



## Massachusetts Cannabis Control Commission

### Marijuana Retailer

#### General Information:

License Number: MR284123  
Original Issued Date: 06/06/2022  
Issued Date: 06/06/2022  
Expiration Date: 06/06/2023

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Flying Goose, LLC

Phone Number: 954-350-1300  
Email Address: highroadholdings@gmail.com

Business Address 1: 286 Webster Street  
Business City: Douglas  
Business State: MA  
Business Zip Code: 01516  
Business Address 2:  
Mailing Address 1: 286 Webster Street  
Mailing City: Douglas  
Mailing State: MA  
Mailing Zip Code: 01516  
Mailing Address 2:

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

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

### RMD INFORMATION

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

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 33.33  
Role: Owner / Partner  
Percentage Of Control: 33.33  
Other Role:

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

Person with Direct or Indirect Authority 2

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

Person with Direct or Indirect Authority 3

Percentage Of Ownership: 33.33 Percentage Of Control: 33.33  
Role: Owner / Partner Other Role:  
First Name: Peter Last Name: Kasabian Suffix:  
Gender: Male User Defined Gender:  
What is this person's race or ethnicity?: Decline to Answer  
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

Business Interest in Other State 1

Business Interest of an Owner or the Marijuana Establishment: Business Interest of an Owner

Owner First Name: Peter Owner Last Name: Kasabian Owner Suffix:  
Entity Legal Name: Donovan Obair, LLC Entity DBA: Loud  
Entity Description: Rhode Island Medical Marijuana Cultivation Licensee  
Entity Phone: 401-831-2221 Entity Email: pkasabian@gmail.com Entity Website:  
Entity Address 1: 75 Byfield Street Entity Address 2: Units 1 & 2  
Entity City: Warwick Entity State: RI Entity Zip Code: 02886 Entity Country: USA  
Entity Mailing Address 1: 75 Byfield Street Entity Mailing Address 2: Units 1 & 2  
Entity Mailing City: Warwick Entity Mailing State: RI Entity Mailing Zip Code: 02886 Entity Mailing Country: USA

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

Date generated: 07/01/2022

Page: 2 of 7

First Name: Richard Last Name: Rainone Suffix:  
Marijuana Establishment Name: Tigertown Business Type: Marijuana Retailer  
Marijuana Establishment City: Holyoke Marijuana Establishment State: MA

#### Individual 2

First Name: Richard Last Name: Rainone Suffix:  
Marijuana Establishment Name: Dark Stream LLC Business Type: Marijuana Cultivator  
Marijuana Establishment City: Douglas Marijuana Establishment State: MA

#### Individual 3

First Name: Chrisopher Last Name: Vianello Suffix:  
Marijuana Establishment Name: Dark Stream LLC Business Type: Marijuana Cultivator  
Marijuana Establishment City: Douglas Marijuana Establishment State: MA

#### Individual 4

First Name: Peter Last Name: Kasabian Suffix:  
Marijuana Establishment Name: Dark Stream LLC Business Type: Marijuana Cultivator  
Marijuana Establishment City: Douglas Marijuana Establishment State: MA

#### Individual 5

First Name: Richard Last Name: Rainone Suffix:  
Marijuana Establishment Name: Dark Stream LLC Business Type: Marijuana Product Manufacture  
Marijuana Establishment City: Douglas Marijuana Establishment State: MA

#### Individual 6

First Name: Christopher Last Name: Vianello Suffix:  
Marijuana Establishment Name: Dark Stream LLC Business Type: Marijuana Product Manufacture  
Marijuana Establishment City: Douglas Marijuana Establishment State: MA

#### Individual 7

First Name: Peter Last Name: Kasabian Suffix:  
Marijuana Establishment Name: Dark Stream LLC Business Type: Marijuana Product Manufacture  
Marijuana Establishment City: Douglas Marijuana Establishment State: MA

#### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 286 Webster Street

Establishment Address 2:

Establishment City: Douglas Establishment Zip Code: 01516

Approximate square footage of the establishment: 2800 How many abutters does this property have?: 3

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

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Community Outreach	5.7.21 Flying Goose, LLC -Community Outreach	pdf	60e839d47a4b3b034a680561	07/09/2021
Meeting Documentation	Attestation Form (Reduced) (Executed).pdf			
Plan to Remain Compliant	Plan to Remain Compliant With Local Zoning.pdf	pdf	60e83ab40bb484027d8bdde6	07/09/2021

with Local Zoning

Certification of Host	HCA Certification Form - Flying Goose	pdf	60e9f431629ad9037af1fdc6	07/10/2021
Community Agreement	12_17_2020.pdf			

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	Positive Impact Plan (Final).pdf	pdf	613ccba1b9f60d076b8d77eb	09/11/2021

#### ADDITIONAL INFORMATION NOTIFICATION

Notification:

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

Role: Owner / Partner      Other Role:  
First Name: Richard      Last Name: Rainone      Suffix:  
RMD Association: Not associated with an RMD  
Background Question: no

##### Individual Background Information 2

Role: Owner / Partner      Other Role:  
First Name: Christopher      Last Name: Vianello      Suffix:  
RMD Association: Not associated with an RMD  
Background Question: yes

##### Individual Background Information 3

Role: Owner / Partner      Other Role:  
First Name: Peter      Last Name: Kasabian      Suffix:  
RMD Association: Not associated with an RMD  
Background Question: no

#### ENTITY BACKGROUND CHECK INFORMATION

No records found

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Articles of Organization	Articles of Incorporation - Flying Goose.pdf	pdf	6042620bb3603835a49f3d0f	03/05/2021
Bylaws	Operating Agreement - Flying Goose LLC (updated).pdf	pdf	6095a7da8ecb05074fe6ab26	05/07/2021
Department of Revenue - Certificate of Good standing	GOOSE COGS.pdf	pdf	61228b6fa82c5807742a2c80	08/22/2021



Secretary of Commonwealth - Certificate of Good Standing	2021-07-16 10-25.pdf	pdf	61228b7125900e079f2afe5a	08/22/2021
Secretary of Commonwealth - Certificate of Good Standing	DUA COGS Flying Goose.pdf	pdf	61228b72d64352077f3bc833	08/22/2021

No documents uploaded

Massachusetts Business Identification Number: 001423713

Doing-Business-As Name: Dazed Cannabis

DBA Registration City: Douglas

### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	Business Plan - Flying Goose LLC.PDF	pdf	6042621bc997b43574a1add4	03/05/2021
Plan for Liability Insurance	Flying Goose - Plan for Obtaining Liability Insurance.pdf	pdf	604657ec8d09dc35cbc0d003	03/08/2021
Proposed Timeline	Timeline (Final With Attachment).pdf	pdf	60e83f2c23f3f9033f375b35	07/09/2021

### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Restricting Access to age 21 and older	Flying Goose - Restricting Access to Age 21 and older.pdf	pdf	60465784b3603835a49f426b	03/08/2021
Security plan	Flying Goose - Security Plan.pdf	pdf	604657868d09dc35cbc0cff7	03/08/2021
Storage of marijuana	Flying Goose - Prevention of Diversion.pdf	pdf	6046578693274435ba9e21b8	03/08/2021
Plan for obtaining marijuana or marijuana products	Flying Goose - Plan for obtaining marijuana or marijuana products.pdf	pdf	6046578879e02335ddb60e23	03/08/2021
Separating recreational from medical operations, if applicable	Flying Goose - Separating recreational from medical operations (not applicable).pdf	pdf	60465789efe1e0359b95b937	03/08/2021
Inventory procedures	Flying Goose - Inventory Procedures.pdf	pdf	6046579fb3603835a49f4270	03/08/2021
Quality control and testing	Flying Goose - Quality Control and Testing Policy.pdf	pdf	604657a08d09dc35cbc0cffb	03/08/2021
Dispensing procedures	Flying Goose - Retail Dispensing Procedures.pdf	pdf	604657a140676f35abee1942	03/08/2021
Transportation of marijuana	Flying Goose - Transportation of Marijuana.pdf	pdf	604657a49a694b3583a72f52	03/08/2021
Qualifications and training	Flying Goose - Employee Qualifications and training.pdf	pdf	604657bc93441135c0c329fc	03/08/2021
Personnel policies including background checks	Flying Goose - Personnel policies including background checks.pdf	pdf	604657bd75f93835952efba1	03/08/2021
Record Keeping procedures	Flying Goose - Record Keeping procedures.pdf	pdf	604657be8d09dc35cbc0cfff	03/08/2021

Maintaining of financial records	Flying Goose - Maintaining of financial records.pdf	pdf	604657be40676f35abee1946	03/08/2021
Energy Compliance Plan	Flying Goose - Energy Compliance Plan.pdf	pdf	604657c693274435ba9e21c2	03/08/2021
Prevention of diversion	Prevention of Diversion.pdf	pdf	61228bcfb9f60d076b8cff94	08/22/2021
Storage of marijuana	Storage Policy (Updated).pdf	pdf	61228bd4a82c5807742a2c86	08/22/2021
Diversity plan	Diversity Plan (Final).pdf	pdf	613ccbecac541007407171ea	09/11/2021

#### MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

#### ATTESTATIONS

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

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

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

Notification:

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

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

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

#### ADDITIONAL INFORMATION NOTIFICATION

Notification:

#### COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

#### COMPLIANCE WITH DIVERSITY PLAN

No records found

#### HOURS OF OPERATION

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

Sunday From: 10:00 AM      Sunday To: 10:00 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): April 22, 2021
2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).



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

a. Date of publication:

4/7/21

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:

4/2/21

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

a. Date notice(s) mailed:

4/2/2021

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.



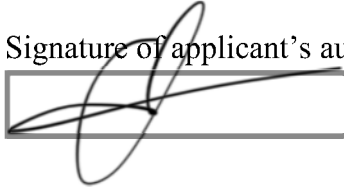
Name of applicant:

Flying Goose, LLC

Name of applicant's authorized representative:

Richard Rainone

Signature of applicant's authorized representative:



**Attachment A**

**Newspaper Publication**

LEGAL NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT PROPOSED BY FLYING GOOSE LLC

Notice is hereby given that a Community Outreach Meeting for Flying Goose LLC's proposed Marijuana Establishment is scheduled for Thursday, April 22, 2021 at 6:00pm via Virtual Zoom Meeting (Details Below). The proposed Marijuana Retail facility is anticipated to be located at 286 Webster Street, Douglas, MA 01516. All meeting materials will be posted at least 24 hours in advance on the following publicly accessible website: [www.DazedCannabis.com](http://www.DazedCannabis.com). There will be an opportunity for the public to ask questions. Community members are encouraged to participate. This will be a moderated meeting by a neutral host. Community members may also ask questions in advance by emailing your questions to: [FlyingGooseMA@gmail.com](mailto:FlyingGooseMA@gmail.com)

Flying Goose LLC is inviting you to a scheduled Zoom meeting.

Virtual Meeting Details:

Topic: Community Outreach Meeting w/ Flying Goose LLC  
Time: Apr 22, 2021 06:00 PM Eastern Time (US and Canada)

To join Zoom Meeting:  
[www.zoom.us/join](http://www.zoom.us/join)  
Meeting ID: 849 6829 1621  
Passcode: FLYING2021

To join by phone instructions:  
Dial: (929) 205 6099 (eastern time zone)  
Meeting ID: 849 6829 1621  
Passcode: FLYING2021  
Or to find your local number:  
<https://us02web.zoom.us/j/84968291621>  
April 07, 2021



## **Attachment B**

### **Notice Filed with the Municipality**

04/02/2021

From: Rich Rainone, Flying Goose LLC

To: Town of Douglas

Subj: Copy of Legal Notice for Community Outreach Meeting

To whom it may concern: Enclosed please find a copy of our legal notice that we published in your local newspaper. This notice is for a Community Outreach Meeting regarding an adult-use marijuana establishment in your town. Due to COVID-19 guidelines, and to limit exposure of the virus, we have mailed this notice to you in lieu of physically walking this into the Town's office(s).

Thank you,

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a horizontal line extending to the right.

Richard Rainone, Owner

Flying Goose LLC

LEGAL NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT PROPOSED BY FLYING GOOSE LLC

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Topic: Community Outreach Meeting w/ Flying Goose LLC  
Time: Apr 22, 2021 06:00 PM Eastern Time (US and Canada)

To join Zoom Meeting:  
[www.zoom.us/join](http://www.zoom.us/join)  
Meeting ID: 849 6829 1621  
Passcode: FLYING2021

To join by phone instructions:  
Dial: (929) 205 6099 (eastern time zone)  
Meeting ID: 849 6829 1621  
Passcode: FLYING2021  
Or to Find your local number: <https://us02web.zoom.us/j/kbPC5x1IN2>

## **Attachment C**

### **Municipal Approval for Virtual Meeting**

**Board of Selectmen  
Municipal Center Resource Room / Remote Meeting  
Tuesday, April 6, 2021**

**7:00 pm**

- Call to Order by Roll Call
- Pledge of Allegiance
- Chairman's Announcements
  
- 1. Hearing – Pole Petition # 26285172 – West St., & # 29047654 – Walnut St.  
- Possible Vote(s)
  
- 2. Approve Road Use - RiMaConn Relay for August 28<sup>th</sup> – Possible Vote(s)
  
- 3. Request to School Committee to transfer control of school property,  
parcel #168- 16, 77 Davis Street, for MA Hoisting License – Possible Vote(s)
  
- 4. Approve Virtual Community Outreach Meeting for Flying Goose & Dark Stream  
Possible Vote(s)
  
- 5. Approve Common Vic License – Grille On Main – Possible Vote(s)
  
- 6. Approve & Sign Building Commissioner Services Intermunicipal Agreement  
Possible Vote(s)
  
- 7. Vote to Authorize Expenditure of Surplus Fund from the Trust Fund for Health  
Insurance – Possible Vote(s)
  
- 8. Approve & Sign May 3<sup>rd</sup> Town Meeting Warrants – Possible Vote(s)
  
- 9. Approve Minutes – Possible Vote(s)
  
- 10. Administrators Report & COVID – 19 Update
  
- 11. Open Session for Topics Not Reasonably Anticipated 48 Hours in Advance of  
the Meeting
  
- 12. Executive Session – Collective Bargaining & Litigation
  
- 13. Adjournment

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**Future Agenda Items:**

**April 20<sup>th</sup>:** Chapter 61 – Coppola (2 lots)

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For Remote Participation Video Conferencing and Screen Sharing Go  
to: <https://spaces.avayacloud.com/spaces/5f9987c5eb92adfe8cd27f86>

Dial in Number, +1 855-378-8822 US (Toll Free), Space ID: 366-242-115, Password: 123456If

you do not have a camera and microphone on your computer, you will be prompted to dial in and will default into the browser as a screen share only participant. There is no client required for people to participate, all they need to do is go to the URL listed above or Dial In via the 855 number and enter the Meeting ID

**Note: Times are estimates unless denoted as a Hearing.**

**The Town of Douglas is an equal opportunity provider, and employer.**

Board of Selectmen  
Meeting Minutes  
April 6, 2021

• **Call to Order:** Chairman Kevin Morse called the meeting to order at 7:00 pm in the Municipal Center Resource Room. Due to the Covid-19 Pandemic, CDC guidelines were followed, and participants were invited to join the meeting remotely. In attendance: Timothy Bonin, David Cortese, Harold Davis (remotely), Michael Hughes, TA Matthew Wojcik, and Lisa Freeman (Executive Assistant).

Other Staff and Citizens: Finance Director Jeanne Lovett, Town Counsel Richard Bowen, Michael Frazier (NGrid Remote), Fire Chief Kent Vinson, and Paul Meda.

• **Pledge of Allegiance (00:08)**

• **Chairman's Announcements (00:38):** There were no announcements.

**1. Hearing – Pole Petition # 26285172 – West St., & # 29047654 – Walnut St. – Possible Vote(s) (00:39):**

*In the packet is a memo from Suzanne Kane, dated March 31, 2021, re: Pole Petitions: 26285172 – West Street & 29047654 – Walnut Street, Pole Petition packet # 26285172 – West Street, Pole Petition Packet # 29047654 – Walnut Street, and supporting documents.*

• Mr. Morse opened the hearing by reading both pole petitions. Paul Meda of 120 Walnut Street requested pole 24-50 be moved at least 10' NE towards 0 Walnut Street to allow him to back his trailer into his property. NGrid Engineer Michael Frazier stated he sees no issues and would reach out to the engineers. Highway Superintendent, John Furno requests the poles be located at least 3' from the edge of the pavement. **Mr. Hughes closed the hearing at 7:02 pm. Mr. Bonin seconded the motion. Roll Call Vote: Timothy Bonin – aye, David Cortese – aye, Harold Davis – aye, Michael Hughes – aye, and Kevin Morse – aye.**

• **West Street: Mr. Hughes made a motion to approve Pole Petition # 26285172 – West Street and placing poles at least 3' from the edge of the pavement. Mr. Bonin seconded the motion. Roll Call Vote: Timothy Bonin – aye, David Cortese – aye, Harold Davis – aye, Michael Hughes – aye, and Kevin Morse – aye.**

• **Walnut Street: Mr. Cortese made a motion to approve Pole Petition # 29047654 – Walnut Street, placing poles at least 3' from the edge of the pavement, and moving Pole P24-50 at least 10' NE to 0 Walnut Street. Mr. Davis seconded the motion. Roll Call Vote: Timothy Bonin – aye, David Cortese – aye, Harold Davis – aye, Michael Hughes – aye, and Kevin Morse – aye.**

**2. Approve Road Use – RiMaConn Relay for August 28<sup>th</sup> – Possible Vote(s) (08:21):**

*In the packet is a memo from Suzanne Kane, dated March 31, 2021, re: Road Use – RiMaConn Relay, an email from Matt Anderson, VP of Hartford Marathon Foundation, and supporting documentation.*

• Matt Anderson was not in attendance. Mr. Morse noted Police Control is covered in the “Services” section of the Road Race Safety Plans & Protocols. The Fire Chief also requests an ambulance detail as in the past. **Mr. Bonin made a motion to approve the RiMaConn Relay for August 28<sup>th</sup>, contingent upon securing a police and ambulance detail. Mr. Davis seconded the motion. Roll Call Vote: Timothy Bonin – aye, David Cortese – aye, Harold Davis – aye, Michael Hughes – aye, and Kevin Morse – aye.**

**3. Request to School Committee to transfer control of school property, parcel # 168-16, 77 Davis Street, for MA Hoisting License – Possible Vote(s) (13:33):**

• TA Wojcik reported he was approached by MA Hoisting License, LLC because they are interested in parcel 168-16, also known as 77 Davis Street, as the location of their training school for hoisting and CDL operators. The land is under the control of the School. Conveyance of the land is spelled out in MGL c40(3) – Towns Power to Hold, Lease, and Convey Property, and MGL c40(15A) Transfer of Land; Procedure. The Town would submit a letter to the School Committee asking for the release of the parcel, and Town Meeting would approve the transfer. Atty. Bowen suggested expanding the article since the statute applies to building and not land. TA Wojcik stated c40(3) limits the lease to 30 years. **Mr. Cortese made a motion to authorize TA Wojcik to send a letter to the School Committee requesting the release of parcel 168-16, also known as 77 Davis Street as presented. Mr. Hughes seconded the motion. Roll Call Vote: Timothy Bonin – aye, David Cortese – aye, Harold Davis – aye, Michael Hughes – aye, and Kevin Morse – aye.**

**4. Approve Virtual Community Outreach Meeting for Flying Goose & Dark Stream – Possible Vote(s) (19:42):**

*In the agenda is a memo from Suzanne Kane, dated March 31, 2021, re: Virtual Community Outreach Meeting Request, and email from Rich Rainone, dated March 25, 2021, subject: Virtual Community Outreach Meeting Request: Flying Goose and Dark Stream, and supporting documents.*

• **Mr. Bonin made a motion to approve the request from Flying Goose and Dark Stream, to hold a Virtual Community Outreach Meeting. Mr. Cortese seconded the motion. Roll Call Vote: Timothy Bonin – aye, David Cortese – aye, Harold Davis – aye, Michael Hughes – aye, and Kevin Morse – aye.**

**5. Approve Common Vic License – Grille on Main – Possible Vote(s) (22:56):**

*In the agenda packet is a memo from Suzanne Kane, dated March 31, 2021, re: Common Victular License, Common Vic License Check List and Application for Grille on Main.*

• The Liquor License transfer was approved by ABCC and the new owners now need a Common Vic. License. **Mr. Hughes made a motion to approve the Common Victular License for Grille on Main. Mr. Bonin seconded the motion. Roll Call Vote: Timothy Bonin – aye, David Cortese – aye, Harold Davis – aye, Michael Hughes – aye, and Kevin Morse – aye.**

**6. Approve & Sign Building Commissioner Services Intermunicipal Agreement – Possible Vote(s) (23:58):**

## **Attachment D**

### **Examples of Abutters Notices**



LEGAL NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT PROPOSED BY FLYING GOOSE LLC

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Flying Goose LLC is inviting you to a scheduled Zoom meeting.

