



Massachusetts Cannabis Control Commission

Marijuana Cultivator

General Information:

License Number: MC281593
Original Issued Date: 02/10/2021
Issued Date: 02/10/2021
Expiration Date: 02/10/2022

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Crabgrass LLC

Phone Number: 617-331-9955 Email Address: lkmccarren@gmail.com

Business Address 1: 830-894 Main Street

Business Address 2:

Business City: Clinton

Business State: MA

Business Zip Code: 01510

Mailing Address 1: 27 Puritan Park

Mailing Address 2:

Mailing City: Swampscott

Mailing State: MA

Mailing Zip Code: 01907

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

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

PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

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

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 100

Percentage Of Control: 100

Role: Owner / Partner

Other Role:

First Name: Lynne

Last Name: McCarren

Suffix:

Gender: Female

User Defined Gender: Female

Date generated: 03/25/2021

Page: 1 of 5

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

No records found

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: 830-894 Main Street

Establishment Address 2:

Establishment City: Clinton

Establishment Zip Code: 01510

Approximate square footage of the Establishment: 68400

How many abutters does this property have?: 14

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

Cultivation Tier: Tier 03: 10,001 to 20,000 sq. ft

Cultivation Environment:

Indoor

FEE QUESTIONS

Cultivation Tier: Tier 05: 30,001 to 40,000 sq. ft Cultivation Environment: Indoor

HOST COMMUNITY INFORMATION

Host Community Documentation:

| Document Category | Document Name | Type | ID | Upload Date |
|--|--|------|--------------------------|-------------|
| Certification of Host Community Agreement | CCC Community Outreach Attestation Form.pdf | pdf | 5f6aa1ed73481907b14c7314 | 09/22/2020 |
| Community Outreach Meeting Documentation | Community Outreach Attachments ABC.pdf | pdf | 5f6aa1ffac4d5e07c7f9c056 | 09/22/2020 |
| Plan to Remain Compliant with Local Zoning | Plan to Remain Compliant with Local Zoning.pdf | pdf | 5f6aad418109e507db03ea8f | 09/22/2020 |

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 Areas of Disproportionate Impact updated.pdf | pdf | 5f7775bebe635707e886d954 | 10/02/2020 |

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Owner / Partner Other Role: Manager and Operations

First Name: Lynne Last Name: McCarren 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 |
|--|--|------|--------------------------|-------------|
| Articles of Organization | Crabgrass LLC- Articles of Organization.pdf | pdf | 5d5d85ec8470d4229ba42b84 | 08/21/2019 |
| Bylaws | Crabgrass LLC-Bylaws 2018 OPERATING AGREEMENT Final (3).pdf | pdf | 5d6b2e573567ed1db89e0f63 | 08/31/2019 |
| Department of Revenue - Certificate of Good standing | Sept 2020 Department of Unemployment Assistance Certification of Good Standing 2 (1).pdf | pdf | 5f66475a564e5f07d03496b6 | 09/19/2020 |
| Secretary of Commonwealth - Certificate of Good Standing | Secretary of the Commonwealth Certificate of Good Standing Sept 2020.pdf | pdf | 5f777600a54dc507c1f53462 | 10/02/2020 |

No documents uploaded

Massachusetts Business Identification Number: 001359349

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

| Document Category | Document Name | Type | ID | Upload Date |
|------------------------------|---------------------------------------|------|--------------------------|-------------|
| Business Plan | Business Plan w Drawing Sept 2020.pdf | pdf | 5f66488eac4d5e07c7f9b773 | 09/19/2020 |
| Proposed Timeline | Timeline.pdf | pdf | 5f664ca6e3e99907b8658cfc | 09/19/2020 |
| Plan for Liability Insurance | Plan to obtain Insurance.pdf | pdf | 5f6ab20b8012da07a0d9298d | 09/22/2020 |

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

| Document Category | Document Name | Type | ID | Upload Date |
|--|--|------|--------------------------|-------------|
| Policies and Procedures for cultivating. | Cultivation Policies & Procedures.pdf | pdf | 5e055b91b7ff09534ba01129 | 12/26/2019 |
| Prevention of diversion | Diversion Prevention Plan.pdf | pdf | 5e055da000f72d57285ee950 | 12/26/2019 |
| Storage of marijuana | Storage Of Marijuana.pdf | pdf | 5e055dc90557385733b41e3b | 12/26/2019 |
| Transportation of marijuana | Transportation Of Marijuana.pdf | pdf | 5e055de2ef24345344e4f3b4 | 12/26/2019 |
| Inventory procedures | Inventory Procedures.pdf | pdf | 5e055e005e2d54535a9c24fd | 12/26/2019 |
| Personnel policies including background checks | Personnel Policies including Background Checks.pdf | pdf | 5e055e4e0aa7ba5339f6ceff | 12/26/2019 |
| Record Keeping procedures | Record Keeping Procedures.pdf | pdf | 5e055e6fcb8cc6573ebd181d | 12/26/2019 |
| Maintaining of financial records | Maintaining of Financial Records.pdf | pdf | 5e055e91b7ff09534ba0112e | 12/26/2019 |
| Qualifications and training | Qualifications and Training.pdf | pdf | 5e055ff20557385733b41e40 | 12/26/2019 |
| Security plan | Security Plan 830.pdf | pdf | 5f6ab256f3e55207cefa285f | 09/22/2020 |
| Restricting Access to age 21 and older | Restricting Access to Individuals over 21 Years of Age.pdf | pdf | 5f6ab2829bb9f30799287558 | 09/22/2020 |
| Quality control and testing | Quality Control and Testing.pdf | pdf | 5f6ab2bbe3e99907b8659604 | 09/22/2020 |
| Diversity plan | Diversity Plan Updated.pdf | pdf | 5f77762ca54dc507c1f53466 | 10/02/2020 |

ATTESTATIONS

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

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

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

Notification: I Understand

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

HOURS OF OPERATION

| | |
|-------------------------|-----------------------|
| Monday From: 7:00 AM | Monday To: 6:00 PM |
| Tuesday From: 7:00 AM | Tuesday To: 6:00 PM |
| Wednesday From: 7:00 AM | Wednesday To: 6:00 PM |
| Thursday From: 7:00 AM | Thursday To: 6:00 PM |
| Friday From: 7:00 AM | Friday To: 6:00 PM |
| Saturday From: 7:00 AM | Saturday To: 6:00 PM |
| Sunday From: 9:00 AM | Sunday To: 3:00 PM |

Community Outreach Meeting Attestation Form

Instructions

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

Attestation

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

1. The Community Outreach Meeting was held on the following date(s): 9/15/2020
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:

9/8/2020

b. Name of publication:

Telegram &
Gazette

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:

9/04/2020

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

a. Date notice(s) mailed:

Sept 8, 2020

7. The applicant presented information at the Community Outreach Meeting, which at a minimum included the following:
- The type(s) of ME or MTC to be located at the proposed address;
 - Information adequate to demonstrate that the location will be maintained securely;
 - Steps to be taken by the ME or MTC to prevent diversion to minors;
 - A plan by the ME or MTC to positively impact the community; and
 - 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:

~~TH~~ CRABGRASS LLC

Name of applicant's authorized representative:

LYNNE MCCARREN

Signature of applicant's authorized representative:

Lynne McCarren

LbMc



Lynne McCarren <lmccarren@gmail.com>

Cannabis Cultivator Public Meeting Announcement

WOR-Legalnotices <legalnotices@telegram.com>

To: Lynne McCarren <lmccarren@gmail.com>

Sat, Sep 12, 2020 at 10:05 AM

Lynne,

We are only able to send the E-sheets at this time due to the pandemic.

Thank you,
Tiera Givins

NORMAL DEADLINES for Submissions, Changes & Cancellations:

Telegram & Gazette

2pm, 3 business days prior to the first publication date.

***FOR YOUR CONVENIENCE, ALL NOTICES ARE PUBLISHED THE NEXT AVAILABLE PUBLICATION DATE FROM THE DATE OF PROOF AND CONFIRMATION WITHOUT APPROVAL UNLESS OTHERWISE SPECIFIED.**

- In the event of a State holiday, all deadlines are pushed back by 1 business day.
- All space charges are applicable once the system has closed (5pm on deadline day)
- For proper billing, please include your account number with your notice request

The Item

Wednesdays at 9:00am for next publication date

**** Please send all legal notice requests, corrections & cancellations to: legalnotices@telegram.com **** Please do not respond directly to the individual e-mail of the person who sent the correspondence as it may not be processed in a timely manner.

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Contact your representative for your user name & password

visit: www.telegram.com/legal

TEARSHEETS

Tearsheets are available online at telegram.com/tearsheets

Please provide the email address that should receive tearsheet notifications

PAYMENTS

Credit card payment may be called in to 508-793-9203

ATTACHMENT A
1.A
1/5

ATTACHMENT A

1.B

CRABGRASS LLC WHOLESALE CANNABIS
CULTIVATOR
PUBLIC MEETING

Crabgrass LLC will be holding a public meeting at
our recently purchased
830-894 Main St, Clinton, MA 01510 site location.

We will be outlining our plans for this wholesale
cannabis cultivation site and holding questions.

The meeting will be at 1pm on Tuesday September
15th in the right side parking lot. Social distancing
and masks will be required.

Lynne McCarren
Managing Owner
Sept. 8, 14, 2019

L/MC
9/2020

CRABGRASS LLC WHOLESALE CANNABIS CULTIVATOR
PUBLIC MEETING

Crabgrass LLC will be holding a public meeting at our recently purchased
830-894 Main St. Clinton, MA 01510 site location.

We will be outlining our plans for this
wholesale cannabis cultivation site and fielding questions.
The meeting will be held at 1pm on Tuesday, September 15th in the
right side parking lot. Social distancing and masks will be required.

Lynne McCarren
Managing Owner
Sept. 8, 2019



09-04-2020 11:22 RCVD



Notice of Public Meeting:

Hello, I am the Managing Owner of Crabgrass LLC, a Cannabis wholesale cultivator currently in the process of securing a Marijuana Cultivation License for 830-849 Main St. in Clinton MA. We are holding a public meeting, Tuesday September 15th at 1:00pm, at the Main St. site location to outline our plans and take any questions you and your fellow Clinton residents and business owners may have concerning our cultivation facility and operations. The meeting will be held outside in the right-side parking lot; social distancing will be required and masks will be mandatory. If you can not make the meeting but have questions for me, please feel free to email me at; lmccarren@gmail.com , Subject Line:830 Clinton Meeting. Thank you and I look forward to speaking with you.

Sincere Regards,

Lynne McCarren
Managing Owner
Crabgrass LLC

Plan to Remain Compliant with Local Zoning

Crabgrass has successfully engaged the Clinton town government and received unanimous approval for Crabgrass to locate their cultivation facility at 890-894 Main Street and executed the Host Community Agreement. Crabgrass has already engaged the planning board and will have all of the required documentation submitted shortly for what the town of Clinton calls a “Site Plan Review”. This is an onerous process, requiring extensive engineered drawings, consultation with electricians, HVAC professionals, and architects to name a few. Our successful submission and approval of our Site Plan will go a long way to having Crabgrass remain compliant with local zoning rules.

Furthermore, the Site Plan review requires us to submit waste removal plans and water conservation and disposal plans as part of our package. By sticking with the plan and having these operations part of our standard operating procedures, we can remain compliant with local zoning. Additionally, Crabgrass has engaged both the Fire Chief and Police Chief, all with the goal of remaining compliant with local ordinances.

Lastly, our location is ideally located in the industrial zoned area of the town with little foot traffic and set back from the road. Our location faces the cemetery, so we should have little in the way of smell concerns or other nuisances resulting from marijuana cultivation. So, we should have little difficulty complying with any smell ordinances.

We already have a good relationship with many of the principals of Clinton and feel confident we can and will remain compliant with any local zoning ordinances.

Statement of the Special Permit requirements, which is a Site Plan Review.

Although the Clinton Zoning By Laws require what they term a Special permit for all Marijuana Facilities, the process is a slightly more specialized version of their normal Planning Board Site Plan Review process. The Recreational Marijuana Applicant submits a Planning Board Site Plan Review Application NOT a Special Permit Application and the Planning Board reviews the application and then holds a meeting to access its completion and merits. Although the meeting is open to the public, The Planning Board members are the final arbiters of the application, which if compliant with all Planning Board Review Clinton By Law 9300 document requirements and By Law 6800 requirements will be accepted and permitted.

- 830-894 is a Grade A industrial building and meets the requirement the necessity for a Marijuana cultivation site be indoors.
- 830-894 Main St is in an industrial zoned property (please refer to attached Assessors property Map and supporting Documents) and not in a residential zone which is prohibited in section 6832 of the Zoning By Laws
- 830-894 Main St is compliant with the Buffer Zone requirements listed in Zoning By Law 6833 not to be located within 500ft of school, playground, public athletic fields or similar recreational facilities.

- 830-894 Main St location will be approx. 65,000sq ft which is ample room for an indoor cultivation site.

Clinton requires no certificate occupancy or Health Department approvals requirements

6830. General Requirements

6831. *Structures.* All Marijuana Establishment operations shall be contained within a building, unless otherwise provided for by Special Permit of the Planning Board.

Facilities shall be ventilated such that no odor from marijuana or its processing can be detected by a person with an unimpaired and otherwise normal sense of smell at the exterior of the facility or at any adjoining use or property.

6832. Residential Buildings. No Marijuana Establishment shall be located inside a building containing residential units, including transient housing such as motels and dormitories, or inside a movable or mobile structure such as a van or truck.

6833. Buffer Zone. No Marijuana Establishment shall be located on a lot that is within five hundred (500) feet of any lot occupied by a school attended by children under the age of 18, or any playground, public athletic field, or similar public recreational facility. No Marijuana Retailer shall be located on a lot that is within five hundred (500) feet of any other lot in use as a Marijuana Retailer or Medical Marijuana Treatment Center. For purposes of this provision, distance shall be measured in a straight line from property boundary line to property boundary line.

6834. Area Limitations. A Marijuana Establishment shall provide adequate interior space to accommodate all activities inside the building so as not to have customer queuing on sidewalks, parking areas, or other outdoor areas. For Marijuana Retailers, the area of the building dedicated to customer sales shall not exceed 3,000 gross square feet.

Crabgrass' Plan to Positively Impact Areas of Disproportionate Impact

To begin with, Crabgrass affirmatively states the following:

1. Crabgrass 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; and
2. 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.

Crabgrass believes in the Commission's mandate to have a positive impact on an areas of disproportionate impact. Crabgrass appreciates and understands that people who have been negatively impacted by past cannabis enforcement actions isn't just limited to the geographic areas set forth, but also includes Economic Empowerment Priority applicants, Commission-designated Social Equity Program participants, Massachusetts residents who have past drug convictions, and Massachusetts residents with parents or spouses who have drug convictions. So it includes both areas and people who have been disproportionately impacted by cannabis arrests and incarcerations. Our intention is to start with at least 10% of our employees comprised of people who have previous drug convictions.

Goals, Programs, and Measurements

Year 1 Goal: Crabgrass' goal is to have 10% of employees made up of people from areas designated as disproportionately impacted and people who have been disproportionately impacted by cannabis arrests and incarcerations, including people with prior drug arrests.

Program: Crabgrass shall post monthly advertisements in the local newspaper, the Worcester Herald, as well as the numerous other publications in Spencer, and Southbridge, stating that Crabgrass is specifically looking for Massachusetts residents who have past drug convictions for employment. Other Program examples are participating in Boston Annual Diversity Career as well as Masshire website for postings as stated above.

Metrics: Crabgrass will count the number of individuals who have been hired reside in areas of disproportionate impact or who have a criminal record for employment to ensure that 10% of individuals hired fall within this goal. Again, we will be measuring hires residing in our targeted towns of Spencer, Southbridge, and Worcester (but only from the CCC's Six digit track areas).

Year 2 Goal: Crabgrass' goal is to have 13% of employees made up of people from areas designated as disproportionately impacted and people who have been disproportionately impacted by cannabis arrests and incarcerations, including people with prior drug arrests.

Program: Crabgrass shall post monthly advertisements in the local newspaper, the Worcester Herald, as well as the numerous other publications in Spencer, and Southbridge, stating that

Crabgrass is specifically looking for Massachusetts residents who have past drug convictions for employment. Other Program examples are participating in Boston Annual Diversity Career as well as Masshire website for postings as stated above.

Metrics: Crabgrass will count the number of individuals who have been hired reside in areas of disproportionate impact or who have a criminal record for employment to ensure that 13% of individuals hired fall within this goal. Again, we will be measuring hires residing in our targeted towns of Spencer, Southbridge, and Worcester (but only from the CCC's Six digit track areas).

Year 3 Goal: Crabgrass' goal is to have 18% of employees made up of people from areas designated as disproportionately impacted and people who have been disproportionately impacted by cannabis arrests and incarcerations, including people with prior drug arrests.

Program: Crabgrass shall post monthly advertisements in the local newspaper, the Worcester Herald, as well as the numerous other publications in Spencer, and Southbridge, stating that Crabgrass is specifically looking for Massachusetts residents who have past drug convictions for employment. Other Program examples are participating in Boston Annual Diversity Career as well as Masshire website for postings as stated above.

Metrics: Crabgrass will count the number of individuals who have been hired reside in areas of disproportionate impact or who have a criminal record for employment to ensure that 18% of individuals hired fall within this goal. Again, we will be measuring hires residing in our targeted towns of Spencer, Southbridge, and Worcester (but only from the CCC's Six digit track areas).

Year 4 Goal: Crabgrass' goal is to have 21% of employees made up of people from areas designated as disproportionately impacted and people who have been disproportionately impacted by cannabis arrests and incarcerations, including people with prior drug arrests.

Program: Crabgrass shall post monthly advertisements in the local newspaper, the Worcester Herald, as well as the numerous other publications in Spencer, and Southbridge, stating that Crabgrass is specifically looking for Massachusetts residents who have past drug convictions for employment. Other Program examples are participating in Boston Annual Diversity Career as well as Masshire website for postings as stated above.

Metrics: Crabgrass will count the number of individuals who have been hired reside in areas of disproportionate impact or who have a criminal record for employment to ensure that 21% of individuals hired fall within this goal. Again, we will be measuring hires residing in our targeted towns of Spencer, Southbridge, and Worcester (but only from the CCC's Six digit track areas).

Year 5 Goal: Crabgrass' goal is to have 25% of employees made up of people from areas designated as disproportionately impacted and people who have been disproportionately impacted by cannabis arrests and incarcerations, including people with prior drug arrests.

Program: Crabgrass shall post monthly advertisements in the local newspaper, the Worcester Herald, as well as the numerous other publications in Spencer, and Southbridge, stating that Crabgrass is specifically looking for Massachusetts residents who have past drug convictions for employment. Other Program examples are participating in Boston Annual Diversity Career as well as Masshire website for postings as stated above.

