuttle has successfully extracted cannabis flower and trimmings to produce premium distillate cannabis products at an industrial scale.

The other half of Dr. Tuttle's career consisted of the advanced development in cGMP manufacturing a large number of useful therapeutic lifesaving recombinant blood proteins including nine monoclonal antibodies for cancers, two therapeutic polyclonal antibodies to cure anthrax and botulism, three recombinant therapeutic blood proteins including one for Farber's disease, three tissue-engineered organs, three recombinant vaccines and gene therapies for sickle cell anemia and beta thalassemia. Dr. Tuttle was also cofounder of a new federal government agency called the Biologics Advanced Research and Development Agency (BARDA) which supplies the United States

strategic National stockpile of emergency medical countermeasures for US civilian mass casualties and is managed by the US Centers for Disease Controls (CDC)

### **Brian Adams**

The past two years Brian has worked for one of the leading cannabis infused products brand in the United States. During his time with Wana Brands he gained valuable insight into the production, marketing, and sales of cannabis products.

As a production manager, Brian was responsible for leading a team of ten to ensure that production needs were met and inventory levels of 250,000 units were maintained. Brian soon moved into business development where he worked closely with the sales and marketing team to create educational content on Wana products and general cannabis knowledge.

Additionally he worked with the head of business development to research and assess new innovative infusion technologies. Throughout his time as a corporate trainer he established relationships with the largest dispensaries chains in Colorado, and found new unique ways to market in a highly regulated industry. Working in Colorado gave Brian a strong understanding and path forward in the cannabis industry.

### **Advisors**

Kathy Adams - Real estate and Municipal relations

Luke Bean - Legal and tax expert

# Financial Plan

## Forecast

### Key assumptions

#### Purchasing of Raw Cannabis Material

For the purpose of the projections below we assumed that we will be purchasing trim at \$700/lb with a THC content of 10%. We understand that the price/lb is high and the THC content is low, but we are planning for there to be a shortage of cannabis in Massachusetts for at least a year after opening .

#### Whole Sale Pricing

##### Vapes

Our sales forecast was based off sales of start -up companies from Colorado that only produced vape products. We decided on a pricing structure that we believe is the fair market value of our products. Our vapes will be sold in cases of 25, with a minimum order size being one case. Our product pricing is as follows:

- 500 mg Disposable Vape: \$30/unit - \$750/case
- 500 mg 510 Cartridge: \$26/unit - \$625/case

##### Wholesale distillate:

- \$40/ g of THC

Edibles:

- Cookies: \$14/ 100 mg unit
- Brownies: \$14/ 100 mg unit

We will constantly be evaluating the pricing structure of our products based on customer feedback and demand.

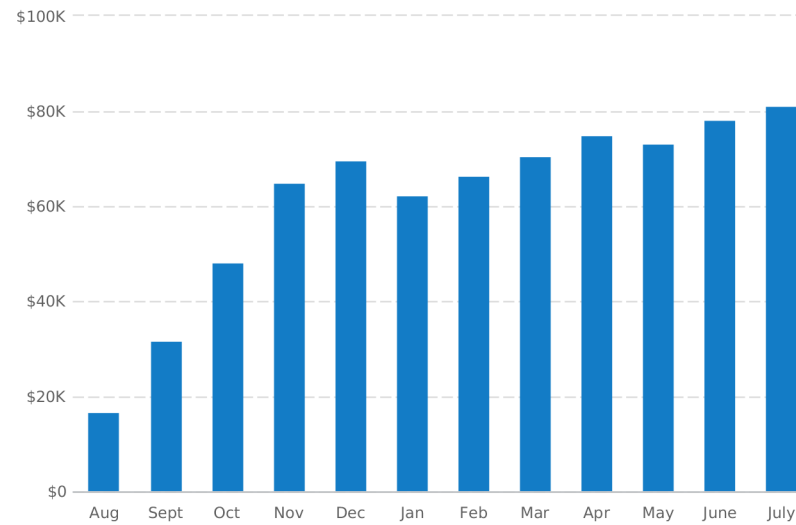
### **Sales Forecast**

Our sales forecast is assuming that we will open 5 new accounts each month for the first 6 months then open 1 - 3 new accounts a month thereafter. Each account will purchase a minimum of 1 case of vapes and 1 case of edibles per week.

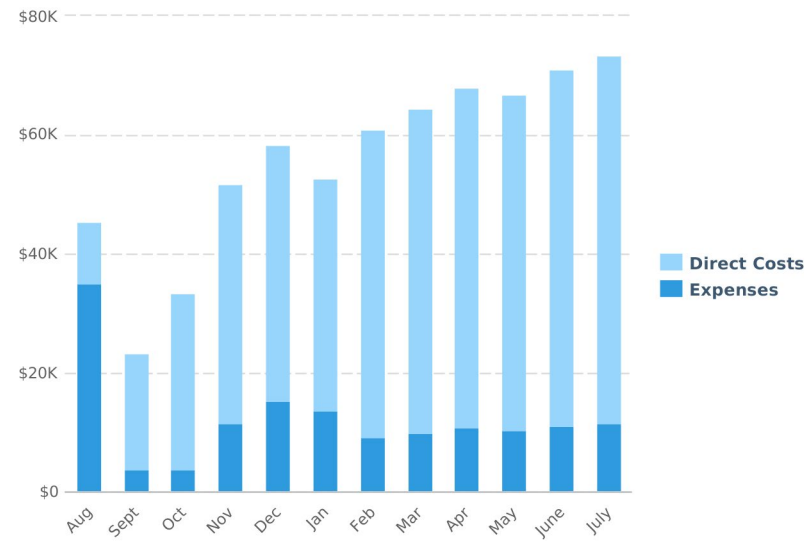
### **Non-cannabis Ingredients & Expenses**

The non -cannabis ingredients that we will be purchasing are ridged prices as shown in our proforma. Once we have the purchasing power to negotiate better terms, we will.

## Revenue by Month

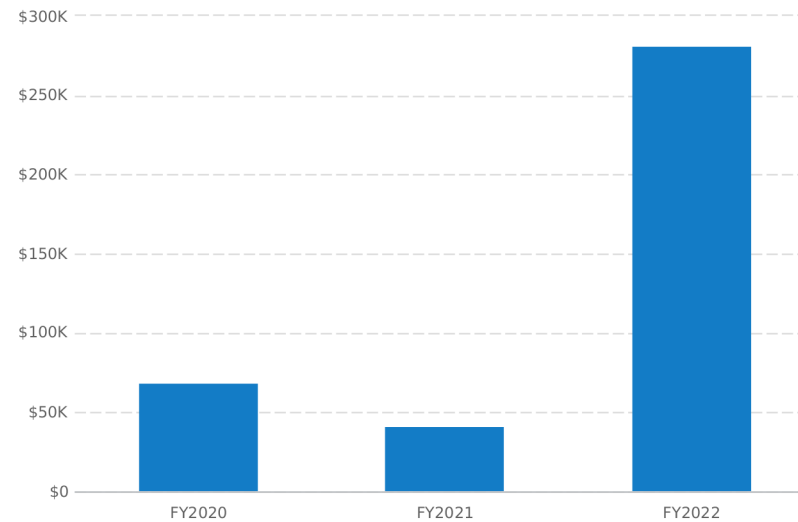


## Expenses by Month





## Net Profit (or Loss) by Year



## Financing

### Use of funds

Our build -out costs will be covered by the lessor, but we know there will be odds and ends that cannot be planned for. HBP has set aside \$32,000.00 for these unforeseen build out costs. The remaining \$230,000.00 of capital investment will be used to purchase all of our ingredients, hardware, packaging, additional equipment, and cannabis material.

## Sources of Funds

Hudson Botanical Processing, LLC (HBP) is fortunate to have a great relationship with Kane Industrial Trust (KIT), who is the owner of the property to be occupied. KIT is going to cover the build out of the building which is valued to be \$150,000.00, which will be reflected in HBP's rent after year 3 of the lease. HBP will pay back the build out costs at an 8% annual rate for the remainder of the lease. KIT is also giving us 18 months of rent at no cost, the second year at the negotiated lease amount, and the third year with the build out costs added back.

There is a capital investment from Kathleen Adams of \$250,000.000 to cover HBP's additional start-up costs and 3 months of operating costs.

Dr. Robert Tuttle is selling his processing equipment to the company for \$32,724.31, which will be bought back over time. HBP and Dr. Tuttle have executed a promissory note with terms to ensure Dr. Tuttle is compensated for the sale.

## Statements

### Projected Profit and Loss

Hudson Botanical Processing	Year 1	Year 2
<b><u>Sales</u></b>		
Vape	\$ 275,925.00	\$ 549,900.00
Edibles	\$ 674,916.67	\$ 1,335,425.00
Wholesale Oil	\$ 385,666.67	\$ 763,100.00
<b>Total Sales</b>	<b>\$ 1,336,508.33</b>	<b>\$ 2,648,425.00</b>

### Cost of Goods Sold (COGS)

Unit Cost - vape	\$ 58,146.91	\$ 147,449.12
Unit Cost - Edibles	\$ 312,872.08	\$ 619,064.88
Wholesale oil	\$ 266,269.93	\$ 526,855.45
Deductable Payroll	\$ 74,880.00	\$ 149,760.00
Product Sampling	\$ 1,998.92	\$ 856.68
Rent		\$ 62,500.00
Property Tax	\$ 16,000.00	\$ 16,000.00

Utilities		
Gas	\$ 7,500.00	\$ 7,500.00
Electric	\$ 7,200.00	\$ 7,200.00
Water	\$ 2,400.00	\$ 2,400.00
Trash	\$ 3,600.00	\$ 3,600.00
Snow Removal	\$ 2,025.00	\$ 2,025.00
Maintenance	\$ 1,500.00	\$ 1,500.00
Insurance (Package/WC/Auto)	\$ 10,900.00	\$ 10,900.00
Dismantle Bond	\$ 250.00	\$ 250.00
Vehicle Expense	\$ 167.40	\$ 167.40
IT Expense	\$ 840.00	\$ 840.00
State License	\$ 5,000.00	\$ 5,000.00
METRC	\$ 480.00	\$ 480.00
Security Monitoring	\$ 1,200.00	\$ 1,200.00
Fire Monitoring	\$ 300.00	\$ 300.00

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<b>Total COGS</b>	\$ 773,530.25	\$ 1,565,848.52
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<b>Gross Margin</b>	\$ 562,978.08	\$ 1,082,576.48
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Non-deductable Expenses

Banking	\$ 6,682.54	\$ 13,242.13
Non-deductable labor	\$ 35,040.00	\$ 70,080.00
Marketing Expenses	\$ 3,200.00	\$ 4,600.00
Office Supplies	\$ 1,600.00	\$ 2,400.00

Miscellaneous	\$ 6,978.38	\$ 13,548.32
<b>Total Non-deductable Expenses</b>	<b>\$ 53,500.92</b>	<b>\$ 103,870.44</b>
<b>Community Impact Fee (3% of gross rev)</b>	<b>\$ 40,095.25</b>	<b>\$ 79,452.75</b>
<b>Earning beofre Taxes</b>	<b>\$ 469,381.91</b>	<b>\$ 899,253.28</b>
Taxable income	\$ 522,882.83	\$ 1,003,123.73
35% Tax	\$ 183,008.99	\$ 351,093.30
<b>After Tax Earnings</b>	<b>\$ 286,372.92</b>	<b>\$ 548,159.98</b>



GORDON ATLANTIC INSURANCE  
— MAKING INSURANCE MAKE SENSE —

February 5, 2019

Cannabis Control Commission  
101 Federal Street  
13<sup>th</sup> Floor  
Boston, MA 02110

Re: Hudson Botanical Processing, LLC

Dear Board of Commissioners:

Be it known that we represent the captioned Hudson Botanical Processing, LLC. and are processing applications for coverage for General Liability to be in compliance with or exceed 935 CMR (10) Liability Coverage required to Marijuana Establishments. Management offices at 5 Kane Industrial Drive, Hudson, MA 01749.

*935 CMR (10). Liability Coverage required for Marijuana Establishments  
(10) Liability Insurance Coverage or Maintenance of Escrow.*

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

Please feel free to contact us with any questions.

Sincerely,

W. Jeffrey Helm, LIA

## Host Community Agreement Certification Form

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

### Applicant

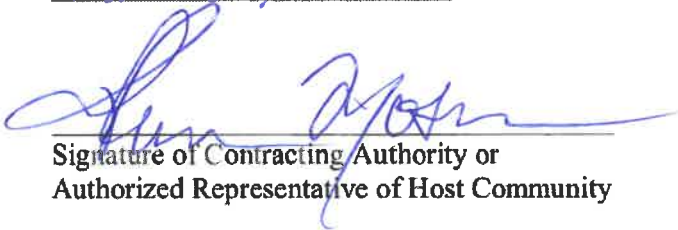
I, J. Brian Adams, (insert name) certify as an authorized representative of Hudson Botanical Processing LLC (insert name of applicant) that the applicant has executed a host community agreement with The Town of Hudson (insert name of host community) pursuant to G.L.c. 94G § 3(d) on March 20, 2019 (insert date).



Signature of Authorized Representative of Applicant

### Host Community

I, Thomas Moses, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Hudson (insert name of host community) to certify that the applicant and Town of Hudson (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on March 20, 2019 (insert date).



Signature of Contracting Authority or  
Authorized Representative of Host Community



## Community Outreach Meeting Attestation Form

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

I, J. Brian Adams, (insert name) attest as an authorized representative of Hudson Botanical Processing LLC (insert name of applicant) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on March 14, 2019 (insert date).
2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on March 7, 2019 (insert date), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document*).
3. A copy of the meeting notice was also filed on February 27, 2019 (insert date) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).
4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on March 1, 2019 (insert date), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).



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



GateHouse Media New England

**Community Newspaper Co. – Legal Advertising Proof**

15 Pacella Park Drive, Randolph, MA 02368 1800-624-7355 phone I  
781-961-3045 fax

A

**Order Number:** CN13776097

**Salesperson:** Carol Hoyer

Brian Adams  
Hudson Botanical Processing, LLC  
5 Kane Industrial Dr.

Hudson, MA 01749

<b>Title:</b>	<b>Marlboro Hudson</b>	<b>Class:</b>	<b>Legals</b>
<b>Start date:</b>	<b>3/7/2019</b>	<b>Stop date:</b>	<b>3/7/2019</b>
<b>Insertions:</b>	<b>1</b>	<b>#Lines:</b>	<b>20 ag</b>
<b>Price:</b>	<b>\$36.36</b>		

**Payment Information**

**Receipt#**  
**Pmt. Type:**  
**CC. Number:** CC. Exp.:  
**Invoice Total:** \$36.36

Marijuana Establishment

**LEGAL NOTICE**  
**Community Outreach Public Notice**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for March, 14th 2019 at 7:00 pm at 5 Kane Industrial Dr, Second Floor. If needed, there is an elevator in the rear of the building to get up to the second floor. The proposed Marijuana Manufacturer is anticipated to be located at 9 Kane Industrial Dr., Unit 1. Please come and join Hudson Botanical Processing, LLC to learn more about how we intend to support the community with this new venture. There will be an opportunity for the public to ask questions.

AD#13776097  
Hudson Sun 3/7/19



## Legal Notices

## Legal Notices

## Notice Of New Rate Schedules

## LEGAL NOTICE

TOWN OF HUDSON, MA  
LIGHT AND POWER DEPARTMENT

## Notice of new Rate Schedules.

The Town of Hudson Light and Power Department has filed the following rate schedules with the Department of Public Utilities. The new schedules are to be effective on its system March 1, 2019. The new rates will be reflected in the bill dated April 30, 2019.

Schedule G - Rate No. 5	M.D.P.U. No. 307
Schedule FG - Rate No. 11	M.D.P.U. No. 308
Schedule D - Rate No. 12	M.D.P.U. No. 309
Schedule C - Rate No. 17	M.D.P.U. No. 310
Schedule FD - Rate No. 18	M.D.P.U. No. 311

Filed by: Municipal Light Board  
Town of Hudson

**COMMERCIAL SCHEDULE - G - RATE NO. 5**

\$9.01 for the first 10 KWH per month or less per month  
\$0.0679 per KWH for all over 10 KWH per month

**DEMAND SCHEDULE - D - RATE NO. 12, 14, 15, 16****DEMAND CHARGE:**

\$90.00 per month for the first 10 KW or less of demand  
\$9.00 per month per KW of demand over 10 KW

**ENERGY CHARGE:**

\$0.0324 per KWH for all KWH

Applicable discounts may apply.

**COMMERCIAL SCHEDULE - C - RATE NO. 17**

\$11.27 for the first 10 KWH per month  
\$0.0689 per KWH for all over 10 KWH per month

**FARM SMALL BUSINESS SCHEDULE - FG - RATE NO. 11**

\$10.15 for the first 10 KWH per month.  
\$0.06201 per KWH for all over 10 KWH per month

**FARM DEMAND SCHEDULE - FD - RATE NO. 18****DEMAND CHARGE:**

\$81.00 per month for the first 10 KW or less of demand  
\$8.10 per month per KW of demand over 10 KW

**ENERGY CHARGE:**

\$0.02916 per KWH for all KWH

**TERMS AND CONDITIONS**

Standard Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of these rates.

The rate and policy schedules above are available on its website at [www.hudsonlight.com](http://www.hudsonlight.com) or a copy may be obtained by contacting the main Office at 49 Forest Avenue, Hudson, MA or by calling 978-568-8736.

AD#13774595  
Hudson Sun 3/7/19

#19-1007543

**LEGAL NOTICE**  
**CITY OF MARLBOROUGH**  
**PLANNING BOARD**  
**MARLBOROUGH, MASSACHUSETTS**  
**01752**

**Public Hearing - Proposed Zoning**  
**Amendment to change Sections 650 \$5,**  
**\$18 & \$48 to add Food Trucks to the City**  
**Code.**

Notice is hereby given that the Planning Board of the City of Marlborough will hold a Public Hearing on **Monday, March 25, 2019** at 7:00 PM in Memorial Hall, 3rd Floor, City Hall, 140 Main Street, Marlborough, Massachusetts to amend Chapter 650 \$5, \$18 & \$48 of the Zoning Code of the City of Marlborough.

The materials are available for viewing in the Office of the City Clerk, City Hall, 140 Main Street, Marlborough, MA 01752, 508-460-3775 and the Administrative Office of the Planning Board, 135 Neil St., 2nd Floor, Marlborough, MA 01752, 508-624-6910 x33200.

THAT, PURSUANT TO § 5 OF CHAPTER 40A OF THE GENERAL LAWS, THE CITY COUNCIL OF THE CITY OF MARLBOROUGH, HAVING SUBMITTED FOR ITS OWN CONSIDERATION CHANGES IN THE ZONING ORDINANCE OF THE CITY OF MARLBOROUGH, AS AMENDED, TO FURTHER AMEND CHAPTER 650, NOW ORDAINS THAT THE ZONING ORDINANCE OF THE CITY OF MARLBOROUGH, AS AMENDED, BE FURTHER AMENDED AS FOLLOWS:

## PEARL ESTATE

## LEGAL NOTICE

Commonwealth of Massachusetts  
The Trial Court  
Probate and Family Court  
Middlesex Division  
208 Cambridge Street  
Cambridge, MA 02141  
(617) 768-5800

Docket No. MI18P5777EA

CITATION ON PETITION FOR  
FORMAL ADJUDICATION

Estate of: Arlene D. Pearl

Also known as: Arlene Dian Pearl

Date of Death: 08/12/2018

To all interested persons:

A Petition for S/A - Formal Probate of Will with Appointment of Personal Representative has been filed by Michael R Couture of Somerville MA requesting that the Court enter a formal Decree and Order and for such other relief as requested in the Petition.

The Petitioner requests that: Michael R Couture of Somerville MA be appointed as Personal Representative(s) of said estate to serve Without Surety on the bond in an unsupervised administration.

## IMPORTANT NOTICE

You have the right to obtain a copy of the Petition from the Petitioner or at the Court. You have a right to object to this Proceeding. To do so, you or your attorney must file a written appearance and objection at this Court before: 10:00 a.m. on the return day of 03/15/2019.

This is NOT a hearing date, but a deadline by which you must file a written appearance and objection. If you object to this

## MORRIONE ESTATE

## LEGAL NOTICE

Commonwealth of Massachusetts  
The Trial Court  
Probate and Family Court  
Middlesex Division  
208 Cambridge Street  
Cambridge, MA 02141  
(617) 768-5800

Docket No. MI19P0696EA

INFORMAL PROBATE  
PUBLICATION NOTICE

Estate of: Nicholas Morrione

Date of Death: November 26, 2018

To all persons interested in the above captioned estate, by Petition of Petitioner Cheryl Morrione of Port Charlotte, Florida

The estate is being administered under informal procedure by the Personal Representative under the Massachusetts Uniform Probate Code without supervision by the Court. Inventory and accounts are not required to be filed with the Court, but interested parties are entitled to notice regarding the administration from the Personal Representative and can petition the Court in any matter relating to the estate including distribution of assets and expense of administration. Interested parties are entitled to petition the Court to institute formal proceedings and to obtain orders terminating or restricting the powers of Personal Representatives appointed under informal procedure. A copy of the Petition and Will, any, can be obtained from the Petitioner.

AD#13776889  
Marlborough Enterprise 3/7/19

## VEHICLE PRIVATE SALE

## LEGAL NOTICE

Sale of Motor Vehicle  
G.L.C.255 Section 39A

Notice is hereby given by Ferreira Mas Towing Inc., 358 Maple St., Marlboro, MA pursuant to the provisions of G.L.C.255 section 39A that on 03/21/19 at 8am at 35 Maple St., Marlboro, Massachusetts a 20' Chev Express, vehicle I.D. Numb 1GCGZTGCXB1152331 be held at private sale to satisfy our garagekeeper's lien thereon for storage, towing charges and expenses of notice and sale of said vehicle. Last registered owner of vehicle is Lucas Campos, 11 Boston Post Rd, East Marlboro, MA

Ferreira Towing  
(508) 485-3348

AD# 13775896

Marlborough Enterprise 3/7, 3/14, 3/21/19

## VEHICLE PRIVATE SALE

## LEGAL NOTICE

Sale of Motor Vehicle  
G.L.C.255 Section 39A

Notice is hereby given by Ferreira Mas Towing Inc., 358 Maple St., Marlboro, MA pursuant to the provisions of G.L.C.255 section 39A that on 03/21/19 at 8am at 35 Maple St., Marlboro, Massachusetts a 20' Pontiac G. Prix, vehicle I.D. Numb 2G2WP552861150646 be held at private sale to satisfy our garagekeeper's lien thereon for storage, towing charges and expenses of notice and sale of said vehicle. Last registered owner of vehicle is Timot Lovett, 20 Jacques Ave, #3, Worcester MA

Ferreira Towing  
(508) 485-3348

AD# 13775891

Marlborough Enterprise 3/7, 3/14, 3/21/19

## Marijuana Establishment

## LEGAL NOTICE

Community Outreach Public Notice

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for March, 14 2019 at 7:00 pm at 5 Kane Industrial 1 Second Floor. If needed, there is an elevator in the rear of the building to get up to 2 second floor. The proposed Marijuana Manufacturer is anticipated to be located 9 Kane Industrial Dr., Unit 1. Please come and join Hudson Botanical Processing, LLC to learn more about how we intend to support the community with this new venture. There will be an opportunity for the public to ask questions.