Virtual Meeting Details:

Topic: Community Outreach Meeting w/ Flying Goose LLC  
Time: Apr 22, 2021 06:00 PM Eastern Time (US and Canada)

To join Zoom Meeting:  
[www.zoom.us/join](http://www.zoom.us/join)  
Meeting ID: 849 6829 1621  
Passcode: FLYING2021

To join by phone instructions:  
Dial: (929) 205 6099 (eastern time zone)  
Meeting ID: 849 6829 1621  
Passcode: FLYING2021  
Or to Find your local number: <https://us02web.zoom.us/j/kbPC5x1IN2>

A copy of this notice is on file with the Town Clerk, Planning Board, Contracting Authority, and local Cannabis Authority. A copy of this Notice was published in a newspaper of general circulation at least fourteen calendar days prior to the community outreach meeting. This notice was sent to the abutters of the proposed address of the proposed Marijuana Establishment, owners of land directly opposite on any public or private street or way, and abutters to the abutters within three hundred (300) feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town.

Account # 176246897

Search by

All Labels

Transaction Number

529560944

Label Number

Date + 31 days

MM/DD/YYYY

Search

Advanced Search

Showing Results 1-2 of 2

Select labels from the table below by checking the corresponding checkbox, choose an action, and click "Go" to complete the task.

The USPS Loyalty Program allows business customers to earn shipping benefits based on their spending. Visit the [USPS Loyalty Customer Portal®](#) for more details.

2 Labels Selected:

☐ Track

☐ Ship Again

☐ Print

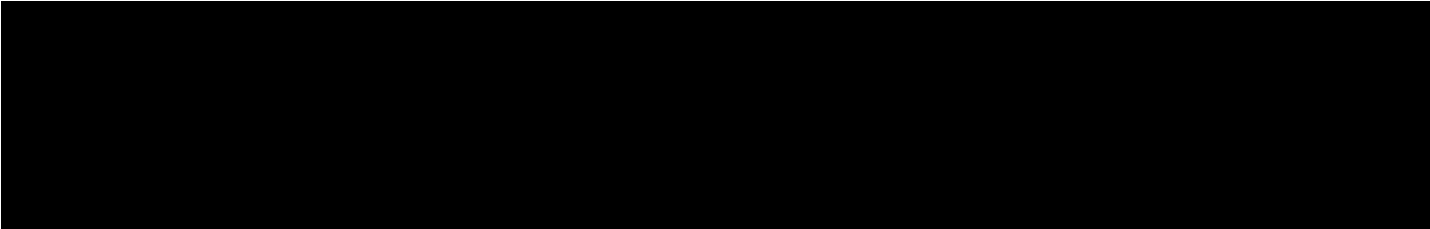
☐ Save as PDF

☐ Refund

☐ Cancel Refund

Go

<input checked="" type="checkbox"/>	Date	Order #	Service Type	Shipping Address	Label	Shipped	Payment	Status	Cost
<input checked="" type="checkbox"/>	04/02/2021	529560944	PM-FRE	MASSACHUSETTS DEPT OF	<a href="#">9405503699300334639579</a>	Yes	VISA-8649	Account Charged	\$7.95



Labels Total (2): \$15.90

Results Per Page:

40

Track Another Package +

Tracking Number: 9405503699300334639579

Remove X

Your item was delivered in or at the mailbox at 9:59 am on April 12, 2021 in BOSTON, MA 02114.

USPS Tracking Plus™ Available ▾

 **Delivered, In/At Mailbox**

April 12, 2021 at 9:59 am  
BOSTON, MA 02114

Feedback

Get Updates ▾

Text & Email Updates	▾
Tracking History	▾
USPS Tracking Plus™	▾
Product Information	▾

See Less ^

## **Attachment E**

**Link to Recorded Virtual Meeting**

Flying Goose Zoom Meeting:

[https://us02web.zoom.us/rec/share/O5XmJZfV\\_PCqmTHSrbP8jYvn6B\\_UyPzvmtq9GWCSelqfYXesXOJojApjmPFagh-8.uJ1UYrR5VUz16u9Z](https://us02web.zoom.us/rec/share/O5XmJZfV_PCqmTHSrbP8jYvn6B_UyPzvmtq9GWCSelqfYXesXOJojApjmPFagh-8.uJ1UYrR5VUz16u9Z)

**Access Passcode: Y#2&dL76**

## **Attachment F**

### **Virtual Meeting Presentation Handouts**

**FLYINGGOOSELLC**

ADULT USE MARIJUANA DISPENSARY  
DOUGLAS, MASSACHUSETTS

# THECOMPANY

- Flying Goose LLC is a Massachusetts company that is in the process of obtaining an Adult Use Marijuana Retail license located at 286 Webster St (Route 16), Douglas MA 01516.
- Flying Goose is lead by a team that has a track record of successfully executing and developing entities into licensed establishments.





# THELOCATION

- 286 Webster Street (ROUTE 16), Douglas, MA 01516
- Roughly 4 acres of industrial zoned land
- 2.8 miles from Interstate 395
- The location for this project is arguably the best available site in the Town of Douglas for this use. While Douglas has an estimated population of on 3000 residents, the abutting town of Webster boasts roughly 16,000 residents. Additionally, this wealthy community has commerce that attracts visitors from surrounding cities. The close proximity to I-395 gives this location the unique distinction of being an extremely convenient option to the non-recreational neighboring states of Connecticut and Rhode Island.

# THE MARKET

- As of mid-October 2020, Massachusetts has 76 Operational Retail Stores
- According to the official MA Cannabis Control Commission's website: These 76 Retail locations report over \$18,000,000 per week/per store in gross sales.
- This represents over \$235,000 per week/per store, equating to an average of over \$12,000,000 in gross sales.

# THEPOTENTIAL

**It is projected that the Massachusetts adult use cannabis market will reach \$2.32B**

Comparison to Colorado:

- Colorado population of 5.7m with median income of \$70k
- Massachusetts population of 7.0m with median income of \$77k
- Tourist travel and student population – considered equal
- CO 21+ population is approximately 3,000,000
- MA 21+ population is approximately 4,500,000
- State of CO reported \$1.55b in cannabis sales in 2018 (source: colorado.gov)
- State of MA, is reporting that their 76 retail shops are on track to hit \$936,000,000 annual sales. There is still \$1.385 billion available for growth within the state before hitting the target of \$2.32 billion (source: mass-cannabis-control.com)

**Massachusetts' bordering states (NH, VT, CT, RI, NY) have not yet passed adult use. These states are driving distance into MA and potentially add another 4,000,000 more people that are part of the 21+ customer base.**

# THE TEAM

## *Rich Rainone Chief Executive Officer*

- Rich serves as our CEO and officially entered the cannabis space in late 2017. Rich and his team have a track record of success and the ability to develop licensed entities that carry monetary value in the early stages of development.
- As an accomplished Veteran, he served in the United States Marine Corps. He last was the Staff Non-Commissioned Officer in Charge for Naval Station Newport and served as the Unit's Anti-Terrorism Officer. There he supervised complete support for over 250 Marines and faculty staff in the New England area. Additionally, he implemented the Marine Corps Martial Arts Program to the area and trained over 400 Marines and Naval Officers using this new hand-to-hand and close quarters combat fighting techniques.
- More recently, he managed a boutique insurance firm that provides services to talent agencies, music artists, record labels, professional athletes, sports promoters, networks, and some of the biggest pay per view events in boxing history. Rich also partners a Mergers and Acquisitions insurance firm that specializes in Reps and Warranties insurance as well as Contingent Liability.



# THETEAM



## **Pete Kasabian** *Development Manager*

Pete owns and operates a MA and RI licensed commercial construction company specializing in reconfigured spacing projects. He also has 10 years of expertise in the cannabis industry, specializing in cultivation operations. Pete consults on many cultivation and manufacturing projects in the area, advising on grow strategies, build-outs, mechanical, safety, and general contracting needs for the project.



## **Dan Glissman** *Legal Consultant*

Dan concentrates his practice in all matters regarding real property, environmental law, and also has extensive industry expertise in the cannabis field. As a leading industry attorney at Prince Lobel Tye LLP, he advises clients on both medical and adult-use facilities, as well as the process of converting from one form to another. He is a graduate of Suffolk University Law School and worked closely with the law department of the Boston City Council.

# MARKETINGPLAN

MEET WITH CULTIVATORS, MANUFACTURERS, AND RETAIL DISPENSARIES:

- Formalize relationships with local cultivators using letters of intent to purchase their cannabis wholesale
- Formalize relationships with manufacturers using letters of intent to have them package or produce product for our retail
- Formalize relationships with retail shops to create good karma.
- Create an inside/outside sales force that is well educated on the products, the industry, and the laws governing our state

BUSINESS EVENTS AND CONFERENCES:

- Continue to form relationships with others in the industry by attending business events and conferences
- Join industry associations and network ourselves with cultivators, retailers, and others in manufacturing

WEBSITE DEVELOPMENT, MEDIA MARKETING, AND ADVERTISING:

- Develop a website to promote and assist with logo branding, search engine optimization, and business inquiries
- Create market awareness through the various social media outlets, brochures, and point of sale display
- Promote our brand and services on various specialty websites and thematic industry magazines



# CONTACTUS

- [FlyingGooseMA@gmail.com](mailto:FlyingGooseMA@gmail.com)
- 954.350.1300

## **Attachment G**

### **Number of Participants Attending the Meeting**

There were a total of 3 individuals in attendance at this meeting. 2 individuals represented Flying Goose, LLC and a host. No members of the public or representatives from the Town of Douglas attended the meeting.



## Flying Goose LLC

### **Plan to Remain Compliant with Local Zoning**

The Town of Douglas amended its General Bylaws at a Town Meeting on January 13, 2018, which were approved by the Attorney General on February 22, 2019 and became effective as of February 27, 2019, to allow the dispensing of marijuana for adult-use upon issuance of a License by the Board of Selectmen (the “**Board**”) in a zoning district approved by the Board.

Flying Goose LLC (the “**Company**”), is proposing to develop and operate a Marijuana Establishment at 0 Webster Street. This site is located in the Industrial zone, which the Board of Selectmen approved for the operation of a marijuana establishment, subject to the granting of a Building Permit from the Building Commissioner.

The Company has discussed its marijuana retail facility with town officials, including the building department, police department and fire department, health department, department of public works and has appeared before the Board and entered into a host community agreement with the Town. The Company will apply for a License from the Board for retail use upon receipt of licensure from the Cannabis Control Commission.

The Company plans to continue to work with officials from the Town to ensure the operations will have a positive impact on the community and will work diligently to obtain all necessary approvals and permitting.

The Company hereby submits that it will continue to comply with all local and state requirements and Richard Rainone, Owner and Member of the Board of Managers will be responsible for ongoing compliance with local and state rules and regulations.

# Host Community Agreement Certification Form

## Instructions

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

## Certification

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

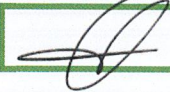
1. Name of applicant:

Flying Goose LLC

2. Name of applicant's authorized representative:

Richard Rainone

3. Signature of applicant's authorized representative:



4. Name of municipality:

Douglas

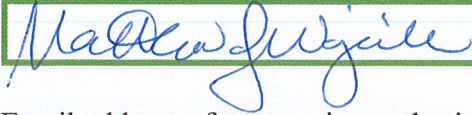
5. Name of municipality's contracting authority or authorized representative:

Matthew J. Wojcik, Town Adminsitrator





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



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

mwojcik@douglas-ma.gov

8. Host community agreement execution date:

December 17, 2020



## Flying Goose LLC

### Plan for Positive Impact

Flying Goose LLC (the “**Company**”) is basing its headquarters in Douglas, MA, an area that has not been identified by the Commission as an area of disproportionate impact. However, Worcester, Southbridge and Spencer are located approximately 20, 25 and 25 miles (respectively) from Douglas. Collectively, Worcester, Southbridge and Spencer shall be referred to herein as the “**Target Areas**”. Accordingly, the Company intends to focus its efforts in the Target Areas and on Massachusetts Residents who have, or have parents or spouses who have, past drug convictions.

During its first year of operations, the Company will implement the following goals, programs and measurements pursuant to this Plan for Positive Impact (the “**Positive Impact Plan**”).

#### Goals:

The Company’s goals for this Positive Impact Plan are as follows:

1. Hire, in a legal and non-discriminatory manner, at least 25% of its employees from Target Areas, and/or Massachusetts residents who have, or have parents or spouses who have, past drug convictions; and
2. Provide educational programs and informational sessions geared towards individuals from the Target Areas and/or Massachusetts Residents who have, or have parents or spouses who have, past drug convictions that are interested in the cannabis industry, with specific focuses on marijuana retailers and entrepreneurship, at least twice a year. Such educational events will specifically include, but not be limited to, information on licensing workshops (i.e., guidance on filing applications with the Commission), preparation of standard operating policies and procedures, Massachusetts cannabis market overview and METRC best practices.

#### Programs:

In an effort to reach the abovementioned goals, the Company shall implement the following practices and programs:

1. In an effort to ensure that the Company has the opportunity to interview, and hire, individuals from the Target Areas or Massachusetts residents who have past drug convictions it shall post monthly notices for at least three (3) months during the hiring process at the municipal offices of the Target Areas and in newspapers of general circulation in the Target Areas, including but not limited to, the Worcester Telegram & Gazette, these notices will state, among other things, that the Company is specifically looking for Massachusetts residents who are 21 years or older and either (i) live in a Target Area or another area of disproportionate impact as defined by the Commission; or (ii) have past drug convictions, for employment.
2. In an effort to ensure that the Company provides opportunities for individuals from the Target Areas and/or Massachusetts residents who have past drug convictions to attend its educational events the Company shall post weekly notices at least two (2) weeks prior to hosting said educational programs or informational sessions in newspapers of general

## Flying Goose LLC

circulation in the Target Areas including but not limited to, *the Worcester Telegram & Gazette*, and these notices will state, among other things, that the Company is specifically looking for Massachusetts residents who are 21 years or older and either (i) live in a Target Area or another area of disproportionate impact as defined by the Commission; or (ii) have past drug convictions to attend these events.

The Company respectfully submits that it will comply with the advertising, branding, marketing and sponsorship practices as outlined in 935 CMR 500.105(4). The abovementioned notices will not include any Company advertisements, marketing materials or branding. To the extent the Commission deems necessary, notices and event programming materials will be made available to the Commission for review and inspection prior to publishing.

### **Annual Review:**

Each year, the Company will review the following criteria in an effort to measure the success of its Positive Impact Plan.

1. Identify the number of individuals hired who (i) came from Target Areas, or other areas of disproportionate impact as defined by the Commission; or (ii) have past drug convictions; and
2. Identify the number of educational events or informational sessions it holds and attendance at the same.

The Company affirmatively states that it: (1) 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; (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; and (3) the Company will be required to document progress or success of this plan, in its entirety, annually upon renewal of its provisional license.



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

Minimum Fee: \$500.00

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

**Certificate of Organization**

(General Laws, Chapter )

Identification Number: 001423713

1. The exact name of the limited liability company is: FLYING GOOSE LLC

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

No. and Street: 1853 FALL RIVER AVENUE  
 City or Town: SEEKONK State: MA Zip: 02771 Country: USA

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

No. and Street: 1853 FALL RIVER AVENUE  
 City or Town: SEEKONK State: MA Zip: 02771 Country: USA

3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:

APPLYING FOR A LICENSE WITH THE CANNABIS CONTROL COMMISSION

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

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

Name: RICHARD RAINONE  
 No. and Street: 1853 FALL RIVER AVE  
 City or Town: SEEKONK State: MA Zip: 02771 Country: USA

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	RICHARD RAINONE	1853 FALL RIVER AVENUE SEEKONK, MA 02771 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	RICHARD RAINONE	1853 FALL RIVER AVENUE SEEKONK, MA 02771 USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	RICHARD RAINONE	1853 FALL RIVER AVENUE SEEKONK, MA 02771 USA

**9. Additional matters:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 2 Day of March, 2020,**  
**RICHARD RAINONE**  
*(The certificate must be signed by the person forming the LLC.)*

THE COMMONWEALTH OF MASSACHUSETTS

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

March 02, 2020 01:41 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



## OPERATING AGREEMENT

### OF

## FLYING GOOSE LLC

This OPERATING AGREEMENT (this “**Agreement**”) of FLYING GOOSE LLC, a Massachusetts limited liability company (the “**Company**”), is made as of March 4, 2021 by and among the Company, the Persons identified on the signature page hereto as Members (the “**Members**”), and the Persons identified on the signature page hereto as Managers (the “**Managers**” or the “**Board**”).

### RECITALS

**WHEREAS**, the Company was formed on March 2, 2020 as a limited liability company under the laws of the Commonwealth of Massachusetts in accordance with the Act by the filing of a Certificate in the Office of the Secretary of State of the Commonwealth of Massachusetts; and

**WHEREAS**, the Company, the Members, and the Board wish to set out fully their respective rights, obligations, and duties regarding the Company and its affairs, assets, and liabilities, and the conduct of its business; and

**NOW, THEREFORE**, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company, the Members, and the Board hereby agree as follows:

### ARTICLE I DEFINITIONS

For purposes of this Agreement, capitalized terms used and not otherwise defined herein shall have the meanings set forth below:

“**Act**” shall mean the Massachusetts Limited Liability Company Act, M.G.L. c. 156C *et seq.*, and any successor statute, as amended from time to time.

“**Additional Capital Contributions**” shall mean, with respect to any Member, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Company with respect to the Units held or purchased by such Member following the date of such Member’s Initial Capital Contribution.

