



## Massachusetts Cannabis Control Commission

### Marijuana Product Manufacturer

#### General Information:

License Number: MP282157  
Original Issued Date: 12/12/2022  
Issued Date: 12/12/2022  
Expiration Date: 12/12/2023

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Hudson Botanical Processing LLC

Phone Number: 508-658-3573 Email Address: brian.adams@hbprocessing.com

Business Address 1: 14 Kane Industrial Drive

Business Address 2:

Business City: Hudson

Business State: MA

Business Zip Code: 01749

Mailing Address 1: 9 Kane Industrial Drive

Mailing Address 2: Unit# 1

Mailing City: Hudson

Mailing State: MA

Mailing Zip Code: 01749

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

### RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

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

If no, describe the circumstances below:

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 45 Percentage Of Control: 50

Role: Executive / Officer

Other Role:

First Name: John

Last Name: Adams

Suffix:

Gender: Decline to Answer	User Defined Gender:	
What is this person's race or ethnicity?: Decline to Answer		
Specify Race or Ethnicity:		
Person with Direct or Indirect Authority 2		
Percentage Of Ownership: 36.8	Percentage Of Control: 50	
Role: Owner / Partner	Other Role:	
First Name: Kathleen	Last Name: Adams	Suffix:
Gender: Female	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

Entity Contributing Capital 1

Entity Legal Name: Hudson Botanical Processing LLC		Entity DBA:	
Email:	Phone: 508-658-3573		
brian.adams@hbprocessing.com			
Address 1: 9 Kane Industrial Drive		Address 2: Unit# 1	
City: Hudson	State: MA	Zip Code: 01749	
Types of Capital: Monetary/Equity	Other Type of Capital:	Total Value of Capital Provided:	Percentage of Initial Capital:
		\$70000	100
Capital Attestation: Yes			

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

First Name: John	Last Name: Adams	Suffix:
Marijuana Establishment Name: Hudson Botanical Processing, LLC		Business Type: Marijuana Product Manufacture
Marijuana Establishment City: Hudson		Marijuana Establishment State: MA

Individual 2

First Name: Kathleen	Last Name: Adams	Suffix:
Marijuana Establishment Name: Hudson Botanical Processing, LLC		Business Type: Marijuana Product Manufacture
Marijuana Establishment City: Hudson		Marijuana Establishment State: MA

Individual 3

First Name: Kathleen	Last Name: Adams	Suffix:
Marijuana Establishment Name: Hudson Growers Alliance		Business Type: Marijuana Cultivator

Marijuana Establishment City: Hudson

Marijuana Establishment State: MA

### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 14 Kane Industrial Dr.

Establishment Address 2:

Establishment City: Hudson

Establishment Zip Code: 01749

Approximate square footage of the Establishment: 5750

How many abutters does this property have?: 4

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

### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	14 Kane Certification Form.pdf	pdf	61b24c88bccaf2464fd7c92f	12/09/2021
Plan to Remain Compliant with Local Zoning	Plan to remain compliant with local.pdf	pdf	61b24d350b55784640e0303a	12/09/2021
Community Outreach Meeting Documentation	Community outreach_Redacted.pdf	pdf	61f1bfbcea5b88086e76e419	01/26/2022

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

### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Plan to Positively Impact Areas of Disproportionate Impact.pdf	pdf	61b24e3c0b55784640e03043	12/09/2021
Other	Copy of andy's Attic letter.pdf	pdf	61b24f0a12daf9443937fc0b	12/09/2021

### ADDITIONAL INFORMATION NOTIFICATION

Notification:

### INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Executive / Officer

Other Role:

First Name: John

Last Name: Adams Suffix:

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 2

Role: Owner / Partner

Other Role:

First Name: Kathleen

Last Name: Adams Suffix:

RMD Association: Not associated with an RMD

Background Question: no

Date generated: 01/09/2023

**ENTITY BACKGROUND CHECK INFORMATION**

No records found

**MASSACHUSETTS BUSINESS REGISTRATION**

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	DOR cert of good standing.pdf	pdf	61b777f284fb17447c43a7b5	12/13/2021
Articles of Organization	Articles of organization.pdf	pdf	61b778c4d3dd284475be1615	12/13/2021
Bylaws	Hudson Botanical Processing, LLC - Operating Agreement - 2020-04-22.pdf	pdf	61b77abbd2f0bb446ad22b56	12/13/2021
Secretary of Commonwealth - Certificate of Good Standing	SOS Cert of Good Standing.pdf	pdf	61bba02a90ca3b46232dfd01	12/16/2021
Secretary of Commonwealth - Certificate of Good Standing	UI cert.pdf	pdf	61f1f9cc71cb79087958dc05	01/26/2022

No documents uploaded

Massachusetts Business Identification Number: 001364670

Doing-Business-As Name:

DBA Registration City:

**BUSINESS PLAN**

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	business plan.pdf	pdf	61b782607baa3f462ea45849	12/13/2021
Proposed Timeline	PROPOSED TIMELINE - 14 Kane.pdf	pdf	61b7834c151a044618ec3216	12/13/2021
Plan for Liability Insurance	HBP 14 Kane Industrial Application Attestation.pdf	pdf	61bba0adab6c7a4448908dac	12/16/2021

**OPERATING POLICIES AND PROCEDURES**

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Sample of unique identifying marks used for branding	_Unique Branding 12-15.pdf	pdf	61ba36b5434e1f4432e3a9fa	12/15/2021
Restricting Access to age 21 and older	Restricting Access to age 21 and older 12-15.pdf	pdf	61ba37bc0b55784640e04b37	12/15/2021
Prevention of diversion	Prevention of Diversion 12-15.pdf	pdf	61ba39c790ca3b46232df525	12/15/2021
Storage of marijuana	Storage of Marijuana 12-15.pdf	pdf	61ba42d97baa3f462ea4670c	12/15/2021
Transportation of marijuana	Transportation of Marijuana 12-15.pdf	pdf	61ba467a073d79445b0d30e1	12/15/2021
Inventory procedures	Inventory Procedures.pdf	pdf	61ba46cc90ca3b46232df58d	12/15/2021
Quality control and testing	Quality Control and Testing.pdf	pdf	61ba4715434e1f4432e3aa7a	12/15/2021
Record Keeping procedures	Record Keeping Policy.pdf	pdf	61ba4bd20b55784640e04c01	12/15/2021
Maintaining of financial records	Maintaining of financial records.pdf	pdf	61ba4cf184fb17447c43b7d7	12/15/2021

Qualifications and training	Qualifications and training.pdf	pdf	61ba4d6e073d79445b0d3135	12/15/2021
Energy Compliance Plan	Energy Compliance Plan.pdf	pdf	61ba4defd4f4b84609a5748b	12/15/2021
Plan to Obtain Marijuana	Copy of Plan to Obtain Biomass.pdf	pdf	61ba4ed5073d79445b0d315a	12/15/2021
Security plan	Copy of Destruction of Cannabis Products (1).pdf	pdf	61f548abea0b000858e88f4b	01/29/2022
Personnel policies including background checks	1011 Staffing_Hirieng SOP.pdf	pdf	61f551d4e95b8c0888814ca8	01/29/2022
Types of products Manufactured.	Types of Products Manufactured 1-29-22.pdf	pdf	61f5caef879c73091c81610a	01/29/2022
Security plan	Security Plan 14 Kane Industrial updated 2-4-22.pdf	pdf	61fd5d1871cb790879590c1a	02/04/2022
Method used to produce products	Methods used to produce Products 2-1-22.pdf	pdf	61fd66108d09e508d6116140	02/04/2022
Personnel policies including background checks	HBP Employee Handbook 2-10.pdf	pdf	620536bad3dbc608cfa8ab0	02/10/2022
Safety Plan for Manufacturing	Health and Safety Plan.pdf	pdf	62068ea671cb790879592d97	02/11/2022
Method used to produce products	Methods used to produce Products 2-11.pdf	pdf	620fcb2aea0b000858e8ff36	02/18/2022
Diversity plan	Diversity Plan 2-28-22.pdf	pdf	621d34910d00f507762695e3	02/28/2022

#### ATTESTATIONS

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

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

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

#### Notification:

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

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

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

#### ADDITIONAL INFORMATION NOTIFICATION

#### Notification:

#### COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

#### COMPLIANCE WITH DIVERSITY PLAN

No records found

PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

HOURS OF OPERATION

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

# 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):

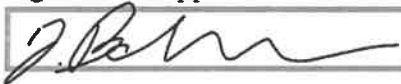
1. Name of applicant:

Hudson Botanical Processing, LLC

2. Name of applicant's authorized representative:

J. Brian Adams

3. Signature of applicant's authorized representative:



4. Name of municipality:

Town of Hudson

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

THOMAS GREGORY



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

Thomas Gregory

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).*):

tgregory@townofhudson.org

8. Host community agreement execution date:

12 / 6 / 2021





# **Hudson Botanical Processing**

9 Kane Industrial Dr., Unit 1  
Hudson, MA 01749

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

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

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

### **Special Permit Conditions:**

1. The petitioner shall meet with the Chief of Police annually to review the security plans. Any substantial modification of the security plan shall require the approval of the Chief of Police.
2. The sale, merger, acquisition of Hudson Botanical Processing, or any change of control, shall necessitate a review of the security plan by the Chief of Police.
3. Per Section 5.12.7, the petitioner shall file an annual report and appear before the Special Permit Granting Authority and the Board of Health by no later than January 31. As part of the annual report, the Petitioner shall include a copy of all current applicable State licenses for the Center, and demonstrate continued compliance with the conditions of this Special Permit.

### **HCA Conditions:**

1. Within 60 days of the calendar year a report of gross revenue needs to be submitted.
2. Any seed to sale tracking reports that are submitted to the CCC.

# Community Outreach Meeting Attestation Form

## Instructions

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

## Attestation

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

1. The Community Outreach Meeting was held on the following date(s): 12/22/2021
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:
- b. Name of publication:

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:

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:

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



Name of applicant:

Hudson Botanical Processing, LLC

Name of applicant's authorized representative:

J. Brian Adams

Signature of applicant's authorized representative:







Attachment A

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

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

**Order Number:** CN13999419**Salesperson:** Deborah Dillon

Brian Adams  
Hudson Botanical Processing, LLC  
5 Kane Industrial Dr.  
Hudson, MA 01749

<b>Title:</b>	<b>MetroWest Daily News</b>	<b>Class:</b>	<b>Legals</b>
<b>Start date:</b>	<b>12/7/2021</b>	<b>Stop date:</b>	<b>12/7/2021</b>
<b>Insertions:</b>	<b>1</b>	<b>#Lines:</b>	<b>21 ag</b>
<b>Price:</b>	<b>\$123.10</b>		

14 KANE INDUSTRIAL DR.

**LEGAL NOTICE**

**Hudson Botanical Processing**  
**9 Kane Industrial Dr., Unit 1**  
**Hudson, MA 01749**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for December 22nd, 2021 at 6:00 pm at 5 Kane Industrial Dr, Hudson, MA 01749 on the second floor. An elevator is in the back of the building if needed. The proposed cannabis manufacturing facility is anticipated to be located at 14 Kane Industrial Dr., Hudson, MA 01749. There will be an opportunity for the public to ask questions.

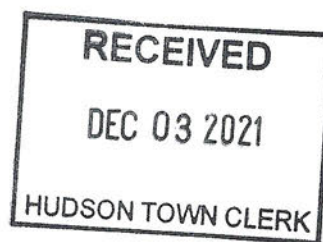
AD#13999419  
MWDN 12/7/21

Attachment B



**Hudson  
Botanical  
Processing**

**9 Kane Industrial Dr., Unit 1  
Hudson, MA 01749**



To Whom it may concern,

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for December 22nd, 2021 at 6:00 pm at 5 Kane Industrial Dr, Hudson, MA 01749 on the second floor. An elevator is in the back of the building if needed. The proposed cannabis manufacturing facility is anticipated to be located at 14 Kane Industrial Dr., Hudson, MA 01749. There will be an opportunity for the public to ask questions.

Sincerely,

Hudson Botanical Processing, LLC

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only

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

Stow, MA 01775

**OFFICIAL USE**

Certified Mail Fee \$3.75

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$0.00

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Postmark Here  
 DEC - 2021 0749 06  
 12/03/2021

Sent To [REDACTED]

Street and [REDACTED]

City, State [REDACTED]

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only

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

Saint Louis, MO 63141

**OFFICIAL USE**

Certified Mail Fee \$3.75

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$0.00

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Postmark Here  
 DEC - 2021 0749 06  
 12/03/2021

Sent To [REDACTED]

Street and [REDACTED]

City, State [REDACTED]

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only

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

Weston, MA 02493

**OFFICIAL USE**

Certified Mail Fee \$3.75

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$0.00

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Postmark Here  
 DEC - 2021 0749 06  
 12/03/2021

Sent To [REDACTED]

Street and [REDACTED]

City, State [REDACTED]

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Hudson, MA 01749

**OFFICIAL USE**

Certified Mail Fee \$3.75

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$0.00

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$4.33

Postmark Here  
 DEC - 2021 0749 06  
 12/03/2021

Sent To [REDACTED]

Street and [REDACTED]

City, State [REDACTED]

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Attachment C

**Plan to Positively Impact Areas of Disproportionate Impact**  
**935 CMR 500.101(1)(a)11**

**Goals**

Promote sustainable and socially restorative practices by the cannabis industry in Massachusetts by participating in community clean-up and volunteer opportunities in areas of disproportionate impact. Hudson Botanical Processing (HBP) will participate in two volunteer opportunities in Worcester's areas of disproportionate impact as defined by the CCC. As our business grows and we have adequate resources and the ability to volunteer more we are going to strive to attend a minimum of four events a year.

**Program**

HBP will work with Andy's Attic, a local charity organization that's mission is to provide for families, especially those in need, the ability to have warm and comfortable clothing so that they can advance in their everyday life. Andy's Attic is located in Worcester at South Highschool and serves the areas defined by the CCC as areas of disproportionate impact.

Not only does Andy's Attic provide clothing for those in need, but it also provides an opportunity for students of south high (who the majority of are from disproportionately affected areas) to learn and engage in an entrepreneurial/business development program. They learn the in's and out's of operating a nonprofit business, giving the students the building blocks and confidence to run their own businesses someday. By providing our time as volunteers, it allows the students to focus more on learning the business operations.

South high provides schooling for the following Census Geocodes that have been deemed areas of disproportionate impact.

- 7310.02
- 7312.03
- 7312.04
- 7313
- 7314
- 7323.02
- 7327



Students from these disproportionately impacted areas participate in Andy's Attic entrepreneurial/business development program.

HBP will participate in two volunteer events per year as a company to help support the areas that have been disproportionately affected by the war on drugs in Worcester. We will participate in events that will require at least a half-day of volunteering (4 hrs). Andy's Attic hosts one volunteer event per month to help with whatever is needed at their place of work, to make sure clothes are folded, stocked, organized, and delivered to the appropriate places.

### **Measurements**

HBP will track our sustainable and socially reparative practices by attending 2 events we have pledged to be involved with. As our company grows we intend to increase the number of events. We will intend to eventually reach our goal of attending at least one event a quarter. We will present the success and progress of our plan to the CCC upon the renewal of our license each year.

### **Additional Requirements**

HBP acknowledges and is aware, and will adhere to the requirements set forth in 935 CMR 500.105 (4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment. Any actions taken, or programs instituted, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

### **Plan Evaluation**

HBP will always be evaluating this plan and will take suggestions to improve this plan and promote the positive impact of cannabis companies throughout these communities.



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

mass.gov/dor

Letter ID: L1128551104  
Notice Date: December 13, 2021  
Case ID: 0-001-340-980



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



HUDSON BOTANICAL PROCESSING, LLC  
5 KANE INDUSTRIAL DR  
HUDSON MA 01749-2905

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

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

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

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

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

If you have questions, call us at (617) 887-6400 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](https://mass.gov/dor) to learn more about Massachusetts tax laws and DOR policies and procedures, including your Taxpayer Bill of Rights, and MassTaxConnect for easy access to your account:

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



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

Minimum Fee: \$100.00

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

**Restated Certificate of Organization**

(General Laws, Chapter )

**Identification Number:** 001364670

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**7. The name and business address of the person(s) in addition to the manager(s), authorized to execute**

documents to be filed with the Corporations Division, and at least one person shall be named if there are no managers.

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

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

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

**9. Additional matters:**

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

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

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

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

THE COMMONWEALTH OF MASSACHUSETTS

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

February 20, 2020 03:33 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*

**ACTION BY WRITTEN CONSENT OF  
THE MEMBERS AND MANAGERS OF  
HUDSON BOTANICAL PROCESSING, LLC  
IN LIEU OF MEETING**

The undersigned, being all of the Members and Managers of **HUDSON BOTANICAL PROCESSING, LLC**, (hereinafter referred to as the “Corporation”), a limited liability company duly organized under the laws of the Commonwealth of Massachusetts, hereby waive notice of the time, place and purpose of this special meeting of the Members and Managers of the Corporation and hereby consent to the following votes:

**VOTED:** To amend and restate the Corporation’s Operating Agreement in its entirety and replace the existing version of the Operating Agreement with the Amended and First Restated Operating Agreement attached hereto as Exhibit A.


**VOTED:** To authorize and empower the Corporation to take any and all actions consistent with the adoption of the First Amended and Restated Operating Agreement and operate consistent therewith going forward.

The undersigned Managers and Members further certify that the Corporation is a duly organized Massachusetts Limited Liability Company; and that the foregoing vote is in accordance with the Articles of Organization and Operating Agreement of the Corporation. This vote may be executed in counterparts and shall not impact the validity thereof.

Dated this 22 day of April, 2020.


MEMBERS:

  
\_\_\_\_\_  
John Brian Adams

  
\_\_\_\_\_  
Kathleen K. Adams

  
\_\_\_\_\_  
Luke C. Bean

MANAGERS:

  
\_\_\_\_\_  
John Brian Adams

  
\_\_\_\_\_  
Kathleen K. Adams

**Exhibit A**  
**First Amended and Restated Operating Agreement**

*[ATTACHED]*



**FIRST AMENDED AND RESTATED  
OPERATING AGREEMENT  
OF  
HUDSON BOTANICAL PROCESSING, LLC  
A MASSACHUSETTS LIMITED LIABILITY COMPANY  
AS OF APRIL 22, 2020**

**FIRST AMENDED AND RESTATED OPERATING AGREEMENT  
OF  
HUDSON BOTANICAL PROCESSING, LLC**

This First Amended and Restated Agreement Operating Agreement is adopted by unanimous vote of the Members of Hudson Botanical Processing, LLC owning one hundred percent (100%) of the Capital Interests in the Company as of the 22<sup>nd</sup> day of April, 2020.

**WITNESSETH:**

WHEREAS, by unanimous vote of the Members of Hudson Botanical Processing, LLC by written consent in lieu of a special meeting, various terms and provisions of the Company's Operating Agreement are to be amended;

WHEREAS, given such amendments are extensive, said members have authorized the amendment and restatement of the Company's Operating Agreement in its entirety;

NOW, THEREFORE, the entirety of the Operating Agreement of Hudson Botanical Processing, LLC shall be stricken and the following terms shall be inserted in their place:

**ARTICLE I**

**BASIC STRUCTURE**

**1.1 Form**

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

**1.2 Name**

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

**1.3 Place of Business**

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

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

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

#### **1.5 Term**

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

#### **1.6 Purposes--General**

The purposes for which the Company is organized are:

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

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

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

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

### **ARTICLE II**

#### **FINANCIAL ARRANGEMENTS**

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

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

No Member shall have the right to demand the return of his capital contributions or any distributions from the Company whatsoever except as herein provided.

## **2.2 Additional Capital Contribution**

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

(b) The Managers shall be permitted to obtain additional financing through any form necessary in the amount required, on such terms and conditions as it in its sole discretion deems appropriate, from third parties. In connection with any financing which permits the admission of additional Members, the Percentage Interests of the Members shall be diluted proportionately, based on their respective Percentage Interests immediately prior to any such dilution. Without in any way limiting the foregoing, the interest of any third party admitted to the Company pursuant to this Section in the Net Profits, Net Losses and distributions of cash or property of any nature may have such priority or priorities in relationship to the interests therein of the other Members as the Managers may in its sole discretion determine.

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

(d) Each Member, and each person who is hereinafter admitted to the Company as a Member, hereby (i) consents to the admission of any such third party on such terms as the Managers may determine and to any amendment to this Agreement that may be necessary or appropriate to reflect the admission of any such third party and the terms on which the third party invests in the Company; and (ii) acknowledges that, in connection with any admission of any such third party, such Member's interest in allocations of Net Profits and Net Losses and distributions of cash and property of the Company, and net proceeds upon liquidation of the Company, may be diluted or otherwise altered.

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

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

In the event that an additional Member or Substitute Member is admitted to the Company, or if an additional Capital Contribution is made by or on behalf of a Member, Schedule A shall be amended by the Managers to reflect the Capital Contribution and Units of such additional Member or Substitute

Member or the increased Capital Contribution of a Member and, if applicable, any adjustment to the Members' Percentage Interests.

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

## **2.4 Interim Distributions**

Distributions to the Members of cash or assets of the Company shall be made at such times as the Managers shall reasonably determine. The amount of any in-kind distribution shall be the property's then Fair Market Value. Interim distributions shall be made taking into account any preferred or other senior distribution rights which shall have priority.