AD#13776097  
Hudson Sun 3/7/19



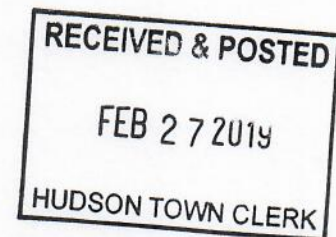
B

## Community Outreach Public Notice

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Planning Board  
Town of Hudson  
78 Main Street  
Hudson, MA 01748

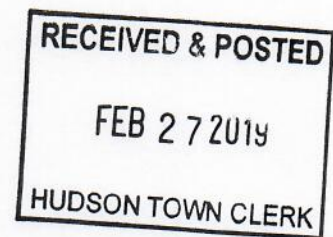
Received  
2.27.19  
1:45 PM  
[Signature]



B

## Community Outreach Public Notice

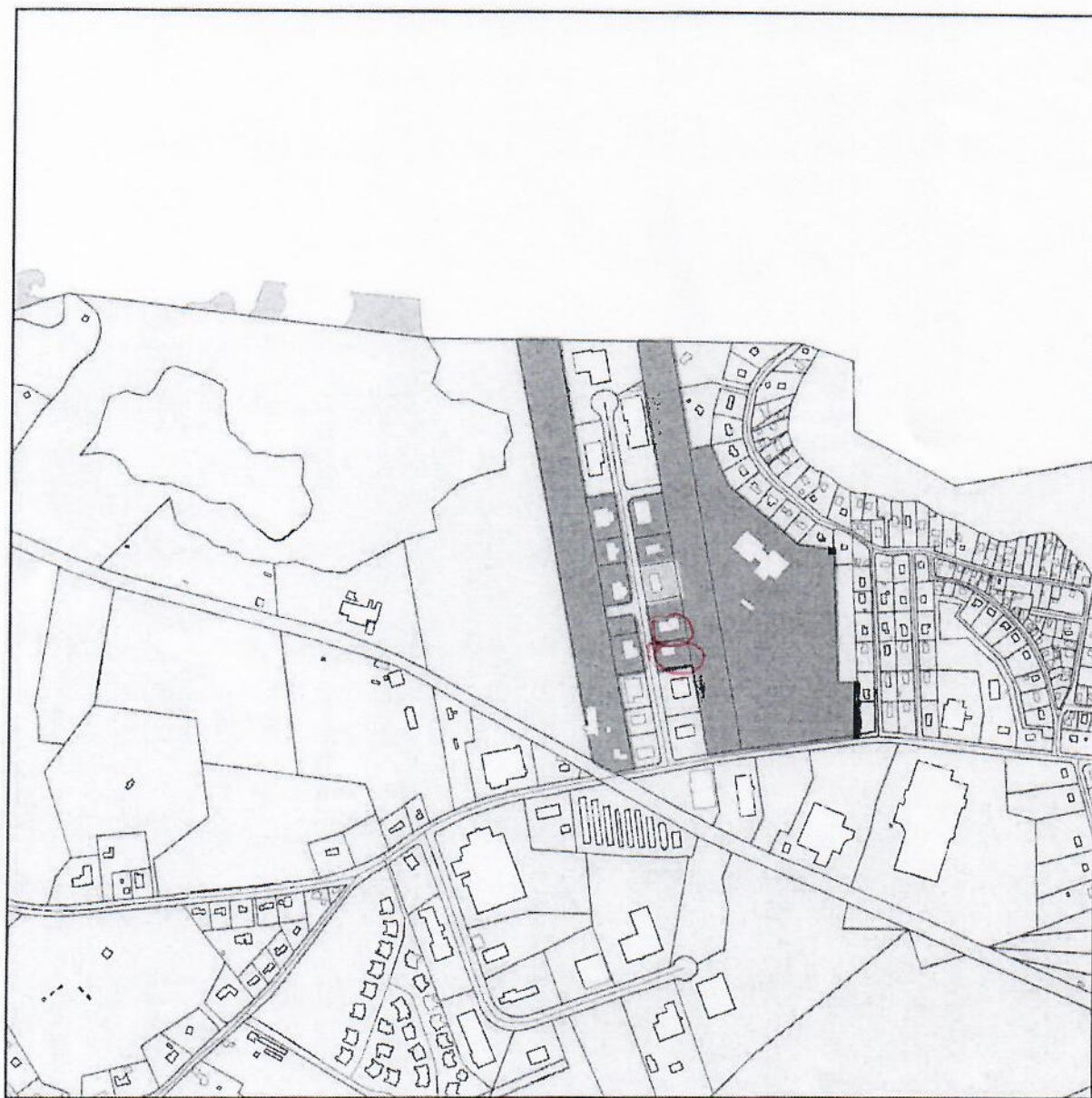
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Received  
BOS 2/27/19  
*[Signature]*

C

# MAP TITLE



Department 1

Department 2

5, 7, 8, 12, 9, 11  
14, 15



16



C

## Abutters Report

### Abutters

<u>ACCOUNT NUMBER</u>	<u>OWNER NAME</u>	<u>ADDRESS</u>
35096	KANE INDUSTRIAL TRUST	5 KANE INDUSTRIAL DR
25046	KANE HOLDINGS GROUP LTD	16 KANE INDUSTRIAL DR
35003	THE COLLINGS FOUNDATIONS	568 MAIN ST
25040	KANE ALDEN H	11 KANE INDUSTRIAL DR
35097	KANE INDUSTRIAL TRUST	7 KANE INDUSTRIAL DR
35004	SHEMIN REAL ESTATE	570 MAIN ST
35098	KANE ALDEN H	12 KANE INDUSTRIAL DR
35082	KANE INDUSTRIAL TRUST	8 KANE INDUSTRIAL DR
35002	KANE INDUSTRIAL TRUST	10 KANE INDUSTRIAL DR
35105	KANE ALDEN H	9 KANE INDUSTRIAL DR
25039	KANE ALDEN H	14 KANE INDUSTRIAL DR
25040	KANE ALDEN H	15 KANE INDUSTRIAL DR
35001	RICH VAUGHN E	566 MAIN ST



Date: February 27, 2019

To: Cannabis Control Commission

From: Hudson Board of Assessors

**Attached is a certified list of abutters for the below referenced parcel.**

36-105	KANE INDUSTRIAL TRUST	9 KANE INDUSTRIAL DR
MAP & LOT	OWNER	LOCATION

  
  
Christine W. DiMare  
Principal Clerk

25/ / 39/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

25/ / 40/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

25/ / 46/ /  
KANE HOLDINGS GROUP LTD  
110 LORING RD  
WESTON , MA 02193

25/ / 61/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

35/ / 1/ /  
RICH VAUGHN E  
GWEN REALTY TRUST  
566 MAIN ST  
HUDSON , MA 01749

35/ / 2/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

35/ / 3/ /  
THE COLLINGS FOUNDATIONS INC  
137 BARTON RD  
STOW , MA 01775

35/ / 4/ /  
SHEMIN REAL ESTATE  
C/O SITEONE LANDSCAPE SUPPLY  
675 MARYVILLE CENTRE DR, SUITE 500  
ST LOUIS , MO 63141

35/ / 82/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

35/ / 96/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

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KANE INDUSTRIAL TRUST  
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HUDSON , MA 01749

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5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

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SHEMIN REAL ESTATE  
C/O SITEONE LANDSCAPE SUPPLY  
675 MARYVILLE CENTRE DR, SUITE 500  
ST LOUIS , MO 63141

35/ / 3/ /  
THE COLLINGS FOUNDATIONS INC  
137 BARTON RD  
STOW , MA 01775

35/ / 2/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

35/ / 1/ /  
RICH VAUGHN E  
GWEN REALTY TRUST  
566 MAIN ST  
HUDSON , MA 01749

25/ / 61/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

25/ / 46/ /  
KANE HOLDINGS GROUP LTD  
110 LORING RD  
WESTON , MA 02193

25/ / 40/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749

25/ / 39/ /  
KANE INDUSTRIAL TRUST  
JAMES P KANE TRUSTEE  
5 KANE INDUSTRIAL DR  
HUDSON , MA 01749



# CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

SAINT LOUIS, MO 63141

Certified Mail Fee	\$3.50
Extra Services & Fees (check box, add fee as appropriate)	\$2.80
<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input checked="" type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.55

Total Postage and Fees \$6.85

Sent To *Shemin c/o SiteOne*

Street and Apt. No., or PO Box No. *575 MARYVILLE CTR. DR. Suite 500*

City, State, ZIP+4® *ST. LOUIS, MO 63141*

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

# U.S. Postal Service™ CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

STON, MA 01775

Certified Mail Fee	\$3.50
Extra Services & Fees (check box, add fee as appropriate)	\$2.80
<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input checked="" type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.55

Total Postage and Fees \$6.85

Sent To *Collings Foundation Inc*

Street and Apt. No., or PO Box No. *137 Barton Rd*

City, State, ZIP+4® *STON MA 01749*

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

# CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

WESTON, MA 02493

Certified Mail Fee	\$3.50
Extra Services & Fees (check box, add fee as appropriate)	\$2.80
<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input checked="" type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.55

Total Postage and Fees \$6.85

Sent To *KANE Holdings Group LTD*

Street and Apt. No., or PO Box No. *110 LORING RD*

City, State, ZIP+4® *WESTON, MA 02493*

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

# U.S. Postal Service™ CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

HUDSON, MA 01749

Certified Mail Fee	\$3.50
Extra Services & Fees (check box, add fee as appropriate)	\$2.80
<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input checked="" type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.55

Total Postage and Fees \$6.85

Sent To *Vaughn Rich/Gwen Realty*

Street and Apt. No., or PO Box No. *566 MAIN ST*

City, State, ZIP+4® *HUDSON MA 01749*

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7017 2620 0000 4295 9688

7017 2620 0000 4295 9695

C





**Hudson  
Botanical  
Processing**

10

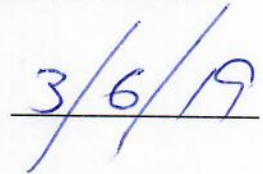
## Community Outreach Public Notice

Dear James Kane, Trustee

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for March, 14<sup>th</sup> 2019 at 7:00 pm at 5 Kane Industrial Dr, Second Floor. If needed, there is an elevator in the rear of the building to get up to the second floor. The proposed Marijuana Manufacturer is anticipated to be located at 9 Kane Industrial Dr., Unit 1. Please come and join Hudson Botanical Processing, LLC to learn more about how we intend to support the community with this new venture. There will be an opportunity for the public to ask questions.

With respect to the properties located at 4 Kane Industrial Drive, 5 Kane Industrial Drive, 7 Kane Industrial Drive, 8 Kane Industrial Drive, 11 Kane Industrial Drive, 12 Kane Industrial Drive, and 15 Kane Industrial Drive the properties are owned by Kane Industrial Trust, which is the owner of the property where the marijuana establishment will be operated at 9 Kane Industrial Drive, Hudson, MA and as such, the owners are on actual notice of the usage of the property, have had an opportunity to learn how Hudson Botanical Processing, LLC will support the community and had the opportunity to ask questions. They were also notified of the Community Outreach Meeting and offered the opportunity to attend.

  
James Kane, Trustee

  
3/6/19

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HUDSON  
25 CHURCH ST  
HUDSON  
MA  
01749-9998  
2436550749  
03/01/2019 (800)275-8777 2:52 PM

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Product Description	Sale Qty	Final Price
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First-Class Mail Letter	1	\$0.55
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(Domestic)  
(HUDSON, MA 01749)  
(Weight:0 Lb 0.40 Oz)  
(Estimated Delivery Date)  
(Monday 03/04/2019)

Certified	1	\$3.50
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(70172620000042959695)

Return Receipt	1	\$2.80
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(9590940241878121043214)

First-Class Mail Letter	1	\$0.55
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(Domestic)  
(WESTON, MA 02493)  
(Weight:0 Lb 0.40 Oz)  
(Estimated Delivery Date)  
(Monday 03/04/2019)

Certified	1	\$3.50
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(70172620000042959688)

Return Receipt	1	\$2.80
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(9590940241878121043207)

First-Class Mail Letter	1	\$0.55
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(Domestic)  
(STOW, MA 01775)  
(Weight:0 Lb 0.50 Oz)  
(Estimated Delivery Date)  
(Monday 03/04/2019)

Certified	1	\$3.50
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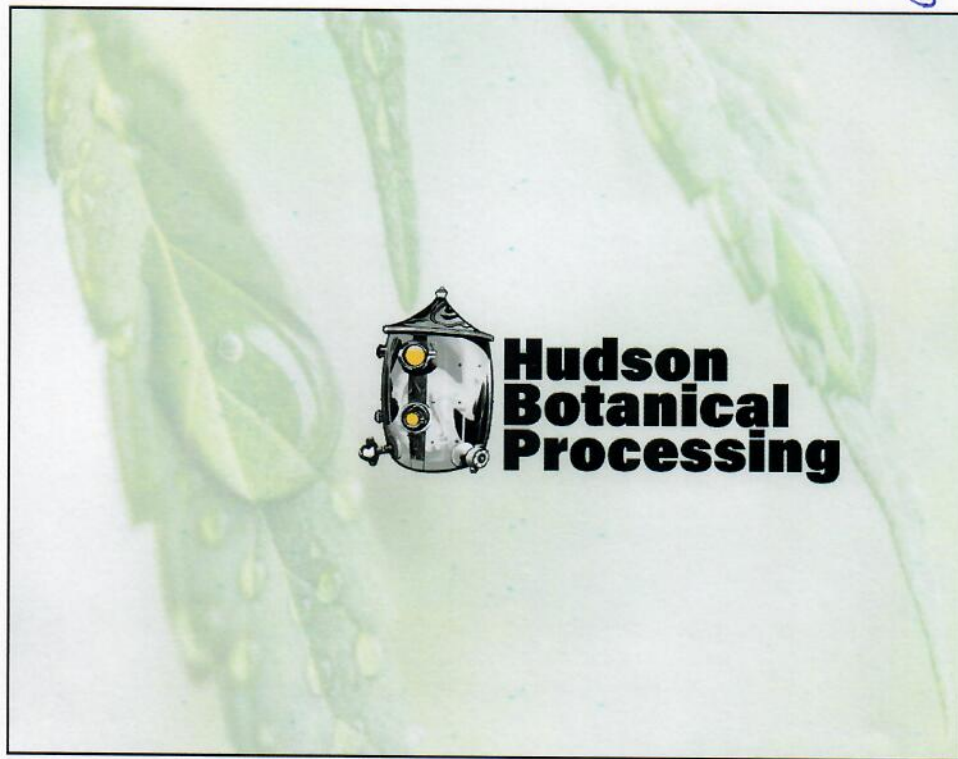
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Return Receipt	1	\$2.80
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First-Class Mail Letter	1	\$0.55
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(Domestic)  
(SAINT LOUIS, MO 63141)  
(Weight:0 Lb 0.50 Oz)  
(Estimated Delivery Date)  
(Monday 03/04/2019)



### Mission

Our mission is to change the way people perceive and use cannabis to promote health and life enhancing experiences.

### Vision

Create and provide access to innovative, life changing products through the development of a unique manufacturing and distribution network of industry-leading goods and services. The growth of the industry and company will provide prosperity for our customers, partners, employees, and community.

### Values

Hudson Botanical Processing makes all decisions based on our core values of integrity, responsibility, accountability, partnership, quality, compassion, and innovation.





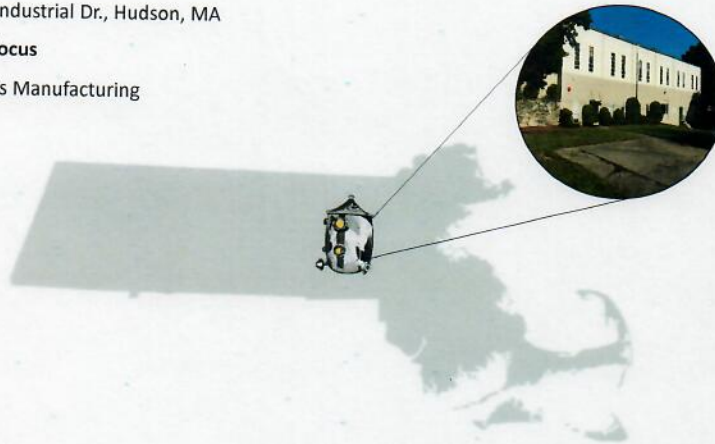
## Hudson Botanical Processing Host Agreement & Overview

### **Location**

- 9 Kane Industrial Dr., Hudson, MA

### **Business Focus**

- Cannabis Manufacturing



## Partnership Opportunity With The Hudson Community

### **Economic opportunity**

- Additional tax revenue to the town

### **Employment opportunity**

- We will prioritize the employment of Hudson residents

### **Great location**

- Logistically, Hudson's centralized location allows us to get anywhere in the state in 2 hours or less

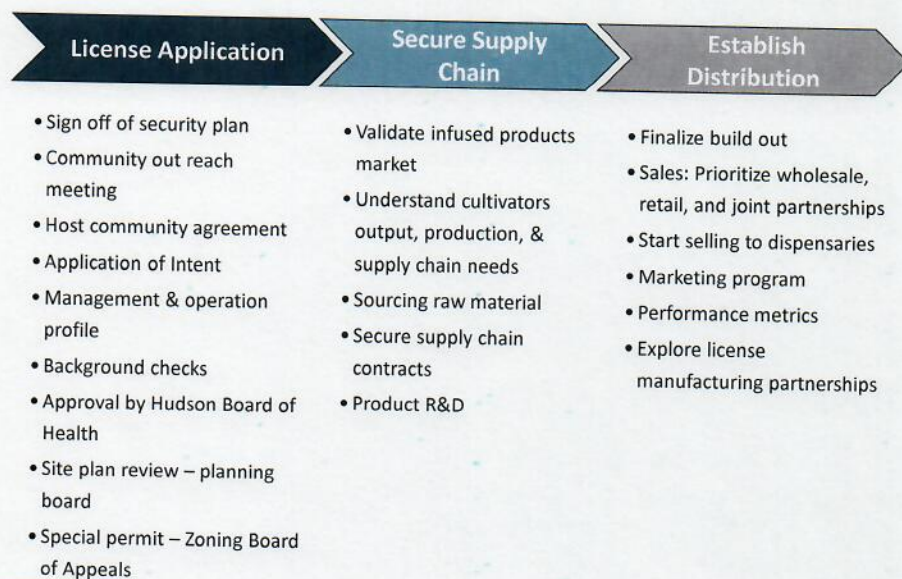


### Requirements To Operate in Hudson

- Sign Host Community Agreement
- Approval from Hudson Board of Health
- Acquire special permit from Zoning Board of Appeals
- Approval of security plan by police chief
- Prevent diversion to minors
- Will not be a nuisance to the community



### Go To Market Strategy: 2019




### Unique Team & Focus – Create Health & Life-Enhancing Experiences

- Specialized Team – Skilled plant extractionist, cannabis expertise, FDA compliance, & tax specialist
- Partnership Opportunities – White labeling & contract manufacturing
- Proprietary Ethanol Extraction Methods - Highest quality whole sale products & consumer goods

#### Massachusetts Market Demand:

1 in 5 MA residents

  
used marijuana in the past month\*

Regular Consumers: 1.4 million people

**53%** MA residents perceive marijuana to have slight or no risks.\*

Potential Consumers: 3.6 million people

Marijuana Baseline Health Study Report of Findings, DPH, June, 2018\*

### Hudson Botanical Processing Team

#### Dr. Robert Tuttle, Phd. – Biochemist & Biochemical Engineer

- BS in Microbiology from Syracuse, a Ph.D. from Harvard with over 30 years of experience in the biotech industry.

#### Brian Adams – Cannabis Operations & Marketing

- Marketing, Sales, and business development for leading Colorado infused products brand

#### Luke Bean, Esq. – Legal, Tax, & Compliance

- Advisor

#### Kathy Adams – Commercial Developer

- Advisor



**Plan to Comply with Local Codes and Ordinances**  
**935 CMR 500.101(1)(a)10**

*A description of plans to ensure that the Marijuana Establishment is or will be compliant with local codes, ordinances, and bylaws for the physical address of the Marijuana Establishment which shall include, but not be limited to, the identification of any local licensing requirements for the adult use of marijuana.*

The applicant will comply with the Town of Hudson's Protective Zoning By-Laws and any other local requirements, including without limitation:

- A. Site Plan Review by the Hudson Planning Board  
Hudson Protective Zoning By-Law 7.1.7
- B. Special Permit by the Hudson Zoning Board of Appeals  
Hudson Protective Zoning By-Law 5.13 and 8.2
- C. Obtain required approval of Security Plan from the Hudson Chief of Police
- D. Obtain required approval from the Hudson Board of Health
- E. Obtain approvals from any other local authority as may be required by either the Hudson Planning Board or the Hudson Zoning Board of Appeals





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

Minimum Fee: \$100.00

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

**Restated Certificate of Organization**

(General Laws, Chapter )

**Identification Number:** 001364670

**The date of filing of the original certificate of organization:** 1/18/2019

**1. The exact name of the limited liability company is:** HUDSON BOTANICAL PROCESSING, LLC  
**and if changed, the name under which it was originally organized:**

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

No. and Street: 9 KANE INDUSTRIAL DR.  
 City or Town: HUDSON State: MA Zip: 01749 Country: USA

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

No. and Street: 9 KANE INDUSTRIAL DR.  
 City or Town: HUDSON State: MA Zip: 01749 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:**

TO ENGAGE IN THE BUSINESS OF BOTANICAL EXTRACTION SERVICES AND MANUFACTURING NUTRITIONAL SUPPLEMENTS AND TOPICAL PRODUCTS FOR PROFIT, AND TO ENGAGE IN ANY AND ALL ACTIVITIES RELATED THERETO.

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

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

Name: JOHN BRIAN ADAMS  
 No. and Street: 5 KANE INDUSTRIAL DR.  
 City or Town: HUDSON State: MA Zip: 01749 Country: USA

**I, JOHN BRIAN ADAMS 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	JOHN BRIAN ADAMS	81 HUNTER AVE HUDSON, MA 01749 USA
MANAGER	KATHLEEN K ADAMS	81 HUNTER AVE HUDSON, MA 01749 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.

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	JOHN BRIAN ADAMS	81 HUNTER AVE. HUDSON, MA 01749 USA
SOC SIGNATORY	KATHLEEN K ADAMS	81 HUNTER AVE HUDSON, MA 01749 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:**

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	JOHN BRIAN ADAMS	81 HUNTER AVE. HUDSON, MA 01749 USA
REAL PROPERTY	KATHLEEN K ADAMS	81 HUNTER AVE HUDSON, MA 01749 USA

**9. Additional matters:**

**10. Describe any amendments to be effected by the restated certificate, and if none, include a statement to that affect:**

DR. ROBERT CARL TUTTLE REMOVED AS MANAGER OF THE COMPANY.

**11. The restated certificate shall be effective when filed unless a later effective date is specified:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 20 Day of February, 2020,  
J. BRIAN ADAMS , Signature of Applicant.**

THE COMMONWEALTH OF MASSACHUSETTS

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

February 20, 2020 03:33 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*

**OPERATING AGREEMENT**  
**OF**  
**HUDSON BOTANICAL PROCESSING, LLC**  
**A MASSACHUSETTS LIMITED LIABILITY COMPANY**  
  
**AS OF JANUARY 17, 2019**

**OPERATING AGREEMENT  
OF  
HUDSON BOTANICAL PROCESSING, LLC**

This Agreement, made and entered into as of the 17<sup>th</sup> day of January, 2019, by and between **JOHN BRIAN ADAMS**, of 81 Hudson Avenue, Hudson, Middlesex County, Commonwealth of Massachusetts and **DR. ROBERT CARL TUTTLE**, of 399 Long Hill Road, Bolton, Worcester County, Commonwealth of Massachusetts (such parties hereinafter individually referred to as a “Member” and collectively, with any future added members, as “Members”).

**WITNESSETH:**

WHEREAS, the parties hereto desire to form a limited liability company (hereinafter referred to as the “Company”) upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the covenants hereinafter contained, it is agreed by the parties hereto as follows:

**ARTICLE I**

**BASIC STRUCTURE**

**1.1 Form**

On January 17, 2019, the Company was formed through the execution and delivery of a Certificate of Organization to the Office of the Secretary of the Commonwealth of Massachusetts (the “Secretary”) in accordance with and pursuant to the Massachusetts Limited Liability Company Act (the “Act”).

**1.2 Name**

The business of the Company shall be conducted under the name of **HUDSON BOTANICAL PROCESSING, LLC**.

**1.3 Place of Business**

The principal place of business of the Company shall be 9 Kane Industrial Drive, Unit 1, Hudson, Middlesex County, Commonwealth of Massachusetts. The Company may locate its place of business and registered office at any other place or places as the Managers may from time to time deem advisable.

## **1.4 Registered Office and Registered Agent**

The Company's initial registered office shall be at the office of its registered agent at 5 Kane Industrial Drive, Hudson, Middlesex County, Commonwealth of Massachusetts, and the name of its initial registered agent at such address shall be **JOHN BRIAN ADAMS**. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary pursuant to the Act.

## **1.5 Term**

The term of the Company commenced upon the filing of the Certificate of Organization with the Secretary and shall continue in perpetuity.

## **1.6 Purposes--General**

The purposes for which the Company is organized are:

(a) To engage in the business of botanical extraction services and manufacturing nutritional supplements and topical products for profit, and to engage in any and all activities related thereto.

(b) To accomplish any lawful business purpose or activity whatsoever, whether or not for profit or which shall at any time appear conducive to or expedient for the protection or benefit of the Company (with the exception of the business of granting policies of insurance or assuming insurance risks or banking).

