



## Massachusetts Cannabis Control Commission

### Marijuana Product Manufacturer

#### General Information:

License Number: MP282201  
Original Issued Date: 11/03/2022  
Issued Date: 11/03/2022  
Expiration Date: 11/03/2023

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Infused Element, LLC

Phone Number: 413-285-2020  
Email Address: isaias@infusedelement.com

Business Address 1: 405 Bay Street	Business Address 2:
Business City: Springfield	Business State: MA
Business Zip Code: 01109	
Mailing Address 1: 405 Bay Street	Mailing Address 2:
Mailing City: Springfield	Mailing State: MA
Mailing Zip Code: 01109	

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

Priority Applicant: no  
Priority Applicant Type: Economic Empowerment Priority  
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: 40	Percentage Of Control:
	40

<b>Role:</b> Owner / Partner	<b>Other Role:</b> CEO	
<b>First Name:</b> Isaias	<b>Last Name:</b> Rosario	<b>Suffix:</b>
<b>Gender:</b> Male	<b>User Defined Gender:</b>	
<b>What is this person's race or ethnicity?:</b> Hispanic, Latino, or Spanish (Mexican or Mexican American, Puerto Rican, Cuban, Salvadoran, Dominican, Colombian)		
<b>Specify Race or Ethnicity:</b>		

#### Person with Direct or Indirect Authority 2

<b>Percentage Of Ownership:</b> 26	<b>Percentage Of Control:</b> 26	
<b>Role:</b> Owner / Partner	<b>Other Role:</b> COO	
<b>First Name:</b> Ezra	<b>Last Name:</b> Bleau	<b>Suffix:</b>
<b>Gender:</b> Male	<b>User Defined Gender:</b>	
<b>What is this person's race or ethnicity?:</b> White (German, Irish, English, Italian, Polish, French), Black or African American (of African Descent, African American, Nigerian, Jamaican, Ethiopian, Haitian, Somali)		
<b>Specify Race or Ethnicity:</b>		

#### ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

##### Entity with Direct or Indirect Authority 1

<b>Percentage of Control:</b> 30	<b>Percentage of Ownership:</b> 30	
<b>Entity Legal Name:</b> SHS Resources LLC	<b>Entity DBA:</b> Legion Resources	<b>DBA City:</b>
<b>Entity Description:</b> SHS Resources LLC is a New York member-managed Limited Liability Company.		
<b>Foreign Subsidiary Narrative:</b> N/A		
<b>Entity Phone:</b> 860-910-8630	<b>Entity Email:</b> john@legionresources.net	<b>Entity Website:</b>
<b>Entity Address 1:</b> 90 State Street	<b>Entity Address 2:</b> Suite 700, Room 40	
<b>Entity City:</b> Albany	<b>Entity State:</b> NY	<b>Entity Zip Code:</b> 12207
<b>Entity Mailing Address 1:</b> 90 State Street	<b>Entity Mailing Address 2:</b> Suite 700, Room 40	
<b>Entity Mailing City:</b> Albany	<b>Entity Mailing State:</b> NY	<b>Entity Mailing Zip Code:</b> 12207

**Relationship Description:** SHS Resources LLC is a New York member-managed Limited Liability Company, which owns 30% of the applicant and is therefore an entity with direct control over the applicant. SHS Resources LLC will exercise control over the applicant in accordance with the terms of the applicant's LLC operating agreement. No individual or entity owns 33% or more of the equity of SHS Resources LLC. Accordingly, the individual owners of SHS Resources LLC do not own 10% or more of the beneficial interest in the applicant and are not persons with direct or indirect control over the applicant.

#### CLOSE ASSOCIATES AND MEMBERS

No records found

#### CAPITAL RESOURCES - INDIVIDUALS

No records found

#### CAPITAL RESOURCES - ENTITIES

##### Entity Contributing Capital 1

<b>Entity Legal Name:</b> Infused Element, LLC	<b>Entity DBA:</b>	
<b>Email:</b> Isaias@infusedelement.com	<b>Phone:</b> 413-285-2020	
<b>Address 1:</b> 405 Bay Street	<b>Address 2:</b>	
<b>City:</b> Springfield	<b>State:</b> MA	<b>Zip Code:</b> 01109

Types of Capital: Monetary/Equity    Other Type of Capital:    Total Value of Capital Provided: \$105    Percentage of Initial Capital: 100

Capital Attestation: Yes

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

#### DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

#### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 1 Cabot Street

Establishment Address 2: Unit #2

Establishment City: Holyoke

Establishment Zip Code: 01040

Approximate square footage of the Establishment: 5000

How many abutters does this property have?: 9

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

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	Infused Element - HCA Certification.pdf	pdf	62b1d8939ff11700081a9120	06/21/2022
Community Outreach Meeting Documentation	Infused Element COM Attestation Form Plus Attachments.pdf	pdf	62cd76c2f750650008c7a1cf	07/12/2022
Plan to Remain Compliant with Local Zoning	Infused - Plan to Remain Compliant with Local Zoning.pdf	pdf	62cd7819f750650008c7a24d	07/12/2022

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	Infused - RFI 2 Positive Impact Plan.pdf	pdf	62fd230c6b64fa00075dc2b7	08/17/2022

#### ADDITIONAL INFORMATION NOTIFICATION

Notification:

#### INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Owner / Partner

Other Role: CEO

First Name: Isaias

Last Name: Rosario    Suffix:

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 2

Role: Owner / Partner

Other Role: COO

First Name: Ezra Last Name: Bleau Suffix:

RMD Association: Not associated with an RMD

Background Question: no

### ENTITY BACKGROUND CHECK INFORMATION

#### Entity Background Check Information 1

Role: Other (specify) Other Role: Minority Owner

Entity Legal Name: SHS Resources LLC Entity DBA: Legion Resources

Entity Description: Minority owner of applicant

Phone: 860-910-8630 Email: john@legionresources.net

Primary Business Address 1: 90 State Street Primary Business Address 2: Suite 700, Room 40

Primary Business City: Albany Primary Business State: NY Principal Business Zip Code: 12207

**Additional Information:** SHS Resources LLC is a New York member-managed Limited Liability Company, which owns 30% of the applicant and is therefore an entity with direct control over the applicant. SHS Resources LLC will exercise control over the applicant in accordance with the terms of the applicant's LLC operating agreement. No individual or entity owns 33% or more of the equity of SHS Resources LLC. Accordingly, the individual owners of SHS Resources LLC do not own 10% or more of the beneficial interest in the applicant and are not persons with direct or indirect control over the applicant.

### MASSACHUSETTS BUSINESS REGISTRATION

#### Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Articles of Organization	Certificate of Organization - Infused Element.pdf	pdf	627966104d83ec000a46c6a1	05/09/2022
Articles of Organization	MA Corporations Search Entity Summary - Infused Element.pdf	pdf	627966184d83ec000a46c6e9	05/09/2022
Articles of Organization	Infused Element - LLC Operating Agreement _EXECUTED_(10662949.6).pdf	pdf	627966cf4d83ec000a46c833	05/09/2022
Secretary of Commonwealth - Certificate of Good Standing	SOC Certificate.pdf	pdf	627966d6560e3c000890aa0e	05/09/2022
Department of Revenue - Certificate of Good standing	DOR Certificate.pdf	pdf	62b1dcdcf750650008b12ab2	06/21/2022
Secretary of Commonwealth - Certificate of Good Standing	DUA Letter.pdf	pdf	62cda9599ff117000831d285	07/12/2022

No documents uploaded

Massachusetts Business Identification Number: 001485866

Doing-Business-As Name:

DBA Registration City:

### BUSINESS PLAN

#### Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Proposed Timeline	Infused - Proposed Timeline for Commencement of	pdf	62b1dcef9ff11700081a9868	06/21/2022



Operations.pdf				
Business Plan	Infused - Business Plan.pdf	pdf	62b1dde9f750650008b12c7d	06/21/2022
Plan for Liability Insurance	Infused - Plan for Obtaining Liability Insurance.pdf	pdf	62cd7a69f750650008c7a548	07/12/2022

## OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Restricting Access to age 21 and older	Infused - Restricting Access to age 21 and older.pdf	pdf	6279676e4d83ec000a46ca53	05/09/2022
Personnel policies including background checks	Infused - Personnel policies including background checks.pdf	pdf	627967c1560e3c000890aeeb	05/09/2022
Maintaining of financial records	Infused - Maintaining of financial records.pdf	pdf	627967d74d83ec000a46cbec	05/09/2022
Types of products Manufactured.	Infused - Types of Products to be Manufactured.pdf	pdf	62b1de0af750650008b12d6d	06/21/2022
Method used to produce products	Infused - Methods Used to Produce Products.pdf	pdf	62b1de139ff11700081a9bdd	06/21/2022
Sample of unique identifying marks used for branding	Infused - Samples of Unique Identifying Marks.pdf	pdf	62b1de1cf750650008b12d81	06/21/2022
Security plan	Infused - Security Plan.pdf	pdf	62b1de309ff11700081a9c01	06/21/2022
Safety Plan for Manufacturing	Infused - Safety Plan.pdf	pdf	62b1df099ff11700081a9ed5	06/21/2022
Plan to Obtain Marijuana	Infused - Plan for Obtaining Marijuana.pdf	pdf	62b1df159ff11700081a9eec	06/21/2022
Prevention of diversion	Infused - Prevention of Diversion.pdf	pdf	62cd7b249ff1170008313354	07/12/2022
Storage of marijuana	Infused - Storage of Marijuana.pdf	pdf	62cd7b4df750650008c7a692	07/12/2022
Transportation of marijuana	Infused - Transportation of marijuana.pdf	pdf	62cd7b68f750650008c7a6f5	07/12/2022
Inventory procedures	Infused - Inventory Procedures.pdf	pdf	62cd7b819ff117000831347d	07/12/2022
Quality control and testing	Infused - Quality Control and Testing.pdf	pdf	62cd7b979ff1170008313537	07/12/2022
Record Keeping procedures	Infused - Record Keeping Procedures.pdf	pdf	62cd7bd89ff1170008313658	07/12/2022
Qualifications and training	Infused - Employee Qualifications and Training.pdf	pdf	62cd7c089ff1170008313724	07/12/2022
Energy Compliance Plan	Infused - Energy Compliance Plan.pdf	pdf	62cd7c1af750650008c7aa80	07/12/2022
Dispensing procedures	Infused - Dispensing Procedures.pdf	pdf	62d6cf5b9ff11700083a1dba	07/19/2022
Diversity plan	Infused - RFI 1 Revised Diversity Plan.pdf	pdf	62fbd6266b64fa00075c38cd	08/16/2022

## 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: 8:00 AM	Monday To: 10:00 PM
Tuesday From: 8:00 AM	Tuesday To: 10:00 PM
Wednesday From: 8:00 AM	Wednesday To: 10:00 PM
Thursday From: 8:00 AM	Thursday To: 10:00 PM
Friday From: 8:00 AM	Friday To: 10:00 PM
Saturday From: 8:00 AM	Saturday To: 10:00 PM
Sunday From: 8:00 AM	Sunday To: 10:00 PM

## Host Community Agreement Certification Form

### Instructions

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

### Certification

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

1. Name of applicant:

Infused Element, LLC

2. Name of applicant’s authorized representative:

Isaias Rosario

3. Signature of applicant’s authorized representative:



4. Name of municipality:

Holyoke

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

Mayor Joshua A. Garcia



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



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

garciaj@holyoke.org

8. Host community agreement execution date:

12/02/2021



# 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): 7/18/2022
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:

7/01/2022

b. Name of publication:

Holyoke Sun

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:

6/27/20

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

a. Date notice(s) mailed:

06/30/2022

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.



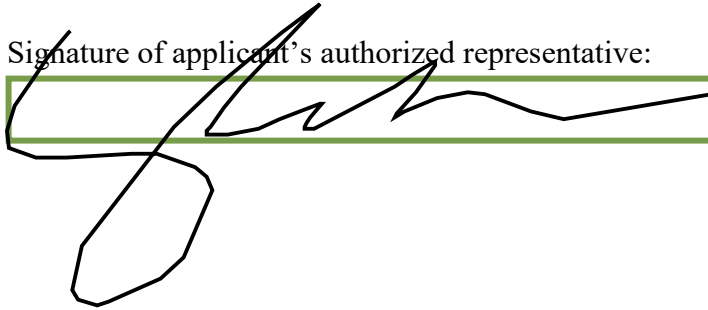
Name of applicant:

Infused Element,LLC

Name of applicant's authorized representative:

Ezra Bleau

Signature of applicant's authorized representative:

A handwritten signature in black ink, appearing to read 'Ezra Bleau', is written over a green rectangular box. The signature is stylized with a large, looped initial 'E' and a long, horizontal stroke extending to the right.



## Public Notices

City of Holyoke  
538 Dwight Street #15  
Holyoke, MA 01040-5078  
(413) 322-5650  
Attention to EIS 2022-023  
On Call Architect/Design  
Services

The City of Holyoke is seeking qualified proposals from qualified architects or firms for on-call architectural design services for the Holyoke Public Schools.

Proposals will be received by the Chief Procurement Officer, Room 15, Holyoke City Hall, Holyoke, MA 01040 until **2:00 PM on 7/22/22** at which time bids will be publicly opened and read.

Documents are available by email request at: [belanger@holyoke.org](mailto:belanger@holyoke.org)

The City of Holyoke reserves the right to reject any additional bids.  
07/01/2022

### Community Outreach Meeting

Notice is hereby given that a community outreach meeting for a proposed marijuana establishment in Holyoke is scheduled for **Monday, July 18, 2022, at 6:30 PM**.

The meeting will be held at 150 High St., Holyoke, MA.

The proposed marijuana establishment is anticipated to be located at 1 Cabot St., Holyoke, MA 01106. There will be an opportunity for the public to ask questions.  
07/01/2022

Commonwealth of

City of Holyoke, MA  
RESPONDENT  
Alleged Incapacitated  
Person

### CITATION GIVING NOTICE OF PETITION FOR APPOINTMENT OF GUARDIAN FOR INCAPACITATED PERSON PURSUANT TO:

G.L. c. 190B, §5-303

To the named Respondent and all other interested persons, a petition has been filed by **Misaela Garcia At Holyoke of Holyoke, MA** in the above-captioned matter alleging that **Epiphany Luzerne** is in need of a Guardian and requesting that **Alison M. Bartlett-O'Donnell, Esq. of Holyoke, MA** for some other suitable person be appointed as Guardian to serve **Without Surety** on this bond.

The petitioner asks the court to determine that the Respondent is incapacitated, that the appointment of a Guardian is necessary, and that the proposed Guardian is appropriate. The petitioner avers with this court and may submit a record for certain specific authority.

**You have the right to object to this proceeding.** If you wish to do so, you or your attorney must file a written appearance at the court on or before **10:00 A.M. on the return date of 07/20/2022**. This day is NOT a hearing date, but a deadline date by which you have to file the written appearance. If you fail to file the written appearance by this return

### IMPORTANT NOTICE

The outcome of this proceeding may limit or completely take away the above-named person's right to make decisions about personal affairs or financial affairs or both. The above-named person has the right to ask for a lawyer. Anyone may make this request on behalf of the above-named person. If the above-named person cannot afford a lawyer, one may be appointed at State expense.