## **2.5 Evidence of Ownership**

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

## **2.6 Limitation of Liability**

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

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

# **ARTICLE III**

## **MANAGEMENT**

### **3.1 General**

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

All Managers shall have the right to vote on a per capita basis as to the management and conduct of the business of the Company. Except as otherwise herein set forth, the following decisions of the Managers shall control: (1) if there is only one Manager, such Manager's decision shall control, (2) if there are only two Managers, the unanimous decision of the Managers shall control, and (3) if there are more than two Managers, the decision of a majority of the Managers shall control. Any such

decision, approval, action, consent or matter shall be taken at a meeting or teleconference of the requisite number of Managers, or by a writing executed by such requisite number of Managers. Any action taken by the Managers pursuant to this Section, must be undertaken in good faith, in the best interest of the Company and its Members and subject to fiduciary standards imposed under applicable state and judicial law.

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

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

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

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

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

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

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

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

(vii) to cause the Company to make or revoke any of the elections referred to in I.R.C. §§ 108,

704, 709, 754 and 1017 and any similar provisions enacted in lieu thereof, and in any other section of the Code;

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

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

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

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

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

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

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

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

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

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

Subject to Section 3.4, below, the Managers shall be authorized, in the name and on behalf of the Company, to hire, employ, deal with, and otherwise engage in business with, itself or any of its

Affiliates to the extent the Managers determines to do so in their sole discretion.

### **3.2 Managers**

The Members have elected to appoint **JOHN BRIAN ADAMS** and **KATHLEEN K. ADAMS** as the Managers of the Company. A Manager shall serve until his or her successor is elected.

### **3.3 Managers as Members**

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

### **3.4 Member Approval Requirements**

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

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

### **3.5 Binding the Company**

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

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

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

### **3.7 Contracts with Members**

Subject to the provisions of Section 3.4(ii), with the approval of the Managers in each case, the Company may engage in business with, or enter into one or more agreements, leases, contracts or other arrangements for the furnishing to or by the Company, of goods, services or space with any Member or



Affiliate of a Member, and may pay compensation in connection with such business, goods, services or space, provided in each case the amounts payable thereunder are reasonably comparable to those that would be payable to unaffiliated persons under similar agreements, and, if the Managers determine in good faith that such amounts are so comparable, such determination shall be conclusive absent manifest error.

### **3.8 Resignation**

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

### **3.9 Removal**

At a meeting called expressly for that purpose, all or any lesser number of Managers may be removed at any time, with or without cause, by the decision of Members owning more than fifty percent (50%) of the Capital Interests in the Company. The removal of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member unless the removal was for "cause". In such a case, the Member shall be deemed to have withdrawn from the Company. "Cause" shall mean proven embezzlement, intoxication or illegal drug use (specifically excluding the use of cannabis) which materially interferes with job performance, unexcused absenteeism in excess of two times normal Company policy, wrongful disclosure of Company's confidential information, conflict of interest, gross insubordination, or conviction of a felony adversely affecting the ability of the Manager to carry on his or her normal duties.

### **3.10 Vacancies**

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

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

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

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

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

Without limiting the foregoing, the Company shall cause such indemnification to include payment by the Company of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated not to be entitled to indemnification under this Section 3.11, which undertaking may be accepted without reference to the financial ability of such person to make repayment. Any indemnification to be provided hereunder shall be provided even if the person to be indemnified is no longer a Manager or an Affiliate.

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

## **ARTICLE IV**

### **MEETINGS OF MEMBERS**

#### **4.1 Resignation**

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

#### **4.2 Additional Members**

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

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

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

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

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

#### **4.5 Special Meetings**

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

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

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

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

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

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

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

#### **4.9 Record Date**

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

#### **4.10 Quorum**

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

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

If a quorum is present (other than in the case of dissolution), the decision of Members owning more than fifty percent (50%) of the Capital Interests in the Company present or represented or entitled to vote and voting on such matter shall be the act of the Members unless the vote of a greater or lesser proportion or number is otherwise required by the Act, the Certificate of Organization, or this Agreement. Unless otherwise expressly provided herein or required under applicable laws, Members who have an interest (economic or otherwise) in the outcome of any particular matter upon which the Members vote or consent may vote or consent upon any such matter and their Capital Interests, vote or consent, as the case may be, shall be counted in the determination of whether the requisite matter was approved by the Members.

#### **4.12 Proxies**

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

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

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

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

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

### **ARTICLE V**

#### **DISSOLUTION**

##### **5.1 General**

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

##### **5.2 Dissolution Distributions**

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

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

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

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

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

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

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

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

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

#### **5.6 No Members**

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

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

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

### **ARTICLE VI**

### **TRANSFERABILITY**

#### **6.1 General**

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

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

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

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

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

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

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

## **6.3 Permitted Transfers**

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

(i) a revocable trust for the primary benefit of the Member's family, of which the transferor is the Donor and a Trustee thereof;

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

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

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

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

### **ARTICLE VII**

#### **MISCELLANEOUS**

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

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

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

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

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

The Company's fiscal year shall commence on January 1 of each year and shall end on December 31 of each year. Full and accurate books of account shall be kept at such place as the Managers may from time to time designate, showing the condition of the business and finances of the Company; and each Member shall have access to such books of account and shall be entitled to



examine them at any time during ordinary business hours. At the end of each year, the Managers shall cause the Company's accountant to prepare a balance sheet setting forth the financial position of the Company as of the end of that year and a statement of operations (income and expenses) for that year. A copy of the balance sheet and statement of operations (income and expenses) for that year shall be delivered to each Member as soon as they are available.

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

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

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

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

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

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

#### **8.7 Severability**

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

#### **8.8 Effective Date**

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

#### **8.9 Amendments**

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

#### **8.10 Waiver**

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

#### **8.11 Applicable Law**

This Agreement, and the application or interpretation hereof, shall be governed exclusively by

its terms and by the laws of the Commonwealth of Massachusetts and specifically the Massachusetts Limited Liability Company Act at M.G.L. c.156C, without regard to any principles of conflicts of law.

#### **8.12 Assignment**

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

#### **8.13 Arbitration**

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

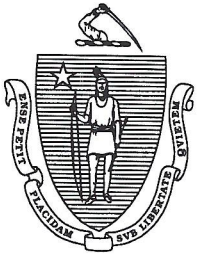
- (a) The parties must first submit the controversy or claim to non-binding mediation.
- (b) After a controversy or claim has been mediated, and in the event that a controversy or claim still exists, the parties agree to settle the controversy or claim through binding arbitration administered by the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

**HUDSON BOTANICAL PROCESSING, LLC**

**SCHEDULE A**

**As of April \_\_\_, 2020**

<b><u>Member</u></b>	<b><u>Units</u></b>
<b>JOHN BRIAN ADAMS</b>	375 Common
<b>KATHLEEN K. ADAMS</b>	230 Series A Preferred
<b>LUKE C. BEAN</b>	20 Series B Preferred
<b>TOTAL</b>	<b>625 Units</b>



William Francis Galvin  
Secretary of the  
Commonwealth

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

**December 9, 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

**HUDSON BOTANICAL PROCESSING, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **January 18, 2019**.

I further certify that said Limited Liability Company has filed all annual reports due and paid all fees with respect to such reports; that said Limited Liability Company has not filed a certificate of cancellation; 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: **JOHN BRIAN ADAMS, KATHLEEN K ADAMS**

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **JOHN BRIAN ADAMS, KATHLEEN K ADAMS**



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



384934192

Rosalin Acosta  
SECRETARY  
Richard A. Jeffers  
DIRECTOR

Hudson Botanical Processing, LLC  
9 KANE INDUSTRIAL DRIVE  
UNIT 1  
HUDSON, MA 01749

EAN: 22171336  
January 20, 2022

Certificate Id:55344

The Department of Unemployment Assistance certifies that as of 1/20/2022 ,Hudson Botanical Processing, 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



CONFIDENTIAL

# Hudson Botanical Processing, LLC

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**Business plan**  
Prepared March 2019

## **Contact Information**

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

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# Executive Summary

## Opportunity

### Problem

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

### Solution

Hudson Botanical Processing, LLC (HBP) is going to produce high quality vape products at a competitive price. Unlike a lot of the other products on the market, our vapes will never use artificial fillers, additives or chemicals. Our customers can rely on getting a consistent product, no matter where its bought.

### Market

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

### Competition

Many of the fully integrated operators in Massachusetts produce vape products, but since they are focused on producing so many different products, their quality lacks. They do offer some high quality vape products, but they are either very expensive or lack in palatability. HBP vapes will always be the highest quality, have great taste, and never use artificial additives.

## Why Us?

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

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

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

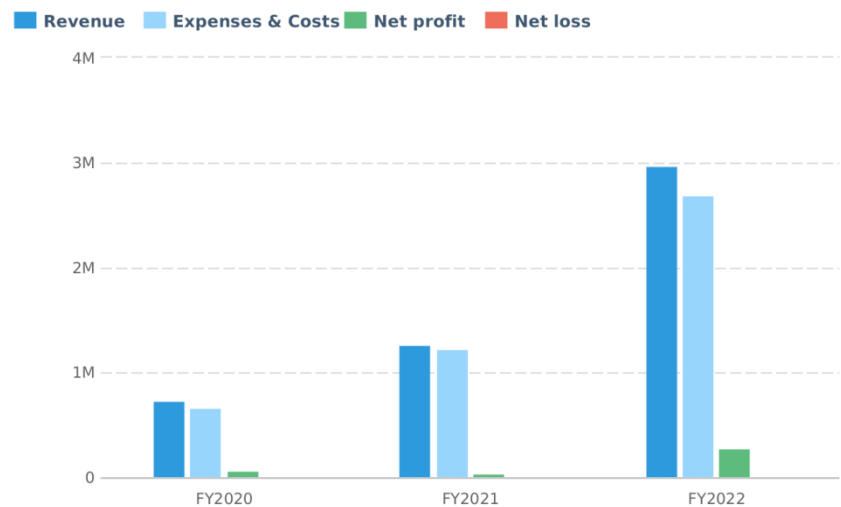
Being one of the first cannabis manufactures in the Massachusetts market, HBP will establish market standards, brand recognition, and customer loyalty. We are committed to excellence in all phases of interaction with clients, partners, and the community. Lastly, our process and products have been optimized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

## Expectations

### Forecast

For a total investment of \$250,000.00, and a tenant fit up worth \$150,000.00, Hudson Botanical Processing is expect to generate \$730,000.00 in the first whole year of operation. In year two we expect to really hit stride, reducing our operating costs and increasing operating efficiencies to net a total income of \$1.2 million. We always expect to hit net margins of over 30% no matter what the market demanded price is for our products.

## Financial Highlights by Year



# Opportunity

## Problem & Solution

### Problem Worth Solving

The cannabis industry is now online in Massachusetts, and there is an opportunity for the state to benefit financially and socially through the responsible use of cannabis. Hudson Botanical Processing, LLC (HBP) is looking to create new business and employment opportunities in the emerging cannabis industry. High-quality, great tasting vapes that are not filled with artificial flavors and fillers are needed in Massachusetts. Many consumers are not informed about the harmful chemicals such as PG, PEG, MCT, and plastics that are often found in finished vaporizer products.

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

### Our solution

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

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

## Target Market

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

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

## Competition

### Current alternatives

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

### Our advantages

From the competitive analysis that we have done, no one can match our quality and flavor profiles. We do not foresee having any issues selling to independent

dispensaries, but it will be more challenging to gain the business of the vertically integrated operators.

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

# Execution

## Marketing & Sales

### Marketing Plan

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

#### In-store Collateral

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

#### Website

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

#### Social Media

- HBP will have profiles with all the leading social media platforms such as Facebook, Twitter and Instagram.
- Our social media strategy will mostly serve our loyal customers and allow them to engage with our brand, products, and community.

- We will adapt a thought leadership program, which we will post content that is most relevant to help our customers better understand cannabis and all its amazing benefits.

#### Retail Agent Collateral

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

#### Cannabis Wholesale Websites

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

#### Cannabis media outlets

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

#### Cannabis events & conferences

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

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

### Sales Plan

HBP is strictly a business-to-business organization, that will be selling finished goods to licensed cannabis retailers across the state of Massachusetts. As the



business grows we will be tracking our sales leads through a basic sales funnel model, which will be broken down by where we stand in the sales cycle including when we first connect, to when the sale is made. All sales and contact information will be tracked in a spreadsheet, until we find it necessary to purchase a CRM platform.

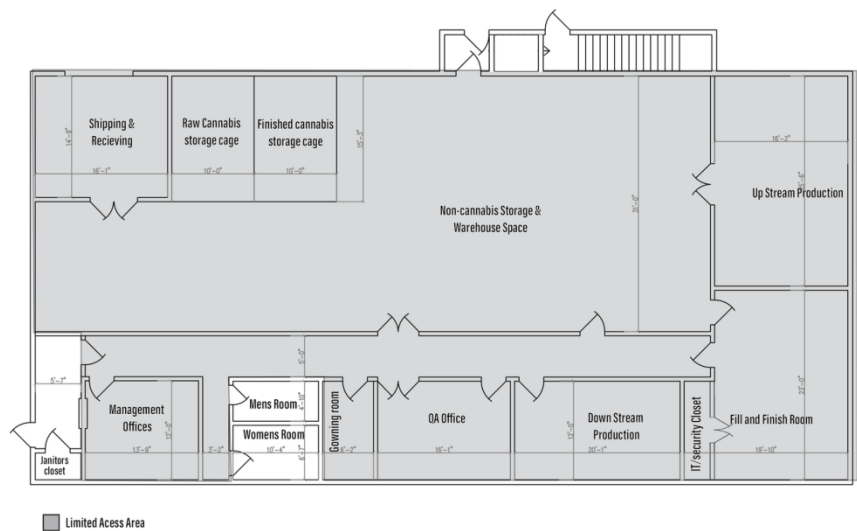
It is our goal to open 5 new accounts each month until we are sold in 95% of all dispensaries in Massachusetts.

## **Operations**

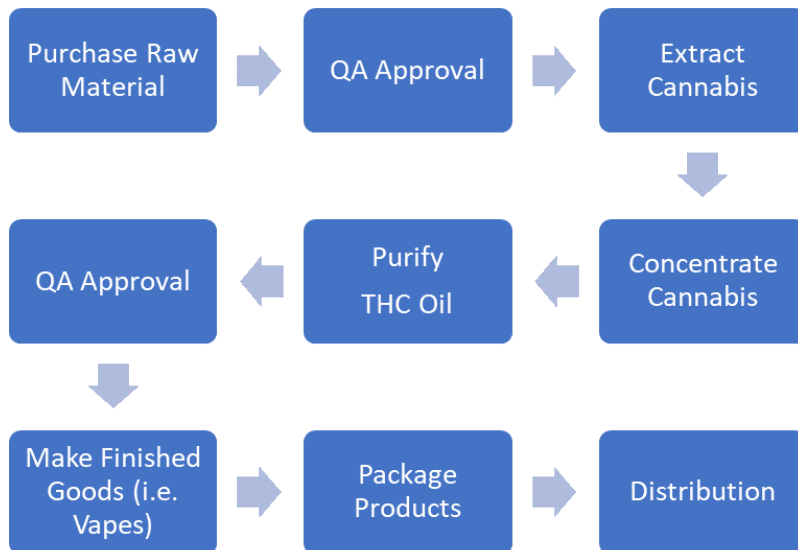
### **Locations & Facilities**

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

Appendix C.



Phases of Production



### **Distribution Strategy**

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

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

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

## **Technology**

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

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

### **QuickBooks**

We will use QuickBooks as our accounting solution

### **Company specific spreadsheets**

We will have company specific spreadsheets that will track:

- Production flow
- Sales Funnel
- Ingredient inventory
- Hardware inventory
- Cleaning schedule
- Employment records
- Batch records

### **G-suite**

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

### **Social Media Platforms**

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

## Milestones & Metrics

### Milestones Table

Milestone	Due Date	Who's Responsible	Details
Obtain State Licensure	June 15, 2019	CCC	This may be an ambitious prediction based on the pace that other operators have been licensed. However, we are confident that we are well prepared and the CCC will begin to move faster as they gain experience.
First Sale	August 01, 2019		
5 Employees on Staff	January 01, 2020		
Sold in 50 stores	January 17, 2020		
Max out production capacity at 2 tons	January 01, 2021		

### Key metrics

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

# Company

## Overview

Hudson Botanical Processing, LLC was founded by Brian Adams, who are the acting managers of the company. Kathy Adams is the sole investor of the company, who is providing the start-up capital necessary to get the business off the ground. Luke Bean is our tax and legal adviser.

## Team

### Management team

**Brian Adams**

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

As a production manager, Brian was responsible for leading a team of ten to ensure that production needs were met and inventory levels of 250,000 units were maintained. Brian soon moved into business development where he worked closely

with the sales and marketing team to create educational content on Wana products and general cannabis knowledge.

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

## **Advisors**

Kathy Adams - Real estate and management

Luke Bean - Legal and tax expert



# Financial Plan

## Forecast

### Key assumptions

#### Funding of Expansion

The financial funding of the new location at 14 Kane Industrial Dr. will be handled from revenue generated from HBP current operations. The only construction needed for 14 Kane Industrial Dr. building is a security system and the resurrection of our vault for finished goods storage. This expansion plan will cost less than \$60,000.00.



GORDON ATLANTIC INSURANCE  
— MAKING INSURANCE MAKE SENSE —

December 14, 2021

Cannabis Control Commission  
Union Station  
2 Washington Square  
Worcester, MA 01604

Re: Hudson Botanical Processing, LLC

Dear Board of Commissioners:

Be it known that we represent the captioned Hudson Botanical Processing, LLC. and are processing applications for coverage for General Liability to comply with or exceed 935 CMR (10) Liability Coverage required to Marijuana Establishments. Management offices at 14 Kane Industrial Drive, Hudson, MA 01749.

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

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

Please feel free to contact us with any questions.

Sincerely,

W. Jeffrey Helm, LIA

# **Restricting Access to Individual Under the age 21**

## **Access**

As stated in our security plan, access into the Hudson Botanical Processing (HBP) facility is restricted to employees and authorized personnel only. Anyone that is not a marijuana establishment agent at HBP is considered a visitor. All visitors must enter through the front of the building and be checked in by an authorized employee of HBP. The authorized HBP employee, will make sure that the visitor signs into the log book then will check their government issued I.D. to ensure they are 21 years of age or older to enter the HBP facility.

All employees and registered agents of HBP will be 21 years of age or older. HBP will never hire any individual who is under the age of 21.

## **Identification Verification**

As required by 935 CMR 500.105(2)(b) all marijuana establishment agents are required to take the responsible vendor program, which includes a section about checking and verifying identification. Using the knowledge gained from the training program, employees will use their best judgement to ensure the government issued I.D. is real and accurate. Upon verification, the individual will be allowed into the facility, while being accompanied by an authorized employee.

## **Identification Denial**

If the identification given by the visitor is deemed fraudulent, inaccurate or unacceptable, the individual will not be allowed into the facility and the Police will be notified.

## **Quality Control and Testing**

To protect the public safety of the people of Massachusetts, Hudson Botanical Process (HBP) will only sell marijuana products for adult use that is capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. Testing of marijuana products will be performed by an Independent Testing Laboratory in compliance with the Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products, as amended in November, 2016, published by the DPH.

HBP will preach to all employees that it is everyone's responsibility to make sure that all our products meet our company quality standards. HBP will encourage employees with an incentive program for anyone that brings a quality issue to the attention of their supervisor or QA team.

### **QA/QC Batch Approval Process**

The Quality Assurance (QA) team will be responsible for maintaining the quality and integrity of HBP's products. Through a list of procedures, QA will inspect batches visually and review all analysis received from the testing labs.

The HBP QA team receives and analyzes by SOP, the product-specific, batch specific Certificate of Analysis against internal specifications for the product. The Quality Assurance team either passes or fails the batch for release, for sale, or for further processing such as fill and finish. Batches that pass all specifications for product quality are given a green release quality assurance tag and are moved to the final product released area and failed batches are given a red failed product tag and are moved to the failed product cage for timely destruction.

On a regular basis, the QA team is required to inspect the visual appearance of all products against an approved quality retention batch. If the product fails inspection, the issue needs to be brought to a manufacturing executive as soon as possible, so the issue can be addressed and solved.

### **Lab Testing Protocol**

HBP will require a Certificate of Analysis from a state-licensed independent Testing Laboratory prior to entering any agreements to purchase raw cannabis material. Not only will we use the Certificate of Analysis to make sure the product passes all the required tests, but also to ensure that we are making a sound decision for operation.

Following the completion of a production batch, HBP will send out a sample to a state licensed Independent Testing Laboratory for approval that the batch is below the required limits for all possible contaminants, residual solvents, Cannabinoid content, and homogeneity. After receiving a Certificate of Analysis for a processed batch, the Quality Assurance (QA) team will

review, approve or deny, and release or quarantine the batch. If approved, the batch will then move to the fill and finish department to be infused into finished products. Upon completion of the finished goods, the batches will then be sent out for testing to make sure that our finished products are compliant, safe, and ready to be sold to licensed dispensaries.