Metrics: Crabgrass will count the number of individuals who have been hired reside in areas of disproportionate impact or who have a criminal record for employment to ensure that 25% of individuals hired fall within this goal. Again, we will be measuring hires residing in our targeted towns of Spencer, Southbridge, and Worcester (but only from the CCC's Six digit track areas).

Progress on the stated Metrics and success of the Programs will be assessed one year from provisional licensure and each year thereafter.

While some may view these goals as lofty, we believe that mass incarceration for cannabis offenses was always a horrible policy that put far too many behind bars. Crabgrass understands and agrees with the Commission's attempt to in some small way remedy this situation via this burgeoning industry. Through robust training, including all that we have laid out in our training section, Crabgrass believes that we can provide a solid career start in a burgeoning and well paid industry to those who have been disproportionately impacted as defined by the Commission and stated herein.

ARTICLES OF ORGANIZATION OF LIMITED LIABILITY COMPANY

The undersigned organizer hereby adopts the following Articles:

ARTICLE 1

Name

The name of the Limited Liability Company is: _____

ARTICLE 2

Principal and Mailing Address

2.01 The complete street address of the initial designated principal office is:

2.02 The complete mailing address is:

ARTICLE 3

Registered Agent

3.01 The name of the initial registered agent is:

3.02 The street address of the registered agent is:

ARTICLE 4
Statement of Acceptance by Registered Agent

I, _____, hereby acknowledge that the undersigned individual or corporation accepts the appointment as Initial Registered Agent of _____, the Limited Liability Company which is named in these Articles of Organization.

Registered Agent

ARTICLE 5
Duration

The duration of the Limited Liability Company shall be _____.

ARTICLE 6
Management

This Limited Liability Company is _____ - managed.

ARTICLE 7
Members

The members of the Limited Liability Company and their addresses are named as followed:

| | |
|-------|-------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

ARTICLE 8
Initial Contribution

ARTICLE 9

Purpose

The purpose for which the company is organized is to conduct any and all lawful business for which Limited Liability Companies can be organized pursuant to _____ statute, including but not limited to: _____

ARTICLE 10

Liability

Pursuant to _____ statute, any and all debts, obligations or other liabilities of _____ are solely the responsibility of the Limited Liability Company. Any manager or member of _____ is hereby not personally liable for such debts or liabilities solely by reason of their title.

ARTICLE 11

Organizer

I, _____, residing at _____, execute these Articles of Organization dated this _____ day of _____, 20____.

Organizer

Correspondence information is:

LIMITED LIABILITY COMPANY OPERATING AGREEMENT
OF
CRABGRASS LLC

This Single-member LLC Operating Agreement represents CRABGRASS LLC that was formed in the State of Massachusetts on December 13th 2018, hereinafter known as the "Company".

Lynne McCarren of 27 Puritan Park, Swampscott, Massachusetts, 01907 is recognized as the sole member of the Company (the "Member(s)").

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Name and Principal Place of Business

The name of the Company is CRABGRASS LLC with a principal place of business at 27 Puritan Park, Swampscott, Massachusetts, 01907. The mailing address shall be the same address as the principal office location.

2. Registered Agent

The name of the Registered Agent is Lynne McCarren with a registered office located at 27 Puritan Park, Swampscott, Massachusetts, 01907 for the service of process as of December 20th 2018. This may change at any time by the Company filing an amendment with the Secretary of State, or respective office, in the State of Massachusetts.

3. Formation

The Company was formed on December 13th 2018, when the Member(s) filed the Articles of Organization with the office of the Secretary of State pursuant to the statutes governing limited liability companies in the State of Massachusetts (the "Statutes").

4. Purpose

The purpose of the Company is to engage in and conduct any and all lawful businesses, activities or functions, and to carry on any other lawful activities in connection with or incidental to the foregoing, as the Member(s) in their discretion shall determine.

5. Term

The term of the Company shall be perpetual, commencing on the filing of the Articles of Organization of the Company, and continuing until terminated under the provisions set forth herein.

6. Member(s) Capital Contributions

The Member(s) shall be making a Capital Contribution described as: \$10,000 for license fees and doing pre-license work like CAD drawings and numerous plans. It is members intention to do a capital raise and issue units for investment purposes. The division of the units described in that offering, or any other offering, will be binding on the company and its member(s). See Attachment A below.

7. Distributions.

The Member may make such capital contributions (each a "Capital Contribution") in such amounts and at such times as the Member shall determine. The Member shall not be obligated to make any Capital Contributions. The Member may take distributions of the capital from time to time in accordance with the limitations imposed by the Statutes and agreements that obligate it.

A "Capital Account" for the Member's shall be maintained by the Company. The Member's Capital Account shall reflect the Member's capital contributions and increases for any net income or gain of the Company. The Member's Capital Account shall also reflect decreases for distributions made to the Member and the Member's share of any losses and deductions of the Company. Furthermore, given it is Crabgrass' intention to issue units, it will be bound by terms of that offering when taking distributions.

8. Books, Records and Tax Returns

The Company shall maintain complete and accurate books and records of the Company's business and affairs as required by the Statutes and such books and records shall be kept at the Company's Registered Office and shall in all respects be independent of the books, records and transactions of the Member.

The Company's fiscal year shall be the calendar year with an ending month of December.

The Member intends that the Company, as a single member LLC, shall be taxed as a C-Corporation in accordance with the provisions of the Internal Revenue Code.

9. Bank Accounts

All funds of the Company shall be deposited in the Company's name in a bank account or accounts as chosen by the Member(s). Withdrawals from any bank accounts shall be made only in the regular course of business of the Company and shall be made upon such signature or signatures as the Member(s) from time to time may designate.

10. Management of the Company

The business and affairs of the Company shall be conducted and managed by the Member(s) in accordance with this Agreement and the laws of the State of Massachusetts. Any potential Unit Holders will not have the right to take part in the management or control of the business or affairs of the Company, to transact any business for the Company or to sign for or bind the Company. Unit Holders have the right to vote on any matter properly brought before the Unit Holders and majority will be binding

11. Ownership of Company Property

The Company's assets shall be deemed owned by the Company as an entity, and the Member shall have no ownership interest in such assets or any portion thereof. Title to any or all such Company assets may be held in the name of the Company, one or more nominees or in "street name", as the Member may determine.

Except as limited by the Statutes, the Member may engage in other business ventures of any nature, including, without limitation by specification, the ownership of another business similar to that operated by the Company. The Company shall not have any right or interest in any such independent ventures or to the income and profits derived therefrom.

12. Dissolution and Liquidation

The Company shall dissolve and its affairs shall be wound up on the first to occur of (i) At a time, or upon the occurrence of an event specified in the Articles of Organization or this Agreement. (ii) The determination by the Member that the Company shall be dissolved.

Upon the death of the Member, the Company shall be dissolved. By separate written documentation, the Member shall designate and appoint the individual who will wind down the Company's business and transfer or distribute the Member's Interests and Capital Account as designated by the Member or as may otherwise be required by law.

Upon the disability of a Member, the Member may continue to act as Manager hereunder or appoint a person to so serve until the Member's Interests and Capital Account of the Member have been transferred or distributed.

13. Indemnification

The Member (including, for purposes of this Section, any estate, heir, personal representative, receiver, trustee, successor, assignee and/or transferee of the Member) shall not be liable, responsible or accountable, in damages or otherwise, to the Company or any other person for: (i) any act performed, or the omission to perform any act, within the scope of the power and authority conferred on the Member by this agreement and/or by the Statutes except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final judgment rendered and unappealable or not timely appealed ("Judicially Determined") to constitute fraud, gross negligence, recklessness or intentional misconduct; (ii) the termination of the Company and this Agreement pursuant to the terms hereof; (iii) the performance by the Member of, or the omission by the Member to perform, any act which the Member reasonably believed to be consistent with the advice of attorneys, accountants or other professional advisers to the Company with respect to matters relating to the Company, including actions or omissions determined to constitute violations of law but which were not undertaken in bad faith; or (iv) the conduct of any person selected or engaged by the Member.

The Company, its receivers, trustees, successors, assignees and/or transferees shall indemnify, defend and hold the Member harmless from and against any and all liabilities, damages, losses, costs and expenses of any nature whatsoever, known or unknown, liquidated or unliquidated, that are incurred by the Member (including amounts paid in satisfaction of judgments, in settlement of any action, suit, demand, investigation, claim or proceeding ("Claim"), as fines or penalties) and from and against all legal or other such costs as well as the expenses of investigating or defending against any Claim or threatened or anticipated Claim arising out of, connected with or relating to this Agreement, the Company or its business affairs in any way; provided, that the conduct of the Member which gave rise to the action against the Member is indemnifiable under the standards set forth herein.

Upon application, the Member shall be entitled to receive advances to cover the costs of defending or settling any Claim or any threatened or anticipated Claim against the Member that may be subject to indemnification hereunder upon receipt by the Company of any undertaking by or on behalf of the Member to repay such advances to the Company, without interest, if the Member is Judicially Determined not to be entitled to indemnification as set forth herein.

All rights of the Member to indemnification under this Agreement shall (i) be cumulative of, and in addition to, any right to which the Member may be entitled to by contract or as a matter of law or equity, and (ii) survive the dissolution, liquidation or termination of the Company as well as the death, removal, incompetency or insolvency of the Member.

The termination of any Claim or threatened Claim against the Member by judgment, order, settlement or upon a plea of *nolo contendere* or its equivalent shall not, of itself, cause the Member not to be entitled to indemnification as provided herein unless and until Judicially Determined to not be so entitled.

14. Miscellaneous

This Agreement and the rights and liabilities of the parties hereunder shall be governed by and determined in accordance with the laws of the State of Massachusetts. If any provision of this Agreement shall be invalid or unenforceable, such invalidity or unenforceable situation shall not affect the other provisions of this Agreement, which shall remain in full force and effect.

The captions in this Agreement are for convenience only and are not to be considered in construing this Agreement. All pronouns shall be deemed to be the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require. References to a person or persons shall include partnerships, corporations, limited liability companies, unincorporated associations, trusts, estates and other types of entities.

This Agreement, and any amendments hereto may be executed in counterparts all of which taken together shall constitute one agreement.

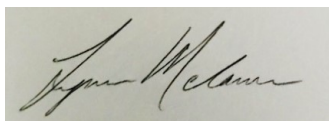
This Agreement sets forth the entire agreement of the parties hereto with respect to the subject matter hereof. It is the intention of the Member(s) that this Agreement shall be the sole agreement of the parties, and, except to the extent a provision of this Agreement provides for the incorporation of federal income tax rules or is expressly prohibited or ineffective under the Statutes, this Agreement shall govern even when inconsistent with, or different from, the provisions of any applicable law or rule. To the extent any provision of this Agreement is prohibited or otherwise ineffective under the Statutes, such provision shall be considered to be ineffective to the smallest degree possible in order to make this Agreement effective under the Statutes.

Subject to the limitations on transferability set forth above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, executors, administrators, successors and assigns.

No provision of this Agreement is intended to be for the benefit of or enforceable by any third party.

IN WITNESS WHEREOF, the Member(s) have executed this Agreement on December 20th 2018.

The Member(s) of CRABGRASS LLC

A handwritten signature in black ink, appearing to read "Lynne McCarren", is written over a light gray rectangular background.

Lynne McCarren

This table is from the Crabgrass Private Placement Memorandum dated August 15, 2019

| 165 Total Units | Current Number of Units | Current Percentage of Ownership | Number of Units After Maximum Offering | Percentage of Ownership After Maximum Offering |
|------------------------|--|--|---|---|
| Lynne McCarren | 165 | 100% | 115 | 69.7% |
| | | | | |
| | | | | |
| Investor(s) | - | - | 50 | 30.3% |



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DEPARTMENT OF UNEMPLOYMENT ASSISTANCE

Charles D. Baker
GOVERNOR

Karyn E. Polito
LT. GOVERNOR



263938534

Rosalin Acosta
SECRETARY

Richard A. Jeffers
DIRECTOR

Crabgrass LLC
27 PURITAN PARK
SWAMPSCOTT, MA 01907

EAN: 22173166
September 16, 2020

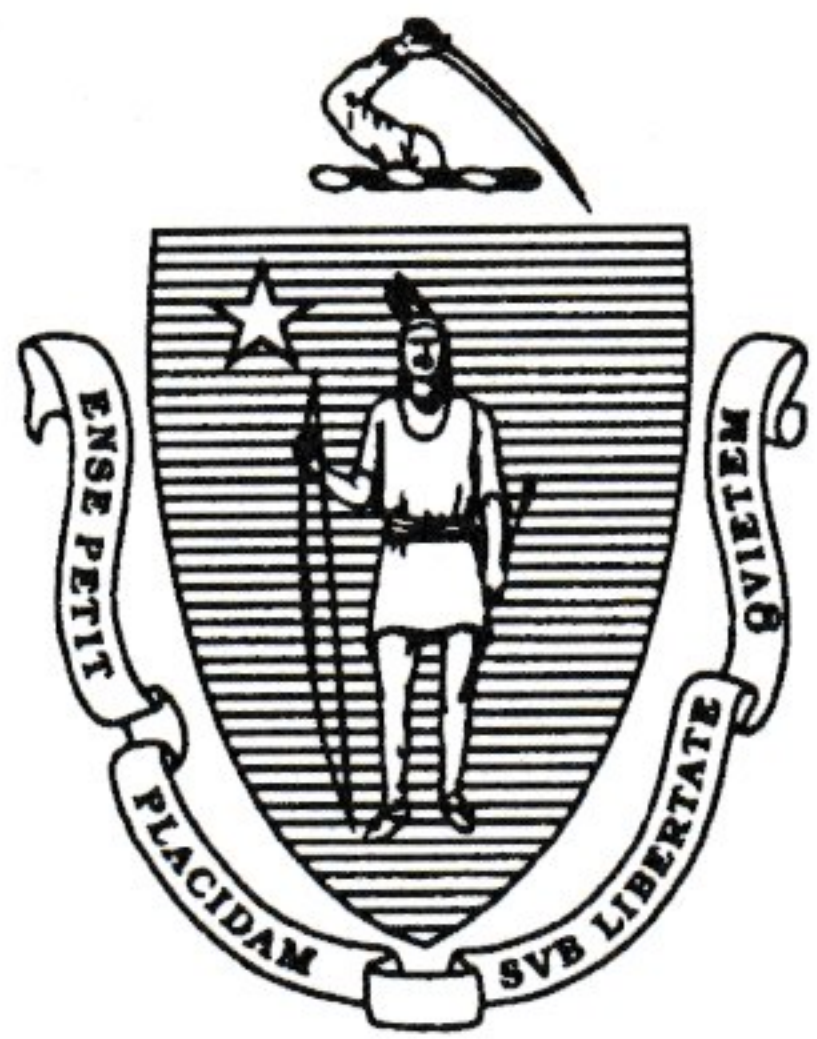
Certificate Id:41023

The Department of Unemployment Assistance certifies that as of 9/16/2020 ,Crabgrass LLC is current in all its obligations relating to contributions, payments in lieu of contributions, and the employer medical assistance contribution established in G.L.c.149,§189.

This certificate expires in 30 days from the date of issuance.

Richard A. Jeffers, Director

Department of Unemployment Assistance



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

William Francis Galvin
Secretary of the
Commonwealth

September 28, 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

CRABGRASS LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **December 15, 2018.**

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

I also certify that the names of all managers listed in the most recent filing are: **LYNNE MCCARREN**

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

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

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

Executive Summary

Opportunity

Massachusetts has recently begun issuing licenses for recreational marijuana. What makes Massachusetts unique is that they have only been selling medical marijuana for about a year, so the opportunity is still new and the market is significantly under supplied. Two additional factors that make this a particular good time to have a cannabis license in MA:

- 1) The Cannabis Control Commission's regulation that no one company can own more than three licenses in the Commonwealth of Massachusetts. One of the primary factors that will allow small cannabis growers do well in MA, is that the CCC licenses are awarded by location; and the same company can own no more than three locations. As an example, a company could not own more than two dispensaries and one growing/cultivation location. This regulation will prevent national companies from buying up all the mom and pop shops and therefore controlling the business.
- 2) Despite medical cannabis laws in 46 states, cannabis is still illegal under federal law. The federal government regulates drugs through the Controlled Substances Act (CSA) (21 U.S.C. § 811). As one of the federal guidelines under the CSA act, it the prevention of interstate trafficking of marijuana. This means, that out of state, low cost growers can't flood MA with cheap cannabis, helping protect the market for those growing in MA. These two factors help protect investors.

Solution

Crabgrass LLC has entered into a lease for a 65,000+ square foot facility in Clinton, Massachusetts. For banking and tax purposes, the facility, 830-894 Main St. Clinton, MA, is being purchased by a separate company 100% owned by Lynne McCarren, the sole owner of Crabgrass. Having experienced firsthand the vagaries of being a tenant and having a building sold out from under me, the fact that I own the building locks up our future and removes a major variable. Crabgrass has received approval from the Town of Clinton, MA of our submitted Host Community Agreement. This is the most important determinant when submitting an application. All that remains is submitting an application that complies with Commonwealth requirements, which is submitted herein.

We have an excellent location that is ideally suited to growing and processing cannabis. We will also process oil at this location for things like cannabis edibles and vaporizer pens when we submit our second application imminently. Based upon our analysis, there is a significant shortage of product in both markets. Based upon our structure, Crabgrass feels confident we can be a low-cost provider.

Market

The market is extremely robust, pricing is excellent, and supply is quite constrained. Projected sales by 2021 are for Massachusetts are in excess of 1.2 billion annually.

Competition

Currently, considering the size of the market, competition has failed to provide the scale needed for the market. There is competition in the Retail sector, however many retailers are quickly selling out of inventory. Supply is extremely tight, and likely will remain so for the next year plus, but even when supply starts to normalize, the relationships forged with retailers during this period of tight supply should prove valuable in order to maintain consistent sales as well as provide a reputation to grow upon. Additionally, when product prices eventually moderate, we will have the advantage of being a low-cost producer compared to our competition.

Why Us?

Management Team: Lynne McCarren, the Managing Member of Crabgrass LLC, was a consultant in a Cannabis Cultivation and Oil Processing operation in Colorado. She has acted in numerous roles including operations manager, compliance officer, as well as engaging in sales, marketing, packaging, and product development. The owner handles growing and processing cannabis, and until recently she handled most operational aspects of the business, including working directly with METRC. She brings not only this experience, but contacts and relationships in banking, accounting, software and operational compliance, all critical elements to the cannabis business. She has already made significant strides in lining up the team to bring this enterprise forward, including 2 excellent prospects for Master Grower. We have the team to ensure operational success.