(c) To exercise all other powers necessary to or reasonably connected with the Company's business, which may be legally exercised by limited liability companies under the Act.

(d) To engage in all activities as are necessary, customary or convenient to the conduct, promotion or attainment of the business purposes or activities of the Company.

## **ARTICLE II**

### **FINANCIAL ARRANGEMENTS**

#### **2.1 Initial Contributions of Member**

The Member shall, within ninety (90) days of execution of this Agreement, contribute to the initial capital of the Company property in the amount and form indicated on Schedule A attached hereto and made a part hereof. Capital contributions to the Company shall not earn interest. An individual capital account shall be maintained for each Member.

In the event a Member does not make the required contribution, the obligation shall become a demand promissory note due and payable to the Company which shall accrue interest at a rate of seven

percent (7%) per annum until paid in full and such Member shall have no right to vote until such required contribution is made.

No Member shall have the right to demand the return of his capital contributions except as herein provided.

The Members acknowledge that Member DR. ROBERT CARL TUTTLE will contribute his equipment to the Company in exchange for a promissory note from the Company to him in the amount of \$32,724.31, which shall bear no interest. The note shall be repaid at such time as the Company is profitable as determined by an affirmative vote of Members owning more than fifty percent (50%) of the Capital Interests in the Company.

## **2.2 Additional Capital Contribution**

(a) Unless otherwise agreed by all Members, no Member shall be required to make an additional capital contribution to the capital of this Company. Any Member who voluntarily expends money on behalf of the Company and in furtherance of Company purposes shall be deemed to have made a loan to such Company, which loan shall accrue interest at an annual rate of seven percent (7%), compounded annually which principal and interest shall have priority over any and all other sums owed to or payable to the Member(s).

(b) The Managers shall be permitted to obtain additional financing through any form necessary in the amount required, on such terms and conditions as it in its sole discretion deems appropriate, from third parties. In connection with any financing which permits the admission of additional Members, the Percentage Interests of the Members shall be diluted proportionately, based on their respective Percentage Interests immediately prior to any such dilution. Without in any way limiting the foregoing, the interest of any third party admitted to the Company pursuant to this Section in the Net Profits, Net Losses and distributions of cash or property of any nature may have such priority or priorities in relationship to the interests therein of the other Members as the Managers may in its sole discretion determine. Notwithstanding anything else herein, the Members specifically authorize the issuance of Preferred Units to Kathleen K. Adams or an entity established by her or her family in exchange for a capital contribution in an amount up to \$250,000 as initial financing for the operations of the entity. The Members further authorize the issuance of Preferred Units to Luke C. Bean in exchange for advisory and legal services to the Company.

(c) The undesignated Preferred Units may be issued in one or more series at such time or times and for such consideration or considerations as the Managers of the Company may determine. Each series shall be so designated as to distinguish the units thereof from the units of all other series and classes. The relative preferences, powers, qualifications, rights and privileges accompanying such units may be determined by the Managers of the Company.

(d) Each Member, and each person who is hereinafter admitted to the Company as a Member, hereby (i) consents to the admission of any such third party on such terms as the Managers may determine and to any amendment to this Agreement that may be necessary or appropriate to reflect the admission of any such third party and the terms on which the third party invests in the Company; and

(ii) acknowledges that, in connection with any admission of any such third party, such Member's interest in allocations of Net Profits and Net Losses and distributions of cash and property of the Company, and net proceeds upon liquidation of the Company, may be diluted or otherwise altered.

### **2.3 Units; Capital Interests of Members**

The Company has established and authorized for issuance: (i) 100,000 Common Units and (ii) 100,000 Preferred Units. The Members have each contributed to or have otherwise been credited with contributions to the capital of the Company as set forth in Schedule A.

In the event that an additional Member or Substitute Member is admitted to the Company, or if an additional Capital Contribution is made by or on behalf of a Member, Schedule A shall be amended by the Managers to reflect the Capital Contribution and Units of such additional Member or Substitute Member or the increased Capital Contribution of a Member and, if applicable, any adjustment to the Members' Percentage Interests.

The Capital Interest of each Member shall be equal to the percentage that the sum of Common Units and Preferred Units that such Member holds represents to the sum of all Common Units and Preferred Units held by all Members.

### **2.4 Interim Distributions**

Distributions to the Members of cash or assets of the Company shall be made at such times as the Managers shall reasonably determine. Such distributions shall be made to all Members simultaneously. The amount of any in-kind distribution shall be the property's then Fair Market Value. Interim distributions shall be made taking into account any preferred or other senior distribution rights, with any distributions beyond those made to preferred or senior distributions being made pro-rata to the Members in accordance with their Capital Interest in the Company.

### **2.5 Evidence of Ownership**

The Company may issue one or more certificates to the Members that evidence their ownership interest in the Company. Such certificates may show each Member's Capital Interest in the Company in Units. Any one Manager of the Company may sign such certificates.

### **2.6 Limitation of Liability**

A Member shall not be liable to the Company or to any other Member for any loss or damage sustained by the Company, any other Member, or any Manager unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by the Member.

Each Member's liability shall be limited as set forth in this Agreement, the Act and other applicable law.



## ARTICLE III

### MANAGEMENT

#### 3.1 General

Subject to the provisions of this Agreement, including, without limitation, Section 3.4, the overall management and control of the business and affairs of the Company shall be vested in the Managers.

All Managers shall have the right to vote on a per capita basis as to the management and conduct of the business of the Company. Except as otherwise herein set forth, the following decisions of the Managers shall control: (1) if there is only one Manager, such Manager's decision shall control, (2) if there are only two Managers, the unanimous decision of the Managers shall control, and (3) if there are more than two Managers, the decision of a majority of the Managers shall control. Notwithstanding the foregoing, in the event of a disagreement between the Managers, **JOHN BRIAN ADAMS** and **DR. ROBERT CARL TUTTLE**, for any Company action in which their agreement is necessary, **KATHLEEN K. ADAMS** shall cast the deciding vote which shall be final and binding on the Managers. Any such decision, approval, action, consent or matter shall be taken at a meeting or teleconference of the requisite number of Managers, or by a writing executed by such requisite number of Managers. Any action taken by the Managers pursuant to this Section, must be undertaken in good faith, in the best interest of the Company and its Members and subject to fiduciary standards imposed under applicable state and judicial law.

All management and other responsibilities not specifically reserved to the Members in this Agreement shall be vested in the Managers, and the Members shall have no voting rights except as specifically provided in this Agreement. Each Manager shall devote such time to the affairs of the Company as may be reasonably necessary for performance by the Manager of his, her or its duties hereunder, provided such persons shall not be required to devote full time to such affairs.

Specifically, but not by way of limitation, and subject to all other provisions of this Agreement (including without limitation, Sections 3.4 and 3.7), the Managers shall be authorized in the name of and on behalf of the Company, or in its own name and on its own behalf, as appropriate, to do all things necessary or appropriate to carry on the business and purposes of the Company, including, without limitation, the following:

(i) to acquire by purchase, lease, exchange or otherwise; and to sell, finance, refinance, encumber and otherwise deal with, any real or personal property;

(ii) to borrow money and issue evidences of indebtedness, or to guarantee loans and to secure the same by mortgage, deed of trust, pledge or other lien on any assets or property of the Company, and to pay, prepay, extend, amend or otherwise modify the terms of any such borrowings;

(iii) to employ executive, administrative and support personnel in connection with the business of the Company; to pay salaries, expense reimbursements, employee benefits, fringe benefits, bonuses

and any other form of compensation or employee benefit to such persons and entities, at such times and in such amounts as may be determined by the Managers in their sole discretion; and to reimburse the Managers for expenses incurred by them (directly or indirectly) to provide executive, administrative and support services in connection with the business of the Company;

(iv) to hire or employ such agents, employees, managers, accountants, attorneys, consultants and other persons necessary or appropriate to carry out the business and operations of the Company; and to pay fees, expenses, salaries, wages and other compensation to such persons;

(v) to pay, extend, renew, modify, adjust, submit to arbitration, prosecute, defend or compromise, upon such terms as it may determine and upon such evidence as it may deem sufficient, any obligation, suit, liability, cause of action or claim, including taxes, either in favor of or against the Company;

(vi) to determine the appropriate accounting method or methods to be used by the Company;

(vii) to cause the Company to make or revoke any of the elections referred to in I.R.C. §§ 108, 704, 709, 754 and 1017 and any similar provisions enacted in lieu thereof, and in any other section of the Code;

(viii) to establish and maintain reserves for such purposes and in such amounts as it deems appropriate from time to time;

(ix) to pay all organizational expenses and general and administrative expenses of the Company;

(x) to deal with, or otherwise engage in business with, or provide services to and receive compensation therefor from, any person who has provided or may in the future provide any services to, lend money to, sell property to or purchase property from the Company, including, without limitation, any Member or Manager;

(xi) to engage in any kind of activity and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Company;

(xii) to pay any and all fees and to make any and all expenditures that the manager, in its sole discretion, deems necessary or appropriate in connection with the organization of the Company, the offering and sale of membership interests in the Company, the management of the affairs of the Company, and the carrying out of the Company's obligations and responsibilities under this Agreement, including, without limitation, fees, reimbursements and expenditures payable to a Member or Manager;

(xiii) to exercise all powers and authority granted by the Act to managers, except as otherwise provided in this Agreement;

(xiv) to cause the Company and its properties and assets to be maintained and operated in such a manner as the Managers may determine; subject, however, to obligations imposed by applicable laws or by any mortgage or security interest encumbering the Company and such properties and assets from time to time, and by any lease, rental agreement or other agreement pertaining thereto;

(xv) to cause to be obtained and continued in force all policies of insurance required by any mortgage, lease or other agreement relating to the Company's business or any part thereof, or determined by the Managers to be in the best interests of the Company;

(xvi) to cause to be paid any and all taxes, charges and assessments that may be levied, assessed or imposed on any of the assets of the Company unless the same are contested by the Managers; and

(xvii) to perform any other act the Managers may deem necessary, convenient or desirable for the Company or the conduct of the Company's business.

Subject to Section 3.4, below, the Managers shall be authorized, in the name and on behalf of the Company, to hire, employ, deal with, and otherwise engage in business with, itself or any of its Affiliates to the extent the Managers determines to do so in their sole discretion.

### **3.2 Managers**

The Members have elected to appoint **JOHN BRIAN ADAMS** and **DR. ROBERT CARL TUTTLE** as the initial Managers of the Company. A Manager shall serve until his or her successor is elected.

### **3.3 Managers as Members**

Any Manager may hold an interest in the Company as a Member, and such person's rights and interest as a Manager shall be distinct and separate from such person's rights and interest as a Member.

### **3.4 Member Approval Requirements**

Notwithstanding the provisions of Section 3.1, without the prior written Consent of the Members, the Managers shall not cause the Company to (and the Company shall not) take either of the following actions:

(i) to sell all or substantially all of the assets of the Company; or

(ii) to cause the Company to enter into any agreement or arrangement with any Manager or an Affiliate of any Manager, pursuant to which any Manager or any of such Affiliates is to receive compensation of any kind; or

(iii) to expend more than Fifty Thousand Dollars on any expense or transaction to be undertaken by the Company.

### **3.5 Binding the Company**

The signature of one Manager on any agreement, contract, instrument or other document shall be sufficient to bind the Company in respect thereof, and conclusively evidence the authority of such Manager and the Company with respect thereto, and no third party need look to any other evidence or require the joinder or consent of any other party.

### **3.6 Compensation of Managers and Members.**

(a) The initial compensation for the Managers, **JOHN BRIAN ADAMS** and **DR. ROBERT CARL TUTTLE**, shall be a maximum of Twenty-Five Thousand Dollars (\$25,000.00) per year as agreed to by the Managers. Either shall have the right to defer such compensation.

(b) The salaries and other compensation of the Managers shall be fixed from time to time by an affirmative vote of Members owning more than fifty percent (50%) of the Capital Interests in the Company, and no Manager shall be prevented from receiving such salary by reason of the fact that he or she is also a Member of the Company. Each Manager shall be entitled to reimbursement from the Company for all expenses incurred by such Manager in managing and conducting the business and affairs of the Company.

### **3.7 Contracts with Members**

Subject to the provisions of Section 3.4(ii), with the approval of the Managers in each case, the Company may engage in business with, or enter into one or more agreements, leases, contracts or other arrangements for the furnishing to or by the Company, of goods, services or space with any Member or Affiliate of a Member, and may pay compensation in connection with such business, goods, services or space, provided in each case the amounts payable thereunder are reasonably comparable to those that would be payable to unaffiliated persons under similar agreements, and, if the Managers determine in good faith that such amounts are so comparable, such determination shall be conclusive absent manifest error.

### **3.8 Resignation**

Any Manager of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

### **3.9 Removal**

At a meeting called expressly for that purpose, all or any lesser number of Managers may be removed at any time, with or without cause, by the decision of Members owning more than fifty percent (50%) of the Capital Interests in the Company. The removal of a Manager who is also a

Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member unless the removal was for "cause". In such a case, the Member shall be deemed to have withdrawn from the Company. "Cause" shall mean proven embezzlement, intoxication or illegal drug use (specifically excluding the use of cannabis) which materially interferes with job performance, unexcused absenteeism in excess of two times normal Company policy, wrongful disclosure of Company's confidential information, conflict of interest, gross insubordination, or conviction of a felony adversely affecting the ability of the Manager to carry on his or her normal duties.

### **3.10 Vacancies**

Any vacancy occurring for any reason in the number of Managers of the Company may be filled by the affirmative vote of a majority of the remaining Managers then in office, provided that if there are no remaining Managers, the vacancy(ies) shall be filled by the affirmative vote of other Members owning more than fifty percent (50%) of the Capital Interests in the Company. Any Manager's position to be filled by reason of an increase in the number of Managers shall be filled by the affirmative vote of a majority of the Managers then in office or by an election at a special meeting of Members called for that purpose or by the Members' unanimous written consent. A Manager elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office and shall hold office until expiration of such term and until his successor shall be elected and shall qualify or until his earlier death, resignation or removal. A Manager chosen to fill a position resulting from an increase in the number of Managers shall hold office until his successor shall be elected and shall qualify, or until his earlier death, resignation or removal.

### **3.11 Exculpation and Indemnification; Fiduciary Duty**

(a) The Members' respective obligations to each other are limited to the express obligations described in this Agreement, which obligations the Members shall carry out with ordinary prudence and in a manner characteristic of businesspersons in similar circumstances.

(b) No Manager or their Affiliate shall have any liability to the Company or to any Member for any loss suffered by the Company that arises out of any action or inaction of any Manager or their Affiliate, if such Manager or their Affiliate, as the case may be, in good faith, determined that such course of conduct was in the best interests of the Company, and such course of conduct did not constitute gross negligence or willful misconduct of such Manager or their Affiliate.

(c) Each Manager or their Affiliate shall be indemnified by the Company against any losses, judgments, liabilities, expenses and amounts paid in settlement of any claims sustained by it with respect to actions taken by such Manager or their Affiliate on behalf of the Company, provided that no indemnification shall be provided for any person with respect to any matter as to which he or she shall have been adjudicated in any proceeding not to have acted in good faith, in the reasonable belief that his or her action was in the best interests of the Company.

Without limiting the foregoing, the Company shall cause such indemnification to include payment by the Company of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the

person indemnified to repay such payment if he or she shall be adjudicated not to be entitled to indemnification under this Section 3.11, which undertaking may be accepted without reference to the financial ability of such person to make repayment. Any indemnification to be provided hereunder shall be provided even if the person to be indemnified is no longer a Manager or an Affiliate.

(d) Any indemnity under this Section 3.11 shall be paid from, and only to the extent of, Company assets, and no Member shall have any personal liability on account thereof.

### **3.12 Other Activities**

(a) Except as provided in Section 3.12(b), below, the Members, Managers and any Affiliates of any of them, may engage in and possess interests in other business ventures and investment opportunities of every kind and description, independently or with others. Neither the Company nor any other Member or Manager shall have any rights in or to such ventures or opportunities or the income or profits therefrom.

(b) The Members and Managers agree to devote their full professional effort and attention to the business of the Company (and its subsidiaries, affiliates, or related entities) and the performance of their obligations under this Agreement, and will at all times faithfully, industriously and to the best of their ability, experience and talent, perform all of their obligations hereunder. Further, no Member or Manager shall, without the prior Consent of the other Members, directly or indirectly, whether as owner, shareholder, partner, investor, consultant, agent, employee, independent contractor, independent practitioner, co-venturer or otherwise, engage in any business that is competitive with Company, or undertake any planning for any such activity during the term of this Agreement. Further, no Member or Manager shall, without the prior Consent of the other Members, directly or indirectly, induce, persuade, solicit or otherwise encourage any employee of the Company to discontinue employment with the Company or to be employed elsewhere.

## **ARTICLE IV**

### **MEETINGS OF MEMBERS**

#### **4.1 Resignation**

A Member may not voluntarily resign or withdraw from the Company prior to the dissolution and winding up of the Company, except as otherwise provided for in this Agreement or by the Act. A voluntary resignation or withdrawal shall be a violation of this Agreement, but in lieu of the distribution provided for by the Act, the resigning or withdrawing Member shall be paid an amount equal to the Member's then Capital Account balance.

#### **4.2 Additional Members**

Additional Members may be admitted only with the consent of all Members.

#### **4.3 Removal of a Member**

At a meeting called expressly for that purpose, a Member may be removed for Cause at any time by the decision of all Members. A removal of a Member shall be deemed a voluntary resignation or withdrawal and the provisions set forth in the above Section 4.1 shall apply. “Cause” shall mean proven embezzlement, intoxication or illegal drug use (specifically excluding the use of cannabis) which materially interferes with job performance, absenteeism in excess of two times normal Company policy, wrongful disclosure of Company’s confidential information, conflict of interest, gross insubordination, or conviction of a felony adversely affecting the ability of the Member to carry on his normal duties.

#### **4.4 Annual Meeting Not Required**

No annual meetings shall be required, except as may be required by applicable law.

#### **4.5 Special Meetings**

Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by majority vote of the Managers or by the Members owning fifty percent (50%) of the Capital Interests in the Company.

#### **4.6 Place of Meetings**

The Members may designate any place, either within or outside the Commonwealth of Massachusetts as the place of meeting for any meeting of the Members. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal executive office of the Company.

#### **4.7 Notice of Meetings**

Written notice stating the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally, by mail, or by electronic mail by or at the direction of the Managers or person calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two calendar days after being deposited in the United States mail, addressed to the Member at his, her or its address as it appears on the books of the Company, with postage thereon prepaid.

#### **4.8 Meeting of all Members**

If all of the Members shall meet at any time and place, either within or outside of the Commonwealth of Massachusetts and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken.

#### **4.9 Record Date**

For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any distribution, or in order to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring such distribution is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof.

#### **4.10 Quorum**

Members owning fifty percent (50%) of the Capital Interests in the Company, represented in person, by telephone or electronic presence (including any video or audio conference connection such as Skype, GoToMeeting, etc.), or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a majority of the Capital Interests so represented may adjourn the meeting from time to time for a period not to exceed 60 days without further notice. However, if the adjournment is for more than 60 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to all affected Members. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Capital Interests whose absence would cause less than a quorum.

#### **4.11 Manner of Acting**

If a quorum is present (other than in the case of dissolution), the decision of Members owning more than fifty percent (50%) of the Capital Interests in the Company present or represented or entitled to vote and voting on such matter shall be the act of the Members unless the vote of a greater or lesser proportion or number is otherwise required by the Act, the Certificate of Organization, or this Agreement. Unless otherwise expressly provided herein or required under applicable laws, Members who have an interest (economic or otherwise) in the outcome of any particular matter upon which the Members vote or consent may vote or consent upon any such matter and their Capital Interests, vote or consent, as the case may be, shall be counted in the determination of whether the requisite matter was approved by the Members. Notwithstanding the foregoing, in the event of a disagreement between the members, **JOHN BRIAN ADAMS** and **DR. ROBERT CARL TUTTLE**, for any Company action in which their agreement is necessary, **KATHLEEN K. ADAMS** shall cast the deciding vote which shall be final and binding on the Company.

#### **4.12 Proxies**

At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Managers of the Company before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.



#### **4.13 Action by Members Without a Meeting**

Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote and delivered to the Managers of the Company for inclusion in the minutes or for filing with the Company records. Action taken under this Section is effective when written consents setting forth the action or actions so taken signed by the owners of more than fifty percent (50%) of the Capital Interests (or such higher percentage as may be specified elsewhere in this Agreement) are obtained by the Company from the Members entitled to vote, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the first Member signs a written consent. Any action by taken by the Members without a meeting shall be effective only if all signed written consents are received by the Company within 90 days of the date the first consent is signed.

#### **4.14 Waiver of Notice**

When any notice is required to be given to any Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

### **ARTICLE V**

### **DISSOLUTION**

#### **5.1 General**

The Company shall have a perpetual existence, but the Company shall be dissolved upon the affirmative vote or written consent of all the Capital Interests of the Company.

#### **5.2 Dissolution Distributions**

In the event that the Company shall hereafter be dissolved for any reason whatsoever, a full and general account of its assets, liabilities, and transactions shall at once be taken. Such assets may be sold and turned into cash as soon as possible and all debts and other amounts due the Company collected. The proceeds thereof shall thereupon be applied as follows:

- (a) To discharge the debts and liabilities of the Company and the expenses of liquidation;
- (b) To pay each Member or his or her legal representative or its assignee any unpaid salary, drawing account, interest, or profits to which he shall then be entitled and in addition, to pay to any Member his interim distributions, preferred distributions or distribution due upon resignation, if any, and;
- (c) To divide the surplus, if any, among the Members, or their representatives, respecting their interests in the Company in the proportions in which the Members share in distributions.

### **5.3 Filing of Certificate of Cancellation**

As soon as possible following the occurrence of any of the events specified effecting the dissolution of the Company, the appropriate representative of the Company shall execute a Certificate of Cancellation in such form as shall be prescribed by the Secretary and file same with the Secretary.

When all debts, liabilities, and obligations have been paid and discharged or adequate provisions have been made therefore and all of the remaining property and assets have been distributed to the Members, a Certificate of Cancellation shall be executed in duplicate and verified by the person signing such certificate, which certificate shall set forth the information required by the Act. Duplicate originals of such Certificate of Cancellation shall be delivered to the Secretary.

### **5.4 Effect of Certificate of Cancellation**

Upon the filing of the Certificate of Cancellation, the Company shall cease to carry on its business and its existence shall cease, except insofar as may be necessary for the winding up of its business or for the purpose of suits, other proceedings, and appropriate action as provided in the Act. The Managers shall have authority to distribute any Company property discovered after dissolution, convey real estate, and take such other action as may be necessary on behalf of and in the name of the Company.

### **5.5 Right to Demand Property**

No Member shall have the right to demand and receive property in kind for his, her, or its distribution.

### **5.6 No Members**

In the event there are no Members, the Company shall not be dissolved and the personal representatives of the last remaining Member shall be obligated to continue the company and such personal representatives or its nominee or designee shall be admitted to the Company effective as of the occurrence of the event that terminates the continuous membership of the last remaining Member.

### **5.7 Death and Retirement not an Event of Dissolution**

The death, insanity, declaration of incompetency by a court of competent jurisdiction, retirement, resignation, expulsion, bankruptcy, or dissolution of any Member or the occurrence of any other event that terminates the continued membership of any Member (including an assignment to a former spouse incident to divorce) shall not cause the Company to be dissolved or its affairs to be wound up, and upon the occurrence of any such event, the Company shall be continued without dissolution.

## **ARTICLE VI**

### **TRANSFERABILITY**

## **6.1 General**

Except in the case of a permitted transfer, as hereinafter provided in Section 6.3, a Member may not sell, transfer, gift or otherwise exchange a Membership Interest in the Company except with the consent of all Members, provided, however, a Membership Interest is assignable but the assignee of a Member's interest shall have no right to participate in the management of the business and affairs of the Company, except upon the approval of all of the Members of the Company other than the Member assigning the Company interest. This clause shall not apply to the assignment of a Membership Interest by a Member of a single member limited liability company but shall apply from and after the first transfer of a Membership Interest, at death, by gift, assignment or otherwise, whereupon the Company becomes a multi-member limited liability company.