### **Facility Sanitation Protocol**

Our facility will operate as a GMP facility with the plan to eventually be a certified cGMP facility. All surfaces where product will be handled on food-grade stainless steel tables and surfaces. All contact surfaces, shall be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination. All finished marijuana packaging will be packaged in our secure fill and finish room, which will have key access for authorized personnel.

All production areas: upstream processing, downstream processing, and fill and finish will all have hand sinks for washing hands and replacement gloves to be reapplied after hand washing. All production areas have been designed so the floors, walls, and ceilings can easily be cleaned, sanitized, and kept in good repair. All production areas will need to be cleaned and sanitized every four hours or the change in a batch, whichever comes sooner. Surfaces need to be wiped, soaked, and sanitized before leaving each day and before starting each day. All surfaces will be wiped clean of debris then cleaned with warm soapy water, dried, then sanitized.

All sanitation equipment and supplies will be stored in the QA office next to the employee locker room. All employees will be able to have access to sanitation equipment and supplies whenever they are needed for the maintenance of sanitary operations.

The Water supply to our facility will be more than sufficient to carry out our operation. Our building has access to Hudson Town water, resulting in no issue of water supply. We have planned and worked with engineers and plumbers to ensure that there will be adequate supply of water to the necessary locations throughout the establishment. HBP's facility has a women's and men's room with multiple stalls and urinals, which is more than adequate for the number of employees we intend to employ.

### **Product Sanitation Protocol**

All biomass to be processed in the HBP facility will be well cured and generally free of seeds and stems. All biomass will be free of dirt, sand, debris, other foreign matter. All material to be processed will be free of contamination by mold, rot, other fungus, and bacterial disease. All biomass will be tested by a third party testing facility and pass all required testing panels before we purchase any material.

All products will be stored and transported under conditions that will protect them against physical, chemical, and microbial contamination. All products will be stored in food safe containers and be stored at least 6 inches off the ground.

## **Employee Sanitation Protocol**

All agents who job includes direct contact with marijuana will follow the requirements for food handlers specified in 105 CMR 300.000. All employees that enter the production facility will be required to follow the procedures below:

- Gown up in there PPE gear which includes: hair net, beard net, lab coat or tyvek suite, non slip shoes, and nitrile gloves.
- Prior to putting on gloves all employees that enter the GMP area will be required to wash their hands following the 935 CMR 500.105(3): Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
- If a new batch is started, hands come in contact with contaminated surface (i.e floor, wall), uses the restroom or 4 hours have elapsed since their last hand wash - handwashing will be required.
- If an employee needs to use the restroom all PPE must be removed, stored in the locker room and reapplied after using the restroom and washing their hands.
- All employees need to maintain adequate personal cleanliness and hygiene such as but not including: showering/bathing regularly, keeping hair clean, covered and tied back, clean clothing and footwear, handwashing regularly, keeping fingernails clean and free of paint, and removing jewelry prior to working.

## **Chemical Storage**

HBP only intends to use ethanol as a solvent for the extraction of cannabis, which is recognized by the FDA as a G.R.A.S. solvent, meaning it is safe for ingestion by humans. The solvent will be stored in yellow fire resistant chemical storage containers. All other toxic items and chemicals to be stored on-site will also be stored away from cannabis products and if needed will be stored in the chemical storage containers. All toxic items will be identified, held, and stored in a manner that protects against contamination of marijuana.

## **Batch Sample Retention**

HBP will retain an adequate number of frozen samples from each cGMP batch for further uses such as, product recall or retesting. Retention samples will be stored for 3 months after the determined shelf life of the product.

We will have a research protocol and report for every step of our process, including 3-month stability protocol on the final vape cartridge.

## **Facility Inspection**

The QA team will be responsible for inspection of the facility, inside and out, to make sure HBP is maintaining a clean, GMP work environment. The inspection will include, but not be limited too:

- Make sure pest control is in working order
- Check the exterior of the building for pests, standing water, chipping paint, leaks, cracks, and anything else that seems out of the ordinary
- Ensure clean-up schedule has been executed
- Trash and disposal needs are being met
- Processing equipment is in working order
- All doors and windows are not broken
- The adequate storage of goods
- Inspect the overall cleanliness of the facility
- The production of marijuana products are in compliance with 105 CMR 500.000: Good Manufacturing Practices for Food and 105 CMR 300.000: Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements.

There will be a QA inspection logbook, which will have date of the inspection, a summary of the inspection findings, and the names, signatures, and titles of the individuals who conducted the inspection.

### **Contaminated Batches**

HBP will have a written policy for responding to laboratory results that indicate contaminant levels are above acceptable limits established in the DPH protocols identified in 935 CMR 500.160(1). The policy will include:

- Batch will be quarantined
- If failed, the materials review board will convene and find the root cause of the failure and generate, review, and execute a Corrective and Preventive Action Plan (CAPA) and execute a CAPA close out.
- CAPA plan may include a plan for rework and reclaim if deemed feasible and safe by the materials review board.
- The Commission will be notified within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch.
- The notification must be from both the Marijuana Establishment and the Independent Testing Laboratory, separately and directly. The notification from the Marijuana Establishment must describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.
- All excess marijuana will be disposed of in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to the source Marijuana Establishment for disposal or by the Independent Testing Laboratory disposing of it directly

## **Non-Cannabis Waste**

Litter and waste will be properly removed on a daily basis to minimize the development of odor and the potential for the waste attracting and harboring pests

## **Cannabis Waste Disposal**

The QA team will be responsible for destroying and disposing of all cannabis material. All excess marijuana and marijuana deemed unusable will be disposed of in compliance with 935 CMR 500.105(12).

All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. All waste will be discarded on a daily basis to minimize odor, contamination, and the potential to attract and harbor pests.

Liquid waste containing marijuana or by-products of marijuana processing will be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for the discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26 through 53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers. Organic material, recyclable material and solid waste generated at a Cannabis Establishment will be redirected or disposed of as follows:

- Organic material and recyclable material shall be redirected from disposal in accordance with the waste disposal bans described at 310 CMR 19.017: Waste Bans.
- Any recyclable material as defined in 310 CMR 16.02: Definitions will be recycled in a manner approved by the Commission
- Any remaining marijuana waste shall be ground and mixed with other organic material as defined in 310 CMR 16.02: Definitions such that the resulting mixture renders the marijuana unusable for its original purpose. Once such marijuana waste has been rendered unusable, the mixture may be composted or digested at an aerobic or anaerobic digester at an operation that is in compliance with the requirements of 310 CMR 16.00: Site Assignment Regulations for Solid Waste Facilities.
- Solid waste containing cannabis waste generated at a marijuana establishment may be ground up and mixed with solid wastes such that the resulting mixture renders the cannabis unusable for its original purposes. Once such cannabis waste has been rendered unusable, it may be brought to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the



Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located; or

#### Personnel Requirements

- No fewer than two Marijuana Establishment Agents must witness and document how the marijuana waste is disposed or otherwise handled (recycled, composted, etc.) in accordance with 935 CMR 500.105(12).
- When marijuana products or waste is disposed of or handled, the Marijuana Establishment must create and maintain a written or electronic record of the date, the type and quantity disposed or handled, the manner of disposal or other handling, the location of disposal or another handling, and the names of the two Marijuana Establishment Agents present during the disposal or another handling, with their signatures.

#### Recall Procedure

In the event that the products produced by HBP have been deemed unsafe or non-complaint for any reason, we will have a comprehensive recall protocol. Once a manufacturing executive, who possess a complete list of all batches records, has access to all certificates of analysis, and knowledge of the production process has been notified of a recall instance the following protocol for batch recall will be followed:

- Post recall on website
- Send e-communications to all dispensaries that have the suspect batch or batches
- Call all dispensaries that bought the batch or batches in question
- Promptly send adequate personal/contractor (i.e, licensed third-party transporters) to all locations to retrieve all suspect inventory in question
- Secure and quarantine all product that has been recalled to aid in the investigation
- Request all dispensaries to post a notice online and instore of recall, including all product batches involved.
- Follow the same protocol for contaminated batches (i.e. for a CAPA plan)
- We will assist all necessary agencies to make sure we find and solve the root of the problem.

# **RECORD RETENTION AND DESTRUCTION POLICY**

## **1) Purpose**

The purpose of this Policy is to ensure that necessary records and documents are adequately protected and maintained and to ensure that records that are no longer needed by Hudson Botanical Processing, LLC (HBP) or are of no value are discarded at the proper time. This Policy is also for the purpose of aiding employees of HBP in understanding their obligations in retaining documents.

## **2) Policy**

This Policy represents the HBP's policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

## **3) Administration**

Attached as Appendix A is a Record Retention Schedule that is approved as the initial maintenance, retention and disposal schedule for physical records of HBP and the retention and disposal of electronic documents. Modifications to the Record Retention Schedule may be changed from time to time to ensure that it is in compliance with local, state, and federal laws and includes the appropriate document and record categories for HBP; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

All records required for the HBP business, tax, and regulatory compliance purposes will be stored daily in locked fireproof filing cabinets. Only authorized personnel will have key access to our records. All records will be stored in hard copy and electronically in a secure, electronic format for easy access to authorized employees. In accordance with 935 CMR 500.000 our records will be made available to the Cannabis Control Commission upon request. In accordance with the Town of Hudson By-law Section 5.12.7 we will make our financial records available for their accounting purposes.

All Good Manufacturing Practice (GMP) Documents will be in QA/QC Office: Masterbatch records, Inventory log, SOPs, Certificate of analysis, research protocols, research reports, Commissioning and qualifying records, maintenance, preventive maintenance, GMP training files/SOPs. All Non-GMP Documents will be stored in the management office: sales, marketing, HR, Financial, SOPs, training files, calibration and recalibration records

## **4) Suspension of Record Disposal In Event of Litigation or Claims**

In the event HBP is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning HBP or the commencement of any litigation against or concerning HBP, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

## **5) Applicability**

This Policy applies to all physical records generated in the course of HBP's operation, including both original documents and reproductions. It also applies to the electronic documents described above.

## **APPENDIX A RECORD RETENTION SCHEDULE**

The Record Retention Schedule is organized as follows:

### **SECTION TOPIC**

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Correspondence and Internal Memoranda
- E. Electronic Documents
- F. Insurance Records
- G. Legal Files and Papers
- H. Miscellaneous
- I. Payroll Documents
- J. Personnel Records
- K. Property Records
- L. Tax Records

### **A. ACCOUNTING AND FINANCE**

All of HBP's financial records will be maintained in accordance with generally accepted accounting principles. In accordance with our business dismantling plan, following the closure of HBP, all records will be kept for at least two years at the expense of HBP. Please see our dismantling plan for break down.

<b>Record Type</b>	<b>Retention Period</b>
Accounts Payable ledgers and schedules	7 years
Accounts Receivable ledgers and schedules	7 years
Annual Audit Reports and Financial Statements	Permanent
Annual Audit Records, including work papers and other documents that relate to the audit	7 years after completion of audit
Annual Plans and Budgets	2 years
Bank Statements and Canceled Checks	7 years
Employee Expense Reports	7 years
General Ledgers	Permanent
Interim Financial Statements	7 years
Notes Receivable ledgers and schedules	7 years
Investment Records	7 years after sale of investment

Sales (quantity, form, cost, etc)	7 Years
Assets and Liabilities	Permanent
Monetary Transactions	7 years

## B. CONTRACTS

Record Type	Retention Period
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	7 years after expiration or termination

## C. CORPORATE RECORDS

Record Type	Retention Period
Corporate Records (minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation, bylaws, annual corporate reports)	Permanent
Licenses and Permits	Permanent

## D. CORRESPONDENCE AND INTERNAL MEMORANDA

**General Principle:** Most correspondence and internal memoranda should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract (7 years after expiration). It is recommended that records that support a particular project be kept with the project and take on the retention time of that particular project file.

Correspondence or memoranda that do not pertain to documents having a prescribed retention period should generally be discarded sooner. These may be divided into two general categories:

1. Those pertaining to routine matters and having no significant, lasting consequences should be discarded *within two years*. Some examples include:
  - Routine letters and notes that require no acknowledgment or followup, such as notes of appreciation, congratulations, letters of transmittal, and plans for meetings.
  - Form letters that require no follow-up.
  - Letters of general inquiry and replies that complete a cycle of correspondence.
  - Letters or complaints requesting specific action that have no further value after changes are made or action taken (such as name or address change).
  - Other letters of inconsequential subject matter or that definitely close correspondence to which no further reference will be necessary.
  - Chronological correspondence files.

Please note that copies of interoffice correspondence and documents where a copy will be in the originating department file should be read and destroyed, unless that information provides a reference to or direction to other documents and must be kept for project traceability.

2. Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently.

#### **E. ELECTRONIC DOCUMENTS**

All emails and electronic documents that contain or relate this policy will be retained and stored in accordance with the retention procedure hereunder.

#### **F. INSURANCE RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Annual Loss Summaries	10 years
Audits and Adjustments	3 years after final adjustment
Certificates Issued to HBP	Permanent
Claims Files (including correspondence, medical records, injury documentation, etc.)	Permanent
Group Insurance Plans Active Employees	Until Plan is amended or terminated
Group Insurance Plans – Retirees	Permanent or until 6 years after death of last eligible participant
Inspections	3 years
Insurance Policies (including expired policies)	Permanent
Journal Entry Support Data	7 years
Loss Runs	10 years
Releases and Settlements	25 years

#### **G. LEGAL FILES AND PAPERS**

<b>Record Type</b>	<b>Retention Period</b>
Legal Memoranda and Opinions (including all subject matter files)	7 years after close of matter
Litigation Files	1 year after expiration of appeals or time for filing appeals

Court Orders	Permanent
Requests for Departure from Records Retention Plan	10 years

## H. MISCELLANEOUS

<b>Record Type</b>	<b>Retention Period</b>
Consultant's Reports	2 years
Policy and Procedures Manuals – Original	Current version with revision history
Policy and Procedures Manuals Copies	Retain current version only
Annual Reports	Permanent
Written Operating Procedures	Current version with revision history
Inventory records	7 years
Cannabis Waste Disposal	3 years
Security Videos	90 days
Incident reports	1 year after investigation
Lab Testing results	1 year
Seed-to-sale tracking records	7 years

## I. PAYROLL DOCUMENTS

<b>Record Type</b>	<b>Retention Period</b>
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
W-2 and W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Labor Distribution Cost Records	7 years
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	2 years
Unclaimed Wage Records	6 years

## J. PERSONNEL RECORDS

Record Type	Retention Period
Commissions/Bonuses/Incentives/Awards	7 years
Employee Salary & Wages Records	Separation + 7 years
Employee Handbooks	1 copy kept permanently
Employee Medical Records	Separation + 6 years
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)	6 years after separation
Employment Contracts – Individual	7 years after separation
Employment Records Correspondence with Employment Agencies and Advertisements for Job Openings	3 years from date of hiring decision
Employment Records All Non Hired Applicants (including all applications and resumes whether solicited or unsolicited, results of postoffer, pre-employment physicals, results of background investigations, if any, related correspondence, disciplinary actions)	2-4 years (4 years if file contains any correspondence which might be construed as an offer)
Job Descriptions	3 years after superseded
Personnel Count Records	3 years
Forms I-9	3 years after hiring, or 1 year after separation if later
Material submitted to the CCC	1 year after separation
Documentation of all training	1 year after separation
Verification of References	1 year after separation
Documentation of performance evaluations	1 year after separation
Notice of responsible vendor training and 8 hours of ongoing training	4 years after separation
	Current version with revision history

Staffing Plan	
Background checks	1 year after separation
Signature of each employee and consultant	1 year after separation

#### K. **PROPERTY RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
Original Purchase/Sale/Lease Agreement	Permanent
Property Insurance Policies	Permanent

#### L. **TAX RECORDS**

**General Principle:** HBP must keep books of account or records as are sufficient to establish the amount of gross income, deductions, credits, or other matters required to be shown in any such return.

These documents and records shall be kept for as long as the contents thereof may become material in the administration of federal, state, and local income, franchise, and property tax laws.

<b>Record Type</b>	<b>Retention Period</b>
IRS Rulings	Permanent
Excise Tax Records	7 years
Payroll Tax Records	7 years
Tax Bills, Receipts, Statements	7 years
Tax Returns Income, Franchise, Property	Permanent
Tax Workpaper Packages Originals	7 years
Sales/Use Tax Records	7 years
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent
Payments Made to Hudson	7 years





## **Maintaining of Financial Records**

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

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

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

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

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

# **Qualifications and training**

## **Qualifications:**

All positions will require a high school diploma, GED or equivalent, be 21 years of age, and pass a background check. Specific positions may require more qualifications, such a college degree, certain certifications, or experience. All positions will be required to have computer skills and experience using the microsoft office suite or google suite applications.

## **Training**

In most cases, and for most departments, employee training is done on an individual basis by the department manager. Even if an employee has had previous experience in their specific functions, it is necessary for them to learn our specific procedures, as well as the responsibilities of the specific position. HBP will provide adequate training on job specific duties prior to performing job functions Hudson Botanical Processing (HBP) wants to invest in their employees future and development, so we will always be open to proposals for additional training.

All current employees, owners, and managers will participate in required training programs that will address all topics for job requirements including the state required Responsible Vendor Program when available. Additionally, at a minimum, staff shall receive eight hours of on-going training annually. All new employees will be required to complete the Responsible Vendor Program within 90 days of being hired. Documentation from the Responsible vendor program will be retained for 4 years as shown in our record keeping policy.

All employees will be required to get training in the following areas:

- Hygienic training
- Personal Conduct, such as work harassment
- General work safety
- Privacy and confidentiality requirements
- Compliance obligations of consistent with work responsibilities

All Good Manufacturing Practices (GMP) employees will be required to get training in the following areas:

- Chemical Safety
- Electrical safety
- Equipment safety
- cGMP Practices
- Process Training
  - Trained in all 7 steps of our proprietary manufacturing process
  - A certified GMP agent will train the new staff

- Live training will be supplemented with a library of videos for reference and review
- Serve safe or equivalent for supervisors of production

## **List of Potential Positions & Qualifications**

### **Kitchen manager**

The kitchen manager will be responsible for overseeing HBP's kitchen program.

Previous experience of running a kitchen is a must and preferably worked in a bakery or dessert focused setting. Must have strong communication skills, management experience, and staff training.

### **Cook**

Cooks will be an entry level position that will require a high school degree or equivalent.

Experience working in a kitchen will be a plus, but not required for hire.

### **Packager**

This will be an entry level position that will require a highschool degree or equivalent. No necessary recent experience will be required to perform this job.

### **Bookkeeper**

A good bookkeeper is supposed to be trustworthy, organized, and knowledgeable about the administrative duties. The bookkeepers are liable for handling business finances which include cash, and therefore, they should be cautious and capable of accounting for every transaction made to make sure that no funds are misplaced or misallocated. They should keep receipts and other financial documents filed for future reference in case of a misunderstanding on financial transactions. There is the need for a smooth workflow to make sure that one is not behind on paperwork requirements and accounting demands. This is where administrative tasks come in.

### **Extraction Technician**

This is an entry level job that will require a college degree in science that preferably has lab experience.

### **Shipping and receiving manager**

This is an entry level job that will require a high school degree or equivalent. It will be preferred that this position has prior experience in warehouse management. Be able to lift up to 50 lbs. and be able to operate typical warehouse equipment including but not limited to a pallet jack, box cutters, scales, printers, computers, and packing equipment.

### **Transportation specialist**

This is an entry level position that will require a high school degree or equivalent. The driver needs to have a clean driving record and be able to lift up to 50 lbs.

### **Sales Representative**

This role will require a college degree and have at least one years of experience in a sales role prior to working for HBP.

# **Energy Procedures and Policies**

## **Lighting**

We utilized occupancy sensors where they were the best fit such as the warehouse, shipping and receiving, and storage areas. The lighting in the shipping and receiving, warehouse, and storage areas have been retrofitted to LED lights to save energy.

## **Transportation**

Hudson Botanical Processing utilizes a highly efficient Ford Transit Connect Van for all transportation. The drivers are instructed to drive as efficiently as possible within the law of where they are located.

## **Water Consumption**

A new efficient water heater was installed. Every employee at HBP is advised to be responsible with their water usage, using as little as possible to get the job done. We have also commissioned a highly efficient dishwasher to handle most of our cleaning needs drastically reducing water consumption for cleaning.

To reduce water contamination, all dishware and glassware that needs to be cleaned must be cleaned in the 3 bay sink located in our kitchen, which has a grease trap to catch all grease contaminants. To ensure there is no contamination of solvents from our lab operation all disposal will be handled by a licensed hazardous chemical company like Safety-Klean. Also when any hazardous materials are handled on site they are handled over containment vessels so if there is a spill it can easily be cleaned and we don't have to worry about anything making it into the local watershed.

## **Purchasing Policies**

When purchasing products for HBP, purchasing agents will be directed to look out for products that have been made from recycled materials or have an energy star rating.

## **Energy Reduction Procedures**

For better safety and energy reduction, machines will never run unattended or when the facility is unoccupied. The person responsible for locking up the facility will be

responsible for shutting down all the lights that are not on an occupancy sensor. Temperature control is to be kept at or around 68 degrees Fahrenheit, which is suitable for a work environment, without being too uncomfortable to work. This will cut down on energy demand.

