



Massachusetts Cannabis Control Commission

Marijuana Product Manufacturer

General Information:

License Number: MP281984
Original Issued Date: 04/14/2021
Issued Date: 04/14/2021
Expiration Date: 04/14/2022

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Coastal Infusions, LLC

Phone Number: 617-549-8575 Email Address: ccc@coastal-infusions.com

Business Address 1: 10 Fanaras Dr

Business Address 2:

Business City: Salisbury

Business State: MA

Business Zip Code: 01952

Mailing Address 1: 24R Pleasant St, Unit 2

Mailing Address 2:

Mailing City: Newburyport

Mailing State: MA

Mailing Zip Code: 01950

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

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

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 100

Percentage Of Control: 100

Role: Executive / Officer

Other Role:

First Name: Christopher

Last Name: Edwards

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: Christopher

Last Name: Edwards

Suffix:

Types of Capital: Monetary/
Equity

Other Type of
Capital:

Total Value of the Capital Provided:
\$2000000

Percentage of Initial Capital:
100

Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 10 Fanaras Drive

Establishment Address 2:

Establishment City: Salisbury

Establishment Zip Code: 01952

Approximate square footage of the Establishment: 30000

How many abutters does this property have?: 9

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

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	HCA-Certification-Form-11-9-2020.pdf	pdf	5fc8dee6c3fca007695a84cc	12/03/2020
Community Outreach Meeting Documentation	Attestation-Packet.pdf	pdf	5fc8defbfda1250795583798	12/03/2020
Plan to Remain Compliant with Local Zoning	Plan to Remain Compliant With Zoning.pdf	pdf	5fc8df094a175107ac952159	12/03/2020
Community Outreach Meeting Documentation	Approval Letter.pdf	pdf	5fd3d286418c5607a11daded	12/11/2020
Community Outreach Meeting Documentation	RFI-Community Outreach Hearing.pdf	pdf	5fd3d317c3fca007695aa189	12/11/2020

Total amount of financial benefits accruing to the municipality as a result of the host community agreement. If the total amount is

zero, please enter zero and provide documentation explaining this number.: \$

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Plan for Positive Impact-updated2.pdf	pdf	5fda3599fda1250795585f3d	12/16/2020

ADDITIONAL INFORMATION NOTIFICATION

Notification:

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Executive / Officer

Other Role:

First Name: Christopher

Last Name: Edwards Suffix:

RMD Association: Not associated with an RMD

Background Question: yes

ENTITY BACKGROUND CHECK INFORMATION

No records found

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Bylaws	Bylaws - Coastal Infusions, LLC.pdf	pdf	5fc8e0084a175107ac952161	12/03/2020
Articles of Organization	Certificate of Organization.pdf	pdf	5fc8e00987f4c7077b60fc63	12/03/2020
Department of Revenue - Certificate of Good standing	Certificate-of-Good-Standing-DOR.pdf	pdf	5fc8e01863caf5075a67d0fe	12/03/2020
Secretary of Commonwealth - Certificate of Good Standing	Certificate-of-Good-Standing-Sec-State.pdf	pdf	5fc8e024fda12507955837a2	12/03/2020
Secretary of Commonwealth - Certificate of Good Standing	RFI-DUA.pdf	pdf	5fd3d7415ea0dd074817c16c	12/11/2020

No documents uploaded

Massachusetts Business Identification Number: 001466870

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	Business Plan and Timeline.pdf	pdf	5fc8e03d925f52079a1f21a5	12/03/2020
Plan for Liability Insurance	Plan for obtaining liability insurance.pdf	pdf	5fcfca1d4a175107ac953221	12/08/2020
Proposed Timeline	Timeline.pdf	pdf	5fd3d7aa91587f0787190114	12/11/2020

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Types of products Manufactured.	Types of Products Manufactured.pdf	pdf	5fcfca3d728b9907c6dd79f2	12/08/2020
Method used to produce products	Methods Used to Produce Products.pdf	pdf	5fcfca48d8789e0780e4190e	12/08/2020
Sample of unique identifying marks used for branding	Samples of unique identifying marks used for branding.pdf	pdf	5fcfca54dd0ccd077448ef1d	12/08/2020
Prevention of diversion	Prevention of Diversion.pdf	pdf	5fcfca8991587f078718f4e6	12/08/2020
Storage of marijuana	Storage of Marijuana.pdf	pdf	5fcfca94d8789e0780e41912	12/08/2020
Transportation of marijuana	Transportation of marijuana.pdf	pdf	5fcfcaa1925f52079a1f3257	12/08/2020
Inventory procedures	Inventory Procedures.pdf	pdf	5fcfcab0418c5607a11da21b	12/08/2020
Dispensing procedures	Dispensing Procedures.pdf	pdf	5fcfcacafda1250795584814	12/08/2020
Personnel policies including background checks	Personnel Policies Including Background Checks-1.pdf	pdf	5fcfcadb87f4c7077b610cae	12/08/2020
Personnel policies including background checks	Personnel Policies Including Background Checks-2.pdf	pdf	5fcfcadff867b207bbf10718	12/08/2020
Record Keeping procedures	Record Keeping Procedures.pdf	pdf	5fcfcaec418c5607a11da21f	12/08/2020
Maintaining of financial records	Maintaining of financial records.pdf	pdf	5fcfcafa91587f078718f4ee	12/08/2020
Qualifications and training	Qualifications and training.pdf	pdf	5fcfcb1f87f4c7077b610cb2	12/08/2020
Safety Plan for Manufacturing	Safety Plan for Manufacturing.pdf	pdf	5fcfcb3d728b9907c6dd79fc	12/08/2020
Plan to Obtain Marijuana	Plan for obtaining marijuana or marijuana products.pdf	pdf	5fcfcb4791587f078718f4f2	12/08/2020
Plan to Obtain Marijuana	Curaleaf-LOI-signed.pdf	pdf	5fcfcb544a175107ac95322b	12/08/2020
Security plan	Security Plan-updated.pdf	pdf	5fd3db755ea0dd074817c183	12/11/2020
Energy Compliance Plan	Energy Compliance Plan-updated.pdf	pdf	5fd3e6f1dd0ccd077448fb57	12/11/2020
Quality control and testing	Quality control and testing-updated.pdf	pdf	5fd76e44dd0ccd077448fe08	12/14/2020
Restricting Access to age 21 and older	Restricting Access to age 21 and older-updated.pdf	pdf	5fd76e5ff867b207bbf115cf	12/14/2020
Diversity plan	Diversity Plan-updated3.pdf	pdf	5fdb6ccbe826e207c07d916c	12/17/2020

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification:

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

HOURS OF OPERATION

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

Host Community Agreement Certification Form

Instructions

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

Certification

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

1. Name of applicant:

Coastal Infusions, LLC

2. Name of applicant’s authorized representative:

Christopher Edwards

3. Signature of applicant’s authorized representative:



4. Name of municipality:

Salisbury

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

Neil Harrington



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



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

nharrington@salisburyma.gov

8. Host community agreement execution date:

11/9/20



Community Outreach Meeting Attestation Form

Instructions

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

Attestation

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

1. The Community Outreach Meeting was held on the following date(s): 12/01/2020
2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).



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

a. Date of publication: 11/13/20

b. Name of publication: The Daily News of Newburyport

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

a. Date notice filed: 11/12/20

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

a. Date notice(s) mailed: 11/12/2020

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



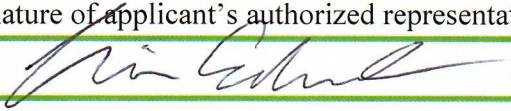
Name of applicant:

Coastal Infusions, LLC

Name of applicant's authorized representative:

Christopher Edwards

Signature of applicant's authorized representative:



Coastal Infusions, LLC

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for December 1 at 6:00pm. The proposed adult-use cultivation and product manufacturing facility is to be located at 10 Fanaras Dr, Salisbury, MA 01952. There will be an opportunity for the public to ask questions. The meeting will be held online via Zoom Meeting ID# 797 1582 6921 with Passcode 1234. You are being notified in accordance with MA Cannabis Control Commission regulations.

Coastal Infusions, LLC

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for December 1 at 6:00pm. The proposed adult-use cultivation and product manufacturing facility is to be located at 10 Fanaras Dr, Salisbury, MA 01952. There will be an opportunity for the public to ask questions. The meeting will be held online via Zoom Meeting ID# 797 1582 6921 with Passcode 1234. You are being notified in accordance with MA Cannabis Control Commission regulations.

Plan to Remain Compliant with Local Zoning

The first step in Coastal Infusion's process for identifying a compliant location was to examine the Town of Salisbury Zoning Ordinance and Map, in conjunction with an exhaustive search for K-12 schools in the vicinity. Upon determination that the proposed location was fully situated on a correctly zoned parcel and properly distanced from any schools, the Town Administrator was consulted to verify. The Board of Selectmen and Planning Department subsequently agreed that the proposed location complies with local zoning ordinances. According to Town ordinances, a Special Permit must be obtained as a next step. This process, of course, requires input from all Town department heads, a site plan review and a public hearing. Zoning compliance will ultimately be verified by multiple qualified officials, ensuring that the proposed site is fully compliant with local zoning. It is expected that the Special Permit will be conditioned on remaining compliant with state law and regulations.

Before any construction begins, a code review expert will be engaged to ensure that all proposed facility updates are compliant before applying for a building permit. Transparent communication will be maintained with all relevant stakeholders throughout the permitting, modification and operation of the facility. Continued compliance will be ensured through regular monitoring of changes to local codes and zoning ordinances, as well as ongoing collaboration with elected officials, inspectors and other stakeholders. Additionally, the Coastal Infusions management team will receive training about local zoning requirements and Special Permit conditions, including a directive to conduct a verification process as part of routine internal compliance checks.

Chris Edwards

From: Neil Harrington <nharrington@salisburyma.gov>
Sent: Friday, December 11, 2020 2:56 PM
To: chris@coastal-infusions.com
Subject: RE: Meeting notice

Hi Chris,

I can confirm that, under the Governor's emergency orders, public meetings may be held remotely, as long as the public has access to watch, listen and/or participate via electronic means. Therefore, the Town of Salisbury has no concerns with your having conducted your Dec. 1 community outreach meeting virtually. Let me know if you need anything else from the Town.

Regards,

Neil Harrington
Town Manager

From: chris@coastal-infusions.com <chris@coastal-infusions.com>
Sent: Friday, December 11, 2020 9:58 AM
To: Neil Harrington <nharrington@salisburyma.gov>
Subject: RE: Meeting notice

Good morning Neil. The CCC has asked me to provide a letter from the town of Salisbury stating that I was authorized to conduct a virtual community outreach hearing instead of a face-to-face meeting due to the covid situation. I believe this could be as simple as an email. Sorry to bother you with this, but would you mind sending me something when you have a moment please?

Host Community Information (Community Outreach Documentation-Virtual Meeting):

1. The applicant shall obtain approval in writing from the Contracting Authority or Authorized Representative of the host community for a virtual Community Outreach Meeting.

Written approval from the Town Manager has been uploaded as "Approval Letter.pdf".

2. The applicant shall post on a publicly accessible website all meeting materials at least 24 hours in advance of the meeting.

No meeting materials were required for this Community Outreach Hearing. The presentation was done virtually through Zoom without the use of graphics or other written materials that needed to be shared with the participants.

3. The applicant shall submit to the Commission the number of participants attending the meeting.

A total of 12 participants attended the meeting.

4. The applicant shall submit a recording of the meeting to the host community in a form or manner conducive for replay on local cable access or other broadcast means at the host community's discretion

A video recording of the meeting has been shared with the Town of Salisbury. It is currently available for public viewing at <http://trms.sctvmc.org/CablecastPublicSite/show/7242?channel=1>

Plan for Positive Impact

Coastal Infusions shares the fundamental goal of positively impacting disproportionately harmed people. This includes the following people/groups:

1. Past or present residents of the geographic “areas of disproportionate impact,” which have been defined by the Commission and identified in its Guidance for Identifying Areas of Disproportionate Impact.
2. Commission-designated Certified Economic Empowerment Priority recipients;
3. Commission-designated Social Equity Program participants;
4. Massachusetts residents who have past drug convictions; and
5. Massachusetts residents with parents or spouses who have drug convictions.

Goals:

The high level goal of our Plan for Positive Impact is to benefit groups 1, 4 and/or 5 from this list. More specifically, we hope to help reduce the stigma of hiring individuals with past drug convictions, personally or in their immediate family, by hiring/training/mentoring individuals from these groups. We will offer skills assessment for individuals from these 3 groups, and help qualified individuals obtain a job with us or elsewhere in the marijuana industry.

Programs:

Coastal Infusions’ will establish a Career Fair Program intended to aid in achieving these goals. Specifically, we propose to host and/or participate in career fairs targeted at individuals in the three selected groups. The career fairs will be conducted virtually until face-to-face interaction is no longer disallowed by state (or federal) mandate. Eventually, we intend to offer face-to-face opportunities in Haverhill, which is the nearest ADI geographically to Salisbury, as defined by the CCC. The career fairs will be offered two times per year, or more, in the event that we are actively trying to fill job opportunities in the company. Each event will be advertised in the Eagle Tribune, and promoted on our website and/or social media channels, stating that we are specifically looking for MA residents who are past or present residents of Haverhill, have past drug convictions, or have parents or spouses with past drug convictions.

CFP participants will be offered an overview presentation of the cannabis industry, and a detailed analysis of job skills that are important for success. Participants will be invited to participate in informal interviews with our staff to discuss their particular skills and experience, and how these might be transferable to the cannabis industry. Participants demonstrating a positive attitude and transferable skill set will be invited to partake in a formal interview process as a next step when job openings exist within the company. In the event that no job openings within our organization exist, we will introduce the candidate to other Marijuana Establishments in our network who may be actively hiring. While we cannot “recommend” an individual which has never worked for Coastal Infusions, we can achieve our goal of helping qualified individuals to obtain a job in the industry who have participated in the skills assessment portion of our CFP in this way.

In order to retain individuals from the targeted groups, we intend to offer competitive pay and benefits, a positive work environment, ongoing training and skill development, cross-training in complimentary job functions within the company, and opportunities for advancement whenever possible.

Measurement:

The results of the career fair program will be measured by:

- The number of career fairs participated in during the past year
 - Goal: At least 2 career fairs per year
 - Data source: Event advertisements will be documented
- The number of individuals newly hired during the past year within groups 1, 4 or 5
 - Goal: At least 1 new hire per year
 - Data source: We will count the number of applicable individuals hired within the past year using company personnel records.
- The number of individuals from groups 1, 4 or 5 previously hired and still employed by the company
 - Goal: At least 1 still employed
 - Data source: We will count the number of applicable individuals hired and still employed using company personnel records.
- The number of individuals previously hired from groups 1, 4 or 5 who have been promoted within the organization
 - Goal: At least 1 promotion
 - Data source: We will count the number of applicable individuals promoted within the organization using company personnel records.
- The number of individuals from groups 1, 4 or 5 identified during the past year who we referred to another Marijuana Establishment
 - Goal: At least 2 referrals
 - Data source: We will count the number of written letters of introduction issued by the company.

As part of its internal compliance program, the company will measure success in each of the areas identified above on a semi-annual basis. Progress will be recorded in a progress tracking spreadsheet which will be used for internal tracking, and also included in the annual license renewal process. As stated in our proposed timeline, the majority of the staff will be recruited and hired upon receipt of a final license from the CCC. It is acknowledged that providing progress of this Plan for Positive Impact is required upon renewal, which occurs one year from Provisional Licensure, whether or not a Final License has been obtained.

Coastal Infusions 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.

BYLAWS
of
COASTAL INFUSIONS, LLC
a Massachusetts Limited Liability Corporation

ARTICLE I

NAME, PURPOSES, LOCATION, CORPORATE SEAL, AND FISCAL YEAR

1.1 Name and Purposes. The name and purposes of the corporation shall be as set forth in the Certificate of Organization. The corporation shall operate as a licensed Marijuana Establishment, in full compliance with 935 CMR 500.

1.2 Location. The principal office of the corporation in the Commonwealth of Massachusetts shall initially be located at the place set forth in the Certificate of Organization of the corporation. The Directors may change the location of the principal office in the Commonwealth of Massachusetts effective upon filing a certificate or annual report with the Secretary of the Commonwealth.

1.3 Corporate Seal. The Directors may adopt and alter the seal of the corporation. The seal of the corporation, if any, shall, subject to alteration by the Directors, bear its name, the word "Massachusetts" and the year of its incorporation.

1.4 Fiscal Year. The fiscal year of the corporation shall, unless otherwise decided by the Directors, end on December 31 in each year.

ARTICLE II

MEMBERS

2.1 Election and Qualification. Membership of the corporation shall be determined as follows.

(a) Members. The initial member shall be Christopher Edwards. Thereafter, members shall be elected by the unanimous vote of the members of the corporation at a meeting of such members.

(b) Intentionally omitted.

2.2 Tenure. Each member shall hold office indefinitely until such member dies, ceases to exist, resigns, is removed, or becomes disqualified.

2.3 Powers and Rights. Members shall have the right to elect Directors as provided in these Bylaws and such other powers and rights as are vested in them by law, the Certificate of Organization, or these Bylaws. Members shall also have such other powers and rights as the Directors may designate.

2.4 Removal. A member may be removed with or without cause by an unanimous vote of the members then in office. A member may be removed for cause only after reasonable notice and opportunity to be heard.