“**Affiliate**” shall mean, as to any Member, any Person that (i) directly or indirectly Controls, is Controlled by, or is under common Control with, such Member; (ii) directly or indirectly owns a beneficial interest of ten percent (10%) or more in such Member; or (iii) is a Family Member.

“**Assumed Tax Rate**” shall mean the highest effective marginal statutory combined federal, state, municipal, and local income tax rate for any Fiscal Year prescribed for an individual residing in Seekonk, Massachusetts, taking into account the character (e.g., long-term or short-term capital gain, ordinary or exempt) of the applicable income (but without taking into account any deductibility of state and local income taxes for federal income tax purposes).

**“Agreement”** shall have the meaning set forth in the Preamble.

**“Board”** shall have the meaning set forth in the Preamble.

**“Cannabis Laws”** shall mean M.G.L. c. 94G and M.G.L. c. 94I and their respective implementing regulations 935 C.M.R. 500.000, *et seq.*, 935 CMR 501.000, *et seq.*, and 935 C.M.R. 502.000, *et seq.*, each as applicable to the Company’s business and all other applicable state and municipal laws, regulations, and other requirements specifically directed at cannabis activities.

**“Capital Account”** shall have the meaning set forth in Section 5.2 hereof.

**“Capital Contributions”** shall mean, with respect to any Member, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Company with respect to the Units held or purchased by such Member, including any Initial Capital Contribution and any Additional Capital Contributions, as reflected on Exhibit A attached hereto and as the same may be amended from time to time.

**“Capital Event Proceeds”** means: (a) the net amount of cash received by the Company from a Capital Transaction, after (i) the deduction of all associated fees, expenses, and costs paid or payable by the Company, and (ii) such other reserves as the Board may establish in its discretion. Capital Event Proceeds shall include: (a) all principal and interest payments with respect to any note or other obligation received by the Company in connection with a Capital Transaction; and (b) amounts distributed to the Company as an owner of another entity to the extent that the amount distributed, in the hands of the distributing entity, is in the nature of Capital Event Proceeds. Amounts released from a reserve of Capital Event Proceeds shall be treated as Capital Event Proceeds.

**“Capital Transaction”** means: (i) any liquidation (as defined in Regulations Section 1.704-1(b)(2)(iv)(g) or as provided herein) or dissolution of the Company; (ii) a merger, conversion into another entity, consolidation, or other combination of the Company with or into any Person; or (iii) a sale or other disposition of all or substantially all of the Company’s assets in a single transaction or in a series of related transactions; and (iv) any refinancing of the indebtedness secured by Company Property.

**“Cash Flow”** means the aggregate cash receipts collected by the Company (including, without limitation, sales in the ordinary course of business, interest income, proceeds from the sale of capital assets and the proceeds from any business interruption insurance, but excluding (a) Capital Contributions, (b) proceeds of any debt financing, and (c) the proceeds of any casualty, life, or other insurance, unless otherwise determined by the Board) less (i) the payment or accrual for payment of all current operating expenses, (ii) any debt service payments, and (iii) provisions for the reasonable capital requirements of the Company, including working capital, appropriate to enable the Company to carry out its purposes, and including, without limitation, the incurring of capital expenses and provisions for reasonable capital requirements and appropriate investments and reinvestments of, by, or in the Company but disregarding depreciation, amortization, and other noncash items, all as determined by the Board in its sole discretion, in the absence of bad faith.

**“Cause”** means willful or gross neglect of duties; committing fraud, misappropriation, or embezzlement in the performance of duties on behalf of the Company; conviction of a felony involving a crime of moral turpitude; or willfully engaging in conduct materially injurious to the Company.

“**CCC**” shall mean the Massachusetts Cannabis Control Commission, and any successor agency thereto.

“**Certificate**” shall mean the Certificate of Organization for the Company filed with the office of the Massachusetts Secretary of State on March 2, 2020, as the same may be amended from time to time.

“**Claim**” shall have the meaning set forth in Section 10.2.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended and in effect from time to time (or any corresponding provisions of succeeding law).

“**Company**” shall have the meaning set forth in the Preamble.

“**Company Property**” shall mean and include all property owned by the Company, whether real or personal and tangible or intangible.

“**Control**” and “**Controlling**” means either ownership of a majority of the outstanding voting interests with full right to vote the same and/or the capacity (whether or not exercised) to manage or direct the management of the business or affairs of the relevant Person.

“**Covered Loss**” shall have the meaning set forth in Section 10.2.

“**Depreciation**” shall mean, for each Fiscal Year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Fiscal Year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year or other period bears to such beginning adjusted tax basis; provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board.

“**Event of Withdrawal**” shall mean (i) the bankruptcy or insolvency of any Member, a general assignment for the benefit of creditors of a Member, or the occurrence of any event causing the termination of a Member’s interest in the Company; or (ii) the entry of a final decree of divorce or any other court order or decision requiring a Member to Transfer any of such Member’s Units to such Member’s spouse or any other third party who is not already a Member at the time of the filing of a petition, complaint, or similar legal instrument or action initiating divorce proceedings; or (iii) the failure of a Member at any time to qualify as a Person allowed to hold his/her/its interest in all licenses and registrations held by the Company, including to the extent applicable, those issued or issuable by the CCC and any city/town pursuant to the Cannabis Laws.

“**Excluded Claim**” shall have the meaning set forth in Section 10.3.

“**Family Member**” shall mean and include a Member’s spouse, parent, child, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece or in-law (whether naturally or by marriage or adoption) of such Member or the spouse of such Person; and trusts for the benefit of each of the foregoing.

**“Fair Market Value”** of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm’s length transaction, as determined in good faith by the Board based on such factors as the Board, in the exercise of its reasonable business judgment, considers relevant.

**“Fiscal Year”** shall have the meaning set forth in Section 2.8 hereof.

**“Gross Asset Value”** shall mean with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross Fair Market Value of such asset, as determined by the contributing Member and the Board, provided, that if the contributing Member is a member of the Board, the determination of Fair Market Value of a contributed asset shall be made by independent appraisal;

(ii) The Gross Asset Value of all Company assets shall be adjusted from time to time to reflect their respective gross Fair Market Values, as determined by the Board taking into account: (A) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (B) the distribution by the Company to a Member of more than a de minimis amount of Company Property as consideration for an interest in the Company; and (C) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), provided, however, that the adjustments pursuant to clauses (A) and (B) above shall only be made if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross Fair Market Value of such asset on the date of distribution as determined by the Board provided, that if the distributee is a member of the Board, the determination of Fair Market Value of such distributed asset shall be made by independent appraisal; and

(iv) The Gross Asset Value of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Sections 734(b) or 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Value shall not be adjusted pursuant to this subparagraph (iv) to the extent the Board determines that an adjustment pursuant to subparagraph (ii) hereof is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraphs (i), (ii), or (iv), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

**“Initial Capital Contribution”** shall mean the amount of a Member’s original Capital Contribution to the Company, without adjustment for changes in the Capital Account of such Member.

**“Lien”** shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority, or other security agreement of any kind or nature whatsoever.

**“Majority of Members”** shall mean, as of any date, the holders of Units constituting a majority of all issued and outstanding Units.

**“Member”** shall have the meaning set forth in the Preamble. For the avoidance of doubt, the term “Member” shall mean and include all holders of any Units who have been admitted to the Company as a Member pursuant to the terms of this Agreement.

**“Operating Proceeds”** shall have the meaning set forth in Section 5.5 hereof.

**“Percentage Interest”** shall mean, with respect to any Member, as of any date, the ratio (expressed as a percentage) of all of such Member’s Units on such date to the aggregate Units of all Members on such date. In the event that all or any portion of a Member’s Units are transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Percentage Interest of the transferor to the extent it relates to the transferred Units.

**“Person”** shall mean a natural person or any corporation, association, joint venture, limited liability company, general or limited partnership, trust, or other legal person or entity.

**“Profits”** and **“Losses”** shall mean, for each Fiscal Year or other period, an amount equal to the Company’s taxable income or loss for such Fiscal Year or other period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

- (i) any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;
- (ii) any expenditure of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits and Losses pursuant to this definition of “Profits” and “Losses” shall be subtracted from such taxable income or loss;
- (iii) in the event that the Gross Asset Value of any Company asset is adjusted pursuant to subparagraphs (ii) or (iii) of the definition of “Gross Asset Value”, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits and Losses;
- (iv) gain or loss resulting from any disposition of Company Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;
- (v) in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account

Depreciation for such Fiscal Year or other period, computed in accordance with the definition of “Depreciation”;

(vi) to the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest in the Company, the amount of such adjustment shall be treated as an item of gain (if such item increases the basis of such asset) or loss (if the adjustment decreases the basis of such asset) from the disposition of the asset and shall be taken into account for purposes of computing Profit or Loss;

“**Regulations**” shall mean the rules and regulations promulgated by the United States Internal Revenue Service pursuant to the Code.

“**Taxing Jurisdiction**” shall have the meaning set forth in Section 5.4(a).

“**Transfer**” shall mean any offer, sale, conveyance, assignment, hypothecation, pledge, encumbrance, grant of a security interest in, transfer, or other disposition, including any gift, bequeath or other transfer for no consideration (whether or not by operation of law, except in the case of bankruptcy) of any Unit or any rights therein.

“**Transferee**” shall mean and include any recipient of a Transfer of Units pursuant to Article VII hereof.

“**Units**” shall represent the Members’ interests in the Company’s Profits and Losses, distributions of the Company’s assets pursuant to this Agreement and the Act, a Member’s Capital Contributions and Percentage Interest, and all rights granted to Members to participate in the management or affairs of the Company, including the right to vote on, consent to, or otherwise participate in, any decision of the Members or the Board.

## **ARTICLE II THE LIMITED LIABILITY COMPANY**

2.1 Formation. The Company was formed as a limited liability company pursuant to the Act by the filing of the Certificate with the Office of the Secretary of State of the Commonwealth of Massachusetts on March 2, 2020.

2.2 Name. The business of the Company shall be carried on in the name of the Company with such variations and changes as the Board shall determine or deem necessary to comply with the requirements of the jurisdictions in which the Company’s operations are conducted.

2.3 Resident Office; Resident Agent. The name and address of the Company’s resident agent in the Commonwealth of Massachusetts is Richard Rainone, 1853 Fall River Avenue, Seekonk, Massachusetts 02771.

2.4 Principal Place of Business. The principal place of business of the Company shall be located at 1853 Fall River Avenue, Seekonk, Massachusetts 02771 or at such other location as the Board may select from time to time.

2.5 Business Purpose of the Company. The business purpose of the Company shall be to (a) submit applications with all applicable Massachusetts regulatory agencies to obtain authorization to, and upon approval to, engage directly and indirectly in the cultivation, transportation, distribution, and/or retail sale of cannabis products, to the extent permitted by, and in accordance with, Massachusetts law, and (b) engage in any other business in which a Massachusetts limited liability company is authorized to engage. The Company will not engage in any activity requiring the approval and endorsement of the CCC until such authorizations have been received.

2.6 Powers. The Company shall have all the powers necessary or convenient to carry out its purposes including, without limitation, all powers granted by the Act. In furtherance, and not in limitation, of the foregoing, the Company shall have the power to engage in the following activities:

(a) to enter into and perform its obligations under any ground lease, residential or commercial lease, loan, mortgage, security agreement, and/or any other agreements contemplated by any of the foregoing;

(b) to enter into and perform its obligations under such contracts, agreements, instruments, guarantees of wholly-owned subsidiaries, and other agreements and arrangements as the Board may deem necessary or appropriate in connection with the management and operation of the Company including, without limitation, contracts, agreements, and arrangements with vendors, consultants, advisers, accountants, attorneys, and other service providers;

(c) to enter into any contract, agreement, or arrangement with any Member, Manager, principal or guarantor of the obligations of the Company, or any Affiliate of any of the foregoing, provided that the terms and conditions of any such contract, agreement, and/or arrangement shall be commercially reasonable, shall reflect competitive market rate pricing and shall otherwise be substantially similar to those that would be available on an arm's length basis with an unaffiliated third party;

(d) to admit Members and to accept Capital Contributions from time to time from the Members;

(e) to distribute to the Members all available cash to the extent that such distributions of available cash are not prohibited by applicable law and are otherwise in accordance with the terms and provisions of this Agreement;

(f) to pay (or to reimburse one or more Affiliates for) (i) the organizational, start-up, and routine transactional and maintenance expenses of the Company, including the creation, assumption, or incurrence of obligations to pay service providers to the Company and other ordinary course expenses of maintaining its existence and carrying out its various purposes under this Agreement, and (ii) the fees, costs, and expenses incurred in connection with the issuance and sale of Units to new Members; and

(g) to engage in any other lawful activities which are necessary to accomplish the foregoing or are incidental thereto or necessary in connection therewith.

2.7 Continuation. Subject to the provisions of Article IX, the Company shall have perpetual existence.

2.8 Fiscal Year. The fiscal year of the Company for financial statement and accounting purposes shall end on the 31st day of December in each year (the “**Fiscal Year**”).

### **ARTICLE III MEMBERS**

3.1 Members. No Person may become or remain a Member unless he, she, or it is admitted in accordance with this Agreement, and also qualifies as a Person allowed to hold an interest in all licenses and registrations held by the Company, including, to the extent applicable, those issued or issuable by the CCC pursuant to the Cannabis Laws.

3.2 Roster. The Company shall maintain a roster of the Members and the number of Units held, and the Capital Contributions made, by each.

3.3 Actions Requiring the Consent of the Members. Except as provided herein, no Member shall, or shall have any right to, participate in the management of the Company merely by virtue of such Member’s status as a Member.

3.4 Meetings of Members. At any time and from time to time, the Board may, but shall not have any obligation to, call meetings of the Members, unless requested by Members holding not less than twenty percent (20%) of the Units, in which event the Board shall call a meeting within ten (10) days of its receipt of such request. Written notice of any such meeting shall be given to all Members not less than five (5) days and not more than sixty (60) days prior to the date of such meeting. The presence of a Majority of Members shall constitute a quorum for all purposes at any such meeting. Each meeting shall be conducted by the Board or a designee of the Board. Each Member may authorize any other Person (regardless of whether such Person is a Member) to act on such Member’s behalf with respect to all matters on which such Member is entitled to consent or otherwise participate. Any proxy must be signed by the Member giving such proxy or by such Member’s attorney-in-fact.

3.5. Written Consent in Lieu of Meeting. Any action of the Members which may be undertaken pursuant to Section 3.3 or Section 3.4 may also be taken by a written consent executed by such Members as would be required to approve such action at a duly convened meeting at which all Members were present.

3.6 Liability of the Members.

(a) No Liability for Company Obligations. All debts, obligations, and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Company, and no Member shall have any obligation with respect to any such debt, obligation, or liability of the Company solely by reason of being a Member.

(b) Limitation on Liability. Except as otherwise expressly required by law, no Member shall have any liability in excess of: (i) the amount of such Member’s Capital Contributions, (ii) such Member’s share of any assets and undistributed profits of the Company, and (iii) the amount of any distributions wrongfully distributed to such Member.

3.7 Compliance with Laws and Obligations. Each Member hereby represents and warrants, and covenants and acknowledges to the Company and to each other Member that:



(a) The execution, delivery, and performance of this Agreement have been duly authorized by such Member and do not require such Member to obtain any consent or approval that has not been obtained and do not contravene or result in a default in any material respect under any provision of any law or regulation applicable to such Member or other governing documents or any agreement or instrument to which such Member is a party or by which such Member is bound;

(b) This Agreement is valid, binding, and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors' rights or general equity principles (regardless of whether considered at law or in equity); and

(c) Neither the issuance of any Units to any Member nor any provision contained herein will entitle the Member to remain in the employment of the Company or any Company subsidiary or affect the right of the Company or any Company subsidiary to terminate the Member's employment at any time for any reason, other than as otherwise provided in such Member's employment agreement or other similar agreement with the Company or Company subsidiary, if applicable; and

(d) None of the foregoing shall replace, diminish, or otherwise adversely affect any Member's representations and warranties made by it in any grant agreement, subscription agreement, or equity award agreement, as applicable.

3.8 Compliance with Securities Laws and Other Laws and Obligations. Each Member hereby represents and warrants to the Company and to each other Member and acknowledges that (a) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company and making an informed investment decision with respect thereto, (b) it is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time and understands that it has no right to withdraw and have its Units repurchased by the Company, (c) it is acquiring its Units in the Company for investment only and not with a view to, or for resale in connection therewith, any distribution to the public or public offering thereof, and (d) it understands that the Units have not been registered under the securities laws of any jurisdiction and cannot be disposed of unless they are subsequently registered and/or qualified under applicable securities laws and the provisions of this Agreement have been complied with.

3.9 Power to Bind the Company. No Member, in its capacity as a Member, shall take part in the management or control of the business of the Company, transact any business in the name of the Company, have the power or authority to bind the Company or to sign any agreement or document in the name of the Company, or have any power or authority with respect to the Company except (i) as expressly provided in this Agreement, (ii) as directed by the Board in writing, or (iii) as provided in the Certificate, as the same may be amended from time to time.

3.10 Admission of Members. New Members shall be admitted to the Company only with the prior written consent of the Board and a Majority of Members.

3.11 Member Resignation. Except in the case of a Transfer of its Units to a new Member in accordance herewith, a Member may not resign from the Company or otherwise disassociate itself from the Company without the prior written consent of the Board, which consent may be withheld in the Board's sole and absolute discretion.

## **ARTICLE IV MANAGEMENT OF THE COMPANY**

4.1 Management by the Board. Except as provided in Section 4.8, or as otherwise provided to the Members in this Agreement, the management of the Company is fully and solely vested in the Board, the powers of the Company shall be exercised by or under the authority sole of the Board, and the daily business and affairs of the Company shall be managed under the direction of the Board. All services to be furnished by the Board may be delegated to and furnished by an officer or employee of the Board, an officer or employee of a Manager, or any other Person or agent designated or retained by the Board. Decisions or actions taken by the Board in accordance with this Agreement shall constitute decisions or actions by the Company and shall be binding on the Company. In connection with the management of the business and affairs of the Company, without limiting the foregoing, the Board for and in the name of and on behalf of the Company, without any approval by or consent of the Majority of Members, are hereby authorized:

(a) to execute any and all agreements, contracts, documents, certifications, and instruments necessary or convenient in connection with the development, financing, management, maintenance, operation, and disposition of any Company asset;

(b) to borrow money from the Members or third parties, to issue evidences of such indebtedness as is necessary, convenient, or incidental to the accomplishment of the purposes of Company, and to secure the same by mortgage, pledge, or other Lien on any Company asset;

(c) to borrow money from and for, and to guarantee the indebtedness of, wholly-owned Affiliates, and to issue evidences of such indebtedness as is necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and to secure the same by mortgage, pledge, or other Lien on any Company asset;

(d) to prepay in whole or in part, renew, refinance, recast, consolidate, increase, modify, or extend any debt of the Company, and in connection therewith to execute and record any documents relating thereto;

(e) to enter into agreements to employ agents, attorneys, accountants, engineers, appraisers, or other consultants or contractors who may be Affiliates of, or otherwise affiliated with, any one or more of the Managers or Members, and to enter into agreements to employ any Member, Manager, or other Person to provide management or other goods and/or services to the Company; provided, however, that any employment of such Member, Manager, or Person is on terms not less favorable to the Company than those offered by Persons who are not Affiliates of a Manager or Member for comparable good or services;

(f) to pay out of Company funds any and all fees and make any and all expenditures which the Board, in its sole discretion, deems necessary or appropriate in connection with the organization of the Company, the management of the affairs of the Company, and the carrying out of the Board's obligations and responsibilities under this Agreement and the Act;

(g) except as otherwise directed by the Partnership Representative, as herein defined, with respect to those matters within the powers of the Partnership Representative, to make and revoke any election permitted to the Company by any taxing authority in such manner as the Board may decide, and to cause to be paid any and all taxes, charges, and assessments that may be levied, assessed, or

imposed upon any of the assets of the Company, unless the same are contested by the Partnership Representative, which the Partnership Representative is hereby expressly authorized to do; and

(h) except as otherwise provided herein, to engage in any kind of activity and perform and carry out contracts of any kind necessary to, in connection with, or incidental to the accomplishment of the purposes of the Company as may be lawfully carried on or performed by a limited liability company under the laws of the Commonwealth of Massachusetts and in each jurisdiction where the Company has qualified or is doing business.