Understanding how to get permitted and run a compliant business is one of the most important, yet least appreciated facets of the cannabis industry. Additionally, knowing the processes of the Cannabis industry as an insider will become invaluable during the hiring of personnel. It is not only important that management and employees understand cannabis but they must also possess the ability to adhere to strict protocols in this highly regulated environment.

Don Varney, our Master Grower and VP of Operations, Owned and operated OceanStateCare.com a medical marijuana co-operative in Rhode Island. He also has extensive oil processing experience, having invented his own distillate methodology. In 2018, Don completed the course at Lab Society, Denver Colorado in extraction and short path distillation.

Crabgrass LLC has the team to ensure operational success. The second critical element to success is controlling an excellent location at a great price. We have done that and feel our business should perform with financial

metrics beyond comparable offerings because of our knowledge and lean operational structure. These things matter and will ensure robust margins and a competitive advantage.

Expectations

Forecast

We believe we can have our first grow completed within 8 months of provisional approval by the Commonwealth. We will begin by utilizing Agrify's VFU (Vertical Farming Units), which yield 5-7 pounds of cannabis per 8x4 foot box. Each box has a shelf, so each box equates to 64 square feet of canopy. We will begin with a minimum of 50 Agrify Boxes, with the intent of ramping up installation each month as we self-finance this phased approach of Agrify installations through operations and sales. The beauty of the Agrify solution is that 8 boxes can be installed in a day, so with careful planning, it is easy to add these elegant, self-contained VFU.

Because our ceiling is just under 19 feet, we unfortunately cannot stack the Agrify boxes. So, we will employ a hybrid approach where we build individual grow rooms called SIP room. These are Structured Insulated Panels and are often called clean rooms as they are antimicrobial walls that make cleaning easy to do. This will allow Crabgrass to utilize a racking system that will go all the way to the ceiling. Each 3200 square foot box will produce over 5800 square feet of canopy, dramatically increasing our output and overall canopy. So while we are only looking to start with a license of 40,000 square feet of canopy, which we will achieve towards the end of year one of operations, we ultimately believe we will be licensed for the highest tier. These SIP rooms are much more labor intensive from a build out perspective, and will be part of phase 2. Below is expected revenue by month.

| Year-1 | Year-2 | Year-3 |
|--------------|--------------|--------------|
| \$ - | \$ 3,387,500 | \$ 6,387,500 |
| \$ - | \$ 2,762,500 | \$ 6,637,500 |
| \$ 825,000 | \$ 3,387,500 | \$ 6,387,500 |
| \$ 420,000 | \$ 2,762,500 | \$ 6,637,500 |
| \$ 1,035,000 | \$ 3,387,500 | \$ 6,387,500 |
| \$ 630,000 | \$ 4,887,500 | \$ 6,637,500 |
| \$ 1,455,000 | \$ 5,512,500 | \$ 6,387,500 |
| \$ 1,350,000 | \$ 5,762,500 | \$ 6,637,500 |

| | | |
|------------|------------|------------|
| \$ | \$ | \$ |
| 2,505,000 | 6,387,500 | 6,387,500 |
| \$ | \$ | \$ |
| 3,015,000 | 6,637,500 | 6,637,500 |
| \$ | \$ | \$ |
| 3,765,000 | 6,387,500 | 6,387,500 |
| \$ | \$ | \$ |
| 3,315,000 | 6,637,500 | 6,637,500 |
| \$ | \$ | \$ |
| 18,315,000 | 57,900,000 | 78,150,000 |

PROFIT AND LOSS PROJECTION

Crabgrass LLC

| Details | Year-1 | Year-2 | Year-3 |
|---------------------|---------------|---------------|---------------|
| Total Revenue | \$ 18,315,000 | \$ 57,900,000 | \$ 78,150,000 |
| Total Cost of Sales | \$ 188,802 | \$ 379,180 | \$ 543,718 |
| Gross Margin | \$ 18,126,198 | \$ 57,520,820 | \$ 77,606,282 |
| Gross Margin% | 99% | 99% | 99% |
| EXPENSES | | | |

| Operating expenses | | | |
|--|-----------------|-----------------|-----------------|
| | | | |
| Payroll | \$ 1,100,000 | \$ 850,000 | \$ 1,200,000 |
| Employee Related Expense | \$ 125,000 | \$ 25,000 | \$ 40,000 |
| Nutrients | \$ 200,000 | \$ 400,000 | \$ 400,000 |
| Rent | \$ 400,000 | \$ 400,000 | \$ 400,000 |
| VFU 3-yr lease to own payment | \$ 1,000,000.00 | \$ 2,800,000.00 | \$ 2,800,000.00 |
| Large VFU 5 Year Lease to own | \$ 180,000.00 | \$ 400,000.00 | \$ 440,000.00 |
| Adding VFUs and self funding down payments | \$ 1,040,000.00 | \$ 3,000,000.00 | \$ - |
| Utilities | \$ 350,000 | \$ 600,000 | \$ 600,000 |
| License Fees | \$ 25,000 | \$ 50,000 | \$ 50,000 |
| Misc | \$ 100,000 | \$ 200,000 | \$ 200,000 |
| Depreciation & Amortization | \$ 34,760 | \$ 64,947 | \$ 64,948 |

| | | | |
|---------------------------------|---------------------|---------------------|---------------------|
| Total operating expenses | \$ 4,554,760 | \$ 8,789,947 | \$ 6,194,948 |
|---------------------------------|---------------------|---------------------|---------------------|

| | | | |
|-------------------------------|----------------------|----------------------|----------------------|
| TOTAL EXPENSES | \$ 4,554,760 | \$ 8,789,947 | \$ 6,194,948 |
| TOTAL OPERATING INCOME | \$ 13,571,438 | \$ 48,730,873 | \$ 71,411,334 |

| | | | |
|-----------------------------------|---------------------|----------------------|----------------------|
| TAXES | | | |
| Average Income & Excise Tax - 35% | \$ 4,750,003 | \$ 17,055,806 | \$ 24,993,967 |
| TOTAL TAXES | \$ 4,750,003 | \$ 17,055,806 | \$ 24,993,967 |

| | | | |
|---------------------|---------------------|----------------------|----------------------|
| NET PROFIT | \$ 8,821,435 | \$ 31,675,067 | \$ 46,417,367 |
| Net Profit % | 48% | 55% | 59% |

*We understand our COGS are light, we just chose to put more costs towards operating expenses. We have narrowed our list of accountants, all of whom have experience with cannabis accounting and its challenges.

Execution

Marketing & Sales

The most effective strategy for cannabis producers is a brand marketing and promotion. All marketing will be done in accordance with Commonwealth guidelines and restrictions, which can be challenging given The Commonwealth's aversion to cannabis advertising. This is where Mrs. McCarren's background in marketing and advertising will prove invaluable. While we have not begun the exercise of establishing and creating a brand, we are well aware of the need and plan to spend significant time and resources creating our brand.

Marketing and advertising campaign includes:

1. Website: We will have a professionally-designed website with robust security and login credentials for buyers, from our dispensary membership list we will be able to promote new sales and products accompanied by display suggestions for dispensaries to assist in them selling our products to their customers.
2. Social Media: Where appropriate, we will have a social media presence. Appropriate forums will be monitored daily, with dedicated staff resources to be active and knowledgeable participants. We will develop a social media content strategy which will include Twitter, Facebook, Instagram, LinkedIn and YouTube. Our staff will be trained in the legalities of promoting cannabis products.

3. Adult use sponsored social events. We will host social events in concert with participating dispensary as a way to bring cannabis users together in a stigma free environment and educate people on the products we provide to their local dispensary.
4. Event Attendance and Sponsorships: Sponsor cannabis, health, or related industry conventions to gain brand exposure and push the Crabgrass name to the forefront of the community.
5. Knowledgeable and professional sales team. Our sales team will be comprised of professionals with wholesale sales experience who will not only be educated in selling techniques but will be extensively educated on our products offering which will help dispensary staff sell our products during the counter retail experience.
6. We are big believers in LeafTrade, which links cultivators and dispensaries. We see great potential of using this wholesale/dispensary platform

MARKET OVERVIEW AND MARKET SEGMENTS

Spending on legal cannabis worldwide is expected to hit \$57 billion by 2027. The United States and Canadian markets are estimated to be about \$46.5 billion of that, the other \$10.5 billion are attributed to other markets. The recreational cannabis market will cover about 67% of the spending while medical cannabis will take up the remaining 33%.

The global legal cannabis market amounted to \$9.5 billion in 2017, growing by 37 percent on the year, according to the report "The Road Map to a \$57 Billion Worldwide Market". The largest market was the United States, which totaled \$8.5 billion. It was followed by Canada with \$600 million. Analysts predict the overall cannabis market for legal adult-use and medical sales in North America will reach \$24.5 billion by 2021. That brings the compound annual growth rate (CAGR) to almost 28%, however the largest growth rate is predicted within the rest-of-world markets, from \$52 million spent in 2017 to a projected \$2.5 billion in 2027.

According to a report provided by Energies Market Research, the global medical cannabis market is projected to increase in value from \$8.28 billion in 2017 to \$28.07 billion in 2024 and at a CAGR of 19% from 2018 to 2024.

Legal cannabis market reached \$9.2 billion in North America in 2017, according to a new report from cannabis industry analysts Arcview Market Research, in partnership with BDS Analytics³. That represents an unprecedented 33% increase over 2016.

The report further forecasts the entire legal cannabis market in North America to reach \$24.5 billion in sales – a 28% annual growth rate by 2021 – as more countries and states legalize cannabis for recreational use and existing markets mature and will grow to \$47.3 billion six years later.

With the introduction of recreational marijuana sales, the industry is projected to have a significant impact on the Massachusetts economy. Analysts forecast \$450 million in marijuana sales in Massachusetts in 2018. Under

this projection, marijuana sales would generate \$90 million in taxes. Total annual sales are projected to grow to as much as \$1.7 billion in Massachusetts by 2021 and combined state and local tax collections are projected to be approximately \$240 million in fiscal 2021. More than 17,000 full and part-time jobs are expected to be created by the marijuana industry in Massachusetts.

Trends:

Companies are going to be constantly on the lookout for ways to improve their processes and maximize their returns on the cannabis plants they use.

Demand for cannabis concentrates and edibles is exploding, offering a window into trends that will likely play out in the larger cannabis industry over time.

Since data regarding the sale of oils has been collected and released by Health Canada, kilograms of cannabis oils sold have been rapidly growing at a much faster pace compared to the growth in dried marijuana sold. Not only that, quarter-over-quarter cannabis oil sales growth is even outpacing the quarter-over-quarter growth in the number of registered patients.

The demand for cannabis oil in Massachusetts' cannabis market is so high that suppliers report a shortage and are having a difficult time establishing a regular supply of cannabis oils to retailers.

Operations

Locations & Facilities

Cultivation Facility

The cultivation premises will be located in a 65,000-sq. ft. building and will be more than adequate to run our operations. We plan to utilize solar panels on the roof in order to conserve energy and be a green organization.



Our cultivation & processing area will include:

- **Agrify Grow Boxes**
- Mother Room & Cloning
- Vegetative & Growth Rooms
- Flowering Rooms
- Drying & Curing Room
- Oil Processing, Trim & Packaging Room
- Storage Room



Equipment & Tools

The **cultivation SIP rooms** will be equipped with stacked or tiered rolling benches / growing tables which are highly recommended for any commercial cannabis grow operation. They provide up to 50% more plant space by eliminating the need for a dedicated aisle, and the ability to go vertical is a game changer. With a crop, as valuable as cannabis, this directly equates too much higher profits and maximum space efficiency.

Main features:

- Aluminum extruded sides and ends
- Miter cut corners ▪ Hot dipped galvanized steel stands
- Aluminum cross members
- Snap together fittings
- Threaded rods for adjustment up to 12"

- Top quality plastic or aluminum flood trays
- 13 gauge expanded metal bench tops
- 2" diameter rolling tubes

LIGHTING:

We have consulted 3 growers with vast experience, and have read dozens of publications, and feel confident we can use LED lighting, with a few HPS lights sprinkled in. LED lights should reduce the wattage used by 50% compared to the electricity required of the industry standard HPS (high pressure sodium) light. Furthermore, HPS generates tremendous heat, meaning cooling costs will also be significantly higher. Savings in HVAC cooling costs have consistently been in the 9% area.

There have been many studies done comparing the yield of the cannabis plant under LED lighting and HPS lighting. The most recent study, using the latest equipment, proved a 15% increase in cannabis yield using LED lights compared to conventional HPS lights.

The standalone VFU all utilize integrated LED lighting, so this is clearly the direction the industry is heading. In conclusion, LED lights offer significant savings with respect to power consumption, reduce heat, and produce higher crop yields.

WATER AND NUTRIENTS

It is very important to use filtered water when treating cannabis plants, or really any plants for that matter. The reason is most tap water has elements of chlorine and chloramine. These elements are harmful to plants and need to be removed.

We intend to automate watering as much as possible. Countless hours can be spent watering plants each day. By using the tables described above, we can use the ebb and flow system of watering, which ensures uniformity and that the root system will not sit in water, exposing it to root rot, a common malady for indoor growers. The ebb and flow system of watering also allows for the recapture of unused nutrients, thereby eliminating waste and reducing overall costs.

There are many quality nutrient products specifically designed for cannabis plants. The best part is that the nutrients are designed for each phase of the plant life cycle, thereby maximizing crop yields and overall plant health. It is extremely important to flush the plants of any nutrient build up 2-3 weeks prior to harvest.

AIR VENTILATION, CIRCULATION, AND STERILIZATION

We will be making significant investments in air circulation devices and High Efficiency Particulate Air (HEPA) filtration or other commercial filtration methods. Mold and bacteria are one of the biggest threats to

growing and processing marijuana. Cultivators must utilize either UV air sterilizers or electronic air sterilizers. By filtering and sterilizing all incoming air, contamination risk is minimized. Two of our favorite devices are Bluezone and Airoclean 420, in addition to standard carbon filters to help eliminate smells.

Growing Plan and Operations

The Cultivation of safe and high-quality marijuana combines, science, art and horticulture. Cultivation requires dedication and an extensive study of growing techniques to be successful. It is a highly involved process, especially in the indoor setting. The three most important factors in a successful cultivation site are security, experienced staff, and location. Security, as with all we do, is paramount. Please see the security section for more detail. Our two Master Grower candidates both have over 20 years of experience and have recently managed large indoor cannabis grows.

Our location is ideally suited for marijuana cultivation, as it is discrete and secure. It is 33,000 square feet of class A industrial space with 3600 square feet of office space. We have the property under agreement to purchase at below market rates. We also have the opportunity to purchase the contiguous space which would be an additional 30,000 square feet. We also have a number of rooms which will be used for cloning, curing, and processing, as well as allow us to operate under different light cycles for full flexibility.

The goal of a cannabis cultivator is to produce a safe, quality product with consistently high yields. We have decided to mostly go with Vertical Farming Units (VFU), which produce consistent yields at 35 pounds per 64 square feet of Canopy. What makes VFU so appealing is they are smaller, self-contained units that all are automated, perfectly controlled environments. This significantly mitigates risk as each VFU helps prevent cross contamination because each free standing unit has to a much smaller number of plants than large conventional grow rooms. The software that is utilized integrates with METRC and collects over 1000 points of data, ensuring a tightly controlled, clean room environment.

We will begin with soil as our grow medium placed in 5-7-gallon bags specifically designed for cannabis plants. The bags will then be placed on/in the ebb and flow tables. These tables accommodate many growing styles, and it is quite easy to pivot some or all of the grow to something like CoCo Coir in the future if we should choose to make a change. Cannabis can grow in a wide range of soils, but to truly flourish, meaning plants that produce lots of trichomes, THC, and other cannabinoids—it needs just the right balance of variables in the soil. These variables include:

- Good water retention and proper drainage (this is where the ebb and flow tables come in)
- Correct nitrogen to phosphorus ratio (this is done in the composting phase)
- The right balance of fungus to bacteria (a slight skew to the fungal side of the spectrum is okay because cannabis prefers slightly acidic soil)
- Soil pH of 6. Soil will be test frequently.

The quality of the soil is just one of the many factors that go into a successful grow operation. Below are other environmental factors that we believe to be critical in producing safe, good quality cannabis.

Air ventilation, circulation, and sterilization

1. As discussed, quality of the air can mean the difference between healthy plants and total disaster. We will be making significant investments in air circulation devices and High Efficiency Particulate Air (HEPA) filtration or other commercial filtration methods. Mold and bacteria are one of the biggest threats to growing and processing marijuana. Cultivators must utilize either UV air sterilizers or electronic air sterilizers. By filtering and sterilizing all incoming air, contamination risk is minimized. Two of our favorite devices are Bluezone and Airoclean420, which was developed by NASA. We will also use carbon filters to mitigate odors.

Humidity and VPD (Vapor Pressure Deficit) Control

Growers who underestimate their dehumidification needs or size of their dehumidification equipment put their facility at risk of a powdery mildew or gray mold outbreak. Along with proper airflow, air dispersion and supplementation with CO₂-humidity control is a very important factor in proper environmental control. Plants transpire substantial amounts of water every day, so you must have the ability to control humidity levels at all times, day and night.

Airflow and Air Pressure

Many growers have initially underestimated the equipment or size of the equipment required to achieve proper airflow. For both indoor and greenhouse environments, proper airflow is a roughly 1.5-mph breeze (or 132 feet per minute). A perfect balance is easily achieved through:

- A constant airflow that promotes proper CO₂ dispersion and eliminates the possibility of air stagnation, humidity rises or oxygen depletion;
- Proper equipment to move air through the facility; and
- A consistent pruning technique to remove lower branches and unnecessary vegetation that restrict airflow.

Additionally, an even distribution of all incoming air is preferred. A positively pressurized environment assists in detouring infestation of both pests and diseases because the air exiting the doors or vents at an increased velocity makes it difficult for pests and pathogens to enter. Most commercial greenhouses are positively pressurized, utilizing filtered and sterilized air. Our facility has an existing easily accessible vent to the roof that should greatly assist in achieving positive pressure and airflow.

Employee Decontamination Areas – Air born particulates and Pests Prevention

All persons entering the facility must change attire. Street clothes and shoes must be replaced by regularly cleaned work clothes and work boots that are free from pests and diseases. After changing, the employee must wash their hands (by submerging in disinfectant) prior to entering the cultivation area. Decontamination zones greatly help in mitigating the risk of having outside pests and diseases tracked into the grow rooms. Our facility will allow us to do this easily enough prior to admittance to the cultivation area.