2.5 Resignation. A member may resign by delivering his, her or its written resignation to the president, treasurer, or clerk of the corporation, to a meeting of the members or Directors, or to the corporation at its principal office. Such resignation shall be effective upon receipt (unless specified to be effective at some other time), and acceptance thereof shall not be necessary to make it effective unless it so states.

2.6 Vacancies. Any vacancy in the membership may be filled by the members in accordance with Section 2.1. Except as otherwise provided by law, the Certificate of Organization, or these Bylaws, the members shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number.

2.7 Annual Meetings. The date, place and time of the annual meeting of the members shall be fixed by the Directors. Each annual meeting shall be held for the purpose of electing Directors and for such other purposes as may properly be brought before the meeting under law, the Certificate of Organization, or these Bylaws.

If an annual meeting is not held as herein provided, a special meeting of the members may be held in place thereof with the same force and effect as the annual meeting, and in such case all references in these Bylaws to the annual meeting of the members, except in this Section 2.7, shall be deemed to refer to such special meeting.

If, after having been designated by the Directors and after notice thereof shall have been given to the members, the time, date, or place of any meeting for the election of Directors shall be changed, written notice of the change shall, in the manner provided in Section 2.10, be given to each member entitled to vote at the meeting.

2.8 Regular Meetings. Regular meetings of the members may be held at such places within the United States and at such times as the members may determine.

2.9 Special Meetings. Special meetings of the members may be held at any time and at any place within the United States. Special meetings of the members may be called by the President or by the Directors. Except as otherwise provided by law, upon written application of one of the two members, special meetings shall be called by the Clerk, or, in the case of the death, absence, incapacity, or refusal of the Clerk, by any other officer. The members requesting the special meeting, and the notice of such special meeting, shall each specify the purpose thereof.

2.10 Notice of Meetings. Except as otherwise provided by law, a written notice of every meeting of members, stating the place, date, and hour thereof, shall be given by the clerk, by an assistant clerk, or by the person calling the meeting, at least seven (7) days before the meeting to each member, who by law, by the Certificate of Organization, or by these Bylaws, is entitled to such notice, by telephone, telecopy or electronic mail or other equivalent electronic media, or by leaving such notice with such member or at such member's residence or last known usual place of business, or by mailing it postage prepaid and addressed to such member at such member's last known address as it appears upon the records of the corporation. Any notice given hereunder

shall state the place, date, and hour of the meeting, but need not specify the purposes of the meeting except that if an amendment to the corporation's Certificate of Organization or these Bylaws shall be a purpose of the meeting, or if the meeting is the first annual meeting next following the making, amending or repealing by the Board of Directors of any Bylaw, the same shall be so stated in the notice. Except as provided by law, no notice need be given to any member if a written waiver of notice, executed before or after the meeting by the member or his, her, or its attorney thereunto duly authorized, is filed with the records of the meeting. No notice of any adjourned meeting shall be required if (a) the time and place thereof are announced at the meeting at which the adjournment is taken, (b) the adjournment is for less than thirty (30) days, and (c) no new record date is fixed for the adjourned meeting.

2.11 Quorum. Except as otherwise provided by law, by the Certificate of Organization, or by these Bylaws, at any meeting of the members, all of the members then in office (whether present in person or duly represented) shall constitute a quorum. A quorum shall not be required to adjourn any meeting to such date or dates not more than thirty (30) days after the first session of the meeting, and at any adjourned meeting any business may be transacted which might have been transacted at the meeting as originally called, provided a quorum shall be in attendance at such adjourned meeting.

2.12 Action by Vote. Each member shall have one (1) vote. When a quorum is present at any meeting, an unanimous vote of the members present in person or duly represented shall decide any question, including election to any office, unless otherwise provided by law, the Certificate of Organization, or these Bylaws. No ballot shall be required for such election or other matter unless requested by a member present or duly represented at the meeting and entitled to vote with respect to such election or matter.

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

2.14 Proxies. Members may vote either in person or by written proxy dated not more than six (6) months before the meeting named therein, which proxies, before being voted, shall be filed with the clerk or other person responsible for recording the proceedings of the meeting. Unless otherwise specifically limited by their terms, such proxies shall entitle the holder thereof to vote at any adjournment of the meeting but the proxy shall terminate after the final adjournment of such meeting. A proxy purporting to have been executed by or on behalf of a member shall be deemed valid unless challenged at or prior to its exercise and the burden of providing any alleged invalidity shall rest with the person challenging the proxy.

2.15 Compensation. Unless otherwise provided by law, the Certificate of Organization, or these Bylaws, members shall be entitled to receive for their services, such reasonable amounts, if any, as the Directors may determine, which may include expenses of attendance at meetings. Members shall not be precluded from serving the corporation in any other capacity and receiving reasonable compensation for any such services.

2.16 Record Date. For the purposes provided by law, the Directors may fix in advance a record date for determining the members of the corporation, which record date, unless a shorter

period is provided in the Certificate of Organization, shall be not more than sixty (60) days prior to the event for which such determination is to be made. If such a record date is fixed by the Directors, only members of record on such record date shall have the right (except as otherwise provided in Article II, Section 2.10 of these Bylaws) to notice of and to vote at (if and to the extent they have the right to vote) the meeting (and any adjournment thereof) or the right to consent or dissent to any action, for which purpose such record date was fixed.

If no record date is fixed by the Directors, the record date for determining members having the right to notice of, or to vote at, a meeting of members shall be at the close of business on the day preceding the day on which notice is given. The record date for determining members for any other purpose shall be at the close of business on the day on which the Board of Directors acts with respect thereto.

2.17 Powers of Incorporators. Prior to the election of members of the corporation, the incorporators may exercise all rights of members and take any action required or permitted by law, the Certificate of Organization, or these Bylaws to be taken by members.

ARTICLE III

HONORARY POSITIONS

Intentionally omitted.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Powers. The affairs of the corporation shall be managed by the Board of Directors which shall have and may exercise all the powers of the corporation, except those powers reserved to the members by law, the Certificate of Organization, or these Bylaws. The Board of Directors shall have all powers, rights, and obligations conferred by law upon a Board of Directors of a corporation organized under Massachusetts General Laws. Unless otherwise provided, references in these Bylaws to authority or powers of Directors shall be construed to mean authority or powers of the Board of Directors and meetings of Directors shall be construed to mean meetings of the Board of Directors.

4.2 Number and Election. The Board of Directors shall consist of such number as shall be fixed by the Board of Directors from time to time, except that such number may be otherwise fixed by the members of the corporation at any annual, regular, or special meeting, but shall not in any event be less than one (1) Director. Except as otherwise provided by law, by the Certificate of Organization, or by these Bylaws, the Board of Directors shall be elected at the annual meeting of the members in the manner prescribed by law, by the Certificate of Organization, and by these Bylaws. A Director may, but need not, be an officer or member.

4.3 Tenure. Except as otherwise provided by law, by the Certificate of Organization, or by these Bylaws, and subject to a Director's earlier death, resignation, removal, or disqualification, a Director shall hold office until the next annual meeting of members and until a successor is elected and qualified.

4.4 Removal. Except as otherwise provided by law, by the Certificate of Organization, or these Bylaws, a Director may be removed (i) with or without cause by an unanimous vote of the members then in office or (ii) with cause by vote of a majority of the Directors then in office. A Director may be removed with cause only after reasonable notice and opportunity to be heard.

4.5 Resignation. A Director may resign by delivering his or her written resignation to the president, treasurer, or clerk of the corporation, to a meeting of the members or Directors, or to the corporation at its principal office. Such resignation shall be effective upon receipt (unless specified to be effective at some other time) and acceptance thereof shall not be necessary to make it effective unless it so states.

4.6 Vacancies. Any vacancy in the Board of Directors may be filled by the members or, in the absence of member action, by a majority of the Directors then in office, although less than a quorum, or by a sole, remaining Director; except that vacancies resulting from enlargement of the Board of Directors may be filled only by the members and not by the Directors. Each successor shall hold office for the unexpired term or until such successor sooner dies, resigns, is removed, or becomes disqualified. Except as otherwise provided by law, by the Certificate of Organization, or by these Bylaws, the Directors shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number.

4.7 Regular Meetings. Regular meetings of the Board of Directors may be held at such places and at such times as the Directors may determine.

4.8 Special Meetings. Special meetings of the Board of Directors may be held at any time and at any place when called by the president or by three (3) or more Directors.

4.9 Notice of Meetings. Except as hereinabove provided, notice of all meetings of the Directors shall be given to each Director by the clerk or an assistant clerk or, in the case of the death, absence, incapacity, or refusal of such person(s), by the officer or one of the Directors calling the meeting. Notice shall be given to each Director in person or by telephone, telecopy or electronic mail or other equivalent electronic media, sent to such Director's last known business, home or electronic mail address, as appearing in the corporation's records, at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to such Director's last known business or home address, as appearing in the corporation's records, at least forty-eight (48) hours in advance of the meeting. Notice of a meeting need not be given to any Director if a written waiver of notice executed by the Director before or after the meeting is filed with the records of the meeting, or to any Director who attends the meeting without protesting prior thereto or at its commencement the lack of notice to said Director. Any notice given hereunder shall state the place, date, and hour of the meeting, but need not specify the purposes of the meeting except that if an amendment to these Bylaws shall be a purpose of the meeting, the same shall be so stated in the notice.

4.10 Quorum. Except as otherwise required by law, by the Certificate of Organization, or by these Bylaws, at any meeting of the Directors, a majority of the Directors then in office shall constitute a quorum. Any meeting may be adjourned by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

4.11 Action by Vote. Except as otherwise required by law, by the Certificate of Organization, or by these Bylaws, when a quorum is present at any meeting, a majority of the Directors present and voting shall decide any question, including election of officers. Directors on the Board of Directors of the corporation or any committee designated thereby may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting. Voting by proxy shall not be permitted at a meeting of the Board of Directors.

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

4.13 Committees. The Board of Directors in its discretion, by resolution passed by a majority of Directors then in office, may designate an executive and other committees, each committee to consist of one (1) or more Directors and which committee(s) shall have and may exercise such powers, to the extent permitted by law, the Certificate of Organization, and these Bylaws, and to the extent possessed by the Board of Directors itself, as shall be conferred or authorized by the resolution(s) designating such committee. The Board of Directors shall have the power at any time to discharge, change the membership or authority of, or fill vacancies in, any such committee. Written minutes of all proceedings of any such committee shall be kept and made available upon request to each Director.

Except if and to the extent the Board of Directors may otherwise from time to time provide, a majority of the Directors then constituting the membership of any such committee shall constitute a quorum, except that when a committee shall have only one (1) Director, then one (1) Director shall constitute a quorum. When a quorum is present at any meeting of any such committee, a majority of those Directors present and voting shall be requisite and sufficient to effect any action or to decide any question or measure presented to the committee, unless a larger vote shall be required by law, by the Certificate of Organization, by these Bylaws, or by resolution of the Board of Directors.

Notice of committee meetings shall be provided to each committee member in accordance with Section 4.9 of this Article, as if such committee meeting were a meeting of the Board of Directors.

Any action which could be taken at any meeting of a committee of the Board of Directors may be taken without such a meeting, if a written consent thereto is signed by all Directors then appointed to such committee, and such written consent is filed with the records of the meetings of such committee. Such consent shall be treated as a vote at a meeting of such committee for all purposes.

4.14 Adjournments. Any meeting of Directors may be adjourned to any other time and place as a majority of those Directors present at such meeting and voting shall determine. No notice of any adjourned meeting shall be required if (a) the time and place thereof are announced at the

meeting at which the adjournment is taken, and (b) the adjournment is for fewer than thirty (30) days.

4.15 Compensation. Unless otherwise provided by law, the Certificate of Organization, or these Bylaws, a Director shall be entitled to receive for such Director's services such reasonable amounts, if any, as the Board of Directors may determine, which may include expenses of attendance at meetings. A Director shall not be precluded from serving the corporation in any other capacity and receiving reasonable compensation for any such services.

ARTICLE V

OFFICERS AND AGENTS

5.1 Number and Qualification. The officers of the corporation shall be a president, treasurer, clerk, and such other officers, if any, as the Directors may determine, who shall have such duties, powers, and functions as hereinafter provided or as the Directors shall determine. An officer may but need not be a Director or member. The clerk shall be a resident of Massachusetts unless the corporation has a resident agent duly appointed for the purpose of service of process. A person may hold more than one office at the same time. If required by the Directors, any officer shall give the corporation a bond for the faithful performance of his or her duties in such amount and with such surety or sureties as shall be satisfactory to the Directors.

5.2 Election. Except as provided in Section 5.12 of this Article, the president, all vice presidents, the treasurer, and the clerk shall be elected annually by the Directors at their first meeting following the annual meeting of the members. Other officers, if any, may be elected by the Directors at any time.

5.3 Tenure. Except as otherwise provided by law, by the Certificate of Organization, or by these Bylaws, the president, all vice presidents, the treasurer, the clerk, and each other officer of the corporation shall each hold office until the first meeting of the Directors following the next annual meeting of the members and until such officer's successor is chosen and qualified, unless a shorter period shall have been specified by the terms of such officer's election or appointment, or in each case until such officer sooner dies, resigns, is removed, or becomes disqualified.

5.4 Chairperson of the Board of Directors. If a chairperson of the Board of Directors is elected by the Board of Directors, such chairperson shall preside at all meetings of the Directors, except as the Directors shall otherwise determine, and shall have such other powers and duties as may be determined by the Directors.

5.5 President and Vice Presidents. The president shall be the chief executive officer of the corporation and, subject to the direction of the Directors, shall have general charge and supervision of the affairs of the corporation, shall see that orders and resolutions of the Directors are carried into effect, and shall make all decisions and perform all acts necessary to the conduct of the corporation between meetings of the Directors. The president shall preside at all meetings of the members and, if no chairperson of the Board of Directors is present, at all meetings of the Directors, except as the members or Directors otherwise determine.

The vice president or vice presidents, if any, shall have such duties and powers as the Directors shall determine. The vice president, or first vice president if there are more than one, shall have and may exercise all the powers and duties of the president during the absence of the president or in the event of the president's inability to act.

5.6 Treasurer. The treasurer shall be the chief financial officer and the chief accounting officer of the corporation. The treasurer, subject to the direction of the Directors, shall be in charge of general financial affairs, funds, securities, and valuable papers of the corporation and shall keep full and accurate records thereof, shall be in charge of the corporation's books of account and accounting records, and of the corporation's accounting procedures. The treasurer shall also have such other duties and powers as designated by the Directors or the president.

5.7 Clerk. The clerk shall record and maintain records of all proceedings of the members and Directors in a book or series of books kept for that purpose, which book or books shall be available at all reasonable times to the inspection of any member or Director for any proper purposes, but not to secure a list of members or other information for the purpose of selling lists or informational copies thereof or of using the same for a purpose other than in the interest of the applicant, as a member or Director, relative to the affairs of the corporation. Said books need not be kept in the same office. Such book or books shall also contain

- (i) records of all meetings of the incorporators,
- (ii) copies of the Certificate of Organization and Bylaws, and
- (iii) the names and addresses of all members and Directors.

If the clerk is absent from any meeting of members or Directors, a temporary clerk chosen at the meeting shall exercise the duties of the clerk at the meeting.

5.8 Other Officers. The Board of Directors may elect other officers, in addition to those named hereinabove, including, without limitation, one or more assistant vice presidents, assistant treasurers, or assistant clerks. Such officers shall have such duties and powers as shall be designated from time to time by the Board of Directors or the president and they shall be responsible to and shall report to the president or to such other officer as the president or the Board of Directors shall designate. In addition, unless otherwise determined by the Board of Directors or the president, all assistant vice presidents, assistant treasurers, and assistant clerks shall have the duties and powers hereinabove set forth and granted to the vice president, treasurer, and clerk, respectively.

5.9 Additional Powers and Duties. Each officer shall, subject to these Bylaws and to any applicable provisions of law and the Certificate of Organization, have, in addition to the duties specifically set forth in these Bylaws, such duties and powers as are customarily incident to such officer's office and such additional duties and powers as the Directors may from time to time designate.

5.10 Removal. An officer may be removed with or without cause by vote of a majority of Directors then in office at any special meeting called for such purpose or at any regular meeting. An officer may be removed with cause only after reasonable notice and opportunity to be heard.

5.11 Resignation. An officer may resign by delivering such officer's written resignation to the president, treasurer, or clerk of the corporation, to a meeting of the members or Directors, or to the corporation at its principal office. Such resignation shall be effective upon receipt (unless specified to be effective at some other time), and acceptance thereof shall not be necessary to make it effective unless it so states.

5.12 Vacancies. Notwithstanding the provisions of Section 5.2 of this Article, if the office of any officer becomes vacant, the Directors may elect a successor at any meeting of the Directors. Each such successor shall hold office for the unexpired term, and, in the case of the president, treasurer, and clerk, until such officer's successor is elected and qualified, or in each case until such officer sooner dies, resigns, is removed, or becomes disqualified.

5.13 Compensation. An officer shall be entitled to receive reasonable compensation for services if so determined by the Board of Directors and in such amounts as the Board of Directors may from time to time determine. Officers shall not be precluded from serving the corporation in any other capacity and receiving reasonable compensation for any such services in such amounts as the Board of Directors may from time to time determine.

ARTICLE VI

EXECUTION OF PAPERS

Except as provided by law or in the Certificate of Organization or as the Directors may generally or in particular cases authorize the execution thereof in some other manner, all deeds, leases, transfers, contracts, bonds, notes, releases, checks, drafts, and other documents or instruments to be executed on behalf of the corporation may be signed by the president, by any vice president, or by the treasurer.