For the avoidance of doubt, the Company may enter into any contract, agreement, or arrangement (whether for the provision of services or otherwise) with any Affiliate of the Company or of any Manager provided that the terms and conditions of any such contract, agreement, or arrangement shall be commercially reasonable, shall reflect competitive market rate pricing and shall otherwise be substantially similar to those that would be available on an arm's length basis with an unaffiliated third party.

4.2 Board. The Company may have one, two, or three persons serving as Managers from time to time. Initially, the Board shall mean the Managers initially signing below. Thereafter, and at any time, Managers shall be nominated and appointed by the Members acting by the Majority of Members. A quorum shall consist of a majority of the Managers then on the Board. When a quorum is present, the Board shall act by majority vote. Meetings of the Board shall be held at such places and times and with such frequency as is determined by the Board. Any Manager may call a meeting of the Board upon not less than six (6) hours advance notice, which notice may be given by electronic communication. Any meeting may be held in person, or by telephonic or other electronic communication permitting all Managers to communicate simultaneously. Actions of the Board also may be taken by unanimous written consent. Accurate minutes of any meeting of the Board shall be maintained by the Manager selected at that Board meeting for that purpose.

4.3 Removal or Replacement of Managers. Each Manager shall serve until such Manager: (A) dies or resigns upon giving sixty (60) days written notice to the Members, or (B) is removed by the affirmative vote of the Members holding sixty percent (60%) of all of the then-issued and outstanding Units. Any replacement(s) to fill the vacancy of any such Manager shall be appointed as provided in Section 4.2.

4.4 No Exclusive Duty to Company. The Manager(s) shall not be paid any remuneration. The Manager(s) shall devote to the Company such time as each such Manager may deem necessary to manage the affairs of the Company. Each Manager and Member may engage or have an interest in other business ventures which are similar to or competitive with the business of the Company, including, but not limited to, the ownership, financing, leasing, operation, management, syndication, brokerage, or development of ventures competitive with ventures owned by the Company and the pursuit of such ventures shall not be deemed wrongful or improper or give the Company or the Members any rights with respect thereto. Neither the Board nor any Member shall be obligated to present an investment opportunity to the Company even if such investment opportunity is similar to or consistent with the business of the Company, and any such Person shall have a right to take for its own account or recommend to others any such investment opportunity.

4.5 Bank Accounts; Company Books. The Board may from time to time open bank accounts in the name of the Company. In accordance with Section 2.6 hereof, the Board shall maintain and preserve, during the term of the Company, and for six (6) years thereafter, all accounts, books, and

other relevant Company documents. Upon reasonable request, each Member shall have the right, during ordinary business hours, to inspect and copy such Company documents at the requesting Member's expense.

4.6 Officers. The Board may appoint individuals as officers of the Company with such titles as the Board may select to act on behalf of the Company, with such power and authority as the Board may delegate to any such individual. Such officers shall serve at the pleasure of the Board, and may be removed by the Board with or without Cause and for any reason or no reason whatsoever in the Board's sole discretion.

4.7 Fiduciary Duties. The fiduciary duties of the Members to the Company and of the Board and the officers to the Company and the Members are limited to the extent that each Member and Manager may fully exercise all rights specifically reserved to each, including, but not limited to, the rights to vote all matters and exercise all other rights given them herein in their own interests. For clarification, each Member and Manager shall otherwise have the obligation to fulfill his, her, or its responsibilities as a Manager or Member of the Company in accordance with the covenants of good faith and fair dealing to minority equity holders.

4.8 Rights of the Members. Notwithstanding anything to the contrary herein contained, the Company shall not, and the Board shall not approve, any of the following actions without the advance written approval of a Majority of Members, which approval shall be subject to such Members' sole discretion:

- (a) Change the purpose of the Company as set forth in Section 2.5;
- (b) Enter into any additional new business or ventures inconsistent with the purpose of the Company as set forth in Section 2.5; and/or
- (h) Amend this Section 4.8.

## **ARTICLE V CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNT; PROFITS, LOSSES AND DISTRIBUTIONS**

### **5.1 Capital Contributions**

(a) Capital Contributions. The number of Units held by, and Capital Contributions of, each Member shall be as set forth on Exhibit A, as the same may be amended from time to time.

(b) Additional Capital Contributions. The Board may, from time to time, with the consent of a Majority of Members cause the Company to raise additional capital. In connection with any such capital-raising, the Company may issue and sell additional Units.

(c) Loans. No Member shall have any obligation to loan funds to the Company; provided, however, that the Company may borrow funds or enter into other similar financial accommodations with any Member or any Affiliate of any Member. Loans to the Company by any Member shall not be considered Capital Contributions.

5.2 Capital Account. A Capital Account shall be maintained on the books and records of the Company for each Member (each, a “**Capital Account**”) in accordance with the provisions of this Section 5.2:

(i) To each Member’s Capital Account there shall be credited such Member’s Capital Contributions, such Member’s distributive share of Profits and the amount of any Company liabilities assumed by such Member or that are secured by any Company Property distributed to such Member.

(ii) To each Member’s Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Company Property distributed to such Member pursuant to any provision of this Agreement, such Member’s distributive share of Losses, and the amount of any liabilities of the Company assumed by such Member or that are secured by any property contributed by such Member to the Company.

(iii) In the event that all or a portion of any Units are Transferred in accordance with this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred Units.

The foregoing provisions, and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Regulations and shall be interpreted and applied in a manner consistent with such Regulations. In the event that the Board shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities that are secured by contributed or distributed property or that are assumed by the Company or the Members) are computed in order to comply with such Regulations, the Board may make such modification, provided that it is not likely to have a material effect on the amounts distributable to any Member pursuant to Section 9.3 hereof upon the dissolution and liquidation of the Company. The Board shall also (i) make any adjustments necessary or appropriate to maintain equality between the aggregate Capital Accounts of the Members and the amount of Company capital reflected on the Company’s balance sheet, as computed for book purposes in accordance with Regulations Section 1.704-1(b)(2)(iv)(q) and make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b).

5.3 Calculation and Allocation of Profits, Losses, Credits, and Other Items. For financial accounting purposes, the Profits and Losses of the Company shall be determined on an annual basis in accordance with this Agreement.

(a) Profits and Losses. Profits and Losses (and each item thereof) shall be allocated among the Members in such manner and amount as shall accurately reflect (a) such Member’s obligation, if any, to make future contributions to the Company, (b) such Member’s right to receive distributions from the Company, and (c) such Member’s economic risk of loss with respect to any liability of the Company. It is the intention of the Members that the allocations pursuant to this Section 5.3(a) be made in such manner as will have substantial economic effect or otherwise be in accordance with the Members’ interest in the Company in accordance with Regulations Section 1.704-1(b) and 1.704-2. Without limiting the foregoing, it is anticipated that all allocations of Profits and Losses (and items thereof) among the Members will be allocated to the Members, in accordance with the provisions of such Regulations regarding “partner nonrecourse deductions”, “nonrecourse deductions”, limitations imposed on the deficit balance in a Member’s capital account and “qualified income offset”,

“partnership minimum gain”, and “partner nonrecourse debt minimum gain”, as such terms are defined in Regulations Sections 1.704-2(i)(1), 1.704-2(b)(1), 1.704-1(b)(2)(ii)(d), 1.704-2(b)(2), and 1.704-2(i)(2), respectively, are incorporated herein by reference, and shall apply to the Members (and any Transferees) in such Member’s capacity as a Member of the Company for federal income purposes. Losses allocated to a Member pursuant to this Section 5.3(a) shall not exceed the maximum amount of Losses that can be allocated to such Member without causing such Member to have a negative adjusted Capital Account balance at the end of any Fiscal Year or other allocation period in which any other Member does not have a negative adjusted Capital Account balance.

(b) Tax Allocations.

(i) Subject to Section 5.3(b)(ii) and 5.3(b)(iii), each item of income, gain, loss, or deduction for federal income tax purposes that corresponds to an item of income, gain, loss, or expense that is either taken into account in computing Profits or Losses or is specially allocated pursuant to Section 5.3(a) shall be allocated among the Members in the same proportion as the corresponding item is allocated among them pursuant to Section 5.3(a).

(ii) In the event any property of the Company is credited to the Capital Account of a Member at a value other than its tax basis, then allocations of taxable income, gain, loss, and deductions with respect to such property shall be made in a manner which will comply with Code Section 704(c). In connection with the admission of a subsequent Member as of the date hereof, the Capital Accounts of the Members shall be adjusted to reflect the current Gross Asset Values of the Company’s assets, as described in subsection (ii)(A) of the definition of Gross Asset Value.

(iii) The tax allocations made pursuant to this Section 5.3(b) shall be solely for tax purposes and shall not affect any Member’s Capital Account or share of non-tax allocations or distributions under this Agreement.

(c) Former Members. Any allocations described above in this Section 5.3 also shall be made by the Company to any former Member to the extent applicable, as reasonably determined by the Board.

(d) Code Section 754 Election. The allocation to a Member of items of taxable income, gain, loss, and deduction of the Company also shall be adjusted to reflect any election under Code Section 754.

5.4 Non-Federal Taxes.

(a) Elections. The Company may make any tax elections allowed under the tax laws of any state or other local jurisdiction having taxing jurisdiction over the Company (the “**Taxing Jurisdiction**”).

(b) Taxes of Taxing Jurisdictions. As determined by the Board, to the extent that the laws of any Taxing Jurisdiction require, each Member requested to do so will submit to the Taxing Jurisdiction an agreement indicating that the Member will timely file all returns and make all income tax payments to the Taxing Jurisdiction or that the Member accepts personal jurisdiction of the Taxing Jurisdiction with regard to the collection of income taxes attributable to the Member’s income, and interest and penalties assessed on such income or such other agreement as the Taxing Jurisdiction

provides. If the Member fails to provide such agreement, to file such returns, or to make such tax payments, the Company may, and if required by the Taxing Jurisdiction shall, withhold and pay over to such Taxing Jurisdiction the amount of tax, penalty, and interest determined as due under the laws of the Taxing Jurisdiction. Any such payments with respect to a Member shall be treated as an advance of a distribution to such Member, provided that if the Member was not entitled to such a distribution, without notice or demand the Member shall pay to the Company the amount the Company paid to the Taxing Jurisdiction. The Company may, where permitted by the rules of any Taxing Jurisdiction, file a composite, combined, or aggregate tax return reflecting the income of the Company and pay the tax, interest, and penalties of some or all of the Members on such income to the Taxing Jurisdiction, in which case the Company shall inform the Members of the amount of such tax, interest, and penalties so paid and such amounts shall be also treated as such an advance distribution and be subject to repayment.

## 5.5 Distributions.

(a) Generally. Distributions of net income from operations (the “**Operating Proceeds**”) hereunder shall be made to the Members in accordance with Section 5.5(b) hereof at such time and in such amounts as may be determined by the Board. Distributions may be made in cash or in other property, as reasonably determined by the Board. Distributions other than in cash shall be valued as reasonably determined by the Board.

(b) Priorities. Except as otherwise provided in this Agreement, all distributions hereunder shall be made in the following order:

(i) First, 100% to the Members (in proportion to their Capital Contributions), to repay and return the Members’ Capital Contributions until the distribution to each Member is equal on a cumulative basis to such Member’s Capital Contributions.

(ii) Thereafter, to the Members pro rata in proportion to their respective Percentage Interests.

(c) Distributions of Capital Event Proceeds. Distributions of Capital Event Proceeds shall be made to the Members in accordance with Section 5.5(b) at such times and in such amounts as the Board may approve. Capital Event Proceeds shall be distributed in cash or in other property as reasonably determined by the Board. Distributions other than in cash shall be valued as reasonably determined by the Board.

(d) Tax Distributions to Members. Notwithstanding the other provisions of this Agreement, to the extent funds are available, the Board shall make distributions to the Members from time to time with respect to any taxable year in an amount to pay when due any federal, state, and local income taxes imposed on such Members, calculated using the Assumed Tax Rate, that is attributable to the cumulative taxable income allocated to the Members under this Agreement. Tax distributions pursuant to this Section 5.5(d) shall not be made with respect to the year in which the Company liquidates. Tax distributions made hereunder shall be treated as an advance on other distributions to which a Member is entitled in respect of such Member’s Units, and shall therefore reduce the amount of other distributions payable to that Member under this Agreement in respect thereof.

(e) Prohibited Distributions. Notwithstanding anything to the contrary contained herein, the Company shall not make any distribution to the Members if such distribution would violate the Act or other applicable law.

5.6 Withholding Taxes. The Company is authorized to withhold from distributions to the Members, and to pay over to a federal, state, or local government, any amounts required to be withheld pursuant to the Code, as amended, or any other provisions of any other federal, state, local, or foreign law. Any amounts so withheld shall be treated as having been distributed to the Members pursuant to Section 5.3 for all purposes of this Agreement.

5.7 Condition to Distributions. At any time or from time to time, and prior to making any distributions, the Board may request from any Member or other Person receiving a distribution an affidavit or other evidence that such Person is not a “foreign person” within the meaning of Code Section 1445 or Code Section 1446. If such Person does not provide such affidavit or other evidence in form and content reasonably satisfactory to the Members within thirty (30) days after such request, the Board may withhold and pay over to the IRS such portion of such Person’s distribution as may be necessary to comply with Code Section 1445 or Code Section 1446, and any amount so withheld and paid over shall be treated as a distribution to such Person at the time it is paid over to the IRS.

5.8 Creditor Status. No Member shall have the status of, or be entitled to any remedies available to, a creditor of the Company with respect to any distribution to which such Member may become entitled.

## **ARTICLE VI OFFICERS**

6.1 Officers. The Board may appoint officers of the Company with such titles as the Board may select, including, but not limited to, the titles of President, Chief Executive Officer, Vice President, Treasurer, and Secretary, to act on behalf of the Company, with such power and authority as the Board may delegate to any such officer in writing.

6.2 Removal or Replacement of an Officer. Each officer shall serve until such officer: (A) dies, or resigns upon giving thirty (30) days written notice to the Board, or (B) is removed by the affirmative vote of the Board.

## **ARTICLE VII TRANSFERABILITY**

7.1 Transfers Generally.

(a) No Member shall have the right to Transfer all or any of such Member’s Units except in accordance with this Article VII. Further, no Member that is an entity (an “**Entity Member**”) shall permit any transfer of any equity or debt interests in that Entity Member, or creation of any new equity or debt interests in that Entity Member, without full compliance with all of the provisions of this Article VII as though such interests in the Entity Member were Units subject to the Sections 7.2 - 7.6, below.

(b) In the event that Sections 7.2 - 7.6, below are satisfied, regarding either the sale or gift of a Member’s Units, as a condition to recognizing the effectiveness and binding nature of any such sale or gift as against the Company or otherwise, and substitution of a new Member, the Board may



require the Transferring Member and the proposed Transferee to execute, acknowledge, and deliver to the Board such instruments of transfer, assignment, and assumption and such other certificates, representations, and documents, and to perform all such other acts which the Board may deem necessary or desirable to:

- (i) constitute such Transferee as a Member;
- (ii) assure that the Transferee qualifies as a Member hereunder;
- (iii) confirm that the Transferee has accepted, assumed, and agreed to be subject and bound by all of the terms, obligations, and conditions of this Agreement, as the same may have been further amended (whether such Person is to be admitted as a new Member);
- (iv) preserve the Company after the completion of such Transfer or substitution under the laws of each jurisdiction in which the Company is qualified, organized, or does business;
- (v) maintain the status of the Company as a partnership for federal tax purposes; and
- (vi) assure compliance with all applicable state and federal laws, including securities laws and regulations.

(c) Any Transfer of a Unit or admission of a Member in compliance with this Article VII shall be deemed effective as of the last day of the calendar month in which the Board consent thereto was given unless and except to the extent that any governmental or regulatory approval(s) are needed as a precondition to such Transfer, in which event such Transfer shall take place as of the last day of the calendar month in which the regulatory approval(s) are granted.

(d) The Transferring Member shall pay all costs, fees, and expenses of the Company in preparing the documents, conducting the investigations and seeking all governmental or regulatory approval(s) the Board reasonably deems necessary to approve and effectuate such Transfer, whether or not the Transfer is approved or occurs. The Transferring Member further hereby indemnifies the Company, the Board, and the remaining Members against any and all loss, damage, or expense (including, without limitation, tax liabilities or loss of tax benefits and reasonable accounting and legal fees and expenses) arising directly or indirectly as a result of any transfer or purported transfer in violation of this Article VII.

7.2 Transferee Not Member in Absence of Consent of the Board. Notwithstanding anything contained herein to the contrary, if the Board does not approve the proposed Transfer of any Unit to a Transferee which is not a Member immediately prior to such Transfer, then the proposed Transferee shall have no right to become a Member or otherwise to participate in the management of the business and affairs of the Company. No Transfer of a Member's Units shall be effective unless and until written notice (including the name and address of the proposed Transferee and the date of such Transfer) has been provided to the Company and the non-transferring Members.

### 7.3 Right of First Refusal Upon Transfer of Units.

(a) In the event that any one or more Members holding less than a majority of all issued and outstanding Units (each, a "**Selling Party**") shall at any time desire to sell some or all of such

Member's Units to any Person, then, in addition to other requirements and limitations set forth in this Agreement, such Selling Party shall first receive a bona fide written offer (the "**Offer**") from an offeror (the "**Offeror**") to purchase such Units. The Selling Party shall then give written notice (the "**Offer Notice**") to the other Members of the Selling Party's intention to so sell. The Offer Notice shall:

- (i) state the name and business address of the Offeror;
  - (ii) include a copy of the Offer with the amount of the consideration and the other terms of the Offer;
  - (iii) include the Offeror's representation and covenant that such Offeror satisfies each condition and will comply with each restriction imposed by this Agreement;
  - (iv) state the intention to Transfer the Units and the number of Units to be transferred (the "**Offered Units**");
  - (v) include the Offeror's agreement to pay for, and reasonable deposit for the payment of, all costs and fees to be incurred or suffered by the Company to seek any consents or approvals required or reasonably deemed needed by the Company from any governmental authorities (including, but not limited to, the CCC) or any third party to admit the Offeror as a Member;
- (b) The non-selling Members shall have an option to purchase (the "**Purchase Option**") all of the Offered Units or any portion of the Offered Units on the same terms and conditions as set forth in the Offer Notice.
- (c) The Purchase Option granted in this section must be exercised by the non-selling Members wishing to do so (the "**Purchasers**") by notice given by each during the period ending fifteen (15) business days after the receipt by all the Members of the Offer Notice, stating the number of Units the Purchaser wishes to purchase (the "**Purchase Notice**"). If the Purchasers desire to purchase more Units than there are Offered Units, then the Purchasers shall be allocated such Units on a pro rata basis relative to the number of Units sought. The Closing Date for all such Purchases shall be sixty (60) days after the date of the Offer Notice. If a Purchase Notice is not timely given, or if timely given, the Purchaser does not timely close the purchase, it shall be deemed that the Purchase Option was rejected.
- (d) If and to the extent that the non-selling Members do not exercise their right to purchase all of the Offered Units in their entirety, then the Selling Party shall then have the right to transfer that portion of the Offered Units which the non-selling Members have not elected to purchase in accordance with the Offer Notice within a period no sooner than thirty (30) days but no later than sixty (60) days next following the expiration of the Purchase Option. In the event the Selling Party has not transferred the Offered Units during such period in accordance with the Offer Notice or the Board does not approve the transferee then any Transfer shall be null and void, and the Offered Units will continue to be subject to this Agreement.