## **Renewable Energy**

Kane Industrial Trust, HBP's landlord got a quote and proposal from Venture Solar to install a solar array on the roof of our building but funding was not possible for this project. In addition to their quote, structural changes would have had to be made to the roof, adding additional cost that we could not afford.

<b>Document Title</b>	<b>Staffing/Hiring SOP</b>		
<b>Department:</b>	<b>All Departments</b>		Document no: 1011
Prepared by:	Brian Adams		Created and issued
Checked by:			Date Issued: 8/12/2019
Approved by:			Review Date:

### **Departments Involved**

HR Managed but includes all departments

### **Purpose**

To ensure all employees are onboarded into HBP Correctly, compliantly, and safely.

### **Safety Gear**

N/A

### **Equipment**

N/A

### **Supplies**

N/A

### **Associated Forms and Documents**

Gusto, government forms, associated professional certificates, background check, CCC forms.

### **Procedure**

- **Job posting**
  - The manager hiring the position must write a formal job description to be posted.
  - Following approval from upper management and HR the job will be posted
    - Post the job on necessary job postings. All positions will be posted in local newspapers, online job boards, local organizations, and diversity job boards.
- **Interview**
  - Prospective employees that management feels fits the job description will be asked to have an interview
  - Required documents

- Valid ID indicating the individual is over the age of 21
  - 3 professional references
- After a series of interviews if management feels the applicant is a good fit they will extend a job offer pending a passed background check
- **Background Check**
  - The individual must fill out the background check documentation
  - The hiring manager will be required to run a CORI background check
  - The results need to be reviewed. If the individual did not disclose any information found on the background check they will not be given a formal offer.
  - If passed the individual will continue through the hiring process
- **Gusto Administration**
  - Gusto is an online HRS and Payroll administration company that will be handling all payroll-related functions, employment documentation, benefits and insurance.
  - The new Hire will have to give their email address to be uploaded into Gusto
  - The employee handbook will be administered and signed
  - The new hire must complete all of the documentation in Gusto before conducting any work tasks
- **Position Training**
  - Upon starting the role the individual will be trained on all SOPs regarding their responsibilities.
  - ServeSafe will be required for all staff working within the kitchen
- **Responsible Vendor Training**
  - Individuals have 90 days after hire to complete the state-mandated responsible vendor training.
  - After 30 days of hire, the training period will end and the employee will have a review with the manager. If the fit is good and the employee is asked to stay with HBP they will be enrolled in a state registered responsible vendor program course.
- **Ongoing Training**
  - A minimum of 10 hours of ongoing training will be conducted throughout the year for each employee.
  - All training will be documented and stored with management in the employee records.



# **Hudson Botanical Processing, LLC**

## **EMPLOYEE HANDBOOK**

**Effective 9/1/19**

## **1.0 Welcome**

### ***1.1 Welcome***

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

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

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

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

All the best,

Brian Adams

Hudson Botanical Processing, LLC

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

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

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

## **2.0 Introductory Language and Policies**

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

#### **Mission:**

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

#### **Vision:**

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

#### **OUR CORE VALUES**

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

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

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

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

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

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

This employee handbook is our attempt to keep you informed of the terms and conditions of your employment, including Company policies and procedures. The handbook is not a contract. The Company reserves the right to revise, add, or delete from this handbook as it determines to be in its best interest. When changes are made to the policies and guidelines contained herein, we will endeavor to communicate them in

a timely fashion, typically in a written supplement to the handbook or in a posting on company bulletin boards.

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

#### ***3.1 Staffing plan***

HBP will always have an on-going and ever evolving staffing plan, as plans change and new products and services get introduced the employment of HBP will have to adapt. However, HBP will always offer accessible business hours agreed upon between the employee and the company and safe working conditions. Part of our growth planning and strategy is to always have a well thought out staffing plan to execute that new goal, project or objective. Each department head will be responsible for making their own staffing plan based on their needs. That plan will be reviewed with upper management, to ensure the plan is in alignment with company goals, objectives, and budget.

When building a staffing plan for your department, follow the following 6 steps:

1. Evaluate goals: What does this function need to accomplish?
2. Identify influencers: What factors might affect the staffing plan?
3. Identify the current state: What is the starting point?
4. Envision needs: What is really needed (end state)?
5. Conduct a gap analysis: What differences exist between the current state and the end state?
6. Develop a solution plan: What types of staff are needed? When and where?

HBP will follow its staffing plan to the best of its ability, but there may be times when we need to divert from the plan.

#### ***3.2 EEO Statement and Non-harassment Policy***

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

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

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

in the investigation of any complaint of discrimination or violation of the Company's Equal Employment Opportunity Policy.

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

### **Policy Against Workplace Harassment**

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

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

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

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

#### **B. Other Harassment**

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

Again, while it is not possible to list all the circumstances that may constitute other forms of workplace harassment, the following are some examples of conduct that may

constitute workplace harassment: (a) the use of disparaging or abusive words or phrases, slurs, negative stereotyping, or threatening, intimidating or hostile acts that relate to the above protected categories; (b) written or graphic material that insults, stereotypes or shows aversion or hostility towards an individual or group because of one of the above protected categories and that is placed on walls, bulletin boards, email, voicemail, or elsewhere on the Company's premises, or circulated in the workplace; and (c) a display of symbols, slogans, or items that are associated with hate or intolerance towards any select group.

### **Reporting Discrimination and Harassment**

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

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

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

### **3.3 Disability Accommodation**

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

Procedure for reasonable accommodation requests:

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

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

### ***3.4 Religious Accommodation***

Hudson Botanical Processing, LLC is dedicated to treating the religious diversity of all our employees equally and with respect. Employees may request an accommodation when their religious beliefs causes a deviation from Hudson Botanical Processing, LLC's dress code, schedule, basic job duties, or other aspects of employment. The Company will consider the request but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that the Company will consider are cost, the effect that an accommodation will have on current established policies and the burden on operations, including other employees, when determining a reasonable accommodation. At no time will the Company question the validity of a person's belief.

Religious accommodation request forms are available from Human Resources.

### ***3.5 Posting of Openings***

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

### ***3.6 Conflicts of Interest***

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

### ***3.7 Employment of Relatives and Friends***

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

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

### **Objective**

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

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

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

### **Scope**

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

### **Procedures**

1. During working time and in working areas, employees are expected to conduct themselves in an appropriate workplace manner that does not interfere with others or with overall productivity.
2. During nonworking time, such as lunches, breaks, and before and after work periods, employees engaging in personal exchanges in non-work areas should observe an appropriate workplace manner to avoid offending other workers or putting others in an uncomfortable position.
3. Employees are strictly prohibited from engaging in physical contact that would in any way be deemed inappropriate by a reasonable person while anywhere on company premises, whether during working hours or not.
4. Employees who allow personal relationships with co-workers to adversely affect the work environment will be subject to the appropriate provisions of Hudson Botanical Processing, LLC disciplinary policy, including counseling for minor problems. Failure to change behavior and maintain expected work responsibilities is viewed as a serious disciplinary matter.
5. Employee off-duty conduct is generally regarded as private, as long as such conduct does not create problems within the workplace.
6. Any supervisor, manager, executive or other company official in a sensitive or influential position with Hudson Botanical Processing, LLC must disclose the existence of a romantic or sexual relationship with another co-worker. Disclosure may be made to the immediate supervisor. This disclosure will



- enable Hudson Botanical Processing, LLC to determine whether any conflict of interest exists because of the relative positions of the individuals involved.
7. With regard to Paragraph 6, when a conflict-of-interest problem or potential risk is identified, Hudson Botanical Processing, LLC will work with the parties involved to consider options for resolving the problem. The initial solution may be to make sure the parties no longer work together on matters where one is able to influence the other or take action for the other. Matters such as hiring, firing, promotions, performance management, compensation decisions and financial transactions are examples of situations that may require reallocation of duties to avoid any actual or perceived reward or disadvantage. In some cases, other measures may be necessary, such as transfer to other positions or departments.
  8. With regard to Paragraph 6, if one or both parties refuse to accept a reasonable solution or to offer of alternative position, if available, such refusal will be deemed a voluntary resignation.
  9. Failure to cooperate with Hudson Botanical Processing, LLC to resolve a conflict or problem caused by a romantic or sexual relationship between co-workers or among managers, supervisors or others in positions of authority over another employee in a mutually agreeable fashion may be deemed insubordination and cause for immediate termination. The disciplinary policy of Hudson Botanical Processing, LLC will be followed to ensure fairness and consistency before any such extreme measures are undertaken.
  10. The provisions of this policy apply regardless of the sexual orientation of the parties involved.
  11. Where doubts exist as to the specific meaning of the terms used above, employees should make judgments on the basis of the overall spirit and intent of this policy.
  12. Any concerns about the administration of this policy should be addressed to your supervisor.

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

### ***3.8 Job Descriptions***

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

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

### ***3.9 New Employees and Introductory Periods***

The first 30 days of your employment is considered an introductory period. During this period, you will become familiar with Hudson Botanical Processing, LLC and your job responsibilities. During this time, we will have the opportunity to monitor the quality and value of your performance and make any necessary adjustments in your job description or responsibilities. Your introductory period with the Company can be shortened or lengthened as deemed appropriate by management and Human Resources. Completion of this introductory period does not imply guaranteed or continued employment. Nothing that occurs during or after this period should be construed to change the nature of the "at-will" employment relationship.

### ***3.10 Training Program***

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

All employees will participate in an online training program that will address certain topics.

### ***3.11 Employment Authorization Verification***

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

### ***3.12 Staffing Recordkeeping***

HBP will record and store the following information for each employee and the organization. All employees are encouraged to ask for this information when needed.

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 will include, at a minimum, the following:
  - a. All materials submitted to the commission pursuant to 935 CMR 500.030(2);
  - b. Documentation of verification of references;

- c. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
  - d. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
  - e. Documentation of periodic performance evaluations;
  - f. A record of any disciplinary action taken; and g. Notice of completed Responsible Vendor Training Program and in-house training for Marijuana Establishment Agents required under 935 CMR 500.105(2).
3. A staffing plan that will demonstrate accessible business hours and safe working conditions;
  4. Personnel policies and procedures, including, at a minimum, the following:
    - a. Code of ethics;
    - b. Whistle-blower 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;
  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).

## **4.0 Wage and Hour Policies**

### **4.1 Introduction**

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

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

Anyone who is working on Hudson Botanical Processing facility is required by law to have a Marijuana Establishment Agent Badge issued by the Massachusetts Cannabis Control Commission. Hudson Botanical Processing reimburses employees for their badge renewal cost. If you are to resign within 6 months of badge renewal you are responsible for the full price of your badge. If you are asked in the course of a job promotion or move to upgrade to a Key Badge, Hudson Botanical Processing, LLC will reimburse you in full for your badge fee.

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

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

#### **4.2 Pay Period**

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

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

#### **4.3 Paycheck Deductions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **Calculating and Reporting Travel Time**

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

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

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

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

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

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

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

#### **Absenteeism**

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

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

One or more unreported or unjustified absences within any 12-month period may result in disciplinary action, (up to and including termination of employment). If you are absent for 2 consecutive days without reporting to work or contacting your supervisor, you will be considered to have voluntarily resigned without notice at the end of the second day and your position will be terminated and filled.

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

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

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

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

## **Tardiness**

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

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

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

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

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

#### **4.9 Job Abandonment**

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

#### **4.10 Travel Expenses**

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

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

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

#### **Advances**

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

#### **Travel Expenses**

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

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

#### **Family Members**

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

#### **Air Travel**

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



## **Hotels**

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

## **Insurance**

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

## **Rental Cars**

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

## **Personal Vehicles**

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

## **Employee Reporting**

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

## **Travel Reservations**

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

Mileage: we reimburse at the federal level which is \$.54/mile. However, we don't pay for travel from your home to work. There is a log that you can use to keep track of mileage: date, starting address, destination, and mileage. Please use Google maps or another mapping app to calculate the mileage.

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

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

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

#### **4.11 Business Expenses**

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

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

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

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

##### **Entertainment**

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

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

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

##### **Employee Reporting**

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

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

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

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

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

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

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

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

##### **Meal Periods**

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

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

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

##### **Rest Periods**

The law in Massachusetts states that an employer must provide a thirty-minute meal break during each work shift that lasts more than six hours. This one half-hour meal break is unpaid. If employees forget to clock-out for lunch, one hour will automatically be deducted from that days pay. Speak with your supervisor if you forgot or there is an issue with the clock. In addition, Massachusetts' law does not require employers to provide any rest breaks. Such rest periods shall not be deducted from the employee's wages. It is not necessary that the employee leave the premises for said rest period.

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

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

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

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

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

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

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

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

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

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

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

### ***5.2 Promotions***

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

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

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

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

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

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

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

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

Examples of inappropriate conduct include but not limited to:

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

- Solicitation of fellow employees on the Company premises during working time (Refer to Nonsolicitation/Nondistribution Policy).
- Failure to dress according to Company policy.
- Use of obscene or harassing (as defined by our EEO policies) language in the workplace.
- Outside employment which interferes with your ability to perform your job at this Company.
- Gambling on Company premises.
- Lending keys or providing lock codes to Company property to unauthorized persons.
- Off-duty or pre-employment conduct that reflects or may adversely reflect on Hudson Botanical Processing if the employee were to remain employed. This includes any previous conduct that results in the inability to obtain or renew a marijuana establishment agent badge.
- Taking supplies, materials or scrap product that belong to Hudson Botanical Processing for personal use.

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

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

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

Involvement in criminal activity, whether on or off Company property, during employment may result in disciplinary action including suspension or termination of employment. Disciplinary action depends upon a review of all factors involved, including whether or not the employee's action was work-related, the nature of the act, or circumstances which adversely affect attendance or performance. There will be the immediate dismissal of any employee who has diverted marijuana, engaged in unsafe practices, or been convicted or entered a guilty plea for a felony charge of distribution of a drug to a minor. Any disciplinary action is not dependent upon the disposition of any case in court.

Employees are expected to be on the job, ready to work, when scheduled. Inability to report to work as scheduled as a result of an arrest may lead to disciplinary action, up to and including termination of employment, for violation of an attendance policy or job abandonment.

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

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

Hudson Botanical Processing, LLC considers drug and alcohol abuse a serious matter which will not be tolerated. The company absolutely prohibits employees from using, selling, possessing, or being under the influence of illegal drugs, marijuana, alcohol, or

controlled substance or prescription drugs not medically authorized while at their job, on Company property, or while on work time.

Therefore, it is the Company's policy that:

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

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

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

Employee must not:

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

## ***5.7 Disciplinary Process***

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

In appropriate circumstances, management will provide the employee first with a verbal warning, then with one or more written warnings, and if the conduct is not sufficiently altered, eventual demotion, transfer, forced leave, or termination of employment. Your

supervisor will make every effort possible to allow you to respond to any disciplinary action taken. Understand that while the Company is concerned with consistent enforcement of our policies, the Company is not obligated to follow any disciplinary or grievance procedure and that depending on the circumstances, employees may be disciplined or terminated without any prior warning or procedure.

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

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

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

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

Subject to other policies, including Conflict of Interest below, Hudson Botanical Processing has no objection to an employee holding another job (in addition to his or her employment with Hudson Botanical Processing ) as long as he or she can effectively meet the performance standards for his or her position with Hudson Botanical Processing . However, we ask employees to think seriously about the effects that another job may have on their endurance, personal health and well-being, performance, and effectiveness with Hudson Botanical Processing. Employees holding another job must remember that Hudson Botanical Processing is the primary employer and is entitled to the loyalty and primary efforts of the employee while employed with Hudson Botanical Processing .

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



## **6.0 General Policies**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### ***6.5 Personnel Records***

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

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

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

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

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

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

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

### **General Provisions**

- The system, and all data transmitted or received through the system, are the exclusive property of the Company. No individual should have any expectation of privacy in any communication over this system. Any individual permitted to have access to the Company's system will be given a voicemail, email and/or Internet address and/or access code, and will have use of the system, consistent with this policy.
- The Company reserves the right to monitor, intercept, and/or review all data transmitted, received, or downloaded over the system. Any individual who is given access to the system is hereby given notice that the Company will exercise this right periodically, without prior notice and without the prior consent of the employee.
- The Company's interests in monitoring and intercepting data include, but are not limited to: protection of Company trade secrets, proprietary, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.); managing the use of the Company's computer system; and/or assisting the employee in the management of electronic data during periods of absence. No individual should interpret the use of password protection as creating a right or expectation of privacy. In order to protect everyone involved, no one can have a right or expectation of privacy with regards to the receipt, transmission or storage of data on the Company Voicemail/Email/Internet system.

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

## **6.8 Social Media Policy**

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

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

### **Guidelines**

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

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

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

Carefully read these guidelines, the Company Ethics Code, Standards of Conduct, and EEO Statement and Nonharassment Policy, and ensure your postings are consistent with these policies. Postings that include unlawful discriminatory remarks, harassment (as defined by our EEO policy), and threats of violence or other unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

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

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

### **Honesty and Accuracy**

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

### **Posting Information**

When posting information:

- Maintain the confidentiality of Company trade secrets and confidential Company-related commercially-sensitive information (i.e. financial or sales

records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.).

- Do not create a link from your blog, website, or other social networking site to a Company website that identifies you as speaking on behalf of Hudson Botanical Processing, LLC.
- Never represent yourself as a spokesperson for Hudson Botanical Processing, LLC. If the Company is a subject of the content you are creating, do not represent yourself as speaking on the Company's behalf.
- Respect copyright, trademark, and similar laws and use such protected information in compliance with applicable legal standards.

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

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

### **Retaliation Is Prohibited**

Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

### **Media Contacts**

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

### **For More Information**

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

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

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

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

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

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

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

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

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

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

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

Cell phone usage is not permitted in any production or processing area of the Hudson Botanical Processing facility. Cell phones may be used only during breaks and for emergency use.

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

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

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

### **6.14 *Security***

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

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

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

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

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

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

### **6.16 *Personal Data Changes***

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

## **7.0 Benefits**

### **BENEFITS**

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

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

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

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

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

## **7.3 Temporary Employees**

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

## **7.4 Exempt Employees**

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

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

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

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

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

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

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

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

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

### **A. General**



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

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

## **B. Key Policy Definitions**

- **Eligible employees** under this policy are those who have been employed by our Company for at least 12 months (need not be consecutive months and under certain circumstances hours missed from work due to military call-up will also be counted) and have performed at least 1,250 hours of service in the 12-month period immediately preceding the date leave is to begin. Employees who work in small locations with fewer than 50 employees within 75 miles, are not eligible for leave. However, employees should contact Human Resources to discuss other types of leave that might be available for the reasons listed in this policy.
- **Leave year** for the purposes of this policy shall be a rolling 12-month period measured backward from the date an employee uses any FMLA leave.
- A **spouse** means a husband or wife as recognized under state law for the purposes of marriage in the state or other territory or country where the marriage arose.
- A **son or daughter** for the purposes of parental or family leave is defined as a biological, adopted, foster child, step-child, legal ward, or a child for whom the employee stood in loco parentis to, who is (1) under 18 years of age or, (2) 18 years of age or older and incapable of self-care because of physical or mental disability. A son or daughter for the purposes of military exigency or military care leave can be of any age.
- A **parent** means a biological, adoptive, step, or foster parent or any other individual who stood in loco parentis to the employee when the employee was a son or daughter.
- **Next of kin** for the purposes of military care leave is a blood relative other than a spouse, parent, or child in the following order: brothers and sisters, grandparents, aunts and uncles, and first cousins. If a military service member designates in writing another blood relative as his or her caregiver, that individual shall be the only next of kin. In appropriate circumstances, employees may be required to provide documentation of next of kin status.

- A ***serious health condition*** is an illness, injury, impairment, or physical or mental condition that involves either inpatient care or continuing treatment by a health care provider. Ordinarily, unless complications arise, cosmetic treatments and minor conditions such as the cold, flu, ear aches, upset stomach, minor ulcers, headaches (other than migraines), and routine dental problems are examples of conditions that are not serious health conditions under this policy. If you have any questions about the types of conditions which may qualify, contact Human Resources.
- A ***health care provider*** is a medical doctor or doctor of osteopathy, physician's assistant, podiatrist, dentist, clinical psychologist, optometrist, nurse practitioner, nurse-midwife, clinical social worker, or Christian Science practitioner licensed by the First Church of Christ. Under limited circumstances, a chiropractor or other provider recognized by our group health plan for the purposes of certifying a claim for benefits may also be considered a health care provider.
- ***Qualifying exigencies*** for military exigency leave include:
  - Short-notice call-ups/deployments of seven days or less (**Note:** Leave for this exigency is available for up to seven days beginning the date of call-up notice);
  - Attending official ceremonies, programs, or military events;
  - Special child care needs created by a military call-up including making alternative child care arrangements, handling urgent and nonroutine child care situations, arranging for school transfers, or attending school or daycare meetings;
  - Making financial and legal arrangements;
  - Attending counseling sessions for the military service member, the employee, or the military service members' son or daughter who is under 18 years of age or 18 or older but is incapable of self-care because a mental or physical disability;
  - Rest and recuperation (**Note:** Fifteen days of leave is available for this exigency per event);
  - Post-deployment activities such as arrival ceremonies, re-integration briefings, and other official ceremonies sponsored by the military (**Note:** Leave for these events is available during a period of 90 days following the termination of active duty status). This type of leave may also be taken to address circumstances arising from the death of a covered military member while on active duty;
  - Parental care when the military family member is needed to care for a parent who is incapable of self-care (e.g. arranging for alternative care or transfer to a care facility); and
  - Other exigencies that arise that are agreed to by both the Company and employee.
- A ***serious injury/illness*** incurred by a service member in the line of active duty or that is exacerbated by active duty is any injury or illness that renders the service member unfit to perform the duties of his or her office, grade, rank, or rating.