Any recordable instrument purporting to affect an interest in real estate, executed in the name of the corporation by two of its officers, of whom one is the president or a vice president and the other of whom is the treasurer or an assistant treasurer, shall be binding on the corporation in favor of a purchaser or other person relying in good faith on such instrument notwithstanding any inconsistent provisions of the Certificate of Organization, these Bylaws, or resolutions or votes of the corporation.

ARTICLE VII

PERSONAL LIABILITY

It is intended that the incorporators, members, Directors, and officers of the corporation shall not be personally liable for any debt, liability, or obligation of the corporation and that all persons, corporations, or other entities extending credit to, contracting with, or having any claim against, the corporation, may look only to the funds and property of the corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment, or decree, or of any money that may otherwise become due or payable to them from the corporation. Nothing contained in these Bylaws shall amend, alter, or impair any provision contained in the Certificate of

Organization relating to limitations of liability of Directors or officers of the corporation to the corporation or to its members.

ARTICLE VIII

INDEMNIFICATION AND INSURANCE

To the extent legally permissible, any person or class of persons (and such person's or class of persons' heirs and legal representatives) (i) who shall be, or shall at any time have been, a Director, trustee or officer of the corporation or (ii) who the Directors by their vote shall designate (A) who shall be, or who shall at any time have been, any other officer, employee or agent of the corporation, (B) who, at the request of the corporation, shall serve, or who shall at any time have served, as an incorporator, Director, trustee, officer, employee, agent or member of any other corporation, trust, association, firm or other organization, or (C) who shall serve, or who shall at any time have served, at the corporation's request in any capacity with respect to any employee benefit Plan (a "Plan Official"), (all of the persons described in this clause (ii) being referred to individually and without distinction as a "Designated Person"), shall be indemnified by the corporation against all liabilities, costs, and expenses reasonably incurred by, or imposed upon, him or her in connection with, arising out of, or as a result of any claim, action, suit, or other proceeding (whether brought by or in the right of the corporation or such other corporation, trust, association, firm, plan, or otherwise), civil or criminal, or in connection with an appeal relating thereto, in which he or she may be or become involved or with which he or she may be threatened, as a party, witness, or otherwise, by reason of his or her being or having been such a Director, trustee, officer, or Designated Person, or by reason of any alleged action taken or omission made by him or her in any such capacity, whether or not he or she shall be such Director, trustee, officer, or Designated Person at the time any such liability, cost, or expense is incurred by, or imposed upon, him or her, provided such person shall not be entitled to indemnification to the extent prohibited by applicable law in effect from time to time, or to the extent, in any criminal action or proceeding, he or she shall have been determined to have had no reasonable cause to believe that his or her conduct was lawful.

The extent of the rights of indemnification, as hereinabove set forth, shall include, without limitation, all liabilities, costs, and expenses of defending, compromising, or settling any such claim, action, suit, or other proceeding, and the satisfaction of any judgment or decree entered or rendered therein, including the payment of fines or penalties imposed in criminal actions or proceedings.

Except as hereinabove provided, any such Director, trustee, officer, or Designated Person referred to herein who has been wholly successful, on the merits or otherwise, with respect to any claim, suit, or proceeding of the character described herein shall be entitled to such indemnification as is hereinabove provided as of right.

In the event that any such claim, action, suit, or other proceeding shall be compromised or settled, by consent decree or otherwise, such Director, president, treasurer, clerk, assistant clerk, or Designated Person shall also be entitled to such indemnification as of right, provided, however, that such compromise or settlement shall first have been approved by a vote of (a) the Board of Directors, acting by a quorum consisting of Directors who are not parties to (or who have been

wholly successful with respect to) such claim, action, suit, or other proceeding or (b) the members of the Corporation entitled to vote.

Each person who shall at any time serve as such Director, president, treasurer, clerk, assistant clerk, or Designated Person shall be deemed so to serve in reliance upon the provisions hereinabove set forth, which provisions shall be in addition to any other rights of indemnification to which such person may be entitled pursuant to contract or to valid and applicable law, shall be separable and enforced to the extent permitted by valid and applicable law, and shall inure to the benefit of the legal representatives of such person.

In all other instances, such indemnification by the corporation shall be made solely at the discretion of the corporation, but only if (1) the Board of Directors, acting by a quorum consisting of Directors who are not parties to (or who have been wholly successful with respect to) such claim, action, suit, or other proceeding, shall find that such Director, president, treasurer, clerk, assistant clerk, or Designated Person has met the standards of conduct required by law or otherwise set forth in this Article VIII, (2) independent legal counsel shall deliver to the corporation their written advice that, in their opinion, such Director, president, treasurer, clerk, assistant clerk, or Designated Person has met such standards or (3) the members of the corporation entitled to vote shall vote that such Director, president, treasurer, clerk, assistant clerk or Designated Person has met such standards.

The termination of any claim, action, suit, or proceeding, civil or criminal, by judgment, settlement (whether with or without court approval) or conviction or upon a plea of guilty or of nolo contendere, or its equivalent, shall not create a presumption that such Director, president, treasurer, clerk, assistant clerk, or Designated Person did not meet the standards of conduct hereinabove set forth as entitling him or her to indemnification.

Expenses incurred with respect to any such claim, action, suit, or other proceeding shall be advanced by the corporation prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount if it shall ultimately be adjudicated that he or she is not entitled to indemnification hereunder, which undertaking shall be accepted without reference to the financial ability of such person to make repayment.

In respect of any period during which the corporation is a wholly-owned subsidiary of a corporation, the Certificate of Organization or Bylaws of which, as amended, makes provision for the indemnification of a Director, president, treasurer, clerk, assistant clerk, or Designated Person of this corporation, indemnification shall be made to the fullest extent, in the manner and on the terms provided for, and available to each Director, president, treasurer, clerk, assistant clerk, or Designated Person of this corporation to whom such provision applies, in lieu of the foregoing provisions of this Article VIII.

The corporation shall have power to purchase and maintain insurance on behalf of any person who shall be, or who shall at any time have been, a Director, officer, employee, or other agent of the corporation, or who, at the request of the Corporation shall serve, or who shall at any time have served, as an incorporator, Director, trustee, officer, employee, agent, or member of another corporation, trust, association, firm or other organization, or as a Plan Official, against any liability incurred by him or her in any such capacity, or arising out of his or her status as such,

whether or not the corporation would have the power to indemnify him or her against such liability.

ARTICLE IX

AMENDMENTS

These Bylaws may be amended or repealed upon the affirmative unanimous vote of the members of this corporation, provided that the substance of any such amendment is stated in the notice of the meeting of members. If expressly authorized by the Certificate of Organization, then, subject to law, these Bylaws, and the Certificate of Organization, these Bylaws may also be made, amended, or repealed, in whole or in part, by the Board of Directors, except with respect to any provision thereof which by law, the Certificate of Organization, or these Bylaws requires action by the members.

The substance of any change to the Bylaws to be made by the Board of Directors shall be stated in the notice of the meeting of Directors at which the same is to be considered. Not later than the time of giving notice of the meeting of members next following the making, amending, or repealing by the Directors of any Bylaws, notice thereof stating the substance of such change shall be given to all members entitled to vote on amending the Bylaws. Any Bylaw adopted by the Directors may be amended or repealed by the members.

ARTICLE X

PROVISIONS OF LAW

These Bylaws shall be subject to such provisions of the statutory and common law of the Commonwealth of Massachusetts as may be applicable to corporations organized under the General Laws of the Commonwealth of Massachusetts. References herein to provisions of law shall be deemed to be references to the aforesaid provisions of law. All references in these Bylaws to such provisions of law shall be construed to refer to such provisions as from time to time amended.

ARTICLE XI

CERTIFICATE OF ORGANIZATION

These Bylaws shall be subject to the Certificate of Organization of the corporation. All references in these Bylaws to the Certificate of Organization shall be construed to mean the Certificate of Organization of the corporation as from time to time amended or restated.

ARTICLE XII

MISCELLANEOUS

12.1 Transaction with Corporation. No contract or transaction between the corporation and one or more of its Directors, officers, or members, or between the corporation and any other corporation, partnership, association, trust, or other organization in which one or more of its

Directors, officers, or members are Directors, officers, stockholders, trustees, or members, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Director, officer, or member is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or her votes are counted for such purposes, if:

- a. The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of a disinterested Directors, even though the disinterested Directors be less than a quorum; or
- b. The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon or the contract or transaction is specifically approved in good faith by the unanimous vote of the members; or
- c. The contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified by the Board of Directors, or a committee thereof or the members.

12.2 Ratification. Any transaction questioned on the ground of lack of authority, defective or irregular execution, adverse interest of a Director, officer, or member, non-disclosure, mis-computation, or the application of improper principles or practices of accounting, or on any other grounds, may be ratified before or after judgment by the Board of Directors or by the members entitled to vote; and, if so ratified, shall have the same force and effect as if the questioned transaction had been originally duly authorized, and such ratification shall be binding upon the corporation and shall constitute a bar to any claim or execution of any judgment in respect of such questioned transaction.

12.3 Reliance on Records. In performing his or her duties, a Director, officer, or incorporator of the corporation shall be entitled to rely on information, opinions, reports, or records, including financial statements, books of account, and other financial records, in each case presented by or prepared by or under the supervision of (1) one or more officers or employees of the corporation whom the Director, officer or incorporator reasonably believes to be reliable and competent in the matters presented, (2) counsel, public accountants, or other persons as to matters which the Director, officer, or incorporator reasonably believes to be within such person's professional or expert competence, or (3) in the case of a Director, a duly constituted committee of the Board of Directors upon which he or she has not served, as to matters within its delegated authority, which committee the Director reasonably believes to merit confidence, but he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. The fact that a Director, officer, or incorporator so performed his or her duties shall be a complete defense to any claim asserted against him or her under any provision of law or otherwise, except as expressly provided by statute, by reason of his or her being or having been a Director, officer, or incorporator of the corporation.

12.4 Corporate Records. The original or attested copies of the Certificate of Organization, these Bylaws and records of all meetings maintained by the Clerk of the Corporation, shall be kept

in Massachusetts at the principal office of the corporation or at the office of the Clerk or the resident agent of the corporation. Such copies and records need not all be kept in the same office.

* * *



The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: \$500.00

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

Certificate of Organization

(General Laws, Chapter)

Identification Number: 001466870

1. The exact name of the limited liability company is: COASTAL INFUSIONS, LLC

2a. Location of its principal office:

No. and Street: 24R PLEASANT ST, UNIT 2

City or Town: NEWBURYPORT State: MA Zip: 01950 Country: USA

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

No. and Street: 24R PLEASANT ST, UNIT 2

City or Town: NEWBURYPORT State: MA Zip: 01950 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:

THE PURPOSE OF THE LLC IS TO APPLY FOR A LICENSE WITH THE CANNABIS CONTROL COMMISSION

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: CHRISTOPHER EDWARDS

No. and Street: 24R PLEASANT ST, UNIT 2

City or Town: NEWBURYPORT State: MA Zip: 01950 Country: USA

I, CHRISTOPHER EDWARDS 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	CHRISTOPHER EDWARDS	24R PLEASANT ST, UNIT 2 NEWBURYPORT, MA 01950 US

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

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

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

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

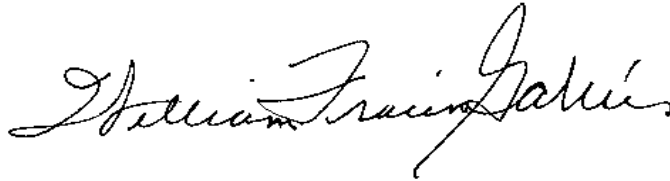
9. Additional matters:

SIGNED UNDER THE PENALTIES OF PERJURY, this 26 Day of October, 2020,
CHRISTOPHER EDWARDS
(The certificate must be signed by the person forming the LLC.)

THE COMMONWEALTH OF MASSACHUSETTS

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

October 26, 2020 11:00 AM

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

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



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

mass.gov/dor

Letter ID: L1142448448
Notice Date: November 10, 2020
Case ID: 0-000-808-796



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



COASTAL INFUSIONS, LLC
24R PLEASANT ST UNIT 2
NEWBURYPORT MA 01950-2610

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, COASTAL INFUSIONS, 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?

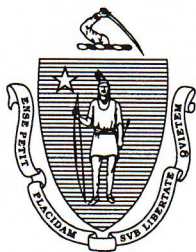
If you have questions, call us at (617) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 8:30 a.m. to 4:30 p.m..

Visit us online!

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

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

Edward W. Coyle, Jr., Chief
Collections Bureau



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

William Francis Galvin
Secretary of the
Commonwealth

November 9, 2020

TO WHOM IT MAY CONCERN:

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

COASTAL INFUSIONS, LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **October 26, 2020**.

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

I also certify that the names of all managers listed in the most recent filing are:
CHRISTOPHER EDWARDS

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **NONE**



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

Massachusetts Business Information (Department of Unemployment Assistance-Good Standing):

Coastal Infusions attests that it cannot register with the DUA until hiring employees.

Business Plan

Executive Summary

Coastal Infusions, LLC is applying for Tier 1 Cultivation and Product Manufacturing licensure from the Massachusetts Cannabis Control Commission. The licenses being sought will allow the company to cultivate its own supply of cannabis biomass, which will subsequently be extracted and infused into a variety of infused edible and topical products. The company will adhere to comprehensive cultivation and MIPs production practices to provide high quality, dose-consistent, contaminant free marijuana-infused products. Coastal Infusions endeavors to distribute its branded products through the MA wholesale market of licensed adult-use and medical marijuana retail dispensaries.

A comprehensive implementation plan with key milestones and expected timing, projections, and contingencies has been developed. Coastal Infusions plans to leverage past experience and relationships in the MA licensed cannabis industry to efficiently execute on its vision of long term success as a low cost producer of desirable, compliant products in this market.

Products and Services

Coastal Infusions intends to specialize in manufacturing a limited array of infused edible products including gummies and beverages. All SKUs produced will include quick onset nano encapsulation technology, which we feel is an important differentiator at this point in the MA cannabis market. This technology, combined with micro-dose portions, is designed to help consumers avoid ingesting too much THC and having an unpleasant experience.

Market Analysis

Since passage of the Medical Use of Marijuana statute in 2012 and the Adult Use Statute in 2016, the Massachusetts cannabis industry has experienced rapid growth and maturing of its regulations. At this time, 76 retailers have received licenses, and over a billion dollars of sales have been conducted statewide. The actual penetration rate for the Adult Use program remains to be seen, as moderate price competition has been ineffective in driving black market customers to the regulated one thus far. It is anticipated that between 10 and 15% of the population (700k to 1 million+ potential customers) could eventually migrate to the regulated market. This level of demand should support an increased number of dispensaries over the coming years. Pursuant to licensing by the CCC, Coastal Infusions is poised to quickly execute on its buildout, complete its product development, and bring innovative products to market in time to participate in the MA market while it is still growing.

Strategy and Implementation

Coastal Infusions proposes to cultivate and manufacture marijuana products that are compliant with both the Medical Use and Adult Use programs in Massachusetts. Cannabis cultivation and

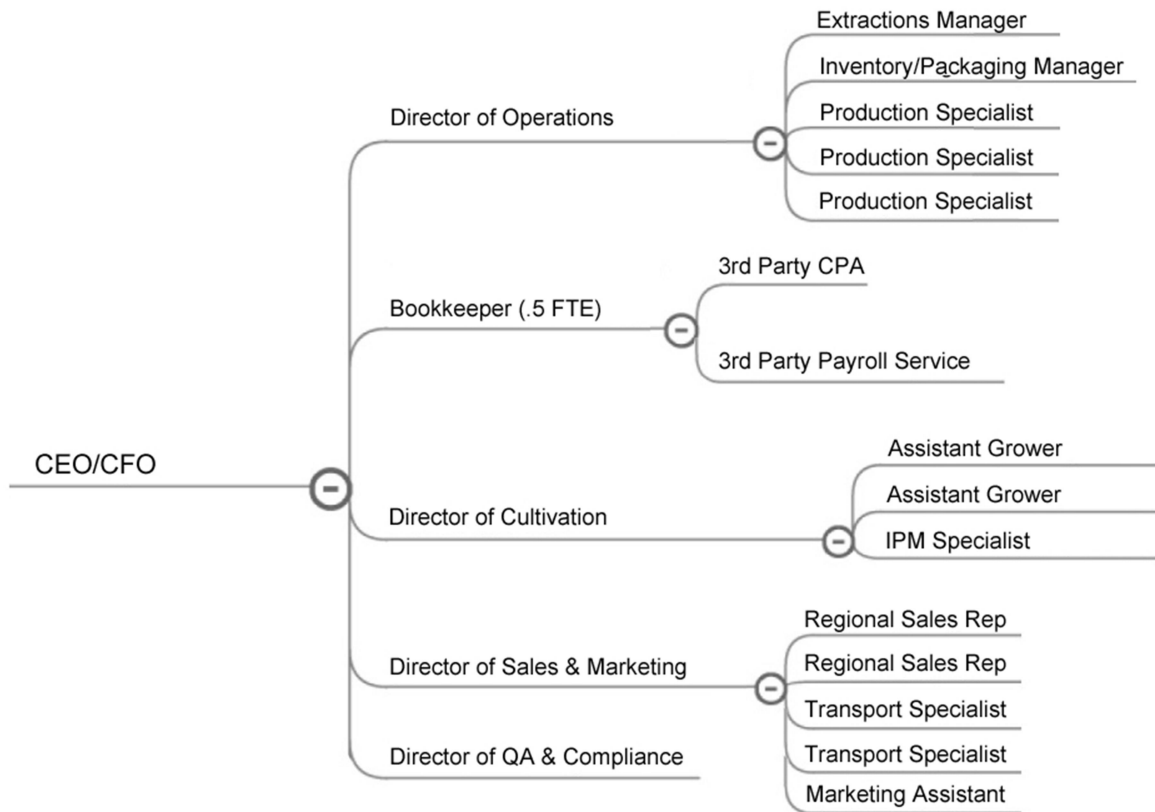
manufacturing may not commence without receipt of all necessary state and local approvals, including a special permit (issued by the Salisbury Planning Board), and Adult Use Tier 1 Cultivation and Product Manufacturing licenses (issued by the Massachusetts Cannabis Control Commission). Coastal Infusions proposes to commence with its buildout and product development pending receipt of these critical milestones. Existing cultivation and product manufacturing know how will be leveraged to efficiently build the appropriate infrastructure and attract qualified staff with appropriate skills sets. It has been determined that the limitations of the Tier 1 license type allows for sufficient scale as an infused products manufacturer.