#### 7.4 [Reserved]

7.5 Permitted Transfers. Notwithstanding anything in the Agreement to the contrary, but subject to the requirements of Section 7.1, all transfers of Units to a current Member, an Affiliate, or to a

Family Member can be undertaken without restriction, provided, however, that such transfers comply with all applicable law, including the Cannabis Laws. Notwithstanding anything in this Section 7.5 to the contrary, the Transferring Member shall maintain all voting rights attached to such Member's Units during such Member's lifetime in regard to any Transfer to an Affiliate or a Family Member.

7.6 Tax Limitation. Notwithstanding anything to the contrary contained herein, no Transfer of, or Lien on, any interest in the Company shall be permitted if such Transfer or Lien would cause the Company to be treated as an association taxable as a corporation for U.S. federal income tax purposes, including pursuant to Section 7704 of the Code, as amended.

7.7 Holder of Record. The Company shall be entitled to treat the record owner of Units as the absolute owner thereof in all respects, and shall incur no liability for distributions of cash or other property made in good faith to such owner until such time as (i) a written assignment of such Units has been received and accepted by the Company in accordance with the terms and conditions set forth in this Agreement, and (ii) the transferee has been admitted as a Member of the Company and has fulfilled the terms and conditions of Section 7.1(b) of this Agreement. In the absence of the substitution (as provided herein) of a Member for an assigning or transferring Member, any payment to a Member or any trustee in bankruptcy in accordance with the terms of this Agreement shall acquit the Company and any other Member of all liability to any other persons or entities who may be interested in such payment by reason of any purported assignment or transfer of such Member. In addition to and not in limitation of any other legal or equitable remedies which it may have, the Company and any of its Members may enforce its rights hereunder by actions for specific performance.

7.8 Tag Along Rights.

(a) Notwithstanding anything contained herein to the contrary in this Article VII, in the event that the holders of a majority of Units (the "**Tag-Along Transferors**") desire to Transfer all of their Units (such Units, the "**Tag-Along Units**") to any one or more Persons in an "arms'-length" single transaction or series of related transactions, then the Tag-Along Transferors shall provide all other Members (the "**Tag-Along Members**") with written notice (the "**Transfer Notice**") of their intention to transfer such Tag-Along Units, specifying in such Transfer Notice the identity of the proposed transferee, the number of Tag-Along Units to be transferred, the purchase price therefor (the "**Purchase Price**"), and the applicable terms (the "**Transfer Terms**") of the proposed sale (the "**Proposed Sale**").

(b) Upon receipt of a Transfer Notice, each Member that is not a Tag-Along Transferor shall, for a period of twenty (20) days (the "**Tag-Along Exercise Period**"), have the right and option (the "**Tag-Along Right**") to sell to the proposed Transferee in the Proposed Sale at a price and on terms equivalent to the per Unit Purchase Price and the Transfer Terms, up to that number of Units owned by such Tag-Along Member as shall equal the product of (i) a fraction, (A) the numerator of which is the number of Tag-Along Units owned of record as of the date of the Tag-Along Notice by the Tag-Along Transferors, and (B) the denominator of which is the aggregate number of all Units as such Tag-Along Units then issued and outstanding, multiplied by (ii) the number of Units owned of record by such Tag-Along Member as of the date of the Tag-Along Notice. Such written notice shall state the aggregate number of Units that such Tag-Along Member proposes to include in such Transfer.

(c) If any Tag-Along Member exercises its rights pursuant to this Section 7.8, then the Tag-Along Transferors will attempt to obtain from the proposed Transferee a commitment, for the benefit of each such Tag-Along Member, to purchase the number of Units that such Tag-Along Member proposes to include in such Transfer pursuant to this Section 7.8. To the extent Tag-Along Transferors cannot obtain such a commitment from such proposed Transferee for each of the Tag-Along Members, the Tag-Along Transferors and Tag-Along Members shall reduce the number of Units being sold by the Tag-Along Transferors and Tag-Along Members such that each Tag-Along Transferor and each Tag-Along Member sells a number of Units as is determined by multiplying (i) a fraction, the numerator of which is equal to the number of Units that such Tag-Along Transferor or such Tag-Along Member, as the case may be, would have sold if Tag-Along Transferors had obtained such commitments from such proposed Transferee, and the denominator of which is equal to the total number of Units that would have been sold by all of such Tag-Along Transferors and all of such Tag-Along Members if Tag-Along Transferors had obtained such commitments from such proposed Transferee, multiplied by (ii) the total number of Units that such proposed Transferee is in fact acquiring from all Tag-Along Transferors and all Tag-Along Members. Anything in this Section to the contrary notwithstanding, each reduction shall be determined based on the amount to be distributed to each of the Tag-Along Transferors and each of the Tag-Along Members as if the proceeds were to constitute Capital Event Proceeds (with any non-cash consideration valued at its Fair Market Value) and were to be distributed pursuant to Section 5.5 at the time of such Transfer.

(d) The closing of the Transfer of the Units with respect to which rights have been exercised by a Tag-Along Member pursuant to this Section 7.8 is subject to, and will take place concurrently with, the closing of the Transfer of the Units by Tag-Along Transferors to the proposed Transferee. At such closing, each Tag-Along Member electing to Transfer Units shall deliver to the proposed Transferee, free and clear of all liens, the Units to be sold and shall receive in exchange therefor, the consideration to be paid by the proposed Transferee (but giving effect to the distribution priorities as if such sale were a Capital Transaction) in respect of such Units as described in the Tag-Along Notice.

(e) If any Tag-Along Transfer is not closed within six (6) months from the date of the Transfer Notice, with the same proposed transferee and at the same or better Purchase Price and Transfer Terms than those set forth in the Transfer Notice, then prior to concluding any other proposed transfer of a majority of Units to any one or more Persons in a single transaction or series of related transactions, the Tag-Along Transferors shall be required to give all Members a new notice of their desire to transfer in accordance with the foregoing requirements and the foregoing procedures shall again be followed.

#### 7.9 Drag Along Rights.

(a) Following the expiration of the Tag-Along Exercise Period, the Tag-Along Transferors shall have a period of fifteen (15) days to elect by written notice to require the Members that did not exercise their Tag Along Right to participate in the proposed transaction (the “**Drag-Along Right**”) at a price and on terms equivalent to the per Unit Purchase Price and the Transfer Terms, provided that the liability of any Member for any breach of representations or covenants shall be joint but not several for any Member holding less than twenty percent (20%) of all Units outstanding.

(b) No Member participating in a Proposed Sale (a “**Drag-Along Seller**”) pursuant to the exercise of Drag Along Rights of the Tag-Along Transferors shall be required to make any

representations and warranties other than those related to authority, ownership, and the ability to convey title to such Units, including, but not limited to, representations and warranties that (i) the Drag-Along Seller holds all right, title, and interest in and to the Units such Drag-Along Seller purports to hold, free and clear of all liens and encumbrances, (ii) the obligations of the Drag-Along Seller in connection with the transaction have been duly authorized, if applicable, (iii) the documents to be entered into by the Drag-Along Seller have been duly executed by the Drag-Along Seller and delivered to the acquirer and are enforceable (subject to customary limitations) against the Drag-Along Seller in accordance with their respective terms; and (iv) neither the execution and delivery of documents to be entered into by the Drag-Along Seller in connection with the transaction, nor the performance of the Drag-Along Seller's obligations thereunder, will cause a breach or violation of the terms of any agreement to which the Drag-Along Seller is a party, or any law or judgment, order, or decree of any court or governmental agency that applies to the Drag-Along Seller;

(c) A Drag-Along Seller is not required to agree (unless such Drag-Along Seller is an officer or employee of the Company) to any restrictive covenant in connection with the Proposed Sale (including, without limitation, any covenant not to compete or covenant not to solicit customers, employees, or suppliers of any party to the Proposed Sale);

(d) A Drag-Along Seller is not liable for the breach of any representation, warranty, or covenant made by any other Person in connection with the Proposed Sale, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties, and covenants of the Company as well as breach by any Member of any identical representations, warranties, and covenants provided by all Members);

(e) A Drag-Along Seller's liability shall be limited to such Drag-Along Seller's applicable share (determined based on the respective proceeds payable to each Drag-Along Seller in connection with such Proposed Sale, but that in no event exceeds the amount of consideration otherwise payable to such Drag-Along Seller in connection with the Proposed Sale), except with respect to claims related to fraud by such Drag-Along Seller, the liability for which need not be limited as to such Drag-Along Seller;

(f) Upon the consummation of the Proposed Sale (i) each holder of Units must receive the same form of consideration for their Units as is received by other holders in respect of their Units, and (ii) unless waived pursuant to the terms of this Agreement and as may be required by applicable law, the aggregate consideration receivable by all holders of the Units shall be allocated among the holders of the Units giving effect to the distribution priorities set forth in Section 5.5 as if such sale were a Capital Transaction).

(g) If any Proposed Sale is not closed within six (6) months from the date of the Transfer Notice, with the same proposed transferee and at the same or better Purchase Price and Transfer Terms than those set forth in the Transfer Notice, then prior to concluding any other proposed Transfer of a majority of Units to any one or more Persons in a single transaction or series of related transactions, the Tag-Along Transferors shall be required to give all Members a new notice of their desire to Transfer in accordance with the foregoing requirements and the foregoing procedures shall again be followed.

7.10 Option to Purchase. Upon the occurrence of any of the following events with respect to a Member, the Company shall have the option, but not the obligation, exercisable at any time within one hundred eighty (180) days after the occurrence of such event (the "**Option Period**"), to purchase

all of or any portion of the Units held by such Member (and/or such Member's permitted transferee(s) pursuant to Section 7.5) at a price equal to the Fair Market Value of the Member's Units, provided, however, that if such Member violates any representation or covenant contained herein, the Purchase Price shall be equal to the lesser of (i) fifty percent (50%) of the amount so calculated, or (ii) the Member's Capital Contribution (when referring to one or the other Purchase Price it is defined as "**Applicable Purchase Price**"); and otherwise upon the terms and conditions set forth in this Article VII:

(a) The Member is subject to an Event of Withdrawal or otherwise attempts to or does withdraw from the Company or Transfer such Member's Units in violation of this Agreement;

(b) The Member is subject to a Transfer of such Member's Units by operation of law (including a divorce decree or settlement agreement).

7.11 Closing. If the Company desires to exercise its right to purchase Units pursuant to Section 7.10 at any time during the Option Period the Company shall deliver to the selling Member or such selling Member's representatives or heirs, a written notice specifying the number of Units to be repurchased by the Company, the Purchase Price therefor in accordance with Section 7.10, the date (not later than forty-five (45) days after the date of such notice), and the place of the closing.

(a) Deliveries by the Company. At the Closing of any repurchase or redemption hereunder, the Purchase Price shall be paid in a combination of cash or other good funds in an amount equal to a minimum of fifteen percent (15%) of the Purchase Price, and a Company promissory note for the balance of the Applicable Purchase Price requiring twenty-eight (28) equal quarterly payments of principal and interest and in form and substance as determined by the Company (a "**Note**") at the Applicable Federal Rate. The first payment shall be payable on the first day of the third full calendar month following the closing. In the event a selling Member shall have any outstanding indebtedness to the Company, whether or not evidenced by a promissory note or other instrument at the time of closing, the Company may reduce the amount due in cash at the closing for such Member's Units by the full amount thereof.

(b) Deliveries by Seller. At the Closing, the selling Member shall assign all of the selling Member's Units being purchased to the Purchaser and shall further represent and warrant to the Purchaser that:

(i) The Units being Transferred are all of the Units owned by the selling Member and the selling Member has good and valid title, free and clear of all liens, encumbrances, and claims whatsoever to such Units, and full lawful right, power, capacity, and authority to sell, assign, transfer, and deliver the Units to Purchaser pursuant to the terms of this Agreement, and to consummate the transactions contemplated and upon acquisition of the Units by Purchaser pursuant to the terms of this Agreement, Purchaser shall acquire good and valid title to such Units, free and clear of all liens, encumbrances and claims whatsoever;

(ii) Except for this Agreement, the selling Member is not then a party to any agreement, arrangement, or understanding restricting or otherwise relating to the transfer or voting of the Units;

(iii) The consummation of the transactions contemplated does not violate any statute, agreement, instrument, or understanding binding on the Member, or any order, judgment, decree, rule, or regulation of any court or governmental agency or body having jurisdiction over the Member or such Member's properties; and

(iv) The selling Member will indemnify and hold harmless Purchaser from and against any loss, damage, liability, cost, or expense resulting from the breach of any warranty or agreement or the inaccuracy of any representation, including, but not limited to, legal and other expenses.

(c) Limitation on Payments. Notwithstanding anything to the contrary contained in this Article VII or in the Note, during any Fiscal Year, payments made by the Company on any Note issued in respect of any Units hereunder shall not, without the prior consent of the Board, exceed twenty percent (20%) of Cash Flow for such year. All such payments shall be subject to, and may be delayed as required to comply with, the terms of any institutional financing existing as of the date of such departure. In the event that more than one (1) payee of a Note is affected by this limitation, the amount payable by the Company pursuant to any Note in excess of such limit shall be reduced on a pro rata basis.

(d) Subordination of Payments. The Members, and all of them, agree that if requested by the Company, their right to receive payment from the Company hereunder shall, without further documentation, be subordinate to the obligations of the Company to institutional lenders of the Company at any time that such institutional lender has declared the Company's obligations to be in default (to the extent of working capital loans), and the Members, for themselves and their legal representatives, agree to execute and deliver instruments and documents of subordination satisfactory to such lending institutions. If so requested, the Members shall execute and deliver to the Company and/or the institutional lenders such agreements and instruments evidencing such subordination as the Company or the lending institutions may so require.

## **ARTICLE VIII BOOKS, ACCOUNTING AND TAX TREATMENT**

8.1 Corporate Records. The Board shall keep or cause to be kept at the address of the Company (or at such other place as the Board shall determine in its discretion) during the term of the Company true and complete copies of: (i) the Certificate and all amendments thereto, (ii) this Agreement and all amendments thereto, and (iii) all other writings, if any, prepared pursuant to a requirement in this Agreement or prepared according to requirements of the Act. Any holder of Units will be granted access to inspect and copy Company records described in this Article VIII during normal business hours and with reasonable advance notification at the requesting Member's expense.

8.2 Accounting Period. The Company's accounting period shall be the calendar year.

8.3 Books and Records; Accounting. The Board shall keep or cause to be kept at the principal address of the Company (or at such other place as the Board shall determine in its discretion) during the term of the Company true and complete accounts, books, and records regarding the business and financial condition of the Company and copies of the Company's federal, state, and local income tax returns and financial statements for the six (6) most recent years.

8.4 Financial Statements. The Company will send to all Members not more than ninety (90) days after the end of each Fiscal Year a financial report prepared in accordance with accounting principles used to prepare the Company's federal income tax return and the information and statements needed by the Members to enable them to prepare their federal, state, and local tax returns for such period. Tax returns and financial statements shall be prepared by an accountant selected by the Board.

8.5 Tax Treatment. The Members intend for the Company to be considered a partnership for Federal income tax purposes and agree that the Company will be governed by the provisions of Subchapter K of the Code and the applicable Regulations promulgated thereunder. The Members are aware of the income tax consequences of the allocations made by Article V and hereby agree to be bound by the provisions of Article V in reporting their shares of Company Profit and Losses for income tax purposes. The Board will undertake any and all actions necessary under the Code and the Regulations to ensure that the Company will be classified as a partnership for Federal income tax purposes and will file or cause to be filed any elections that may be required (but only if required) under the Code and the Regulations in order to ensure that the Company will be classified as a partnership for Federal income tax purposes.

8.6 Tax Returns and Other Elections.

(a) Preparation and Filing. The Board shall cause the preparation and timely filing of all returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, shall be furnished to each Member as soon as practical after the end of the Company's Fiscal Year but in any event not more than ninety (90) days after the end of each Fiscal Year. The tax information provided to each Member shall include, without limitation, such Member's federal tax Schedule K-1.

(b) Tax Elections. Richard Rainone is hereby authorized to make elections and prepare and file returns regarding any federal, state, or local tax obligations of the Company, and to serve as the "Partnership Representative" of the Company for purposes of Section 6231(a)(7) of the Code, with power to manage and represent the Company in any administrative proceeding of the United States Internal Revenue Service in his sole discretion, provided that he shall make any tax election requested by the Members acting with a Majority of Members if such election does not materially increase the tax obligations of any other Member.

## **ARTICLE IX DISSOLUTION**

9.1 Duration and Dissolution. The Company shall be dissolved and its affairs shall be wound up upon the first to occur of the following:

- (a) the sale of all or substantially all of the assets of the Company;
- (b) the determination by Members holding seventy five percent (75%) of all of the then-issued and outstanding Units to dissolve the Company; and
- (c) the entry of a decree of judicial dissolution under Section 44 of the Act.



The Company shall not be dissolved or otherwise terminated by reason of any Member bankruptcy, and the Company shall continue its existence as a limited liability company upon, during, and following any Member bankruptcy.

9.2 Winding Up. Subject to the provisions of the Act and, unless otherwise required by applicable law, the Board shall have the right to wind up the Company's affairs in accordance with Section 45 of the Act (and shall promptly do so upon dissolution of the Company in accordance with Section 43 or 44 of the Act) and shall also have the right to act as or appoint a liquidating trustee in connection therewith.

9.3 Distribution of Assets. Upon the winding up of the Company, once the Company has made payment of, or adequate provisions for, the debts, expenses, and obligations of the Company, the remaining assets of the Company shall be distributed to the Members in accordance with Section 5.5(b).

9.4 Cancellation of Certificate. Upon the completion of the winding up of the Company and the distribution of the Company's assets, the Company shall be terminated and the Board shall cause the Company to execute and file a Certificate of Cancellation in accordance with Section 14 of the Act.

9.5 Member Resignation. Except in the case of a Transfer of its Units to a new Member in accordance herewith, a Member may not resign from the Company or otherwise disassociate itself from the Company without the consent of the Board.