An assignment of a Company interest does not entitle the assignee to become or to exercise any rights or powers of a Member; an assignment of a Company interest only entitles the assignee to share in such profits and losses, to receive such distribution or distributions, and to receive such allocation of income, gain, loss, deduction, or credit or similar item to which the assignor was entitled, to the extent assigned (an "Economic Interest"); and a Member ceases to be a Member and to have the power to exercise any rights or powers of a Member upon the voluntary assignment of all of the Member's Company interest.

The pledge of, or granting of a security interest, lien or other encumbrance in or against, any or all of the Company interest of a Member except with the consent of all Members, shall be prohibited.

## **6.2 Right of Assignee to Become Member**

(a) An assignee of a Member's interest may become a Member upon the approval of all of the Members of the Company, however no consent is required from a Member who has voluntarily assigned his, her, or its interest.

(b) An assignee who has become a Member has, to the extent assigned, the rights and powers, and is subject to the same restrictions and liabilities of the assignor under this Agreement and the Act. Notwithstanding the foregoing, an assignee who becomes a Member is liable for the obligations of the assignor to make contributions but is not obligated for liabilities, including the obligations of the assignor to make contributions unknown to the assignee at the time the assignee became a Member and which could not be ascertained from this Agreement.

(c) Whether or not an assignee of a Company interest becomes a Member, the assignor is not released from liability to the Company.

## **6.3 Permitted Transfers**

Notwithstanding the foregoing, a Member may, without consent, transfer his or her interest in the Company to the following, which shall be referred to as a "Permitted Transferee":

- (i) a revocable trust for the primary benefit of the Member's family, of which the transferor is the Donor and a Trustee thereof;
- (ii) a Member of the transferor's family or to any trust in which the transferor's family as defined herein are the primary beneficiaries upon such Member's death; or
- (iii) in the event that a Member is a trust, to the trust beneficiaries in accordance with the trust provisions related to distributions of trust assets.

Any transfer to a Permitted Transferee shall be effective only upon such Permitted Transferee's agreement in writing to be bound by the terms of this Agreement. Such agreement must be submitted to the Company within twenty (20) days of its effective date. The transferor's family shall mean the Member's then current spouse and the Member's lineal descendants. Any transfer, other than a transfer permitted under this Section 6.3, shall be considered an assignment of the Member's interest.

#### **6.4 Death or Incompetency of a Member**

If a Member who is an individual dies or a court of competent jurisdiction adjudges the Member to be incompetent to manage the Member's person or property, the Member's personal representative may exercise all of the Member's rights for the purpose of settling the Member's estate or administering the Member's property including the power of an assignee to become a Member to the extent permitted in this Agreement. If a Member is a corporation, trust or other entity and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or successor.

### **ARTICLE VII**

#### **INTELLECTUAL PROPERTY**

##### **7.1 Inventions Retained and Licensed**

Member, **DR. ROBERT CARL TUTTLE**, has attached hereto, as Schedule B, a list describing all inventions, original works of authorship, developments, improvements, and trade secrets that were made by him prior to his membership with the Company (collectively referred to as "Prior Inventions"), which belong to him, which relate to the Company's proposed business, products, or research and development. **DR. ROBERT CARL TUTTLE** hereby grants to the Company a nonexclusive, royalty-free, fully paid-up, irrevocable, perpetual, worldwide license to make, have made, modify, use, and sell such Prior Inventions as part of or in connection with the operations of the Company. **DR. ROBERT CARL TUTTLE** hereby represents and warrants that he has no knowledge of any litigation, claim, action, lawsuit or governmental or other proceeding or investigation pending with respect to the Prior Inventions that would have a material impact upon the Company or the Company's use of the Prior Inventions. **DR. ROBERT CARL TUTTLE** agrees to indemnify and hold Company harmless against and in respect of all losses, costs, expenses, liabilities or damage, including counsel fees reasonably incurred in defending or resisting same, whether incurred directly or indirectly by Company, resulting from any claim or liability of any nature arising out of or related to the ownership, license or use of the Prior Inventions by Company.

## **7.2 Assignment of Inventions**

The Members agree that they will promptly make full written disclosure to the Company, will hold in trust for the Company's sole right and benefit, and hereby assign to the Company, or its designee, all their right, title, and interest in and to any and all inventions, original works of authorship, developments, concepts, improvements, designs, discoveries, ideas, trademarks, or trade secrets, whether or not patentable or registrable under copyright or similar laws, which they may solely or jointly conceive, develop, or reduce to practice, or cause to be conceived, developed, or reduced to practice, during the period of time they are Members of the Company (collectively referred to as "Inventions"). The Members further acknowledge that all original works of authorship that are made by them (solely or jointly with others) within the scope of and during the period of their membership with the Company and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act. The Members understand and agree that the decision whether or not to commercialize or market any invention developed by them solely or jointly with others is within the Company's sole discretion and for the Company's sole benefit and that no royalty will be due to them as a result of the Company's efforts to commercialize or market any such invention.

## **ARTICLE VIII**

### **MISCELLANEOUS**

#### **8.1 Nature of Limited Liability Company Interest**

A Company interest is personal property and a Member shall have no interest in specific Company property.

#### **8.2 Debts, Obligations and Liabilities of Company**

The debts, obligations and liabilities of the Company, whether arising in tort, contract or otherwise, shall be solely the debts, obligations and liabilities of the Company and no Member or Manager shall be personally liable, directly or indirectly, including, without limitation, by way of indemnification, contribution, assessment or otherwise, for any debt, obligation or liability of the Company solely by reason of being a Member or Manager.

#### **8.3 Accounting Year, Books, Statements**

The Company's fiscal year shall commence on January 1 of each year and shall end on December 31 of each year. Full and accurate books of account shall be kept at such place as the Managers may from time to time designate, showing the condition of the business and finances of the Company; and each Member shall have access to such books of account and shall be entitled to examine them at any time during ordinary business hours. At the end of each year, the Managers shall cause the Company's accountant to prepare a balance sheet setting forth the financial position of the Company as of the end of that year and a statement of operations (income and expenses) for that year. A copy of the balance sheet and statement of operations (income and expenses) for that year shall be

delivered to each Member as soon as they are available.

#### **8.4 Titles and Subtitles**

Titles of the paragraphs and subparagraphs are placed herein for convenient reference only and shall not to any extent have the effect of modifying, amending or changing the express terms and provisions of this Agreement.

#### **8.5 Words and Gender or Number**

As used herein, unless the context clearly indicates the contrary, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

#### **8.6 Execution in Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be taken to be an original.

#### **8.7 Severability**

In the event any parts of this Agreement are found to be void, the remaining provisions of this Agreement shall nevertheless be binding with the same effect as though the void parts were deleted.

#### **8.8 Effective Date**

This Agreement shall be effective only upon execution by all of the proposed Members.

#### **8.9 Amendments**

This Agreement may not be amended except in writing by Members owning more than fifty (50%) of the Capital Interests in the Company. Any amendment changing the majority interest needed under this Section to amend this Agreement requires the unanimous vote of all of the Members.

#### **8.10 Waiver**

No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the person or party against whom charged.

#### **8.11 Applicable Law**

This Agreement, and the application or interpretation hereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Massachusetts and specifically the Massachusetts Limited Liability Company Act at M.G.L. c.156C, without regard to any principles of conflicts of law.

#### **8.12 Assignment**

This Agreement shall be binding upon and inure to the benefit of the Members hereto, and their respective heirs, legal representatives, executors, administrators, successors and assigns.

### **8.13 Arbitration**

The parties agree to settle any controversy or claim arising out of or relating to this Agreement, or the breach thereof, as follows:

- (a) The parties must first submit the controversy or claim to non-binding mediation.
- (b) After a controversy or claim has been mediated, and in the event that a controversy or claim still exists, the parties agree to settle the controversy or claim through binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules.
- (c) Any fees and expenses incurred in connection with a mediation or arbitration as outlined in 7.13(a) and (b) shall be borne by the Members in proportion to their Membership Interest.
- (d) The parties agree that the Commonwealth of Massachusetts shall have exclusive jurisdiction with respect to any disputes arising hereunder.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS THEREOF, the Members have executed this Agreement as of the date first above written.

**MEMBERS:**



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**JOHN BRIAN ADAMS**



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**DR. ROBERT CARL TUTTLE**



**HUDSON BOTANICAL PROCESSING, LLC**

**SCHEDULE A**

**As of January 17, 2019**

<b><u>Member</u></b>	<b><u>Contribution</u></b>	<b><u>Units</u></b>
<b>JOHN BRIAN ADAMS</b>	<b>\$50.00</b>	<b>375 Common</b>
<b>DR. ROBERT CARL TUTTLE</b>	<b>\$50.00</b>	<b>375 Common</b>
<b>TOTAL</b>	<b>\$100.00</b>	<b>750</b>

**ACTION BY VOTE  
OF THE MEMBERS OF  
HUDSON BOTANICAL PROCESSING, LLC**

The undersigned, being a majority of the Members of **HUDSON BOTANICAL PROCESSING, LLC** (hereinafter referred to as the “Company”), a Limited Liability Company duly organized under the laws of Commonwealth of Massachusetts, hereby consents to the following votes pursuant to the meeting of the Members held on January 30, 2020:

**VOTED:** To add **KATHLEEN K. ADAMS** as a Manager of the Company.

**VOTED:** To require that any action of the Managers be taken and approved by any two of the three Managers.

**VOTED:** To require any and all expenditures of Company funds or expenditures on behalf be approved in advance by **KATHLEEN K. ADAMS**.

The undersigned Members certify that the above votes have not been altered, amended, rescinded or repealed.

The undersigned Members further certify that the Company is a duly organized Massachusetts limited liability company; and that the foregoing vote is in accordance with the Operating Agreement of the Company.

[SIGNATURE PAGE TO FOLLOW]

Dated this 30th day of January, 2020.

**MEMBER**

  
\_\_\_\_\_  
**KATHLEEN K. ADAMS**

  
\_\_\_\_\_  
**JOHN BRIAN ADAMS**

NOT PRESENT  
**DR. ROBERT CARL TUTTLE**

ABSTAINED  
**LUKE C. BEAN**



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



HUDSON BOTANICAL PROCESSING, LLC  
9 KANE INDUSTRIAL DR UNIT 1  
HUDSON MA 01749-2905

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

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

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

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

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

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

### ***Visit us online!***

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



William Francis Galvin  
Secretary of the  
Commonwealth

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

February 28, 2019

TO WHOM IT MAY CONCERN:

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

**HUDSON BOTANICAL PROCESSING, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **January 18, 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 or withdrawal; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are: **JOHN BRIAN ADAMS , DR. ROBERT CARL TUTTLE**

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **JOHN BRIAN ADAMS , DR. ROBERT CARL TUTTLE**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **JOHN BRIAN ADAMS , DR. ROBERT CARL TUTTLE**

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



# **Diversity Plan**

## **Goals**

Hudson Botanical Processing is devoted to promoting a diverse workplace because diversity can lead to factors such as increased innovation and increased profit potential. A study conducted in 2017 by McKinsey & Company found that companies in the top quartile for ethnic and racial diversity are 33% more likely to have financial returns greater than their respective national industry medians. In terms of gender diversity, companies in the top quartile are 21% more likely to have greater financial returns above their industry medians. Additionally, workers with different backgrounds and from a broader scale of demographics provide additional perspective, increasing the business's ability to innovate.

HBP will implement a diversity plan to promote equity among minorities, women, veterans, people with disabilities, and LGBTQ+, in the operation of the Marijuana Establishment. Our focus, but not limited to, will be on the following areas of importance:

- Strive for a diverse workplace with individuals from all backgrounds and walks of life.
- We intend to hire at least 10% of our workforce and contractors that are minorities, persons with disabilities, women, veterans, and LGBTQ+.

## **Program**

When HBP is hiring, we will post job listings on the top online job posting boards such as, but not including, Indeed, LinkedIn, Monster, and Zip Recruiter. The job posting will state that HBP is specifically looking for minorities, persons with disabilities, women, veterans, and LGBTQ+.

## **Measurements**

HBP will measure our diversity program by the number of individuals that we hire from the referenced demographic groups that were put forth by the CCC. HBP will measure the success of this program by meeting our goal of hiring 10% of our workforce and contractors that are minorities, persons with disabilities, women, veterans, and LGBTQ+. HBP acknowledges that the progress or success of our plan must be documented one year from provisional licensure, and each year thereafter.

## **Additional Requirements**

HBP acknowledges and is aware, and 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, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

### **Plan Evaluation**

HBP will always be evaluating this plan and will take suggestions to improve this plan and foster a more diverse workplace.

## **Maintaining of Financial Records**

All of Hudson Botanical Processing (HBP) financial records will be maintained in accordance with generally accepted accounting principles (GAAP). All of HBP's records, including but not limited to, financial records will be made available for inspection by the Commission or the Town of Hudson, upon request.

At the time of License renewal, HBP will make available an accounting of the financial benefits accruing to the Town of Hudson as the result of the host community agreement with the licensee.

HBP will use quickbooks to maintain, track, and record all financial transactions. In addition, HBP will print and file all financial records on a quarterly basis. Please reference our record keeping policy for more detail on retention periods. Financial records will include records of:

- Assets and liabilities
- Monetary transactions
- Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers
- Sales records including the quantity, form, and cost of marijuana products
- Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment

HBP's trusted Certified Public Accountant (CPA) will review and analyze all financial records on a regular basis to ensure all filing is being handled properly. In conjunction with HBP's Legal Advisor, our CPA will advise on the strategy to meet financial goals and mitigate tax risk.



# **Hudson Botanical Processing, LLC**

## **EMPLOYEE HANDBOOK**

**Effective 9/1/19**

## **1.0 Welcome**

### ***1.1 Welcome***

Welcome! You have just joined a dedicated team of employees and managers. We hope that your employment with Hudson Botanical Processing, LLC will be rewarding and challenging. We take pride in our employees as well as the products and services we provide. We consider ourselves leaders in the cannabis field.

Please take the time now to read this employee handbook carefully. Sign the acknowledgment at the end to show that you have read, understood, and agree to the contents of this handbook, which sets out the basic rules and guidelines concerning your employment. This handbook supersedes any previously issued handbooks or policy statements dealing with the subjects discussed herein. The Company reserves the right to interpret, modify, or supplement the provisions of this handbook at any time.

Please understand that no employee handbook can address every situation in the work place. If you ever have questions about your employment, you are encouraged to ask them. If you have any difficulty reading or understanding any of the provisions of this handbook, please contact Human Resources. Likewise, if you have any suggestions related to Company policies or procedures, please let us know.

We wish you success in your employment here at Hudson Botanical Processing, LLC!

All the best,

Brian Adams and Dr. Robert Tuttle, Phd.

Hudson Botanical Processing, LLC

### ***1.2 At-Will Employment***

Your employment with the Company is on an "at-will" basis. This means your employment may be terminated at any time, with or without notice and with or without cause. Likewise, we respect your right to leave the company at any time, with or without notice and with or without cause.

Nothing in the employee handbook or any other Company document should be understood as creating guaranteed or continued employment, a right to termination only "for cause," or of any other guarantee of continued benefits or employment. Only Human Resources or company owners have the authority to make promises or negotiate with regard to guaranteed or continued employment, and any such promises are only effective if placed in writing and signed by the Human Resources Representative or Company Owner.

## **2.0 Introductory Language and Policies**

### **2.1 *About the Company***

#### **Mission:**

Our mission is to change the way people perceive and use cannabis to promote health and life enhancing experiences.

#### **Vision:**

Create and provide access to innovative, life changing products through the development of a unique manufacturing and distribution network of industry-leading goods and services. The growth of the industry and company will provide prosperity for our customers, partners, employees, and community.

#### **OUR CORE VALUES**

Hudson Botanical Processing makes all decisions based on our core values of integrity, responsibility, accountability, partnership, quality, compassion, and innovation.

### **2.2 *Ethics Code***

Hudson Botanical Processing, LLC will conduct its business honestly and ethically wherever operations are maintained. We strive to improve the quality of our services, products, and operations and will maintain a reputation for honesty, fairness, respect, responsibility, integrity, trust, and sound business judgment. Our managers and employees are expected to adhere to high standards of business and personal integrity as a representation of our business practices.

We expect that officers, directors, and employees will not knowingly misrepresent the Company and will not speak on behalf of the Company unless specifically authorized. The confidentiality of trade secrets, proprietary information, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) about our Company or operations, or that of our customers or partners, is to be treated with discretion and only be disseminated on a need-to-know basis (see policies relating to privacy).

Violation of the Code of Ethics can result in discipline, up to and including termination of employment. The degree of discipline imposed may be influenced by the existence of voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

### **2.3 *Revisions to Handbook***

This employee handbook is our attempt to keep you informed of the terms and conditions of your employment, including Company policies and procedures. The

handbook is not a contract. The Company reserves the right to revise, add, or delete from this handbook as it determines to be in its best interest. When changes are made to the policies and guidelines contained herein, we will endeavor to communicate them in a timely fashion, typically in a written supplement to the handbook or in a posting on company bulletin boards.

### **3.0 Hiring and Orientation Policies**

#### **3.1 EEO Statement and Nonharassment Policy**

##### **Equal Opportunity Statement**

Our Company is committed to the principles of equal employment. We are committed to complying with all federal, state, and local laws providing equal employment opportunities, and all other employment laws and regulations. It is our intent to maintain a work environment which is free of harassment, discrimination, or retaliation because of age, sex (including pregnancy), race, national origin, disability, creed, religion, genetic information, sexual preference, gender identity, military or veteran status, or any other status protected by federal, state, or local laws. The Company is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, placement, transfer, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment.

The Company will conduct a prompt and thorough investigation of all allegations of discrimination, harassment, or retaliation, or any violation of the Company's Equal Employment Opportunity Policy in a confidential manner. The Company will take appropriate corrective action, if and where warranted. The Company prohibits retaliation against any employee who provides information about, complains, or assists in the investigation of any complaint of discrimination or violation of the Company's Equal Employment Opportunity Policy.

We are all responsible for upholding the Company's Equal Employment Opportunity Policy and any claimed violations of that policy should be brought to the attention of your manager and/or human resource personnel.

##### **Policy Against Workplace Harassment**

Hudson Botanical Processing, LLC has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age, sex (including pregnancy), race, national origin, disability, creed, religion, genetic information, sexual preference, gender identity, military or veteran status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated. If you see something, say something.

##### **A. Sexual Harassment**

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment (2) submission to, or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

While it is not possible to identify each and every act that constitutes or may constitute sexual harassment, the following are some examples of sexual harassment are provided below: (a) unwelcome requests for sexual favors; (b) lewd or derogatory comments or jokes; (c) comments regarding sexual behavior or the body of another employee; (d) sexual innuendo and other vocal activity such as catcalls or whistles; (e) obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual natures; (f) repeated requests for dates after being informed that interest is unwelcome; (g) retaliating against an employee for refusing a sexual advance or reporting an incident of possible sexual harassment to Hudson Botanical Processing, LLC or any government agency; (h) offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; and (i) any unwanted physical touching or assaults, or blocking or impeding movements.

## **B. Other Harassment**

Other workplace harassment is often verbal or physical conduct that insults or shows hostility or aversion towards an individual because of the individual's age, sex (including pregnancy), race, national origin, disability, creed, religion, genetic information, military or veteran status, or any other status protected by federal, state, or local laws.

Again, while it is not possible to list all the circumstances that may constitute other forms of workplace harassment, the following are some examples of conduct that may constitute workplace harassment: (a) the use of disparaging or abusive words or phrases, slurs, negative stereotyping, or threatening, intimidating or hostile acts that relate to the above protected categories; (b) written or graphic material that insults, stereotypes or shows aversion or hostility towards an individual or group because of one of the above protected categories and that is placed on walls, bulletin boards, email, voicemail, or elsewhere on the Company's premises, or circulated in the workplace; and (c) a display of symbols, slogans, or items that are associated with hate or intolerance towards any select group.

## **Reporting Discrimination and Harassment**

Any employee who feels that he or she has witnessed, or been subject to, any form of discrimination or harassment is required to immediately notify their supervisor, or other manager at the Company.

Hudson Botanical Processing, LLC prohibits retaliation against any employee who provides information about, complains, or assists in the investigation of any complaint of harassment or discrimination.

We will promptly and thoroughly investigate any claim and take appropriate action where we find a claim has merit. Discipline for violation of this policy may include, but is not limited to reprimand, suspension, demotion, transfer, and discharge. If the Company determines that harassment or discrimination occurred, corrective action will be taken to effectively end the harassment. As necessary, the Company may monitor any incident of harassment or discrimination to assure the inappropriate behavior has stopped. In all cases, the Company will follow up as necessary to ensure no retaliation for making a complaint or cooperating with an investigation.

### ***3.2 Disability Accommodation***

The Company complies with federal and state disability regulations, including the Americans with Disabilities Act (ADA). Qualified applicants or employees who inform the Company of a physical or mental disability requiring accommodation in order for them to perform the essential functions of their jobs should inform their supervisor of this so that we can together discuss what accommodations are available and appropriate.

Procedure for reasonable accommodation requests:

- Employee advises Human Resources of the need for accommodation. Employee completes a Request for Accommodation form and gives it to his or her supervisor.
- The accommodation request will be discussed with the employee and the employee's manager(s).
- The employee may be required to provide documentation supporting a disability, including medical certification.
- If a reasonable appropriate accommodation is readily available, the request will be approved and the accommodation implemented.
- If an accommodation is not readily ascertainable, the matter will be pursued further with assistance from appropriate external resources.

The Company will consider the request but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that the Company will consider are cost, the effect that an accommodation will have on current established policies, and the burden on operations -- including other employees -- when determining a reasonable accommodation.

### ***3.3 Religious Accommodation***

Hudson Botanical Processing, LLC is dedicated to treating the religious diversity of all our employees equally and with respect. Employees may request an accommodation when their religious beliefs causes a deviation from Hudson Botanical Processing, LLC's dress code, schedule, basic job duties, or other aspects of employment. The Company will consider the request but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that the Company will consider are cost, the effect that an accommodation will have on current

established policies and the burden on operations, including other employees, when determining a reasonable accommodation. At no time will the Company question the validity of a person's belief.

Religious accommodation request forms are available from Human Resources.

### ***3.4 Posting of Openings***

Hudson Botanical Processing, LLC desires to promote qualified employees from within where it believes that is possible, consistent with the need to assure that all positions are staffed by highly competent individuals. New job openings generally will be posted on the employee bulletin board, as well as on the Company website.

### ***3.5 Conflicts of Interest***

Hudson Botanical Processing, LLC is concerned with conflicts of interest that create actual or potential job related concerns, especially in the areas of confidentiality, customer relations, safety, security, and morale. Any actual or potential conflict of interest between an employee of the Company and a competitor, customer, supplier, distributor, or contractor to the Company, must be disclosed by the employee. If an actual or potential conflict of interest is determined to exist, the Company will take such steps as it deems necessary to reduce or eliminate this conflict.

### ***3.6 Employment of Relatives and Friends***

We will not employ friends or relatives in circumstances where actual or potential conflicts may arise which could compromise supervision, safety, confidentiality, security, and morale at the Company. It is your obligation to inform the Company of any such potential conflict so the Company can determine how best to respond to the particular situation.

## **Amorous Relationship Policy and Anti-Nepotism Policy**

### **Objective**

Hudson Botanical Processing, LLC strongly believes that a work environment where employees maintain clear boundaries between employee personal and business interactions is most effective for conducting business and enhancing productivity. Although this policy does not prevent the development of friendships or romantic relationships between co-workers, it does establish boundaries as to how relationships are conducted during working hours and within the working environment.

Individuals in supervisory or managerial roles, and those with authority over others' terms and conditions of employment, are subject to more stringent requirements under this policy due to their status as role models, their access to sensitive information, and their ability to affect the terms and conditions of employment of individuals in subordinate positions.

This policy does not preclude or interfere with the rights of employees protected by the National Labor Relations Act or any other applicable statute concerning the employment relationship.

### **Scope**

Close relatives, partners, those in a dating relationship or members of the same household are not permitted to be in positions that have a reporting responsibility to each other. Close relatives are defined as the following: husband, wife, father, mother, father-in-law, mother-in-law, grandfather, grandmother, son, son-in-law, daughter, daughter-in-law, uncle, aunt, nephew, niece, brother, sister, brother-in-law, sister sister-in-law, step relatives and cousins.