### C. Notice and Leave Request Process

Foreseeable Need for Leave: If the need for leave is foreseeable because of an expected birth/adoption or planned medical treatment, employees must give at least 30 days'

notice. If 30 days' notice is not practicable, notice must be given as soon as possible. Employees are expected to complete and return a leave request form prior to the beginning of leave. ***Failure to provide appropriate notice and/or complete and return the necessary paperwork will result in the delay or denial of leave.***

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

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

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

#### **D. Leave Increments**

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

Family Care, Personal Medical, Military Exigency, and Military Care Leave: Leave taken for these reasons may be taken in a block or blocks of time. In addition, if a health care provider deems it necessary or if the nature of a qualifying exigency requires, leave for these reasons can be taken on an intermittent or reduced-schedule basis.

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

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

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

Employees requesting family care, personal medical, or military care leave must provide certification from a health care provider to qualify for leave. Such certification

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

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

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

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

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

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

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

### **I. Spouse Aggregation**

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

### **J. General Provisions**

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

**Alternative Employment:** No employee, while on leave of absence, shall work or be gainfully employed either for himself, herself, or others unless express, written

permission to perform such outside work has been granted by the Company. Any employee on a leave of absence who is found to be working elsewhere without permission will be automatically terminated.

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

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

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

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

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

### **7.9 *Voting Leave***

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

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

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

### **Eligibility**

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

### **Use of Leave**

Employees may use leave available under this policy to:

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

## **Notice**

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

## **Retaliation**

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

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

Workers' compensation is a no-fault system designed to provide benefits to all employees for work related injuries. Workers' compensation insurance coverage is paid for by the employer and governed by state law. The workers' compensation system provides for coverage of medical treatment and expenses, occupational disability leave, rehabilitation services, as well as payment for lost wages due to work related injuries. If you are injured on the job, no matter how slightly, you are to report the incident immediately to your supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

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

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

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

## **8.0 Safety and Loss Prevention**

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

#### **Safety Policy**

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

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

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

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

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

- The safe way is the right way to do each job. Shortcuts are not the way.
- Know your job procedures. If in doubt, ask your supervisor.
- Operate equipment only when authorized and with all safety guards in place.
- Report unsafe acts to your supervisor before someone is injured.
- Report unsafe conditions immediately to your supervisor and/or owners.
- Report any conditions that you feel are less than optimal to your health or safety to your supervisor and/or owner. If special equipment or resources are needed to accommodate health conditions, these must be approved and ordered by a supervisor or owner. The company will not reimburse employees for equipment that is ordered without prior approval.
- Report unsafe equipment to your supervisor right away. Do not attempt repairs no matter how skilled you feel you are.
- Report any incident right away (**even if no injury**) to your supervisor and/or owners.
- At the scene of an incident, be helpful, courteous, and avoid argument or discussion of the situation. Get your supervisor immediately (documenting conditions helps us help you).
- Get medical aid even for small injuries. Delay can make it worse.
- Arrive at work rested, clean, and in good health. Be able to give full attention to your job.
- Report infections to your supervisor (which can be evidenced by conditions such as: skin eruption, boil, sore throat, vomiting, fever, etc.).
- If you feel ill at work, report to your supervisor. Get medical aid to protect yourself and others. Keep health tests up to date.

- Follow guidelines for health in the prevention of communicable diseases. These guidelines are for your health and safety and those with whom you work.
- Warning signs help you prevent incidents. Obey them! Remind others, too.
- If using chemicals, read labels carefully to follow safety warnings, mixing instructions, etc.
- Horseplay is NOT allowed. Practical jokes can cause serious injury.
- You are required to observe all safety notices posted and any specific safety requirements for your particular job.
- Violent acts in the workplace, including threats and intimidation are NOT allowed. This includes all threats, verbal or physical. Any such occurrences should be immediately reported to management.

## **Reporting Injuries**

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

- Report the injury to your on-site supervisor immediately. If your supervisor is not immediately available, report to the manager or other authorized person. Seek or obtain medical attention if required.
- Report the injury to your Hudson Botanical Processing supervisor and/or Owners within 24 hours, or as soon as practical. Worker's Compensation laws require the processing of claims within reasonable time frames. All injuries/accidents MUST be reported promptly for claim submission.
- If you are involved in or are a witness to an incident, you should provide information in order for the appropriate report to be completed. Please be aware of the importance of immediate action in recording all details of the incident.

## **Incident Reports**

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

## **Hazardous Chemicals**

### **Introduction**

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

Although the standard uses the word "Hazardous" to describe the chemicals in question, it also includes items we use everyday that many of you would not consider hazardous such as: motor oil, coolants, paint, solvents, and glues. These items are commonly used, sometimes daily, and rarely with any problems. However, they should be treated as



hazardous chemicals. Knowing more about chemicals we use will make you aware of potential problems and help reduce or eliminate health and safety problems when you use these chemicals.

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

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

### **Container Labeling**

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

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

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

### **Chemical Product List**

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

### **Safety Data Sheets (SDS)**

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

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

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

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

### **Chemical Exposure**

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

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

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

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

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

### **Conclusion**

Hazard communication is common sense thinking about what you are doing, informing yourself, preparing for the task, and taking the necessary precautions. What you do not know **CAN HURT YOU**. By knowing, checking the MSDS, evaluating your use, and controlling your exposure you can make chemical products work for you successfully and safely.

## **Health Requirements**

All employees shall be of sufficient good health to properly discharge their duties. Employees who have an infectious disease shall not be permitted to work for the duration of communicability. If an employee becomes ill or injured while on duty, it is his/her responsibility to report such illness or injury to his/her supervisor immediately. Failure to do so may result in a loss of potential benefits for that illness or injury. If an employee has excessive absences from work due to illness, his/her physical condition may be reviewed to determine the ability to continue in that position, and a physician's release that he/she is able to work may be required.

- Supervisor and manager responsibility: Supervisors and managers must forbid entry into the plant to any employee who, by the person's acknowledgement or direct observation, is shown to have, or appears to have any of the following symptoms:
  - Infection
  - Unmanageable sinus drainage, coughing, or sneezing
  - Open lesions
  - Fever
  - Vomiting
  - Diarrhea
- Any employee working in licensed space (i.e. area where a badge is required) must be symptom free for a period of at least 24 hours before returning to work.

Here are the steps to call in sick for work:

- Contact your supervisor by phone. Make sure you have your supervisor's phone number. Please do not text, leave a message.
- If you have a Dept Lead call your Dept lead.
- Contact Wana main phone line 303-330-0218
- Make sure you receive a response or call back from someone. If you don't get a response please try again.

### **8.2 Nonsmoking Policy**

Hudson Botanical Processing, LLC is concerned about the effect that smoking and second-hand smoke inhalation can have on its employees and clients. Smoking in the office, client areas, and restrooms is prohibited. Per Colorado law there is no smoking within 15 feet of any entry or exit of any Hudson Botanical Processing, LLC facilities.

### **8.3 Policy Against Violence**

The safety and security of our employees, residents, tenants, vendors, contractors, and the general public is of essential importance. Threats or acts of violence made by an employee against another person's life, health, well-being, family, or property will not be tolerated. Any act of intimidation, threat of violence, or act of violence committed against any person on Company property is prohibited. The following definitions apply:

- Intimidation: A physical or verbal act toward another person, the result of which causes that person to reasonably fear for his or her safety or the safety of others.
- Threat of violence: A physical or verbal act which threatens bodily harm to another person or damage to the property of another.
- Act of violence: A physical act, whether or not it causes actual bodily harm to another person or damage to the property of another.

No person shall possess or have control of any firearm, deadly weapon, or prohibited knife, as legally defined, while on Company property, except as required in the lawful course of business or as authorized by state law.

The following are prohibited:

1. Any act or threat of violence made by an employee against another person's life, health, well-being, family, or property.
2. Any act or threat of violence, which endangers the safety of employees, residents, tenants, vendors, contractors, or the general public.
3. Any act or threat of violence made directly or indirectly by words, gestures, symbols, or email.
4. Use or possession of a weapon on the Company's premises managed by the Company as permitted by state law.

It is a requirement that employees report to their supervisor or Human Resources, in accordance with this policy, any behavior that compromises the Company's ability to maintain a safe work environment. All reports will be investigated immediately and kept confidential, except where there is a legitimate need to know.

Employees who violate this policy may be subject to criminal charges as well as discipline up to and including immediate termination of employment.

## **9.0 Trade Secrets and Inventions**

### ***9.1 Employee Inventions***

Any employee invention created, in whole or in part, during an employee's work hours, or from the use of the Company's equipment or facilities, is a "work for hire" and the property of the Company.

Any employee who intends to develop and maintain property rights in any invention, which relates in any way to the Company's products or services, is required to obtain a written waiver of this policy, signed by both the employee and an Owner.

### ***9.2 Confidentiality and Nondisclosure of Trade Secrets***

As a condition of employment, Company employees are required to protect the confidentiality of Company trade secrets, proprietary information, and confidential Company-related commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.). Access to this information should be limited to a "need to know" basis and should not be used for personal benefit, disclosed, or released

without prior authorization from a supervisor. Any employee who has information that leads them to suspect that an employee or competitor is obtaining such information is required to inform their supervisor or Human Resources.

Violation of this policy may result in the discipline or termination of any employee, as well as subject the employee to civil liability.

## **10.0 Customer Relations**

### ***10.1 Customer, Client, and Visitor Relations***

We strive to provide the best products and services possible to our customers and clients. Our customers and clients support this business and generate your wages. You are expected to treat every customer, client, or visitor with the utmost respect and courtesy during your working time. You should never argue or act in a disrespectful manner towards a visitor or customer during your working time. If you are having problems with a customer, client, or visitor, please notify your supervisor immediately. If a customer, client, or visitor voices a suggestion, complaint, or concern regarding our products or services, please inform your supervisor or a member of management. Lastly, please make every effort to be prompt in following up on customer, client, or visitor orders or questions. Positive customer, client, and visitor relations will go a long way to establishing our Company as a leader in its field.

## **11.0 Closing Statement**

### ***11.1 Closing Statement***

Thank you for reading our employee handbook. We hope it has provided you with an understanding of the Company's mission, history, and structure as well as our current policies and guidelines. We look forward to working with you to create a successful company and a safe, productive, and pleasant workplace.

Nancy Whiteman, Owner Hudson Botanical Processing, LLC LLC

## **12.0 Acknowledgment of Receipt and Review**

### ***12.1 Acknowledgment of Receipt and Review***

#### **COMPANY POLICY MANUAL ACKNOWLEDGEMENT FORM**

By my signature below, I acknowledge that I have received and read the Company Policy Manual for Hudson Botanical Processing, that I have been given the adequate opportunity to ask questions and receive clarification, regarding the policies and procedures set forth in the Company Policy Manual, and that I understand its contents.

I understand that I am required to abide by, and agree to abide by, Hudson Botanical Processing's policies as set forth in the Policy Manual or as otherwise adopted or implemented by "company" from time to time. I understand that there may be other policies or procedures in effect at Hudson Botanical Processing from time to time that are not included in the Employee Policy manual, and I agree to abide by those policies and procedures.

I understand that neither this policy manual nor any provision herein constitutes an employment contract, an offer to enter a contract of employment or part of an employment contract, or confers any contract rights.

I understand that Hudson Botanical Processing may rescind, modify, change, or deviate from the Company Policy Manual or any of its policies or procedures at any time, and any such rescission, modification, change, or deviation may become effective. Employees will be notified with all rescissions, modifications and changes.

I understand that this signed acknowledgement will be inserted in my personnel file.

---

Date

Employee Signature

---

Print Employee Name



**Hudson Botanical Processing, LLC**

## **Health and Safety Plan**

**Hudson Botanical Processing  
9 Kane Industrial Drive, Unit 1  
Hudson, MA, 01749**

# Health and Safety Plan - Production

Hudson Botanical Processing  
9 Kane Industrial Drive, Unit 1  
Hudson, MA, 01749

Emergency Contacts			
Contact	Name	Organization	Phone Number
CEO/Site Supervisor	Brian Adams	Hudson Botanical Processing	(508) 395-4179
Kitchen Manager	David Morin	Hudson Botanical Processing	(508) 942-8209
Director of Sales	Justin Foley	Hudson Botanical Processing	(**) **-
Fire/EMT		Town of Hudson	911 / (978) 562-7069
Police		Town of Hudson	911 / (978) 562-7122

Emergency Medical Facility	
Primary Medical Facility	Secondary Medical Facility
<b><u>UMASS Memorial - Marlborough Hospital</u></b> 157 Union St. Marlborough, MA, 01752 4.1 Miles from facility, about 10 minutes	<b><u>MetroWest Medical Center</u></b> 115 Lincoln Street, Framingham MA, 01702 10.6 Miles from facility, about 25 minutes
Route and directions to Emergency Medical Facilities are attached to the back of this Health and Safety Plan	



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# Introduction

Our employees are the heart and soul of our company. This is true for every business, whether it is small, large, publicly traded, or government-operated. Therefore, this Health and Safety Plan (HASP) is being implemented for the benefit of all employees of Hudson Botanical Processing (HBP) in order to prevent illness and injury for any and all employees. Here at HBP, we believe that having accessible information, employee and management participation, and an on-site Safety Representative will provide all management and employees with adequate information on how to avoid workplace accidents, help avoid the spread of illness, prevent contamination of the working environment and products, and how to report workplace accidents and applicable illnesses accurately.

Furthermore, a formal HASP will also assist our company in complying with Federal and State safety, health, and environmental laws including and exceeding 105 CMR 590.000. 935 CMR 500.101(1). Lack of compliance with these laws can result in citations, fines, unfavorable publicity, and, in some cases, civil suits. The objectives of any safety program are to reduce the frequency and severity of accidents, to comply with State and Federal OSHA regulations, and to provide a safe and healthful workplace.

## **Section I - Safety Foundation**

### **Company Safety Policy Statement**

- A. The Occupational Safety and Health Act of 1970 clearly states our common goal of safe and healthful working conditions. The safety and health of our employees continue to be the first consideration in the operation of this business. Hudson Botanical Processing is dedicated to providing a safe and healthy work environment for all of our employees. The Company shall follow operating practices that will safeguard employees, the public, and Company operations. We believe all accidents are preventable. Therefore, we will make every effort to prevent accidents and comply with all established safety and health laws and regulations.

### **Management Commitment to Safety**

- B. Management is endlessly concerned about employee and visitor safety. Accidents, unsafe working conditions, and unsafe acts jeopardize employees, visitors, and Company resources. Injuries and illnesses result in discomfort, inconvenience, and possibly reduced income for the employee. Costs to the Company include direct expenses (workers' compensation premiums, damaged equipment or materials, and medical care) and indirect expenses (loss of production, reduced efficiency, employee morale problems, etc.). These indirect costs are reported to cost 4-10 times more than the insured costs of an accident. Accordingly, Management will provide sufficient staffing, funds, time, and equipment so that employees can work safely and efficiently.

### **Assignment of Responsibilities**

- C. Safety is everyone's responsibility. Everyone should have a safe attitude and practice safe behavior at all times. To best administer and monitor our safety policies, the following responsibilities are delegated. This list should not be construed as all-inclusive and is subject to change as needed.
- a. **(CEO) will:**
    - i. Provide sufficient staffing, funds, time, and equipment so that employees can work safely and efficiently.
    - ii. Demand safe performance from each employee and express this demand periodically and whenever the opportunity presents itself.
    - iii. Delegate the responsibility for a safe performance to the Manager, Supervisors, and employees, as appropriate.

- iv. Hold every employee accountable for safety and evaluate performance accordingly.
- v. Periodically review the Safety Program effectiveness and results.

**b. (Safety Director) will:**

- i. Provide the resources, direction, and audits to integrate safety into the management system.
- ii. Establish and maintain a safety education and training program.
- iii. Periodically conduct safety surveys, meetings, and inspections.
- iv. Advise Supervisors and employees on safety policies and procedures.
- v. Assure that all newly hired employees have been given a thorough orientation concerning the Company's Safety Program.
- vi. Prepare and maintain safety records, analysis, evaluations, and reports to improve the Company's safety performance and comply with all government agencies, insurance carriers, and internal procedures.
- vii. Work with management, supervisors and employees to maintain and implement new and ongoing safety programs and comply with recommendations provided by outside consultants, OSHA inspectors, and insurance companies.
- viii. Make available all necessary personal protective equipment, job safety material, and first-aid equipment.
- ix. Review all accidents with Management, Supervisors, and/or employees and ensure that corrective action is taken immediately.
- x. File all workers' compensation claims immediately and work with the workers' compensation carrier to ensure proper medical treatment is provided to injured workers and they are returned to work as quickly as medically possible.

**c. Supervisors**

- i. Each employee who is in charge of a specific work area, supervises the work of others, or to whom an employee is assigned for a specific task or project, is responsible and accountable for their safety.

**d. Supervisors will:**

- i. Establish and maintain safe working conditions, practices, and processes through:
  - 1. Safety Meetings
  - 2. Safety Training
- ii. Observe work activities to detect and correct unsafe actions.
- iii. Ensure that all injuries are reported promptly and cared for properly. Make available first aid treatment.
- iv. Investigate all accidents promptly. Complete an accident report and provide it to the Manager or Supervisor the same day the accident occurs. Review all accidents with the employees and correct the causes immediately.

- v. Assist in the review of employment applications and personnel files to determine physical qualifications for specified job classifications.
- vi. Consistently enforce safety rules/regulations, programs, and protective measures (i.e. use of personal protective equipment, machine guarding, proper clothing, etc.).
- vii. Post signs, notices, and instructions as needed or required.
- viii. Brief employees of any new hazards before they start work and weekly and/or monthly host brief safety meetings to discuss safety practices related to job hazards and general safe work behavior.
- ix. Work with top management and employees to maintain and implement new and ongoing safety programs and comply with recommendations provided by outside consultants, OSHA inspectors, and insurance companies.

**e. Employees**

- i. Each employee is responsible for his/her own safety. No task should be completed unless it can be completed safely.

**f. Employees will:**

- i. Comply with all company safety programs, rules, regulations, procedures, and instructions that are applicable to his/her position with this organization.
- ii. Refrain from any unsafe act that might endanger him/her self or fellow workers.
- iii. Use all safety devices and personal protective equipment provided for his/her protection.
- iv. Report all hazards, incidents, and near-miss occurrences to their Manager or Supervisor, regardless of whether or not injury or property damage was involved.
- v. Promptly report all injuries and suspected work related illnesses, however slight, to his/her immediate Supervisor or Manager.
- vi. Participate in safety meetings, training sessions, and surveys as requested and provide input into how to improve safety.
- vii. Notify the Manager or Supervisor immediately of any change in physical or mental condition or use of prescription drugs that would affect the employee's job performance or the safety of him/herself or others.
- viii. Notify the Human Resources Manager or General Manager within five days of any serious driving, drug/alcohol, or criminal convictions.
- ix. Be a safe worker on (and off) the job. Help coworkers do their job safely. Come to work everyday with a safe attitude.

## **Accountability for Safety**

- D. Everyone is accountable for safety. The CEO/Owner or designee will establish safety objectives and develop and direct accident prevention activities. All employees should strive to reach those objectives and will be evaluated accordingly. All Managers and Supervisors annual appraisals will include safety (results to objectives in their area and companywide) as well as an audit of their performance of their safety responsibilities. All employee salary reviews will be affected by the company's safety performance record. Appraisals, which include safety records, will also be performed on all employees seeking a promotion.

## **Opinion Survey and Employee Suggestions**

- E. The Company requests ongoing comments and feedback from all employees. In addition, annually, the company may request all employees' opinions and input on the company's safety program through an opinion survey. Be honest. You know your job better than anyone else does. Therefore, you can provide valuable input into performing the job safely. Changes to existing safety programs, rules, procedures, etc. may be influenced by your responses. Full cooperation of all employees is expected. Safety suggestions from employees are also welcomed and encouraged.
- a. To make a safety suggestion, complete the employee safety suggestion (see Appendix) and provide it to your immediate superior. The suggestion(s) will be reviewed by management personnel at the next Manager's meeting. Responses to suggestions will be discussed with the individual and posted where applicable on the company's bulletin board.