Phases of Production and Timeline

- Germination of seeds, gendering plants, male/female, or feminized plants (10 weeks)
- 1st stage: taking and rooting clones (2 weeks)
- 2nd stage: clone/vegetation (1 week)
- 3rd stage: vegetation (2 weeks)
- 4th stage: flowering (8 weeks)
- 5th stage: processing/trimming (3-14 days)
- 6th stage: drying and curing (11 days)
- Total elapsed time: approximately 15 weeks

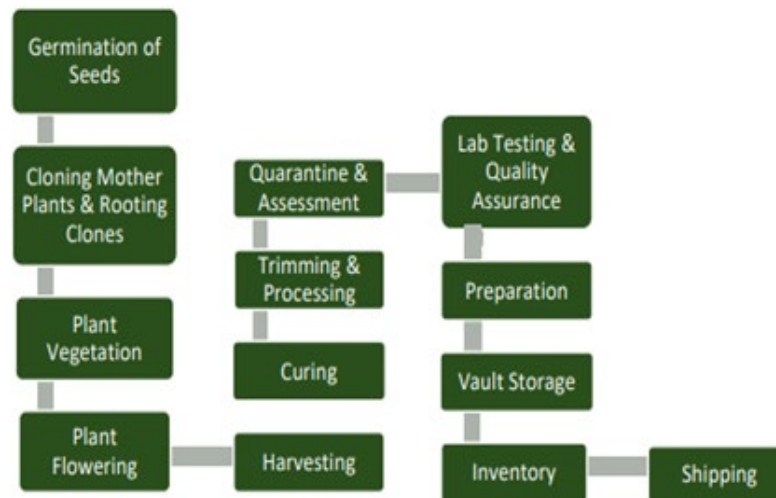


Figure 8. Phases of Production - Cultivation

Yields and quality of plants grown under artificial lights mostly depend on:

1. the seed variety,
2. whether the plants are grown from seeds or clones,
3. after how many days of growing the plants are put into flowering, and
4. the optimization of the climatic conditions of the grow-room.

We hope to commence operations in July 2019, sales are projected to begin at the end of the year, and should significantly increase from the second year.

Crabgrass will have the ability to vegetate up to 6700 plants and flowers concurrently. We will grow up to 10 different strains of cannabis, and will have the ability to grow from seedling to finished product. Company intends to grow a few exclusive strains that other growers do not have.

Security and Technology

Physical Building

We have located our properly zoned cultivation facility in a light industrial complex area that includes manufacturing and industrial businesses. The facility has numerous intrinsic security features and is easily converted to high-security use. The stand-alone facility where in time we will be the sole occupant has limited points of ingress and egress. The facility location has secure means of ingress and egress and is in an area that is

not located near any schools, freeways, residential housing, or places of worship. It also has a drive-in dock that has a secure dock door.

The site plan shows both the entire structure and the interior of the cultivation center. Please see the attached site plan.

Areas where cannabis will be kept or handled or stored have no external doors or windows and can be accessed only from within the facility.

All main access point doors to the grow facility will be equipped with the latest in secure key pad door locks. Furthermore, each SIP room (which includes grow and processing) will have their own key pad security. The property configuration yields optimal conditions for surveillance. These existing design elements will not only make unauthorized access extremely unlikely, but also act as a deterrent discouraging theft.

Floor Plan

The attached floor plan of the cultivation facility details the following:

1. All entrances and exits;
2. The location of any windows, skylights, and roof hatches;
3. The location of all cameras, and their field of view;
4. The location of all alarm inputs (door contacts, motion detectors, duress/hold up devices) and alarm sirens;
5. The location of the digital video recorder and alarm control panel; and
6. Restricted and public areas is shown at the Diagram

We will comply with the State's recording and storage of camera footage, along with back-up power through a generator of the CCTV cameras. We will also have multiple motion detectors and lights throughout the property and building structures to not only protect against external threats, but internal theft or other potential employee malfeasance or code violating behavior.

We have engaged 3 different security companies, including American Alarm and Communications, Inc., CC-Technologies, and KM-Security Solutions to provide input on our security design and back up monitoring. All security providers have cannabis customers, many of whom do business in the Commonwealth. All 3 organizations also offer Remote Monitoring through their 24-Hour Security Command Center, which is Five Diamond Certified from The Monitoring Association (formerly the Central Station Alarm Association) and operates continuously with a staff of highly trained operators who respond in less than 20 seconds or less, on average, to priority signals. We will ultimately select the vendor who offers the most with the best bid. One

thing that we like about CC-Technologies is they have RFID readers, which can have a meaningful impact on METRC compliance and tracking, as well as help eliminate diversion and errors. Even if we don't select them to handle overall security, we likely will install their readers. Compliance errors are not an option in our operations and we will do all we can to be sure every plant is accounted for at all times.

The building will have locks, CCTV, and its own alarm, as well as keypads doors in order to enter the Facility. Our security room and backup recording will be in a locked room within the locked building in our separate office/security command center. This is also where we will likely have the safe, although final layout will be determined by our architect. Cannabis storage will have its own, separate locked room with limited access.

Lighting

The main objectives of our security lighting system are to illuminate dark areas and detect and recognize movement in the protected area. The best vision with outdoor lighting is obtained from downward directed and shielded security lighting that is constantly on, supplemented with instant-on lighting triggered by motion detectors.

Crabgrass LLC will ensure that sufficient lighting requirements are met between dusk and dawn. We will add external security lighting, including high flood spot lights to both facilities. Each facility and all walkways of each facility will be well illuminated to maximize visibility. Lighting will be operated automatically by a photo-sensor, ensuring that lighting will at all times be optimal for video capture.

Perimeter Security

We will secure the perimeter of our facilities to prevent unauthorized intrusion. With our cultivation facility, we plan to use one or more of the following critical elements to secure the perimeter of our building: Electronic surveillance (round-the-clock alarmed camera surveillance and electronic intrusion detection).

The perimeter, the main entrance, stairwells and all facility rooms will be secured by video surveillance and adequate outside security lighting.

The Crabgrass facility will be equipped with motion detectors on the inside of all exterior doors and windows. These are separate sensors from our video camera motion detectors.

Internal Access-Point Control

Movement within the facility will be tightly controlled. All main access doors and doors to the cultivation rooms will require keycards and electronic passcodes. Only permitted employees will be allowed to enter into the cultivation facility.

Limited Access to Secured Areas and Visitors

Crabgrass LLC has the limited access areas which ensures that the secured areas are accessible only to licensee, licensee representatives, and authorized personnel, service personnel or distributors.

Video Surveillance

We will install a comprehensive electronic security system with video surveillance/recording capability, third-party monitoring, intrusion detection, and panic buttons. All security equipment and procedures will be in compliance with the Commonwealth's regulations and procedures.

We will employ state-of-the art external and internal cameras, each with a minimum resolution capacity of 704 x 480 pixels per sq. inch. This is sufficient to allow facial identification of anyone in or nearing the facility. All cameras are equipped with motion detection and will have infrared technology for low light conditions, capable of identifying activity at night or in unlit rooms. Our CCTV camera system with digital recorder includes:

External video surveillance will cover all areas of possible ingress and egress. Internal video surveillance will cover the all the cultivation, processing, and office rooms. This covers all areas where cannabis is present or handled, and all means of access to such areas. Video surveillance will cover external and internal areas 24/7.

Electrical backup will be provided sufficient to supply backup power to our cameras and computers as set forth in the regulations. We will have both on and off-site storage capacity of 2TB, enabling us to store at least 60 days of video surveillance recording. A failure notification system will provide both audible and visible notifications if there is any failure in the electronic monitoring system.

Third-Party Monitoring

Consistent with Commonwealth regulations, we will be contracting with one of the three vendors we discussed, including American Alarm and Communications, Inc., CC-Technologies, or KM-Security to help deter, detect, and document security events at each facility from a remote location. Either American Alarm and Communications, Inc., CC-Technologies, or KM-Security Solutions will monitor for fire and for security breach of doors or windows. Trained professionals from their monitoring centers will be able to access our security surveillance system at all times and will report and document any suspicious activity. Our internal security personnel will work with vendor to establish guidelines for what entails suspicious activity and to ensure regulatory compliance. We will also be able to access security cameras with our smartphones and home computers.

There will be triggers around the facility to alert our monitoring team of a possible intrusion or unauthorized access. Triggers can be:

✓ Motion-sensor surveillance cameras

- ✓ Motion-sensor laser beams
- ✓ Unauthorized electronic access
- ✓ Security and fire alarms

Intrusion and Motion Detection

Our alarm system will have motion detectors covering entryways and exits, hallways, cultivation rooms, storage rooms, and windows. Vendor motion detectors will be utilized to monitor the interior side of all exterior windows and doors. (These are separate from our video camera motion detectors.)

Burglary Alarm System

We shall install, maintain, and use a professionally monitored robbery and burglary alarm system; which meet the following requirements:

- ✓ A test signal shall be transmitted to the central station every twenty-four (24) hours;
- ✓ At a minimum, the system shall provide coverage of all facility entrances and exits, rooms with exterior windows, rooms with exterior walls or walls shared with other facility tenants, roof hatches, skylights, and storage room(s) that contain safe(s);
- ✓ The system shall include at least one (1) holdup alarm for staff use; and
- ✓ The system shall be inspected, and all devices tested annually by an our security provider.

Panic Buttons and Internal Communications

Panic buttons will be installed in the office and at the two exits.

Fire Security

The Cultivation Facility will comply with all local fire code requirements. Fire Prevention is a vital aspect of cultivation safety. As part of Crabgrass' commitment to the safety of our employees, we have developed a comprehensive Fire Plan to address how fires will be prevented and managed/contained if they do occur. Knowing that people are our most valuable resources, all employees will be trained and required to conduct themselves with consistent due diligence to prevent fires from occurring.

Technology

We will need and have a powerful computer system installed with an array of programs and applications. These include but are not limited to:

1. Seed to Sale tracking system
2. Full integration to the security system with remote access
3. Accounting Software
4. Inventory management and back office solutions like MJ Freeway or ExPo designed for the cannabis business and its peculiarities

Significant storage is required for the security camera recordings that are required to be archived by the state. All security, tracking, and inventory management systems with comply with Commonwealth regulations.

Packaging, Labeling, and Transportation

Transportation:

1. Cannabis items will be transferred only between licensed premises by licensee or licensee representative.
2. An individual authorized to transport cannabis items will have a valid Driver's License.
3. Crabgrass intends to keep marijuana items in transit shielded from public view;

Crabgrass will use a vehicle for transport that is:

1. Insured at or above the legal requirements in Massachusetts; -
2. Capable of securing (locking) the cannabis items during transportation;
3. Equipped with an alarm system;
4. Capable of being temperature controlled if perishable marijuana items are being transported.
5. The Commonwealth has very specific regulations regarding Transportation of Marijuana that go beyond the points listed above, and we will be sure it acts in a compliant manor. Although we have not decided yet, it is quite possible we simply contract with a third-party transportation company licensed by the Commonwealth.

Use METRC, we will generate a printed transport manifest that accompanies every transport of cannabis item that contains the following information:

1. The name, contact information of a licensee representative, licensed premises address and license number of the licensee transporting the cannabis items;
2. The name, contact information of the licensee representative, licensed premises address, and license number of the licensee receiving the delivery;
3. Product name and quantities (by weight or unit) of each cannabis item contained in each transport, along with the UIDs for every item;

4. The date of transport and approximate time of departure;
5. Arrival date and estimated time of arrival;
6. Delivery vehicle make and model and license plate number; and
7. Name and signature of the licensee's representative accompanying the transport
8. Company will generate the manifest of this rule at least 24 hours in advance of initiating transportation.
9. All cannabis items will be packaged in shipping containers and labeled with a UID tag prior to transport
10. Company will be able to provide a copy of the transport manifest to each licensed premise receiving the inventory described in the transport manifest.
11. Company will be able to provide a copy of the printed transport manifest and any printed receipts for marijuana items delivered to law enforcement officers or other representatives of a government agency if requested to do so while in transit.
12. Crabgrass LLC will contact the Commission immediately, or as soon as possible under the circumstances, if a vehicle transporting cannabis items is involved in any accident that involves product loss.
13. Company will provide temperature control for perishable marijuana items during transport.
14. Company will notify the Commission in advance of the location of every stop at an unlicensed location that exceeds two hours in duration and will make the vehicle and its contents available for inspection upon the request.

Packaging and Labeling

Company will follow the following regulations for packaging and labeling:

Labeling:

1. Standardized cannabis symbol on every label;
2. Only one other brand element (in addition to the brand name).

Packaging:

1. Label and package backgrounds need to be a single, uniform color (inside and outside);
2. It would be prohibited to use any fluorescent or metallic colors;
3. Colors must contrast with the colors of the standardized cannabis symbol and the background of the health warning messages;
4. Labels and packaging could not have any coating (e.g. could not be glossy), embossing (raised or recessed relief images), texture, foil, cut-outs or peel-away labels;
5. Any over-wrap must be clear; and
6. It would be prohibited to include any insert in a package.

All cannabis product labels shall include the following information, prominently displayed and in a clear and legible font:

1. Name and contact information of the processor who packaged the product;
2. Product description (brand name and class of cannabis);
3. Product lot number;
4. Product weight or volume, depending on the product class;
5. Packaging date (and expiry date, if one has been set);
6. Recommended storage conditions;
7. THC / CBD content (expressed as the percentage of THC / CBD the product could yield, and by unit or dose, if applicable);
8. Number of units/doses, if applicable;
9. The statement: “KEEP OUT OF THE REACH OF CHILDREN”; and
10. Health warning messages, including specific requirements with respect to their size, placement and appearance.

The Commonwealth has very specific requirements with regards to packaging and labeling with Crabgrass will adhere to in all of its packaging and labeling operations.

Personnel and Training

Crabgrass LLC will be a business built on a solid foundation. From the outset, we will recruit only qualified people with multiple year experience in their positions. Although many will not have direct cannabis experience, whether it be back office operations, processing, compliance or sales it will be imperative to hire dedicated professionals with translatable real-world experience to maintain a compliant and effective business in this highly regulated industry. We hope to leverage their expertise to build a preeminent wholesale brand that will set an exceptional example for Massachusetts Cannabis which we hope will one day develop into the Gold Standard market in the United States.

Crabgrass LLC Owner Managing Director, Lynne McCarren has substantial operational and compliance experience in the Cannabis Industry. She is a successful entrepreneur who has worked in the communication, finance, and real estate industries. In 2014 she was appointed Director of the CAS Foundation to head the Compassionate Care Clinics local outreach and application writing efforts during MA first competitive medical marijuana dispensary licensing process. The CAS Foundation came in 2nd in Middlesex County and was also able to secure a nine-member unanimous vote of acceptance from the Beverly City Council to locate the clinic in Beverly.

Mrs. McCarren is currently a founding member of an outdoor cultivation and subsequent separate MIPS facility in Pueblo Colorado. She has been involved in all facets of this start-up including; permitting for property development, hiring and working with architects and MEPs, budgeting and financing necessities and working in METRC to ensure company compliance. Last year she was appointed as Sales and Marketing Director in charge of website design, brand and product development, marketing, and back office management.

Our VP of Operations, Donald Varney, is a veteran of the burgeoning New England Cannabis industry and as such has participated in every aspect of the industry. He owned a stake in and served as a Cultivation Manager for Ocean State Care Co-operative in Rhode Island for the last 4 years. In addition to overseeing a major cultivation site, he processed oils and has developed his own proprietary oil product line. He has taken many continuing education courses in Colorado for growing, operations, and oil processing. He brings a wealth of knowledge and expertise.

We will look to hire a Master Grower to report to our VP of Operations, who will have 3+ employees report to him and the Master Grower. Our VP will be in charge of training and oversight of part-time hirings which will occur seasonally. We hope to develop a core group of dependable seasonal employees in the first three years. Our three full time cultivation staffers will rotate responsibilities that fall within the following job descriptions:

Cultivation Technician: Assist with the primary day-to-day production duties within the cultivation facility. These duties include cultivation, feeding and care of plants, mothers and clones.

Processing Technician: Harvesting, trimming, finishing and packaging of cannabis flower.

Facility Maintenance Specialist: Maintaining cultivation equipment, watering systems, temperature controls and soil and nutrient products.

All employees will be responsible for learning and following proprietary cultivation and production methods, complying with program regulations as it relates to cultivation operations including proficient use of seed to sale software METRC and upholding all standards and procedures pertaining to cultivation facility cleanliness.

We will have at least one skilled MIP employee, but want employees to be able to work in more than one department. So, the intent is to cross train core full-time employees in both arts. MIP employee responsibilities shall include, but not be limited to, the following:

- Ability to multi-task with excellent follow through skills
- Strong attention to detail
- Thorough knowledge of all Crabgrass' cultivation and MIP protocols, policies and procedures
- Skilled in general computer operating systems and applications.
- Ability to visually examine products for quality and signage/labeling accuracy
- Work closely with MIP Manager to produce the highest accuracy in Marijuana Infused Products (MIP) products. This position completes all the requirements of a Package Team Member, and also assists in the creation of MIP Products. Demonstrates accuracy and thoroughness in order to improve and promote quality; Report directly to the Marijuana Infused Product (MIP) Manager or VP of Operations in the early stages
- Responsible day-to-day work of creating, packaging and labeling and counting MIP's
Work successfully alongside other MIP and Package Team Members

We will seek to hire locally for these individuals.

Safety and Security

Our Director of Security will administer security training for all employees, including acceptable currency identification and counterfeit detection, warning signs of possible diversion to the illegal market, lock and alarm procedures, perimeter and entrance control, robbery response techniques, conflict resolution techniques, and diversion detection techniques. Staff will be trained in proper incident-report protocols regarding adverse reactions or suspected diversions. The Director of Operations will train MIPs processing workers in local and state safety regulations and protocols, as well as appropriate techniques for MIP creation. The Directors of Cultivation Services and Operations will train cultivation workers on safe lab protocols and procedures to ensure the cannabis is free from pests and contaminants and grown pursuant to FDA-approved agricultural methods.

Quality Assurance

Quality assurance starts and ends with the employees. Crabgrass' Quality Assurance Program incorporates Good Production Practices and Good Agricultural Practices, for which the employees will receive extensive training. Crabgrass' Quality Assurance Program will be integrated with the cannabis tracking and management system, METRC. This enables full tractability of product throughout the production process and facilitates inventory management, grow-house management, sales, and accounting. An external laboratory will perform product testing to meet specific requirements with respect to:

- ✓ microbial and chemical contaminants (such as heavy metals);
- ✓ maximum allowed limits of THC in cannabis oil (30 mg per 1 ml);
- ✓ the presence of solvents used during the preparation of cannabis products, or present in the final product;
- ✓ the disintegration of dosage forms; and
- ✓ the presence of unauthorized pesticides.