Key Milestones and Implementation Timeline: Cultivation & Product Manufacturing

- Zoning (COMPLETE): A zoning ordinance relative to adult-use marijuana is already in place in the Town of Salisbury, and our proposed location has been verified by Town officials as being correctly zoned.
- Property (COMPLETE): Coastal Infusions owner Christopher Edwards has entered into a binding Purchase and Sales Agreement to acquire a 30,000 s/f industrial property at 10 Fanaras Drive, Salisbury. The purchase is expected to close 12/31/2020, or sooner if possible. A lease has been executed for Coastal Infusions to occupy 17,500 s/f within the building, pending closing of the purchase.
- Host Community Agreement (COMPLETE): A Host Community Agreement has already been executed between Coastal Infusions and the Salisbury Board of Selectmen.
- Community Outreach Meeting (COMPLETE): A Community Outreach Meeting has already been conducted by Coastal Infusions relative to its proposal to conduct licensed cannabis cultivation and product manufacturing at 10 Fanaras Drive, Salisbury.
- Phase 1 Construction: Initially, the existing warehouse facility will be made secure, with basic manufacturing and small scale cultivation capacity being built out. Expected completion of phase 1 is January 31, 2021. Phase 1 construction will be sufficient to get initial products to market. A phased construction strategy is intended to keep capital expenses low while testing the market response to products. Provided that the response justifies continued investment, phase 2 construction will begin.
- Phase 2 Construction: The second proposed phase of construction will consist of expansion of cultivation capacity. The increased capacity is intended to reduce costs of acquiring biomass from third parties on the MA wholesale market. This should also result in greater consistency and the ability to select genetics which are optimal for the intended use. Phase 2 construction is expected to commence June 1, 2021, with an expected completion date of August 31, 2021.
- Special Permit: Coastal Infusions is currently preparing necessary deliverables to support its application for an Adult Use Special Permit for its proposed facility. Expected completion is January 31, 2021.
- Staffing: Aside from 2-3 key hires, the majority of the staff will be recruited and hired upon receipt of a final license from the CCC.

Organization & Management Team

Coastal Infusions is registered as a Limited Liability Company in the state of Massachusetts. It is overseen by a Board of Directors. The proposed organizational chart is as follows:



Financial Plan and Projections

Coastal Infusions anticipates a capital expense through phase 1 construction and licensing of approximately \$1m, plus a year one operating budget of an additional \$1m. This initial capital is being contributed by the company's founder. This funding should keep the company operating long enough to bring product to market, and to gauge an expected level of demand for the immediate future. The financial plan calls for funding continued operations and future growth phases through reinvestment of operating income. If additional investment to increase production capacity is warranted based on demand, or a decision is made to reduce Cost of Goods Sold through the phase 2 expansion detailed above, the founder is willing to contribute additional capital at that point in time. Longer term financial goals are to pay down debt and to build sufficient cash reserves to provide a safety cushion without sacrificing equity ownership.

In terms of sales projections, \$2m in wholesale revenues are anticipated in year one, with a modest 5% annual growth assumption thereafter.

Plan for obtaining liability insurance

Costal Infusions plans to obtain and maintain liability insurance coverage through Marsh & McLennan Insurance Agency. The general liability policy will provide coverage for no less than \$1m per occurrence and \$2m in aggregate annually, and the product liability insurance policy will provide coverage for no less than \$1m per occurrence and \$2m in aggregate annually. The deductible for each policy shall be no higher than \$5k per occurrence in full compliance with 935 CMR 500.105(10).

Personnel

Coastal Infusions has adopted comprehensive Agent hiring and training practices in full compliance with state regulations. Each Agent undergoes extensive background checks, both a CORI and a third-party background check performed by ESR in accordance with M.G.L c. 6 § 172, 935 CMR 500.029, 935 CMR 500.030, and 803 CMR 2.00: *Criminal Offender Record Information(CORI)*. Fingerprinting is also performed for appropriate investors and owners. In the event of a material change in an Agent or investor's information, this must be promptly submitted to the CCC.

At Hiring:

- New Agents must submit to a background check consistent with the requirements of 935 CMR 500.101 (1)(b)
- New Agents must complete an initial training regimen prior to performing actual job functions.
- Training will entail shadowing an experienced Agent in a similar role with similar responsibilities
- Training must also include training on confidentiality, as well as in-depth review of the CCC Adult-Use regulations.
- Incident de-escalation techniques and emergency procedures.
- Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual hired indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters. This must be included in employee's personnel file.

On-going:

- At a minimum, staff shall receive a minimum of 8 hours on-going, relevant training and/or supplemental education annually
- All Agents must complete all required trainings for their position within 90 days of hire
- The Director of Operations will determine the annual training agendas for all staff
- Material changes in Agent suitability must be promptly reported to the CCC

Personnel Records

Records must be available for inspection by the CCC, upon request. Personnel records must include the following in accordance with 935 CMR 500.105(9)(d):

1. Job descriptions for each employee and volunteer position
2. Organizational charts consistent with the job descriptions;
3. All materials submitted to the Commission pursuant to 935 CMR 500.500.030(2);
 - a. The full name, date of birth, and address of the individual;
 - b. Written acknowledgement by the individual of the limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport, and dispense marijuana in the Commonwealth;
 - c. A copy of the Agent's driver's license, government-issued identification card, or other verifiable identity document acceptable to the Commission;
 - d. An attestation that the individual will not engage in the diversion of marijuana;
 - e. Any other information required by the Commission.

4. Documentation of verification of references;
5. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
6. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
7. A copy of the application that the company submitted to the Commission on behalf of any prospective Agent;
8. A copy of the CORI and third-party background check reports commissioned by the company prior to hire;
9. Documentation of periodic performance evaluations;
10. A record of any disciplinary action taken;
11. Documentation of completed Responsible Vendor Training and eight-hour related duty training;

Personnel records contain Personally Identifiable Information (PII) and other confidential information. Therefore, these records shall be password-protected as appropriate and stored in Coastal Infusion's electronic file share system with access permissions restricted to the Executive Management Team only. Personnel records for each Agent must be maintained for at least 12 months after termination of the individual's affiliation with the company.

The company staffing plan calls for operating hours of 8am to 5pm, seven days a week. The production team will be split into 2 two-Agent teams, with staggered schedules in order to maintain safe working conditions at all times. The first team will work Monday through Friday, and the second team will work Friday through Tuesday.

Coastal Infusions intends to recruit new employees through:

- Career fairs to be conducted in communities disproportionately impacted
- Traditional job opportunity websites including Monster.com
- Word-of-mouth advertising via current company stakeholders
- Posting on our website (www.coastal-infusions.com)
- Review of unsolicited job applications received prior to posting the opportunity
- Additional channels TBD, if volume and quality of response requires it

Any Agent shall be immediately dismissed who has:

- a. Diverted marijuana, which shall be reported to law enforcement officials and to the CCC; or
- b. Engaged in unsafe practices with regard to operation of the ME, which shall be reported to the CCC; or
- c. Been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of any Other Jurisdiction.

A member of Coastal Infusions' Executive Management Team will report any and all instances of diversion to law enforcement officials and to the CCC. Coastal Infusions has adopted a zero tolerance policy toward individuals who knowingly violate the law, state marijuana regulations, or company policy.



Coastal Infusions, LLC

Coastal Infusions, LLC
Employee Manual Version 1.0

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Coastal Infusions, LLC Employee Manual

Section 1: Introduction

This Manual is designed to acquaint you with Coastal Infusions, LLC (“the Company”) and provide you with information about working conditions, benefits, and policies affecting your employment. The information contained in this Manual applies to all employees of Coastal Infusions. Following the policies described in this Manual is considered a condition of continued employment. However, nothing in this Manual alters an employee’s status as an at-will employee. The contents of this Manual shall not constitute nor be construed as a promise of employment or as a contract between the Company and any of its employees. The Manual is a summary of our policies, which are presented here only as a matter of information. You are responsible for reading, understanding, and complying with the provisions of this Manual. Our objective is to provide you with a work environment that is conducive to both personal and professional growth.

This Employee Handbook shall remain available for inspection by the Massachusetts Cannabis Control Commission and any other authorized government agency upon request.

1.1 Changes in Policy

This Manual supersedes all previous employee manuals and memos that may have been issued from time to time on subjects covered in this Manual. However, since our business and our organization are subject to change, we reserve the right to interpret, change, suspend, cancel, or dispute with or without notice all or any part of our policies, procedures, and benefits at any time. We will notify all employees of these changes. Changes will be effective on the dates determined by the Company, and after those dates, all superseded policies will be null. No individual supervisor or manager has the authority to change policies at any time. If you are uncertain about any policy or procedure, speak with your direct supervisor.

1.2 Employment Applications

We rely upon the accuracy of information contained in the employment application and the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

Each applicant must submit 3 professional references, and they must be verified, before an offer of employment may be extended. Additionally, all applicants must submit to a background check consistent with MA state law and regulations. This background check will include a CORI check and mandatory fingerprinting at a minimum, and may include several additional checks based on current state requirements. Please note that all employees are required to complete a background check at least once annually in order to maintain eligibility to work for the company.

1.3 Employment Relationship

You enter into employment voluntarily, and you are free to resign at any time for any reason or no reason. Similarly, the Company is free to conclude its relationship with any employee at any time for any reason or no reason. The Company requests that employees follow the termination policy set forth in Section 3.13.

Section 2: Definitions of Employee Status

“Employees” Defined

An “employee” of the Company is a person who regularly works for Coastal Infusions on an hourly wage or salary basis. “Employees” may include exempt, non-exempt, regular full-time, regular part-time, voluntary and temporary persons, and others employed with the Company who are subject to the control and direction of Coastal Infusions in the performance of their duties.

Exempt

Employees whose positions meet specific criteria established by the Fair Labor Standards Act (FLSA) and corresponding state law requirements and who are exempt from overtime pay requirements.

Non-Exempt

Employees whose positions do not meet FLSA and applicable state law criteria and who are paid one and one-half their regular rate of pay for hours worked in excess of 40 hours per week.

Regular Full-Time

Employees who are regularly scheduled to work 40 hours per week. Generally, they are eligible for the Company’s benefit package, subject to the terms, conditions, and limitations of each benefit program.

Regular Part-Time

Employees who are regularly scheduled to work less than 40 hours per week. Regular part-time employees may be eligible for some benefits sponsored by the Company, subject to the terms, conditions, and limitations of each benefit program.

Temporary (Full-Time or Part-Time)

Those whose performance is being evaluated to determine whether further employment in a specific position or with the Company is appropriate, or individuals who are hired as interim replacements to assist in the completion of a specific project or for vacation relief. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status until they are notified of a change. Temporary employees only are entitled to statutory benefits.

Section 3: Employment Policies

3.1 Non-Discrimination

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at the Company are based on merit, qualifications, and abilities. Coastal Infusions does not discriminate in employment opportunities or practices because of race, color, religion, sex, national origin, age, disability, sexual orientation, military or veteran status, genetics, gender identity or expression or any other characteristic protected by federal, state or local law. The Company will make reasonable accommodations for qualified individuals with known disabilities unless doing so would

result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training. Employees with questions or concerns about discrimination in the workplace are encouraged to bring these issues to the attention of their supervisor. Employees may raise concerns and make reports without fear of reprisal. Anyone found to be engaging in unlawful discrimination would be subject to disciplinary action, up to and including termination of employment.

3.2 Non-Disclosure/Confidentiality

The protection of confidential business information and trade secrets is vital to the interests and success of the Company. Such confidential information includes, but is not limited to, the following examples: customer information, operational procedures, financial information, marketing strategies, pending projects and proposals, proprietary growing and production processes and other employees' personnel/payroll records. All employees are required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, including termination of employment and legal action, even if they do not directly benefit from the disclosed information.

3.3 New Employee Orientation

Orientation is a formal welcoming process that is designed to make the new employee feel comfortable, informed about the company, and prepared for their position. New employee orientation is conducted by the Human Resources Manager, or another qualified company representative, and includes an overview of the company history, an explanation of the company core values, vision, and mission; and company goals and objectives. In addition, the new employee will be given an overview of benefits, tax, and legal issues, and complete any necessary paperwork. Employees are presented with all personal key codes, keys, biometrics setup and procedures needed to navigate within the workplace. The new employee's supervisor then introduces the new hire to staff throughout the company, reviews their job description and scope of position, explains the company's evaluation procedures, and helps the new employee get started on specific functions.

3.4 Facility Hours

Coastal Infusions' cultivation and product manufacturing facility is open for employee access from 8:00am to 5:00pm., seven days per week, except for Holidays (see Section 6.6, Holidays). The standard workweek is 40 hours (see Section 5.3, Overtime). In the computation of various employee benefits, the employee workweek is considered to begin on Sunday (starting at 12:00am) through Saturday (ending at 11:59 pm), unless a supervisor makes other arrangements with the employee.

3.5 Lunch Periods

Employees are allowed a one-hour lunch break. The break is unpaid for non-exempt employees. Lunch breaks generally are taken between the hours of 11:00am and 2:00pm on a staggered schedule, in order to maintain proper coverage in the facility.

3.6 Break Periods

The Company does not provide for employees to divert from work responsibilities except for the above outlined lunch period. If employees have unexpected personal business to take care of, they must notify their direct supervisor to discuss time away from work and make arrangements as necessary. Unless otherwise provided herein, personal business should be conducted on the employee's own time. Employees who do not adhere to the break policy will be subject to disciplinary action, including the

possibility of termination.

3.7 Personnel Files

Employee personnel files may include the following: job application, job description, résumé, records of participation in training events, salary history, records of disciplinary action and documents related to employee performance reviews, coaching, and mentoring. Personnel files are the property of Coastal Infusions, and access to the information is restricted. Management personnel of the Company who have a legitimate reason to review the file are allowed to do so. Employees who wish to review their own file should contact their supervisor or the Human Resources Manager. With reasonable advance notice, the employee may review his/her personnel file in Company's office and in the presence of their supervisor or Human Resources Manager in accordance with applicable law.

3.8 Personnel Data Changes

It is the responsibility of each employee to promptly notify their supervisor or Human Resources Manager of any changes in personnel data such as mailing address, telephone numbers, name and number of dependents, and Individuals to be contacted in the event of an emergency. An employee's personnel data should be accurate and current at all times.

3.9 Inclement Weather/Emergency Closings

At times, emergencies such as severe weather, fires, or power failures can disrupt company operations. The decision to close the facility will be made by the Executive Management Team. When the decision is made to close for business, employees will receive official notification from their supervisors. Time off from scheduled work due to emergency closings will be unpaid for all non-exempt employees. However, if employees would like to be paid, they are permitted to use vacation time if it is available to them. If a non-exempt employee is called into work and then released due to inclement weather, the Company will pay the employee for a minimum of three working hours.

3.10 Employee Performance Review and Planning Sessions

Supervisors will conduct performance reviews and planning sessions with all regular full-time and regular part-time employees beginning after 12 months of service. Supervisors may conduct informal performance reviews and planning sessions more often if they choose. Performance reviews and planning sessions are designed for the supervisor and the employee to discuss his/her current job tasks, encourage and recognize attributes, and discuss positive, purposeful approaches for meeting work-related goals. Together, the employee and supervisor discuss ways in which the employee can accomplish goals or learn new skills. The planning sessions are designed for the employee and his/her supervisor to make and agree on new goals, skills, and areas for improvement.

The Company directly links wage and salary increases with both individual and company performance. Your performance review and planning sessions will have a direct effect on any changes to your compensation. For this reason, along with others, it is important to prepare for these reviews carefully, and participate in them fully. A positive performance evaluation does not, however, guarantee a salary increase. Employees will be reviewed according to the regular annual schedule.

3.11 Outside Employment

Employees may hold outside jobs in non-related businesses or professions as long as the employee meets the performance standards of their job description with Coastal Infusions. Unless an alternative

work schedule has been approved by the Company in writing, employees will be subject to the company's scheduling demands, regardless of any existing outside work assignments. Coastal Infusions intellectual property, facilities, equipment, and materials are not to be used for outside employment.

3.12 Corrective Action

Coastal Infusions holds each of its employees to certain work rules and standards of conduct (see Section 4). When an employee deviates from these rules and standards, the Company expects the employee's supervisor to take corrective action as is appropriate under the circumstances. The Company considers certain rule infractions and violations of standards as grounds for immediate termination of employment. These include but are not limited to: theft or diversion of product in any form, insubordinate behavior, engaging in un-safe practices with regard to operation of the Marijuana Establishment, being convicted or entering a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority, vandalism or destruction of company property, being on company property during non-business hours, the use of company equipment and/or company vehicles without prior written authorization by the Executive Management Team, untruthfulness about personal work history, skills, or training, divulging confidential and proprietary Company business practices, and misrepresentations of Coastal Infusions to a client, a prospective client, a vendor, the general public, or an employee.