WITNESS, Hon. **Barbara M. Hyland**, Trial Justice of this Court.  
Date: June 29, 2022

**Rosemary A. Saccomani**  
Register of Probate  
07/01/2022

### Notice of Public Hearing

The DGR Committee of the Holyoke City Council will hold a public hearing on **Wednesday, July 20, 2022, at 6:30pm** to hear a special (informal) application of **Jose T. Almeida** to build a 4-lottery

hemp at the empty lot (033-02-002) in the immediate north of 61 North Bridge St. Meeting will take place at Holyoke City Hall, 538 Dwight St. and can be accessed remotely via [www.zoom.us](http://www.zoom.us) Meeting ID: 839-3205-7684 Meeting Passcode: 793566 or by call in at 1-846-558-8656 with same Meeting ID and Passcode. Written public comment can be submitted to [publiccomment@holyoke.org](mailto:publiccomment@holyoke.org). For more information on the hearing or for an electronic copy of the application please contact City Council Admin Assistant **Jillery Anderson-Burke** at [jillery@holyoke.org](mailto:jillery@holyoke.org) or by phone at 413-322-5526.

### Notice of Public Hearing

The DGR Committee of the Holyoke City Council will hold a public hearing on **Wednesday, July 20, 2022, at 6:30pm** to hear a special (informal) application of **New Horizons Realty LLC** at 150 High St. Meeting ID: 839-3205-7684 Meeting Passcode: 793566 or by call in at 1-846-558-8656 with same Meeting ID and Passcode. Written public comment can be submitted to [publiccomment@holyoke.org](mailto:publiccomment@holyoke.org). For more information on the hearing or for an electronic copy of the application please contact City Council Admin Assistant **Jillery Anderson-Burke** at [jillery@holyoke.org](mailto:jillery@holyoke.org) or by phone at 413-322-5526.

DGR Chair  
**Teresa Murphy** (413) 322-5771  
07/03/2022

City of Holyoke  
538 Dwight Street #15  
Holyoke, MA 01040-5078  
(413) 322-5650  
2022-026

Real Estate for Sale  
297, 301, 303  
Elm Street Parcels

The City of Holyoke is seeking sealed bids. A process for issuing the following parcels: 297, 301 & 303 Elm Streets. These three parcels will be sold together as a

### requesting

The City of Holyoke reserves the right to reject any and/or all proposals.  
06/24 - 07/01/2022

Commonwealth of  
Massachusetts  
The Trial Court  
Hampden Probate and  
Family Court  
60 State Street  
Springfield, MA 01103  
(413) 734-7768  
Docket No. HD22P1290EA

Esisto of:

**Edward S. Thomas**

Date of Death: 2/25/2022

CITATION ON PETITION FOR

FORMAL ADJUDICATION

To all interested persons

A Petition for Formal

Probate of Will with

Appointment of Personal

Representative has been

filed by **Rockelle Pikul** of

Chicopee, MA requesting

Hampden County Probate and Family Court enter a formal

adjudication of the estate of

**Edward S. Thomas** requesting

that **Rockelle Pikul** be appointed

as Personal Representative(s)

of said estate to serve **Without**

Surety on the bond in unsupervised administration.

IMPORTANT NOTICE

You have the right to

obtain a copy of the Petition

from the Petitioner or at the

Court. You have a right to

object to this proceeding. To

do so, you or your attorney

must file a written appearance

and objection at this

Court before 10:00 am on

the return day of 07/26/2022.

thirty (30) days of the return day, action may be taken without further notice to you.

UNSUPERVISED  
ADMINISTRATION UNDER  
THE MASSACHUSETTS  
UNIFORM PROBATE CODE

(MUPC)  
A Personal Representative appointed under the MUPC in an unsupervised administration is not required to file an inventory or annual accounts with the Court. Persons interested in the estate are entitled to notice regarding the administration directly from the Personal Representative and may petition the Court in any matter relating to the estate, including the distribution of assets and expenses of administration.

WITNESS, Hon. **Barbara M. Hyland**, Trial Justice of the Court.

Date: June 27, 2022

**Rosemary A. Saccomani**

Register of Probate

07/01/2022

Please check  
the accuracy of  
your legal notice  
prior to submission (i.e., date,  
time, spelling).  
Also, be sure  
the requested  
publication date



# ATTACHMENT B

RECEIVED

JUN 27 2022

Holyoke City Clerk's  
Holyoke, MA

Sample of Letter provided to abutting properties

Dear Property Owner:

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for is the July 18th at 5:30 PM, For Infused Element, LLC the name of the proposed Product Manufacturing License.

We will be hosting a public question and answer session at

Eforall Co-Work Space

193 High St, Holyoke MA

Monday, July 18, 2022

5:30 PM

There will be an opportunity for the public to ask questions. Our records indicate that you own one or more properties within 300 feet of the location of this Marijuana Establishment, and therefore, you are receiving this notice in compliance with MA 935 CMR 500.000, which establishes the regulatory requirements for adult use marijuana in the Commonwealth of Massachusetts.

Kindest Regards,

Ezra Bleau

Chief Operating Officer

Infused Element, LLC

# ATTACHMENT B

## Community Outreach Meeting

Notice is hereby given that a community outreach meeting for a proposed marijuana establishment in Holyoke is scheduled for Monday,

July 18th, at 5:30 PM.

The meeting will be held at 193 High St., Holyoke, MA

The proposed marijuana product manufacturing establishment is anticipated to be located at 1 Cabot St., Holyoke, MA 01040. There will be an opportunity for the public to ask questions.

# Attachment C

Sample of Letter provided to abutting properties

Dear Property Owner:

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for is the July 18th at 5:30 PM, For Infused Element, LLC the name of the proposed Product Manufacturing License.

We will be hosting a public question and answer session at

Eforall Co-Work Space

193 High St, Holyoke MA

Monday, July 18, 2022

5:30 PM

There will be an opportunity for the public to ask questions. Our records indicate that you own one or more properties within 300 feet of the location of this Marijuana Establishment, and therefore, you are receiving this notice in compliance with MA 935 CMR 500.000, which establishes the regulatory requirements for adult use marijuana in the Commonwealth of Massachusetts.

Kindest Regards,

Ezra Bleau

Chief Operating Officer

Infused Element, LLC

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

Domestic Mail Only

Certified Mail Fee

\$

\$3.75

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

☐ Return Receipt (hardcopy)

\$

\$0.00  
\$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





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

Domestic Mail Only

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Postage

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| <input type="checkbox"/> Adult Signature Restricted Delivery | \$ | \$0.00 |

Postage \$0.58

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**Total Postage and Fees**  
\$4.33

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☐ Adult Signature Required

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☐ Adult Signature Restricted Delivery

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Postage

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Total Postage and Fees

\$4.33

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Postage

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Total Postage and Fees

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| <input type="checkbox"/> Return Receipt (electronic)         | \$ <u>0.00</u> |
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| <input type="checkbox"/> Adult Signature Required            | \$ <u>0.00</u> |
| <input type="checkbox"/> Adult Signature Restricted Delivery | \$ <u>0.00</u> |

Postage

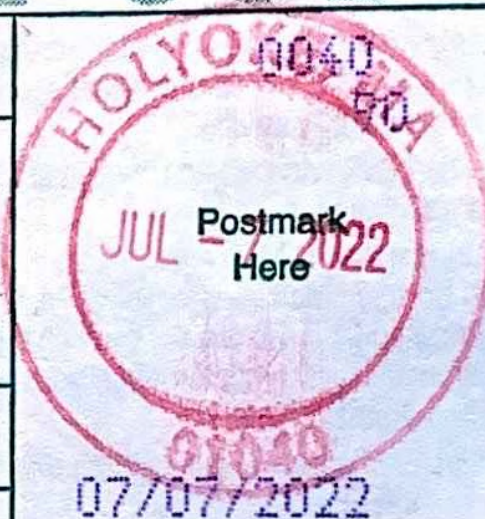
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\$4.33

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07/07/2022

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☐ Adult Signature Required

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☐ Adult Signature Restricted Delivery

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\$0.00

Postage

\$0.58

\$

Total Postage and Fees

\$4.33

\$



7022 0410 0000 6805 5114



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Postage

\$0.58

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Total Postage and Fees

\$4.33

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Total Postage and Fees \$4.33

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

Infused Element (“Infused”) will remain compliant at all times with the local zoning requirements set forth in the Holyoke, MA Zoning Bylaw, more specifically, Zoning Bylaw 7.10 governing Marijuana Establishments. In accordance with Holyoke’s Zoning Bylaw, Infused’s proposed marijuana product manufacturing location at 1 Cabot Street in Holyoke is located in an IG District, which allows for Infused’s proposed use upon the receipt of a special permit from the City Council, in accordance with the requirements of Section 7.10.5 and 7.10.6 of the Holyoke Zoning By-Law

In accordance with Holyoke Zoning Bylaw 7.10 and G.L. c. 94G, §5(b)(3), Infused’s proposed facility is not located within five hundred (500) feet of any pre-existing public or private school providing education in pre-kindergarten, kindergarten or any grades 1 through 12. Likewise, Infused’s proposed facility will not be: 1) located in a building that contains any pharmacy, medical doctor offices or the offices of any other professional practitioner authorized to prescribe the use of medical marijuana; 2) located in a building that contains any residential units, including transient housing such as hotels, motels and dormitories. For the avoidance of doubt, Infused will comply with all of the criteria set forth in Holyoke’s Zoning Bylaw, Section 7.10 governing the siting and operation of Marijuana Establishments within the town.