### **Procedures**

1. During working time and in working areas, employees are expected to conduct themselves in an appropriate workplace manner that does not interfere with others or with overall productivity.
2. During nonworking time, such as lunches, breaks, and before and after work periods, employees engaging in personal exchanges in non-work areas should observe an appropriate workplace manner to avoid offending other workers or putting others in an uncomfortable position.
3. Employees are strictly prohibited from engaging in physical contact that would in any way be deemed inappropriate by a reasonable person while anywhere on company premises, whether during working hours or not.
4. Employees who allow personal relationships with co-workers to adversely affect the work environment will be subject to the appropriate provisions of Hudson Botanical Processing, LLC disciplinary policy, including counseling for minor problems. Failure to change behavior and maintain expected work responsibilities is viewed as a serious disciplinary matter.
5. Employee off-duty conduct is generally regarded as private, as long as such conduct does not create problems within the workplace.
6. Any supervisor, manager, executive or other company official in a sensitive or influential position with Hudson Botanical Processing, LLC must disclose the existence of a romantic or sexual relationship with another co-worker. Disclosure may be made to the immediate supervisor. This disclosure will enable Hudson Botanical Processing, LLC to determine whether any conflict of interest exists because of the relative positions of the individuals involved.
7. With regard to Paragraph 6, when a conflict-of-interest problem or potential risk is identified, Hudson Botanical Processing, LLC will work with the parties involved to consider options for resolving the problem. The initial solution may be to make sure the parties no longer work together on matters where one is able to influence the other or take action for the other. Matters such as hiring, firing, promotions, performance management, compensation decisions and financial transactions are examples of situations that may require reallocation of duties to avoid any actual or perceived reward or disadvantage. In some cases, other measures may be necessary, such as transfer to other positions or departments.



8. With regard to Paragraph 6, if one or both parties refuse to accept a reasonable solution or to offer of alternative position, if available, such refusal will be deemed a voluntary resignation.
9. Failure to cooperate with Hudson Botanical Processing, LLC to resolve a conflict or problem caused by a romantic or sexual relationship between co-workers or among managers, supervisors or others in positions of authority over another employee in a mutually agreeable fashion may be deemed insubordination and cause for immediate termination. The disciplinary policy of Hudson Botanical Processing, LLC will be followed to ensure fairness and consistency before any such extreme measures are undertaken.
10. The provisions of this policy apply regardless of the sexual orientation of the parties involved.
11. Where doubts exist as to the specific meaning of the terms used above, employees should make judgments on the basis of the overall spirit and intent of this policy.
12. Any concerns about the administration of this policy should be addressed to your supervisor.

If the amorous relationship exists in a form of supervisor/supervisee direct evaluative relationship other than those enumerated above, it must be disclosed to the supervisor's unit head, typically the manager or supervisor, with all parties present. The parties involved may choose to have this disclosure in written form placed in their own personnel files. In either of these sets of circumstances, the responsibility to disclose rests with the person in the evaluative position. The individual to whom the disclosure is made is responsible for requiring that actions be taken to resolve the conflict by terminating the evaluative relationship.

### ***3.7 Job Descriptions***

Hudson Botanical Processing, LLC attempts to maintain a job description for each position. If you do not have a copy of a current job description you should request one from your supervisor. Job descriptions prepared by Hudson Botanical Processing, LLC serve as an outline only. Due to the needs of business, you may be required to perform job duties not within your written job description. Furthermore, the Company may have to revise, add to, or delete from your job duties according to company needs. On occasion, the Company may need to revise job descriptions with or without advance notice to the employee.

If you have any questions regarding your job description, or the scope of your duties, please speak with your supervisor.

### ***3.8 New Employees and Introductory Periods***

The first 30 days of your employment is considered an introductory period. During this period, you will become familiar with Hudson Botanical Processing, LLC and your job responsibilities. During this time, we will have the opportunity to monitor the quality and value of your performance and make any necessary adjustments in your job

description or responsibilities. Your introductory period with the Company can be shortened or lengthened as deemed appropriate by management and Human Resources. Completion of this introductory period does not imply guaranteed or continued employment. Nothing that occurs during or after this period should be construed to change the nature of the "at-will" employment relationship.

### ***3.9 Training Program***

In most cases, and for most departments, employee training is done on an individual basis by the department manager. Even if an employee has had previous experience in their specified functions, it is necessary for them to learn our specific procedures, as well as the responsibilities of the specific position. If you ever feel you require additional training, please consult your supervisor or department manager.

All employees will participate in required training programs that will address all topics for job requirements. At a minimum all employees will participate in a state approved responsible vendor program with at least 8 hours of on-going training per year.

### ***3.10 Employment Authorization Verification***

All new hires and current employees are required by federal law to verify their identity and eligibility to work in the United States. You will be required to complete federal Form I-9 on the first day of employment. If this form and verification of employment eligibility is not completed during the first three days of employment, we are required by law to terminate your employment. If you are currently employed and have not complied with this requirement or if your status has changed, please inform your supervisor.

Employment is subject to being qualified to be a registered agent in compliance with regulations and provide for immediate dismissal in event they do not qualify or are revoked. To acquire a marijuana agent card the individual needs to pass a state ran background check.

## **4.0 Wage and Hour Policies**

### ***4.1 Introduction***

An employee's pay depends on a wide range of factors, including pay scale surveys, individual effort, profits, and market forces. If you have any questions about your compensation, including matters such as paid time off, commissions, overtime, benefits, or paycheck deductions, please speak with your supervisor.

### ***4.2 Pay Period***

The standard pay period is bi-weekly for all employees. Pay dates are Thursday at or before 3:00pm. Should any pay period fall on a holiday, you will be paid on the preceding workday. Special provisions may be required from time to time if holidays fall on paycheck dates. Please inquire of your supervisor if this type of date arises.

***If you lose your paycheck, there will be a \$30 fee to reprint your paycheck. This is the cost for Hudson Botanical Processing to stop payment with the bank on your first, lost check.***

#### ***4.3 Paycheck Deductions***

The Company is required by federal, state, and certain local laws to withhold certain deductions from your paycheck. This includes income and unemployment taxes, and FICA contributions (Social Security and Medicare) as well as any other deductions required under law or by court order for wage garnishments. The amount of your tax deductions will depend on your earnings and the number of exemptions you list on your federal Form W-4 and applicable state withholding form. You may also authorize voluntary deductions from your paycheck, including contributions for insurance premiums, retirement plans, spending accounts, or other services. Your deductions will be reflected in your wage statement.

Contact the Controller or Human Resources for any questions about your paycheck.

#### ***4.4 Posting of Work Schedules***

The hours of your scheduled work shift will largely be determined by the operational needs of the department in which you are assigned. Some departments will have regular schedules, which rarely change from week to week, and other departments will have schedules that vary to meet the needs of the department or Hudson Botanical Processing. If an employee has a specific schedule request, efforts may be made to accommodate that request, taking into account the operational needs of the department or Hudson Botanical Processing as a whole. However, in all events, work schedule and schedule changes are determined at the sole discretion of Hudson Botanical Processing.

Every employee is responsible for knowing and following his or her work schedule, including, but not limited to, reading the schedule and schedule updates or changes, knowing start and end times or workdays, shifts, and breaks, complying with such times, and knowing when meetings are and attending such meetings on time. It is your responsibility to, if applicable, clock in and out at the designated times on your schedule. Any desired schedule changes must receive prior approval from your supervisor.

#### ***4.5 Recording Time***

Federal and state laws require us to keep accurate records of hours worked by nonexempt (hourly) employees. You should clock in no more than five minutes ahead of time and clock out no later than five minutes after your quitting time. Every nonexempt employee of the Company is required to enter his or her hours worked accurately, including all lunch periods and any rest periods of more than 15 minutes. Employees are required to notify the company of any pay discrepancies, unrecorded or misrecorded work hours, or any involuntary missed meal or break periods.

Do not complete the time sheet of any other employee or request that they do so for you. Any changes to your time must be recorded by your supervisor.

Falsification of time records or recording time for another employee may result in discipline, up to and including termination of employment.

#### **4.6 Travel Time Pay**

Some nonexempt positions within Hudson Botanical Processing, LLC require travel. Hudson Botanical Processing, LLC pays nonexempt employees for travel time in accordance with the Fair Labor Standards Act (FLSA). For purposes of this policy, the regular workday is 8:30 – 5:30 (Monday – Friday), etc..

##### **Home to Work Travel**

An employee who travels from home before the regular workday and returns to his or her home at the end of the workday is engaged in ordinary home to work travel, which is not work time.

##### **Home to Work on a Special One Day Assignment in Another City**

An employee who regularly works at a fixed location in one city is given a special one day assignment in another city and returns home the same day. The time spent in traveling to and returning from the other city is work time, except that the employer may deduct/not count that time the employee would normally spend commuting to the regular work site.

##### **Travel That Is All in a Day's Work**

Time spent by an employee in travel as part of their principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

##### **Travel Away from Home Community**

Travel that keeps an employee away from home overnight is travel away from home. Travel away from home is clearly work time when it cuts across the employee's workday. The time is not only hours worked on regular working days during normal working hours but also during corresponding hours on nonworking days. Hudson Botanical Processing, LLC will not consider as work time that time spent in travel away from home outside of regular working hours as a passenger on an airplane, train, boat, bus, or automobile.

##### **Calculating and Reporting Travel Time**

Employees are responsible for accurately tracking, calculating, and reporting travel time. Travel time should be calculated by rounding up to the nearest quarter hour.

#### ***4.7 Overtime Authorization for Nonexempt Employees***

If you are a nonexempt employee, you may qualify for overtime pay. All overtime must be approved in advance, in writing, by your supervisor.

At certain times the Company may require you to work overtime. We will attempt to give as much notice as possible in this instance. However, advance notice may not always be possible. Failure to work overtime when requested or working unauthorized overtime may result in discipline, up to and including discharge.

Overtime pay of one and one-half an employee's regular rate of pay is paid for any hours worked in excess of 40 hours in a workweek, 12 hours per workday, or 12 consecutive hours without regard to the starting and ending time of the workday (excluding duty free meal periods), whichever calculation results in the greater payment of wages. Holidays, vacation days, and sick leave days do not count as time worked for computing overtime.

#### ***4.8 Attendance Policy***

When you accept a position with Hudson Botanical Processing you assume obligations. One of those obligations is to perform the duties of your position during the times specified. You are expected to be punctual and keep absences to a minimum. Failure to report, unjustified or excessive absence or tardiness may result in discipline, up to and including discharge from employment. Additionally, punctuality and attendance are factors that may be taken into account when determining promotions, salary increases and qualification for other benefits.

##### **Absenteeism**

**Definition of Absence:** Absence is any time (other than tardiness described below) that you are scheduled to work and you fail to be present at the designated work location for all of the scheduled time or shift or if you fail to report to your workstation more than 30 minutes late. It includes time off for sickness, but does not include pre-approved time off for vacation, or leaves of absence, or for designated holidays when you are not scheduled to work.

**Reporting Procedure:** In case of an absence, you must first notify your supervisor, department manager or facility manager. Notification must be given each day you do not report to work at least one (1) hour prior to the beginning of your scheduled shift. If you must be absent after you report to work, notification must be given when you first learn that you must leave work, but (except in an emergency) no later than one hour before you must leave work. It is your responsibility to personally make the contact unless you are physically unable to do so, in which case, you should have someone else make the contact for you. You must give the reason for your absence and the expected date of your return.

One or more unreported or unjustified absences within any 12-month period may result in disciplinary action, (up to and including termination of employment). If you are absent for 2 consecutive days without reporting to work or contacting your supervisor,

you will be considered to have voluntarily resigned without notice at the end of the second day and your position will be terminated and filled.

Note: If you can provide an acceptable explanation, this policy may not apply. Such explanation may require substantiation and/or verification from sources other than you.

**Excessive Absenteeism:** Even if an absence is reported, you may be subject to disciplinary action (up to and including termination of employment) if you miss work too often. Examples of excessive absenteeism include, but are not limited to:

- Twelve full or partial days absent, consecutive or not, in any 12-month period.
- Three full or partial days absent, consecutive or not, in a 30-day period.
- Five full or partial days absent, consecutive or not, in any 6-month period.

Hudson Botanical Processing, in its sole discretion, will determine excessive absenteeism. Unless determined by Hudson Botanical Processing to be an abuse, time off for medical/dental appointments, school activities (for you or your children), or other personal business will not be counted as excessive absenteeism if your supervisor approves it at least three business days in advance. However, this time off will be documented as an absence.

## **Tardiness**

**Definition of Tardiness:** You are tardy any time you arrive at your workstation, or are not appropriately groomed, dressed and ready to work, at the beginning of your scheduled shift. Tardiness also includes returning late from breaks or meal periods. If you are more than 30 minutes late, it will be considered an absence.

**Reporting Procedure:** If you must be late for work, it is your responsibility to personally contact your supervisor at least one (1) hour prior to the beginning of your scheduled work shift unless you are physically unable to do so. If you cannot call, have someone call for you. Failure to report your tardiness will count toward excessive absenteeism or excessive tardiness, as the case may be.

**Excessive Tardiness:** Even if tardiness is reported, excessive tardiness will result in disciplinary action, up to and including termination. Examples of excessive tardiness include, but are not limited to:

- Any tardiness on any three days in any 30-day period.
- Any tardiness on any five days in any 3-month period.
- Any tardiness on any twelve days in any 12-month period.

**Leaving Work Early:** If for any reason you need to leave work early you must report leaving to a lead, supervisor or manager. Being able to account for employees in case of an emergency is paramount to the safety culture of Hudson Botanical Processing, LLC. Not informing someone of leaving work early is a terminable offense.

#### **4.9 Job Abandonment**

If an employee fails to show up for work or call in with an acceptable reason for the absence for a period of two consecutive days, he or she will be considered to have abandoned his or her job and voluntarily resigned from the company.

#### **4.10 Travel Expenses**

The purpose of this policy is to define employee travel rules and the authority for incurring and approving travel expenses.

Travel expenses are the reasonable and necessary expenses incurred by employees when traveling on approved Company business trips. Company travel is limited to business activities for which other means of communication is inadequate and for which prior approval of the employee's supervisor has been received.

All travel for company business is required to be planned and scheduled through the Executive Assistant.

##### **Advances**

The Company does not provide cash travel advances. Normally, employees are expected to use personal credit cards and/or their own cash and submit their approved expenses on the standard Expense Report Form.

##### **Travel Expenses**

The Company pays the actual amounts incurred for appropriate expenses when employees are on travel assignments. Examples of typical expenses include the following:

- Airline tickets.
- Meals and lodging.
- Car rental, bus, taxi, parking.
- Telephone and fax.
- Laundry and dry cleaning (trips exceeding one week only, unless emergency).
- Business supplies and services.
- Associated gratuities.
- Other expenses necessary to achieve the business purposes.

##### **Family Members**

The Company will pay the travel expenses of spouses or other family members only when their presence is necessary to the business purpose of the trip and when approved in advance in writing by the Owner.

##### **Air Travel**

Employees are to use economy or tourist class airfares when traveling on Company business. In addition, private, noncommercial aircraft or chartered aircraft is not to be used.

### **Hotels**

Neither in-room movies nor refreshment bars are approved Company expenses.

### **Insurance**

The Company does not pay for personal travel insurance for employees.

### **Rental Cars**

Employees are to use rental firms having existing relationships with the Company and, where feasible, have negotiated discounts rates. Reasonable transportation available is to be used.

### **Personal Vehicles**

All employees using their own vehicle for business purposes must maintain insurance coverage as required by law and need to be approved by our insurance company to drive for business reasons. Travel between the employee's home and primary office is not considered to be business travel. Employees are not authorized to use personal vehicles for business travel without authorization. Every attempt should be made to utilize the use of courier and delivery services in order to avoid hazard of liability and the time away from work. Employees will be reimbursed for vehicle use at the standard IRS mileage rate. The Owner or Controller must authorize any deviation from this policy.

### **Employee Reporting**

Employees are to report their approved expenses with receipts and must include a description of the expense, its business purpose, date, place, and the participants.

### **Travel Reservations**

Airline travel, rental cars, and hotels must be booked through the corporate designated travel agency in order to be reimbursed.

Mileage: we reimburse at the federal level which is \$0.56/mile. However, we don't pay for travel from your home to work. There is a log that you can use to keep track of mileage: date, starting address, destination, and mileage. Please use Google maps or another mapping app to calculate the mileage.

Meals: Per federal tax rules, meals are only deductible when there is overnight travel involved. Please hold per diem food costs to \$75/day when you are traveling overnight.

Hotel: please let us know your dates and where you need to be and we will book the hotel for you.



We must have receipts for everything except mileage in order to reimburse you.

#### ***4.11 Business Expenses***

Approved business expenses are the reasonable and necessary expenses incurred by employees to achieve legitimate business purposes that are not covered by normal Company procurement processes.

##### **Business Meetings (Company-Sponsored Events and Meetings)**

The Company pays for expenses necessary to achieve a valid business purpose when meetings are held with customers, vendors, or other Company employees. The most senior Company employee present is to pay and report all expenses.

The Company will make every effort to have a master account set up for Company-wide and large group events. However, if you are at a small meeting or staying by yourself at a hotel, pay individually and submit for reimbursement accordingly.

##### **Entertainment**

The Company pays for entertainment expenses only when they clearly benefit the Company and include customers and are promotional in nature. The most senior Company employee present is to pay and report all expenses.

##### **Technical and Training Seminars**

The Company pays for expenses associated with attendance at classes and seminars that enhance job-related skills. Prior approval must be obtained by the employee's manager/supervisors and appropriate management.

##### **Employee Reporting**

Employees are to report their approved expenses on the standard Expense Report Form and must include a description of the expense, its business purpose, date, place, and the participants.

#### ***4.12 Use of Company Credit Cards***

Every employee in the possession of a Company issued credit card will adhere to the strictest guidelines of responsibility for the proper protection and use of that card. Company credit card purchases related to Company vehicle use (gas, oil, etc.) under \$100 do not require prior approval. Company credit card purchases over \$500 must receive prior approval from your supervisor or manager.

All sales receipts generated by use of the Company credit card must be turned in on the same day to the Finance Specialist. Company credit cards are not to be used for personal reasons and could be grounds for termination. Use of the company credit card is restricted to approved business related expenses.

Any unauthorized purchases made with a Company issued credit card will be the cardholder's responsibility. Any such purchase will be reimbursed to the company by the employee within 2 days.

Lost or stolen Company issued cards must be reported immediately to the owner. Failure to follow this policy may result in disciplinary action up to and including discharge.

#### ***4.13 Rest and Meal Periods***

The Company strives to provide a safe and healthy work environment and complies with all federal and state regulations regarding rest and meal periods. Please check with your supervisor regarding procedures and schedules for rest and meal breaks. The Company requests that employees accurately observe and record meal and rest periods. If you know in advance that you may not be able to take your scheduled break or meal period, please let your supervisor know; in addition, notify your supervisor if you were unable to or prohibited from taking a rest or meal period at the soonest opportunity.

##### **Meal Periods**

Employees shall be entitled to an uninterrupted and 'duty free' meal period of at least a thirty-minute duration when the scheduled work shift exceeds six consecutive hours of work. The employees must be completely relieved of all duties and permitted to pursue personal activities to qualify as a non-work, uncompensated period of time. When the nature of the business activity or other circumstances exist that makes an uninterrupted meal period impractical, the employee shall be permitted to consume an "on-duty" meal while performing duties. Employees shall be permitted to fully consume a meal of choice "on the job" and be fully compensated for the "on-duty" meal period without any loss of time or compensation.

##### **Deductions For Meals**

The reasonable cost or fair market value of meals provided to the employee may be used as part of the minimum hourly wage. No profits to the employer may be included in the reasonable cost or fair market value of such meals furnished. The meal must be consumed before deductions are permitted.

##### **Rest Periods**

The law in Massachusetts states that an employer must provide a thirty-minute meal break during each work shift that lasts more than six hours. This one half-hour meal break is unpaid. In addition, Massachusetts' law does not require employers to provide any rest breaks. Such rest periods shall not be deducted from the employee's wages. It is not necessary that the employee leave the premises for said rest period.

Hudson Botanical Processing, LLC provides a rest period of 15 minutes for every 4 hours of work.

#### ***4.14 Accommodations for Nursing Mothers***

Hudson Botanical Processing, LLC will provide nursing mothers reasonable unpaid break time to express milk for their infant children for up to two years following the child's birth.

To ensure privacy, nursing mothers will be provided a private room, other than a restroom, to express their milk. The room will be clearly designated and either have a lock or a sign on the door to indicate when the room is in use.

Nursing mothers will also be provided a refrigerator to store their breast milk. Employees are responsible for labeling their milk with their name and the date on which the milk was expressed.

Nursing mothers are encouraged to discuss the length and frequency of breastfeeding breaks with their supervisor.

Employees who have any questions or concerns regarding this policy should contact their supervisor or owner.

### **5.0 Performance, Discipline, Layoff, and Termination**

#### ***5.1 Performance Improvement***

Hudson Botanical Processing, LLC will make efforts to periodically review your work performance. The performance improvement process will take place on an annual basis, or as business needs dictate. You may specifically request that your supervisor assist you in developing a performance improvement plan at any time.

The performance improvement process is a means for increasing the quality and value of your work performance. Your initiative, effort, attitude, job knowledge, and other factors will be addressed. You must understand that a positive job performance review does not guarantee a pay raise or continued employment. Company pay raises and promotions are based on numerous factors, only one of which is job performance.

#### ***5.2 Promotions***

In an effort to match you with the best job for you and to meet the business needs of the Company, you may be transferred from your current job. It is the Company's policy to promote from within the Company only when the most qualified candidate is available. Promotions are made on an equal opportunity basis according to employees possessing the needed skills, education, experience, and other qualifications that are required for the job.

All employees promoted into new job positions will undergo a 30-day introductory period as described in the New Employees and Introductory Periods section. Unlike new hires, however, such employees will continue to receive Company benefits for which they are eligible.

### **5.3 *Pay Raises***

Depending on the Company's financial health and other factors, efforts will be made to give pay raises consistent with Company profitability, job performance, and the consumer price index. Hudson Botanical Processing, LLC may also make individual pay raises based on merit or due to a change of job position.

Pay raises are scheduled annually to take place after the June review period. Depending on the pay dates, pay raises will be given as close to July 1 as possible each year.

### **5.4 *Standards of Conduct***

Hudson Botanical Processing, LLC wishes to create a work environment that promotes job satisfaction, respect, responsibility, integrity, and value for all of our employees, clients, customers, and other stakeholders. Every employee has a shared responsibility toward improving the quality of our work environment. If you see something that is not right, say something. By deciding to work at this Company, you agree to follow the Company's rules.

While it is impossible to list every item that could be considered misconduct in the workplace, what is outlined here is a list of common-sense infractions that could result in discipline, up to and including immediate termination of employment. This policy is not intended to limit the Company's right to discipline or discharge employees for any reason permitted by law. In fact, while we value our employees, the Company retains the right to terminate an employee on an "at-will" basis.

Examples of inappropriate conduct include but not limited to:

- Violation of the policies and procedures set forth in this handbook.
- Possessing, using, distributing, selling, or negotiating the sale of illegal drugs or other controlled substances.
- Possession, use or being under the influence of drugs or alcohol on the premises or while on Hudson Botanical Processing business.
- Inaccurate reporting of the hours worked by you or any other employee.
- Excessive tardiness, absenteeism or abuse of any paid time off policy.
- Failure to give proper notice of an expected absence.
- Providing knowingly inaccurate, incomplete or misleading information when speaking on behalf of the Company or in the preparation of any employment related documents including, but not limited to, job applications, personnel files, employment review documents, intra-Company communication or expense records.
- Willful violation of HIPAA privacy laws.
- Taking or destroying Company property.
- On-duty possession of potentially hazardous or dangerous property as firearms, weapons, chemicals, etc., without prior authorization.
- Fighting with, or harassment (as defined in our EEO policies) of, any fellow employee, vendor, or customer.
- Disclosure of Company trade secrets and proprietary and confidential commercially-sensitive information (i.e. financial or sales records/reports,

marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) of the Company or its customers, contractors, suppliers, or vendors.

- Refusal or failure to follow directions or to perform a requested or required job task.
- Refusal or failure to follow safety rules and procedures.
- Excessive tardiness or absences.
- Smoking in nondesignated areas.
- Working unauthorized overtime.
- Solicitation of fellow employees on the Company premises during working time (Refer to Nonsolicitation/Nondistribution Policy).
- Failure to dress according to Company policy.
- Use of obscene or harassing (as defined by our EEO policies) language in the workplace.
- Outside employment which interferes with your ability to perform your job at this Company.
- Gambling on Company premises.
- Lending keys or providing lock codes to Company property to unauthorized persons.
- Off-duty or pre-employment conduct that reflects or may adversely reflect on Hudson Botanical Processing if the employee were to remain employed. This includes any previous conduct that results in the inability to obtain or renew a marijuana establishment agent badge.
- Taking supplies, materials or scrap product that belong to Hudson Botanical Processing for personal use.
- Diversion of cannabis products from HBP, which if found suspicious will be reported to the CCC and Hudson Police Department.