## ARTICLE X EXCULPATION AND INDEMNIFICATION

10.1 Exculpation. Notwithstanding any other provisions of this Agreement, whether express or implied, or obligation or duty at law or in equity, none of (i) the Board, (ii) the Members, or (iii) any of their respective officers, directors, stockholders, partners, members, employees, representatives, or agents, or (iv) any director, officer, employee, or representative, or any agent of the Company or any of its Affiliates (each individually, an "**Indemnified Person**" and collectively, the "**Indemnified Persons**") shall be liable to the Company or any other Person for any act or omission (in relation to the Company, this Agreement, any related document, or any transaction or investment contemplated hereby or thereby) taken or omitted in good faith by an Indemnified Person and in the reasonable belief that such act or omission is in or is not contrary to the best interests of the Company and is within the scope of authority granted to such Indemnified Person by this Agreement, provided that such act or omission does not constitute fraud, willful misconduct, bad faith, or gross negligence; provided, further, that for the purposes hereof, any conduct, act, or omission of an Indemnified Person, related to or arising from any activity or involvement with cannabis (marijuana) or the cannabis (marijuana) industry or otherwise resulting therefrom that may be a violation of federal law, shall not constitute fraud, willful misconduct, bad faith, or gross negligence hereunder, solely by reason of being a violation of federal law, so long as such conduct, act, or omission could be reasonably believed to be in compliance with applicable state laws.

10.2 Indemnification. To the fullest extent permitted by applicable law, the Company shall indemnify and hold harmless each of the Indemnified Persons from and against any and all losses, claims, demands, liabilities, expenses, judgments, fines, settlements, and other amounts (each, a "**Covered Loss**") arising from any and all claims, demands, actions, suits, or proceedings, civil, criminal, administrative, or investigative, in which the Indemnified Person may be involved, or

threatened to be involved, as a party or otherwise, by reason of its management of the affairs of the Company or which relates to or arises out of the Company or its property, business, or affairs (a “**Claim**”). An Indemnified Person shall not be entitled to indemnification under this Section 10.2 with respect to any claim, issue, or matter in which it has engaged in fraud, willful misconduct, bad faith, or gross negligence; provided, that for the purposes hereof, any conduct, act, or omission of an Indemnified Person, related to or arising from any activity or involvement with cannabis (marijuana) or the cannabis (marijuana) industry or otherwise resulting therefrom that may be a violation of federal law, shall not constitute fraud, willful misconduct, bad faith, or gross negligence hereunder, solely by reason of being a violation of federal law, so long as such conduct, act, or omission could be reasonably believed to be in compliance with applicable state laws. The Company shall advance to any Indemnified Person reasonable attorneys’ fees and other costs and expenses incurred in connection with the defense of any such Claim (each, a “**Covered Expense**”) if the Indemnified Person agrees in writing before any such advancement that he will reimburse the Company for such fees, costs, and expenses to the extent that it is determined that he was not entitled to indemnification under this Section 10.2.

10.3 Exclusions. The Company will not be liable to pay any Covered Loss or Covered Expense (an “**Excluded Claim**”):

(a) for which payment is actually made to or on behalf of the Indemnified Person under such Members’ and Board’s liability insurance policy as may be maintained by the Company (except for any deductible under, or excess beyond the amount covered by, such insurance);

(b) for which the Indemnified Person is otherwise indemnified or reimbursed;

(c) with respect to a proceeding in which a final judgment or other final adjudication determines that the Indemnified Person is liable to the Company for breach of fiduciary duty by such person; or

(d) if a final judgment or other final adjudication determines that such payment is unlawful.

10.4 Notice to Company; Insurance. Promptly after receipt by the Indemnified Person of notice of the commencement of or the threat of commencement of any proceeding, the Indemnified Person will, if indemnification with respect thereto may be sought from the Company under this Article X, notify the Company of the commencement thereof. If, at the time of the receipt of such notice, the Company has any Members’ and Board’s liability insurance in effect, the Company will give prompt notice of the commencement of such proceeding to the insurer in accordance with the procedures set forth in the policy or policies in favor of the Indemnified Person. The Company will thereafter take all necessary or desirable action to cause such insurer to pay, on behalf of the Indemnified Person, any and all Covered Loss and Covered Expense payable as a result of such proceeding in accordance with the terms of such policies.

10.5 Indemnification Procedures.

(a) Payments on account of the Company’s indemnity against Covered Loss will be subject to the Company’s first determining that the Covered Loss results from a claim which is not an Excluded Claim. Such a determination will be made by a majority vote of the Board not at the time parties to the proceeding. The determination required by this Section 10.5(a) will be made within

sixty (60) days of the Indemnified Person's written request for payment of a Loss, and if it is determined that the Covered Loss is not an Excluded Claim payment will be made forthwith thereafter.

(b) Payment of an Indemnified Person's Covered Expenses in advance of the final disposition of any proceeding will be made within twenty (20) days of the Indemnified Person's written request therefor. From time to time prior to the payment of Covered Expenses the Company may, but is not required to, determine (in accordance with Section 10.5(a)) whether the Covered Expenses claimed may reasonably be expected, upon final disposition of the proceeding, to constitute an Excluded Claim. If such a determination is pending, payment of the Indemnified Person's Covered Expenses may be delayed up to sixty (60) days after the Indemnified Person's written request therefor, and if it is determined that the Covered Expenses are not an Excluded Claim, payment will be made forthwith thereafter.

10.6 Settlement. The Company will have no obligation to indemnify the Indemnified Person under this Article X for any amounts paid in settlement of any Proceeding effected without the Company's prior written consent. The Company will not unreasonably withhold or delay its consent to any proposed settlement. The Company may consent to a settlement subject to the requirement that a determination thereafter will be made as to whether the Proceeding involved an Excluded Claim or not.

10.7 Rights Not Exclusive. The rights provided hereunder will not be deemed exclusive of any other rights to which the Indemnified Person may be entitled under the Act, any agreement, vote of Members or of the disinterested Manager(s), or otherwise, both as to action in the Indemnified Person's official capacity and as to action in any other capacity while holding such position or office, and shall continue after the Indemnified Person ceases to serve the Company in an official capacity.

10.8 Enforcement.

(a) The Indemnified Person's right to indemnification hereunder will be enforceable by the Indemnified Person in any court of competent jurisdiction and will be enforceable notwithstanding that an adverse determination has been made as provided in Section 10.5.

(b) In the event that any action is instituted by the Indemnified Person under this Article X to enforce or interpret any of the terms of this Article X, the Indemnified Person will be entitled to be paid all court costs and expenses, including reasonable attorneys' fees, incurred by the Indemnified Person with respect to such action, unless the court determines that each of the material assertions made by the Indemnified Person as a basis for such action was not made in good faith or was frivolous.

10.9 Successors and Assigns. This Article X will be (a) binding upon all successors and assigns of the Company (including any transferee of all or substantially all of its assets) and (b) binding on and inure to the benefit of the heirs, executors, administrators, and other personal representatives of the Indemnified Person. If the Company sells or otherwise transfers all or substantially all of its assets to a third party, the Company will, as a condition of such sale or other transfer, require such third party to assume and perform the obligations of the Company under this Article X.

10.10 Amendment. No amendment of this Article X will be effective as to an Indemnified Person without such Indemnified Person's written consent.

10.11 Acceptance by Indemnified Person. This Article X will apply, and the benefits hereof will be available, to each Member and Manager who, by accepting a respective position and serving on behalf of the Company, will be deemed to have accepted the provisions of this Article X and to have agreed to abide by the terms contained herein.

## **ARTICLE XI MISCELLANEOUS**

11.1 Power of Attorney. Each Member does hereby irrevocably constitute and appoint the Board and any Person which becomes an additional or substituted Manager, and any of the foregoing acting alone, in each case with full power of substitution, its true and lawful agent and attorney-in-fact, with full power and authority in its name, place, and stead, to make, execute, acknowledge, swear to, attest, seal, deliver, file, register, and record such documents and instruments as may be necessary, convenient, or advisable, in the sole discretion of any such attorney-in-fact, to carry out the provisions of this Agreement, including (a) such amendments to this Agreement and the Certificate as are necessary, convenient, or advisable as are described below or to admit to the Company any additional or substituted Member or an additional or substituted Manager in accordance with the terms and provisions of this Agreement, (b) such documents and instruments as are necessary to cancel the Certificate, (c) an amended Certificate reflecting the terms of this Agreement, (d) all certificates and other instruments deemed necessary, convenient, or advisable by the Board to permit the Company to become or to continue as a limited liability company wherein the Members have limited liability in the jurisdictions where the Company may be doing business, (e) all fictitious or assumed name certificates required or permitted to be filed on behalf of the Company, and (f) all other instruments which may be required or permitted by law to be filed on behalf of the Company. The foregoing power of attorney is coupled with an interest and shall be irrevocable and survive the death, dissolution, bankruptcy, or incapacity of any Member.

11.2 Title to Company Property. All Company Property shall be deemed to be owned by the Company as an entity, and no Member shall have any ownership of such property. The Company may hold any of its assets in its own name or in the name of its nominee, which nominee may be one or more trusts, individuals, or entities. Any property held by a nominee trust for the benefit of the Company shall, for purposes of this Agreement, be treated as if such property were directly owned by the Company.

11.3 Amendments of the Agreement. Amendments to this Agreement may be made from time to time upon the approval of the Board and a Majority of Members, except that no amendment may amend Section 4.8 or Section 5.5, or eliminate any Member's rights to consent or approve any action of the Company. However, the Board may amend this Agreement without the approval of the Members to (i) reflect changes validly made in the ownership of Units and the Capital Contributions of the Members, (ii) reflect a change in the name of the Company, (iii) make any change that is necessary to cure any ambiguity, to correct or supplement any provision of this Agreement that would be inconsistent with any other provision contained herein, in each case so long as such change does not adversely affect any Members in any material respect, (iv) make a change that is necessary or desirable to satisfy any requirements, conditions, or guidelines in any opinion, directive, order, statute, ruling, or regulation of any federal, state, or local governmental entity so long as such change is made in a manner which minimizes any adverse effect on the Members, and (v) make any other amendments that in the opinion of the Board may be necessary or advisable provided that such amendments do not adversely affect the Members in any material respect.

11.4 Successors, Counterparts. This Agreement (i) shall be a legal, valid, and binding agreement of the Company and the Members enforceable against the Company and each Member in accordance with its terms, and (ii) may be executed in several counterparts with the same effect as if the parties executing the several counterparts had all executed one counterpart.

11.5 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that such Member has or may have to maintain any action for partition with respect to the property of the Company.

11.6 Governing Law; Consent to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts without giving effect to the principles of conflict of laws thereof. In particular, this Agreement shall be construed to the maximum extent possible to comply with all the terms and conditions of the Act. Each Member hereby irrevocably consents to the exclusive jurisdiction of the state courts sitting in Bristol County, Massachusetts in connection with any matter or dispute relating in any way to or arising under this Agreement or relating in any way to the affairs of the Company. Further, each of the parties to this Agreement hereby waives any and all rights such party may have to a trial by jury in connection with any such matter or dispute.

11.7 Severability. If it shall be determined by a court of competent jurisdiction that any provisions or wording of this Agreement shall be invalid or unenforceable under the Act or other applicable law, such invalidity or unenforceability shall not invalidate the entire Agreement. In that case, this Agreement shall be construed so as to limit any term or provision so as to make it enforceable or valid within the requirements of any applicable law, and, in the event such term or provisions cannot be so limited, this Agreement shall be construed to omit such invalid or unenforceable terms or provisions. If it shall be determined by a court of competent jurisdiction that any provision relating to the distributions and allocations of the Company or to any expenses payable by the Company is invalid or unenforceable, this Agreement shall be construed or interpreted so as (i) to make it enforceable or valid and (ii) to make the distributions and allocations as closely equivalent to those set forth in this Agreement as is permissible under applicable law.

11.8 Integration. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto. No covenant shall affect or be deemed to interpret, change, or restrict the express provisions hereof.

11.9 Filings. Following the execution and delivery of this Agreement, the Board shall promptly prepare or cause to be prepared any documents required to be filed and recorded under the Act and shall promptly cause each such document to be filed and recorded in accordance with the Act and, to the extent required by applicable law, to be filed and recorded or notice thereof to be published in the appropriate place in each jurisdiction in which the Company may hereafter establish a place of business. The Board shall also promptly cause to be filed, recorded, and published such statements of fictitious business name and any other notices, certificates, statements, or other instruments required by any provision of any applicable law of the United States of America or any state or other jurisdiction which governs the conduct of its business from time to time.

11.10 Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope or intent of this Agreement or any provision hereof.

11.11 Additional Documents. The Members agree to perform all further acts and to execute, acknowledge, and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

11.12 Notices. All notices, requests, and other communications shall be in writing (including facsimile or similar writing) and shall be given to each Member (and any other Person designated by such Member) at such Member's address or facsimile number set forth in such Member's subscription for the Units, and if no such subscription exists, at the address or facsimile number set forth in the Company's records, or at such other address or facsimile number as such Member may hereafter specify for the purpose by notice. Each such notice, request, or other communication shall be effective (a) if given by facsimile, when transmitted to the number specified pursuant to this Section 11.12 and the appropriate confirmation is received, (b) if given by mail, seventy two (72) hours after such communication is deposited in the mails with first-class postage prepaid, addressed as aforesaid, or (c) if given by any other means, when delivered at the address specified pursuant to this Section 11.12.

11.13 Waivers. The failure of any party hereto to seek redress for violation of or to insist upon strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

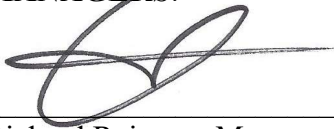
11.14 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party hereto shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties hereto may have by law, statute, ordinance, or otherwise.

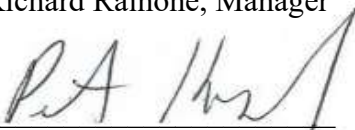
11.15 Separate Counsel. Each Member has been represented by legal counsel chosen by such Member in connection with the negotiation, documentation, execution, and delivery of this Agreement.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGES]**

**IN WITNESS WHEREOF**, the undersigned have duly executed this Operating Agreement of Flying Goose LLC as of the date first above written.

**MANAGERS:**

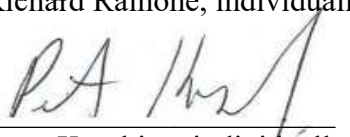
  
Richard Rainone, Manager

  
Peter Kasabian, Manager

  
Chris Vianello, Manager

**MEMBERS:**

  
Richard Rainone, individually

  
Peter Kasabian, individually

  
Chris Vianello, individually



Commonwealth of Massachusetts  
Department of Revenue  
Geoffrey E. Snyder, Commissioner  
[mass.gov/dor](http://mass.gov/dor)

Letter ID: L1245333696  
Notice Date: July 19, 2021  
Case ID: 0-001-244-316



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



FLYING GOOSE LLC  
1853 FALL RIVER AVE  
SEEKONK MA 02771-2007

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

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

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

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

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

If you have questions, call us at (617) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 9:00 a.m. to 4:00 p.m..

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

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau





William Francis Galvin  
Secretary of the  
Commonwealth

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

July 15, 2021

TO WHOM IT MAY CONCERN:

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

**FLYING GOOSE LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **March 2, 2020.**

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

I also certify that the names of all managers listed in the most recent filing are:  
**RICHARD RAINONE, CHRISTOPHER VIANELLO, PETER KASABIAN**

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **RICHARD RAINONE, CHRISTOPHER VIANELLO, PETER KASABIAN**

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





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

Charles D. Baker  
GOVERNOR

Karyn E. Polito  
LT. GOVERNOR



359857813

Rosalin Acosta  
SECRETARY

Richard A. Jeffers  
DIRECTOR

flyng goose llc  
286 WEBSTER ST  
DOUGLAS, MA 01516-2249

EAN: 22181307  
July 15, 2021

Certificate Id:49601

The Department of Unemployment Assistance certifies that as of 7/15/2021 ,flyng goose 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

**FLYINGGOOSELLC**

ADULT USE MARIJUANA DISPENSARY  
DOUGLAS, MASSACHUSETTS

# THECOMPANY

- Flying Goose LLC is a Massachusetts company that is in the process of obtaining an Adult Use Marijuana Retail license located at 286 & 0 Webster St (Route 16), Douglas MA 01516.
- Flying Goose is lead by a team that has a track record of successfully executing and developing entities into licensed establishments.
- In 2019 the team started a Marijuana Retail project in Holyoke, MA. It was awarded a Host Community Agreement, Special Use Permit, and Provisional License late this summer. It is currently under construction and is prepared to open in April 2021.



# THE LOCATION

- 286 & 0 Webster Street (ROUTE 16), Douglas, MA 01516
- 9.16 acres of industrial zoned land
- Appraised value: \$250,000 (in its current form)
- Only 2.8 miles from Interstate 395
- The location for this project is arguably the best available site in the Town of Douglas for this use. While Douglas has an estimated population of on 3000 residents, the abutting town of Webster boasts roughly 16,000 residents. Additionally, this wealthy community has commerce that attracts visitors from surrounding cities. The close proximity to I-395 gives this location the unique distinction of being an extremely convenient option to the non-recreational neighboring states of Connecticut and Rhode Island.

# THE MARKET

- As of mid-October 2020, Massachusetts has 76 Operational Retail Stores
- According to the official MA Cannabis Control Commission's website: These 76 Retail locations report over \$18,000,000 per week/per store in gross sales.
- This represents over \$235,000 per week/per store, equating to an average of over \$12,000,000 in gross sales.

# THEPOTENTIAL

**It is projected that the Massachusetts adult use cannabis market will reach \$2.32B**

Comparison to Colorado:

- Colorado population of 5.7m with median income of \$70k
- Massachusetts population of 7.0m with median income of \$77k
- Tourist travel and student population – considered equal
- CO 21+ population is approximately 3,000,000
- MA 21+ population is approximately 4,500,000
- State of CO reported \$1.55b in cannabis sales in 2018 (source: colorado.gov)
- State of MA, is reporting that their 76 retail shops are on track to hit \$936,000,000 annual sales. There is still \$1.385 billion available for growth within the state before hitting the target of \$2.32 billion (source: mass-cannabis-control.com)

**Massachusetts' bordering states (NH, VT, CT, RI, NY) have not yet passed adult use. These states are driving distance into MA and potentially add another 4,000,000 more people that are part of the 21+ customer base.**



# THE TEAM

## Rich Rainone *Chief Executive Officer*

- Rich serves as our CEO and officially entered the cannabis space in late 2017. Rich and his team have a track record of success and the ability to develop licensed entities that carry monetary value in the early stages of development.
- As an accomplished Veteran, he served in the United States Marine Corps. He last was the Staff Non-Commissioned Officer in Charge for Naval Station Newport and served as the Unit's Anti-Terrorism Officer. There he supervised complete support for over 250 Marines and faculty staff in the New England area. Additionally, he implemented the Marine Corps Martial Arts Program to the area and trained over 400 Marines and Naval Officers using this new hand-to-hand and close quarters combat fighting techniques.
- More recently, he managed a boutique insurance firm that provides services to talent agencies, music artists, record labels, professional athletes, sports promoters, networks, and some of the biggest pay per view events in boxing history. Rich also partners a Mergers and Acquisitions insurance firm that specializes in Reps and Warranties insurance as well as Contingent Liability.