Infused will work cooperatively with various municipal departments, boards, and officials to ensure that its facility remains compliant with all laws, regulations, rules, and codes with respect to design, construction, operation and security. In accordance with 935 CMR 500.101, Infused convened a properly noticed Community Outreach Meeting on 07/18/2022 to inform and gather feedback from the community related to its proposed marijuana establishment. Infused has also retained counsel to assist with ongoing compliance with local zoning and regulatory compliance.

## **Plan to Positively Impact Areas of Disproportionate Impact**

### **Introduction**

The Cannabis Control Commission (“Commission”) has identified Holyoke, Massachusetts as an area of disproportionate impact. Accordingly, in concert with its community partner in Holyoke, EforAll Holyoke (“EforAll”), Infused Elements (“Infused”) has developed tangible plans to uplift this community. In pursuit of that objective, Infused is dedicated to providing increased access, fostering inclusivity, and broadcasting opportunities to the residents of Holyoke other “Impacted Individuals” (defined below).

### **Positive Impact Goals**

1. Infused will positively impact Holyoke by providing employment opportunities and training, through real-world experience, to residents of Holyoke with the paramount goal of providing avenues for advancement in the cannabis industry. More specifically, Infused will target employment opportunities for Holyoke residents who have past marijuana-related drug convictions (to the extent permitted by law and Commission regulations) and/or parents or spouses with drug convictions. With respect to hiring commitments, Infused’s long-term target is to hire a staff that is at least 70% composed of residents (or former residents) of Holyoke or Springfield (another disproportionately impacted city in Western, MA<sup>1</sup>) and/or individuals with past marijuana-related CORIs and/or individuals with parents or spouses with drug convictions by year 5 of operations (collectively, “Impacted Individuals”). At the end of year 1 of operations, Infused will employ a staff that is at least 50% composed of Impacted Individuals.
2. Infused will also leverage its partnership with EforAll to uplift the Holyoke community. Infused will not only make meaningful financial contributions to EforAll to support its organizational mission, but Infused will also volunteer the time of its employees.

### **Positive Impact Programs**

1. Infused will give hiring preference to qualified Impacted Individuals. To achieve this goal, Infused has identified EforAll as the ideal community partner to assist the company in identifying Impacted Individuals who are interested in employment opportunities within the adult-use marijuana industry. EforAll is a highly-regarded nonprofit organization that partners with communities nationwide to help underrepresented individuals successfully start and grow their businesses through its unique combination of immersive business training, mentorship and an extensive support network. Its Holyoke-based site serves startups from around the Pioneer Valley including, namely, Holyoke and Springfield, each of which has been identified by the Cannabis Control Commission as an area of disproportionate impact.

---

<sup>1</sup> Infused acknowledges and understands that only the following census tracts of Springfield have been designated by the Commission as areas of disproportionate impact: 800102, 800500, 800600, 800700, 800800, 800900, 801101, 801401, 801800, 801902, 802000, 802200 and 802300.



Either independently, or in partnership with EforAll, Infused will regularly participate at job fairs in Holyoke, including job fairs hosted in order to identify and recruit Impacted Individuals who have an interest in the adult-use marijuana industry. Infused will participate in at least two job fairs during its first year of operations in Holyoke. The job fairs will be convened in Holyoke.

2. Finally, Infused has committed to donate \$5,000 per year and contribute at least ten (10) volunteer hours annually per FTE to EforAll.

### **Positive Impact Measurement**

Infused will track its positive impact and community outreach efforts. With EforAll, Infused will record and maintain (in accordance with the Commission's record keeping procedures) employment applications, for both full-time employment opportunities and internship positions, with the expectation that applications from Impacted Individuals will steadily increase during Infused's first five (5) years of operation of its Holyoke product manufacturing facility. In addition, Infused will record and document its participation at job fairs in Holyoke and pledges to steadily increase its participation at such job fairs in years 1 through 5 of operation. This process will include recording (through use of sign-in sheets or the like) and following-up (via email communications or mailings) with attendees who express interest in employment opportunities at Infused's product manufacturing facility in Holyoke. Infused will then compare and analyze how many of these Impacted Individuals ultimately apply for either full-time opportunities or internship positions. This regular evaluation will permit Infused to accurately measure its outreach to Impacted Individuals. In turn, Infused will regularly audit these results and recalibrate its local outreach programs, if necessary.

Infused's long-term target is to hire a staff that is at least 70% composed of Impacted Individuals by year 5 of operations. Infused also intends to meet the following intermediate hiring goals in years 1-4 of operation:

**Commencement of Operations:** minimum 50% Impacted Individual employment.

**End of Year 1:** minimum 55% Impacted Individual employment.

**End of Year 2:** minimum 60% Impacted Individual employment.

**End of Year 3:** minimum 65% Impacted Individual employment.

**End of Year 4:** minimum 70% Impacted Individual employment.

These short-term metrics will ensure that Infused is regularly evaluating progress toward its hiring goals and employing corrective actions if intermediary targets are not met.

Most importantly, Infused has committed to donate \$5,000 per year and contribute at least ten (10) volunteer hours annually per FTE to its community partner EforAll. The attached commitment letter from EforAll further describes its laudable organizational mission and blossoming relationship with Infused.

### **Positive Impact Plan Acknowledgments**

Infused acknowledges that the Commission will evaluate the company's progress toward achieving the goals in this plan annually during the license renewal process. Infused pledges to adhere to the requirements set forth in 935 CMR 500.105(4)(a) which provides the permitted advertising, branding, marketing, and sponsorship practices for all Marijuana Establishments. Infused likewise pledges not to employ any of the prohibited practices articulated in 935 CMR 500.105(4)(b). Finally, none of the actions taken or programs instituted by Infused will violate the Commission's regulations with respect to limitations on ownership or control or any other applicable state laws.



Dear: Isaias Rosario

Thank you for Infused Element's commitment to positively impact the western

Massachusetts entrepreneur community through your support of *Entrepreneurship for All/EparaTodos* Holyoke. This letter serves to acknowledge

acceptance of your commitment to support EforAll's programming as a

component of your plan to positively impact communities disproportionately

harmed by cannabis prohibition.

### EforAll Programs

EforAll is a nonprofit that partners with communities nationwide to help

underrepresented individuals successfully start and grow their businesses

through its unique combination of immersive business training, mentorship and

an extensive support network. In Spring 2020, EforAll launched *E. Para*

*Todos*—providing Spanish language business training, mentorship, and

accelerator programs to the Pioneer Valley's underserved spanish-speaking population.

Our Holyoke-based site serves startups from around the Pioneer Valley, including Holyoke, Chicopee, and Springfield. Our approach is based upon the understanding that under-networked and under-funded groups face barriers to entry into entrepreneurship which impede their success. We therefore provide these would-be entrepreneurs with the 3 necessary components for success that they so frequently lack, namely: business know-how, access to capital and a professional network.