3.13 Employment Termination

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are a few examples of some of the most common circumstances under which employment is terminated:

Resignation – voluntary employment termination initiated by an employee.

Termination – involuntary employment termination initiated by the Company.

Layoff – involuntary employment termination initiated by the Company for non-disciplinary reasons.

Both the employee and the Company have the right to terminate employment at will, with or without cause. Any employee who terminates employment with Coastal Infusions shall return all files, records, keys, and any other materials that are property of the Company. Furthermore, any outstanding financial obligations owed by the employee to the Company will also be deducted from the employee's final check in accordance with applicable law.

Employee benefits will be affected by employment termination in the following manner: all accrued vested benefits that are due and payable at termination will be paid. Some benefits may be continued at the employee's expense (see Section 6, Benefits) if the employee elects to do so. The employee will be notified of the benefits that may be continued and of the terms, conditions, and limitations.

All departing employees are required to complete an exit interview prior to departure.

3.14 Safety

Coastal Infusions provides information to employees about workplace safety and health issues through regular internal communication such as:

- Training sessions
- Team meetings
- Bulletin board postings
- Memorandums
- Other written communications

Each employee is expected to obey safety rules and exercise caution and common sense in all work activities. Employees must immediately report any unsafe conditions to their supervisor. Employees who violate safety standards, cause hazardous or dangerous situations, or fail to report, or where appropriate, remedy such situations, may be subject to disciplinary action including termination of employment. In the case of an accident that results in injury, regardless of how insignificant the injury may appear, employees should notify their supervisor (see Section 3.15, Employee Requiring Medical Attention).

3.15 Employee Requiring Medical Attention

Coastal Infusions provides a Workers' Compensation Insurance program for employees who are injured in the course and scope of employment. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Accordingly, employees must report all work-related injuries and incidents, no matter how small, within 24 hours to their supervisor or other specified person.

A physician's "return to work" notice may be required.

3.16 Building Security

All employees who are issued keys or RFID cards to Coastal Infusions facilities are responsible for their safekeeping. All employees will abide by Coastal Infusions Standard Operating Procedures.

3.17 Insurance on Personal Effects

All employees should be sure that their own personal insurance policies cover the loss of anything occasionally left at the office. The Company assumes no risk for any loss or damage to personal property.

3.18 Supplies; Expenditures; Obliging the Company

Only authorized persons may purchase supplies or services on behalf of the Company. No employee whose regular duties do not include purchasing shall incur any expense on behalf of the Company or bind the Company by any promise or representation without written approval.

3.19 Expense Reimbursement

Expenses incurred by an employee must have prior written approval by a supervisor. Reimbursements under \$25.00 will be included in the employee's next regular paycheck. An example of such an expense would include mileage. If the amount is more than \$25.00, the reimbursement request will be processed like an invoice. All completed reimbursement request forms should be provided to the Director of

Operations.

3.20 Parking

Employees must park their cars in areas designated by the Company.

3.21 Visitors in the Workplace

To provide for the safety and security of employees, visitors, and Company property, only authorized visitors are allowed into the workplace. Restricting unauthorized visitors helps ensure security, decreases insurance liability, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

All visitors must enter through the main entrance, sign-in, and sign-out at the main entrance, and receive a 'Visitor' badge to wear while on premises. Authorized visitors will be escorted to their destination and must be accompanied by an employee at all times. Requirements specific to the CCC's Adult-Use of Marijuana Regulations will govern all visitor access policies.

3.22 Immigration Law Compliance

Coastal Infusions employs only individuals who are authorized to work in the United States in compliance with the Immigration Reform and Control Act of 1986. Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. The Company may require employees to recertify in accordance with existing law. Former employees who are rehired must also complete the form if they have not completed an I-9 with the Company within the past three years or if their previous I-9 is no longer retained or valid.

Section 4: Standards of Conduct

The work rules and standards of conduct for Coastal Infusions are important, and the Company takes them seriously. All employees are urged to become familiar with these rules and standards. In addition, employees are expected to follow the rules and standards faithfully in performance of their own jobs and while conducting the Company's business. Please note that any employee who deviates from these rules and standards will be subject to corrective action, up to and including termination of employment (see Section 3.12, Corrective Action). While not intended to list all the forms of behavior that are considered unacceptable in the workplace, the following are examples of rule infractions or misconduct that may result in disciplinary action, including termination of employment:

Theft or inappropriate removal or possession of property; Falsification of timekeeping records (see Section 5.2, Timekeeping); Working under the influence of alcohol or illegal drugs (see Section 4.6, Substance Abuse); Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace (see Section 4.6, Substance Abuse); Fighting or threatening violence in the workplace; Boisterous or disruptive activity in the workplace; Negligence or improper conduct leading to damage of company-owned or patient-owned property; Insubordination or other disrespectful conduct; Violation of safety or health rules; Smoking in the workplace; Sexual or other unlawful or unwelcome harassment (see Section 4.3, Harassment, Including Sexual Harassment); Excessive absenteeism or any absence without notice (see Section 4.1 Attendance/Punctuality and 4.2, Absence without Notice); Unauthorized use of telephones, or other company-owned equipment (see Section 4.4, Telephone Use); Using company equipment for purposes other than business (i.e. playing games on computers or personal

Internet usage); Unauthorized disclosure of business “secrets” or confidential information; Violation of personnel policies; and Unsatisfactory performance or conduct.

4.1 Attendance/Punctuality

The Company expects that every employee will be regular and punctual in attendance. This means being on-site, ready to work, at the established starting time each day. Absenteeism and tardiness places a burden on other employees and on the Company. If you are unable to report for work for any reason, please notify your supervisor at least 1 hour prior to the regular starting time. You are responsible for speaking directly (no texting) with your supervisor about your absence. It is also your responsibility to find coverage for that shift when possible. It is not acceptable to leave a message on a supervisor’s voice mail, except in extreme emergencies. In the case of leaving a voice-mail message, a follow-up call must be made later that day. If you do not report for work and the Company is not notified of your status, it will be assumed after two consecutive days of absence that you have resigned, and you will be removed from the payroll. If you become ill while at work or must leave the office for some other reason before the end of the workday, be sure to inform your supervisor of the situation and check out with the manager.

Should undue tardiness or excessive absenteeism become apparent, disciplinary action may be required. If you need a temporary change to your normal work schedule, notify your supervisor at least seven working days in advance. Each request for special work hours will be considered separately, in light of the employee’s needs and the needs of the Company. Such requests may or may not be granted.

4.2 Sick Leave

Coastal Infusions affords employees paid sick leave in accordance with the Massachusetts Sick Leave law. All employees earn paid sick leave at a rate of one hour of paid leave for every 30 hours worked, up to a maximum of 40 hours per calendar year. Sick time is given immediately, but can only be taken after the employee has been employed for at least 90 calendar days.

Employees will be allowed to carry over up to 40 hours of unused sick time to the next calendar year, but may not use more than 40 hours in a calendar year.

Sick time may be used by employees when they are ill, injured or need to tend to a medical condition, to attend routine medical appointments or to address the effects of domestic violence. Employees also may take leave when they need to care for or attend the routine medical appointments of a spouse, child, parent or parent of a spouse or to address the effects of domestic violence on the employee’s child.

In qualifying circumstances, paid sick leave will run concurrent with any time off available under other statutory leave entitlements. Paid sick leave may not be used to extend other available time off. However, sick leave payments will be reduced by the amount of payments received from other sources relating to the illness or accident, i.e., worker’s compensation and/or weekly insurance payments.

As set forth above, employees must contact their supervisor on every day they cannot report to work prior to the start of their regular work day. If leave is foreseeable (i.e., in the event of a scheduled doctor’s appointment), employees must provide 7-days advance notice of their intended leave, or as much notice as is reasonably practicable under the circumstances. For absences (i) in excess of three consecutive scheduled work days, (ii) within two weeks prior to an employee’s final scheduled day of work before termination of employment, or (iii) after four unforeseeable and undocumented absences

within a three-month period, the Company reserves the right to request a written certification indicating that the use of earned sick time was for an authorized purpose. If the employee fails to comply without reasonable justification with the Company's request for documentation, the Company further reserves the right to recoup the sum(s) paid for earned sick time from future pay and also to deny the future use of an equivalent number of hours of accrued sick time until documentation is provided.

Employees will not be paid for unused sick time at calendar year end, or upon termination.

Coastal Infusions' policy with respect to attendance and absenteeism applies. In addition, violations of this policy may result in discipline, up to and including termination.

4.3 Harassment, Including Sexual Harassment

The Company is an Equal Opportunity Employer. It is the Company's policy to select the best candidate for each position to be filled without regard to race, color, religion, national origin, sex, sexual orientation, age, pregnancy, physical or mental disability, military or veteran status, genetic information, gender identity or expression or any other basis protected by law.

ANTI-HARASSMENT POLICY

Introduction

It is the goal of the Company to promote a workplace that is free of harassment. Harassment of employees occurring in the workplace or in other settings in which employees may find themselves in connection with their employment is unlawful and will not be tolerated by this organization. Further, any retaliation against an individual who has complained about harassment or retaliation against individuals for cooperating with an investigation of a harassment complaint is similarly unlawful and will not be tolerated. To achieve our goal of providing a workplace free from harassment, the conduct that is described in this policy will not be tolerated and we have provided a procedure by which inappropriate conduct will be dealt with, if encountered by employees.

The Company will not tolerate any instances of unlawful harassment, including sexual harassment, by an employee, manager, or other person with whom an employee comes in contact with because of his/her job.

Because the Company takes allegations of harassment seriously, we will respond promptly to complaints of harassment and where it is determined that such inappropriate conduct has occurred, we will act promptly to eliminate the conduct and impose such corrective action as is necessary, including disciplinary action where appropriate.

Please note that while this policy sets forth our goals of promoting a workplace that is free of harassment, the policy is not designed or intended to limit our authority to discipline or take remedial action for workplace conduct which we deem unacceptable, regardless of whether that conduct satisfies the definition of harassment.

Definitions

Sexual Harassment

Sexual harassment is defined as sexual advances, requests for sexual favors, and verbal or physical conduct of a sexual nature when:

- submission to or rejection of such advances, requests or conduct is made either explicitly or implicitly a term or condition of employment or as a basis for employment decisions; or,
- such advances, requests or conduct have the purpose or effect of unreasonably interfering with an individual's work performance by creating an intimidating, hostile, humiliating or sexually offensive work environment.

Under these definitions, direct or implied requests by a supervisor for sexual favors in exchange for actual or promised job benefits such as favorable reviews, salary increases, promotions, increased benefits, or continued employment constitutes sexual harassment.

The legal definition of sexual harassment is broad and in addition to the above examples, other sexually oriented conduct, whether it is intended or not, that is unwelcome and has the effect of creating a work place environment that is hostile, offensive, intimidating, or humiliating to male or female workers may also constitute sexual harassment.

While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct which, if unwelcome, may constitute sexual harassment depending upon the totality of the circumstances including the severity of the conduct and its pervasiveness:

- Unwelcome sexual advances -- whether they involve physical touching or not;
- Sexual epithets, jokes, written or oral references to sexual conduct, gossip regarding one's sex life; comment on an individual's body, comment about an individual's sexual activity, deficiencies, or prowess;
- Displaying sexually suggestive objects, pictures, cartoons;
- Unwelcome leering, whistling, brushing against the body, sexual gestures, suggestive or insulting comments;
- Inquiries into one's sexual experiences; and,
- Discussion of one's sexual activities.

Discriminatory Harassment

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, national origin, ancestry, sex, age, pregnancy, physical or mental disability, military or veteran status, sexual orientation, genetic information, gender identity or expression any other basis protected by law and that:

- Has the purpose or effect of creating an intimidating, hostile or offensive work environment;
- Has the purpose or effect of unreasonably interfering with an individual's work performance; or
- Otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes, but is not limited to: epithets, slurs or negative stereotyping, threatening, intimidating or hostile acts, denigrating jokes and display or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group (including through email).

Retaliation

All employees should take special note that retaliation against an individual who has made a good faith complaint about harassment, and retaliation against individuals for cooperating with an investigation of a harassment complaint, is unlawful and will not be tolerated by this organization.

Complaints of Harassment

If you believe that you have been subject to harassment by a co-worker, supervisor, client or vendor or by anyone else during the course of our employment, please report your concerns immediately to your supervisor or Director of Operations. This may be done in writing or orally.

Investigation

When a complaint is received, the Company will promptly investigate the allegation in a fair and expeditious manner. The investigation will be conducted in such a way as to maintain confidentiality to the extent practicable under the circumstances. The investigation will include a private interview with the person filing the complaint and with witnesses. We will also interview the person alleged to have committed harassment. When the investigation has been completed, the Company will, to the extent appropriate, inform the person filing the complaint and the person alleged to have committed the conduct of the results of that investigation.

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and where it is appropriate, impose disciplinary action.

Disciplinary Action

If it is determined that inappropriate conduct has been committed by a Coastal Infusions employee, the Company will take such action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include such other forms of disciplinary action as the Company deems appropriate under the circumstances.

State and Federal Remedies

In addition to the above, you can obtain additional information about your rights under the laws prohibiting workplace harassment from the following government agencies:

Equal Employment Opportunity Commission, Area Office John
F. Kennedy Federal Building,
475 Government Center
Boston, MA 02203
800-669-4000

Massachusetts Commission Against Discrimination (MCAD)
Boston Office:
One Ashburton Place, 6th Floor
Boston, MA 02108
617-994-6000

4.4 Telephone Use

Company telephones are intended for use in the course of conducting Company business. Personal telephone usage during business hours is not allowed except for emergencies. If an employee is found to be deviating from this policy, he/she will be subject to disciplinary action (see Section 3.12, Corrective Action).

4.5 Public Image

A professional appearance is important. Employees should be well groomed and dressed appropriately for their job responsibilities.

4.6 Substance Abuse

The Company is committed to providing a safe and productive workplace for its employees. In keeping with this commitment, the following rules regarding alcohol and drugs of abuse have been established for all staff members, regardless of position, including both regular and temporary employees. The rules apply during working hours to all employees of the Company while they are on Company premises or elsewhere on Company business.

Please note the following definitions:

Company property: All Company owned or leased property used by employees.

Controlled substance of abuse: Any substance listed in Schedules I-V of Section 202 of the Controlled Substance Act, as amended.

Drug: Any chemical substance that produces physical, mental, emotional, or behavioral change in the user.

Drug paraphernalia: Equipment, a product, or material that is used or intended for use in concealing an illegal drug, or otherwise introducing into the human body an illegal drug or controlled substance. Illegal drug:

- a. Any drug or derivative thereof whose use, possession, sale, transfer, attempted sale or transfer, manufacture, or storage is illegal or regulated under any federal, state, or local law or regulation.
- b. Any drug, including – but not limited to – a prescription drug, used for any reason other than that prescribed by a physician.
- c. Inhalants used illegally.

Under the influence: A state of not having the normal use of mental or physical faculties resulting from the voluntary introduction into the body of an alcoholic beverage, drug, or substance of abuse.

Employee Alcohol and Drug Policy:

The foundation of our business practices is the establishment of a "zero tolerance policy" with regard to alcohol and drug use in the work place. Any employee found to have violated this policy, will be immediately terminated.

Being under the influence of illegal drugs, alcohol, or any controlled substances on Company property is prohibited. Working while under the influence of prescription drugs that impair performance is prohibited.

The causes for termination shall include but not be limited to the following activities:

- The use, possession, solicitation or sale of narcotics, other illegal drugs or prescription medication without an authorized prescription on Company premises or while performing job duties.
- Conviction of a crime directly related to the possession, sale or distribution of narcotics, other illegal drugs or unauthorized prescription drugs.
- The presence of any detectable amount of prohibited substances in the employee's system while at work, while on the premises of the Company, or representing the Company in any business-related capacity. "Prohibited substances" include illegal drugs, alcohol, or prescription drugs not taken in accordance with an authorized medical prescription given to the employee.

The Company may conduct drug and/or alcohol tests in accordance with any or all of the following procedures at the discretion of the Executive Management Team and in accordance with applicable law:

- **RANDOM TESTING:** Employees may be selected for drug and/or alcohol testing at any time during their employment with Coastal Infusions.
- **REASONABLE SUSPICION/FOR-CAUSE TESTING:** The Company may ask an employee to submit to a drug and/or alcohol test at any time it reasonably suspects that the employee may be under the influence of drugs or alcohol, including, but not limited to, the following circumstances: evidence of drugs or alcohol on or about the employee's person or in the employee's vicinity, unusual conduct on the employee's part that suggests impairment or influence of drugs or alcohol, negative performance patterns, or excessive and unexplained absenteeism or tardiness.
- **POST-ACCIDENT TESTING:** Any employee involved in an on-the-job accident or injury under circumstances that suggest possible use or influence of drugs or alcohol in the accident or injury event may be asked to submit to a drug and/or alcohol test. "Involved in an on-the- job accident or injury" means not only the one who was or could have been injured, but also any employee who potentially contributed to the accident or injury event in any way.
- If an employee is tested for drugs or alcohol outside of the employment context and the results indicate a violation of this policy, or if an employee refuses a request to submit to testing under this policy, the employee may be subject to appropriate disciplinary action, up to and including discharge from employment. In such a case, the employee will be given an opportunity to explain the circumstances prior to any final employment action becoming effective.