# THE TEAM



## **Pete Kasabian** *Development Manager*

Pete owns and operations a MA and RI licensed commercial construction company specializing in reconfigured spacing projects. He also has 10 years expertise in the cannabis industry, specializing in cultivation operations. Pete consults on many cultivation and manufacturing projects in the area advising on grow strategies, build-outs, mechanical, safety, and general contracting needs for the project.



## **Chris Vianello** *Creative Director*

Chris has been a licensed insurance and settlement broker for 14 years. In that span, he has successfully operated an insurance wholesale business toppling \$50M in gross sales by insuring high level executives and athletes. Most recently he developed an exclusive professional athlete insurance product by using proprietary contract language to favor his clients. Chris holds a bachelor's degree from Fordham University with a Major in Marketing.



## **Dan Glissman** *Legal Consultant*

Dan concentrates his practice in all matters regarding real property, environmental law, and also has extensive industry expertise in the cannabis field. As a leading industry attorney at Prince Lobel Tye LLP, he advises clients on both medical and adult-use facilities, as well as the process of converting from one form to another. He is a graduate of Suffolk University Law School and worked closely with the law department of the Boston City Council.

# MARKETINGPLAN

MEET WITH CULTIVATORS, MANUFACTURERS, AND RETAIL DISPENSARIES:

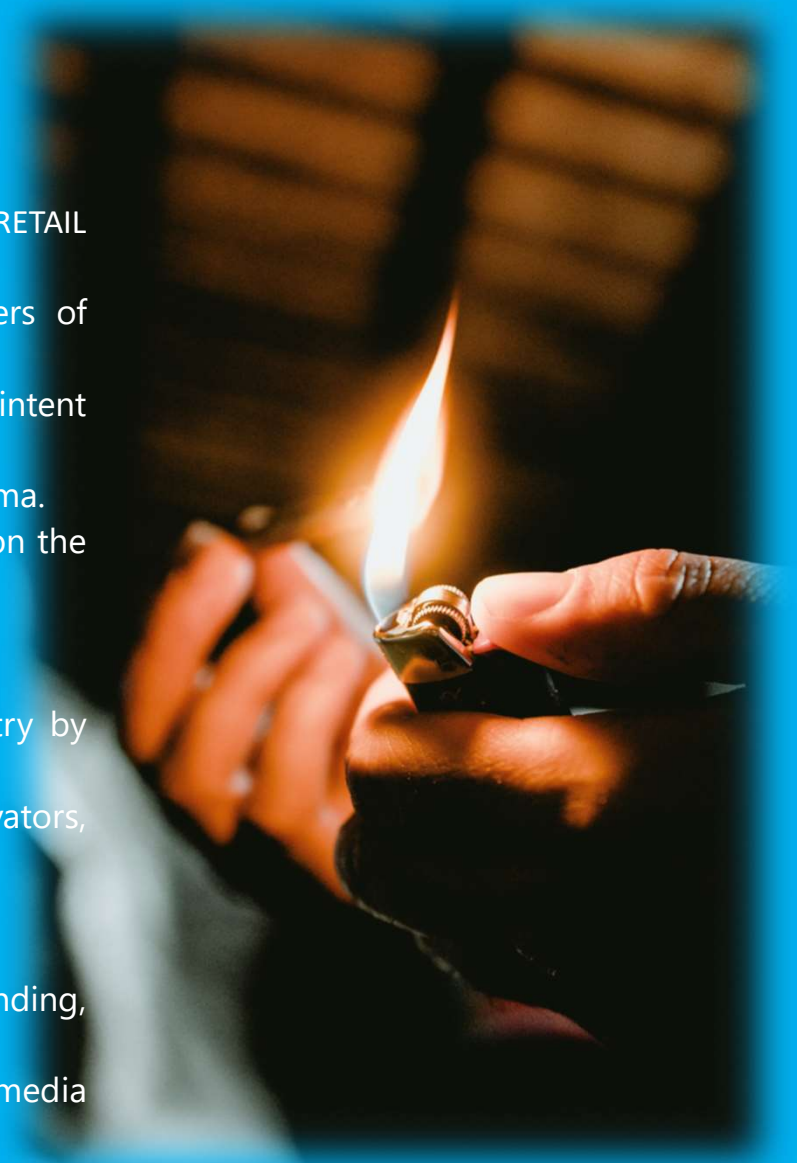
- Formalize relationships with local cultivators using letters of intent to purchase their cannabis wholesale
- Formalize relationships with manufacturers using letters of intent to have them package or produce product for our retail
- Formalize relationships with retail shops to create good karma.
- Create an inside/outside sales force that is well educated on the products, the industry, and the laws governing our state

BUSINESS EVENTS AND CONFERENCES:

- Continue to form relationships with others in the industry by attending business events and conferences
- Join industry associations and network ourselves with cultivators, retailers, and others in manufacturing

WEBSITE DEVELOPMENT, MEDIA MARKETING, AND ADVERTISING:

- Develop a website to promote and assist with logo branding, search engine optimization, and business inquiries
- Create market awareness though the various social media outlets, brochures, and point of sale display
- Promote our brand and services on various specialty websites and thematic industry magazines



# CONTACTUS

- [FlyingGooseMA@gmail.com](mailto:FlyingGooseMA@gmail.com)
- 954.350.1300

## Flying Goose LLC

### **Plan for Obtaining Liability Insurance**

Flying Goose LLC (the “**Company**”) will work with an insurance broker licensed in the Commonwealth of Massachusetts to obtain insurance that meets or exceeds the requirements set forth in 935 CMR 500.105 (10).

Pursuant to 935 CMR 500.105(10) the Company shall obtain and maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, and product liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, or such amount as otherwise approved by the Commission. The deductible for each policy shall be no higher than \$5,000 per occurrence.

Pursuant to 935 CMR 500.105(10)(b) if the Company is unable to obtain minimum liability insurance coverage as required by 935 CMR 500.105(10)(a) the Company will place in escrow (the “**Liability Insurance Escrow Account**”) a sum of no less than Two Hundred and Fifty Thousand and 00/100 (\$250,000.00) or such other amount approved by the Commission, to be expended for coverage of liabilities. If the Company is unable to obtain minimum liability insurance coverage as required by 935 CMR 500.105(10)(a) the Company will properly document such inability through written records that will be retained in accordance with the Company’s *Record Retention Policy* (incorporated herein by reference). If the Liability Insurance Escrow Account is used to cover such liabilities, it will be replenished within ten (10) business days of such expenditure.

The Company will submit reports documenting compliance with 935 CMR 500.105(10) in a manner and form determined by the Commission pursuant to 935 CMR 500.000: *Adult Use of Marijuana*.

This policy may also be referred to by the Company as the “**Liability Insurance Policy**”.

## **Flying Goose LLC**

### **Restricting Access to Age 21 and Older**

Flying Goose LLC (the “**Company**”) shall require that all Marijuana Establishment Agents, Visitors and Consumers of marijuana for adult use (each as defined in 935 CMR 500.002) are 21 years of age or older. The Company will positively identify individuals seeking access to the premises of the Marijuana Establishment, or to whom marijuana or marijuana products are being transported pursuant to 935 CMR 500.105(14) (if applicable) to limit access solely to individuals 21 years of age or older.

Pursuant to 935 CMR 500.140, the Company shall immediately inspect an individual’s proof of identification and determine that the individual is 21 years of age or older upon entry to the Marijuana Establishment. The Company shall also inspect an individual’s proof of identification at the point of sale and determine that the individual is 21 years of age or older.

The identification shall contain a name, photograph, and date of birth, and shall be limited to one of the following:

1. A driver’s license;
2. A government issued-identification card;
3. A military identification card; or
4. A passport.

This policy may also be referred to by the Company as the “**Policy to Restrict Access to Persons Age 21 and Older**”.

## **Flying Goose LLC**

### **Separating Recreational from Medical Operations**

This policy is not applicable. Flying Goose LLC (the “**Company**”) is only applying for a Marijuana Retailer license at this location.

This policy may also be referred to by the Company as the “**Policy for Separating Recreational from Medical Operations**”.

## Flying Goose LLC

### Quality Control and Testing for Contaminants

#### Testing of Marijuana

Flying Goose LLC (the “**Company**”) shall not sell or otherwise market for adult use any marijuana product, including marijuana, that has not first been tested by an Independent Testing Laboratory, except as allowed under 935 CMR 500.000: *Adult Use of Marijuana*.

The Company is not proposing to cultivate or produce its own products at this time. The Company intends to obtain all of its products from other duly licensed Marijuana Establishments.

The Company shall ensure that all marijuana and marijuana products sold at its Marijuana Establishment have been tested by an Independent Testing Laboratory that tests the marijuana products in compliance with the protocol(s) established in accordance with M.G.L. 94G § 15 and in a form and manner determined by the Commission including, but not limited to, *Protocol for Sampling and Analysis of Finished Marijuana and Marijuana Products for Marijuana Establishments, Medical Marijuana Treatment Centers and Co-located Marijuana Operations*. Testing of the Company’s environmental media (*e.g.*, soils, solid growing media, and water) shall be performed in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the Commission, as applicable.

The Company shall ensure that all marijuana and marijuana products have been tested for the cannabinoid profile and for contaminants as specified and required by the Commission, including but not limited to mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides not approved for use on marijuana by the Massachusetts Department of Agricultural Resources. In addition to these contaminant tests, final ready-to-sell Marijuana Vaporizer Products shall be screened for heavy metals and Vitamin E Acetate (VEA) in accordance with the relevant provisions of the *Protocol for Sampling and Analysis of Finished Marijuana and Marijuana Products for Marijuana Establishments, Medical Marijuana Treatment Centers and Co-located Marijuana Operations*.

The Company shall notify the Commission within seventy-two (72) hours of receipt in writing, of any laboratory testing results indicating that the marijuana or marijuana products contaminant levels are above acceptable limits established in the protocols identified in 935 CMR 500.160(1) that contamination cannot be remediated, and must be disposed of. The notification from the Company shall describe a proposed plan of action for both the destruction of the contaminated production batch within seventy-two (72) hours, and the assessment of the source of contamination and shall contain any information regarding contamination as specified by the Commission, or immediately upon request by the Commission. The Company shall ensure that notification comes from both the Marijuana Establishment and the Independent Testing Laboratory, separately and directly.

The Company shall maintain the results of all testing for no less than one year. Any marijuana or marijuana products with testing dates in excess of one year shall be deemed expired and may not be dispensed, sold, transferred or otherwise conveyed until retested.

## Flying Goose LLC

All transportation of marijuana to and from Independent Testing Laboratories providing marijuana testing services shall comply with the Company's *Transportation Policy* and 935 CMR 500.105(13).

All excess marijuana shall be disposed of in compliance with the Company's *Waste Disposal Policy* and 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to the source Marijuana Establishment for disposal or by the Independent Testing Laboratory disposing of it directly.

Single-servings of Marijuana Products tested for potency in accordance with 935 CMR 500.150(4)(a) shall be subject to a potency variance of no greater than plus/minus ten percent (+/- 10%).

If the Company receives notice that the marijuana or marijuana products it has submitted for testing has failed any test for contaminants, it shall either: (1) re-analyze without remediation; (2) take steps remediate the identified contaminants; or (3) dispose of the marijuana or marijuana product and in any event, all actions shall comply with 935 CMR 500.160(13).

### Handling of Marijuana

The Company shall handle and process marijuana and marijuana products in a safe and sanitary manner. The Company shall implement the following policies (as applicable to its Marijuana Retail License):

- (a) To the extent applicable the Company shall process the leaves and flowers of the female marijuana plant only, which shall be:
  - 1. Well cured and generally free of seeds and stems;
  - 2. Free of dirt, sand, debris, and other foreign matter;
  - 3. Free of contamination by mold, rot, other fungus, pests and bacterial diseases and satisfying the sanitation requirements in 105 CMR 500.000: *Good Manufacturing Practices for Food*, and if applicable, 105 CMR 590.000: *State Sanitary Code Chapter X: Minimum Sanitation Standards for Food Establishments*;
  - 4. Prepared and handled on food-grade stainless steel tables with no contact with the Company's marijuana establishment agents' bare hands; and
  - 5. Packaged in a secure area.
- (b) The Company shall comply with the following sanitary requirements:
  - 1. Any marijuana establishment agent whose job includes contact with marijuana or non-edible marijuana products, including cultivation, production, or packaging shall



## **Flying Goose LLC**

comply with the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*;

2. Any marijuana establishment agent working in direct contact with preparation of marijuana or non-edible marijuana products shall conform to sanitary practices while on duty, including:
  - i. Maintaining adequate personal cleanliness; and
  - ii. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
3. The Company shall supply adequate and convenient hand-washing facilities furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the Marijuana Establishment in production areas and where good sanitary practices require employees to wash and sanitize their hands, and shall provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
4. The Company shall supply sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;
5. Litter and waste shall be properly removed, disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal shall be maintained in an adequate manner pursuant to 935 CMR 500.105(12);
6. Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair;
7. The Company shall ensure that there will be adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
8. Buildings, fixtures, and other physical facilities shall be maintained in a sanitary condition;
9. All contact surfaces, including utensils and equipment, shall be maintained in a clean and sanitary condition. Such surfaces shall be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils shall be so designed and of such material and workmanship as to be adequately cleanable;
10. All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana products. Toxic items shall not be stored in an area

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containing products used in the cultivation of marijuana. The Commission may require a Marijuana Establishment to demonstrate the intended and actual use of any toxic items found on the premises;

11. The Company's water supply shall be sufficient for necessary operations. Any private water source shall be capable of providing a safe, potable, and adequate supply of water to meet the Marijuana Establishment's needs;
  12. Plumbing shall be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the Marijuana Establishment. Plumbing shall properly convey sewage and liquid disposable waste from the Marijuana Establishment. There shall be no cross-connections between the potable and waste water lines;
  13. The Company shall provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair;
  14. Products that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms; and
  15. Storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers.
  16. All vehicles and transportation equipment used in the transportation of marijuana products or edibles requiring temperature control for safety shall be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the marijuana products or edibles from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR 1.908(c).
- (c) The Company shall comply with sanitary requirements. All edible products shall be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: *State Sanitary Code Chapter X: Minimum Sanitation Standards for Food Establishments*.

This policy may also be referred to by the Company as the “**Quality Control and Testing Policy**”.

## Flying Goose LLC

### **Employee Qualifications and Training**

Flying Goose LLC (the “**Company**”) shall ensure that all marijuana establishment agents complete minimum training requirements prior to performing job functions.

Agents responsible for tracking and entering product into the Seed-to-sale SOR must receive training in a form and manner determined by the Commission.

Company Training Policies shall be as follows:

1. At a minimum, Company employees shall receive a total of eight (8) hours of training annually, which shall include a minimum of four (4) hours of Responsible Vendor Training (“**RVT**”) program courses established pursuant to 935 CMR 500.105(2)(b). Basic, on-the-job training, provided by the Company in the ordinary course of business, may be counted toward the eight (8) hour total training requirement.
2. Administrative employees that do not handle or sell marijuana are exempt from the four (4) hour RVT training requirement, but may take a RVT program as part of fulfilling the eight (8) hour training requirement.
3. Training shall be tailored to the roles and responsibilities of the job function of each employee.
4. RVT training may be conducted by the Company or by a third-party vendor
5. All agents that are involved in the handling and sale of marijuana for adult use at the time of licensure or renewal of licensure, as applicable, shall have attended and successfully completed a responsible vendor training program, which shall include the Basic Core Curriculum (as that term is defined in 935 CMR 500.000 *et. seq.*).
6. Once the Company is designated as a “responsible vendor” all new employees involved in the handling and sale of marijuana for adult use shall successfully complete the Basic Core Curriculum training program within ninety (90) days of hire.
7. It shall be a policy of the Company that after initial successful completion of a responsible vendor program, each owner, manager, and employee involved in the handling and sale of marijuana for adult use shall successfully complete the program once every year thereafter to maintain designation as a “responsible vendor.”
8. Administrative employees who do not handle or sell marijuana may take the responsible vendor training program on a voluntary basis.
9. The Company shall maintain records of compliance with all training requirements for four (4) years and make them available to inspection by the Commission and any other applicable licensing authority on request during normal business hours.

## **Flying Goose LLC**

The Company shall ensure that the Basic Core Curriculum program offered to its employees includes the following:

- (a) Marijuana's effect on the human body, including:
  - a. Scientifically based evidence on the physical and mental health effects based on the type of marijuana product;
  - b. The amount of time to feel impairment;
  - c. Visible signs of impairment; and
  - d. Recognizing the signs of impairment.
- (b) Diversion prevention and prevention of sales to minors, including best practices;
- (c) Compliance with all tracking requirements; and
- (d) Acceptable forms of identification. Training shall include:
  - a. How to check identification;
  - b. Spotting and confiscating fraudulent identification;
  - c. Patient registration cards currently and validly issued by the Commission;
  - d. Common mistakes made in verification; and
  - e. Prohibited purchases and practices, including purchases by persons under the age of 21 in violation of M.G.L. c. 94G.
- (e) Other key state laws and rules affecting owners, managers, and employees, which shall include:
  - a. Conduct of marijuana establishment agents;
  - b. Permitting inspections by state and local licensing and enforcement authorities;
  - c. Local and state licensing and enforcement;
  - d. Incident and notification requirements;
  - e. Administrative, civil, and criminal liability;
  - f. Health and safety standards, including waste disposal

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- g. Patrons prohibited from bringing marijuana and marijuana products onto licensed premises;
- h. Permitted hours of sale;
- i. Licensee responsibilities for activities occurring within licensed premises;
- j. Maintenance of records, including confidentiality and privacy; and
- k. Any other areas of training determined by the Commission to be included in a responsible vendor training program.

The Company shall also ensure that all of its board members, directors, employees, Executives (as that term is defined in 935 CMR 500.002), managers, and volunteers shall:

- (a) be 21 years of age or older;
- (b) not have been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority; and
- (c) be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 500.802.

This policy may also be referred to by the Company as the “**Employee Qualification and Training Policy**”.

## Flying Goose LLC

### **Personnel Policies Including Background Checks**

Flying Goose LLC (the “**Company**”) shall implement the following Personnel Policies and Background Check policies:

- (1) The Company shall require that all personnel strictly adhere to, and comply with, all aspects of the *Security Policy*, which policy shall be incorporated herein by reference, specifically employee security policies, including personal safety and crime prevention techniques;
- (2) The Company shall develop a staffing plan and staffing records in compliance with 935 CMR 500.105(9)(d);
- (3) The Company shall develop emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
- (4) It shall be a policy of the Company that the workplace shall be alcohol, smoke and drug-free;
- (5) The Company shall require that all personnel strictly adhere to, and comply with, all aspects of the *Record Retention* and *Financial Record Maintenance and Retention* policies, which policies shall be incorporated herein by reference, specifically regarding the maintenance of confidential information and other records required to be maintained confidentially;
- (6) The Company shall immediately dismiss any Marijuana Establishment agent who has:
  - a. Diverted marijuana, which shall be reported to law enforcement authorities and to the Commission;
  - b. Engaged in unsafe practices with regard to operation of the Marijuana Establishment, which shall be reported to the Commission; or
  - c. Been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of Other Jurisdictions (as that term is defined in 935 CMR 500.002).
- (7) The Company shall make a list of all board members and Executives (as that term is defined in 935 CMR 500.002) of the Marijuana Establishment, and members of the licensee (if any), available upon request by any individual. The Company may make this list available on its website.
- (8) The Company shall develop policies and procedures for the handling of cash on Marijuana Establishment premises including but not limited to storage, collection frequency, and transport to financial institution(s), as set forth in its *Security Policy*.