Since 2015, 159 entrepreneurs have graduated from our accelerator programs. We recently began our Winter 2020 cohort which consists of 18 entrepreneurs, including 8 spanish-speaking businesses. Since 2015, the majority of our programming has supported women (65% of all entrepreneurs served), Latinx (71%), and low to moderate income (80%) communities.

We believe that fostering entrepreneurship is one of the most empowering forms of social service because it transforms people in need of help into people capable of providing for their own needs.

### LEADERSHIP BOARD OF ADVISORS

Matthew Bannister  
PeoplesBank

Mychal Connolly  
The Launch and  
Stand Out Agency

Maria Ferrer  
MD Beauty Salon

Helei Gomez Andrews  
The High End

Jeffrey Hayden  
Holyoke Community College

Maria Memon  
City of Holyoke

Diane Martel  
EforAll Mentor

Nora McMahon  
Thermo Fisher Scientific

Sarah Meier-Zimble  
Holyoke Housing Authority

Hope Ross Githals  
Learn in Motion



## Positive Impact Commitment

As a non-profit, we rely solely on grants, corporate sponsorships, foundation giving, and individual donations to support our workforce development programming. We also depend on the successful recruitment of over 100 volunteers each year to help read applications, conduct interviews, mentor entrepreneurs and assist in facilitating accelerator classes.



193 High St. | Holyoke, MA 01040 | eforall.org

This letter acknowledges EforAll's acceptance of Infused Element commitment to provide EforAll with a grant in the amount of **five thousand dollars (\$5,000)** and at least **ten (10) volunteer hours annually per FTE employee** as a component of Infused Element's plan to positively impact communities disproportionately harmed by cannabis prohibition.

Payment may be made payable by check to Entrepreneurship for All (please include: "Holyoke Program" in memo line) and addressed to 193 High Street, Holyoke, MA 01040. Payment is expected no later than 30 days after Infused Element receives a final license from the Cannabis Control Commission and annually on or before Infused Element's license renewal date.

Accepted

A handwritten signature in black ink, appearing to read 'Isaias Rosario', written over a horizontal line.

Isaias Rosario  
CEO/President  
Infused Element

Date: 4/15/22

A handwritten signature in black ink, appearing to read 'Jayne Melendez', written over a horizontal line.

Jayne Melendez  
Program Manager  
EforAll Holyoke

Date: April 15, 2022



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

Minimum Fee: \$500.00

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

**Certificate of Organization**  
(General Laws, Chapter )

Identification Number: 001485866

1. The exact name of the limited liability company is: INFUSED ELEMENT, LLC

2a. Location of its principal office:

No. and Street: 405 BAY STREET

City or Town: SPRINGFIELD      State: MA      Zip: 01109      Country: USA

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

No. and Street: 405 BAY STREET

City or Town: SPRINGFIELD      State: MA      Zip: 01109      Country: USA

3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:  
THE LLC IS ORGANIZING IN ORDER TO APPLY FOR A LICENSE WITH THE CCC

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: ISAIAS ROSARIO

No. and Street: 405 BAY STREET

City or Town: SPRINGFIELD      State: MA      Zip: 01109      Country: USA

I, ISAIAS ROSARIO 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 <small>First, Middle, Last, Suffix</small>	Address (no PO Box) <small>Address, City or Town, State, Zip Code</small>
MANAGER	ISAIAS ROSARIO	405 BAY STREET SPRINGFIELD, MA 01109 USA

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

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	ISAIAS ROSARIO	405 BAY STREET SPRINGFIELD, MA 01109 USA

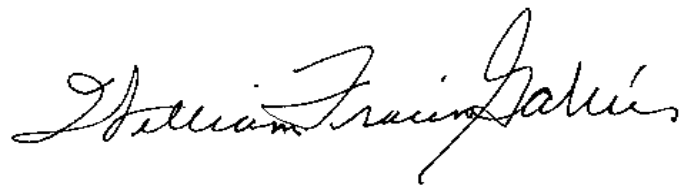
9. Additional matters:

SIGNED UNDER THE PENALTIES OF PERJURY, this 4 Day of February, 2021,  
ISAIAS ROSARIO  
*(The certificate must be signed by the person forming the LLC.)*

THE COMMONWEALTH OF MASSACHUSETTS

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

February 04, 2021 08:55 AM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*

Corporations Division

Business Entity Summary

ID Number: 001485866

[Request certificate](#)

[New search](#)

Summary for: INFUSED ELEMENT, LLC

The exact name of the Domestic Limited Liability Company (LLC): INFUSED ELEMENT, LLC		
Entity type: Domestic Limited Liability Company (LLC)		
Identification Number: 001485866		
Date of Organization in Massachusetts: 02-04-2021		
Last date certain:		
The location or address where the records are maintained (A PO box is not a valid location or address):		
Address: 405 BAY STREET		
City or town, State, Zip code, Country: SPRINGFIELD, MA 01109 USA		
The name and address of the Resident Agent:		
Name: ISAIAS ROSARIO		
Address: 405 BAY STREET		
City or town, State, Zip code, Country: SPRINGFIELD, MA 01109 USA		
The name and business address of each Manager:		
Title	Individual name	Address
MANAGER	ISAIAS ROSARIO	405 BAY STREET SPRINGFIELD, MA 01109 USA
In addition to the manager(s), the name and business address of the person(s) authorized to execute documents to be filed with the Corporations Division:		
Title	Individual name	Address
The name and business address of the person(s) authorized to execute, acknowledge, deliver, and record any recordable instrument purporting to affect an interest in real property:		
Title	Individual name	Address
REAL PROPERTY	ISAIAS ROSARIO	405 BAY STREET SPRINGFIELD, MA 01109 USA
<input type="checkbox"/> Consent <input type="checkbox"/> Confidential Data <input type="checkbox"/> Merger Allowed <input type="checkbox"/> Manufacturing		
View filings for this business entity:		
<div>ALL FILINGS Annual Report Annual Report - Professional Articles of Entity Conversion Certificate of Amendment Certificate of Consolidation</div>		
<div>View filings</div>		

Comments or notes associated with this business entity:

[New search](#)

## **OPERATING AGREEMENT OF INFUSED ELEMENT, LLC**

This Operating Agreement of Infused Element, LLC, a Massachusetts limited liability company (the “Company”) is effective as the Effective Date (as defined below), by and among the persons identified as Members on Schedule A attached hereto and the Initial Manager (as defined below).

WHEREAS, the Company was organized on February 4, 2021 (the “Effective Date”), with such formation being made pursuant to the Massachusetts Limited Liability Company Act, M.G.L. Chapter 156C, as amended from time to time (the “Massachusetts Act”), by filing a Certificate of Organization of the Company with the office of the Secretary of the Commonwealth of The Commonwealth of Massachusetts (as it may be amended at any time and from time to time, the “Certificate of Organization”); and

WHEREAS, it is intended that the Company be treated as a partnership for federal and state income tax purposes.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereby agree as follows:

### **ARTICLE 1. DEFINED TERMS**

#### **Section 1.1 Definitions.**

As used herein, the following terms shall have the following meanings:

Adjusted Capital Account Balance: the meaning set forth in Section 1 of Schedule B.

Adjusted Taxable Profit and Adjusted Taxable Loss: the meaning set forth in Section 1 of Schedule B.

Adverse Suitability Determination: with respect to a Person, a recommendation or determination by a Cannabis Regulatory Body that such Person, its Affiliates, or any of such Person’s or its Affiliates’ respective Representatives is not suitable for licensure in connection with a cannabis business in the Commonwealth of Massachusetts pursuant to 935 CMR 500, 935 CMR 501 or any other provision of law.

Affiliate: with respect to any Person, any Person that controls, is controlled by or is under common control with such Person.

Agreement: this Operating Agreement, as amended, modified, supplemented or restated from time to time.

Assignee: any Person who acquires a Membership Interest, or any part thereof, in



accordance with Section 8.1 and Section 8.2, and any Person who, notwithstanding the provisions of Section 8.1, acquires a Membership Interest from any Member by involuntary transfer of such Membership Interest. For avoidance of doubt, any successor in interest to Community Growth Partners by means of a formless conversion under Delaware law shall not be an Assignee under this Agreement.