Consistent with the rules listed above, any of the following actions constitutes a violation of the Company's policy on drugs and may subject an employee to disciplinary action, up to and including immediate termination. Using, selling, purchasing, transferring, manufacturing, or storing an illegal drug or drug paraphernalia, or attempting to or assisting another to do so, while in the course of employment. Working or reporting to work, conducting Company business or being on Company property while under the influence of an illegal drug or alcohol, or in an impaired condition.

4.7 Tobacco Products

The use of tobacco products is not permitted anywhere on the Company's premises.

4.8 Internet Use

Coastal Infusions employees are allowed use of the Internet and e-mail when necessary to serve our clients and conduct the Company's business. Employees may use the Internet when appropriate to access information needed to conduct business of the Company. Employees may use e-mail when appropriate for Company business correspondence. Use of the Internet must not disrupt operation of the company computer network. Use of the Internet must not interfere with an employee's productivity. Employees are responsible for using the Internet in a manner that is ethical and lawful. Internet messages are public and not private. The Company reserves the right to access and monitor all files and messages on its systems.

4.9 Social Media

Because of the sensitive nature of our work, Coastal Infusions employees, unless hired to do so, are prohibited from referring to, mentioning, and/or discussing Company business operations on any form of social media. However, this restriction is not intended to prevent employees from engaging in collective activity in connection with their working conditions.

4.10 Dress Code Policy: Business Casual

Coastal Infusions expects employees to dress appropriately in Business Casual attire. Because our work environment serves customers, business casual attire is essential.

Examples of Business Casual Attire:

- Polo or golf shirts, Oxford shirts, sweaters, knit tops, short-sleeved blouses or shirts, turtlenecks, company logo wear. **Logos**-Small logos are acceptable whether on a t-shirt, sweatshirt or collared polo shirt.
- Khaki, corduroy, twill pants, capri pants
- Jeans (must be clean and free of rips, tears and fraying; may not be excessively tight or revealing)

All clothes must project professionalism. Please note that Business Casual attire is not applicable to members of the cultivation and product manufacturing teams. Clothes that are too revealing or inappropriate are not allowed.

Restrictions: Open toe footwear such as sandals and flip flops. No sweatpants, yoga pants, spandex and

shorts. Revealing clothing such as short shirts, strapless attire, tank tops, spaghetti straps, and midriff shirts are prohibited. Sleeveless shirts are acceptable as long as undergarments are not showing. Leggings are acceptable if they are appropriately worn with a long tunic or blouse.

Employees are expected to demonstrate good judgement and professional taste. Any staff member who does not meet the attire or grooming standards will be subject to corrective action and may be asked to leave the premises to change clothing by his/her supervisor or by the Human Resources Manager.

Reasonable accommodation of religious beliefs:

Coastal Infusions recognizes the importance of individually held religious beliefs to persons within its workforce. The Company will reasonably accommodate a staff member's religious beliefs in terms of workplace attire unless the accommodation creates an undue hardship. Those requesting a workplace attire accommodation based on religious beliefs should be referred to the Human Resources Manager.

Section 5: Wage and Salary Policies

5.1 Wage or Salary Increases

Each employee's hourly wage or annual salary will be reviewed at least once each year. The employee's review date will usually be conducted on or about the anniversary date of employment or the date of the previous compensation review. Such reviews may be conducted more frequently for a newly created position, or based on a recent promotion. Increases will be determined on the basis of individual and company performance, adherence to company policies and procedures, and ability to meet or exceed duties per job description and achieve performance goals (see Section 3.10, Performance Review/Planning Sessions). Although the Company's salary ranges and hourly wage schedules will be adjusted on an ongoing basis, the Company does not grant "cost of living" increases. Individual and company performance is the key to wage increases in the Company.

5.2 Timekeeping

Accurately recording time worked is the responsibility of every non-exempt employee. As such, non-exempt employees are required to submit complete and accurate time sheets on a weekly basis. Time worked is the time actually spent on a job(s) performing assigned duties. The Company does not pay for lunch or other extended breaks or time spent on personal matters. Altering, falsifying, tampering with time records, or recording time on another team member's time record will result in disciplinary action, up to and including termination of employment. Authorized personnel will review time records each week. Any changes to an employee's time record must be approved by his/her supervisor. Questions regarding the timekeeping system or time cards should be directed to the manager.

5.3 Overtime

Overtime compensation is paid to non-exempt employees in accordance with federal and state wage and hour laws. Overtime is payable for all hours worked over 40 per week at a rate of one and one-half times the non-exempt employee's regular hourly rate. Time off taken for sick leave or vacation, holidays or any leave of absence will not be considered hours worked when calculating overtime. All overtime work performed by a non-exempt employee must receive the supervisor's prior authorization. Overtime worked without prior authorization from the supervisor may result in disciplinary action. The supervisor's signature on a timesheet authorizes pay for overtime hours worked.

5.4 Paydays

All employees are paid bi-weekly. Paychecks will be deposited directly into an employee's bank account or physically mailed to the employee's home address. In the event that a regularly scheduled payday falls on a weekend or holiday, employees will receive pay on the day prior. Paychecks will not, under any circumstances, be drafted or deposited to any person other than the employee.

5.5 Bereavement

All employees are eligible for three bereavement days. However, the deceased must be an immediate family member. Only employees with full-time status are eligible for paid bereavement leave. Part-time employees may take unpaid bereavement leave.

Section 6: Benefits and Services

Coastal Infusions offers a benefits program for its regular full-time and regular part-time employees. However, the existence of these programs does not signify that an employee will necessarily be employed for the required time necessary to qualify for the benefits included in and administered through these programs.

6.1 Group Insurance

Coastal Infusions currently offers the following health and life insurance programs for all regular employees who work at least 30-hours per week (as determined by the carrier of the policies):

Health and Dental Insurance

- Eligibility for coverage begins 90 days after regular employment commences.
- The company pays 70% of the monthly premium.
- The employee pays the 30% remainder of the premium.
- The employee premium is paid through payroll deduction.
- Active health/dental benefits cease as of last day of employment

6.2 COBRA Benefits

The Federal Consolidated Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the Company health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or leave of absence, divorce or legal separation and a dependent child no longer meeting eligibility requirements. Please let Human Resources know if you have a qualifying event that results in a loss of eligibility so that you or a qualified beneficiary may continue your health care coverage.

Under COBRA, the employee or beneficiary pays the full cost of coverage at Company group rates plus an administration fee. The Company provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under Company's health insurance plan. The notice contains important information about the employee's rights and obligations.

6.3 Social Security/Medicare

Coastal Infusions withholds income tax from all employees' earnings and participates in FICA (Social Security) and Medicare withholding and matching programs as required by law.

6.4 Vacation

Paid vacation is available to regular full-time employees only. Paid vacation time accrues monthly, in arrears, in equal installments using the formula outlined in each employee's offer letter. Earned vacation leave cannot be taken before it is accrued and approved. Vacation may be taken in half-day increments of time. Upon termination, unused earned vacation will be paid in a lump sum in the employee's final paycheck. One week paid vacation may be carried over from one calendar year to the next. Any additional vacation remaining at calendar year end will be lost. The maximum amount of allowable carried over vacation time at any point in time is one week. The Company does not buy back unused vacation time. No more than one week of vacation may be taken at one time, except under extraordinary circumstances. Requests for more than one week of vacation should be in writing at least ninety days prior to the beginning of the requested vacation period. Vacation time for regular full-time employees varies based on experience level, original starting point, time with the company, etc. The table below outlines vacation eligibility levels per calendar year:

Employment Status:	Regular Part-time Level 1	Regular Full-time Level 2	Regular Full-time Level 3	Regular Full-time Level 4	Regular Full-time Level 5
Who is Eligible?	Part-time employees	Full time employees	Full time employees	Full time employees	Full time employees
Annual vacation time:	No Vacation	1 Week	2 Weeks	3 Weeks	6 Weeks
Annual vacation time after 5 years in this level:	No Vacation	2 Weeks	3 Weeks	4 Weeks	7 Weeks

6.5 Record Keeping

The Human Resources Manager maintains a record of vacation days accrued and used. Each employee is responsible for verifying his/her pay stub to make sure the correct amount of hours appear.

6.6 Holidays

The Company observes the following holidays for all employees: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Full-time employees will receive their regular pay for a holiday, while part-time employees will not receive holiday pay. Non-exempt, hourly employees will receive premium pay for working Columbus Day and Veteran's Day, if they volunteer to do so.

6.7 Jury Duty

All employees will be excused from work for the days on which they serve jury duty. All employees will be paid regular wages, less any amount received for jury duty, for the first three days of jury duty. Thereafter, all exempt employees will be paid their usual salary, less any amount received for jury duty, for any week during which they perform work for the Company whilst simultaneously serving on a jury. Employees must provide immediate notice to their supervisor upon receipt of the jury duty summons or subpoena and must provide their supervisor a copy of the summons or subpoena. Jury duty pay for non-exempt employees will be calculated on the employee's base rate times the number of hours the employee would otherwise have worked on the day of absence.

Employees also will be excused from work if they are subpoenaed to testify. Unless a non-exempt employee elects to use vacation, the time will be without pay. Exempt employees will be paid in accordance with wage and hour laws.

Employees are expected to report to work whenever the jury or testimony schedules permit.

6.8 Military Leave

The Company will provide a leave of absence for military commitments as required by federal and state law. Military leave includes active duty and active or inactive duty training, including annual reserve training duty and National Guard training. Please notify the Company of the need for military leave as soon as you are made aware of it. A copy of the military service orders is requested. You must also notify the Company of a return-to-work date as soon as you receive such notification from your military unit.

6.9 Parental Leave

A parental leave of absence up to a maximum of eight (8) weeks will be granted to full-time male and female employees who wish to return to the Company after the employee gives birth (or his or her spouse gives birth) or for the placement, or adoption with the employee adopting, or intending to adopt, a child under the age of 18, or under the age of 23 if the child is mentally or physically disabled, if the employee complies with the following conditions:

- The employee has completed three (3) consecutive months of employment.
- The employee has given two (2) weeks' notice of the employee's expected departure date and notice that the employee intends to return to work. This notice should be in writing and submitted to the employee's supervisor or Director of Operations who in turn will submit this document to be included in the employee's permanent file.
- Any two (2) employees shall only be entitled to eight (8) weeks of parental leave in the aggregate for the birth or adoption of the same child.

The employee is entitled to return to the same or similar full-time position at the same rate of pay the employee received prior to the parental leave without loss of benefits for which the employee was eligible on the date the employee's leave commenced if the employee terminates parental leave within eight weeks and if other employees of equal length of service credit and status in the same or similar position have not been laid off due to economic conditions or other changes in operating conditions affecting employment during the period of such maternity leave. Employees may use sick and vacation leave concurrently with this leave. Parental Leave also will run concurrent with any available Family and Medical Leave Act leave.

Parental leave shall not affect the employee's right to receive vacation time, sick leave, bonuses,

advancement, seniority, length of service credit, benefits, plans or programs for which the employee was eligible at the date of the leave, and any other advantages or rights of employment incidental to the employment position; provided, however, that the parental leave shall not be included, when applicable, in the computation of the benefits, rights and advantages. The Company will continue to pay its portion of the employee's health insurance premiums during such a leave.

6.10 Domestic Violence Leave

Employees may take up to 15 days of unpaid leave in any 12-month period if the employee or a family member is a victim of abusive behavior and the leave is used to:

- seek or obtain counseling, victim services, medical attention, or legal assistance;
- secure housing;
- obtain a protective order from a court;
- appear before a grand jury or in court;
- meet with a district attorney or other law enforcement official;
- attend child custody proceedings; or
- address other issues directly related to the abusive behavior against the employee or a family member.

Any employee requesting leave under this Policy shall first exhaust all vacation leave, personal leave and sick leave available prior to requesting or taking domestic violence leave. Where leave is foreseeable (for example, a scheduled court date), the employee must provide at least 30 days advance notice prior to the anticipated leave date, or as much notice as is practicable under the circumstances. If there is a threat of imminent danger to the health or safety of an employee or the employee's family member, the employee shall not be required to provide advanced notice of leave: provided, however, that the employee shall notify the Company within 3 workdays that leave was taken or is being taken under this policy.

The Company may require an employee to provide documentation evidencing that the employee or family member has been a victim of abusive behavior and that the leave taken is consistent with this Policy. All information related to an employee's leave under this policy shall be kept confidential and shall not be disclosed except to the extent such disclosure is permitted by applicable law.

Coastal Infusions will not retaliate or in any other manner discriminate against an employee for exercising his or her rights to take leave under this policy.

6.11 Small Necessities Leave

Employees employed for at least one year who have worked at least 1,250 hours in the 12 months immediately before the start of leave are eligible for up to 24 hours of unpaid leave during any 12-month period to:

- Participate in school activities directly related to the educational advancement of his child, including parent-teacher conferences or interviewing for a new school.
- Accompany his child to routine medical or dental appointments, including check-ups or vaccinations.
- Accompany an elderly relative to routine medical, dental, or other appointments related the relative's care, including interviewing at nursing or group homes.

The time off will run concurrent with available leave and benefits policies to the extent permitted by applicable law.

6.12 Family Medical Leave Act

Employees employed for at least one year who have worked at least 1,250 hours in the 12 months immediately before the start of leave, and who work at a worksite where there are at least 50 employees in a 75-mile radius, are eligible for:

- Twelve workweeks of unpaid leave in a 12-month period for:
 - the birth of a child and to care for the newborn child within one year of birth;
 - the placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
 - to care for the employee's spouse, child, or parent who has a serious health condition;
 - a serious health condition that makes the employee unable to perform the essential functions of his or her job;
 - any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" **or**
- Twenty-six workweeks of leave during a single 12-month period to care for a covered servicemember with a serious injury or illness if the eligible employee is the servicemember's spouse, son, daughter, parent, or next of kin (military caregiver leave).

If you and your spouse both work for Coastal Infusions, the two of you will be entitled to a combined total of 12 weeks of leave to care for a newborn, newly adopted child, or recently placed foster child, and to care for a parent with a serious health condition. If you both qualify for the 26-week leave permitted to care for a covered service member, you will be entitled to a combined total of 26 weeks of leave for this purpose.

Employees must request a planned family and medical leave at least 30 days before the leave begins. If the need for the leave is not foreseeable, employees must request the leave as soon as he or she becomes aware of the need for leave. Failure to comply with this requirement may result in a delay of the start of the leave.

When leave is requested for medical reasons, the employee must submit a medical certification from the health care provider that establishes the employee is eligible for family and medical leave. The certification must be provided as soon as is reasonably practical, and not later than the date leave begins or within 15 days of the Company's request, whichever is later. When the leave is requested because of the employee's own serious health condition, the certification must include: (1) the date the serious health condition commenced, (2) the probable duration of the serious health condition, and (3) a statement that, because of the serious health condition, the employee is unable to work or needs medical treatment.

When leave is requested to care for a family member who is ill or injured, the certification must contain: (1) verification the family member has a serious health condition or serious injury or illness, as defined above, and the date such condition began, (2) the probable duration of the condition, (3) an estimate of the amount of time the health care provider believes the employee will be needed to care for the family member or covered service member, and (4) a statement that the condition warrants the participation of the employee to provide care. Coastal Infusions reserves the right to contact the health care provider

to seek clarification of information in the certification, as needed, and may require recertification, as appropriate.

Before returning to work at the conclusion of a leave due to the employee's own serious health condition, the employee is required to provide a certification from his or her health care provider regarding the employee's fitness for duty. The employee must provide the required medical certification to the Company in a timely manner to avoid a delay or denial of leave.

The designated 12-month period during which leave may be taken will be calculated based on a rolling 12-month period, measured backward from the date of any FMLA leave is taken. All time off that qualifies as family and medical leave will be counted against the employees federal and, if applicable, state family and medical leave entitlement to the fullest extent permitted by law. Accrued sick and vacation time must be used concurrent with FMLA leave.

During a family and medical leave, group benefits will be maintained for up to 12 workweeks (or up to 26 weeks when leave is for the purpose of caring for a covered service member), as if the employee was continuously employed.

If the employee does not return to work on the first workday following the expiration of an approved family and medical leave, the employee will be deemed to have resigned from his or her employment. Upon returning from such a leave the employee will normally be reinstated to his or her original or an equivalent position and will receive pay and benefits equivalent to those the employee received prior to the leave, as required by law. In certain circumstances, "key" employees may not be eligible for reinstatement following a family and medical leave. The Company will provide written notice to any "key" employee who is not eligible for reinstatement.

6.13 Employee Discount

N/A

6.14 Fairness to Pregnant Workers

Under the Massachusetts Pregnant Workers Fairness Act, employees have the right to be free from discrimination in relation to pregnancy or a condition related to the employee's pregnancy including, but not limited to, lactation or the need to express breast milk for a nursing child. The right to be free from such discrimination includes the right to reasonable accommodations for conditions related to pregnancy.

The Company shall provide a reasonable accommodation for an employee's pregnancy or any condition related to the employee's pregnancy (which includes, but is not limited to, lactation or the need to express breast milk for a nursing child) to enable the employee to perform the essential functions of the employee's job, unless the requested accommodation would impose an undue hardship to Coastal Infusions. A reasonable accommodation may include, among other things: (1) more frequent or longer paid or unpaid breaks; (2) time off to attend to a pregnancy complication or recover from childbirth with or without pay; (3) acquisition or modification of equipment or seating; (4) temporary transfer to a less strenuous or hazardous position; (5) job restructuring; (6) light duty; (7) private non-bathroom space for expressing breast milk; (8) assistance with manual labor; or (9) a modified work schedule.