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- (9) The Company shall apply for registration for all of its board members, directors, employees, Executives (as that term is defined in 935 CMR 500.002), managers, and volunteers. All such individuals shall:
- a. be 21 years of age or older;
  - b. not have been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of Other Jurisdictions (as that term is defined in 935 CMR 500.002); and
  - c. be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 935 CMR 500.801 or 935 CMR 500.802.
- (10) An application for registration of a marijuana establishment agent shall include:
- a. the full name, date of birth, and address of the individual;
  - b. all aliases used previously or currently in use by the individual, including maiden name, if any;
  - c. a copy of the applicant's driver's license, government-issued identification card, liquor purchase identification card issued pursuant to M.G.L. c. 138, § 34B, or other verifiable identity document acceptable to the Commission;
  - d. an attestation that the individual will not engage in the diversion of marijuana products;
  - e. written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport, and dispense marijuana in the Commonwealth;
  - f. background information, including, as applicable:
    1. a description and the relevant dates of any criminal action under the laws of the Commonwealth, or Other Jurisdiction (as that term is defined in 935 CMR 500.002), whether for a felony or misdemeanor and which resulted in conviction, or guilty plea, or plea of nolo contendere, or admission of sufficient facts;
    2. a description and the relevant dates of any civil or administrative action under the laws of the Commonwealth, or Other Jurisdiction (as that term is defined in 935 CMR 500.002) relating to any professional or occupational or fraudulent practices;

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3. a description and relevant dates of any past or pending denial, suspension, or revocation of a license or registration, or the denial of a renewal of a license or registration, for any type of business or profession, by any federal, state, or local government, or any foreign jurisdiction;
  4. a description and relevant dates of any past discipline by, or a pending disciplinary action or unresolved complaint by, the Commonwealth, or Other Jurisdiction (as that term is defined in 935 CMR 500.002) with regard to any professional license or registration held by the applicant;
- (b) a nonrefundable application fee paid by the Marijuana Establishment with which the marijuana establishment agent will be associated; and
- (c) any other information required by the Commission.
- (11) Any Executives (as that term is defined in 935 CMR 500.002) of the Company registered with the Department of Criminal Justice Information Systems (“DCJIS”) pursuant to 803 CMR 2.04: *iCORI Registration*, shall submit to the Commission a Criminal Offender Record Information (“CORI”) report and any other background check information required by the Commission for each individual for whom the Company seeks a marijuana establishment agent registration, obtained within 30 calendar days prior to submission.
- a. The CORI report obtained by the Company shall provide information authorized under Required Access Level 2 pursuant to 803 CMR 2.05(3)(a)2.
  - b. The Company’s collection, storage, dissemination and usage of any CORI report or background check information obtained for marijuana establishment agent registrations shall comply with 803 CMR 2.00: *Criminal Offender Record Information (CORI)*.
- (12) The Company shall notify the Commission no more than one (1) business day after a marijuana establishment agent ceases to be associated with the Company. The subject agent’s registration shall be immediately void when the agent is no longer associated with the Company.
- (13) The Company shall require that all agents renew their registration cards annually from the date of issue, subject to a determination by the Commission that the agent continues to be suitable for registration.
- (14) After obtaining a registration card for a marijuana establishment agent, the Company shall notify the Commission, in a form and manner determined by the Commission, as soon as possible, but in any event, within five (5) business days of any changes to the information that the Marijuana Establishment was previously required to submit to the Commission or after discovery that a registration card has been lost or stolen.



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- (15) The Company's agents shall carry their registration card at all times while in possession of marijuana products, including at all times while at the Marijuana Establishment or while transporting marijuana products.
- (16) Should any of the Company's agents be affiliated with multiple Marijuana Establishments the Company shall ensure that such agents are registered as a marijuana establishment agent by each Marijuana Establishment and shall be issued a registration card for each establishment.
- (17) The Company shall maintain, and keep up to date, an employee handbook that employees will be given copies of at the start of their employment and will be required to attest that they have read and received the same, covering a wide range of topics, including but not limited to: (1) Employee benefits; (2) Vacation and sick time; (3) Work schedules; (4) Confidentiality standards; (5) Criminal background check standards (6) Security and limited access areas; (7) Employee identification and facility access; (8) Personal safety and crime prevention techniques; (9) Alcohol, drug, and smoke-free workplace; and (10) Grounds for discipline and termination. Each Employee shall be required to review the handbook and attest to their understanding and receipt of the same. The Company will review its employee handbook periodically and communicate any changes to its employees.

### **Personnel Record Keeping**

The Company shall maintain the following Personnel Records:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
2. A personnel record for each marijuana establishment agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with the Marijuana Establishment 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;

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- f. A record of any disciplinary action taken; and
  - g. Notice of completed responsible vendor and eight (8) hour related duty training.
3. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions (as applicable);
  4. Personnel policies and procedures; and
  5. All background check reports obtained in accordance with M.G.L. c. 6 § 172, 935 CMR 500.029, 935 CMR 500.030, and 803 CMR 2.00: *Criminal Offender Record Information (CORI)*.

The Company's aforementioned Personnel Records shall be available for inspection by the Commission, on request. All records shall be maintained in accordance with generally accepted accounting principles.

Following closure of the Company's Marijuana Establishment, all records shall be kept for at least two (2) years at the Company's expense, in a form and location acceptable to the Commission.

### Staffing Plan

#### Executive Level:

- CEO;
- CFO; and
- COO.

#### Management Level:

- Sales Manager; and
- Security Manager.

#### Staff Level

- Up to fifteen (15) Staff Level Sales Representatives;

#### Consultant Level

- Attorney / Compliance Officer;
- Human Resources Provider; and
- Up to five (5) Security Officers.

This policy may also be referred to by the Company as the “**Personnel and Background Check Policy**”.

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### Record Keeping Procedures

Flying Goose LLC (the “**Company**”) shall keep and maintain records of the Marijuana Establishment in accordance with generally accepted accounting principles. Such records shall be available for inspection by the Commission, upon request and shall include, but not be limited to, all records required in any section of 935 CMR 500.000: *Adult Use of Marijuana*, in addition to the following:

- (a) Written operating procedures as required by 935 CMR 500.105(1);
- (b) Inventory records as required by 935 CMR 500.105(8);
- (c) Seed-to-sale SOR electronic tracking system records for all marijuana products as required by 935 CMR 500.105(8)(e);
- (d) Personnel records as described in the Company’s *Personnel and Background Check Policy*, which policy shall be incorporated herein by reference, and as follows:
  - a. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
  - b. A personnel record for each marijuana establishment agent. Such records shall be maintained for at least 12 months after termination of the individual’s affiliation with the Marijuana Establishment and shall include, at a minimum, the following:
    - i. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
    - ii. Documentation of verification of references;
    - iii. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
    - iv. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
    - v. Documentation of periodic performance evaluations;
    - vi. A record of any disciplinary action taken; and
    - vii. Notice of completed responsible vendor training program and in-house training.

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- c. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions (as applicable);
  - d. Personnel policies and procedures, including at a minimum, the following: (a) code of ethics; (b) whistleblower policy; and (c) a policy which notifies persons with disabilities of their rights under <https://www.mass.gov/service-details/about-employment-rights> or a comparable link, and includes provisions prohibiting discrimination and providing reasonable accommodations; and
  - e. All background check reports obtained in accordance with M.G.L. c. 6 § 172, 935 CMR 500.029, 935 CMR 500.030, and 803 CMR 2.00: *Criminal Offender Record Information (CORI)*;
- (e) Business records as described in the Company's *Financial Record Maintenance and Retention Policy*, which shall include manual or computerized records of the following: (1) assets and liabilities; (2) monetary transactions; (3) books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers; (4) sales records including the quantity, form, and cost of marijuana products; and (5) salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over the marijuana establishment, if any; and
- (f) Waste disposal records as required under 935 CMR 500.105(12), including but not limited to, a written or electronic record of the date, the type and quantity of marijuana, marijuana products or waste disposed or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two (2) Marijuana Establishment Agents present during the disposal or other handling, with their signatures. The Company shall keep these records for at least three (3) years. This period shall automatically be extended for the duration of any disciplinary action and may be extended by an order of the Commission.

All Confidential Information (as that term is defined in 935 CMR 500.002) shall be maintained confidentially including secured or protected storage (whether electronically or in hard copy), and accessible only to the minimum number of specifically authorized employees essential for efficient operation and retention of such records. In any event, the Company shall be authorized to disclose such confidential information as may be required by law.

Following closure of a Marijuana Establishment, the Company shall keep all records for at least two (2) years at the Company's expense and in a form and location acceptable to the Commission. It shall be a policy of the company that any and all records subject to any disciplinary action shall be retained for the duration of such action, or as otherwise extended by order of the Commission.

This policy may also be referred to by the Company as the “**Record Retention Policy**”.

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### Maintaining of Financial Records

Flying Goose LLC (the “**Company**”) shall keep and maintain records of the Marijuana Establishment in accordance with generally accepted accounting principles. Such records shall be available for inspection by the Commission, upon request and shall include, but not be limited to, all financial records required in any section of 935 CMR 500.000: *Adult Use of Marijuana*, and business records, in accordance with 935 CMR 500.105(e), which shall include manual or computerized records of:

1. Assets and liabilities;
2. Monetary transactions;
3. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
4. Sales records including the quantity, form, and cost of marijuana products; and
5. Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over the marijuana establishment, if any.

Furthermore, consistent with the Company’s *Dispensing Policy*, the Company shall implement the following policies for Recording Sales

- (a) The Company shall utilize a point-of-sale (“**POS**”) system approved by the Commission, in consultation with the Massachusetts Department of Revenue (“**DOR**”).
- (b) The Company may also utilize a sales recording module approved by the DOR.
- (c) The Company shall not utilize any software or other methods to manipulate or alter sales data at any time or under any circumstances.
- (d) The Company shall conduct a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate or alter sales data. The Company shall maintain records that it has performed the monthly analysis and produce it upon request to the Commission. If the Company determines that software has been installed for the purpose of manipulation or alteration of sales data or other methods have been utilized to manipulate or alter sales data:
  - i. it shall immediately disclose the information to the Commission;
  - ii. it shall cooperate with the Commission in any investigation regarding manipulation or alteration of sales data; and

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- iii. take such other action directed by the Commission to comply with 935 CMR 500.105.
- (e) The Company shall comply with 830 CMR 62C.25.1: *Record Retention and DOR Directive 16-1* regarding recordkeeping requirements.
- (f) The Company shall adopt separate accounting practices at the POS for marijuana and marijuana product sales, and non-marijuana sales.
- (g) The Company shall allow the Commission and the DOR audit and examine the POS system used by a retailer in order to ensure compliance with Massachusetts tax laws and 935 CMR 500.000: *Adult Use of Marijuana*;

Following closure of a Marijuana Establishment, the Company shall keep all records for at least two years at the Company's expense and in a form and location acceptable to the Commission.

This policy may also be referred to by the Company as the “**Financial Record Maintenance and Retention Policy**”.

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### Energy Compliance Plan

Flying Goose LLC (the “**Company**”) shall meet all applicable environmental laws, regulations, permits and other applicable approvals, including, but not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7:00: *Air Pollution Control*. The Company will use additional best management practices as determined by the Commission in consultation with the working group established under St. 2017, c. 55 78(b) or applicable departments or divisions of the Executive Office of Energy and Environmental Affairs (the “EOEEA”) to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts, including but not limited to:

- Identification of potential energy use reduction opportunities (such as natural lighting and energy efficiency measures), and a plan for implementation of such opportunities;
- Consideration of opportunities for renewable energy generation including, where applicable, submission of building plans showing where energy generators could be placed on the site, and an explanation of why the identified opportunities were not pursued, if applicable;
- Strategies to reduce electric demand (such as lighting schedules, active load management, and energy storage); and
- Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through municipal lighting plants.

The Company shall provide energy and water usage reporting to the Commission in a form determined by the Commission, including but not limited to, guidance documents for Best Management Practices for Water Use approved by the Commission on April 4, 2019. The Company shall submit, in connection with its license renewal application, a report of its cultivation energy and water usage over the twelve (12) month period prior to renewing its licensure. If minimum standards or best management practices are not established by the time of an application for initial licensure, the Company will satisfy such standards or best management practices as a condition of license renewal, in addition to any terms and conditions of any environmental permit regulating the licensed activity.

Additionally, the Company shall, at a minimum, be subject to the following energy efficiency and equipment standards:

- (a) The building envelope for the Facility shall meet minimum Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: *State Building Code*), International Energy Conservation Code (IECC) Section C402 or The American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) Chapters 5.4 and 5.5 as applied or incorporated by reference in 780 CMR: *State Building Code*, as may be further defined by guidance issued by the Commission.

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- (b) If the Company is unable to generate 80% of its total annual on-site energy use for all fuels (expressed on a MWh basis) from onsite or renewable generating sources, renewable thermal generation, as provided in M.G.L. c. 25A § 11F and 11F½, then it shall ensure that its Horticulture Lighting Power Density does not exceed 35 watts per square foot.
- (c) The Company shall provide third-party safety certification by an OSHA NRTL or SCC-recognized body, which shall certify that products meet a set of safety requirements and standards deemed applicable to horticultural lighting products by that safety organization as well as certification from a licensed Massachusetts Mechanical Engineer that the HVAC and dehumidification systems meet Massachusetts building code as specified in this 935 CMR 501.120(12)(c) and that such systems have been evaluated and sized for the anticipated loads of the facility (as applicable).
- (d) If the Company is unable to generate 80% of its the total annual on-site energy use for all fuels (expressed on a MWh basis) from an onsite clean or renewable generating source, renewable thermal generation, as provided in M.G.L. c. 25A § 11F and 11F½, the Heating Ventilation and Air Condition (HVAC) and dehumidification systems shall meet Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: State Building Code), IECC Section C.403 or ASHRAE Chapter 6 as applied or incorporated by reference in (780 CMR: *State Building Code*).
- (e) Employees and visitors shall be required to wear eye protection near operating horticultural lighting equipment.
- (f) Prior to final licensure, the Company shall demonstrate compliance with 935 CMR 500.120(11) and 935 CMR 500.105(15) by submitting an energy compliance letter prepared by a licensed Massachusetts Professional Engineer, Registered Architect or a Certified Energy Auditor or Manager (as certified by the Association of Energy Engineers) with supporting documentation, together with submission of building plans pursuant to 935 CMR 500.103.

This policy may also be referred to by the Company as the “**Energy Compliance Policy**”.



## Flying Goose LLC

### Diversity Plan

Flying Goose LLC (the “**Company**”) understands and appreciates the importance of diversity and as such is committed to actively working to ensure a diverse work place is created in the Company.

It is a policy of the Company to promote equity among minorities, women, veterans, persons with disabilities, and L.G.B.T.Q. + in the operation of the Marijuana Establishment. The Company will make jobs available to minorities, women, veterans, persons with disabilities, and L.G.B.T.Q. +.

To this end, the Company will deploy a plan for enhancing diversity and equity within the organization through a number of various outreach efforts. Specifically, as it relates to its own internal practices, the Company will implement the following policies in connection with its diversity plan:

#### Goals:

- (1) The Company endeavors to provide job opportunities to people of color, particularly Black, African American, Hispanic, Latinx, and Indigenous people, women, veterans, persons with disabilities, and L.G.B.T.Q. +. The Company shall seek parity in its work force based on the American Community Survey (ACS) 2010 U.S. Census. **Workforce availability statistics for the Total Civilian Labor Force in Massachusetts is as follows: Women 49.2% and Minorities 25.2%<sup>1</sup>. The Company shall also seek to hire the following: 25% minorities; 25% veterans; 10% persons with disabilities; and 10% LGBTQ+**
- (2) It shall be a goal of the Company to hire **at least one (1)** disadvantaged business enterprise (i.e. a minority owned business, a woman owned business or veteran owned business) in connection with the construction of its proposed facility.
- (3) It shall be a goal of the Company to ensure that **one hundred percent (100%)** of its employees receive **training on diversity and sensitivity.**

#### Programs:

To the extent reasonably practicable, the Company shall implement the following programs:

- In an effort to ensure it has the opportunity to interview, and hire a diverse staff, the Company will post **monthly notices** for **three (3) months** during the hiring process in newspapers of general circulation such as the **Douglas Dispatch** and post a notice at the municipal offices in **Douglas Town Hall** for **three (3) months** during the hiring process. The aforementioned notices will state that the Company is specifically looking for minorities, women, veterans, persons with disabilities, or L.G.B.T.Q. +, to work for the Company.

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<sup>1</sup> <https://www.mass.gov/files/2017-08/census-2010-workforce-availability.pdf>

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- As described above, it is a goal of the Company to seek parity in its workforce. Accordingly, the Company shall form a diversity and equity committee to monitor the Company's progress towards meeting those goals. This committee will meet quarterly to review and assess the Company's hires and hiring practices. Meeting Minutes will be provided to the Commission on request and for the Company's annual license renewal application.
- The Company shall utilize the Massachusetts Supplier Diversity offices list of Certified Minority and Woman Owned Business Enterprises to source the various jobs required to construct its facility. The Company will utilize the searchable directory available at: <https://www.sdo.osd.state.ma.us/BusinessDirectory/BusinessDirectory.aspx> to identify eligible businesses.
- The Company shall require that one hundred percent (100%) of its employees receive education on diversity, implicit biases and sensitivity within the first ninety (90) days of employment and once annually thereafter. The Company's educational programs on diversity, implicit biases and sensitivity shall include, but not be limited to: (1) Harassment, Diversity & Sensitivity Training; (2) Sexual Harassment Prevention & Awareness Training; (3) Discrimination Free Workplace; (4) Violence in the Workplace; (5) Harassment in the Workplace (for Management); (6) Diversity and Sensitivity in the Workplace (for Management); (7) Unconscious Bias Training; (8) Ethics; and (9) Drug and Alcohol-Free Workplace.

### Measurements

To the extent reasonably practicable and as allowed by law, the Company shall implement the following measurements:

- a. Pursuant to 935 CMR 500.103(4)(a) the Company's diversity and equality committee shall prepare an annual report identifying the Company's efforts to encourage diversity in the work place, in compliance with 935 CMR 500.101(1)(c)(8)(k) and this *Diversity Policy*. Specifically, said report shall identify the demographics of its employee population including but not limited to identifying the gender, race, sexual orientation and disabled status of its employees without identifying the employee specifically and to the extent each employee is willing to share such information.

Additionally, this report will include the following metrics:

- i. Number of individuals from the target demographic groups who were hired and retained after the issuance of a license;
- ii. Number of promotions for people falling into the target demographics since initial licensure and number of promotions offered;
- iii. Number of jobs created since initial licensure;

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- iv. Number of Certified Disadvantaged Businesses utilized during the construction of the facility.
- v. Number of job postings in publications with supporting documentation; and
- vi. Number and subject matter of internal trainings held on diversity, implicit biases and sensitivity and the number of employees in attendance.

The Company affirmatively states that: (1) it 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; (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 and (3) the Company will be required to document progress or success of this plan, in its entirety, annually upon renewal of its provisional license.

This policy may also be referred to by the Company as the “**Diversity Plan**”.