## **Section II - Safety Training**

### **New Employee Safety**

- A. The Human Resources representative or Department Manager will provide safety training to all newly hired employees. Each new employee will be given a condensed copy of the company safety manual.
  - a. General safety orientation containing information common to all employees should be reviewed, before beginning their regular job duties. The HR representative or Department Manager will (at a minimum):
    - i. Review the Safety Manual, with extra time spent on: accident and hazard reporting procedures, emergency procedures, first aid, and special emphasis programs which are included within this program.
    - ii. Encourage and motivate employee involvement in safety. Make each employee accountable for their safety and the safety of their coworkers.
    - iii. Review any known workplace hazards.
    - iv. Conduct training on any topics that are not scheduled to be addressed within a reasonable timeframe and are relevant to the employee's job.
  - b. Job-specific training provided before performing the task should include:
    - i. Specific safety rules, procedures, hazards, and special emphasis programs (Chemical Handling Procedures/Hazard Communication Program, Personal Protective Equipment, Smoking Policy, Violence Prevention Program, Lockout/Tagout) that will impact them as they complete their job with the organization.
    - ii. Identify employee's and employer's responsibilities.
  - c. Continual training should be provided to new hires. Each new hire should be assigned to work with an experienced employee for at least 6 months. The senior employee should act as a mentor and ensure that the new employee is working safely and exhibits a positive safe attitude.
  - d. The Department Manager or Training Designee should complete the New Employee Safety Checklist for each new employee during their safety training.

### **Safety Meetings and Training**

- B. Safety training is to be a continual process. As the company grows in employee count, as well as footprint, these safety procedures must be thoroughly communicated to all employees. Therefore, there will be 2 types of safety meetings that will be conducted on a monthly basis.

- a. Department Managers should hold a minimum of 2 safety meetings per month with departmental employees. These meetings will be held in the department on the second and fourth Monday of each month. Additional meetings may be scheduled at the department manager's discretion.
  - i. These department safety meetings will be conducted prior to the start of the production shift. All members of the production shift are expected to actively listen and participate in safety meetings.
  - ii. The leader of the meeting will discuss any incidents that have occurred since the last meeting, as well as existing and new hazards in the department. The meeting leader will also be available to answer any employee questions concerning safety, possible hazards, and to note any suggestions made by department employees.
  - iii. Meeting Leaders should update employees on any changes in procedures, new equipment, and general safety issues.
  - iv. Employees with outstanding safety records will be recognized during these meetings. Quizzes and surveys may be administered after safety training or meetings.
  - v. The Safety Training Log should be completed following every safety meeting/training session and maintained by the Department Manager or the Department Supervisor.
- b. The Management group should hold a minimum of 1 safety meeting per month with all employees from all departments. These meetings will be held in either the employee break room, or in an area large enough to house all of the employees. If employee count exceeds space allowed, these meetings will be broken up into 2 meetings, so all employees have the chance to fully participate and understand the information presented in the meeting. Additional meetings may be scheduled at the Management Group's discretion.
  - i. All employees are required to attend safety training meetings if they are present at work the day of the meeting. Exceptions should be cleared in writing with your immediate Supervisor the first full workday preceding the day of the safety meeting. Employees and Supervisors should offer comments and safety suggestions at the safety meeting and regularly throughout the work week as needed.
  - ii. Safety training will be conducted on a topic announced in advance of the meeting. The Safety Director or their designee will release the topic for the next meeting at least 2 business days prior to the meeting.
  - iii. Emergency Procedures should be periodically reviewed.
  - iv. All employees are to be reminded to put safety first and always look out for your coworkers, as they will look out for you.
  - v. Employees with outstanding safety records will be recognized during these meetings. Quizzes and surveys may be administered after safety training or meetings.



- vi. Department managers and supervisors should take notes during the safety meeting and all safety issue(s) discussed. This can be verbally reviewed with all employees that may have been absent from that month's safety meeting.
- vii. The Safety Training Log should be completed following every safety meeting/training session and maintained by the Safety Director or their designee.

## **Facility Safety Training Topics**

- C. Training is a critical component of our safety program. It is important to the Management of our organization that all employees are aware of the hazards they may encounter and the proper procedures to control or eliminate them. Employees will not be permitted to perform any job unless that employee has received proper instructions on how to perform the task properly and safely.
  - a. Our training program will include a review of operations, procedures, job hazards, and safety rules. Training topics for new and existing employees will include:
    - i. Safe product handling
    - ii. Prevention of burns
    - iii. Prevention of slips, trips, and falls
    - iv. Prevention of lifting injuries
    - v. Prevention of cuts
    - vi. Fire prevention
    - vii. Electrical safety
    - viii. Hazard communication
    - ix. Security and crime control
    - x. Forklift safety
    - xi. Cannabis disposal
    - xii. Storage requirements
    - xiii. Maintaining a clean work environment (housekeeping)
  - b. Each of these topics will be covered in this HASP under "General Safety" or "Special Emphasis Programs"

## **Section III - General Safety**

### **Emergency and Evacuation Procedures**

- A. Our goal is to provide prompt and immediate action in an emergency to protect life, property, and equipment.
  - a. Emergency Procedures:
    - i. In case of emergency, the employee nearest the stricken person, or other emergency, should call 911 (or the emergency phone number posted in your area) and direct a fellow employee to:
      - ii. Notify the nearest Supervisor to come to the scene; and
      - iii. Simultaneously dispatch available employees to quickly retrieve the first aid kit and/or AED in the case of a sudden collapse.
    - iv. An individual trained in first-aid or CPR should apply emergency rescue procedures until medical assistance arrives
      - 1. Note: Having a CPR or First Aid Certification does not make you responsible to act in times of an emergency. If you are trained and feel comfortable doing so, then proceed in conducting First Aid or CPR procedures.
    - v. The Department Manager or the Supervisor should be notified. The CEO, Department Manager or Supervisor (in that order) or their designees will decide whether or not to evacuate, inspect or shut down a facility.
  - b. Evacuation Procedures
    - i. The Department Manager will be responsible for the effective evacuation of all employees in their area. If the Department Manager is absent, or not in the room at the time of the evacuation, the responsibility for effective evacuation then falls on the Department Supervisor.
    - ii. When alerted by the alarm or another manager to evacuate, employees should:
      - 1. Properly secure all classified materials in your possession and assure all classified containers and areas are properly locked.
      - 2. Proceed to the nearest designated area of safety (i.e. fire – exit building, tornado – interior corridor – away from exterior windows and/or lowest level at the building) and assemble in the designated area.
        - a. Note: All evacuation routes and procedures will be posted in every department by the front door.
      - 3. Remain in the designated area, until instructions are provided.

# Safe Operating Procedures

B. All employees are responsible for safety. The following safe operating procedures apply to all employees working within this organization.

a. Rules/Regulations

- i. Emergency telephone numbers should be posted on at least one telephone on each level within the building. Emergency phone numbers would include: ambulance service, local hospital/medical facility, fire, law enforcement, poison control center, management contact numbers, etc.
- ii. Comply with all established safety rules, regulations, procedures, and instructions which are applicable to you as a member of this organization.
- iii. Promptly report all accidents, hazards, incidents, and near-miss occurrences to your immediate supervisor, regardless of whether or not injury or property damage was involved.
- iv. Do not visit, talk to, or distract another employee who is operating equipment, or who is engaged in a work activity where the possibility of injury exists.
- v. Do not participate in horseplay, scuffling, pushing, fighting, throwing things, or practical jokes.
- vi. Observe all no-smoking signs and regulations.
- vii. Do not run on company premises
- viii. Use handrails on steps, elevated platforms, scaffolds, and all other methods of elevation.
- ix. Assist others and ask for assistance in lifting and carrying heavy or awkward objects.
- x. Firearms, ammunition, knives, explosives and other weapons are prohibited on company premises at all times with no exceptions.
  1. Box cutters, knives, scissors and other cutting devices will be provided by the company.
- xi. Personal stereos with headphones are not to be worn in the workplace.
- xii. Alcohol and drug use and possession on company property of these substances are strictly prohibited.
- xiii. Seat belts must be worn at all times while operating or riding in a company vehicle, or in a vehicle (employee owned or company owned) when on company property or when traveling within a vehicle (employee owned or company owned) on company business off company property.
- xiv. Cell phones are not to be used while driving on company time. Hands Free system or cell phone mount is required.

## Housekeeping

- C. Proper housekeeping, or maintaining cleanliness in your work area, is paramount to operating safely. By maintaining proper housekeeping habits, many safety concerns and hazards can be avoided or wholly prevented.
- a. Practice good housekeeping by keeping the work area, aisles, walkways, stairways, roads, or other points of egress clean and clear of all hazards.
  - b. Store and/or return parts, materials, tools, and equipment so as not to create a tripping hazard.
  - c. Clean-up scrap materials, debris, and other excess materials from the floor and work stations. Place oil soaked rags, trash, and scrap in proper waste containers. Place all cannabis contaminated materials in the appropriate green wastebasket.
  - d. Keep work area floors clean, dry, and free of oils, grease and liquids. Clean up all spills immediately.
  - e. Store parts, materials, or equipment with protruding sharp ends or edges where personnel can not accidentally bump into them. Kitchen knives are to be stored on the magnet strip by the three bay sink. Scissors are to be stored in a pen holder on the manager's desk. All box cutters are to be stored with the blade closed and returned to the appropriate storage area. No box cutters are permitted to leave the facility.
  - f. Materials and equipment are not to be stored in the aisles or near exits. Permission in writing from your immediate supervisor must be obtained for temporary or permanent storage of any materials or equipment in aisles or near exits.
  - g. Materials are not to be stored where they can block the view of any security cameras. Furthermore, no object stored on the top shelf should be more than 20 inches from the ceiling, as per the fire code.

## **Material Handling and Back Safety**

- D. Safe lifting will lead to fewer injuries. The first rule of safe lifting is do not be a hero. If the object that needs to be carried is large, heavy, or awkward to lift, ask for help from a fellow employee. Personal safety is one of our largest concerns and safe lifting practices will ensure fewer accidents and workplace injuries. The following guidelines are to inform all employees of our safe lifting procedures.
- a. Know the approximate weight of your load and make certain any material handling equipment you may operate to move materials is rated to handle the weight of the load. (Never exceed the manufacturer's recommended safe working load for any material handling equipment. Doing so increases the probability of equipment failure, dumping of the load, personal injuries and/or damage to materials, the facility, etc).

- b. Lift heavy objects as instructed, with the leg muscles and not with the back. On average, do not manually lift over 50 pounds.
- c. Call for assistance as needed for handling heavy or bulky objects or materials.
- d. Use an appropriate, approved lifting device (i.e. special trucks, racks, hoists, and other devices) for lifting very heavy, bulky, large or unyielding objects
- e. All ropes, chains, cables, slings, etc., and other hoisting equipment must be inspected prior to each use.
- f. A load should never be lifted and left unattended.
- g. Wear safety gloves when handling materials that pose cutting exposures.
- h. Properly stack and secure all materials prior to lifting or moving to prevent sliding, falling, or collapse.
- i. Avoid moving or lifting loads by hand whenever possible.
- j. Tips for manual lifting:
  - i. Get a good footing.
  - ii. Place feet about shoulder width apart
  - iii. Bend at the knees to grasp the weight.
  - iv. Keep back as straight as possible.
  - v. Get a firm hold.
  - vi. Lift gradually by straightening the legs.
  - vii. Don't twist your back to turn. Move your feet.
  - viii. When the weight is too heavy or bulky for you to comfortably lift - GET HELP.
  - ix. When putting the load down, reverse the above steps.
  - x. Please note: If lifting stacked materials, materials should be carefully piled and stable. Piles should not be stacked as to impair your vision or unbalance the load. Materials should not be stacked on any object (i.e. floor, shelving units, ladders, scaffolds, etc.) until the strength of the supporting members has been checked.

## **Office Safety**

- E. Practicing good office safety is an excellent way to avoid easily preventable accidents and injuries. The following guidelines are what the management team at HBP will expect to be followed at all times. Many accidents are completely avoidable, and so we are empowering our employees to ensure the safety of all employees at HBP to be proactive in both the office and the production environments.
  - a. Practice good housekeeping throughout the office area. Do not leave materials or position telephone or electrical cords in the aisles.
  - b. Report or correct any obvious hazards as soon as they are discovered.
  - c. Do not carry articles weighing more than 20 pounds when ascending or descending stairs that rise more than 5 feet.

- d. Close files and desk drawers. Arrange heavy or large files in the rear of file cabinet drawers to prevent tipping when draws are open. Always store heavy materials in the lower drawers and light objects on upper shelves. Do not open more than one drawer at a time, as tipping of the cabinet or desk may occur. Secure cabinets to each other and/or to building structural members to improve stability.
- e. Report damaged furniture and broken veneer surfaces immediately.
- f. Do not carry pointed or sharp objects in hand, pockets, or attached to clothing with points or blades exposed.
- g. Do not leave paper cutters with the blade in the open or upright position.
- h. Remove, secure, or arrange material on file cabinets and desks to prevent materials from falling from office furniture.
- i. Do not stand on chairs, desks, boxes, wastebaskets, or any other furniture or object. These items are not be used as substitutes for an approved step-stand or stepladder.
- j. Report slippery floor surfaces to your Supervisor immediately
- k. Clean up spills on floors immediately.
- l. Position desks and files so that drawers do not extend into the aisle or walkway when open.

## **Clothing and Uniforms**

- F. All clothing and apparel worn at HBP must be appropriate for either the office or production environments. When in the office, business casual attire should be the standard. When in the production areas, the company provided uniform, or, alternatively, a coverall Tyvek suit should be worn at all times. Further details about clothing and uniforms are as follows:

**a. Clothing**

- i. Business casual attire at HBP refers to the use of a collared shirt, blouse, or polo shirt while in the office. Khakis, black dress or work pants, appropriate length skirts (no miniskirts), and black or blue jeans with no rips, holes, studding or print may be worn while in the office.

**b. Uniforms**

- i. The company provided uniform will consist of a pair of nonslip, closed toe native shoes. Also, all employees will need to utilize a hair net, beard net (if more than ¼ inch of facial hair), a coverall Tyvek suit (as needed), and shoe covers (as needed).
- ii. When performing certain tasks, the proper PPE is always to be used. The company will provide all PPE required to perform the tasks at hand. PPE includes: vinyl gloves, safety glasses, face masks, cryogenic gloves, heat resistant gloves, lab aprons, and ear plugs.

**c. Jewelry**

- i. While in the office, any jewelry may be worn at any time. While in the production areas, however, the following guidelines must be observed for safety reasons: do not wear rings or any form of jewelry or ornamentation when working around machinery or exposed electrical equipment. When in production areas, all necklaces should be tucked in under the company uniform, all rings should be removed (with the exception of 1 wedding ring set), all bracelets, watches, athletic trackers, and other wrist jewelry should be removed.

## **Fire Prevention**

**G.** In most cases, fires should be preventable at all times. When they are not, however, following proper fire prevention protocols will assist us in ensuring that if a fire is to occur, it will not be devastating. The following guidelines have been put into place to help all employees in being proactive concerning office fires.

- a. Good housekeeping is the first rule of fire prevention. Oily rags, paper shavings, trim, and miscellaneous scrap materials should be cleaned up and placed in trash receptacles.
- b. All flammable liquids should be stored in an approved manner and dispensed from a UL Listed or Factory Mutual Approved portable flammable liquid safety containers.
- c. All ethanol and other flammable liquid 55 gallon drums will be stored on top of a containment pallet to catch leaks and spills.
- d. No open flames within the classified
- e. Liquefied Petroleum (LP) Gas presents special fire and explosion hazards. Only qualified persons are to handle LP gas. LP gas equipment should be inspected daily for leaks, etc.
- f. Open fires of any kind are not permitted.
- g. Combustible materials or equipment in combustible containers should be stored properly.
- h. Fire extinguishers should be located near an exit door.
- i. Fire extinguishers should be located near the extraction booth.
- j. Fire extinguishers should be recharged and inspected regularly. A tag indicating the date the unit was recharged should be affixed to each extinguisher.
- k. Access to fire hydrants should be maintained at all times. Fire hydrants should never be blocked or obstructed in any way.
- l. All combustible waste materials, rubbish, and debris should be disposed of daily.
- m. Smoking is prohibited in any hazardous area and "No Smoking" signs should be posted in these areas.

- n. Compressed gas cylinders should be transported and stored in an upright position.
- o. Compressed gas fuel cylinders should be separated from oxygen cylinders by at least 20 feet or by a 5 foot high ½-hour fire rated wall.
- p. No material should be stored within 3 feet of an electrical panel, outlet, or fire suppression equipment.

## **Safe Food Handling**

H. At HBP, we create edible cannabis products that are safe for public consumption at a recreational level. This means we must observe the utmost care at every stage of the production process. Knowing how to properly handle food will aid us in this effort. Therefore, as per Massachusetts DPH standards, we must have a minimum of one person per shift that has their ServSafe Certification or equivalent to ensure all production is being conducted in the presence of a certification carrier. The following guidelines are to make all employees aware of the kinds of possible contaminants, allergens, and the different controls we have to ensure all product is produce in a clean environment. For more detail please see the HBP's Food Safety Plan.

**a. Possible Contaminants:**

- i. Foreign objects in food.
- ii. Food poisoning as a result of spoilage, contamination, or deterioration of food; food stored improperly; improper temperature in the food storage facilities.
- iii. Lack of adequate housekeeping and cleanliness in the food preparation area.
- iv. Expired shelf-life products.
- v. Improper storage of cleaning materials and pest control chemicals.
- vi. Insufficient supply of hot water for the dishwasher.
- vii. Rodents and pests.

**b. Controls:**

- i. Develop and enforce strict hand washing procedures
- ii. Sanitize serving equipment, counters, and table surfaces often.
- iii. Refrigerate food promptly (as needed).
- iv. Establish a pest control program.
- v. Refrain from bare-hand contact with ready-to-eat foods.
  - 1. All products produced by HBP will be considered ready-to-eat foods

## **Prevention of Burns**



- I. Unsafe actions by employees could lead to contact with hot surfaces including cooking equipment, grease, open flames, etc. Although not all inclusive, the following is a partial list of safety procedures to help reduce the probability of employee injuries due to burns.
- a. Employees must call out “Behind You!” when passing employees who are carrying hot items.
  - b. Do not use wet towels as hot pads.
  - c. If you do not know if something is hot, assume that it is.
  - d. The use of potholders or oven mittens should be strictly enforced whenever removing items from cooking appliances or when there is a high probability the pan or container is hot.
  - e. Use care when pouring hot liquids such as coffee or hot tea.
  - f. Keep pot handles turned inward so that they do not protrude over the edge of range, table, or counter.
  - g. When adding ingredients to hot liquids, add small portions at a time to prevent splashing.
  - h. Use the release valve to release pressure before opening pressurized steam kettles or pressure cookers.
  - i. Transport hot liquids in closed containers.

## **Prevention of Slips, Trips and Falls**

- J. Twenty percent of all serious injuries are caused by falls in the workplace. Fortunately, slips, trips, and falls are highly preventable through hazard identification procedures and adherence to some fairly simple control guidelines.
- a. **Potential Hazards:**
    - i. Small items in the walkway, such as food scraps.
    - ii. Loose carpet or tile.
    - iii. Wet and slippery floors, caused by spilled liquids or snow tracked in during inclement weather.
    - iv. Changes in floor elevations.
    - v. Poor lighting.
    - vi. Snow and ice-covered parking lot surfaces.
    - vii. Potholes in parking areas.
  - b. **Controls:**
    - i. Keep floors clean and dry.
    - ii. Use “Caution-Wet Floor” signs when mopping the floor, and leave the sign in place until the floor is completely dry.
    - iii. Flooring should be inspected regularly for cracked or uneven surfaces.

- iv. Daily cleaning of kitchen floors, using heavy-duty cleaners and degreasers.
- v. Clean up spills immediately.
- vi. Repair defects in the parking lot, sidewalks, floors, and carpets.
- vii. Employees should wear shoes with good traction and closed toes.
- viii. Use grid-pattern rubber floor mats or special floor treatments in the kitchen.
- ix. Place trash in proper waste containers.
- x. All employees should exercise good housekeeping practices and clean as they go.
- xi. Repair tears in carpeting as soon as possible. Tape can be used temporarily.
- xii. Use floor mats at all entryways.
- xiii. Do not store or leave items on stairways.
- xiv. Do not store or leave items on stairways.

## **Security and Crime Control**

**K.** Due to the valuable nature of our products, cannabis companies are high risk targets for robberies. But there are ways to prevent robberies and minimize the risk of danger to our employees and customers in the event of a hold-up. The following guidelines help us reduce the chance of employees and customers becoming crime victims. For more detailed security procedures and policies, please see the Security Plan.

- a. Make sure all employees are trained in how to recognize suspicious activities.
- b. All exterior door locks will be change after each management change. Key cards will be revoked from former employees.
- c. Keep the doors locked at all times.
- d. Proper lighting and visibility can deter crime outside and inside the facility.
- e. Exterior lights should be turned on at dusk and during bad weather.
- f. Floodlights should illuminate the sidewalks, back door, and front door.
- g. Burned out lights should be replaced immediately.

All employees should adhere to the following procedures:

- h. Do not panic during a robbery
- i. Do not argue with the robber
- j. Be observant, note as many details as possible about the robber(s)
- k. Know how to set off the silent alarm, but ONLY if it can be done without risk
- l. Do not lie to the robber. Do not volunteer information, but if asked a question, always tell the truth.
- m. Do not surprise the robber or do anything to excite or confuse them
- n. Do not chase after or use weapons against the robber. That is the responsibility of the police

- o.** Call the police immediately after the robber leaves. Lock the doors. Do not touch evidence or discuss the robbery with other employees. If customers witnesses will not wait for the police to arrive, get their names and addresses for the police.
- p.** Cooperate and answer all questions that police ask about the robbery.
- q.** NEVER give statements to the media
- r.** Bank deposits should be made at varying times
- s.** Take different routes to the bank.
- t.** Know how to detect counterfeit bills.