Employees seeking pregnancy-related accommodations should make a request to Human Resources. After the employee has requested an accommodation, the Company and the employee will engage in an

interactive process to determine the feasibility of a requested accommodation. During the interactive process, the Company may require documentation about the need for a reasonable accommodation from an appropriate health care or rehabilitation professional unless the employee has requested more frequent restroom, food or water breaks, seating, limits on lifting over twenty (20) pounds, or a private non-bathroom space for expressing breast milk. The Company may also require documentation when an employee seeks an extension of the accommodation beyond the originally extended accommodation.

In determining whether an accommodation constitutes an undue hardship, the Company will consider the nature and cost of the needed accommodation, the overall financial resources of the Company, the overall size of the business of the Company with respect to the number of employees and the number, type and location of its facilities, and the effect on expenses and resources or any other impact of the accommodation on Coastal Infusions' business.

Coastal Infusions will not:

- take an adverse action against an employee that requests or uses a reasonable accommodation;
- deny an employment opportunity to an employee because of the Company's need to provide the employee a reasonable accommodation based on a known condition related to the employee's pregnancy;
- require an employee to accept an accommodation the employee chooses not to accept where the accommodation is not necessary to enable the employee to perform the essential functions of the job;
- demand that an employee take a leave of absence if another reasonable accommodation would suffice and would not pose an undue hardship to the Company; or
- refuse to hire a person who is pregnant because of the person's pregnancy or condition related to pregnancy where the person can perform the essential functions of the position with a reasonable accommodation that would not impose an undue hardship to Coastal Infusions.

Section 7: Employee Communications

7.1 Staff Meetings

Staff meetings will be held weekly on a day and time to be determined by the Director of Operations. These informative meetings allow employees to be informed on recent company activities, changes in the workplace and employee recognition. All staff are expected to attend such meetings unless specifically excused from doing so.

7.2 Bulletin Boards

Bulletin boards placed in designated areas provide employees access to important posted information and announcements. The employee is responsible for reading necessary information posted on the bulletin boards.

Section 8: Employee Sign-off

Please sign below evidencing that you have received, read, and fully understand the Coastal Infusions Employee Manual.

Employee Name (Print)

Date

Employee Signature

Record Keeping Procedures

Coastal Infusions' records will be available for inspection by the CCC upon request. All internal records are maintained in accordance with Generally Accepted Accounting Principles. Written records that are maintained and available for inspection by the Commission include, but are not necessarily limited to, all records required in any section of 935 CMR 500.000, in addition to the following:

1. Written operating procedures as required by 935 CMR 500.105(1);
2. Inventory records as required by 935 CMR 500.105(8);
3. Seed-to-sale tracking records for all marijuana products as required by 935 CMR 500.105(8)(e);
4. The following personnel records:
 - a. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
 - b. A personnel record for each Agent. Company Agent records will be maintained for at least 12 months after termination of the individual's affiliation with Coastal Infusions and will include, at a minimum, the following:
 - i. all materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 - ii. documentation of verification of references;
 - iii. the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
 - iv. documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
 - v. documentation of periodic performance evaluations;
 - vi. a record of any disciplinary action taken; and
 - vii. notice of completed Responsible Vendor Training and eight-hour related duty training.
 - c. A staffing plan that will demonstrate accessible business hours and safe production conditions;
 - d. Personnel policies and procedures; and
 - e. All background check reports obtained in accordance with 935 CMR 500.030.
5. Business records: Coastal Infusions maintains its financial records within QuickBooks, including all wholesale revenue, all expenses, wages, capital expenditures, liabilities, and all other items that would appear on a profit and loss report or balance sheet. These records cover:
 - a. Assets and liabilities;
 - b. Monetary transactions;
 - c. Books of accounts, including journals, ledgers, and supporting documents,
 - d. Sales records including the quantity, form, and cost of marijuana products; and
 - e. Salary and wages paid to each employee, any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment.
6. Waste disposal records as required under 935 CMR 500.105(12); Coastal Infusions will maintain all waste disposal records for at least three years in a form and location acceptable to the Commission.

Maintaining of financial records

Coastal Infusions maintains its financial records within QuickBooks, including all wholesale revenue, all expenses, wages, capital expenditures, liabilities, and all other items that would appear on a profit and loss report or balance sheet. These records, which are maintained in accordance with Generally Accepted Accounting Principles, cover the following:

1. Assets and liabilities;
2. Monetary transactions;
3. Books of accounts, including journals, ledgers, and supporting documents,
4. Sales records including the quantity, form, and cost of marijuana products; and
5. Salary and wages paid to each employee, any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment.

Qualifications and training

Qualifications for employment at Coastal Infusions vary with the position. Here is a list of minimum qualifications as shown on our current job descriptions:

1. *Chief Executive/Financial Officer* - The CEO/CFO will be thoroughly committed to Coastal Infusions' corporate mission. All candidates should have proven leadership, coaching, and relationship management experience. Concrete demonstrable experience and other qualifications include:
 - Unwavering commitment to quality control and data-driven operational evaluation
 - Excellence in organizational management with the ability to coach staff, manage, and develop high-performance teams, set and achieve strategic objectives, and manage a budget
 - Past success working with a Board of Directors with the ability to cultivate existing board member relationships
 - Demonstrated experience in financial management and accounting
 - Experience should include legal, audit, compliance, budget, and resource development.
 - Demonstrated resourcefulness in setting priorities, proposing new ways of creating efficiencies, and guiding investment in people and systems.
 - Strong marketing, public relations, and fundraising experience with the ability to engage a wide range of stakeholders and cultures
 - Strong written and verbal communication skills; a persuasive and passionate communicator with excellent interpersonal and multidisciplinary project skills
 - Action-oriented, entrepreneurial, adaptable, and innovative approach to business planning
 - Ability to work effectively in collaboration with diverse groups of people in a tightly regulated environment
 - Flexible and a self-starter; able to multi-task while also being highly detail-oriented.
 - Passion, idealism, integrity, positive attitude, mission-driven, and self-directed
2. *Director of Operations*
 - Results-proven track record of exceeding goals and delivering desired results
 - Evidence of the ability to consistently make good decisions through a combination of analysis, wisdom, experience, and judgment
 - High level of business acumen including successful P&L management
 - Ability to balance the delivery of programs against the realities of a budget
 - Problem solving, project management, and creative resourcefulness
 - Energetic, flexible, collaborative, and proactive
 - A team leader who can positively and productively impact both strategic and tactical operational initiatives.
 - Proven track record of success facilitating progressive organizational change and development within a growing organization

- 5+ years of relevant operations management experience preferred
- MBA or equivalent professional experience
- MUST have a valid MA Driver's license and proof of insured reliable transportation
- Must be 21 years of age
- Punctual, meticulous, reliable
- Courteous manner with customers and staff
- Knowledge of cannabis production methods preferred

3. *Director of Sales & Marketing*

- Minimum five (5) years of Sales & Marketing experience in a managerial role.
- Bachelor's degree, OR four (4) years of experience in a directly related field.
- High School Diploma or General Education Development (GED) required.
- Expert knowledge of advertising mediums and related reporting metrics.
- Ability to convert sales and marketing goals into actionable campaign deliverables designed to meet company objectives.
- Excellent written, verbal and interpersonal communication skills.
- Must have a valid MA Driver's license and proof of insured reliable transportation
- Must be 21 years of age
- Punctual, meticulous, reliable
- Submit to a full background check
- High level of responsibility

4. *Director of QA & Compliance*

- Knowledge of regulatory and security compliance requirements and technologies.
- Expert knowledge of CCC and company compliance policies, practices and systems.
- Develops advanced compliance principles, theories, and concepts.
- Knowledge of compliance-related practices and standards.
- Project management skills.
- Ability to hold co-workers accountable, and lead company-wide initiatives.
- Must have a valid MA Driver's license and proof of insured reliable transportation
- Must be 21 years of age
- Punctual, meticulous, reliable
- Submit to a full background check
- Strong communication skills
- High level of responsibility

5. *Production Manager*

- Minimum three (3) years experience with beverage canning.
- Experienced with cannabis concentrate techniques preferred.
- Ability to multi-task beverage mixing and canning duties according to a tight schedule.
- Knowledgeable and experienced with Good Laboratory Practices (GLP).

- Strong communication skills.
- Must have a valid MA Driver's license and proof of insured reliable transportation
- Must be 21 years of age
- Punctual, meticulous, reliable
- Submit to a full background check
- High level of responsibility

6. *Inventory/Packaging Manager*

- Minimum two (2) years inventory management and packaging oversight.
- Ability to quickly identify and troubleshoot issues while maintaining a tight schedule.
- Strong communication skills.
- Must have a valid MA Driver's license and proof of insured reliable transportation
- Must be 21 years of age
- Punctual, meticulous, reliable
- Submit to a full background check
- High level of responsibility

7. *Production Specialist*

- Valid driver's license, proof of insurance, and reliable transportation
- Must be 21 years of age
- Courteous manner with fellow staff members.
- Team player and strong work ethic.
- Ability to manage time and effectively prioritize.
- Meticulous attention to detail.
- Flexibility and ability to adapt quickly to business needs.
- Must be comfortable with a high level of responsibility.
- Must submit to a full background check.

8. *Regional Sales Rep*

- Minimum two (2) years relevant sales experience.
- Must have a valid MA Driver's license and proof of insured reliable transportation
- Must be 21 years of age
- Punctual, meticulous, reliable
- Courteous manner with customer and staff
- Submit to a full background check
- Meticulous attention to detail
- Excellent communication skills
- High level of responsibility
- Flexibility and willingness to pitch-in wherever needed
- Must be confident and customer service oriented when dealing with customers on the phone and in person as well

9. *Transport Specialist*

- Must have a valid MA Driver's license and proof of insured reliable transportation
- Must be 21 years of age
- Punctual, meticulous, reliable
- Courteous manner with customers and staff
- Submit to a full background check
- Meticulous attention to detail
- Strong communication skills
- High level of responsibility
- Flexibility and willingness to pitch-in wherever needed

Agent training

All Agents will receive comprehensive training on an ongoing basis:

At Hiring:

- New Agents must complete an initial training regimen prior to performing actual job functions.
- Training includes shadowing an Agent in a similar role with similar job responsibilities
- Training must also include training on confidentiality, as well as in-depth review of the Adult-Use Marijuana regulations.
- Incident de-escalation techniques and emergency policies.
- Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual hired indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters. This must be included in employee's personnel file.
- Responsible Vendor Training
 1. Within 90 days of hiring all employees that are involved in the handling and sale of marijuana for adult-use will attend and successfully complete a responsible vendor program to be designated a "responsible vendor."
 2. Administrative employees who do not handle or sell marijuana may take the "responsible vendor" program on a voluntary basis

On-going:

- At a minimum, staff shall receive a minimum of 8 hours on-going, relevant training and/or supplemental education annually
- The Director of Operations will determine the annual training agendas for all staff
- All employees that are involved in the handling and sale of marijuana for adult-use will successfully complete the program once every year thereafter to maintain designation as a "responsible vendor."

Safety Plan for Manufacturing

Coastal Infusions takes product safety and the safety of its Agents very seriously. A safety issue that harmed someone would be devastating to the Company, especially given that our objective is to create enjoyable products. A comprehensive manufacturing safety plan has been adopted which focuses on facility & equipment maintenance and sanitization, product testing and Agent training. We endeavor to exceed state regulatory requirements by meeting OSHA standards, and obtaining GMP and GLP certifications in the future.

Facility and maintenance are a top priority for the Company. The goal is to ensure safe access and use of the facility at all times through a comprehensive schedule of proactive repair and maintenance. For example: professional snow removal, sanding/salting, regular roof inspection, electrical inspection, sprinkler testing, fire extinguisher inspection, alarm system inspection, extraction equipment maintenance and infused products equipment inspection and maintenance. A portion of these responsibilities will be handled in-house while others will be landlord responsibility or third party contract.

Sanitization with regard to infused edibles manufacturing is a critical component of the Company's safety plan. All Edible Marijuana Products shall be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: *State Sanitary Code Chapter X: Minimum Sanitation Standards for Food Establishments*, and with the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*.

Any Marijuana Product that is made to resemble a typical food or Beverage product must be packaged and labelled as required by 935 CMR 500.105(5) and (6).

Coastal Infusions will meet all applicable environmental laws, regulations, permits and other applicable approvals including, but not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7:00: Air Pollution Control.

Coastal Infusions will provide documentation of its compliance, or lack thereof, with the testing requirements of 935 CMR 500.160, and standards established by the Commission for the conditions, including time and temperature controls, necessary to protect Marijuana Products against physical, chemical, and microbial contamination as well as against deterioration of finished products during storage and transportation.

All MIPs will be produced in the Coastal Infusions commercial kitchen and processing area. All products will be prepared and handled with food-grade stainless steel tables and equipment with no contact with Agents' bare hands. All product packaging will be conducted in a secure area. We will adhere to strict sanitary practices, including but not limited to:

- Maintaining adequate personal cleanliness

- Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
- Hand-washing facilities shall be adequate and convenient and shall be furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the Marijuana Establishment in Production Areas and where good sanitary practices require Employees to wash and sanitize their hands, and shall provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices
- There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations
- Litter and waste shall be properly removed, disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal shall be maintained in an adequate manner pursuant to 935 CMR500.105(12)
- Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair
- There shall be adequate safety lighting in all Processing and storage areas, as well as areas where equipment or utensils are cleaned
- Buildings, fixtures, and other physical facilities shall be maintained in a sanitary condition
- All contact surfaces, including utensils and equipment, shall be maintained in a clean and sanitary condition. Such surfaces shall be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils shall be so designed and of such material and workmanship as to be adequately cleanable
- All toxic items shall be identified, held, and stored in a manner that protects against contamination of Marijuana Products. Toxic items shall not be stored in an area containing products used in the cultivation of Marijuana. The Commission may require a Marijuana Establishment to demonstrate the intended and actual use of any toxic items found on the Premises
- Marijuana Establishment's water supply shall be sufficient for necessary operations. Any private water source shall be capable of providing a safe, potable, and adequate supply of water to meet the Marijuana Establishment's needs
- Plumbing shall be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the Marijuana Establishment. Plumbing shall properly convey sewage and liquid disposable waste from the Marijuana Establishment. There shall be no cross-connections between the potable and waste water lines
- A Marijuana Establishment shall provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair
- Products that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms

- Storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers
- All vehicles and transportation equipment used in the transportation of Marijuana Products or Edibles requiring temperature control for safety must be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the Marijuana Products or edibles from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR1.908(c).

Agent training

All Agents will receive comprehensive training on an ongoing basis:

At Hiring:

- New Agents must complete an initial training regimen prior to performing actual job functions.
- Training includes shadowing an Agent in a similar role with similar job responsibilities
- Training must also include training on confidentiality, as well as in-depth review of the Adult-Use Marijuana regulations.
- Incident de-escalation techniques and emergency policies.
- Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual hired indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters. This must be included in employee's personnel file.
- Responsible Vendor Training
 1. Within 90 days of hiring all employees that are involved in the handling and sale of marijuana for adult-use will attend and successfully complete a responsible vendor program to be designated a "responsible vendor."
 2. Administrative employees who do not handle or sell marijuana may take the "responsible vendor" program on a voluntary basis

On-going:

- At a minimum, staff shall receive a minimum of 8 hours on-going, relevant training and/or supplemental education annually
- The Director of Operations will determine the annual training agendas for all staff
- All employees that are involved in the handling and sale of marijuana for adult-use will successfully complete the program once every year thereafter to maintain designation as a "responsible vendor."

Energy Compliance Plan

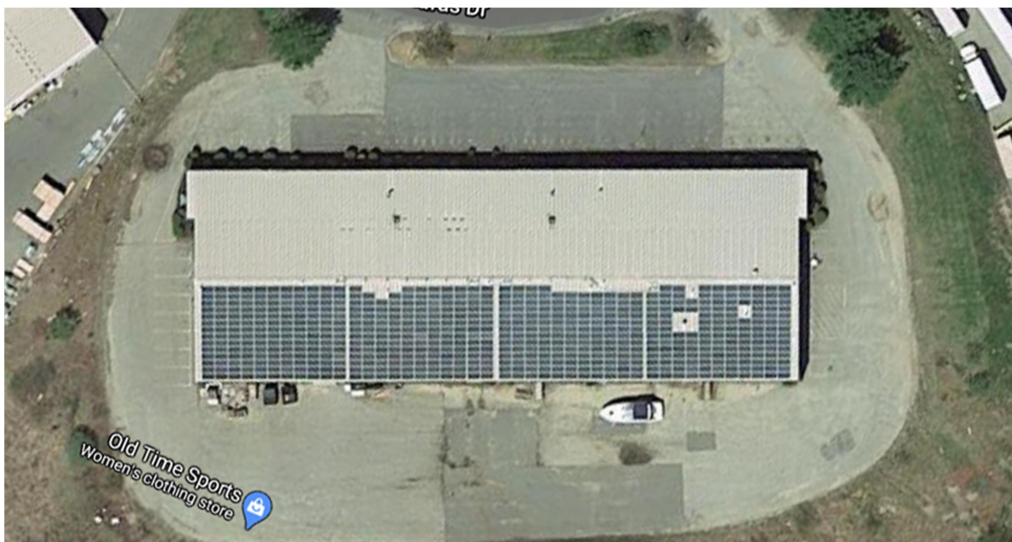
Coastal Infusions recognizes the importance of minimizing its impact on the environment. A significant portion of this effort will focus on energy efficiency and energy offset. The Company endeavors to design and operate a facility which is compliant with all applicable environmental laws, regulations, permits, and other applicable approvals including, but not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management, and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7.00: Air Pollution Control.