Records and proof of compliance with regulatory standards will be archived. All monthly, quarterly and annual reports that are produced will be available to the Commonwealth.

Conclusion

Crabgrass believes we have checked all the boxes necessary to execute on our plan. Crabgrass has an excellent location, buy-in from the town of Clinton, operational experience, in-depth policies and procedures, and quite

frankly the type of character and values the CCC likely values in its applicants. Crabgrass respectfully request you grant provisional approval to this enterprise.



CRABGRASS - CONCEPT LAYOUT
CLINTON , MA.

SCALE : not in scale

Drawn by Wali

Crabgrass has had conversations with a number of Cannabis based insurance companies, including Hub International and MHP Group. Both have expressed a willingness and desire to do business with Crabgrass LLC.

Some of the insurance coverage options we have discussed, include but are not limited to general liability and product liability insurance. Mandatory insurance for us would be property liability insurance – to cover accidents and injuries that occur on a business' premises. We would also obtain appropriate auto coverage and other commercial policies. Additional coverage we would consider would include product liability insurance. Another potential policy we have discussed with insurers is a business owner policy. A business owner policy packages all required coverage a business owner would need. Often, a business owner policy will include business interruption insurance, property insurance, vehicle coverage, liability insurance, and crime insurance. Based on your company's specific needs, you can alter what is included in a business owner policy. Typically, a business owner will save money by choosing a BOP because the bundle of services often costs less than the total cost of all the individual coverage's.

In conclusion, Crabgrass is well versed in the different types of business insurances that are common to all businesses and the cannabis industry. Crabgrass has engaged a few players in this industry and stand ready to obtain the appropriate insurance for our industry and all businesses operating in the Commonwealth.

Crabgrass LLC understands and will comply with a policy that includes both general liability and product liability insurance coverage that will be of no less and \$1 million per occurrence and \$2 million in aggregate annually, with coverage for each policy that will have a deductible that will be no higher than \$5,000 per occurrence.

Crabgrass LLC

PERSONNEL POLICIES INCLUDING BACKGROUND CHECKS

LYNNE MCCARREN

Personnel policies including background checks

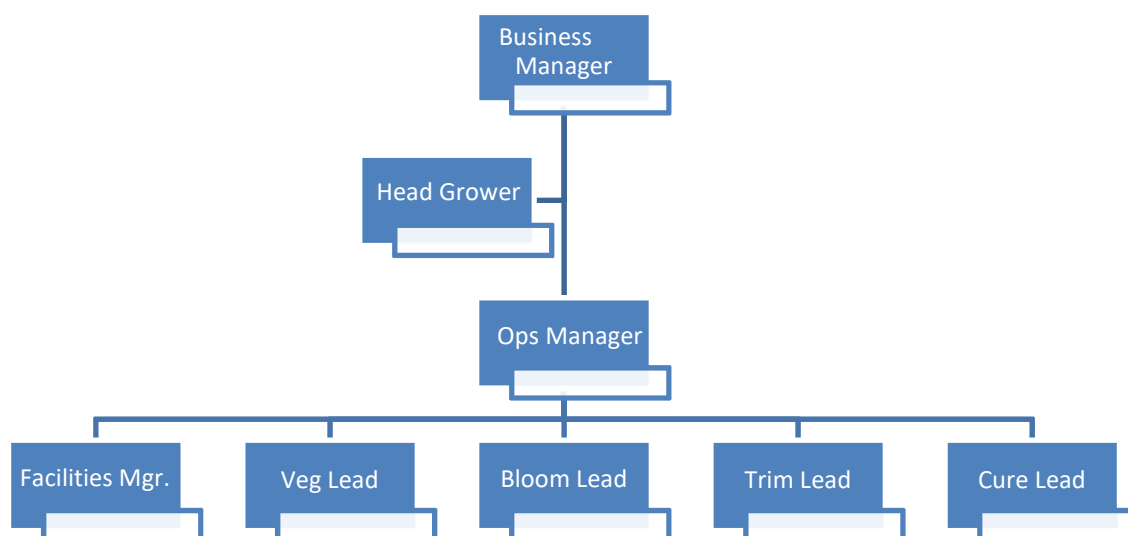
Crabgrass LLC understands the importance of hiring good qualified employees and communicating expectations, company policies and procedures. Given the sensitive nature of the cannabis industry, extra attention will be placed on compliance and employees following policies set forth in our employee handbook.

In accordance with 935 CMR 500.030, every potential employee is carefully pre-screened for compliance with regulations prior to hiring, including a CORI background check. Once hired, staff is provided with an Employee Handbook containing information about the policies and procedures of the organization, as well as benefits and opportunities available to employees.

The Handbook contains all company personnel policies, including but not limited to Company Policies: rules of conduct, dress code, alcohol and drug abuse, discipline, confidentiality, conflict of interest, ethics, whistle blowing, discrimination and harassment, reasonable accommodation, zero tolerance, prohibition of retaliation, emergency procedures, work hours, attendance and time off, performance evaluations, injuries, and termination. Additionally, the Handbook covers Leave Policies: holidays, vacation, personal and sick days, maternity/paternity, military leave, and jury duty.

As part of our company policy, Crabgrass will maintain personnel records for all employees, including, job descriptions, verification documents including CORI and other background check information, training records, performance evaluations and any disciplinary actions. Employee records are strictly confidential. Per the regulations, and as part of our Employee Handbook we will maintain the following personnel records and job descriptions:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;



As part of our Handbook and to ensure employees understand the job requirements and experience necessary for other roles within the organization, we describe each job function. Our intention is each employee will receive extensive hands on and computer based training for their role within the organization. We believe that understanding roles and the performance access metrics is critical to employee performance and morale.

Personnel Responsibilities and Qualifications

- **Business Manager**

The Business Manager role is not within the scope of these SOPs but is discussed here for clarity of the overall Crabgrass operations. The business manager oversees all facilities and operations including dispensaries as well as cultivation facilities. Duties include coordinating shipments of products between the various company locations.

- **Head grower – The Director of Cultivation**

Scope: Using SOPs (Standard Operational Procedures) at Crabgrass Cultivation; in charge of all operations that involved horticulture decisions. Communicates directly with operations manager before going to upper management.

- 1) This person should have an extensive background in growing that would preferably include a formal education in Horticulture. The HG oversees and maintains SOPs (Standard Operating Procedures) and artifacts stemming from the SOPs (such as pesticide inventory sheets, spray schedules, nutrient formulation records, etc.) to ensure proper operation of Crabgrass' cultivation operation.
- 2) Responsibilities
 - a) The HG works with ownership and operations manager to set production quotas.
 - b) The HG will make decisions pertaining to quality and the need to divert product from the flower path. The choice to divert flowers to extraction is a significant financial decision that should be exercised by an individual who demonstrates good knowledge of plant infestations along with solid decision making skills.
 - c) The HG is the primary source of pest management direction for the operation.
 - d) Oversees certified applicators training/certification process at Crabgrass. The HG will collaborate with the Operations Manager to define, execute and review results of all horticulture trials.
 - e) Regardless of where a worker is in the organization, communication is the key to a smooth running operation. Management needs to effectively communicate actions and policies to staff and staff need to communicate problems they encounter up to management describing the help they need from management to resolve the problems. The following are responsibilities for the HG that the following will be completed:
 - f) Pest management is everyone's job and the knowledge of the pests will face day to day is concentrated enough that anyone touching plants should learn the routines used for control. Workers responsible for spraying need a little more knowledge and ideally will obtain their Colorado Private Applicator's (PA) certification, although workers without that can spray under the direction of a PA. A solid grasp of Integrated Pest Management (IPM) serves as the basis for any grow team to look for ways to improve their pest management results.
 - g) After light, nutrients exert the most influence over plants and an ability to analyze and propose new formulations of nutrients is a key skill for an operation. This includes having the ability to change the growing habits of plants through nutrient management. This skill requires a basic level of knowledge of nutrients and the role they play at different growth phases along with the signs and symptoms of deficiencies and toxicities. Nutrient recipes are owned and approved by the director of cultivation, but staff should be able to use the tools of using laboratories and using on-site testing with such equipment as pH and EC meter. The nutrient discussion covers water, media and nutrients and the nutrient specialist must be able to talk to all of these topics.
 - h) Ensure all cultivation staff have appropriate education/training materials for cultivation tasks

- 3) Qualifications
 - a) Extensive experience in cannabis cultivation on a large scale
 - b) Knowledge of the key inputs of light, water and nutrients
 - c) Familiarity with IPM – integrated pest management
 - d) Knowledge of pesticides, their use and restrictions on them
- 4) Performance metrics
 - a) Resolves cultivation issues in a timely fashion
 - b) Processes defined by the HG consistently deliver on yield and quality

Operations Manager

Scope: Operations Manager (OPS) ensures the operation is being run consistent with the SOPs and manages all aspects of the operation including personnel issues as well as making sure the needs of the Crabgrass' Business Manager are satisfied. The operations manager has overall responsibility for delivering on poundage, quality and cost targets as set by management as well as showing a strong compliance posture relative to all Colorado regulations relating to cannabis cultivation.

- 1) Responsibilities
 - a) Ensure Crabgrass is in compliance with all state and local regulations
 - b) Deliver on yield and quality as set by ownership
 - c) Oversight of METRC data for the facility
 - d) Operations cost management
 - e) Maintain a smooth operation and an overall sense of confidence in the staff
 - f) Organization and maintenance of all necessary records for the operation and regulators.
 - g) Oversees execution of pest management activities
 - h) Communicate up to ownership and management and communicate down to staff
 - i) Oversees administrators as well as members of the cultivation team
 - j) Ensures all staff are properly trained and have access to appropriate training materials
 - k) Ensures staff includes at least one person on staff have a Private Applicator's certification
 - l) Provides safety training as well as orientation packages for all personnel. Provides a set of safety protocol / OSHA, etc. postings.
 - m) Maintains a record of all training and certifications for staff
 - n) Problem management
 - o) As with all workforces, challenges in interpersonal relationship (IPR) levels may arise even for the most competent and experienced manager. The Operations Manager and Area Leads are on the floor every day and need to work within their own area and across to other areas to maintain a businesslike, productive and positive workplace environment. Respect for each employee and offering an inclusive environment where people feel heard is part of the Crabgrass ethos.**
- 2) Performance metrics
 - a) Pounds of product harvested each month
 - b) Pounds of product shipped to licensed retail outlets and extractors
 - c) Overall operational cost excluding infrastructure costs and utilities
 - d) Communication with HG in all decisions affecting the grow (including planned outages)
- 3) Qualifications
 - a) Computer literacy

- b) Familiarity with at least Massachusetts state regulations, regulatory processes and compliance to them.
- c) Familiarity with the Massachusetts state mandated METRC database and cannabis tracking regulations/procedures
- d) Understands the need to manage change. Experience with change management is a plus
- e) Have significant experience managing large employee teams.
- f) Comprehension of the importance of business communications both up and down within the organization
- g) Can identify situations where training would be helpful and arranges, delivers basic knowledge as well as timely updates to staff.
- h) Is willing to delegate responsibility to area leads.
- i) Willingness to seek assistance when needed.
- j) Ability to review the Massachusetts METRC tracking and reporting data for Crabgrass as well as the ability to enter data into the tool.
- k) Regardless of where a worker is in the organization, communication is the key to a smooth running operation. Management needs to effectively communicate actions and policies to staff and staff need to communicate problems they encounter up to management describing the help they need from management to resolve the problems.

- **Veg Lead**

This person manages all aspects of the propagation and veg operations. This is a hands on position requiring the lead to be able to do any of the tasks of the veg area. veg lead should:

1) Responsibilities

- a) Directs all operations in veg including propagation
- b) Manage staff to ensure appropriate levels of labor are available at all times
- c) Reflect state of the veg room through data entry into METRC
- d) Works well with management and staff
- e) Understand and support the overall operations management structure and goals
- f) Communicates well both up and down within the organization keeping management and staff up to date on the status of the operation.
- g) Act as a mentor for the veg staff
- h) Seek assistance from external sources when problems arise.
- i) Point out areas for improvement to management
- j) Manage pesticide spray activities
 - i) Be a certified applicator or become one
 - ii) Direct staff in pesticide handling and application.
 - iii) Is responsible for using only CDA cleared pesticides
 - iv) Manage pesticide inventories along with the Bloom lead
 - v) Maintain “regulator ready” pesticide application logs, METRC database and other documentation

2) Qualifications

- a) Experience directing people
- b) Experience in cannabis cultivation, especially propagation
- c) Collaborative
- d) Can express themselves clearly
- e) Computer literate

3) Performance metrics

- a) Consistent delivery of plants to bloom
- b) Delivery of pest free plants to bloom
- c) Maintains METRC database to reflect current state of veg room inventory
- d) Maintains organization of the veg floor for easy identification of strains
- e) Employee morale
- f) Cleanliness – no major outbreaks

- **Propagator**

The role of propagator is especially important to the operation and as such carries some special skill requirements. It is hard to “see” that skill in an interview and management may need to observe the propagator over time to determine if they are meeting their goals.

- 1) Responsibilities
 - a) Consistently meets weekly cutting demands
 - b) Maintains a high level of successful root out in cuttings
 - c) Keeps a clean work area
 - d) Delivers pest free cuttings following direction from the HG
 - e) Delivers cuttings with a high percentage of successful rooting
 - f) Communicates problems quickly
 - g) Provides feedback to Veg lead on health of donor plants on the floor
- 2) Qualifications
 - a) Organized
 - b) Communicates well
 - c) Self-starter and takes direction well
 - d) Computer literate
- 3) Performance metrics:
 - a) Consistent attainment of rooted cuttings to the cutting plan
 - b) Rooting time for cuttings
 - c) Percent cuttings successfully rooted (also identifies poor performing strains to VL.)
 - d) Percent cuttings lost to pests

- **Bloom Lead**

This person manages all aspects of the bloom rooms and coordinates all personnel activities with other Team Leads. This is a “hands on” position which requires the lead to be able to perform all tasks required of bloom workers.

- 1) Responsibilities
 - a) Grow plants to desired size and shape in time allotted using tools provided by the HG
 - b) Understands and supports the overall operations management structure and goals
 - c) Communicates well both up and down within the organization keeping management up to date on the status of the operation and keeping their people up to date on the status of the operation.
 - d) Anticipates and requests additional labor from other areas or from management when work bubbles demand.
 - e) Be very familiar with the details of flowering plants and their development
 - f) Mentor staff in techniques – train new staff
 - g) Willingness to seek assistance from external sources when problems arise.

- h) Can point out areas for improvement to management
- i) Manages spray activities and pesticide ordering jointly with the veg lead
 - i) Be a certified applicator or willing to undergo training
 - ii) Direct their staff in pesticide handling and application.

- iii) Maintains pesticide and nutrient inventories
 - iv) Is responsible for using only CDA cleared pesticides
- j) Reflect state of the bloom rooms through data entry into METRC
- 2) Qualifications
 - a) Organized
 - b) Communicates well
 - c) Have experience directing people in specified tasks
 - d) Self-starter and takes direction well
 - e) Computer literate
- 3) Performance metrics
 - a) Consistent delivery of plants to harvest
 - b) Delivery of pest free plants
 - c) Maintains METRC database to reflect current state of veg room inventory
 - d) Maintains organization of the bloom floor
 - e) Employee morale
 - f) Cleanliness – no major outbreaks

- **Trim Lead**

- 1) Responsibilities
 - a) Ensure appropriate staffing is available
 - b) Mentor staff and train new employees
 - c) Manages all weight measurements and maintains the METRC database for all trim operations
 - d) Deliver product to cure room for drying/curing
 - e) Remove product for cure room for final trim
 - f) Return product to cure for testing, packaging and shipment
- 2) Qualifications
 - a) Experience in trim procedures
 - b) Able to work with a wide range of personnel, mostly inexperienced, some of whom may never have had a job before as well as people with work experience but not with cannabis
 - c) Manage labor demands to keep trim on pace with harvested plants
 - d) Capable of recognizing quality issues in harvested product
 - e) Ability to communicate up and down through the organization
- 3) Performance Metrics
 - a) Weight of product categories processed and delivered each month
 - b) Number and length of delays in harvest caused by delays in trim

Cure and Packaging Lead

Cure and packaging are the final stop for flower product before it leaves the facility. Given the value of the product contained within the cure room, cure room security is a high priority.

- 1) Responsibilities
 - a) Maintain strict access control to cure room and the inventories held within it
 - b) Manage the drying and curing of plant material

- c) Maintain the METRC database so as to accurately reflect the state of inventories of product in it's different states on a daily basis.
 - d) Package product for shipment to retail outlets
 - e) Send samples to labs for testing and disposition product packages when results are returned
 - f) Communicate with other area team leads and the operations manager
 - g) Immediately alert the operations manager and ownership to any issues discovered
 - h) Be able to train cure room workers in their tasks
- 2) Qualifications:
- a) Organization
 - b) Computer literacy
 - c) Inventory management experience a plus
 - d) Familiarity with Massachusetts inventory tracking regulations a plus
- 3) Performance metrics:
- a) Accuracy of METRC database in cure
 - b) Weight of product received/disposed/cured/packaged/shipped
 - c) Weight of product sent to extraction

Other Required Skills

Regulatory knowledge: Cannabis production is highly regulated so all workers need to have a solid understanding of regulations as they affect their day to day work. A large number of the regulatory areas are ones that every worker in the US falls under, OSHA, EPA, USDA, etc. and can be harder to implement than regulation specifically aimed at regulating the product.

METRC: The ability to read and understand METRC is one that all management and leads should have along with the ability to enter data into METRC is one that should be afforded to area leads and at least one staff member to allow for stand-ins when the area lead is not available.

Organization: Cannabis production can be thought of as a production line and production lines are run through a high degree of organization. People not well suited to highly regimented and repetitive work may not be happy in such an environment.

Communication Policy with regards to personnel

As with any labor-intensive activity, the opportunities for problem are many and the ability to communicate is central to learning how to avoid problems and when they can't be avoided, central to limiting the impact of those problems. By fostering an environment of being kind to others, listening to the people you work with, and above all respect for your fellow man, we believe we Crabgrass can be a dynamic and fun place to work and learn where one can expand their knowledge and grow within the organization. We believe in the Golden Rule: Due unto others as you would have them do unto you. Be kind, and do your individual best to stay positive and keep open lines of communication.