## **Section IV – Accident Management**

### **Accident and Near Miss Reporting**

- A.** If you or a fellow employee has a near-miss situation while working, notify your supervisor immediately. The situation will be investigated and corrective action implemented to prevent future injury. Employees and witnesses must fully cooperate in the investigation.
  - a.** If you are injured on the job:
    - i.** Contact your Supervisor, or the nearest coworker (who should notify a Supervisor) if you are unable to contact your Supervisor due to the severity of your injury.
    - ii.** The designated employee who is trained in first-aid and/or CPR should be immediately notified to assist in the situation.
    - iii.** First aid kits, which are prominently displayed throughout the workplace, should be made available and medical supplies promptly refilled (by the Manager).
    - iv.** If needed, the Supervisor or his/her authorized representative should transport the injured worker to the company's designated medical facility to receive appropriate medical attention.
    - v.** If rescue personnel are summoned, the Supervisor should delegate an individual to wait for the rescue team and escort them to the injured employee.
    - vi.** All witnesses to the accident should be available to speak with the Management and/or Supervisor and cooperate in all accident investigations.
    - vii.** The Manager or immediate Supervisor should immediately notify the insurance company of the accident and file a workers' compensation claim.
  - b.** Every accident or near-miss situation should be reported immediately. Injured employees and witnesses to the accident will assist the Supervisor in completing an accident investigation. Injured employees must comply with the medical treatment provided by the treating physician and cooperate with the insurance company and its designees.

### **Accident Investigation**

- B.** When an accident occurs, it is an indication that something has gone wrong. Accidents don't just happen, they are caused. The basic cause(s) of accidents are unsafe acts

and/or conditions. The Supervisor must investigate every accident to determine the cause and to initiate corrective action to assure that similar type accidents will not reoccur from the same causes. Supervisors should complete the Supervisors Accident Investigation Report and submit a copy to the (Insert Appropriate top management title here such as Corporate President, Owner, Manager, General Manager) for review. The (insert title of person mentioned in prior sentence here) should evaluate the corrective action(s) taken or suggested by the Supervisor and instruct if additional changes should be made.

**a. Tips on accident investigations:**

- i.** Every accident is caused. Carelessness is not a cause, but the result of some deficiency. Telling employees to be more careful will not eliminate the real accident cause.
- ii.** An accident investigation is not a trial to find fault or to place blame. Its purpose is to find accident causes so that corrective measures may be taken to prevent future accidents.
- iii.** Most accidents result from a combination of human error (unsafe behavior) and a physical hazard (unsafe condition). Do not overlook the possibility of multiple errors and hazards.
- iv.** Don't stop at the obvious answer. For instance, a fall on greasy floor surface does not happen because someone slipped. The accident happened because the grease was allowed to remain on the floor and the worker walked onto it. Determine why the operator did this and why the grease was not cleaned up. Only by correcting both problems can you prevent future accidents.
- v.** The accident investigation should be conducted as soon after the accident as possible. Facts should be gathered while the accident is fresh in the minds of those involved. If possible, question every employee who was involved, or witnessed, the incident. Delay interviewing injured employees until after medical treatment has been received.
- vi.** Other employees who did not witness the accident, but work in the area, may contribute information regarding the injured worker's activities prior to the accident and conditions at the time of the accident.
- vii.** The accuracy and completeness of the information received from the injured worker(s) and witness(es) depends on how well the interview is conducted. Supervisors should:
  - 1.** Put employees at ease.
  - 2.** Ask what happened and how it happened.
  - 3.** Permit employees to answer without interruptions.
  - 4.** Show concern.
  - 5.** Remember, nothing is gained with criticism or ridicule.
  - 6.** Ask "why" questions, only to clarify the story.

7. Repeat the story, as you understand it.
  8. Give the employee the chance to correct any misunderstandings that you may have.
  9. Photographs of the conditions as they exist immediately following the accident, including photos of the damaged equipment, are very helpful.
  10. Damaged equipment should be removed or secured for future testing and used as evidence.
  11. Employees should not be permitted, under any circumstances, to operate machines or equipment that was damaged in an accident until all necessary repairs have been completed and all damaged parts have been repaired or replaced.
  12. Take immediate action to correct any obvious unsafe conditions. Determine the basic accident causes and correct or recommend action to prevent reoccurrence.
- viii.** In addition to employee accidents/injuries, customer reported incidents should be documented to assist management, and our insurance carrier should a claim be filed, to thoroughly investigate the reported incident. If a customer incident of any type is reported to you, the following procedures should be followed:
1. If you are a Supervisor or you are a member of management and an incident is being reported to you by a customer, NEVER admit guilt but complete the attached applicable customer incident report form (i.e. if a food incident, please complete the Food Incident Investigation Report. If this is NOT an alleged food incident, the general Customer Incident Report form should be completed).
  2. All instructions on the incident report forms should be closely followed and the completed forms should be forwarded to the Manager/owner of this business for further investigation and/or action.

## **Section V – Safety Violations**

### **Disciplinary Procedure**

- A. PRIOR TO IMPLEMENTING ANY EMPLOYEE DISCIPLINARY PROCEDURE, THE ENTIRE PROGRAM INCLUDING THE ACTIONS THAT WILL BE TAKEN SHOULD THE EMPLOYEE VIOLATE SAFETY RELATED POLICIES, SHOULD BE REVIEWED WITH OUR COMPANY'S LEGAL COUNSEL.
  - a. Should any employee commit an unsafe act, intentional or not, this action should be addressed by the immediate Supervisor and reviewed by the Business Owner or Manager. The Company reserves the right to use disciplinary actions, depending upon the seriousness of the violation and the impact of the violation upon the conduct of Company business. It is not required to complete all steps of the disciplinary procedure in every case. Discipline may begin at any step appropriate to the situation. Discipline includes, but is not limited to:
    - i. Verbal Reprimand
    - ii. Written Reprimand
    - iii. Suspension
    - iv. Termination of Employment
  - b. The "Safety Violation Notice" form should be completed for all written reprimands. A copy should be maintained in the employee's personnel file and submitted to the Manager, if corrective action(s) is required.

## **Section VI – Special Emphasis Programs**

### **Chemical Handling Procedures/Hazard Communications Program**

#### **A. Chemical Handling Procedures/Hazard Communications Program**

- a.** Purpose: To ensure that information about the dangers of all chemicals/hazardous materials used by the Company are known by all affected employees. A secondary purpose is to comply with the requirements of the OSHA Hazard Communication Standard and corresponding state laws
- b.** Responsibility: All employees of the company will participate in the hazard communication program and comply with all provisions of this policy. The Business Owner or Manager is responsible for maintaining this program and ensuring compliance with all local, state, and federal laws.
- c.** Scope: This program covers container labeling, material safety data sheets, employee training and information, hazardous non-routine tasks, list of hazardous chemicals (i.e. cleaning chemicals, re-fueling chemicals, lawncare chemicals, office chemicals, etc.), chemicals in unlabeled pipes and safety procedures.
- d.** Program:
  - i.** Container Labeling
    - 1.** The Business Owner or Manager will verify that all containers received for use will be clearly labeled with the following: 1) contents, 2) the appropriate hazard warning (i.e. flammable, toxic, etc.), and 3) the name and address of the manufacturer. Existing labels will not be removed or defaced on incoming containers.
    - 2.** All materials on site are to be stored in their original container with the label attached.
    - 3.** Any material with a label missing or illegible should be reported to the Supervisor immediately for proper labeling and/or disposal in accordance with the Safety Data Sheet.
    - 4.** Stationary, secondary, or portable containers should be clearly labeled with either an extra copy of the original manufacturer's label or with generic labels which have a block for identification and blocks for the hazard warning.
    - 5.** Signs, placards, or other written materials that convey specific hazard information may be used in place of individual container labels if there are a number of stationary process containers within a work area which store similar materials.



6. Portable containers do not need to be labeled if the chemicals are transferred to labeled containers and used by the employee making the transfer during that shift. No unmarked containers of any size shall be left unattended in the work area.
- ii. Safety Data Sheets (SDS)
1. Any product having a hazardous warning on its label requires a MSDS.
  2. The manufacturer, distributor, or vendor shall provide the MSDS for the hazardous product.
  3. All MSDS's shall be forwarded to the Business Owner or Manager and reviewed by this individual and employees using the product to determine safe work practices and to determine what if any personal protective equipment may be needed. The MSDS's will be maintained and kept at the following location:
- 
4. The MSDS provides:
    - a. chemical information
    - b. hazardous ingredients
    - c. physical data, such as the potential for fire, explosion, and reactivity
    - d. health hazards
    - e. spill or leak procedures GMRC 2808 R 2-09 32
    - f. special protection and precaution
    - g. personal protective equipment needed
    - h. name, address, and phone of MSDS preparer or distributor
  5. Employee Training and Information
    - a. The Business Owner or Manager will provide training to employees when hired, prior to handling chemicals for the first time within work area (i.e. due to chemical substitution, job reassignment) and routinely thereafter on the hazardous nature of chemical products. Training will include:
      - i. The Hazard Communication Policy
      - ii. Chemicals present in workplace operations
      - iii. Physical and health effects of the hazardous chemicals
      - iv. Appropriate work practices and controls when using chemicals
      - v. Emergency and first-aid procedures
      - vi. How to read labels and review an MSDS to obtain appropriate hazard information
      - vii. Location of the MSDS file and written hazard communications program
    - b. After attending the training class, each employee will sign a form to verify that they attended the training, received the written materials, and understand the company's policies on Hazard Communication. See the Training Documentation for Chemical Handling Procedures/Hazard Communication Program.
  6. Hazardous Non-Routine Tasks
    - a. Periodically, employees are required to perform hazardous non-routine tasks.

- b. Prior to starting work on such projects, each affected employee will be given information by the Business Owner or Manager about the hazardous chemical he/she may encounter during such an activity. This information will include specific chemical hazards, protective safety measures the employee can use, and measures the company has taken to lessen the hazards including ventilation, respirators, presence of other employees, and emergency procedures.
7. Informing Contractors and Others
  - a. The Business Owner or Manager shall advise contractors that may work at our facility and other clients of our Hazard Communication Program.
  - b. Copies of the MSDS's for all materials brought onto the site will be made available upon request to each client, contractor or visitor to the facility by the Business Owner or Manager.
  - c. The Business Owner or Manager will also obtain chemical information from contractors that may expose our employees to hazardous chemicals which they bring into our workplace.
8. List of Hazardous Chemicals Attached is a list of all known hazardous substances presently being used (see sample form "List of Hazardous Chemicals"). Listed chemicals are denoted as EX for explosive, HT for highly toxic, C-R for corrosive or irritant, and CAR for proven or suspected carcinogen-mutagen in humans or animals. Further information on each chemical can be found by reviewing the MSDS sheet on that chemical.
9. Chemicals in Unlabeled Pipes
  - a. Work activities are often performed by employees in areas where chemicals are transferred through unlabeled pipes.
  - b. Prior to starting work in these areas, the employee shall contact the Business Owner or Manager for information regarding:
    - i. The chemical in the pipes.
    - ii. Potential hazards.
    - iii. Safety precautions which should be taken. GMRC 2808 R 2-09 33
10. Safety Procedures and Recommendations
  - a. Work Habits
    - i. Never work alone, eat, drink or use tobacco products within an area where chemicals are handled or within a chemical storage room. Do not store food or beverages in such an area.
    - ii. Wash hands before and after working within a chemical handling area, and after spill cleanups.
    - iii. Restrain loose clothing, long hair, and dangling jewelry.
    - iv. Never leave heat sources unattended.
    - v. Never place reactive chemical containers near the edge of a table, bench, etc. where they may fall and break, thus releasing chemical vapors into the room and/or come into contact with other chemicals causing an unsafe reaction.

- vi. Use a fume hood when working with volatile substances.
  - vii. Obtain and read the MSDS for each chemical before handling/dispensing any chemicals.
  - viii. Analyze new chemical handling procedures in advance to pinpoint hazardous areas.
  - ix. Analyze accidents to prevent repeat performances.
  - x. Protection should be provided for not only the employees working within the chemical handling/ processing room, but also for any visitors to the area.
  - xi. Do not mix chemicals in the sink.
  - xii. Always inform co-workers of plans to carry out hazardous work.
  - xiii. Carry out regular fire or emergency drills with critical reviews of the results.
  - xiv. Have actions pre-planned in case of an emergency (i.e. gas shut-off location, escape routes posted, meeting places).
- b. Safety Wear**
- i. ANSI approved eye or face protection should be worn at all times within those work areas where eye injuries could be expected if appropriate eye protection is not worn.
  - ii. Gloves, which will resist penetration by the chemical being handled and have been checked for pin holes, tears, or rips, should be worn.
  - iii. Footwear should cover feet completely; no open-toed shoes or sandals.
- c. Facilities and Equipment**
- i. Have separate container for trash and broken glass.
  - ii. Never block any escape routes, and plan alternate escape routes.
  - iii. Never block a fire door open.
  - iv. Never store materials in storage aisles.
  - v. All moving belts and pulleys should have safety guards.
  - vi. Ensure that eye-wash fountains will supply at least 15 minutes of water flow.
  - vii. Regularly inspect safety showers and eye-wash fountains and keep records of inspections.
  - viii. Keep up-to-date emergency phone numbers posted next to the phone.
  - ix. Place fire extinguishers near an escape route, not in a "dead end" corridor.
  - x. Regularly maintain fire extinguishers, maintain records, and train personnel in the proper use of extinguishers.
  - xi. Acquaint personnel with the meaning of "Class A fire", "Class B fire", etc., and how they relate to fire extinguisher use. GMRC 2808 R 2-09
  - xii. Secure all compressed gas cylinders when in use and transport them secured on a hand truck.

- xiii. Install chemical storage shelves with lips, and never use stacked boxes in lieu of shelves.
      - xiv. Replace appropriate equipment and materials for spill control when they become dated.
  - d. Chemical Storage
    - i. Do not store materials on the floor.
    - ii. Separately store organic and inorganic chemicals.
    - iii. No above eye level chemical shelf storage should be permitted.
    - iv. Shelf assemblies should be firmly secured to walls.
    - v. Store acids, poisons, and flammable liquids in separate dedicated cabinets.
  - e. Purchasing, Use, and Disposal
    - i. If possible, purchase chemicals in class-size quantities only. Label all chemicals accurately with date of receipt, or preparation, initialed by the person responsible, and pertinent precautionary information on handling.
    - ii. Follow all directions for disposing of residues and unused chemicals
    - iii. Properly store flammable liquids in small quantities in containers with a provision for bonding to receiving vessels when the liquid is transferred.
    - iv. Have a Material Safety Data Sheet on hand before using a chemical.
    - v. Prepare a complete list of chemicals of which you wish to dispose.
    - vi. Classify each of the chemicals on the disposal list into a hazardous or non-hazardous waste chemical. (Check with the local environmental agency office for details.)
  - f. Substitutions
    - i. Reduce risk by diluting substances instead of using concentrates.
    - ii. When conducting training involving chemical handling, use handouts, films, videotapes, and other methods rather than experiments involving hazardous substances.
    - iii. Undertake all substitutions with extreme caution.

## **Personal Protective Equipment**

### **B. Personal Protective Equipment:**

- a. Purpose: To provide guidelines concerning the proper use of Personal Protective Equipment and to comply with OSHA standards outlined in Title 29, Code of Federal Regulations (CFR), parts 1900-1999.
- b. Definition: PPE includes clothing and other accessories designed to create a barrier between the user and workplace hazards. It should be used in conjunction with engineering, work practice and/or administrative controls to provide maximum employee safety and health in the workplace.

- c. Responsibility:** All employees should use protective equipment described by local, state, federal, and company rules and regulations to control or eliminate any hazard or other exposure to illness or injury.
- d. Training:** Proper employee training on the correct usage of PPE will likely eliminate many accidents and injuries from occurring. Before performing any work that requires the use of PPE, the Business Owner or Manager, or his/her delegate, must train employees on the following:
  - i.** When and what types of PPE are necessary;
  - ii.** How the PPE is to be used;
  - iii.** What the PPE's limitations are; and
  - iv.** How PPE should be handled, maintained and stored in accordance with the PPE manufacturer's recommendations.

In many cases, more than one type of PPE will provide adequate protection. In such cases, employees should have their choice of which type of protection they would like to use. The company is required to document in writing that training has been performed and that employees understand all trained materials. Written certifications should contain the names of all employees trained, the date(s) of training, and the PPE requirements. An example of Training Documentation for Personal Protective Equipment follows.

- e. Types of Protection**
  - i.** Eye and Face Protection – Safety glasses with side shields should be provided by Manager or Supervisor and use of such equipment should be mandatory for all employees and visitors in those areas where eye injuries are likely to occur if appropriate eye protection is not worn.
- 1.** All construction areas require 100% eye protection at all times. Minimum eye protection includes approved safety glasses with side shields or mono-goggles meeting the standards specified in ANSI Z87.1-1968.
- 2.** Additional eye and face protection should be used by employees when:
  - a.** Welding, burning, or using cutting torches
  - b.** Using grinding equipment
  - c.** Operating saws, drills, cutting tools
  - d.** Working with any materials subject to scaling, flaking, or chipping
  - e.** Sanding or water blasting
  - f.** Working with compressed air or other gases
  - g.** Working with chemicals or other hazardous materials
  - h.** Working near any of the above named operations
- 3.** Selection: There are different types of eye and face protection designed for particular hazards. In selecting protection, consider type and degree of hazard. Where a choice of protection is given, worker comfort should be the deciding factor in selecting eye protection. Employees who use corrective eye glasses should wear face shields, goggles, or spectacles of one of the following types:
  - a.** Spectacles with protective lenses providing optical correction;

- b. Goggles or face shields worn over corrective spectacles without disturbing the adjustment of the spectacles; or
  - c. Goggles over contact lenses. (Exception: If handling chemicals and the Material Safety Data Sheet on the chemical indicates “contact lenses should not be worn when handling this chemical”, employee should be required to follow (a) or (b) above).
- 4. Fit: Skilled persons should fit all employees with goggles or safety spectacles. Prescription safety glasses should be fitted by qualified optical personnel.
- 5. Inspection and Maintenance: Eye protection lenses should be kept clean at all times. Continuous vision through dirty lenses can cause eye strain. Daily inspection and cleaning of eye protection with hot, soapy water is also recommended. Pitted lenses should also be replaced immediately as they can be a source of reduced vision. Deeply scratched or excessively pitted lenses are also more likely to break. Employees are responsible for taking care of their eye protection. They are also responsible for turning in eye protection that is in poor shape to their immediate supervisor.
  - ii. Respiratory Protection – Respiratory protection devices, approved by the U.S. Bureau of Mines, should be worn by employees exposed to hazardous concentrations of toxic or noxious dust, fumes or mists as required by OSHA. The Hazard Communications Program should include respiratory protection programs.
  - iii. Foot and Leg Protection – Workshoes/boots are to be worn by all employees handling heavy materials which are likely to cause foot/toe injuries if dropped. Tennis shoes, sandals, docksiders, hush puppies, steel toed sneakers and bare feet are prohibited.
  - iv. Glove and Hand Protection – Gloves provided by the Company should be worn when handling objects or substances that could cut, tear, burn, or otherwise injure the hand. Gloves should not be used when operating machinery.
  - v. Clothing – Wear safe and practical working apparel. Be sure that any clothing you wear is not highly flammable. Neckties and loose, torn or ragged clothing should not be worn while operating tools or equipment. Jewelry of any kind should not be worn when working around machinery or exposed electrical equipment.
  - vi. Other Personal Protective Equipment – Other required equipment to be used under unusual circumstances such as high temperature work, handling corrosive liquids, etc., not specifically covered in this section should be reviewed by the Business Owner or Manager and furnished by the Company when required.

## **Smoking Policy**

### **C. Smoking Policy**

- a.** Purpose: To establish guidelines whereby the company provides a smoke-free work environment for our employees and is in compliance with all federal and state Indoor Clean Air Acts. To ensure all employees are not consuming combustible cannabis on or near facility grounds.
- b.** Scope: This policy applies to all employees, vendors, visitors, and contractors.
- c.** Policy
  - i.** Smoking and vaping of all kinds is prohibited throughout the building and on the immediate premises of the facility, unless clearly posted as a "Smoking Permitted" area.
  - ii.** Employees will refrain from smoking in any company vehicle.
  - iii.** Smoking cannabis on company grounds will result in disciplinary actions being taken against said parties.
- d.** Discipline All employees share in the responsibility for adhering to and enforcing the policy. In all cases, the right of the nonsmoker to protect his/her health and comfort will take precedence over an employee's desire to smoke. Employees who violate this policy will be subject to the company's Disciplinary Action Program.