Book Item: the meaning set forth in Section 5(a) of Schedule B.

Cannabis Regulatory Body: the Massachusetts Cannabis Control Commission, any other regulatory body that regulates cannabis businesses, any municipality that regulates cannabis businesses, any other governmental body that regulates cannabis businesses, or the staff of such regulatory or governmental bodies.

Capital Account: the meaning set forth in Section 2 of Schedule B.

Capital Contribution: as to each Member, the aggregate amount of cash and the fair market value (as determined by Manager Approval) of property other than cash contributed to the Company by such Member.

Certificate of Organization: the meaning set forth in the recitals of this Agreement.

Company: the meaning set forth in the first paragraph of this Agreement.

Company Minimum Gain: the meaning set forth in Section 1 of Schedule B.

Covered Person: the meaning set forth in Section 12.2(a).

Depreciation: the meaning set forth in Section 1 of Schedule B.

Distributable Cash: as of any particular time and as determined by Manager Approval, all cash, revenues, and funds received by the Company from any source whatsoever less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders (which may include Members); (ii) all cash expenditures incurred incident to the normal operation of the Company's business as determined by Manager Approval; and (iii) such reserves deemed appropriate, as determined by Manager Approval, for the proper operation of the Company's business after taking into account the foregoing items.

Effective Date: the meaning set forth in the first paragraph of this Agreement.

Fiscal Year: the meaning set forth in Section 2.5.

Foley: the meaning set forth in Section 13.6.

Gross Asset Value: the meaning set forth in Section 1 of Schedule B.

Guaranteed Payments: the meaning set forth in Section 6.3(b).

Initial Manager: the meaning set forth in Section 4.1(a).

Internal Revenue Code: the meaning set forth in Section 1 of Schedule B.

Liquidating Agent: the meaning set forth in Section 10.1(a).

Manager: the Initial Manager, and each other Person who may be designated or elected from time to time by the Members in accordance with Section 4.1 to serve as a Manager hereunder, in each case, as long as such person shall serve, and in such person's capacity, as a Manager hereunder.

Manager Approval: approval by the Managers then in office, given pursuant to the terms and subject to the conditions of Section 4.3.

Massachusetts Act: the meaning set forth in the recitals of this Agreement.

Member: any Person named as a member of the Company on Schedule A hereto as of the date hereof and any Person admitted as an additional Member or as a Substitute Member pursuant to the provisions of this Agreement, in such Person's capacity as a member of the Company.

Member Approval: written approval by Members holding a majority of the Percentage Interests at the time of such determination.

Member Nonrecourse Debt: the meaning set forth in Section 1 of Schedule B.

Member Nonrecourse Debt Minimum Gain: the meaning set forth in Section 1 of Schedule B.

Member Tax Amount: the meaning set forth in Section 6.4.

Membership Interest: a Member's share of the Adjusted Taxable Profit and Adjusted Taxable Loss of the Company and a Member's right to receive distributions of the Company's assets, reflected with respect to such Member by such Member's Percentage Interest and in each case subject to the terms and conditions of this Agreement, such meaning being the same as the meaning given for "limited liability company interest" in the Massachusetts Act.

Nonrecourse Deductions: the meaning set forth in Section 1 of Schedule B.

Nonrecourse Liability: the meaning set forth in Section 1 of Schedule B.

Partnership Tax Audit Rules: the meaning set forth in Section 1 of Schedule B.

Percentage Interest: for each Member, the Percentage Interest set forth on Schedule A hereto as of the date hereof and as modified from time to time pursuant to the provisions of this Agreement.

Person: shall include any corporation, association, joint venture, partnership, limited partnership, limited liability company, business trust, institution, foundation, pool, plan,

government or political subdivision thereof, government agency, trust or other entity or organization or a natural person.

Profits Interest: the meaning set forth in Section 7.1(c).

Representative: means, with respect to a Person, such Person's officers, directors, employees, members, managers, equity holders, agents, consultants, advisors and representatives.

Repurchase Interest: the meaning set forth in Section 8.6(a).

Repurchase Member: the meaning set forth in Section 8.6(a).

Repurchase Price: the meaning set forth in Section 8.6(a).

Securities Act: the United States Securities Act of 1933, as amended.

Substitute Member: an Assignee of all or any portion of the Membership Interest of a Member, which Assignee is admitted as a Member of the Company pursuant to Article 8.

Tax Distributions: the meaning set forth in Section 6.3(d).

Tax Liability: with respect to any Member and any Fiscal Year of the Company, an amount, as determined by Manager Approval, equal to the product of the Tax Rate multiplied by the amount of taxable income of the Company allocated to such Member for United States federal income tax purposes in the Company's tax return filed or to be filed with respect to such Fiscal Year.

Tax Matters Person: the meaning set forth in Section 6(a) of Schedule B.

Tax Rate: with respect to any Fiscal Year of the Company, a single assumed combined United States federal, state and local income tax rate, as determined by Manager Approval. In exercising their discretion in determining the Tax Rate, the Managers may, but are not required to, take into account such factors as they choose in their sole discretion, including an assumed tax status (such as individual or corporation), assumed locality of residence of the Members, the different tax rates that may be in effect for different types of income, and any applicable United States federal deduction for state income taxes.

Threshold Amount: the meaning set forth in Section 7.1(e).

Treasury Regulations: the meaning set forth in Section 1 of Schedule B.

Unreturned Capital Contribution: the Capital Contribution of a Member reduced by the aggregate cumulative amount of distributions previously received by such Member pursuant to Section 6.3(c)(i) (including, for the avoidance of doubt, any distributions pursuant to Section 10.2 or Section 6.3(d) to the extent made in accordance with Section 6.3(c)(i)).

## **ARTICLE 2. GENERAL PROVISIONS**

### **Section 2.1                    Organization; Continuation of the Company.**

The Company has been formed by the filing of its Certificate of Organization with the Secretary of the Commonwealth of The Commonwealth of Massachusetts pursuant to the Massachusetts Act. The Certificate of Organization may be amended or restated by Manager Approval. The Members hereby agree to continue the Company as a limited liability company under and pursuant to the provisions of the Massachusetts Act and agree that the rights, duties and liabilities of the Members shall be as provided in the Massachusetts Act, except as otherwise expressly provided herein.

### **Section 2.2                    Company Name.**

(a) The name of the Company is “Infused Element, LLC”. All business of the Company shall be conducted under the Company name. The Managers shall promptly execute, file and record such certificates as are required by any applicable limited liability company act, fictitious name act or similar statute.

(b) The Company shall at all times have all rights in and to the Company name. The Company may use the Company name or any portion thereof in connection with any other partnership, limited liability company or business activity entered into by the Company. Upon the dissolution of the Company pursuant to the provisions of Article 10 or otherwise, except as otherwise expressly provided herein or by applicable law, or by Manager Approval, no further business shall be done in the Company name except for the completion of any transactions in process and the taking of such action as shall be necessary for the performance and discharge of the obligations of the Company, the winding up and liquidation of its affairs and the distribution of its assets.

### **Section 2.3                    Place of Business; Agent for Service of Process.**

(a) The principal place of business of the Company shall be such location as determined from time to time by Manager Approval. The initial principal place of business of the Company is 405 Bay Street, Springfield, MA 01109.

(b) The registered office of the Company in The Commonwealth of Massachusetts shall initially be 405 Bay Street, Springfield, MA 01109, and the registered agent for service of process on the Company pursuant to the Massachusetts Act shall initially be Isaias Rosario; provided that the registered office of the Company and the name and the address of the resident agent for service of process may change with Manager Approval. In the event of any such change, the Managers shall cause to be filed an instrument recording any such changes with the office of the Secretary of the Commonwealth of The Commonwealth of Massachusetts.

### **Section 2.4                    Purposes and Powers of the Company.**

(a) The purpose of the Company is to engage in cannabis activities; any and all activities necessary, advisable or incidental thereto, to the extent permitted and in accordance

with Massachusetts law; and any other lawful business, purpose or activity for which limited liability companies may be formed under the Massachusetts Act.