Personnel Records and Background Checks

Our employees will be informed via the Handbook that as part of their file and filing with the Commonwealth, a personnel record for each marijuana establishment agent is kept. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with the Marijuana Establishment and shall include, at a minimum, the following:

- all materials submitted to the Commission pursuant to 935 CMR 500.030;

- documentation of verification of references;
- In accordance with 935 CMR 500.030, every potential employee is carefully pre-screened for compliance with regulations prior to hiring, including a CORI background check. Once hired, staff is provided with an Employee Handbook containing information about the policies and procedures of the organization, as well as benefits and opportunities available to employees.
- the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
- documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
- documentation of periodic performance evaluations;
- a record of any disciplinary action taken; and
- notice of completed responsible vendor and eight-hour related duty training.

Employees are required to have the applicable skills to successfully carryout assigned duties, be prepared to respond appropriately and comply with operational and regulatory protocols.

Per our Employee handbook and our Personnel Policy, all employees will undergo an intensive orientation to introduce the Employee Handbook, Code of Conduct, Emergency Preparedness Guide, Incident Management Protocols and a review of the applicable regulations.

It is our policy that Employees are cross-trained within areas they are authorized to access. Special attention will be paid to security protocols and use of METRC to ensure we are running a compliant operation. We will accomplish this by providing hands on mentor-based training to start, by posting SOP's at each work station, and offering significant computer-based training courses. One of the better training programs we have seen for employees in this industry:

<https://trichomeinstitute.com/rv> ;they currently have a responsible vendor program that is quite comprehensive.

Crabgrass LLC

RECORDING KEEPING PROCEDURES

LYNNE MCCARREN

Record Keeping Procedures

Cannabis dispensaries are cash intensive businesses which require significant and rigorous cash management systems and a comprehensive back office accounting system. The accounting software must be capable of generating traditional financial reports like P&L's and Balance Sheets and ideally have an inventory bridge platform as well. The setup and maintenance of proper accounting records, a system of internal accounting controls and the hiring, training and retention of competent accounting staff is perhaps the single most important task for professional cannabis businesses to undertake to maintain proper accounting records and practices. In addition to our required adoption of METRC our operation will include an intensive and thorough recordkeeping program to facilitate our ability to provide any and all reports required by audits, reporting, and renewals as needed on demand. In addition, to METRC training we will implement a compliance program with all employees and operational procedures to track and record daily tasks required by local and state laws.

The identification and retention of a competent firm of certified public accountants ["CPAs"] with cannabis industry experience is also an important decision that will ensure legal compliance in financial and tax management. Crabgrass LLC has reviewed a roster of CPA firms and has narrowed it down to two firms with expertise in the cannabis industry. The IRS provides guidance with respect to which records a business is required to keep. The IRS further describes how records should be maintained and how long the records must be retained. This may change soon as there are a couple of United States Tax Court cases pending decision that are likely to provide significant guidance on the application of IRC Sec.280E to the cannabis industry.

The IRS provides guidance about the purposes of records, uses of records, and outlines their expectations about the types of records that they expect taxpayers to maintain. We have provided an overview:

- **Monitor the progress of your business.** – You need good records to monitor the progress of your business. Records can show whether your business is improving, which items are selling, or what changes you need to make. Good records can increase the likelihood of business success.
- **Prepare your financial statements.** You need good records to prepare accurate financial statements. These include income (profit and loss) statements and balance sheets. These statements can help you in dealing with your bank or creditors and help you manage your business. An income statement shows the income and expenses of the business for a given period of time. A balance sheet shows the assets, liabilities, and your equity in the business on a given date. Identify the source of receipts. You will receive money or property from many sources. Your records can identify the source of your receipts. You need this information to separate business from nonbusiness receipts and taxable from nontaxable income.

- **Keep track of deductible expenses.** You may forget expenses when you prepare your tax return unless you record them when they occur.
- **Prepare your tax returns.** You need good records to prepare your tax returns. These records must support the income, expenses, and credits you report. These are the same records you use to monitor your business and prepare your financial statements.
- **Support items reported on tax returns.** You must keep your business records available at all times for inspection by the IRS. If the IRS examines any of your tax returns, you may be asked to explain the items reported. A complete set of records will speed up the examination. GAAP principals will be adhered to.
- **Electronic records.** All requirements that apply to hard copy books and records also apply to electronic storage systems that maintain tax books and records. When you replace hard copy books and records, you must maintain the electronic storage systems for as long as they are material to the administration of tax law.
- **Controller (Counter Agent):**
 - Receives payments on behalf of the organization
 - Issues receipt to customers
 - Prepares financial report at the end of every working week
 - Handles financial transaction on behalf of the company
 - Interfaces with our bankers
 - Responsible for payment of tax, levies and utility bills
 - Handles any other duty as assigned by the VP of Operations
- Business records, which shall include manual or computerized records of:
 - Assets and liabilities;
 - Monetary transactions;
 - Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
 - Sales records including the quantity, form, and cost of marijuana products; and
 - Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with Crabgrass

Crabgrass will keep records of the following information, which will be available upon request for inspection by the Commission:

- Financial records, including bank statements, sales invoices, receipts, tax records, etc.;
- Personnel records, including records for each employee (employee's full name, social security, or individual taxpayer identification number, date of beginning employment, and date of termination of employment (if applicable), job description, as well as organizational charts consistent with the job descriptions;
- Written operating procedures as required by 935 CMR 500.105(1);
- Training records, including training content and records from employees who received the training;
- A staffing plan that will demonstrate accessible business hours and safe

cultivation conditions

- All transportation manifests
- Inventory records as required by 935 CMR 500.105(8), including chain of custody forms and unique identification numbers for all raw cannabis materials and finished products;
- Seed to sale tracking records for all marijuana products as required by 935 CMR 500.105(8)(e);
- All contracts and agreements, permits, licenses, and other local authorizations;
- All compliance audits, including private third-party checks;
- Security records, including all visitors, surveillance, incidents, etc.
- Waste disposal records as required under 935 CMR 500.105(12);
- Documentation of our minimum liability insurance coverage as required by 935 CMR 500.105(10)(a)

In greater detail, personnel records for each marijuana establishment agents shall be maintained for at least 12 months after termination of the individual's affiliation with Crabgrass and shall include, at a minimum, the following: a. all materials submitted to the Commission pursuant to 935 CMR 500.030(2); b. documentation of verification of references; c. the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision d. 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; e. Documentation of periodic performance evaluations; f. a record of any disciplinary action taken; and g. notice of completed responsible vendor and eight-hour related duty training h. All background check reports obtained in accordance with 935 CMR 500.030. (e).

Waste disposal records for disposed of marijuana product require the creation and maintenance of a written and electronic record which will include the date, the type and quantity disposed or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Crabgrass Agents present during the disposal or other handling, with their signatures. Crabgrass shall keep these records for at least three years.

Incident Reporting. Crabgrass has already provided a comprehensive diversion prevention plan, which also covered incident reporting and meeting with all requirements. With this in mind, Crabgrass will meet all diversion incident regulatory requirements by notifying appropriate law enforcement authorities and the Cannabis Control Commission of any breach of security immediately and, in no instance, more than 24 hours following discovery of the breach. Notification shall occur, but not be limited to, during the following occasions:

1. discovery of discrepancies identified during inventory;
2. diversion, theft or loss of any marijuana product;
3. any criminal action involving or occurring on or in the Marijuana Establishment premises;
4. any suspicious act involving the sale, cultivation, distribution,

- processing or production of marijuana by any person;
- 5. unauthorized destruction of marijuana;
- 6. any loss or unauthorized alteration of records related to marijuana;
- 7. an alarm activation or other event that requires response by public safety personnel or security personnel privately engaged by the Marijuana Establishment;
- 8. the failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last more than eight hours; or
- 9. any other breach of security.

Crabgrass will, within ten calendar days, provide notice to the Cannabis Control Commission of any incident described in 935 CMR 500.110(7)(a) by submitting an incident report in the form and manner determined by the Commission which details the circumstances of the event, any corrective action taken, and confirmation that the appropriate law enforcement authorities were notified and enter a note in the METRC system to fully reflect the incident associated with package and/or batch number. All documentation related to an incident that is reportable pursuant to 935 CMR 500.110(7)(a) shall be maintained by Crabgrass for not less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities upon request.

Transportation Manifest Record Reporting Requirements & Procedures

An important part of a Crabgrass Agent's job is following the mandatory guidelines and staying compliant. The following rules must be followed:

- a. The manifest shall be filled out in triplicate, with the original manifest remaining with Crabgrass, a second copy will be provided to the destination Marijuana Establishment upon arrival, and a copy will be kept with the Crabgrass agent during transportation and returned to Crabgrass facility upon completion of the transportation. This should be validated by transportation monitoring personnel and/or operations at Crabgrass.
- b. The manifest shall be maintained within the vehicle during the entire transportation process, until the delivery is completed.
- c. Prior to transport, the manifest shall be securely transmitted to the destination Marijuana Establishment by facsimile or email.
- d. Upon arrival at the destination Marijuana Establishment, Crabgrass and agent at the destination Marijuana Establishment shall compare the manifest produced by the agents who transported the marijuana products to the copy transmitted by facsimile or email.

Manifest Requirements for delivery, prior to Departure from Crabgrass Facility, at a minimum:

- a. Crabgrass name, address, and registration number;
- b. the names and registration numbers of the Crabgrass agents who transported the marijuana products;
- c. the name and registration number of the Crabgrass agent who prepared the manifest;
- d. the destination Marijuana Establishment name, address, and registration number;
- e. a description of the marijuana products being transported, including the weight and form or type of product;
- f. the mileage of the transporting vehicle at departure from Crabgrass facility and mileage upon arrival at destination Marijuana Establishment, as well as mileage upon return to Crabgrass;
- g. the date and time of departure from Crabgrass and arrival at destination Marijuana Establishment for each transportation;
- h. a signature line for the marijuana establishment agent who receives the marijuana products;
- i. the weight and inventory before departure and upon receipt;
- j. the date and time that the transported products were re-weighed and re-inventoried;
- k. the name of the marijuana establishment agent at the destination Marijuana Establishment who re-weighed and re-inventoried products; and
- l. the vehicle make, model, and license plate number.

Crabgrass shall retain all transportation manifests for no less than one year and make them available to the Commission upon request.

Manifest for transportation to destruction or disposal site

Manifests shall be filled out in duplicate form with the original remaining at the Crabgrass Cultivation facility and a copy sent with the Crabgrass Agents transporting marijuana to the destruction or disposal site, which shall be produced to a representative of the destruction or disposal site for signature acknowledging receipt.

Prior to transport, the manifest shall be securely transmitted to the destruction or disposal site by facsimile or email.

At the destruction or disposal site, the two Crabgrass Agents transporting marijuana must witness the destruction or disposal and sign the manifest. This manifest must, at a minimum, include:

- Crabgrass name, address, and registration number;
- Names and registration numbers of Crabgrass Agents transporting marijuana;
- Name and registration number of Crabgrass Agent preparing the manifest;
- Destruction or disposal site name and address;
- Description of marijuana being transported, including the weight and form or type of product;
- Mileage of transporting vehicle at departure from origination location and mileage upon arrival at destruction or disposal site, as well as mileage upon return to origination location;
- Date and time of departure from Crabgrass Cultivation facility and arrival at destruction or disposal site;
- Date and time of destruction or disposal;
- Method of destruction or disposal; and
- Signature lines for the Crabgrass Cultivation facility Agents transporting marijuana.

Manifest for laboratory testing

The laboratory site must be the laboratory that is identified to the Department as the laboratory that has contracted with the Crabgrass Cultivation facility to perform testing on marijuana. We prefer MCR labs.

Manifests shall be filled out in duplicate with the original remaining with the Crabgrass Cultivation facility and a copy sent with the Crabgrass Agents to the laboratory, which shall be produced to a laboratory employee, for signature acknowledging receipt.

Prior to transport, the manifest shall be securely transmitted to the laboratory by facsimile or email.

This *outgoing* manifest must, at a minimum, include:

- Crabgrass name, address, and registration number;
- Names and registration numbers of Crabgrass Agents transporting marijuana or MIPs;
- Name and registration number of Crabgrass Agent preparing the manifest;
- Laboratory name and address;
- Detailed description of marijuana samples being transported, including the weight and form or type of product;

- Mileage of transporting vehicle at departure from Crabgrass location and mileage upon arrival at laboratory, as well as mileage upon return to origination location;
- Date and time of departure from Crabgrass Cultivation facility and arrival at laboratory for each delivery;
- Signature lines for the Crabgrass Agents transporting marijuana or MIPs; and
- Signature line for the laboratory Agent at the laboratory who receives the marijuana samples.

Prior to returning any marijuana or MIPs samples to the RMD, a laboratory Dispensary Agent must weigh and inventory the marijuana or MIPs samples to be transported and complete a manifest.

The *returning* manifest must, at a minimum, include:

- Crabgrass name, address, and registration number;
- Name and registration numbers of Crabgrass Agents transporting marijuana or MIPs;
- Name and registration number of Crabgrass Agent preparing the manifest;
- Laboratory name and address;
- Description of marijuana samples being transported, including the weight and form or type of product;
- Mileage of Crabgrass transportation vehicle at departure from laboratory and mileage upon return to Crabgrass Cultivation facility location;
- Date and time of departure from laboratory and arrival at Crabgrass Cultivation facility for each delivery;
- Signature lines for the Crabgrass Agents transporting marijuana;
- and Signature line for the Crabgrass Agent who receives the marijuana samples at Crabgrass Cultivation facility.

Security Audits. Crabgrass will, on an annual basis, obtain at its own expense, a security system audit by a vendor approved by the Cannabis Control Commission. A report of such audit must be submitted, in a form and manner determined by the Commission, no later than 30 calendar days after the audit is conducted. If the audit identifies concerns related to the establishment's security system, Crabgrass will also submit a plan to mitigate those concerns within ten business days of submitting the audit.

Operations Manual: As part of our record keeping requirements, Crabgrass has an extensive operations manual required under 935 CMR 500.105(1). These written policies and procedures are for the cultivation, production and distribution of marijuana, include:

1. Methods for identifying, recording, and reporting diversion, theft, or

- loss, and for correcting all errors and inaccuracies in inventories. The policies and procedures are in compliance with 935 CMR 500.105(8);
2. Policies and procedures for handling voluntary and mandatory recalls of marijuana. Such procedures shall be adequate to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by a Marijuana Establishment to remove defective or potentially defective marijuana from the market, as well as any action undertaken to promote public health and safety;
 3. Policies and procedures for ensuring that any outdated, damaged, deteriorated, mislabeled, or contaminated marijuana is segregated from other marijuana and destroyed. Such procedures shall provide for written documentation of the disposition of the marijuana. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(12);
 4. Policies and procedures for transportation. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(13);
 5. Policies and procedures to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(15) and 935 CMR 500.120(11); and
 6. Policies and procedures for the transfer, acquisition, or sale of marijuana between Marijuana Establishments.

Crabgrass LLC

MANAGING FINANCIAL RECORDS

LYNNE MCCARREN

Due to the current DEA Schedule 1 Controlled Substances Federal designation, Cannabis organizations are cash intensive businesses that require significant and rigorous cash management systems and a comprehensive back office accounting system. The accounting software must be capable of generating traditional financial reports like P&L's and Balance Sheets, and ideally have an inventory bridge platform as well, something that can incorporate METRC details. The setup and maintenance of proper accounting records, a system of internal accounting controls and the hiring, training and retention of competent accounting staff is of paramount importance for professional cannabis businesses to undertake in order to maintain proper accounting records and practices. Crabgrass' operations will include a "best in breed" intensive and thorough recordkeeping program with the intention of our ability to provide any and all reports required by audits, reporting, and renewals as needed on demand. Installation of METRC coupled with our own internal compliance program will ensure all employees and operational procedures are recorded and tracked daily and in compliance with all local and state laws.

The identification and retention of a competent firm of certified public accountants ["CPAs"] with cannabis industry experience is also an important decision that will ensure legal compliance in financial and tax management. Crabgrass LLC has reviewed a roster of CPA firms and has narrowed it down to two firms with expertise in the cannabis industry. The IRS provides guidance with respect to which records a business is required to keep. The IRS further describes how records should be maintained and how long the records must be retained. Some of these changes in tax deductions may change soon as there are a couple of United States Tax Court cases pending decision that are likely to provide significant guidance on the application of IRC Sec.280E to the Cannabis industry.

The IRS provides guidance about the purposes of records, uses of records, and outlines their expectations about the types of records that they expect taxpayers to maintain. We have provided an overview:

- **Monitor the progress of your business.** – Crabgrass will maintain accurate and detailed records to monitor the progress of our business. Records illuminate key indicators which ownership and management will utilize to make daily and long-term business planning decisions. Good records can increase the likelihood of business success.
- **Prepare your financial statements.** Crabgrass will prepare accurate financial statements. These include income (profit and loss) statements, cash flow reports, and balance sheets. Additional reports and financial records are set forth below. An income statement shows the income and expenses of the business for a given period of time. A balance sheet shows the assets, liabilities, and equity in the business on a given date.
- **Keep track of deductible expenses.** You may forget expenses when you prepare your tax return unless you record them when they occur.
- **Preparation of tax returns.** The key to filing accurate tax returns is maintaining good records. These records must support the income, expenses, and credits you report. These are the same records we will use to monitor our business and prepare our financial statements.

- **Support items reported on tax returns.** Our business records will be available at all times for inspection by the IRS. If the IRS examines any of our tax returns, we may be asked to explain the items reported. A complete set of records will speed up the examination. GAAP principals will be adhered to.
- **Electronic records.** All requirements that apply to hard copy books and records also apply to electronic storage systems that maintain tax books and records. When we replace hard copy books and records, we must maintain the electronic storage systems for as long as they are material to the administration of tax law.

Crabgrass will have a number of key employees who will help in the maintaining of financial records and accounting procedures. Financial records, including bank statements, sales invoices, receipts, tax records, will all be kept, monitored, and utilized in tax preparation. We intend to use a bookkeeper to help in the day to day financial operations. Additionally, we will have a Controller, whose responsibilities include:

- Receiving payments on behalf of the organization
- Issuing receipt to customers
- Preparing financial report at the end of every working week
- Executing financial transaction on behalf of the company
- Interface with our bankers
- Responsible for payment of tax, levies and utility bills
- Executing any other financial health related duty as assigned by VP of Operations

In today's Cannabis Industry, there are monthly, quarterly, and yearly reporting requirements at the State and Federal level which include required bank reporting, and investor & lender reporting. This reporting is complex and requires specific software tailored to the industry, which means general business solutions will not work. Popular accounting systems like Quickbooks and Xero don't have cannabis industry chart of accounts or integrate with other Cannabis software and often have obstacles to syncing with Cannabis friendly banks. We are currently looking at several software packages such as Biotrack the software which does have these capabilities and ExPo PT, who are still deliberating whether they will expanding their services into Massachusetts.