These examples are not all-inclusive, but merely illustrate the kind of conduct that may be detrimental to Hudson Botanical Processing, its clients or employees. Employees may be discharged or disciplined for conduct not specifically mentioned in this policy manual, as determined in the sole discretion of Hudson Botanical Processing.

Nothing in this policy is intended to limit employee rights under the National Labor Relations Act.

### ***5.5 Criminal Activity/Arrests***

Involvement in criminal activity, whether on or off Company property, during employment may result in disciplinary action including suspension or termination of employment. Disciplinary action depends upon a review of all factors involved, including whether or not the employee's action was work-related, the nature of the act, or circumstances which adversely affect attendance or performance. Any disciplinary action is not dependent upon the disposition of any case in court.

Employees are expected to be on the job, ready to work, when scheduled. Inability to report to work as scheduled as a result of an arrest may lead to disciplinary action, up to

and including termination of employment, for violation of an attendance policy or job abandonment.

Any disciplinary action taken will be based on information reasonably available. This information may come from witnesses, police, or any other source as long as management has reason to view the source as credible.

### ***5.6 Drug, Alcohol, and Smoke Free Policy***

Hudson Botanical Processing, LLC is concerned about the effect that smoking, second-hand smoke inhalation, alcohol consumption, and drugs can have on its employees and clients safety and well-being. Smoking, drinking alcohol, and doing drugs in the office, client areas, and restrooms is prohibited. Per Massachusetts law Hudson Botanical Processing, LLC facilities will be a smoke free workplace.

Hudson Botanical Processing, LLC considers drug and alcohol abuse a serious matter which will not be tolerated. The company absolutely prohibits employees from using, selling, possessing, or being under the influence of illegal drugs, marijuana, alcohol, or controlled substance or prescription drug not medically authorized while at their job, on Company property, or while on work time.

Therefore, it is the Company's policy that:

1. Employees shall not report to work under the influence of alcohol, marijuana, illegal drugs, or any controlled substance or prescription drug not medically authorized.
2. Employees shall not possess or use alcohol, marijuana, illegal drugs, or any controlled substance or prescription drug not medically authorized while on company property or on company business.
3. Employees shall not smoke tobacco or any smokable substance on the property of Hudson Botanical Processing.

The Company also cautions against use of prescribed or over-the-counter medication which can affect an employee's ability to perform his or her job safely or the use of prescribed or over-the-counter medication in a manner violating the recommended dosage or instructions from the doctor. Employees must have a valid prescription for any prescription medication used by employees while working for the Company. Please inform your supervisor prior to working under the influence of a prescribed or over-the-counter medication that may affect your ability to perform your job safely. If the Company determines that the prescribed or over-the-counter medication does not pose a safety risk, you will be allowed to work. Failure to comply with these guidelines concerning prescription or over-the-counter medication may result in disciplinary action, up to and including termination of employment.

A violation of this policy will result in disciplinary action up to and including termination of employment.

Employee must not:

- Bring personal cannabis products into company premises.

- Remove any company products, including scrap from company premises.
- Consume any company products while working.
- Being intoxicated on the company premises.

### ***5.7 Disciplinary Process***

Violation of Company policies or procedures may result in disciplinary action including demotion, transfer, leave without pay, or termination of employment. The Company encourages a system of progressive discipline depending on the type of prohibited conduct. However, the Company is not required to engage in progressive discipline and may discipline or terminate an employee where he or she violates the rules of conduct, or where the quality or value of the employee's work fails to meet expectations at any time. Again, any attempt at progressive discipline does not imply that your employment is anything other than on an "at will" basis.

In appropriate circumstances, management will provide the employee first with a verbal warning, then with one or more written warnings, and if the conduct is not sufficiently altered, eventual demotion, transfer, forced leave, or termination of employment. Your supervisor will make every effort possible to allow you to respond to any disciplinary action taken. Understand that while the Company is concerned with consistent enforcement of our policies, the Company is not obligated to follow any disciplinary or grievance procedure and that depending on the circumstances, employees may be disciplined or terminated without any prior warning or procedure.

### ***5.8 Problem-Solving Procedure***

We strive to provide a comfortable, productive, legal, and ethical work environment. To this end, the Company wants you to bring any problems, concerns, or grievances you have about the work place to the attention of your supervisor and, if necessary, to upper level management. To help manage conflict resolution we have instituted the following problem solving procedure:

If you believe there is inappropriate conduct or activity on the part of the Company, management, its employees, vendors, customers, or any other persons or entities related to the Company, bring your concerns to the attention of your supervisor at a time and place that will allow the supervisor to properly listen to your concern. Most problems can be resolved informally through dialogue between you and your immediate supervisor. If you have discussed this matter with your supervisor before and do not believe you have received a sufficient response, or if you believe your supervisor is the source of the problem, we request you present your concerns to upper level management. Please indicate what the problem is, those persons involved in the problem, efforts you have made to resolve the problem, and any suggested solution you may have.

### ***5.9 Outside Employment***

Subject to other policies, including Conflict of Interest below, Hudson Botanical Processing has no objection to an employee holding another job (in addition to his or her employment with Hudson Botanical Processing) as long as he or she can effectively

meet the performance standards for his or her position with Hudson Botanical Processing. However, we ask employees to think seriously about the effects that another job may have on their endurance, personal health and well-being, performance, and effectiveness with Hudson Botanical Processing. Employees holding another job must remember that Hudson Botanical Processing is the primary employer and is entitled to the loyalty and primary efforts of the employee while employed with Hudson Botanical Processing.

All employees will be held to the same scheduling demands and standards of performance. We cannot make exceptions for those who also hold outside jobs. If an outside position interferes with the employee's ability to work for Hudson Botanical Processing, that employee will be subject to disciplinary action for tardiness and unsatisfactory attendance or work performance in accordance with normal disciplinary policy.

### ***5.10 Prevention of Diversion***

All Hudson Botanical processing agents and employees are responsible for stopping diversion of cannabis products out of the facility. If anyone finds or suspects someone of diversion, you must notify your supervisor or ownership immediately. The CCC and Hudson Police department will be notified if any product is in fact missing. If found guilty of diversion, you will be terminated immediately.

## **6.0 General Policies**

### ***6.1 Driving Record***

All employees required to operate a motor vehicle as part of their employment duties must maintain a valid driver's license and acceptable driving record. The Company may run a motor vehicle department check to determine an employee's driving record. It is your responsibility to provide a copy of your current driver's license for your personnel file. Any changes in your driving record, including, but not limited to, driving infractions, must be reported to the Company.

State law requires all motorists to carry auto liability insurance. It is against the law to drive without insurance. Employees using their own vehicle as a part of their employment duties must provide management with a current proof of insurance statement or card. A new proof of insurance is required every time your policy expires and renews.

### ***6.2 Telecommuting Policy***

Telecommuting is defined as an employee regularly working a full or partial workday from home or some other alternate work site.



The company will make telecommuting available to employees when it benefits organizational and departmental needs. This option may not be available in some job classifications due to business needs.

Those granted a telecommuting arrangement will be subject to the same performance standards as they were held to prior to telecommuting. Telecommuting work areas may be evaluated to ensure that appropriate safety standards are met. Telecommuting may be a reasonable accommodation, and if you are requesting telecommuting as a reasonable accommodation you should consult with Human Resources as soon as possible.

### ***6.3 Use of Company Vehicles***

Company vehicles are to be used for Company business only. Unless the use of the vehicle has been approved for personal use, personal or outside business use is strictly prohibited.

Drivers of Company vehicles are to immediately report all infractions or violations while driving a Company vehicle and all restrictions, suspensions, or revocations against their driver's license to their supervisor immediately.

When a Company vehicle cannot be operated, is unsafe for use, or has been damaged, notify a supervisor or manager immediately.

The driver of a Company vehicle is responsible for the vehicle while in his or her charge and must not permit unauthorized persons to drive it.

The driver is responsible for the daily housekeeping of the vehicle; it is to remain clean and uncluttered.

No person shall operate a motor vehicle while under the influence of alcohol or a chemical substance or other substance that can impair judgment.

Multiple driving moving violations that appear on the annual state department of motor vehicle check will result in suspension of rights to drive a company vehicle or drive a personal vehicle on company business. Suspension of rights will continue until one year has passed with no infractions. If there are persistent and ongoing problems with driving infractions, and driving a vehicle is a part of successful execution of job responsibilities, termination of employment is possible.

### ***6.4 Authorization for Use of Personal Vehicle***

All employees required to operate a motor vehicle as part of their employment duties must maintain a valid driver's license, acceptable driving record, and appropriate insurance coverage. The Company may run a motor vehicle department check to determine an employee's driving record. It is your responsibility to provide a copy of your current driver's license and insurance coverage for your personnel file. Any changes in your driving record, including, but not limited to, driving infractions or changes to your insurance policy, must be reported to the Company.

## **6.5 *Personnel Records***

The Company maintains a personnel record for every employee. Every effort will be made to keep your personnel records confidential. Access is on a "need-to-know" basis only. This includes, but is not limited to, supervisors and others in management reviewing the file for possible promotion, transfer, or layoff.

If an employee wishes to review his or her personnel file he or she may do so after giving the Company reasonable notice. Inspection must occur in the presence of a Company representative. All requests by an outside party for information contained in your personnel file will be directed to the Human Resources department, which is the only department authorized to give out such information.

## **6.6 *Employee Privacy and Right to Inspect***

Company property, including but not limited to, lockers, phones, computers, tablets, desks, work place areas, vehicles, or machinery, remains under the control of the Company and is subject to inspection at any time, without notice to the employee, and without the employee's presence. Employees should have no expectation of privacy in any of these areas. We assume no responsibility for the loss of, or damage to, any employee property maintained on Company premises including that kept in lockers and desks.

The Company may provides lockers for the personal possessions of its employees. These lockers should be maintained in a clean and sanitary condition. As part of the employee's privilege for use of these lockers, employees must agree to allow the Company to inspect or otherwise gain access to the locker and its contents at any time, with or without notice to the employee, and without the employee's presence.

## **6.7 *Voicemail, Email, and Internet Policy***

This Voicemail/Email/Internet Policy is intended to provide each employee of the Company with the guidelines associated with the use of the Company's voicemail/email/Internet system (the system). This policy applies to all employees, contractors, vendors, partners, or associates, and any others accessing and/or using the Company's system through onsite or remote terminals.

### **General Provisions**

- The system, and all data transmitted or received through the system, are the exclusive property of the Company. No individual should have any expectation of privacy in any communication over this system. Any individual permitted to have access to the Company's system will be given a voicemail, email and/or Internet address and/or access code, and will have use of the system, consistent with this policy.
- The Company reserves the right to monitor, intercept, and/or review all data transmitted, received, or downloaded over the system. Any individual who is given access to the system is hereby given notice that the Company will exercise this right periodically, without prior notice and without the prior consent of the employee.

- The Company's interests in monitoring and intercepting data include, but are not limited to: protection of Company trade secrets, proprietary, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.); managing the use of the Company's computer system; and/or assisting the employee in the management of electronic data during periods of absence. No individual should interpret the use of password protection as creating a right or expectation of privacy. In order to protect everyone involved, no one can have a right or expectation of privacy with regards to the receipt, transmission or storage of data on the Company Voicemail/Email/Internet system.

Any employee who violates the policies in this handbook will be subject to corrective action, up to and including termination of employment. If necessary, the Company will also advise law enforcement officials of any illegal conduct.

## **6.8 Social Media Policy**

At Hudson Botanical Processing, LLC, we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends, and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media.

This policy applies to all employees who work for Hudson Botanical Processing, LLC.

### **Guidelines**

In the rapidly expanding world of electronic communication, social media can mean many things. **Social media** includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board or a chat room, whether or not associated or affiliated with Hudson Botanical Processing, LLC, as well as any other form of electronic communication.

The same principles and guidelines found in Company policies and these basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. You may be personally responsible for any litigation that may arise should you make unlawful defamatory, slanderous, or libelous statements against any customer, manager, owner, or employee of the company. Before creating online content, you may want to consider some of the risks and rewards that are involved.

### **Know and Follow the Rules**

Carefully read these guidelines, the Company Ethics Code, Standards of Conduct, and EEO Statement and Nonharassment Policy, and ensure your postings are consistent with these policies. Postings that include unlawful discriminatory remarks, harassment (as

defined by our EEO policy), and threats of violence or other unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

### **You Are Encouraged to Show Respect**

The Company cannot force or mandate respectful and courteous activity by employees on social media during nonworking time. However, everyone should be aware of the negative impact comments of this nature can have on the workplace and relationships with others. In addition, please keep in mind that you may be more likely to resolve work-related disputes by speaking directly with your co-workers or by utilizing our Open Door Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as unlawful, slanderous, threatening, or that might constitute unlawful harassment (as defined by our EEO policies). Examples of such conduct might include defamatory or slanderous posts meant to harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, age, national origin, religion, veteran status, or any other status or class protected by law or company policy.

### **Honesty and Accuracy**

You should understand that honesty and accuracy are important when posting information or news, and that it is good practice to correct a mistake quickly. You may want to be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings often can be searched.

### **Posting Information**

When posting information:

- Maintain the confidentiality of Company trade secrets and confidential Company-related commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.).
- Do not create a link from your blog, website, or other social networking site to a Company website that identifies you as speaking on behalf of Hudson Botanical Processing, LLC.
- Never represent yourself as a spokesperson for Hudson Botanical Processing, LLC. If the Company is a subject of the content you are creating, do not represent yourself as speaking on the Company's behalf.
- Respect copyright, trademark, and similar laws and use such protected information in compliance with applicable legal standards.

### **Using Social Media at Work**

Refrain from using social media while on your work time, unless it is work related as authorized by your manager or consistent with the Company Equipment Policy.

### **Retaliation Is Prohibited**

Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating or not cooperating in an investigation will be subject to disciplinary action, up to and including termination.

### **Media Contacts**

Employees should not speak to the media on the Company's behalf without contacting management. All media inquiries for official Company responses should be directed to them.

### **For More Information**

If you have questions or need further guidance, please contact your supervisor.

Nothing in this policy is designed to interfere with, restrain, or prevent employee communications regarding wages, hours, or other terms and conditions of employment, or to restrain employees in exercising any other right protected by law. Employees have the right to engage in or refrain from such activities.

### ***6.9 Employee Suggestions/Open Door Policy***

We welcome suggestions for continued improvement and welcome your ideas for better ways to do your job, produce or sell the products or services of our Company, or meet customer and client needs. Discuss your ideas with your supervisor or another member of the management team.

We also encourage you to offer any suggestions derived from seminars, magazines, or other outside sources of information you believe would add value to the Company.

Understand that any suggestions, innovations, inventions, or other matter created by you on work time or with Company tools or property are considered to be the property of the Company.

### ***6.10 Company Bulletin Boards***

Hudson Botanical Processing, LLC maintains official bulletin boards located at Hudson Botanical Processing entrance for the purpose of providing employees with its official notices, including wage and hour laws, changes in policies, and other employment-related notices. At times the Company may also post information of general interest to the employees on the bulletin board. Please keep informed about this material by periodically reviewing the Company bulletin board. Only authorized personnel are allowed to add and remove notices from the Company bulletin board.

### ***6.11 Personal Appearance***

Please refer to each department's guidelines for Dress Code, Safety Equipment and Uniforms. This policy will reflect, OSHA, GMP and HACCP practices.

### **6.12 *Personal Cell Phone/Mobile Device Use***

Cell phone usage is not permitted in any production or processing area of the Hudson Botanical Processing facility except with the permission of your supervisor. Cell phones may be used for emergency use.

### **6.13 *Off-Duty Use of Company Property or Premises***

Employees may not use Company property for personal use during working time. Employees are responsible for returning Company property in good condition and repairing or replacing any property damaged as the result of personal use or as the result of negligence. This includes using copy machines, computers, Company products, or office supplies for personal use without prior authorization.

It is the policy of the Company to control off duty and nonworking hour use of Company facilities either for business or personal reasons. Employees are prohibited from using Company facilities during off duty or non-working hours without the written consent of their supervisor. Employees using Company facilities during off duty hours or non-Company hours may be required to sign a log-in and log-out sheet maintained by the Company or building manager.

### **6.14 *Security***

Every employee is responsible for helping to make this a secure work environment. Upon leaving work, lock all desks, lockers, and doors protecting valuable or sensitive material in your work area and report any lost or stolen keys, passes, or other similar devices to your supervisor immediately. You should refrain from discussing with nonemployees specifics regarding Company security systems, alarms, passwords, etc.

We also request that you immediately advise your supervisor of any known or potential security risks and/or suspicious conduct of employees, customers, or guests of the Company. Safety and security is the responsibility of every employee and we rely on you to help us keep our premises secure.

Only employees and registered visitors are allowed within the Hudson Botanical Processing facility.

### **6.15 *Third Party Disclosures***

From time to time, our Company may become involved in news stories or potential or actual legal proceedings of various kinds. When that happens, lawyers, former employees, newspapers, law enforcement agencies, and other outside persons may contact our employees to obtain information about the incident or the actual or potential lawsuit.

If you receive such a contact, you should not speak on behalf of the Company and should refer any call requesting the Company's position to an Owner. If you have any questions about this policy or are not certain what to do when such a contact is made, please contact an Owner.

### **6.16 Personal Data Changes**

It is your obligation to provide the Company with all of your current contact information, including current mailing address and telephone number. Please inform the Company of any changes to your marital or tax withholding status. Failure to do so may result in loss of benefits or delayed receipt of W-2 and other mailings.

### **6.17 Marijuana Establishment Agent Badge Policy**

Anyone who is working Hudson Botanical Processing facility is required by law to have a Marijuana Establishment Agent Badge issued by the Massachusetts Cannabis Control Commission. Hudson Botanical Processing reimburses employees for their badge renewal cost. If you are to resign within 6 months of badge renewal you are responsible for the full price of your badge. Badges are required to be worn in limited access areas, at all times and while transporting cannabis products.

A *full-time employee* is defined as a common-law employee employed in a category designated by management and scheduled to work at least 40 hours per week, or 2,080 hours per year. Full-time classification does not include part-time, temporary or occasional employees.

A *part-time employee* is defined as a common law employee employed in a category designated by management and scheduled to work less than 35 hours per week, normally averaging 18-25 hours per week. Part-time classification does not include full-time, temporary or occasional employees.

## **7.0 Benefits**

### **BENEFITS**

**NOTE: Any benefits or benefit plans described in these policies are convenient summaries only. An employee's eligibility for or rights to any benefits will be subject to and governed by the governing benefit plan documents and applicable law, as either may be amended from time to time. Hudson Botanical Processing reserves to itself and to any administrator or fiduciary of any benefit or benefit plan described or referred to in this policy manual (or any other benefit or benefit plan of Hudson Botanical Processing ), the discretionary authority to determine eligibility of any employee or claimant for or under any such benefit or plan, pursuant to the terms of the relevant plan document and applicable law, as either may be amended from time to time, and to interpret and construe the terms of any such benefit or plan. Hudson Botanical Processing further reserves the right to at any time add, amend, modify, supplement or terminate any benefit, benefit plan or employee benefit. For answers to any questions you may have regarding any**

**benefit or benefit plan, first refer to the applicable plan documents. For additional assistance, you may contact the plan administrator listed in the plan documents.**

### ***7.1 Employees Eligible for Benefits***

A benefits eligible employee is an employee who has completed his or her 30 day introductory period and is regularly working in excess of 35 hours per week. Unless stated otherwise, all the benefits provided to employees are for employees only. This includes vacation, holiday pay, health insurance, and other benefits coverage.

### ***7.2 Regular Part-Time Employees***

Any employee who works less than 35 hours per week is considered a part-time employee. Part-time employees are not eligible for Company benefits unless specified otherwise in this handbook or in the benefit plan summaries.

### ***7.3 Temporary Employees***

Temporary employees are hired for a specific period or specific work project. The Company reserves the right to extend the duration of temporary employment where necessary. Temporary employees are not eligible for employee benefits unless specified otherwise in this handbook or in the benefit plan summaries.

### ***7.4 Exempt Employees***

If you are classified as an exempt employee at the time of your hiring, you are not eligible for overtime pay as otherwise required by federal, state, or local laws. If you have a question regarding whether you are an exempt or nonexempt employee, contact your supervisor for clarification.

### ***7.5 Paid Time Off (PTO) Hourly Employees (Non-Management)***

Hudson Botanical Processing provides 48 hours of paid time off (PTO) after 30 days of employment to hourly employees who can use the time for personal needs such as vacation, illness, doctor's appointments or for any other personal reason.

Each full time hourly employee will accrue PTO every pay period in hourly increments with the total prorated over a twelve month period. These hours will be added to the employees PTO account and will be subtracted from this account when used. At 96 hours of accrued PTO, accruals will stop. You will begin accruing PTO again when accrued time falls below 96 hours.

Part-time and contract employees are not eligible for PTO. PTO is accrued based on a 35 hour work week after 30 days of employment with us, and is prorated based on the number of hours worked. In addition to this, everyone will receive above paid holidays

PTO will not accrue in the case where the employee takes unpaid leave, is on disability, or worker's compensation leave.



Time that would not qualify under the definition of PTO would include jury duty, bereavement leave, mandatory jury duty, and any paid company holiday.

In order to take PTO, a minimum of 2 weeks' notice must be given to the employee's supervisor, unless it is an emergency. Either way, the PTO must be approved by the employee's supervisor in advance. It is encouraged to give as much notice as possible when you are scheduling your PTO.

## ***7.6 Family and Medical Leave of Absence Policy***

### **A. General**

We recognize that there are times when an employee may need to be absent from work due to qualifying events under the Family and Medical Leave Act (FMLA). Accordingly, we will provide eligible employees up to a combined total of 12 weeks of unpaid FMLA leave per leave year for the following reasons and any other leave authorized by the FMLA or applicable state law:

- **Parental Leave:** For the birth or placement of an adopted or foster child;
- **Personal Medical Leave:** When an employee is unable to work due to his or her own serious health condition;
- **Family Care Leave:** To care for a spouse, child, or parent with a serious health condition;
- **Military Exigency Leave:** When an employee's spouse, parent, son, or daughter (of any age) experiences a qualifying exigency resulting from military service (applies to active service members deployed to a foreign country, National Guard and Reservists); and
- **Military Care Leave:** To care for an employee's spouse, parent, son, daughter (of any age), or next of kin who requires care due to an injury or illness incurred while on active duty or was exacerbated while on active duty. **Note:** A leave of up to 26 weeks of leave per 12-month period may be taken to care for the injured/ill service member.

### **B. Key Policy Definitions**

- **Eligible employees** under this policy are those who have been employed by our Company for at least 12 months (need not be consecutive months and under certain circumstances hours missed from work due to military call-up will also be counted) and have performed at least 1,250 hours of service in the 12-month period immediately preceding the date leave is to begin. Employees who work in small locations with fewer than 50 employees within 75 miles, are not eligible for leave. However, employees should contact Human Resources to discuss other types of leave that might be available for the reasons listed in this policy.
- **Leave year** for the purposes of this policy shall be a rolling 12-month period measured backward from the date an employee uses any FMLA leave.
- A **spouse** means a husband or wife as recognized under state law for the purposes of marriage in the state or other territory or country where the marriage arose.
- A **son or daughter** for the purposes of parental or family leave is defined as a biological, adopted, foster child, step-child, legal ward, or a child for whom the

employee stood in loco parentis to, who is (1) under 18 years of age or, (2) 18 years of age or older and incapable of self-care because of physical or mental disability. A son or daughter for the purposes of military exigency or military care leave can be of any age.