## **Violence Prevention Program**

### **D. Violence Prevention Program**

- a.** Purpose: To establish guidelines to protect employees against workplace violence.
- b.** Policy: Nothing is more important to the Management of this company than the safety and wellbeing of our employees. Threats, threatening behavior, or acts of violence against employees, visitors, guests, or other individuals by anyone on company property will not be tolerated. Violations of this policy will lead to disciplinary action, which may include dismissal, arrest, and prosecution. Any person who makes substantial threats, exhibits threatening behavior, engages in violent acts, or brings a weapon onto company property shall be removed from the premises as quickly as safety permits and shall remain off premises pending the outcome of an investigation. The company will initiate an appropriate response, including but not limited to suspension, reassignment of duties, termination of employment and/or business relationship, and/or criminal prosecution of the person(s) involved. No existing policy, practice, or procedure should be interpreted to prohibit decisions designed to prevent a threat from being carried out, a violent act from occurring, or a life-threatening situation from developing. All company personnel are responsible for notifying their supervisor

or the management representative(s) designated below of any threats that they have witnessed, received, or have been told that another person has witnessed or received. Even without an actual threat, personnel should also report any behavior they have witnessed which they regard as threatening or violent, when that behavior is job related or might be carried out on company property. Employees are responsible for making this report regardless of the relationship between the individual initiating the threat or threatening behavior and the person(s) receiving the threat, including domestic problems which they fear may result in violent acts against them or a coworker. All individuals who apply for or obtain a protective or restraining order which lists the company locations as protected areas must provide a copy of the petition used to obtain the order, as well as a copy of the protective or restraining order which was granted, to their immediate supervisor or the designated representative(s) listed below. The company understands the sensitivity of the information requested and has developed confidentiality procedures that recognize and respect the privacy of the reporting employee(s).

## **Lockout/Tagout**

### **E. Lockout/Tagout**

- a.** Purpose: To establish a procedure to protect and prevent personnel from injury by 1) accidental activation of any powered or damaged equipment, and 2) the uncontrolled release of electrical energy. A secondary purpose is to remain in compliance with OSHA regulations, 29 CFR 1910.147.
- b.** Responsibility: The Manager is responsible for compliance. The Manager shall train Supervisors on proper lockout/tagout procedures, audit and/or oversee the application of the procedures, ensure corrective actions are taken when problems arise, and conduct an annual inspection/evaluation. Supervisors are responsible for training effected and authorized employees on the purpose and use of these procedures. The Manager should periodically monitor training activities and assist, as required, to ensure compliance with OSHA regulations and company goals. All effected and authorized employees involved in lockout/tagout procedures must receive annual training. A list of authorized, trained individuals will be maintained by the Manager. (See the attached List of Authorized Lockout/Tagout Individuals form.)
- c.** Scope: This procedure applies to all Company personnel and contract employees. Lockout/tagout procedures will be enforced during installation, cleaning, servicing, maintenance, or inspection work performed on any powered equipment. This procedure does not apply to adjustment or other activities, which require the equipment be operating at the time of service. Other protective



measures must be in place to protect employees during adjustment or “inching” work.

**d. Definitions:**

- i. **Lockout:** The application of a lock, chains, or other appropriate apparatus, and a danger identification tag to de-energize electrical equipment and/or process system to ensure that the equipment or system cannot be activated. Note: OSHA regulations require that locks be used to secure equipment whenever possible. Chains can be wrapped around valve handles and then locked in such a way that the valve cannot be operated. Tags alone can be used when it is not possible to use a lock.
- ii. **Tagout:** The application of a danger identification tag when a physical lockout or de-energizing is not feasible or a lock has already been applied. Tags should bear the name of the employee applying the tag, the date of application, and a brief description of the work needed.
- iii. **Energy Source:** The switch or valve through which energy is controlled to the unit (e.g. motor control center disconnect switches, circuit breaker panel switches, valves, locking pins, etc.). This energy may be: 1) electric power, 2) mechanical power, 3) hydraulic power, 4) pneumatic energy, 5) chemical system, or 6) thermal energy.
- iv. **Authorized Employees:** A person who locks out or tags out machines or equipment in order to perform servicing or maintenance on that machine or equipment.
- v. **Effected Employees:** An employee whose job requires him/her to operate or use a machine or equipment on which servicing or maintenance is being performed under lockout or tagout, or whose job requires him/her to work in an area in which such servicing or maintenance is being performed. An effected employee becomes an authorized employee when the effected employees' duties include servicing or maintenance.

**e. Lockout/Tagout Procedures**

- i. Each piece of equipment or system must be evaluated to identify all energy sources to be locked or tagged out. The evaluation should be done periodically by a Supervisor or an authorized employee with familiarity with the equipment/system, using the attached Energy Source Determination Checklist.
- ii. If the machine is determined by OSHA that formal lockout/tagout procedures are required, this should be done by an authorized employee and logged on the attached form List of Lockout/Tagout Procedures. These procedures should then be followed. If no specific procedures are required, or provided by the equipment manufacturer, complete the following tasks:
  - 1. Deactivate (turn off) and secure the equipment/system at the energy source. Relieve pressure, release stored energy from all systems, and restrain or block

them. (Operators must tag the appropriate switches or controls inside the control room as part of this step).

2. Attach a lock to each isolation device and a tag to the lock. Sign and date the tag, along with providing pertinent information. GMRC 2808 R 2-09 44
3. Check to ensure that no personnel are exposed to the equipment/system, then attempt to activate the normal operating controls to ensure proper lockout/tagout. A voltmeter can be used to check the switch. CAUTION: Always return the operating control to the "neutral" or "off" position after completing this test. The equipment/system is now locked and tagged out.

**f. Lockout/Tagout Removal Procedures**

- i. After installation, servicing, maintenance, inspection, or cleaning is complete, verify that all tools have been removed, all guards have been reinstalled, the area is clean and orderly, and the equipment is safe to operate.
  - ii. Ensure that employees are not exposed to the equipment and all employees are aware of the removal of the lock and tag.
  - iii. The locks and tags should be removed only by the employee who applied them, the Supervisor, or the Manager. Locks and tags may be removed by the Supervisor or Manager only after receiving approval from the employee who locked out/tagged out, and/or confirmation that the necessary repair has been completed. The tags should be signed and dated and submitted to the Manager.
  - iv. Activate energy source as required.
- g. Procedures Involving More Than One Person:** If more than one individual is required to lockout or tagout equipment, each shall use his/her own assigned lockout/tagout device on the energy source. When the energy source cannot accept multiple locks or tags, a multiple lockout/tagout device (hasp) should be used. A single key should be used to lockout the equipment/system, with the key being placed in a lockout box or cabinet. This cabinet or lockout box must allow multiple locks to secure it. Each employee will then use his/her own lock to secure the box or cabinet. As each person no longer needs to maintain the lockout protection, that person will remove his/her lock from the cabinet. Proper removal procedures should be followed.
- h. Annual Inspection/Evaluation of Lockout/Tagout Program:** The Lockout/Tagout Program should be reviewed on an annual basis to determine if changes in the program are needed. These changes may be due to additions of machinery/equipment, revisions in the way specific machines are locked out or tagged out, machinery has been removed from the premises, etc. The attached Lockout/Tagout Annual Inspection/Evaluation Report form may be of assistance in completing this very important procedure.
- i. Training Documentation:** All lockout/tagout training should be properly documented. Documentation forms should be kept on file within each Manager or

Supervisor's office. Updated training should be provided when lockout/tagout procedure changes occur. Training documentation forms should be updated following each lockout/tagout training class.

## **Forklift Safety Program**

### **Introduction**

**OSHA requires certain employers to have a forklift safety plan. This sample plan is designed to follow the forklift safety plan required for most businesses.**

#### **This plan includes:**

- supervisory responsibilities
- maintenance and repair
- operator safety and training
- general rules of equipment operation
- general rules for training

### **Employers Covered**

OSHA requires any employer that has a mechanically powered forklift or material handling equipment to have a Forklift Safety Plan. The standard does not apply to compressed air or nonflammable compressed gas- operated industrial trucks, to farm vehicles, or vehicles intended primarily for earth moving or over-the road hauling.

### **PURPOSE**

In accordance with the powered industrial truck standard found in 29 CFR 1910.178, this plan is designed to ensure the safe operation of:

- forklifts
- powered pallet jacks
- stackers
- other material handling equipment

All employees must successfully complete a training course before operating this type of equipment.

## **SUPERVISORY RESPONSIBILITIES**

The Supervisor is responsible for administering this plan and complying with all federal, state, and local regulations on forklift safety. He will maintain training records and provide initial and annual forklift training. Further, he will assess the driving skills of the employees authorized to operate material handling equipment at our facility.

Each department manager or supervisor will be responsible for seeing that only trained employees are allowed to operate material handling equipment.

## **MAINTENANCE, FUELING, AND REPAIR**

1. All forklifts and material handling equipment must be kept clean and free of excess dirt, oil, and grease.
2. The company owner or his designee will perform the following:
  - maintain all material handling equipment according to manufacturer's recommendations
  - contract with outside vendors, if needed, to perform service on the equipment
  - keep a maintenance log that lists:
    - repairs needed for each forklift and piece of material handling equipment, and
    - repairs completed for each forklift and piece of material handling equipment.
3. Do not operate forklift or material handling equipment in need of repair until repairs are completed. The equipment must be labeled or tagged: **OUT OF SERVICE, DO NOT USE.**
4. After repairs are completed, forklifts and material handling equipment must be tested to assure safe operation.
5. No fuel tanks will be filled while the engine is running.
6. Oil and fuel spilled on the floor during filling will be cleaned up immediately.
7. Equipment is provided to safely flush spilled fuel and battery acid.
8. Eyewash equipment is maintained in all fueling and charging areas.
9. The following are prohibited in the fueling and charging areas:

- eating
- smoking
- open flames
- sparks

## **GENERAL RULES FOR OPERATOR SAFETY**

1. Only trained operators are authorized to operate forklifts and material handling equipment.
2. Forklift and material handling equipment operators must:
  - comply with company rules for operating the equipment
  - inspect equipment at the beginning of each shift, including completion of an inspection checklist
  - immediately report any maintenance problems or malfunctions to their supervisor
3. All forklifts and material handling equipment checklists are located at the shipping office located at the headquarters in Hudson, Ma.
4. Unauthorized personnel are not permitted to ride on a forklift or material handling equipment. A safe place to ride must be provided where riding is authorized.
5. In hazardous locations, only specially approved industrial forklifts and material handling equipment will be used.
6. An overhead guard must be used to protect the operator from falling objects unless operating conditions do not permit doing so.
7. Special precautions apply to forklifts and material handling equipment that are unattended. Equipment will be considered unattended whenever:
  - the operator is 25 feet or more away; or
  - the forklift or material handling equipment is not in view.
  - When equipment is left unattended, the operator must:
    - put the equipment into neutral

- set the emergency brake
- turn the power off
- block the wheels (if the equipment is parked on an incline)

## **GENERAL RULES OF EQUIPMENT OPERATION**

1. No employee will be lifted by the forklift or material handling equipment unless a safety platform is firmly secured to the lifting carriage or forks. An operator must remain at the controls while an employee is being lifted.
2. Plant speed limits will be observed at all times. The forklift or material handling equipment will always be operated at a speed that permits safe stopping.
3. When more than one forklift or piece of material handling equipment is being operated, at least three truck lengths will be maintained between the pieces of equipment.
4. Forklifts and material handling equipment will be kept under control at all times.
5. The operator will keep a clear view of the path of travel. At corners or when vision is obscured, the operator will slow down and sound the horn.
6. Only stable and safely arranged loads that are within the forklift's or material handling equipment's rated capacity will be handled.
7. If a load blocks the operator's view, the forklift or material handling equipment will be driven backwards.
8. Loaded forklifts and material handling equipment will be driven with the load upgrade when traveling on an upgrade or decline of more than 10%.
9. When forklift or material handling equipment is used to remove materials from truck trailers, employees must:
  - set the brakes on the trailer; and
  - place wheel chocks under the wheels.
10. Wheel stops will be used to prevent railroad cars from moving during loading and unloading.

11. Dockboards or bridges will be properly secured before they are driven upon.

## **GENERAL RULES FOR TRAINING**

1. To make sure that each potential operator of a powered industrial truck is qualified to do so, the employer has implemented a detailed training and evaluation plan. All training and evaluation is to be conducted by Scott Woods or his designee. These individuals have been designated as the person with the knowledge and experience to train operators and judge their performance
2. Only trained drivers who have successfully completed the training program may operate powered industrial trucks.
3. Employee training will consist of both on-the-job and classroom training using company equipment.
4. The training program will include the following topics, among others:
  - similarities and differences to automobiles
  - operating instructions and warnings
  - controls and instrumentation
  - engine (motor) operation and maintenance
  - steering and maneuvering
  - visibility (including interference from loading)
  - the use and limitations of forks and other attachments
  - vehicle capacity and stability
  - vehicle inspection and maintenance
  - charging, recharging, and refueling batteries
    - warnings, precautions, and limitations, including those in the operator's manual for the type of vehicle
  - surface conditions of the operations
  - probable loads and their stability
  - load manipulation, including stacking and unstacking
  - narrow aisles, hazardous classified places, and other restricted places
  - pedestrian traffic
  - ramps and other sloped surfaces
  - closed environments where carbon monoxide or diesel exhaust can accumulate

- all other potential hazards that may exist in the workplace
5. An evaluation of the performance of each powered industrial truck operator must be conducted at least annually by the designated person.
  6. Remedial or refresher courses will be provided whenever:
    - an unsafe operation occurs;
    - an accident or near-miss occurs; or
    - an operator cannot perform the assigned duties.
  7. Different types and makes of powered industrial trucks have different hazards associated with their operation. Employees will receive additional training for any new or different equipment.
  8. The employer will keep the current training materials and course outline for any training.
  9. A list of trained forklift operators is available from Drew Montgomery.

## **Cannabis Disposal Procedures**

### **F. Cannabis Disposal Procedures**

- a. It is important to remember that the cannabis we are disposing of has been completely stripped of cannabinoids, and therefore has no psychoactive properties.
- b. This material must now be handled as if it was hazardous waste, as exposure to solvents makes it undesirable for consumption on any level.
- c. When disposing cannabis waste (or green waste) according to Massachusetts CCC standards, we must “cut” the plant material to a ratio of 51%:49% non-cannabis : cannabis by weight. This means, we must use a “cutting agent” such as dirt, concrete mix, mulch, shredded paper, garbage or other fillers to make said cannabis completely undesirable to any consumer or deviant.
- d. This “cutting” process is to be done after the material has been extracted and discarded into the appropriate and specific cannabis waste container, but prior to being placed in the locked, secure dumpster.
- e. All cannabis waste containers must be clearly marked to only accept cannabis waste products such as sediment, post extracted flower, and distillate. All



cannabis waste containers must be lined with a yellow Biohazard bag to easily identify the cannabis waste containers inside the facility. Prior to being placed into the locked dumpster, the yellow biohazard bags filled with the discarded material and cutting agents in a 51%:49% ratio must then be placed into an opaque bag as to blend in with the rest of the garbage and not appear to stand out to any onlookers.

## **Section VII – Inspections**

- A. Periodic inspections will be conducted to identify hazardous conditions and unsafe behavior. The Manager or Supervisor within each department will conduct inspections and may request employees to participate. The inspector should look for unsafe practices and conditions that can cause an accident and take corrective action immediately. Other individuals, not employed by our company, such as OSHA representatives, insurance companies, local fire department representative, etc. may decide to make an inspection of our facility. All employees of our company are asked to treat these onsite visitors with the same courtesy, cooperation, and respect as you would any visitor to our company. Every month, a facility inspection should be completed and provided to the Safety Director or Facility Director. The Safety Director or Facility Director will review the report, take any corrective action needed, and maintain a file of inspections. Periodically top management, supervisors and/or designated employees will complete inspections on a safety-sensitive or non-routine job to ensure compliance with safety procedures. If unsafe acts or unsafe conditions are detected within an area of the organization, additional training may be provided, as needed.

## **Section VIII – OSHA (Occupational Safety and Health Administration)**

### **A. OSHA Records Requirements**

- a. Copies of required accident investigations and certification of employee safety training shall be maintained by the Manager. A written report will be maintained on each accident, injury, or on-the-job illness requiring medical treatment. A record of each such injury or illness is recorded on OSHA Log and Summary of Occupational Injuries Form 300 according to instructions provided in the web site shown below. Supplemental records of each injury are maintained on OSHA Form 301. Every year, a summary of all reported injuries or illnesses is posted no later than February 1, for two months, until April 1, on OSHA Form 300. These records are maintained for five years from the date of preparation. A copy of the OSHA 300 Log, the OSHA 300A Summary Form, and the OSHA 301 Injury and Illness Report Forms, and instructions on how to complete these forms, can be obtained by double clicking on:

<http://www.osha.gov/recordkeeping/new-osh300form1-1-04.pdf>

### **B. OSHA Inspection: What you can expect during an OSHA inspection**

- a. Arrival of the Compliance Officer (OSHA Inspector)
  - i. Request to see credentials.
  - ii. Record the inspectors name, identification number, the name of his/her supervisor, and office location.
  - iii. Notify the Manager or your immediate Supervisor. If neither individual is available, ask the OSHA Compliance Officer to wait until the Manager or Supervisor arrive. If he/she cannot wait, the lead person at the property should accompany the Compliance Officer on his/her inspection.
  - iv. Do not volunteer any information, only answer questions.
- b. Opening Conference
  - i. The scope of the inspection will be discussed.
  - ii. The Officer will explain the reason for the inspection (i.e. employee complaint, scheduled inspection, etc.)
  - iii. If the reason for the inspection is an employee complaint, request a copy of the complaint.
  - iv. Take comprehensive notes and request to record the meeting and walk-around.
- c. The Walk-Around (inspection)
  - i. The Company representative should accompany the Compliance Officer throughout the inspection.
  - ii. The Officer may ask to interview employees. Employees should cooperate. The Company representative should attempt to participate in the interview.

- iii. The Company representative should be prepared to show the Officer: 1) the Safety Manual, 2) Hazard Communication Program, 3) OSHA poster, 4) OSHA 300 Log
- iv. If at all possible, correct any violations immediately as the Compliance Officer points them out.
- v. Take photographs of the same items or areas that are photographed by the Compliance Officer.
- vi. Take notes. Write down every possible violation, standards cited, corrective action needed, and a deadline date.
- d. Closing Conference
  - i. The Compliance Officer will review any violations discovered during the inspection. Compare these to the notes you took during the inspection. Point out any discrepancies and areas already corrected.
  - ii. Be polite. Do not argue or get defensive with the Compliance Officer.
  - iii. If you are not clear on something, ask questions.
  - iv. This is a good opportunity to produce records of compliance efforts and other safety practices. GMRC 2808 R 2-09 62
- e. Citations and Penalties
  - i. Our goal is to provide a safe and healthy work environment. If the company is cited for OSHA violations, corrective action will be completed before the deadline provided by OSHA and as quickly as possible. It will be Management's decision to appeal any citations.

## **Section IX – Acknowledgment Form**

The rules, programs, and procedures stated within the Company's Safety Program are not intended to cover all the possible situations you will be faced with on the job. The Company encourages you to act in a safe and responsible manner at all times, both on and off the job. I have read the Company's Safety Program, understand it, and agree to abide by it. I understand that violation of these rules may lead to dismissal.

Print Name:

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Signature:

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Date:

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# **Diversity Plan**

## **Statement of Purpose**

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

## **Goals**

1. HBP will implement a diversity plan to promote equity among minorities, women, veterans, people with disabilities, and LGBTQ+, in the operation of the Marijuana Establishment. Our focus, but not limited to, will be on the following areas of importance:
  - Strive for a diverse workplace with individuals from all backgrounds and walks of life.
  - We intend to have our workforce and contractors reflect the following:
    - 10% minorities
    - 10% people with disabilities
    - 10% women
    - 5% veterans
    - 10% LGBTQ+.
2. Require antiracism and unconscious bias training for all employees.

## **Program**

1. When HBP is hiring, we will post job listings on the top online job posting boards such as, but not including, Indeed, LinkedIn, Monster, and Zip Recruiter. The job posting will state that HBP is specifically looking for minorities, persons with disabilities, women, veterans, and LGBTQ+.
2. HBP will require 100% of the staff to participate in Stocker Compliances, Diversity, and Implicit Bias course. The course cost is \$99 dollars and HBP will contribute 100% of the cost for each employee to take the course once a year. This course includes an overview of our country's history of prejudice against marginalized groups as well as the progress that we've made, a summary of state and federal laws protecting marginalized groups, a review of diversity provisions in the Massachusetts cannabis regulations, a balanced look at the benefits and challenges of diversity and implicit bias training, insights into how to constructively think about and discuss highly charged issues, a thought-provoking guided discussion of race and gender-related workplace issues reflected in current events, and

specific, actionable recommendations to do the hard work needed to advance diversity in the workplace.

### **Measurements**

HBP acknowledges that the progress or success of our plan must be documented one year from provisional licensure, and each year thereafter for the renewal of our license.

1. HBP will measure our diversity program by the number of individuals that we hire from the referenced demographic groups that were put forth by the CCC. HBP will measure the success of this program by meeting our goal of diversifying our workforce and contractors that are minorities, persons with disabilities, women, veterans, and LGBTQ+.
2. HBP will measure this goal by ensuring that all new hires complete this training within 90 days of hire.

### **Additional Requirements**

HBP acknowledges and is aware, and will adhere to the requirements set forth in 935 CMR 500.105 (4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment. Any actions taken, or programs instituted, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

### **Plan Evaluation**

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