Financial reporting software refers to solutions that are designed to help users perform financial and accounting tasks. This type of software varies from basic single-entry systems like bookkeeping and check writing to complex double-entry solutions. Leading vendors offer advanced functionality such as fixed assets and inventory. Financial reporting software is beneficial as it can help to keep financial reporting accurate and provides timely reminders to avoid late penalties. In today's competitive business environment, a quality financial reporting software has become essential to cut accounting costs and boost efficiency.

We will also be utilizing Massachusetts mandated software METRC, which will be rely upon for inventory quantity, availability and to ensure data matches physical inventory counts each month. For accounting, many use Quickbooks or Xero. Retail operations typically use cannabis

POS systems, but even these can present challenges, software package carefully reconcile quantities and pricing between METRC, Financial Reporting Software, and POS each month. All employees assigned to back office and accounting related tasks will be proficient in Excel. Many Cannabis businesses use Excel templates for cost accounting, month-end reconciliations and tie-out work-papers, combined and consolidated financials, rolling cash forecasts, and 280c/471 tax work.

Business records are the lifeblood of all businesses, and shall include manual or computerized records of:

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

A chart of accounts (COA) is an index of all the financial accounts in the general ledger of a company. In short, it is an organizational tool that provides a digestible breakdown of all the financial transactions which a company conducts during a specific accounting period, broken down into subcategories.

How a Chart of Accounts (COA) Works

Companies use a chart of accounts (COA) to organize their finances and give interested parties, such as investors and shareholders, a clearer insight into their financial health. Separating expenditures, revenue, assets, and liabilities help to achieve this and ensure that financial statements are in compliance with reporting standards.

The list of each account a company owns is typically shown in the order the accounts appear in its financial statements. That means that balance sheet accounts, assets, liabilities and shareholders' equity, are listed first, followed by accounts in the income statement — revenues and expenses.

For a small corporation like Crabgrass, COAs might include these sub-accounts under the assets account:

- cash
- savings account
- petty cash balance
- accounts receivable

- undeposited funds
- inventory assets
- prepaid insurance
- vehicles
- buildings

Liabilities account may have sub-accounts, such as:

- the company credit card
- accrued liabilities
- accounts payable
- payroll liabilities
- notes payable

Shareholders' equity can be broken down into the following accounts:

- common stock
- preferred stock
- retained earnings

To make it easier for readers to locate specific accounts, each one typically contains a name, brief description, and an identification code. Each chart in the list is assigned a multi-digit number — all asset accounts generally start with the number 1, for example.

Crabgrass will maintain meticulous records and corroborate these with our inventory management system and other invoices. Our focus is to have a sound basis with back up documentation to evidence how we legitimately allocate our Cost of Goods Sold deductions pursuant to Internal Revenue Code 471 that governs this.

- Many Cannabis businesses are forced to go without banking. There are some banking options for Massachusetts banking, but if banking becomes unavailable, we will ensure compliance with the use of IRS Form 8300, which is the form used to report cash transactions of \$10,000 or more.

- The Cannabis industry is statistically more likely to get audited and possesses a significantly higher risk than other types of businesses. We understand this and our policies and procedures will help to minimize the risk of the IRS disallowing deductions.

In conclusion, Crabgrass understands the importance of maintaining accurate and detailed financial records. We come into this endeavor with a strong financial background, and intend to use all means possible to run a compliant business. This includes METRC, accounting software such as Quickbooks, Excel, as well as key personnel such as a bookkeeper, controller, and qualified accountant.

Qualifications and Training

CRABGRASS LLC

LYNNE MCCARREN

Personnel, Experience and Qualifications

Crabgrass brings real world industry experience to the burgeoning Massachusetts cannabis industry, while still being a fully Massachusetts based business (all members, employees, and contractors all reside in Massachusetts). Crabgrass LLC Owner Managing Director, Lynne McCarren has substantial operational and compliance experience in the Cannabis Industry. She is a successful entrepreneur who has worked in the communication, finance, and real estate industries. In 2014 she was appointed Director of the CAS Foundation to head the Compassionate Care Clinics local outreach and application writing efforts during MA first competitive medical marijuana dispensary licensing process. The CAS Foundation came in 2nd in Middlesex County and was also able to secure a nine-member unanimous vote of acceptance from the Beverly City Council to locate the clinic in Beverly.

Mrs. McCarren has been working compliance and inventory tracking through METRC at an outdoor cultivation and subsequent separate MIPS facility in Pueblo Colorado. Crabgrass feels that we have a significant operational advantage to the average applicant because of our experience in METRC and the operational/inventory understanding of the system and corresponding compliance. Lynne assisted in many facets of this start-up including; permitting for property development, hiring and working with architects and MEPs, budgeting and financing necessities, as well as back office management.

Our VP of Operations, Donald Varney, is a veteran of the burgeoning New England Cannabis industry and as such has participated in every aspect of the industry. He owned a stake in and served as a Cultivation Manager for Ocean State Care Cooperative in Rhode Island for the last 4 years. In addition to overseeing a major cultivation site, he processed oils and has developed his own proprietary oil product line. He has taken many continuing education courses in Colorado for growing, operations, and oil processing. He brings a wealth of knowledge and expertise. Our VP will be in charge of training and oversight of part-time employee hiring which will occur seasonally. We hope to develop a core group of dependable seasonal employees in the first three years.

As we expand our workforce, we will look to hire a Head Grower to report to our VP of Operations. It should be noted that as we move beyond these 2 key employees, Lynne and Don, we will fully implement our *Diversity Plan*. Crabgrass is a woman owned business, and while we would never pretend to understand the plight of many other disaffected minorities, we do understand the importance of fostering diversity and to continue to ensure that no individual is discriminated not only in hiring, but also promoting. Confident in our culture and woman owned roots, Crabgrass will be a place that fosters the people to develop personally and professionally.

Professional development will be an important component of working for Crabgrass. We want people to excel and realize their full potential. There is a number of ways we plan to do this. First, we expect the heads of departments listed below to be effective communicators and teachers. Although there will be a great deal of third party computer based training prior to anyone starting, we believe the best way to learn is by doing and working closely with someone who has experience. So mentoring and hands on supervision and training will be a big part of the process. We have experience with edx.org and find their professional development & leadership courses to be relevant and inspiring. Our plan would be to pay employees some reduced rate to encourage and foster learning outside of work time.

Per our plan to help Massachusetts residents of towns who come from the Commission's definition of Impacted Areas. Some of those impacted areas include residents of Lynn, Worcester, Spencer, and potentially Southbridge as places that are within driving range to Clinton and areas where we are committed to making jobs postings in these specific areas, and will make a concerted effort to hire qualified personnel from these towns. Those three cities are list as towns of disproportionate impact. We have already investigated hiring in these towns and have found career fairs held at Worcester Polytech Institute and the Venture Community Services Career Fair. Additionally, we will engage the state agency MassHire Career Center in Worcester.

Our full time cultivation staffers will rotate responsibilities that fall within the following job descriptions:

Personnel Responsibilities and Qualifications

Business Manager

The Business Manager role is not within the scope of these SOPs but is discussed here for clarity of the overall Crabgrass operations. The business manager oversees all facilities and operations including the cultivation facilities. Duties include coordinating shipments of products between the various companies, oversee operations and compliance, reporting and finances.

Head Grower – Director of Cultivation

Scope: Using SOPs at the Crabgrass, the Head Grower is in charge of all operations that involve horticulture decisions. Communicates directly with operations manager before going to upper management. Don Varney will start as our head grower due to his vast experience, however we plan to build a team whereby he can eventually transition to VP of Operations/Operations Manager.

- 1) This person should have either an extensive background in growing that may include, but does not require formal education in horticulture. The HG owns and maintains SOPs and artifacts stemming from the SOPs (such as pesticide inventory sheets, spray schedules, nutrient formulation records, etc.) to ensure proper operation of Crabgrass.
- 2) Responsibilities
 - a) The HG works with ownership and operations manager to set production quotas.
 - b) The HG will make decisions pertaining to quality and the need to divert product from the flower path. The choice to divert flowers to extraction is a significant financial decision that should be exercised by an individual who demonstrates good knowledge of plant infestations along with solid decision making skills.
 - c) The HG is the primary source of pest management direction for the operation.
 - d) Owner of the certified applicators training/certification process at CRABGRASS
 - e) The HG will collaborate with the operations manager to define, execute and review results of all horticulture trials.
 - f) Regardless of where a worker is in the organization, communication is the key to a smooth running operation. Management needs to effectively communicate actions and policies to staff and staff need to communicate problems they encounter up to management describing the help they need from management to resolve the problems. The following are responsibilities for the HG that the following will be completed:
 - g) Pest management is everyone's job and the knowledge of the pests will face day to day is concentrated enough that anyone touching plants should learn the routines used for control. Workers responsible for spraying need a little more knowledge and ideally will obtain their Colorado Private Applicator's (PA) certification, although workers without that can spray under the direction of a PA. A solid grasp of Integrated Pest Management (IPM) serves as the basis for any grow team to look for ways to improve their pest management results.
 - h) After light, nutrients exert the most influence over plants and an ability to analyze and propose new formulations of nutrients is a key skill for an operation. This includes having the ability to change the growing habits of plants through nutrient management. This skill requires a basic level of knowledge of nutrients and the role they play at different growth phases along with the signs and symptoms of deficiencies and toxicities. Nutrient recipes are owned and approved by the director of cultivation, but

staff should be able to use the tools of using laboratories and using on-site testing with such equipment as pH and EC meter. The nutrient discussion covers water, media and nutrients and the nutrient specialist must be able to talk to all of these topics.

- i) Ensure all cultivation staff have appropriate education/training materials for cultivation tasks

3) Qualifications

- a) Extensive experience in cannabis cultivation on a large scale
- b) Knowledge of the key inputs of light, water and nutrients
- c) Familiarity with IPM – integrated pest management
- d) Knowledge of pesticides, their use and restrictions on them

4) Performance metrics

- a) Resolves cultivation issues in a timely fashion
- b) Processes defined by the HG consistently deliver on yield and quality Operations Manager
- c) Scope: Operations Manager (OPS) ensures the operation is being run consistent with the SOPs and manages all aspects of the operation including personnel issues as well as making sure the needs of the CRABGRASS Business Manager are satisfied. The operations manager has overall responsibility for delivering on poundage, quality and cost targets as set by management as well as showing a strong compliance posture relative to all Massachusetts regulations relating to cannabis cultivation.

1) Responsibilities

- a) Ensure Crabgrass is in compliance with all state and local regulations
- b) Deliver on yield and quality as set by ownership
- c) Oversight of METRC data for the facility
- d) Operations cost management
- e) Maintain a smooth operation and an overall sense of confidence in the staff
- f) Organization and maintenance of all necessary records for the operation and regulators.
- g) Oversees execution of pest management activities
- h) Communicate up to ownership and management and communicate down to staff
- i) Oversees administrators as well as members of the cultivation team
- j) Ensures all staff are properly trained and have access to appropriate training materials
- k) Ensures staff includes at least one person on staff have a Private Applicator's certification
- l) Provides safety training as well as orientation packages for all personnel. Provides a set of safety protocol / OSHA, etc. postings.
- m) Maintains a record of all training and certifications for staff
- n) Problem management
- o) As with all workforces, people pose daily challenge not only on a work level, but on interpersonal relationship (IPR) levels that can challenge the most competent and experienced manager. The operations manager and area leads are on the floor every day and need to work within their own area and across to other areas to maintain a businesslike, productive and hopefully happy workplace.

2) Performance metrics

- a) Pounds of product harvested each month
- b) Pounds of product shipped to licensed retail outlets and extractors
- c) Overall operational cost excluding infrastructure costs and utilities
- d) Communication with HG in all decisions affecting the grow (inc. planned outages, etc.)

3) Qualifications

- a) Be computer literate
 - b) Familiarity with at least Colorado state regulations, regulatory processes and compliance to them.
 - c) Familiarity with the Colorado state mandated METRC database and cannabis tracking regulations/procedures
- 4) Understands the need to manage change. Experience with change management is a plus
- 5) Have significant experience managing large teams of people.
- 6) Comprehension of the importance of business communications both up and down within the organization
- 7) Can identify situations where training would be helpful and arranges, delivers basic knowledge as well as timely updates to staff.
- 8) Is willing to delegate responsibility to area leads.
- 9) Willingness to seek assistance. "Know it all's" seldom do know it all.
- 10) Ability to review the Colorado METRC tracking and reporting data for CRABGRASS as well as the ability to enter data into the tool.
- 11) Regardless of where a worker is in the organization, communication is the key to a smooth running operation. Management needs to effectively communicate actions and policies to staff and staff need to communicate problems they encounter up to management describing the help they need from management to resolve the problems.

Veg Lead

This person manages all aspects of the propagation and veg operations. This is a hands on position requiring the lead to be able to do any of the tasks of the vegetation area. The Veg Lead should:

1) Responsibilities

- a) Directs all operations in veg including propagation
- b) Manage staff to ensure appropriate levels of labor are available at all times
- c) Reflect state of the veg room through data entry into METRC
- d) Works well with management and staff
- e) Understand and support the overall operations management structure and goals
- f) Communicates well both up and down within the organization keeping management and staff up to date on the status of the operation.
- g) Act as a mentor for the veg staff
- h) Seek assistance from external sources when problems arise.
- i) Point out areas for improvement to management
- j) Manage pesticide spray activities
 - i) Be a certified applicator or become one
 - ii) Direct staff in pesticide handling and application.
 - iii) Is responsible for using only CDA cleared pesticides
 - iv) Manage pesticide inventories along with the Bloom lead
 - v) Maintain “regulator ready” pesticide application logs, METRC database and other documentation

2) Qualifications

- a) Experience directing people
- b) Experience in cannabis cultivation, especially propagation
- c) Collaborative
- d) Can express themselves clearly
- e) Computer literate

3) Performance metrics

- a) Consistent delivery of plants to bloom
- b) Delivery of pest free plants to bloom
- c) Maintains METRC database to reflect current state of veg room inventory

4) Maintains organization of the veg floor for easy identification of strains

5) Employee morale

6) Cleanliness – no major outbreaks

Propagator

The role of propagator is especially important to the operation and as such carries some special skill requirements. It is hard to “see” that skill in an interview and management may need to observe the propagator over time to determine if they are meeting their goals.

- 1) Responsibilities
 - a) Consistently meets weekly cutting demands
 - b) Maintains a high level of successful root out in cuttings
 - c) Keeps a clean work area
 - d) Delivers pest free cuttings following direction from the HG
 - e) Delivers cuttings with a high percentage of successful rooting
 - f) Communicates problems quickly
 - g) Provides feedback to Veg lead on health of donor plants on the floor
- 2) Qualifications
 - a) Organized
 - b) Communicates well
 - c) Self-starter and takes direction well
 - d) Computer literate
- 3) Performance metrics:
 - a) Consistent attainment of rooted cuttings to the cutting plan
 - b) Rooting time for cuttings
 - c) Percent cuttings successfully rooted (also identifies poor performing strains to VL.)
 - d) Percent cuttings lost to pests

Bloom Lead

This person manages all aspects of the bloom rooms and coordinates all personnel activities with other team leads. This is a “hands on” position which requires the lead to be able to perform all tasks required of bloom workers.

- 1) Responsibilities
 - a) Grow plants to desired size and shape in time allotted using tools provided by the HG
 - b) Understand and support the overall operations management structure and goals
 - c) Communicates well both up and down within the organization keeping management up to date on the status of the operation and keeping their people up to date on the status of the operation.
 - d) Anticipates and requests additional labor from other areas or from management when work bubbles demand.
 - e) Be very familiar with the details of flowering plants and their development
 - f) Mentor staff in techniques – train new staff
 - g) Willingness to seek assistance from external sources when problems arise.
 - h) Can point out areas for improvement to management
- 2) Manages spray activities and pesticide ordering jointly with the veg lead
 - a) Be a certified applicator or become one
 - b) Direct their staff in pesticide handling and application.
- 3) Maintains pesticide and nutrient inventories
- 4) Is responsible for using only CDA cleared pesticides
- 5)) Reflect state of the bloom rooms through data entry into METRC

- 2) Qualifications
 - a) Organized
 - b) Communicates well
 - c) Have experience directing people in specified tasks
 - d) Self-starter and takes direction well
 - e) Computer literate
- 3) Performance metrics
 - a) Consistent delivery of plants to harvest
 - b) Delivery of pest free plants
 - c) Maintains METRC database to reflect current state of veg room inventory
 - d) Maintains organization of the bloom floor
 - e) Employee morale
 - f) Cleanliness – no major outbreaks

Trim Lead

- 1) Responsibilities
 - a) Ensure appropriate staffing is available
 - b) Mentor staff and train new employees
 - c) Manages all weight measurements and maintains the METRC database for all trim operations
 - d) Deliver product to cure room for drying/curing
 - e) Remove product for cure room for final trim
 - f) Return product to cure for testing, packaging and shipment
- 2) Qualifications
 - a) Experience in trim procedures
 - b) Able to work with a wide range of personnel, mostly inexperienced, some of whom may never have had a job before as well as people with work experience but not with cannabis
 - c) Manage labor demands to keep trim on pace with harvested plants
 - d) Capable of recognizing quality issues in harvested product
 - e) Ability to communicate up and down through the organization
- 3) Performance Metrics
 - a) Weight of product categories processed and delivered each month
 - b) Number and length of delays in harvest caused by delays in trim

Cure and Packaging Lead

Cure and packaging is the final stop for flower product before it leaves the facility. Given the value of the product contained within the cure room, cure room security is high.

- 1) Responsibilities
 - a) Maintain strict access control to cure room and the inventories held within it
 - b) Manage the drying and curing of plant material

- c) Maintain the METRC database so as to accurately reflect inventories of product, and where they are in their different states on a daily basis. (Grow room, trimming, curing, storage, ect.)
 - d) Package product for shipment to retail outlets
 - e) Send samples to labs for testing and disposition product packages when results are returned
 - f) Communicate with other area team leads and the operations manager
 - g) Immediately alert the operations manager and ownership to any issues discovered
 - h) Be able to train cure room workers in their tasks
- 2) Qualifications:
- a) Organization
 - b) Computer literacy
 - c) Inventory management experience a plus
 - d) Familiarity with Massachusetts inventory tracking regulations a plus
- 3) Performance metrics:
- a) Accuracy of METRC database in cure
 - b) Weight of product received/disposed/cured/packaged/shipped
 - c) Weight of product sent to extraction

Other Skills & Qualifications

Regulatory knowledge: Cannabis production is highly regulated so all workers need to have a solid understanding of regulations as they affect their day to day work. A large number of the regulatory areas are ones that every worker in the US falls under, OSHA, EPA, USDA, etc. and can be harder to implement than regulation specifically aimed at regulating the product.