- A **parent** means a biological, adoptive, step, or foster parent or any other individual who stood in loco parentis to the employee when the employee was a son or daughter.
- **Next of kin** for the purposes of military care leave is a blood relative other than a spouse, parent, or child in the following order: brothers and sisters, grandparents, aunts and uncles, and first cousins. If a military service member designates in writing another blood relative as his or her caregiver, that individual shall be the only next of kin. In appropriate circumstances, employees may be required to provide documentation of next of kin status.
- A **serious health condition** is an illness, injury, impairment, or physical or mental condition that involves either inpatient care or continuing treatment by a health care provider. Ordinarily, unless complications arise, cosmetic treatments and minor conditions such as the cold, flu, ear aches, upset stomach, minor ulcers, headaches (other than migraines), and routine dental problems are examples of conditions that are not serious health conditions under this policy. If you have any questions about the types of conditions which may qualify, contact Human Resources.
- A **health care provider** is a medical doctor or doctor of osteopathy, physician's assistant, podiatrist, dentist, clinical psychologist, optometrist, nurse practitioner, nurse-midwife, clinical social worker, or Christian Science practitioner licensed by the First Church of Christ. Under limited circumstances, a chiropractor or other provider recognized by our group health plan for the purposes of certifying a claim for benefits may also be considered a health care provider.
- **Qualifying exigencies** for military exigency leave include:
  - Short-notice call-ups/deployments of seven days or less (**Note:** Leave for this exigency is available for up to seven days beginning the date of call-up notice);
  - Attending official ceremonies, programs, or military events;
  - Special child care needs created by a military call-up including making alternative child care arrangements, handling urgent and nonroutine child care situations, arranging for school transfers, or attending school or daycare meetings;
  - Making financial and legal arrangements;
  - Attending counseling sessions for the military service member, the employee, or the military service members' son or daughter who is under 18 years of age or 18 or older but is incapable of self-care because of a mental or physical disability;
  - Rest and recuperation (**Note:** Fifteen days of leave is available for this exigency per event);
  - Post-deployment activities such as arrival ceremonies, re-integration briefings, and other official ceremonies sponsored by the military (**Note:** Leave for these events is available during a period of 90 days following the termination of active duty status). This type of leave may also be taken to address circumstances arising from the death of a covered military member while on active duty;

- o Parental care when the military family member is needed to care for a parent who is incapable of self-care (e.g. arranging for alternative care or transfer to a care facility); and
- o Other exigencies that arise that are agreed to by both the Company and employee.
- A ***serious injury/illness*** incurred by a service member in the line of active duty or that is exacerbated by active duty is any injury or illness that renders the service member unfit to perform the duties of his or her office, grade, rank, or rating.

### C. Notice and Leave Request Process

Foreseeable Need for Leave: If the need for leave is foreseeable because of an expected birth/adoption or planned medical treatment, employees must give at least 30 days' notice. If 30 days' notice is not practicable, notice must be given as soon as possible. Employees are expected to complete and return a leave request form prior to the beginning of leave. ***Failure to provide appropriate notice and/or complete and return the necessary paperwork will result in the delay or denial of leave.***

Unforeseeable Need for Leave: If the need for leave is unforeseeable, notice must be provided as soon as practicable and possible under the facts of the particular case. Normal call-in procedures apply to all absences from work including those for which leave under this policy may be requested. Employees are expected to complete and return the necessary leave request form as soon as possible to obtain the leave. ***Failure to provide appropriate notice and/or complete and return the necessary paperwork on a timely basis will result in the delay or denial of leave.***

Leave Request Process: To request leave under this policy, employees must obtain and complete a leave request form from their supervisor or Human Resources and return the completed form to Human Resources. If the need for leave is unforeseeable and employees will be absent more than three days, employees should contact Human Resources by telephone and request that a leave form be mailed to their home. If the need for leave will be fewer than three days, employees must complete and return the leave request form upon returning to work.

Call-in Procedures: In all instances where an employee will be absent, the call-in procedures and standards established for giving notice of absence from work must be followed.

### D. Leave Increments

Parental Leave: Leave for the birth or placement of a child must be taken in a single block and cannot be taken on an intermittent or reduced schedule basis. Parental Leave must be completed within 12 months of the birth or placement of the child; however, employees may use parental leave before the placement of an adopted or foster child to consult with attorneys, appear in court, attend counseling sessions, etc.

Family Care, Personal Medical, Military Exigency, and Military Care Leave: Leave taken for these reasons may be taken in a block or blocks of time. In addition, if a health

care provider deems it necessary or if the nature of a qualifying exigency requires, leave for these reasons can be taken on an intermittent or reduced-schedule basis.

#### **E. Paid Leave Utilization During FMLA Leave**

Employees taking parental, family care, military exigency and/or military care leave must utilize available vacation/PTO, personal days, and/or family illness days during this leave. Employees on personal medical leave must utilize available sick, personal, and vacation/PTO days during this leave. Employees receiving short- or long-term disability or workers' compensation benefits during a personal medical leave will not be required to utilize these benefits. However, employees may elect to utilize accrued benefits to supplement these benefits.

#### **F. Certification and Fitness for Duty Requirements**

Employees requesting family care, personal medical, or military care leave must provide certification from a health care provider to qualify for leave. Such certification must be provided within 15 days of the request for leave unless it is not practicable under the circumstances despite the employee's diligent efforts. Failure to timely provide certification may result in leave being delayed, denied, or revoked. In the Company's discretion, employees may also be required to obtain a second and third certification from another health care provider at Company expense (except for military care leave). Recertification of the continuance of a serious health condition or an injury/illness of a military service member will also be required at appropriate intervals.

Employees requesting a military exigency leave may also be required to provide appropriate active duty orders and subsequent information concerning particular qualifying exigencies involved.

Employees requesting personal medical leave will also be required to provide a fitness for duty certification from their health care provider prior to returning to work.

#### **G. Scheduling Leave and Temporary Transfers**

Where possible, employees should attempt to schedule leave so as not to unduly disrupt operations. Employees requesting leave on an intermittent or reduced schedule basis that is foreseeable based on planned medical treatment may be temporarily transferred to another job with equivalent pay and benefits that better accommodates recurring periods of leave.

#### **H. Return to Work**

Employees returning to work at the end of leave will be placed in their original job or an equivalent job with equivalent pay and benefits. Employees will not lose any benefits that accrued before leave was taken. Employees may not, however, be entitled to discretionary raises, promotions, bonus payments, or other benefits that become available during the period of leave.

#### **I. Spouse Aggregation**

In the case where an employee and his or her spouse are both employed by the Company, the total number of weeks to which both are entitled in the aggregate because of the birth or placement of a child or to care for a parent with a serious health condition will be limited to 12 weeks per leave year. Similarly, a husband and wife employed by the Company will be limited to a combined total of 26 weeks of leave to care for a military service member. This 26-week leave period will be reduced, however, by the amount of leave taken for other qualifying FMLA events. This type of leave aggregation does not apply to leave needed because of an employee's own serious health condition, to care for a spouse or child with a serious health condition, or because of a qualifying exigency.

## **J. General Provisions**

**Failure to Return:** Employees failing to return to work or failing to make a request for an extension of their leave prior to the expiration of the leave will be deemed to have voluntarily terminated their employment.

**Alternative Employment:** No employee, while on leave of absence, shall work or be gainfully employed either for himself, herself, or others unless express, written permission to perform such outside work has been granted by the Company. Any employee on a leave of absence who is found to be working elsewhere without permission will be automatically terminated.

**False Reason for Leave:** Termination will occur if an employee gives a false reason for a leave.

### **7.7 *Military Leave (USERRA)***

The company complies with applicable federal and state law regarding military leave and re-employment rights. Unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (with amendments) and all applicable state law. Documentation of the need for the leave is required to be submitted to Human Resources. An employee returning from military leave of absence will be reinstated to his or her previous or similar job in accordance with state and federal law. You must notify your manager of your intent to return to employment based on requirements of the law. For more information regarding status, compensation, benefits and reinstatement upon return from military leave, please contact Human Resources.

### **7.8 *Jury Duty and Witness Leave***

If you are summoned for jury duty, please make scheduling arrangements with your supervisor as soon as you receive your summons or subpoena. All regularly employed trial or grand jurors will be paid regular wages (but not to exceed \$50 per day unless mutually agreed to) for the first three days of juror service or any part thereof. You may use PTO/vacation pay during the unpaid jury leave.

## **7.9 *Voting Leave***

Upon prior request (before election day), you will be provided up to two hours of paid time off to vote if you do not have three or more nonwork hours in which to vote during the hours the polls are open. The time when you can go to vote will be at the discretion of your supervisor, consistent with applicable legal requirements.

## **7.10 *Domestic Violence Leave***

Hudson Botanical Processing, LLC will provide employees who are victims of domestic violence, including sexual abuse, stalking, sexual assault, or any other crime including an act found by a court to be domestic violence, up to three days of [paid, unpaid] leave time within a 12-month period.

### **Eligibility**

Only employees employed with the Company for 12 or more months are eligible for this leave.

### **Use of Leave**

Employees may use leave available under this policy to:

- Seek a civil protection order to prevent domestic abuse.
- Obtain medical care and/or medical health counseling for the employee or the employee's children to address physical or psychological injuries resulting from the act of domestic abuse, stalking, sexual assault, or other crime involving domestic violence.
- Make the employee's home secure from the perpetrator of the crime or seek new housing to escape the perpetrator.
- Seek legal assistance to address issues arising from the crime and attend and prepare for court-related proceedings arising from the act or crime.

### **Notice**

Except in a case of imminent danger, an employee seeking leave from work under this policy must provide the Company with advance notice of the leave. In addition, the Company may require the employee to provide documentation verifying the need for the leave. Confidentiality of the situation will be maintained to the extent possible.

### **Retaliation**

Hudson Botanical Processing, LLC will not retaliate against any employee who seeks or takes leave under this policy.

## **7.11 *Workers' Compensation Insurance***

Workers' compensation is a no-fault system designed to provide benefits to all employees for work related injuries. Workers' compensation insurance coverage is paid for by the employer and governed by state law. The workers' compensation system provides for coverage of medical treatment and expenses, occupational disability leave,

rehabilitation services, as well as payment for lost wages due to work related injuries. If you are injured on the job, no matter how slightly, you are to report the incident immediately to your supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your supervisor immediately of your claim. If your injury is the result of an on-the-job accident, you must fill out an accident report. You will be required to submit a medical release before you can return to work.

### ***7.16 Unemployment Compensation Insurance***

Unemployment compensation insurance is paid for by the Company and provides temporary income for employees who have lost their job under certain circumstances. Your eligibility for unemployment compensation will, in part, be determined by the reasons for your separation from the Company.

## **8.0 Safety and Loss Prevention**

### ***8.1 General Safety Policy***

#### **Safety Policy**

Hudson Botanical Processing wants every employee to enjoy a safe workplace. Employees must comply with all safety rules and policies (and rules and policies of clients when on client premises) and all requirements of OSHA- the Occupational Safety and Health Act.

In accordance with applicable law, Hudson Botanical Processing has established a safety committee to constitute and have such duties as defined by applicable state law. Employee members of the safety committee will be paid for their time while attending committee meetings or while otherwise engaged in committee duties. Employees must comply with the injury prevention program adopted by the safety committee.

Please observe Hudson Botanical Processing safety rules in every phase of your work, with particular emphasis on proper lifting techniques when handling heavy objects. You are required to participate in the safety effort of Hudson Botanical Processing by working safely and attending safety sessions when offered. Incidents involving personnel are reviewed on a regular basis to identify safety hazards. If you should have an incident or injury or observe an unsafe condition, report it to your supervisor immediately, no matter how insignificant it may seem. Your particular job requirements may include additional specific safety guidelines, which you are required to observe and practice with no exceptions. You will not be subject to reprisal or retaliation for reporting unsafe conditions to management or outside enforcement authorities.

If you see a safety violation or concern, say something.

The following guidelines have been established as a part of Hudson Botanical Processing's safety policy:

- The safe way is the right way to do each job. Shortcuts are not the way.
- Know your job procedures. If in doubt, ask your supervisor.
- Operate equipment only when authorized and with all safety guards in place.
- Report unsafe acts to your supervisor before someone is injured.
- Report unsafe conditions immediately to your supervisor and/or owners.
- Report any conditions that you feel are less than optimal to your health or safety to your supervisor and/or owner. If special equipment or resources are needed to accommodate health conditions, these must be approved and ordered by a supervisor or owner. The company will not reimburse employees for equipment that is ordered without prior approval.
- Report unsafe equipment to your supervisor right away. Do not attempt repairs no matter how skilled you feel you are.
- Report any incident right away (**even if no injury**) to your supervisor and/or owners.
- At the scene of an incident, be helpful, courteous, and avoid argument or discussion of the situation. Report the incident to your supervisor immediately if possible. (documenting conditions helps us help you).
- Get medical aid even for small injuries. Delay can make it worse.
- Arrive at work rested, clean, and in good health. Be able to give full attention to your job.
- Report infections to your supervisor (which can be evidenced by conditions such as: skin eruption, boil, sore throat, vomiting, fever, etc.).
- If you feel ill at work, report to your supervisor. Get medical aid to protect yourself and others. Keep health tests up to date.
- Follow guidelines for health in the prevention of communicable diseases. These guidelines are for your health and safety and those with whom you work.
- Warning signs help you prevent incidents. Obey them! Remind others, too.
- If using chemicals, read labels, and relevant Material Safety Data Sheet. (MMSDS) carefully to follow safety warnings, mixing instructions, etc.
- Horseplay is NOT allowed. Practical jokes can cause serious injury.
- You are required to observe all safety notices posted and any specific safety requirements for your particular job.
- Violent acts in the workplace, including threats and intimidation are NOT allowed. This includes all threats, verbal or physical. Any such occurrences should be immediately reported to management.

## Reporting Injuries

To ensure that proper attention is given and appropriate action taken when an injury occurs within the workplace, please follow these procedures:

- Report the injury to your on-site supervisor immediately. If your supervisor is not immediately available, report to the manager or other authorized person. Seek or obtain medical attention if required.
- Report the injury to your Hudson Botanical Processing supervisor and/or Owners within 24 hours, or as soon as practical. Worker's Compensation laws require the processing of claims within reasonable time frames. All injuries/accidents **MUST** be reported promptly for claim submission.



- If you are involved in or are a witness to an incident, you should provide information in order for the appropriate report to be completed. Please be aware of the importance of immediate action in recording all details of the incident.

## **Incident Reports**

An incident report must be filled out and signed by any employees who witness an incident or injury immediately following the occurrence. Failure to do so may result in disciplinary action. This policy is important to the safety and well-being of all our employees.

## **Hazardous Chemicals**

### **Introduction**

OSHA developed the hazard communication standard with the goal of reducing the chance of chemically caused illnesses and injuries to workers by providing you, as an employee, with information regarding the hazards or chemicals you may be exposed to in your work. The standard requires that we have a written hazard communication program, which includes information on container labeling, Material Safety Data Sheets (MSDS), and an employee-training program.

Although the standard uses the word "Hazardous" to describe the chemicals in question, it also includes items we use everyday that many of you would not consider hazardous such as: motor oil, coolants, paint, solvents, and glues. These items are commonly used, sometimes daily, and rarely with any problems. However, they should be treated as hazardous chemicals. Knowing more about chemicals we use will make you aware of potential problems and help reduce or eliminate health and safety problems when you use these chemicals.

There are three areas you should be familiar with about chemical products to which you may be exposed:

- Container Labeling
- Listing of Chemical Products in Use
- Material Safety Data Sheets (MSDS)

### **Container Labeling**

Chemical containers cannot be shipped from the manufacturers or distributors unless they are properly labeled with the identity of the chemical. The label should tell you what chemical is in the container, what hazard that chemical may present and name and address of the manufacturer. Labels should not be defaced or removed and no chemical shipments should be accepted, even on a trial basis, without the proper label.

When transferring chemicals from large containers to a smaller container a label should be applied to the new container, unless the product is to be immediately and completely used by the person who transferred the chemical, and he or she knows the new container's content and that the transfer to the new container is appropriate.

The basic purpose of labeling requirements are to give an immediate warning of the chemical inside the container and to remind you that more detailed information is available from Material Safety Data Sheets. If a chemical container has no label, immediately inform your supervisor so that the contents can be labeled appropriately. Do not use the contents of any container that does not have a label or is expired.

### **Chemical Product List**

Each jobsite and office location has a list of chemical products used in our company's operation. This list is alphabetized by product name and also by manufacturer's name. Should you have questions on any of the chemicals on this list, you can request a copy of the Data Safety Sheet for your information. Make your request through your supervisor.

### **Material Safety Data Sheets (MSDS)**

These are technical bulletins prepared by companies who make chemicals. They should contain the following information:

- The identity of the chemical, including the chemical and common names.
- Physical and chemical characteristics of the chemical.
- Known acute and chronic health effects and related health information on the chemical.
- Exposure limit.
- Whether chemical is considered carcinogenic.
- Precaution measures to take when using the product.
- Name and address of the company who prepared the information.
- Emergency and first aid procedures.

### **The safe use of chemicals depends on:**

- Recognizing the hazard: Know the product you are using, read the MSDS, become familiar with precautions to be taken, and heed warnings by the manufacturer. Use only in accordance with label instructions.
- Evaluating your use: Look at yourself and what you are trying to accomplish with the chemical.
- Controlling your exposure: Personal protection equipment (PPE) should be used as recommended, proper ventilation is required, and follow appropriate storage requirements.
- Always consider these three elements when working with any chemicals.

### **Chemical Exposure**

The MSDS should provide information on chemical exposure threshold limits and routes of entry, as these terms are described below.

Threshold limits - How much of a product you can be exposed to without it being hazardous. Example: fumes from solvents, adhesives, welding, etc. A small amount of fumes inhaled over a short period of time may or may not affect you. A small amount breathed continually for 8 hours a day or a 40-hour week will increase the overall dose

and could have ill effects. On the other hand, a large amount of fumes for a few minutes may be irritating and may or may not have lasting effects.

Routes of entry - How chemicals get into our system: inhalation (breathing fumes or vapors), absorption (through skin pores after handling or getting on clothing), ingestion (swallowing or eating). Though you would not think of eating a chemical product, if you eat lunch, or a snack at break time without washing your hands, you may be eating the chemical that is on your hands.

Types of Chemicals - Some examples and how they can affect us:

- Corrosives - Such as battery acid and sulfuric acid, corrode or eat away at metals and steel and can do the same to your hands and face.
- Irritants – Such as solvents, do as they say, they irritate the skin or membranes and can cause a rash or dermatitis.
- Sensitizers – Such as epoxy and lacquers, affect the nervous system, coordination, muscle control, and thinking (brain).
- Toxins – Such as carbon monoxide, enter the blood stream and are carried to the brain and nervous system. In excessive amounts, will shut them down.
- Carcinogens – Such as asbestos fibers, are proven cancer causing to lungs and cell tissue.

## **Conclusion**

Hazard communication is common sense thinking about what you are doing, informing yourself, preparing for the task, and taking the necessary precautions. What you do not know **CAN HURT YOU**. By knowing, checking the MMSDS, evaluating your use, and controlling your exposure you can make chemical products work for you successfully and safely.

## **Health Requirements**

All employees shall be of sufficient good health to properly discharge their duties. Employees who have an infectious disease shall not be permitted to work for the duration of communicability. If an employee becomes ill or injured while on duty, it is his/her responsibility to report such illness or injury to his/her supervisor immediately. Failure to do so may result in a loss of potential benefits for that illness or injury. If an employee has excessive absences from work due to illness, his/her physical condition may be reviewed to determine the ability to continue in that position, and a physician's release that he/she is able to work may be required.

- Supervisor and manager responsibility: Supervisors and managers must forbid entry into the plant to any employee who, by the person's acknowledgement or direct observation, is shown to have, or appears to have any of the following symptoms:
  - Infection
  - Unmanageable sinus drainage, coughing, or sneezing
  - Open lesions
  - Fever

- Vomiting
- Diarrhea
- Unusual movements or behaviors
- Any employee working in licensed space (i.e. area where a badge is required) must be symptom free for a period of at least 24 hours before returning to work.

Here are the steps to call in sick for work:

- Contact your supervisor by phone. Make sure you have your supervisor's phone number. Please do not text, leave a message.
- If you have a Dept Lead call your Dept lead.
- Make sure you receive a response or call back from someone. If you don't get a response please try again.

## **8.2 Policy Against Violence**

The safety and security of our employees, residents, tenants, vendors, contractors, and the general public is of essential importance. Threats or acts of violence made by an employee against another person's life, health, well-being, family, or property will not be tolerated. Any act of intimidation, threat of violence, or act of violence committed against any person on Company property is prohibited. The following definitions apply:

- Intimidation: A physical or verbal act toward another person, the result of which causes that person to reasonably fear for his or her safety or the safety of others.
- Threat of violence: A physical or verbal act which threatens bodily harm to another person or damage to the property of another.
- Act of violence: A physical act, whether or not it causes actual bodily harm to another person or damage to the property of another.

No person shall possess or have control of any firearm, deadly weapon, or prohibited knife, as legally defined, while on Company property, except as required in the lawful course of business or as authorized by state law.

The following are prohibited:

1. Any act or threat of violence made by an employee against another person's life, health, well-being, family, or property.
2. Any act or threat of violence, which endangers the safety of employees, residents, tenants, vendors, contractors, or the general public.
3. Any act or threat of violence made directly or indirectly by words, gestures, symbols, or email.
4. Use or possession of a weapon on the Company's premises managed by the Company as permitted by state law.

It is a requirement that employees report to their supervisor or Human Resources, in accordance with this policy, any behavior that compromises the Company's ability to maintain a safe work environment. All reports will be investigated immediately and kept confidential, except where there is a legitimate need to know.

Employees who violate this policy may be subject to criminal charges as well as discipline up to and including immediate termination of employment.

## **9.0 Trade Secrets and Inventions**

### ***9.1 Employee Inventions***

Any employee invention created, in whole or in part, or from the use of the Company's equipment or facilities, is a "work for hire" and the property of the Company.

Any employee who intends to develop and maintain property rights in any invention, which relates in any way to the Company's products or services, is required to obtain a written waiver of this policy, signed by both the employee and an Owner.

### ***9.2 Confidentiality and Nondisclosure of Trade Secrets***

As a condition of employment, Company employees are required to protect the confidentiality of Company trade secrets, proprietary information, and confidential Company-related commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, trade secrets, production and processing knowhow, patents, trademarks, etc.). Access to this information should be limited to a "need to know" basis and should not be used for personal benefit, disclosed, or released without prior authorization from a supervisor. Any employee who has information that leads them to suspect that an employee or competitor is obtaining such information is required to inform their supervisor or Human Resources immediately.

Violation of this policy may result in the discipline or termination of any employee, as well as subject the employee to criminal and civil liability.

**(Add timeframe for former employees)**

## **10.0 Customer Relations**

### ***10.1 Customer, Client, and Visitor Relations***

We strive to provide the best products and services possible to our customers and clients. Our customers and clients support this business and generate your wages. You are expected to treat every customer, client, or visitor with the utmost respect and courtesy during your working time. You should never argue or act in a disrespectful manner towards a visitor or customer during your working time. If you are having problems with a customer, client, or visitor, please notify your supervisor immediately. If a customer, client, or visitor voices a suggestion, complaint, or concern regarding our products or services, please inform your supervisor or a member of management. Lastly, please make every effort to be prompt in following up on customer, client, or visitor orders or questions. Positive customer, client, and visitor relations will go a long way to establishing our Company as a leader in its field.

## **11.0 Closing Statement**

### ***11.1 Closing Statement***

Thank you for reading our employee handbook. We hope it has provided you with an understanding of the Company's mission, history, and structure as well as our current policies and guidelines. We look forward to working with you to create a successful company and a safe, productive, and pleasant workplace.

Sincerely,

Brian Adams and Dr. Robert Tuttle, Owners of Hudson Botanical Processing, LLC

## **12.0 Acknowledgment of Receipt and Review**

### ***12.1 Acknowledgment of Receipt and Review***

#### **COMPANY POLICY MANUAL ACKNOWLEDGEMENT FORM**

By my signature below, I acknowledge that I have received and read the Company Policy Manual for Hudson Botanical Processing, that I have been given the adequate opportunity to ask questions and receive clarification, regarding the policies and procedures set forth in the Company Policy Manual, and that I understand its contents.

I understand that I am required to abide by, and agree to abide by, Hudson Botanical Processing's policies as set forth in the Policy Manual or as otherwise adopted or implemented by "company" from time to time. I understand that there may be other policies or procedures in effect at Hudson Botanical Processing from time to time that are not included in the Employee Policy manual, and I agree to abide by those policies and procedures.

I understand that neither this policy manual nor any provision herein constitutes an employment contract, an offer to enter a contract of employment or part of an employment contract, or confers any contract rights.

I understand that Hudson Botanical Processing may rescind, modify, change, or deviate from the Company Policy Manual or any of its policies or procedures at any time, and any such rescission, modification, change, or deviation may become effective immediately. Employees will be notified with all rescissions, modifications and changes.