Coastal Infusions will adopt and use additional best management practices as determined by the Commission, in consultation with the working group established under St.2017, c.55,§78(b) or applicable departments or divisions of the EOEEA, to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts. The Company will provide energy and water usage reporting to the Commission in a form determined by the Commission. Energy and water usage over the last 12-month period will be reported to the CCC on an annual basis and/or upon request.

Coastal Infusions will minimize its energy use by hiring a licensed electrician to update ambient lighting to LED fixtures throughout the facility. Energy Star appliances will be selected, and lights will be setup on motion detector switches as deemed appropriate. We will also pursue engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through municipal lighting plants.

The building envelope must meet minimum Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: State Building Code), International Energy Conservation Code (IECC) Section C402 or The American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) Chapters 5.4 and 5.5 as applied or incorporated by reference in 780 CMR: State Building Code. As Coastal Infusions proposes to occupy an existing facility, compliance will be demonstrated by showing that the envelope insulation complies with code minimum standards for Type Factory Industrial F-1, as further defined in guidelines issued by the Commission.

In Consideration of opportunities for renewable energy generation, it is expected that the existing 600-panel rooftop solar array in place at the proposed facility will offset more than 50% of the ME's annual electrical demand.



HVAC and dehumidification systems will meet Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR State Building Code), IECC Section C403 or ASHRAE Chapter 6 as applied or incorporated by reference in (780 CMR: State Building Code). As part of the documentation required under 935 CMR 500.120(11)(b), the Company will provide a certification from a Massachusetts Licensed Mechanical Engineer that the HVAC and dehumidification systems meet Massachusetts building code as specified in 935 CMR 500.120(11)(c) and that such systems have been evaluated and sized for the anticipated loads of the facility.

Safety protocols have been established and documented to protect workers and Consumers.

Prior to final licensure, Coastal Infusions will demonstrate compliance with 935 CMR 500.120(11) by submitting an energy compliance letter prepared by one or more of the following energy professionals:

- A Certified Energy Auditor certified by the Association of Energy Engineers;
- A Certified Energy Manager certified by the Association of Energy Engineers;
- A Massachusetts Licensed Professional Engineer; or
- A Massachusetts Licensed Registered Architect.

Quality control and testing

Coastal Infusion's procedures for ensuring high-quality, dose-consistent, contaminant-free marijuana products incorporate industry best practices for MIPs production. These practices expressly prohibit the use of plant-growth regulators, non-organic pesticides and heavy-metal additives, while also demanding high standards of sanitization and third-party laboratory testing and in full compliance with 935 CMR 500.160.

These procedures begin with strict sanitary protocols and personal hygiene requirements for all manufacturing staff. These include, but are not limited to: depositing of non-essential personal belongings in sequestered locker rooms upon first entering the facility; sanitary uniforms for all employees/authorized visitors; and, before entering any production area, mandated use of secondary locker/changing rooms and further changing into fresh clothing, a face mask, and a hair-net.

Coastal Infusions does not plan to handle dried cannabis flower, but in the event that this changes in the future, we will ensure that only the leaves and flowers of the female marijuana plant are processed accordingly in a safe and sanitary manner as prescribed below:

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

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

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

- Maintaining adequate personal cleanliness; and
- Washing hands appropriately.

Hand-washing facilities shall be located in production areas and where good sanitary practices require employees to wash and sanitize their hands.

There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations.

Litter and waste shall be properly removed so as to minimize the development of odor and the potential for the waste attracting and harboring pests.

Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair.

All contact surfaces, shall be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination.

All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana.

Water supply shall be sufficient for necessary operations.

Plumbing shall be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment.

Coastal Infusions shall provide its employees with adequate, readily accessible toilet facilities.

Storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination.

No marijuana may be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratory. Coastal Infusion's marijuana products will be tested at an ISO certified state-compliant lab. Testing will be conducted under Good Laboratory Practices (GLP) guidelines and ISO 17025 certification. Our third-party lab vendors are registered as Agents with the CCC. Our lab vendors are responsible for transportation of samples to be tested. All excess marijuana must be returned to the company and be disposed of in a compliant manner.

Product testing objectives include measuring cannabinoid profiles, pesticides and micro-organisms, including bacteria and mold, which may present a health risk to consumers. Molds such as *Aspergillus*, *Penicillium* and *Cladosporium* can be found in almost all marijuana plant material, but testing ensures that levels of mold and mycotoxins are below acceptable limits as determined by state regulations. Real time PCR (qPCR) is generally used by our lab vendors to identify and quantify any micro-organisms present in a sample, while additional chromatographic techniques, in combination with monoclonal antibody-based ImmunoAffinity assays, are used to detect the presence and levels of mycotoxins in a sample. Similar chromatographic methodologies are used for the identification of plant growth regulators in our products.

Samples are tested for the presence of heavy metals using ICP-MS. For samples of flower, residual moisture content is measured; for cannabis extracts, residual solvents are measured. The only solvent Coastal Infusions plans to encounter in the distillate it purchases from third party MEs is ethanol.

In the event that laboratory results indicate contaminant levels are above acceptable limits established in the protocols identified in 935 CMR 500.160(1), the batch may first be re-tested in accordance with CCC testing protocols. When contamination is confirmed and cannot be remediated, the CCC shall be notified within 72 hours. Any information regarding the contamination as specified by the CCC must be provided, and the batch must be disposed of in a compliant manner. 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.

We intend to strictly adhere to all testing protocols as determined by the Cannabis Control Commission.

Testing results shall be retained for no less than 1 year.

Quality Control (QC) Samples

Duplicate samples will be routinely collected to provide verification of both sampling and laboratory procedures and consistency. Specifically, a duplicate is to be collected for 5 percent (1 per 20) of the samples collected for each batch. Duplicate samples are not identified to the receiving laboratory (this is considered blind quality control). Duplicate samples are used to evaluate any variance in the sampling and analysis procedures.

“Duplicate Samples” means two samples taken from, and representative of, the same material that are carried through all steps of the sampling and analytical procedures in an identical manner. Duplicate samples may be used to evaluate variance in the evaluation method, including sampling and analysis.

Procedures for sampling of finished product:

This section describes sample collection procedures that are generally applicable to any marijuana product that Coastal Infusions may produce, including finished MIPs. Sample collection must be conducted in a manner that provides analytically sound and representative samples so that all marijuana products dispensed are safe, effective, and accurately labeled. Coastal Infusions is committed to documenting every sampling event and will provide this documentation to the CCC upon request.

Prior to Sample Collection. The Agents conducting the sampling should assemble all equipment and information needed before beginning. Items to assemble before sampling include, but are not limited to, the following:

- Sample collection plan for each product type;
- Logbook or sample collection forms;
- Chain-of-custody forms (COCs);
- Disposable gloves;
- Decontaminated tool(s), such as a spatula, knife, sampling spear, or pipette;
- Stainless steel bowl and implement to homogenize the product (e.g., by stirring, chopping, or grinding);
- Clean, decontaminated surface for sample processing;

- Sample containers appropriate for the analyses required;
- Container labels and pen with indelible ink;
- Supplies to thoroughly clean, decontaminate and dry sampling equipment between samples; and
- A cooler with ice to keep samples cool until refrigeration or shipment to the laboratory (applies to perishable products only).

Sample collection personnel should create a new entry for each sampling event in a sample collection logbook or prepare sample collection forms for documentation of sample collection. Sample collection documentation should identify the sample collection date and start time, participating personnel, a general description of the product type and batch number sampled, a description of the sampling procedures used, and a record of batches that would potentially be impacted should analysis results indicate unacceptable contamination levels.

Sample collection personnel shall identify or determine the cultivation batch number, production batch, and number of samples to be collected based on the guidance provided in the testing protocols guidance document, as well as further guidance obtained in consultation with the laboratory. The number of samples taken from each production batch must be recorded in the sample collection logbook or forms. Record the sample production batch identifiers (ID) for each sample. The batch IDs will be included on sample labels. In addition to the batch ID, create a unique sample ID for each sample. Sample identifiers should be unique for a given sample event. Record the batch and sample IDs in the sample collection logbook.

Any tools that contact the samples should be made of stainless steel or other inert material to avoid potential contamination of the sample. Appropriate sample containers should be made of suitable materials.

Preparing sample labels and affixing them to sample containers immediately before sampling is recommended. Information to include on the label includes at a minimum the batch and sample IDs and date/time of collection and by whom. Additional information that must be recorded in documentation, if not on the label, includes sample collector's name, product type, collection method, and other details about the product, such as MIP type or production method.

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

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

3. Collect the sample using an appropriate tool. Do not touch the sample with your hands or allow the sample to touch anything that might cause cross-contamination.
4. If necessary, place the sample in the stainless steel bowl or on a decontaminated cutting surface for homogenizing the sample using either the sample collection tool or separate clean, decontaminated implement.
5. Record the time each sample was collected and record any difficulties, inconsistencies with the sampling plan, or other remarks (e.g., environmental conditions) that might be relevant to data analysis or quality assurance.
6. To avoid cross contamination of samples, any tools or equipment that comes in contact with the finished plant material or other marijuana products should be cleaned with isopropyl alcohol before collecting the next sample.
7. All samples should be placed in clean, airtight sample containers that are large enough to hold the prescribed sample quantity with minimal headspace. Sample containers must be firmly closed and appropriately labeled.
8. To preserve the chemical and biological composition of the samples, they should be refrigerated or maintained on ice until shipped to the analytical laboratory.
9. Chain-of-custody paperwork should be completed immediately prior to shipment to the analytical laboratory.

Marijuana products and MIPs, especially solids or semi-solids such as finished plant material, may be heterogeneous with respect to distribution of cannabinoids or contaminants. To obtain a representative sample, liquid products should be thoroughly stirred or mixed before sampling. Solid and semi-solid products must be ground and thoroughly mixed. A grinding device that minimizes loss (e.g., leaching of resins) should be used, and the grinding device should be cleaned thoroughly after each use.

Another method to promote the representativeness of a ground marijuana product is quartering. Quartering involves heaping the ground product, dividing the heap into four equal quarters, and selecting samples from two of the quarters, which are combined and mixed (Sexton and Ziskind, 2013). The remaining quarters may then be combined and mixed, then used for microbiological and contaminant testing (Sexton and Ziskind, 2013).

Resin and other solids should not be melted as a means of homogenization. Heating the product may alter the cannabinoid profile or contamination levels (WHO, 2005) thereby rendering the sample unrepresentative of the source product.

Edible products tend to be relatively homogeneous (Sexton and Ziskind, 2013), so a selection of packaged or ready-to-dispense MIPs may be provided to the analytical laboratory to represent a given production batch (Sexton and Ziskind, 2013). MIPs may be either liquid or solid, and the solid MIPs may be of varying density (e.g., baked goods, candies, etc.). Laboratory samples of MIPs shall be homogenized prior to testing such that the sample is representative of the whole product. Homogenized samples should be mixed and quartered similar to the procedure described above. If production batches

of individually packaged MIPs are sampled, multiple packaged products should be sampled such that they are representative of the production batch size.

Restricting Access to age 21 and older

Per statute and state regulations, Coastal Infusions acknowledges that all employees must be 21 years of age or older. Age of each prospective employee will be verified using one of the state-approved forms of identification including the individual's driver's license or other government-issued identification card. Access to the proposed facility will be limited to registered Coastal Infusion agents and approved visitors whose age is positively verified as 21+ by an authorized staff member upon entry to the facility. All visitors must be 21 years of age or older.

Although Coastal Infusions is not applying for a retail license, all consumers entering a Marijuana Retailer must be 21 years of age or older unless the establishment is co-located with a Medical Marijuana Treatment Center in accordance with 935 CMR 500.050(5).

Diversity Plan

The Coastal Infusions diversity plan is intended to promote equity among the following Commission-approved areas of diversity: minorities, women, veterans, people with disabilities, and LGBTQ+

Goals

The high level goal of the Coastal Infusions Diversity Plan is to promote equity for the aforementioned Commission-approved groups. We plan to attract, contract, hire, promote, and retain board members, contractors, executives, employees, managers, and service providers who fall into these groups whenever possible. We aim to:

1. Directly staff 10% of our workforce with individuals falling into the above-listed demographics, and provide tools to ensure their continued success;
2. Contract with third-party service providers and contractors who fall into the above-listed demographics (at least 10%);
3. Directly staff 10% of our workforce with individuals falling into the above-listed demographics in management positions in the Company, and provide tools to ensure their continued success. Opportunities for promotion will be made available on an as-needed basis;
4. Assist individuals falling into the above-listed demographics to achieve their goal of entering the adult-use marijuana industry either directly as a Coastal Infusions employee or with another licensed ME;

Programs

In order to achieve the goals stated above, Coastal Infusions plans to take several actions including the following:

1. Advertising employment opportunities in diverse publications such as the Eagle Tribune on an as-needed basis, but two times per year at a minimum;
2. Advertising employment opportunities tailored to individuals falling into the above-listed demographics through our Career Fair Program;
3. Distributing internal workplace newsletters that encourage current employees to recommend individuals falling into the above-listed demographics to participate in the Career Fair Program ("CFP") where they may benefit from skills assessment, career consulting, and apply for open positions within the Company. Newsletters will be distributed in conjunction with the CFP (as-needed but twice per year at a minimum);
4. Creating a promotion process that employs equity principles for current employees. This means that all candidates for promotions within the company will be considered eligible on the same basis such as tenure with the company and ability to meet job qualifications. It means that each application will be processed in the same manner. It means that a level playing field will exist for qualified applicants;

5. Providing skills assessment, career consulting and recruitment opportunities for individuals falling into the above-listed demographics to promote their entry into the marijuana industry as part of our CFP.

Coastal Infusions' will establish a CFP intended to aid in achieving its equity goals. Specifically, we propose to host and/or participate in career fairs targeted at individuals in the above-listed groups. The career fairs will be conducted virtually until face-to-face interaction is no longer disallowed by state (or federal) mandate. Eventually, we intend to offer face-to-face opportunities in Haverhill, which is the nearest ADI geographically to Salisbury, as defined by the CCC. The career fairs will be offered two times per year, or more, in the event that we are actively trying to fill job opportunities in the company. Each event will be advertised in the Eagle Tribune, and promoted on our website and/or social media channels, stating that we are specifically looking for minorities, women, veterans, people with disabilities, and LGBTQ+ individuals seeking employment opportunities in the cannabis industry.

CFP participants will be offered an overview presentation of the cannabis industry, and a detailed analysis of job skills that are important for success in a licensed Marijuana Establishment. Participants will be invited to participate in informal interviews with our staff to discuss their particular skills and experience, and how these might be transferable to the cannabis industry. Participants demonstrating a positive attitude and transferable skill set will be invited to partake in a formal interview process as a next step when job openings exist within the Company. In the event that no job openings within our organization exist, we will introduce the candidate to other Marijuana Establishments in our network who may be actively hiring. While we cannot "recommend" an individual which has never worked for Coastal Infusions, we can achieve our goal of helping qualified individuals to obtain a job in the industry who have participated in the skills assessment portion of our CFP in this way.

6. Conducting employee satisfaction surveys on a semi-annual basis, with a focus on satisfaction with the Company's efforts around diversity;

Measurement

In order to evaluate progress in achieving the stated goals, Coastal Infusions will measure on a quarterly basis each of the following. These metrics will be used for internal evaluation of the success of the aforementioned programs as well as for purposes of demonstrating success upon annual CCC licensing renewal:

1. Number of individuals from the above-referenced demographic groups who were hired and retained after the issuance of a license;
 - a. Data Source: Internal personnel records
 - b. Method for Tracking: The number of individuals hired who are women, minorities, and persons with disabilities will be counted. This number will be assessed from the total number of individuals hired and retained to ensure that 10% of all individuals hired fall within this goal.

2. Number of third-party service providers and contractors who fall into the above-listed demographics;
 - a. Data Source: Internal Vendor List
 - b. Method for Tracking: The number of third-party service providers or contractors who are women, minorities, and persons with disabilities will be counted. This number will be assessed from the total number of third-party vendors to ensure that 10% of all vendors fall within this goal.
3. Number of people in management positions falling into the above-listed demographics since initial licensure;
 - a. Data Source: Internal personnel records
 - b. Method for Tracking: The number of individuals in management positions who are women, minorities, and persons with disabilities will be counted. This number will be assessed from the total number of individuals in management positions to ensure that 10% of all individuals in management positions fall within this goal.
4. Number of positions created since initial licensure;
 - a. Data Source: Internal organizational chart
 - b. Method for Tracking: The number of new positions will be counted
5. Number of and type of CFP events conducted or participated in with supporting documentation;
 - a. Data Source: Event advertisements
 - b. Method for Tracking: The number of events will be counted to ensure that a minimum of two CFPs are conducted or participated in per year.
6. Number of postings in diverse publications or general publications with supporting documentation; and
 - a. Data Source: Diverse/general publications
 - b. Method for Tracking: The number of postings will be counted
7. Number and subject matter of trainings held and the number of individuals falling into the above-listed demographics in attendance.
 - a. Data Source: Internal company newsletters
 - b. Method for Tracking: The number of internal company newsletters where staff trainings are advertised will be counted
8. Number of employees satisfied with Company diversity efforts.
 - a. Data Source: Internal surveys
 - b. Method for Tracking: The responses for each survey question will be tabulated

Concluding Statement

Coastal Infusions 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.