(b) The Company shall have the power and authority to take any and all actions necessary or convenient to, or for the furtherance of, the purposes set forth in Section 2.4(a), including, but not limited to, the power and authority:

(i) to conduct its business, carry on its operations and have and exercise the powers granted to a limited liability company by the Massachusetts Act in any state, territory, district or possession of the United States or in any foreign country that may be necessary, convenient or incidental to accomplish the purposes of the Company;

(ii) to acquire (by purchase, lease, contribution of property or otherwise), own, hold, operate, maintain, finance, improve, lease, sell, convey, mortgage, transfer, demolish or dispose of any real or personal property that may be necessary or convenient to accomplish the purposes of the Company;

(iii) to negotiate, enter into, perform, amend, extend, waive, terminate or take any other action with respect to contracts of any kind, including, without limitation, contracts with any Member, any Affiliate thereof, or any employee or agent of the Company in connection with, or necessary or convenient to, the accomplishment of the purposes of the Company and any lease, contract or security agreement in respect of any assets of the Company;

(iv) to purchase, subscribe for or otherwise acquire, own, hold, vote, sell, mortgage, pledge or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in or obligations of domestic or foreign corporations, associations, general or limited partnerships, trusts, limited liability companies, or individuals or direct or indirect obligations of the United States or of any government, state, territory, governmental district or municipality or of any instrumentality of any of them;

(v) to lend money for the Company's proper purpose, to invest and reinvest its funds, and to take and hold real and personal property for the payment of funds so loaned or invested;

(vi) to borrow money and issue evidences of indebtedness, and to secure the same by a mortgage, pledge or other lien on the assets of the Company;

(vii) to sue and be sued, complain and defend, and participate in administrative or other proceedings, in its name, and to pay, collect, compromise, litigate, arbitrate or otherwise adjust or settle any and all other claims or demands of or against the Company and to hold proceeds against the payment of contingent liabilities;

(viii) to indemnify any Person in accordance with the Massachusetts Act;



(ix) to make, execute, acknowledge and file any and all documents or instruments necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(x) to hire such personnel, including without limitation such management and operation personnel, sales and marketing personnel and such other employees, independent contractors and advisors as may be deemed necessary or appropriate from time to time; and

(xi) to cease its activities and cancel its Certificate of Organization in accordance with the terms of this Agreement and the Massachusetts Act.

## **Section 2.5 Fiscal Year.**

The “Fiscal Year” of the Company shall be the tax year of the Company and shall initially be the calendar year, or such other Fiscal Year as may be designated by Manager Approval and permitted by the Internal Revenue Code.

# **ARTICLE 3. GENERAL PROVISIONS**

## **Section 3.1 Members.**

Each Member shall be a “Member” within the meaning of the Massachusetts Act. The name, mailing address, and email address of each Member shall be as listed on Schedule A. Each Member shall promptly notify the Company of any change in the information required to be set forth for such Member on Schedule A. Any Manager may update Schedule A from time to time as necessary to accurately reflect the information relating to the Members that is intended to be set forth thereon, including each Member’s Capital Contribution, Percentage Interest, and Threshold Amount (with respect to a Membership Interest that is intended to be a Profits Interest). Any such revision to Schedule A shall not be deemed an amendment to this Agreement. Unless otherwise indicated, any reference in this Agreement to Schedule A shall be deemed a reference to Schedule A as such may be revised pursuant to this Section 3.1 or otherwise amended from time to time.

## **Section 3.2 Membership Interests Generally.**

(a) Except as otherwise expressly provided herein, no Member shall (i) be entitled to receive any interest or other return on his, her or its Capital Contribution, (ii) be entitled to withdraw all or any portion of such or any other, Member’s Capital Contribution or to receive any distribution or Guaranteed Payment from the Company (other than pursuant to a separate agreement with the Company relating to compensation to be paid to such Member), (iii) have the status of a creditor with respect to distributions from the Company, (iv) have the right to demand or receive Company assets (including, for avoidance of doubt, as a Guaranteed Payment (other than pursuant to a separate agreement with the Company relating to compensation to be paid to such Member), or (v) have any priority over any other Member with respect to the return of Capital Contributions, allocations of profits and losses or distributions. No property of the Company shall be deemed to be owned by any Member individually, but shall be owned by and

title thereto shall be vested solely in the Company. The Membership Interests shall constitute personal property.

(b) The Members understand and acknowledge that the Members and any owners of more than 10% of the equity interests of any Member, persons or entities in positions of corporate, financial or operational control of any Member, and other persons or entities identified in 935 CMR 500, shall be required to undergo background checks in compliance and make other such disclosures are required by 935 CMR 500, and the Members and any of its owners or other persons or entities described herein agree to promptly and completely comply with such required regulations. The Members agree to comply at all times with all regulations, including but not limited to 935 CMR 500, governing ownership, control, and operations of the Company.

(c) Each Member will be solely responsible for its own taxes in connection with its ownership of Membership Interests and other related transactions.

### **Section 3.3                      Voting and Management Rights.**

(a) No Member, in his, her or its capacity as such, shall have (i) the right to vote or to participate in the management, operation or control of the business affairs of the Company or to vote to have the Company dissolved and its affairs wound up, except as expressly provided herein, or (ii) any right, power or authority to transact any business in the name of the Company, to act for or on behalf of the Company or in its name, or to bind the Company.

(b) Except as otherwise expressly provided herein, no action of the Company or the Managers shall require approval by the Members. To the fullest extent permitted by the Massachusetts Act, to the extent that the Massachusetts Act would require a consent or approval by the Members, the consent or approval of the Managers by Manager Approval shall be sufficient and no consent or approval by the Members shall be required.

(c) Whenever action is required or permitted by this Agreement to be taken by the Members, including any consent or approval thereof, unless otherwise expressly provided herein, such action shall be deemed valid if and only if taken by Member Approval.

(d) In the event that the Members are deadlocked or unable to reach a decision with respect to any matter, then the Initial Manager shall have final decision making authority with respect thereto.

### **Section 3.4                      Liability of Members.**

(a) A Member who receives a distribution made in violation of the Massachusetts Act shall be liable to the Company for the amount of such distribution to the extent, and only to the extent, provided by the Massachusetts Act.

(b) Except as provided under the Massachusetts Act and this Agreement, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member. Without limiting the foregoing, (i) no Member in the Member's capacity as

such shall have any liability to restore any negative balance in such Member's Capital Account and (ii) the failure of the Company to observe any formalities or requirements relating to exercise of the Company's powers or management of its business or affairs under this Agreement or the Massachusetts Act shall not be grounds for imposing personal liability on any Member for liabilities of the Company.

### **Section 3.5                      No Right to Division of Assets.**

Each Member waives all rights, at law, in equity or otherwise, to require a partition or division into individually owned interests of all or any portion of the assets of the Company.

### **Section 3.6                      Member's Investment.**

(a) Each Member understands that the Membership Interests have not been registered under the Securities Act, or registered or qualified under the securities or "Blue Sky" laws of any other jurisdiction. Each Member is acquiring such Member's Membership Interest for the Member's own account for investment, and not for, with a view to, or in connection with the resale or distribution thereof. The nature and amount of each Member's investment in the Membership Interests is consistent with such Member's investment objectives, abilities, and resources. Each Member understands that the Membership Interests are an illiquid investment, which will not become freely transferable by reason of any "change of circumstances." Each Member has adequate means of providing for the Member's current needs and possible contingencies and has no need for liquidity in the Member's investment.

(b) Each Member, to the extent desired by such Member, has consulted with such Member's attorney or accountant with respect to the Member's purchase or grant of Membership Interests. Each Member has knowledge of the Company's business, financial condition, current activities, and prospects. Each Member and such Member's attorney or accountant to the extent requested by such Member have had the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the Company's business, financial condition, current activities, and prospects.