I understand that this signed acknowledgement will be inserted in my personnel file.

---

Date

Employee Signature

---

Print Employee Name

# **Qualifications and training**

## **Qualifications:**

All positions will require a high school diploma, GED or equivalent, be 21 years of age, and pass a background check. Specific positions may require more qualifications, such a college degree, certain certifications, or experience. All positions will be required to have computer skills and experience using the microsoft office suite or google suite applications.

## **Training**

In most cases, and for most departments, employee training is done on an individual basis by the department manager. Even if an employee has had previous experience in their specific functions, it is necessary for them to learn our specific procedures, as well as the responsibilities of the specific position. HBP will provide adequate training on job specific duties prior to performing job functions Hudson Botanical Processing (HBP) wants to invest in their employees future and development, so we will always be open to proposals for additional training.

All current employees, owners, and managers will participate in required training programs that will address all topics for job requirements including the state required Responsible Vendor Program when available. Additionally, at a minimum, staff shall receive eight hours of on-going training annually. All new employees will be required to complete the Responsible Vendor Program within 90 days of being hired. Documentation from the Responsible vendor program will be retained for 4 years as shown in our record keeping policy.

All employees will be required to get training in the following areas:

- Hygienic training
- Personal Conduct, such as work harassment
- General work safety
- Privacy and confidentiality requirements
- Compliance obligations of consistent with work responsibilities

All Good Manufacturing Practices (GMP) employees will be required to get training in the following areas:

- Chemical Safety
- Electrical safety
- Equipment safety
- cGMP Practices
- Process Training
  - Trained in all 7 steps of our proprietary manufacturing process
  - A certified GMP agent will train the new staff



- Live training will be supplemented with a library of videos for reference and review
- Serve safe or equivalent for supervisors of production

## **List of Potential Positions & Qualifications**

### **Kitchen manager**

The kitchen manager will be responsible for overseeing HBP's kitchen program.

Previous experience of running a kitchen is a must and preferably worked in a bakery or dessert focused setting. Must have strong communication skills, management experience, and staff training.

### **Cook**

Cooks will be an entry level position that will require a high school degree or equivalent.

Experience working in a kitchen will be a plus, but not required for hire.

### **Packager**

This will be an entry level position that will require a highschool degree or equivalent. No necessary recent experience will be required to perform this job.

### **Bookkeeper**

A good bookkeeper is supposed to be trustworthy, organized, and knowledgeable about the administrative duties. The bookkeepers are liable for handling business finances which include cash, and therefore, they should be cautious and capable of accounting for every transaction made to make sure that no funds are misplaced or misallocated. They should keep receipts and other financial documents filed for future reference in case of a misunderstanding on financial transactions. There is the need for a smooth workflow to make sure that one is not behind on paperwork requirements and accounting demands. This is where administrative tasks come in.

### **Extraction Technician**

This is an entry level job that will require a college degree in science that preferably has lab experience.

### **Shipping and receiving manager**

This is an entry level job that will require a high school degree or equivalent. It will be preferred that this position has prior experience in warehouse management. Be able to lift up to 50 lbs. and be able to operate typical warehouse equipment including but not limited to a pallet jack, box cutters, scales, printers, computers, and packing equipment.

### **Transportation specialist**

This is an entry level position that will require a high school degree or equivalent. The driver needs to have a clean driving record and be able to lift up to 50 lbs.

### **Sales Representative**

This role will require a college degree and have at least one years of experience in a sales role prior to working for HBP.

## **Quality Control and Testing**

To protect the public safety of the people of Massachusetts, Hudson Botanical Process (HBP) will only sell marijuana products for adult use that is capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. Testing of marijuana products will be performed by an Independent Testing Laboratory in compliance with the Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products, as amended in November, 2016, published by the DPH.

HBP will preach to all employees that it is everyone's responsibility to make sure that all our products meet our company quality standards. HBP will encourage employees with an incentive program for anyone that brings a quality issue to the attention of their supervisor or QA team.

### **QA/QC Batch Approval Process**

The Quality Assurance (QA) team will be responsible for maintaining the quality and integrity of HBP's products. Through a list of procedures, QA will inspect batches visually and review all analysis received from the testing labs.

The HBP QA team receives and analyzes by SOP, the product-specific, batch specific Certificate of Analysis against internal specifications for the product. The Quality Assurance team either passes or fails the batch for release, for sale, or for further processing such as fill and finish. Batches that pass all specifications for product quality are given a green release quality assurance tag and are moved to the final product released area and failed batches are given a red failed product tag and are moved to the failed product cage for timely destruction.

On a regular basis, the QA team is required to inspect the visual appearance of all products against an approved quality retention batch. If the product fails inspection, the issue needs to be brought to a manufacturing executive as soon as possible, so the issue can be addressed and solved.

### **Lab Testing Protocol**

HBP will require a Certificate of Analysis from a state-licensed independent Testing Laboratory prior to entering any agreements to purchase raw cannabis material. Not only will we use the Certificate of Analysis to make sure the product passes all the required tests, but also to ensure that we are making a sound decision for operation.

Following the completion of a production batch, HBP will send out a sample to a state licensed Independent Testing Laboratory for approval that the batch is below the required limits for all possible contaminants, residual solvents, Cannabinoid content, and homogeneity. After receiving a Certificate of Analysis for a processed batch, the Quality Assurance (QA) team will

review, approve or deny, and release or quarantine the batch. If approved, the batch will then move to the fill and finish department to be infused into finished products. Upon completion of the finished goods, the batches will then be sent out for testing to make sure that our finished products are compliant, safe, and ready to be sold to licensed dispensaries.

### **Facility Sanitation Protocol**

Our facility will operate as a GMP facility with the plan to eventually be a certified cGMP facility. All surfaces where product will be handled on food-grade stainless steel tables and surfaces. All contact surfaces, shall be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination. All finished marijuana packaging will be packaged in our secure fill and finish room, which will have key access for authorized personnel.

All production areas: upstream processing, downstream processing, and fill and finish will all have hand sinks for washing hands and replacement gloves to be reapplied after hand washing. All production areas have been designed so the floors, walls, and ceilings can easily be cleaned, sanitized, and kept in good repair. All production areas will need to be cleaned and sanitized every four hours or the change in a batch, whichever comes sooner. Surfaces need to be wiped, soaked, and sanitized before leaving each day and before starting each day. All surfaces will be wiped clean of debris then cleaned with warm soapy water, dried, then sanitized.

All sanitation equipment and supplies will be stored in the QA office next to the employee locker room. All employees will be able to have access to sanitation equipment and supplies whenever they are needed for the maintenance of sanitary operations.

The Water supply to our facility will be more than sufficient to carry out our operation. Our building has access to Hudson Town water, resulting in no issue of water supply. We have planned and worked with engineers and plumbers to ensure that there will be adequate supply of water to the necessary locations throughout the establishment. HBP's facility has a women's and men's room with multiple stalls and urinals, which is more than adequate for the number of employees we intend to employ.

### **Product Sanitation Protocol**

All biomass to be processed in the HBP facility will be well cured and generally free of seeds and stems. All biomass will be free of dirt, sand, debris, other foreign matter. All material to be processed will be free of contamination by mold, rot, other fungus, and bacterial disease. All biomass will be tested by a third party testing facility and pass all required testing panels before we purchase any material.

All products will be stored and transported under conditions that will protect them against physical, chemical, and microbial contamination. All products will be stored in food safe containers and be stored at least 6 inches off the ground.

## **Employee Sanitation Protocol**

All agents who job includes direct contact with marijuana will follow the requirements for food handlers specified in 105 CMR 300.000. All employees that enter the production facility will be required to follow the procedures below:

- Gown up in there PPE gear which includes: hair net, beard net, lab coat or tyvek suite, non slip shoes, and nitrile gloves.
- Prior to putting on gloves all employees that enter the GMP area will be required to wash their hands following the 935 CMR 500.105(3): Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
- If a new batch is started, hands come in contact with contaminated surface (i.e floor, wall), uses the restroom or 4 hours have elapsed since their last hand wash - handwashing will be required.
- If an employee needs to use the restroom all PPE must be removed, stored in the locker room and reapplied after using the restroom and washing their hands.
- All employees need to maintain adequate personal cleanliness and hygiene such as but not including: showering/bathing regularly, keeping hair clean, covered and tied back, clean clothing and footwear, handwashing regularly, keeping fingernails clean and free of paint, and removing jewelry prior to working.

## **Chemical Storage**

HBP only intends to use ethanol as a solvent for the extraction of cannabis, which is recognized by the FDA as a G.R.A.S. solvent, meaning it is safe for ingestion by humans. The solvent will be stored in yellow fire resistant chemical storage containers. All other toxic items and chemicals to be stored on-site will also be stored away from cannabis products and if needed will be stored in the chemical storage containers. All toxic items will be identified, held, and stored in a manner that protects against contamination of marijuana.

## **Batch Sample Retention**

HBP will retain an adequate number of frozen samples from each cGMP batch for further uses such as, product recall or retesting. Retention samples will be stored for 3 months after the determined shelf life of the product.

We will have a research protocol and report for every step of our process, including 3-month stability protocol on the final vape cartridge.

## **Facility Inspection**

The QA team will be responsible for inspection of the facility, inside and out, to make sure HBP is maintaining a clean, GMP work environment. The inspection will include, but not be limited too:

- Make sure pest control is in working order
- Check the exterior of the building for pests, standing water, chipping paint, leaks, cracks, and anything else that seems out of the ordinary
- Ensure clean-up schedule has been executed
- Trash and disposal needs are being met
- Processing equipment is in working order
- All doors and windows are not broken
- The adequate storage of goods
- Inspect the overall cleanliness of the facility
- The production of marijuana products are in compliance with 105 CMR 500.000: Good Manufacturing Practices for Food and 105 CMR 300.000: Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements.

There will be a QA inspection logbook, which will have date of the inspection, a summary of the inspection findings, and the names, signatures, and titles of the individuals who conducted the inspection.

### **Contaminated Batches**

HBP will have a written policy for responding to laboratory results that indicate contaminant levels are above acceptable limits established in the DPH protocols identified in 935 CMR 500.160(1). The policy will include:

- Batch will be quarantined
- If failed, the materials review board will convene and find the root cause of the failure and generate, review, and execute a Corrective and Preventive Action Plan (CAPA) and execute a CAPA close out.
- CAPA plan may include a plan for rework and reclaim if deemed feasible and safe by the materials review board.
- The Commission will be notified within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch.
- The notification must be from both the Marijuana Establishment and the Independent Testing Laboratory, separately and directly. The notification from the Marijuana Establishment must describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.
- All excess marijuana will be disposed of in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to the source Marijuana Establishment for disposal or by the Independent Testing Laboratory disposing of it directly

## **Non-Cannabis Waste**

Litter and waste will be properly removed on a daily basis to minimize the development of odor and the potential for the waste attracting and harboring pests

## **Cannabis Waste Disposal**

The QA team will be responsible for destroying and disposing of all cannabis material. All excess marijuana and marijuana deemed unusable will be disposed of in compliance with 935 CMR 500.105(12).

All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. All waste will be discarded on a daily basis to minimize odor, contamination, and the potential to attract and harbor pests.

Liquid waste containing marijuana or by-products of marijuana processing will be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for the discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26 through 53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers. Organic material, recyclable material and solid waste generated at a Cannabis Establishment will be redirected or disposed of as follows:

- Organic material and recyclable material shall be redirected from disposal in accordance with the waste disposal bans described at 310 CMR 19.017: Waste Bans.
- Any recyclable material as defined in 310 CMR 16.02: Definitions will be recycled in a manner approved by the Commission
- Any remaining marijuana waste shall be ground and mixed with other organic material as defined in 310 CMR 16.02: Definitions such that the resulting mixture renders the marijuana unusable for its original purpose. Once such marijuana waste has been rendered unusable, the mixture may be composted or digested at an aerobic or anaerobic digester at an operation that is in compliance with the requirements of 310 CMR 16.00: Site Assignment Regulations for Solid Waste Facilities.
- Solid waste containing cannabis waste generated at a marijuana establishment may be ground up and mixed with solid wastes such that the resulting mixture renders the cannabis unusable for its original purposes. Once such cannabis waste has been rendered unusable, it may be brought to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the

Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located; or

#### Personnel Requirements

- No fewer than two Marijuana Establishment Agents must witness and document how the marijuana waste is disposed or otherwise handled (recycled, composted, etc.) in accordance with 935 CMR 500.105(12).
- When marijuana products or waste is disposed of or handled, the Marijuana Establishment must create and maintain a written or electronic record of the date, the type and quantity disposed or handled, the manner of disposal or other handling, the location of disposal or another handling, and the names of the two Marijuana Establishment Agents present during the disposal or another handling, with their signatures.

#### Recall Procedure

In the event that the products produced by HBP have been deemed unsafe or non-complaint for any reason, we will have a comprehensive recall protocol. Once a manufacturing executive, who possess a complete list of all batches records, has access to all certificates of analysis, and knowledge of the production process has been notified of a recall instance the following protocol for batch recall will be followed:

- Post recall on website
- Send e-communications to all dispensaries that have the suspect batch or batches
- Call all dispensaries that bought the batch or batches in question
- Promptly send adequate personal/contractor (i.e, licensed third-party transporters) to all locations to retrieve all suspect inventory in question
- Secure and quarantine all product that has been recalled to aid in the investigation
- Request all dispensaries to post a notice online and instore of recall, including all product batches involved.
- Follow the same protocol for contaminated batches (i.e. for a CAPA plan)
- We will assist all necessary agencies to make sure we find and solve the root of the problem.

# **RECORD RETENTION AND DESTRUCTION POLICY**

## **1) Purpose**

The purpose of this Policy is to ensure that necessary records and documents are adequately protected and maintained and to ensure that records that are no longer needed by Hudson Botanical Processing, LLC (HBP) or are of no value are discarded at the proper time. This Policy is also for the purpose of aiding employees of HBP in understanding their obligations in retaining documents.

## **2) Policy**

This Policy represents the HBP's policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

## **3) Administration**

Attached as Appendix A is a Record Retention Schedule that is approved as the initial maintenance, retention and disposal schedule for physical records of HBP and the retention and disposal of electronic documents. Modifications to the Record Retention Schedule may be changed from time to time to ensure that it is in compliance with local, state, and federal laws and includes the appropriate document and record categories for HBP; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

All records required for the HBP business, tax, and regulatory compliance purposes will be stored daily in locked fireproof filing cabinets. Only authorized personnel will have key access to our records. All records will be stored in hard copy and electronically in a secure, electronic format for easy access to authorized employees. In accordance with 935 CMR 500.000 our records will be made available to the Cannabis Control Commission upon request. In accordance with the Town of Hudson By-law Section 5.12.7 we will make our financial records available for their accounting purposes.

All Good Manufacturing Practice (GMP) Documents will be in QA/QC Office: Masterbatch records, Inventory log, SOPs, Certificate of analysis, research protocols, research reports, Commissioning and qualifying records, maintenance, preventive maintenance, GMP training files/SOPs. All Non-GMP Documents will be stored in the management office: sales, marketing, HR, Financial, SOPs, training files, calibration and recalibration records

## **4) Suspension of Record Disposal In Event of Litigation or Claims**

In the event HBP is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning HBP or the commencement of any litigation against or concerning HBP, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

## **5) Applicability**

This Policy applies to all physical records generated in the course of HBP's operation, including both original documents and reproductions. It also applies to the electronic documents described above.



## **APPENDIX A RECORD RETENTION SCHEDULE**

The Record Retention Schedule is organized as follows:

### **SECTION TOPIC**

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Correspondence and Internal Memoranda
- E. Electronic Documents
- F. Insurance Records
- G. Legal Files and Papers
- H. Miscellaneous
- I. Payroll Documents
- J. Personnel Records
- K. Property Records
- L. Tax Records

### **A. ACCOUNTING AND FINANCE**

All of HBP's financial records will be maintained in accordance with generally accepted accounting principles. In accordance with our business dismantling plan, following the closure of HBP, all records will be kept for at least two years at the expense of HBP. Please see our dismantling plan for break down.

<b>Record Type</b>	<b>Retention Period</b>
Accounts Payable ledgers and schedules	7 years
Accounts Receivable ledgers and schedules	7 years
Annual Audit Reports and Financial Statements	Permanent
Annual Audit Records, including work papers and other documents that relate to the audit	7 years after completion of audit
Annual Plans and Budgets	2 years
Bank Statements and Canceled Checks	7 years
Employee Expense Reports	7 years
General Ledgers	Permanent
Interim Financial Statements	7 years
Notes Receivable ledgers and schedules	7 years
Investment Records	7 years after sale of investment

Sales (quantity, form, cost, etc)	7 Years
Assets and Liabilities	Permanent
Monetary Transactions	7 years

## B. CONTRACTS

Record Type	Retention Period
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	7 years after expiration or termination

## C. CORPORATE RECORDS

Record Type	Retention Period
Corporate Records (minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation, bylaws, annual corporate reports)	Permanent
Licenses and Permits	Permanent

## D. CORRESPONDENCE AND INTERNAL MEMORANDA

**General Principle:** Most correspondence and internal memoranda should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract (7 years after expiration). It is recommended that records that support a particular project be kept with the project and take on the retention time of that particular project file.

Correspondence or memoranda that do not pertain to documents having a prescribed retention period should generally be discarded sooner. These may be divided into two general categories:

- Those pertaining to routine matters and having no significant, lasting consequences should be discarded *within two years*. Some examples include:
  - Routine letters and notes that require no acknowledgment or followup, such as notes of appreciation, congratulations, letters of transmittal, and plans for meetings.
  - Form letters that require no follow-up.
  - Letters of general inquiry and replies that complete a cycle of correspondence.
  - Letters or complaints requesting specific action that have no further value after changes are made or action taken (such as name or address change).
  - Other letters of inconsequential subject matter or that definitely close correspondence to which no further reference will be necessary.
  - Chronological correspondence files.

Please note that copies of interoffice correspondence and documents where a copy will be in the originating department file should be read and destroyed, unless that information provides a reference to or direction to other documents and must be kept for project traceability.

2. Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently.

#### **E. ELECTRONIC DOCUMENTS**

All emails and electronic documents that contain or relate this policy will be retained and stored in accordance with the retention procedure hereunder.

#### **F. INSURANCE RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Annual Loss Summaries	10 years
Audits and Adjustments	3 years after final adjustment
Certificates Issued to HBP	Permanent
Claims Files (including correspondence, medical records, injury documentation, etc.)	Permanent
Group Insurance Plans Active Employees	Until Plan is amended or terminated
Group Insurance Plans – Retirees	Permanent or until 6 years after death of last eligible participant
Inspections	3 years
Insurance Policies (including expired policies)	Permanent
Journal Entry Support Data	7 years
Loss Runs	10 years
Releases and Settlements	25 years

#### **G. LEGAL FILES AND PAPERS**

<b>Record Type</b>	<b>Retention Period</b>
Legal Memoranda and Opinions (including all subject matter files)	7 years after close of matter
Litigation Files	1 year after expiration of appeals or time for filing appeals

Court Orders	Permanent
Requests for Departure from Records Retention Plan	10 years

## H. MISCELLANEOUS

<b>Record Type</b>	<b>Retention Period</b>
Consultant's Reports	2 years
Policy and Procedures Manuals – Original	Current version with revision history
Policy and Procedures Manuals Copies	Retain current version only
Annual Reports	Permanent
Written Operating Procedures	Current version with revision history
Inventory records	7 years
Cannabis Waste Disposal	3 years
Security Videos	90 days
Incident reports	1 year after investigation
Lab Testing results	1 year
Seed-to-sale tracking records	7 years

## I. PAYROLL DOCUMENTS

<b>Record Type</b>	<b>Retention Period</b>
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
W-2 and W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Labor Distribution Cost Records	7 years
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	2 years
Unclaimed Wage Records	6 years

## J. PERSONNEL RECORDS

Record Type	Retention Period
Commissions/Bonuses/Incentives/Awards	7 years
Employee Salary & Wages Records	Separation + 7 years
Employee Handbooks	1 copy kept permanently
Employee Medical Records	Separation + 6 years
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)	6 years after separation
Employment Contracts – Individual	7 years after separation
Employment Records Correspondence with Employment Agencies and Advertisements for Job Openings	3 years from date of hiring decision
Employment Records All Non Hired Applicants (including all applications and resumes whether solicited or unsolicited, results of postoffer, pre-employment physicals, results of background investigations, if any, related correspondence, disciplinary actions)	2-4 years (4 years if file contains any correspondence which might be construed as an offer)
Job Descriptions	3 years after superseded
Personnel Count Records	3 years
Forms I-9	3 years after hiring, or 1 year after separation if later
Material submitted to the CCC	1 year after separation
Documentation of all training	1 year after separation
Verification of References	1 year after separation
Documentation of performance evaluations	1 year after separation
Notice of responsible vendor training and 8 hours of ongoing training	4 years after separation
	Current version with revision history

Staffing Plan	
Background checks	1 year after separation
Signature of each employee and consultant	1 year after separation

#### K. **PROPERTY RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
Original Purchase/Sale/Lease Agreement	Permanent
Property Insurance Policies	Permanent

#### L. **TAX RECORDS**

**General Principle:** HBP must keep books of account or records as are sufficient to establish the amount of gross income, deductions, credits, or other matters required to be shown in any such return.

These documents and records shall be kept for as long as the contents thereof may become material in the administration of federal, state, and local income, franchise, and property tax laws.

<b>Record Type</b>	<b>Retention Period</b>
IRS Rulings	Permanent
Excise Tax Records	7 years
Payroll Tax Records	7 years
Tax Bills, Receipts, Statements	7 years
Tax Returns Income, Franchise, Property	Permanent
Tax Workpaper Packages Originals	7 years
Sales/Use Tax Records	7 years
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent
Payments Made to Hudson	7 years



# **Restricting Access to Individual Under the age 21**

## **Access**

As stated in our security plan, access into the Hudson Botanical Processing (HBP) facility is restricted to employees and authorized personnel only. Anyone that is not a marijuana establishment agent at HBP is considered a visitor. All visitors must enter through the front of the building and be checked in by an authorized employee of HBP. The authorized HBP employee, will make sure that the visitor signs into the log book then will check their government issued I.D. to ensure they are 21 years of age or older to enter the HBP facility.

All employees and registered agents of HBP will be 21 years of age or older. HBP will never hire any individual who is under the age of 21.

## **Identification Verification**

As required by 935 CMR 500.105(2)(b) all marijuana establishment agents are required to take the responsible vendor program, which includes a section about checking and verifying identification. Using the knowledge gained from the training program, employees will use their best judgement to ensure the government issued I.D. is real and accurate. Upon verification, the individual will be allowed into the facility, while being accompanied by an authorized employee.

## **Identification Denial**

If the identification given by the visitor is deemed fraudulent, inaccurate or unacceptable, the individual will not be allowed into the facility and the Police will be notified.



**Plan to Positively Impact Areas of Disproportionate Impact**  
**935 CMR 500.101(1)(a)11**

**Goals**

Promote sustainable and socially restorative practices by the cannabis industry in Massachusetts by participating in community clean-up and volunteer opportunities in areas of disproportionate impact. Hudson Botanical Processing (HBP) will participate in two volunteer opportunities in Worcester's areas of disproportionate impact as defined by the CCC. As our business grows and we have adequate resources and the ability to volunteer more we are going to strive to attend a minimum of four events a year.

**Program**

HBP will work with, Andy's Attic a local charity organization that's mission is to provide for families, especially those in need, the ability to have warm and comfortable clothing so that they can advance in their everyday life. Andy's Attic is located in Worcester and serves all areas of Worcester including the areas defined by the CCC as areas of disproportionate impact.

HBP will participate in two volunteer events per year as a company to help support the areas that have been disproportionately affected by the war on drugs in Worcester. We will participate in events that will require at least a half day of volunteering (4 hrs). Andy's Attic hosts one volunteer event per month to help with whatever is needed at their place of work, to make sure clothes are folded, stocked, organized, and delivered to the appropriate places.

**Measurements**

HBP will track our sustainable and socially reparative practices by attending 2 events we have pledged to be involved with. As our company grows we intend to increase the number of events we will intend to eventually reach our goal of attending at least one event a quarter. We will present the success and progress of our plan to the CCC upon renewal of our license each year.

**Additional Requirements**

HBP acknowledges and is aware, and 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, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

### **Plan Evaluation**

HBP will always be evaluating this plan and will take suggestions to improve this plan and promote the positive impact of cannabis companies throughout these communities.