METRC: The ability to read and understand METRC is one that all management and leads should have along with the ability to enter data into METRC is one that should be afforded to area leads and at least one staff member to allow for stand-ins when the area lead is not available.

Organization: Cannabis production can be thought of as a production line and production lines are run through a high degree of organization. People not well suited to highly regimented and repetitive work may not be happy in such an environment.

Communications: As with any labor intensive activity, the opportunities for problem are many and the ability to communicate is central to learning how to avoid problems and when they can't be avoided, central to limiting the impact of those problems.

All employees will be responsible for learning and following proprietary cultivation and production methods, complying with program regulations as it relates to cultivation operations including proficient use of seed to sale software METRC and upholding all standards and procedures pertaining to cultivation facility cleanliness. It is important to note that at each work station we will have laminated cards that specifically spell out the SOPs of that station and job

function, especially as how it relates to METRC logging. We believe this will dramatically reduce errors and make employees feel more confident.

Safety and Security Training

Our VP of Operations and Security service provider American Alarm will administer security training for all employees, including acceptable currency identification and counterfeit detection, warning signs of possible diversion to the illegal market, lock and alarm procedures, perimeter and entrance control, robbery response techniques, conflict resolution techniques, and diversion detection techniques. Staff will be trained in proper incident-report protocols regarding adverse reactions or suspected diversions. The Director of Operations & Cultivation will train cultivation workers on safe lab protocols and procedures to ensure the cannabis is free from pests and contaminants and grown pursuant to FDA-approved agricultural methods. Of course, METRC training is also a large component, as well as the numerous YouTube videos that discuss cultivation techniques and these will be utilized with online training modules classes.

Crabgrass requires that all personnel undergo thorough security, incident de-escalation, and emergency preparedness training prior to working or while working at the cultivation facility. Crabgrass considers employee training to be among the most effective means of mitigating security risks and heading off potential problems, and helping us remain compliant in all phases of our business. Training topics covered in our training modules include: emergency procedures, fire, breach of security, power failures, and all the other issues covered in our employee handbook under the section emergency preparedness.

Industry Training

There is a great deal of training available, including METRC Massachusetts specific training. There is also a great deal of third party vendors who offer a wide variety of training for many different disciplines. Some examples of training and corresponding certifications include horticulture specialist training, cannabis safety training, cannabis business training, and occupational safety certification, to name just a few. As a starting core of training, Crabgrass agents must have 8 hours of training per year; 2 hours must be Responsible Vendor Training, mandatory for staff handling marijuana, voluntary for others; ∞ Responsible Vendor Training Programs will be registered with the Commission and will not be commonly owned with marijuana establishments. Responsible Vendor Training Programs must include Core Curriculum set by Commission. The training all Crabgrass employees will take includes:

Core Curriculum Requirements:

- Marijuana's effect on the human body
- Marijuana's physical effects based on type of marijuana product;
- The amount of time to feel impairment; Visible signs of impairment;
- Recognizing the signs of impairment.
- Diversion prevention and prevention of sales to minors, including best practices;
- Compliance with all tracking requirements;
- Acceptable forms of identification.

- How to check identification;
- Spotting false identification;
- Medical registration cards issued by the DPH;
- Provisions for confiscating fraudulent identifications;
- Common mistakes made in verification.
- Other key state laws and rules affecting owners, managers, and employees, including Local and state licensing and enforcement;
- Incident and notification requirements;
- Administrative and criminal liability;
- License sanctions and court sanctions;
- Waste disposal;
- Health and safety standards;
- Patrons prohibited from bringing marijuana onto licensed premises;
- Permitted hours of sale;
- Conduct of establishment;
- Permitting inspections by state and local licensing and enforcement authorities;
- Licensee responsibilities for activities occurring within licensed premises;
- Maintenance of records;
- Privacy issues;
- Prohibited purchases and practices.
- Such other areas of training determined by the Commission to be included in a responsible vendor training program

Restricting Access to Individuals over 21 Years of Age

We are not sure this policy is applicable to a Cultivation Facility, as we will have no retail operations and will not be selling to any entity not licensed with the Commonwealth. That being said, we will be sure to check Government Authorized Identification prior to access to any Cannabis. No one will be allowed to work with our cannabis that is not over 21 years of age.

As stated above, all employees and registered agents must be an will be 21 years of age or older

All visitors must be 21 years of age or older

Although Crabgrass LLC is a wholesaler, cultivation facility, we hereby affirm that all consumers enters a Marijuana retailer must be 21 years of age or older unless the establishment is co-located with a Medical Marijuana Treatment Center.

Quality Assurance

Quality assurance starts and ends with the employees. Crabgrass' Quality Assurance Program incorporates Good Production Practices and Good Agricultural Practices, for which the employees will receive extensive training. Crabgrass' Quality Assurance Program will be integrated with the cannabis tracking and management system, METRC. This enables full traceability of product throughout the production process and facilitates inventory management, grow-house management, sales, and accounting. An external laboratory will perform product testing to meet specific requirements with respect to:

- microbial and chemical contaminants (such as heavy metals);
- the presence of solvents used during the preparation of cannabis products, or present in the final product;
- the presence of unauthorized pesticides.

Records and proof of compliance with regulatory standards will be archived. All monthly, quarterly and annual reports that are produced will be available to the Commonwealth.

The Cultivation Manager/VP of Operations is responsible for executing protocols and standard operating procedures for all phases of cultivation, including: propagation, vegetative, flowering and harvest. Repeatable processes and standards of excellence help ensure quality assurance. Employees must maintain cleanliness standards and the Cultivation Manager will oversee daily inspections and inventory management. This is a very important component to quality assurance. Constant inspection leads to catching disease or mold early, thereby enabling one to segregate or remove the problem.

Inventory management is going to be one of the most important processes in our organization, as approximately 75 percent of the cannabis violations and fines in Colorado have been related to poor inventory management and we expect the same to occur in Massachusetts. In summary, we want to make it easy for both local and state regulators to review our inventory records, especially with the compliant use of METRC as our inventory seed to sale tracking solution. As such, we have designated Don Varney as our VP of Operations will be responsible for inventory data entry and reconciliations. Our President Lynne McCarren is well versed in the use of METRC and compliance. Inventory management is directly correlated to quality assurance.

Because Crabgrass will track and trace our products through chain of custody records at every step of processing, from seed to sale, we will have specific testing batch sizes. Batch tracking is important in tracking quality of the product and quality control (contaminants), and we will be able to address any potential recalls, should a batch come into conflict with consumer protection. By tracking which recalled batch was sold to which state licensed dispensary or licensed manufacturer of finished concentrates, Crabgrass can commence their recall policy and contact those who purchased the contaminated batch, then log it into METRC once the offending product has been taken from distribution circulation and destroyed.

Packaging & Testing – Important elements in Quality Control

- Packages are created under the batch number the plants came from
- Packages are entered into the Crabgrass inventory via METRC
- Potency and contamination test results are to be stapled to the package
 - If no contamination test is requested, packages must have the following text added:
- When the potency testing results are returned with no contamination or potency issues, the product is

now free to be shipped to an outlet for sale.

- Testing
 - CRABGRASS uses Commonwealth approved testing facilities like MCR for all testing
 - A sample is removed from the batch of product to be packaged and shipped to the lab for potency and visual contamination testing
 - MCR Labs requires a minimum batch sample of set forth below for proper testing
 - The product should be taken from each package from a harvest batch
 - Product with pending lab testing are held until satisfactory results are returned.
 - Crabgrass personnel will inspect the cannabis for mold and filth, all product shipping containers leaving Crabgrass must by rule have a label affixed to the outside of the container with the following text “The marijuana contained within this package has not been tested for contaminants.” If all contaminant testing were requested, this text is not required for negative test results
 - Weight of the sample should be noted in METRC

Potency and contamination testing

For purposes of Quality Control, samples can be submitted to the lab for potency and contamination testing. Each sample is placed in a small bag with a unique RFID tracking tag attached to it and the tag is registered to the sample. Each sample bag also has a test submission sticker affixed.

| <i>Service</i> | <i>Quantities Required</i> | | |
|---------------------------|----------------------------|-------------------------|----------------------------|
| — | flower | concentrates & extracts | infused products & edibles |
| cannabinoid profile | 0.3 grams | 0.2 grams | 1.0 grams |
| terpene profile | 0.2 grams | 0.2 grams | NA |
| pesticide screen | 1.0 grams | 0.5 grams | NA |
| heavy metal analysis | 0.3 grams | 0.3 grams | NA |
| microbiological assay | 1.0 grams | 1.0 grams | 1.0 grams |
| mycotoxin screen | 0.5 grams | 0.5 grams | 1.0 grams |
| residual solvent analysis | NA | 0.5 grams | NA |

Policy and Procedures for Recall:

Below are the policies and procedures for voluntary or mandatory recalls and ensuring that any outdated, damaged, deteriorated, mislabeled, or contaminated marijuana is segregated from other marijuana and destroyed. Such procedures shall provide for written documentation of the disposition of the marijuana. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(12). All stages of the process will be documented internally and through METRC. By tracking which recalled batch was sold to which state licensed dispensary or licensed manufacturer of finished concentrates, Crabgrass can commence their recall policy and contact those who purchased the contaminated batch, then log it into METRC once the offending product has been taken from distribution circulation and destroyed. Here is what we have in our operations manual should a recall occur.

Assigned Responsibilities of Recall Team Members

Assignments (may include, but not limited to the following)

Evaluation & Assignment

Management of the Recall – Lynne McCarren is responsible for the coordination of all recall activities. Mrs. McCarren, along with Crabgrass VP of Operations Don Varney will evaluate whether a recall is required and assign who will be responsible for each duty, like identification of the batch and communication to the buyers.

Identification

1. Create a Product Recall Log - create and maintain a product recall log to document all events, when they occur and the company's response to each.
2. Identify all Products to be Recalled

Notification

1. Notify Appropriate Regulatory Authority – Don Varney is responsible for notifying the appropriate regulatory authority, like the CCC
2. Prepare Distribution List – Don Varney is responsible for preparing the recalled product distribution list. Distribution list template shall include account type, name, address, phone number, and contactname.
3. Prepare Notice of Recall –Lynne McCarren is responsible for preparing the written notice includes all recall relevant information.
4. Distribute Notice of Recall –Don Varney is responsible for distribution of the Notice of Recall to all accounts that received the recalled product. Responsibilities include:
 - Confirm receipt of the Notice of Recall with all accounts.
 - Contact accounts that have not responded to the request for conformation.
 - Maintain records of the account communications.

Removal

1. Detain and Segregate all Products to be Recalled which are in Crabgrass Control – Don Varney is responsible to ensure that all products to be recalled in the firm's control are not distributed (identify, detain, and segregate products on-site, in transit, off-site storage, and off-site distribution).
2. Control the recalled product(s) – Don Varney is responsible to ensure that recalled products do not re-enter commerce. Responsibilities include:
 - a. Quarantine and clearly identify recalled products.
 - b. Reconcile quantities, identification codes, and monitor recalled products.
 - c. Document the returned products.
3. Decide what to do with the recalled product(s) – Don Varney is responsible for determining the action to be taken on the recalled product (destruction, reworking, and redirection). Other related responsibilities include:
 - a. Determine if the regulatory authority requires actions such as witnessing destruction of the recalled product.
 - b. Verify that the action taken has been effective.
 - c. Document the action(s) taken.
4. Verify Recall Effectiveness – Don Varney– is responsible for verifying the effectiveness of the recall. Responsibilities include:
 - a. Verify that distribution of recalled products has ceased.
 - b. Verify that all consignees at the recall depth specified by the recall strategy have received notification about the recall.
 - c. Verify that consignees have taken appropriate action.
 - d. Document all verifications.

Crabgrass acknowledges that all agents whose job includes contact with marijuana is 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 personal cleanliness and washing hands appropriately, especially in the era of COVID.

Crabgrass will also require workers to wear masks and we also acknowledge the requirement to report to the Commission should any employee contract COVID. Interestingly, Crabgrass plans on using Bluezone for air purification, which recently received certification for effectively killing the Corona Virus in the air in a matter of minutes.

Hand-washing facilities shall be located in production areas where good sanitary practices require employees to wash and sanitize their hands. Crabgrass will also have anti-bacterial liquid dispensers throughout the facility and especially in production and packaging areas.

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

Crabgrass will ensure that 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 ceiling 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 adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment

The establishment 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 an Independent Testing Laboratory.

Crabgrass shall notify the Commission within 72 hours of any laboratory testing results indicating contamination if contamination cannot be remediated and disposal of the production batch is necessary.

In Conclusion, by inspecting the cannabis plant throughout its life cycle, inspecting bud through the trimming and curing process and finally packaging, there are many opportunities to detect diseases or contaminated cannabis. Furthermore, rigorous inventory batch tracking, testing, and use of METRC throughout the process, Crabgrass feels confident we have established detailed standard operating procedures to provide a consistently quality product.

DIVERSITY PLAN

Crabgrass, LLC, a woman owned business, is committed to a diversified workforce and believes strongly in valuing the differences among our employees and all those with whom we do business. These differences include but are not limited to race, gender, LGBTQ+, color, national origin and ancestry, religion, age, mental/physical disability, sex, sexual orientation, veteran's status, organizational level, economic status, geographical origin, marital status, communication and learning styles, and other characteristics and traits. Crabgrass believes in developing an inclusive environment that capitalizes on each individual's talents, skills and perspectives in order to increase organizational productivity and effectiveness. We learn by listening and feel everyone should have a voice when it comes to making the company successful and a great place to work. Furthermore, Crabgrass will work diligently to continually address and improve our operation so that our employees feel empowered and proud to be a part of our team.

Crabgrass, LLC is a woman owned business and believes in creating an environment in which any individual group can feel welcomed, respected, supported and valued. Bringing together, harnessing and leveraging our diversity to benefit our productivity and our employees sense of well-being is a top priority. Inclusion puts the concept and practice of diversity into action and Crabgrass LLC hopes and plans to be recognized as a Social Justice leader in our community. Lynne is also a member of womengrow.com, which fosters women and minorities to participate and succeed in the cannabis industry.

Crabgrass' Diversity plan will be used to promote equity among minorities, women, veterans, people with disabilities, and LGBTQ+ people, in the operation of our cultivation facility and business.

According to the commission, plans "should include both qualitative and quantitative measures that relate to whether the goals were achieved...For example, surveys and focus groups can measure the culture of a company." As you can see below, we will conduct surveys and will have a committee to measure the culture of Crabgrass. Additionally, Crabgrass affirmatively states the following: Crabgrass 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; and 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.

Goals, Programs, and Measurements

Year 1 Goal: Crabgrass' goal is to have 20% of employees made up of people of employees made up either women, minorities, people with disabilities, military personnel LGBTQ+ people.

Program: Crabgrass shall post monthly and quarterly advertisements in the local newspaper, as well as participate in numerous publications, newenglandtechvets, military.com, and uso.org. The advertisement will state that Crabgrass seeks employees who are women, minorities, people

with disabilities, military personnel, and LGBTQ+ people. Crabgrass will also participate in quarterly and annual events such as the Worcester Job Fair and Boston Annual Diversity Career Event.

Metrics: Crabgrass will count the number of individuals so that 20% of employees are made up of people who are either women, minorities, people with disabilities, military personnel, and LGBTQ+ people.

Year 2 Goal: Crabgrass' goal is to have 25% of employees made up of people of employees made up either women, minorities, people with disabilities, military personnel LGBTQ+ people.

Program: Crabgrass shall post monthly and quarterly advertisements in the local newspaper, as well as participate in numerous publications, newenglandtechvets, military.com, and uso.org. The advertisement will state that Crabgrass seeks employees who are women, minorities, people with disabilities, military personnel, and LGBTQ+ people. Crabgrass will also participate in quarterly and annual events such as the Worcester Job Fair and Boston Annual Diversity Career Event.

Metrics: Crabgrass will count the number of individuals so that 25% of employees are made up of people who are either women, minorities, people with disabilities, military personnel, and LGBTQ+ people.

Year 3 Goal: Crabgrass' goal is to have 30% of employees made up of people of employees made up either women, minorities, people with disabilities, military personnel LGBTQ+ people.

Program: Crabgrass shall post monthly and quarterly advertisements in the local newspaper, as well as participate in numerous publications, newenglandtechvets, military.com, and uso.org. The advertisement will state that Crabgrass seeks employees who are women, minorities, people with disabilities, military personnel, and LGBTQ+ people. Crabgrass will also participate in quarterly and annual events such as the Worcester Job Fair and Boston Annual Diversity Career Event.

Metrics: Crabgrass will count the number of individuals so that 30% of employees are made up of people who are either women, minorities, people with disabilities, military personnel, and LGBTQ+ people.

Year 4 Goal: Crabgrass' goal is to have 35% of employees made up of people of employees made up either women, minorities, people with disabilities, military personnel LGBTQ+ people.

Program: Crabgrass shall post monthly and quarterly advertisements in the local newspaper, as well as participate in numerous publications, newenglandtechvets, military.com, and uso.org. The advertisement will state that Crabgrass seeks employees who are women, minorities, people with disabilities, military personnel, and LGBTQ+ people. Crabgrass will also participate in

quarterly and annual events such as the Worcester Job Fair and Boston Annual Diversity Career Event.

Metrics: Crabgrass will count the number of individuals so that 35% of employees are made up of people who are either women, minorities, people with disabilities, military personnel, and LGBTQ+ people.

Year 5 Goal: Crabgrass' goal is to have 40% of employees made up of people of employees made up either women, minorities, people with disabilities, military personnel LGBTQ+ people.

Program: Crabgrass shall post monthly and quarterly advertisements in the local newspaper, as well as participate in numerous publications, newenglandtechvets, military.com, and uso.org. The advertisement will state that Crabgrass seeks employees who are women, minorities, people with disabilities, military personnel, and LGBTQ+ people. Crabgrass will also participate in quarterly and annual events such as the Worcester Job Fair and Boston Annual Diversity Career Event.

Metrics: Crabgrass will count the number of individuals so that 40% of employees are made up of people who are either women, minorities, people with disabilities, military personnel, and LGBTQ+ people.

For all the 5 years listed above, to measure our success, we will utilize the metric of those we have hired. Crabgrass will count the number of individuals who are hired who are women, minorities, military members, persons with disabilities, and LGBTQ+ people. This number will be assessed and compared against the total number of individuals hired who fall within these stated goals and categories.

Crabgrass LLC acknowledges that progress or success of this Diversity Hiring Plan, in its entirety, is required to be documented annually. This documentation would look like the following: We hired the following, which were within our stated goals of hiring a diverse workforce, comprised of 50% women, 30% Veterans, 10% people with disabilities, 10% minorities, and 10% LGBTQ+. In other words, a specific breakdown of each category of individual hired over time and in the current year.