## **ARTICLE 4. MANAGEMENT OF THE COMPANY**

### **Section 4.1                      Managers.**

(a) The Company shall be managed by the Managers. The Members hereby designate Isaias Rosario to be the initial Manager (the "Initial Manager"), and the Initial Manager hereby accepts such designation and agrees to be bound by the terms and conditions of this Agreement that relate to the Managers. Additional Managers may be elected by Member Approval. Each current and future Manager (and only each Manager in his or her capacity as such) is hereby designated as a "Manager" of the Company within the meaning of the Massachusetts Act.

(b) Any Manager may be removed from his or her position as such by Member Approval (with such Manager being permitted to participate in such vote in his or her capacity as a Member). Each Manager shall have the right, upon prior written notice to the Members, to

resign from his or her position as a Manager. If there is no Manager currently in office, a successor Manager shall be elected by Member Approval. Only a Member may serve as a Manager and, upon ceasing to be a Member, shall cease to be a Manager.

#### **Section 4.2                      Manager Voting Rights; Meetings; Quorum.**

(a) Each Manager shall be entitled to one (1) vote with respect to any matter before the Managers.

(b) Regularly scheduled meetings of the Managers may be held at such time, date and place as a majority of the Managers may from time to time determine. Special meetings of the Managers may be called, orally, in writing or by means of electronic communication, by any of the Managers, designating the time, date and place thereof. Managers may participate in meetings of the Managers by means of telephone conference or similar communications equipment by means of which all Managers participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting. No Manager may delegate his or her rights and obligations to participate in and vote at any meeting of the Managers.

(c) Notice of the time, date and place of all meetings of the Managers shall be given to each Manager by the officer or one of the Managers calling the meeting. Notice shall be given to each Manager in person or by telephone, facsimile or electronic mail sent to his business or home address or email address, as applicable, at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to his business or home address at least seventy-two (72) hours in advance of the meeting, provided that once notice has been given as to the time and date of any regularly scheduled meeting of the Managers, no further notice of such meeting need be given. Notice need not be given to any Manager if a written waiver of notice is executed by him before or after the meeting. The attendance of a Manager at a meeting shall constitute a waiver of notice of such meeting by such Manager, except where a Manager attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because such meeting is not lawfully called or convened. A notice or waiver of notice of a meeting of the Managers need not specify the purposes of the meeting.

(d) At any meeting of the Managers, the presence of a majority of the total number of Managers then in office shall constitute a quorum.

#### **Section 4.3                      Actions of the Managers.**

(a) Except as provided in this Agreement or the Massachusetts Act, or required by law, any vote or approval of a majority of the Managers present at any meeting of the Managers at which a quorum is present shall be the act of the Managers.

(b) Any action required or permitted to be taken at any meeting of the Managers may be taken without a meeting if a written consent thereto is signed (including by means of an authorized electronic, stamped or other facsimile signature or email message) by all of the Managers then in office and filed with the records of the meetings of the Managers. Such consent shall be treated as a vote of the Managers for all purposes.



#### **Section 4.4                    Manager as Agent.**

Each of the Managers is an agent of the Company, and the actions of each of the Managers shall bind the Company, except as otherwise expressly provided herein.

#### **Section 4.5                    Other Agents.**

From time to time, the Managers may hire employees and appoint agents of the Company (who may be designated as officers of the Company), with such powers and duties as shall be specified by such Manager Approval. Such employees and agents (including those designated as officers) may be removed by Manager Approval.

#### **Section 4.6                    Powers of the Managers.**

(a) Except as otherwise expressly provided herein, the management and operation of the Company and its business and affairs shall be, and hereby is, vested solely in the Managers.

(b) Except as otherwise expressly provided herein, all decisions respecting any matter set forth herein or otherwise affecting or arising out of the conduct of the business of the Company shall require, and shall be considered duly authorized by, Manager Approval, including the following actions:

(i) Determination of the Percentage Interest of any Member pursuant and subject to the terms and conditions of this Agreement, including the Percentage Interests of the Members (A) at the time of the admission of a new Member and (B) at the time of the issuance of any additional Percentage Interests to existing Members;

(ii) Determinations relating to Guaranteed Payments pursuant to this Agreement;

(iii) Determinations relating to vesting of Percentage Interests; and

(iv) Determinations of "Gross Asset Value" as set forth in the definition of that term in Section 1 of Schedule B.

(c) Actions within the scope of authority granted to the Managers by this Agreement shall require Manager Approval; provided, however, that such actions that are of an administrative or routine nature may be taken by any individual Manager.

(d) Except as otherwise expressly provided herein, no action of the Managers shall require approval by the Members. The Managers may choose in their sole discretion to consult with any or all of the Members regarding actions to be taken by the Managers, but such consultation shall not create any additional approval right of the Members.

(e) Each Manager shall have the power and authority, in the name and on behalf of the Company, to execute and deliver any agreement, instrument, or document, and to take any

action, which is authorized, or which relates or is related to or connected with any action of the Company which has been properly authorized pursuant to this Agreement.

**Section 4.7                      Certain Actions Requiring Manager Approval and Member Approval.**

(a) Notwithstanding the provisions of Section 4.6, the following actions shall require both Manager Approval and Member Approval:

(i)        The Company's (A) making an assignment of Company assets for the benefit of creditors, (B) filing a voluntary petition in bankruptcy, (C) filing a petition or answer seeking for the Company any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation or filing an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Company in any such proceeding, or (D) seeking, consenting to or acquiescing in the appointment of a trustee, receiver or liquidator of the Company or of all or any substantial part of the Company's assets;

(ii)       Conversion of the Company to another form of entity for tax purposes, including to corporate form; and

(iii)      Voluntary liquidation or dissolution of the Company.

**Section 4.8                      Reliance by Third Parties.**

Notwithstanding any other provision of this Agreement, any contract, instrument, or act of a Manager on behalf of the Company shall be conclusive evidence in favor of any third party dealing with the Company that the Manager has the authority, power, and right to execute and deliver such contract or instrument and to take such action on behalf of the Company.

**Section 4.9                      Reimbursement.**

The Company shall reimburse the Managers and other authorized representatives of the Company for all out-of-pocket expenses reasonably incurred by the Managers and such authorized representatives on behalf of the Company. Such expenses may include travel, seminars, conference attendance fees, and other expenses related to transacting business on behalf of the Company. Such reimbursement shall be treated as an expense of the Company and shall not be deemed to constitute a distribution or fee to the Managers or such authorized representatives.

**ARTICLE 5.  
CAPITAL CONTRIBUTIONS**

Each Member's Capital Contribution through the date hereof is reflected on Schedule A as of the date hereof. Subject to Manager Approval, the Company may also accept additional capital contributions in connection with the issuance of additional Membership Interests to existing Members and the admission of other Persons as additional Members pursuant to Article 7.

## **ARTICLE 6. CAPITAL ACCOUNTS; ALLOCATIONS; DISTRIBUTIONS**

### **Section 6.1                    Capital Accounts.**

For each Member, the Company shall establish and maintain a separate Capital Account as more fully described in Schedule B.

### **Section 6.2                    Allocations.**

The Adjusted Taxable Profit and Adjusted Taxable Loss of the Company shall be allocated to and among the Members in accordance with Schedule B.

### **Section 6.3                    Distributions; Guaranteed Payments.**

(a) Except as otherwise expressly provided herein, the Company shall not be required to make distributions or payments of cash or of other Company assets to the Members.

(b) Payments may be made by the Company to Members for services performed for the benefit of the Company by such Members at the time of any regular payment of wages to employees of the Company, in accordance with the Company's payroll methodology, or at such other times as may be determined by Manager Approval, it being understood that the payments made pursuant to this Section 6.3(b) shall not be treated as distributions, but rather as "guaranteed payments" within the meaning of Internal Revenue Code Section 707(c) (the "Guaranteed Payments").

(c) Distributions to Members, if any, other than under Article 10, shall be at such times and in such aggregate amounts as may be determined by Manager Approval, subject to any limitations applicable to Profits Interests, including applicable Threshold Amounts as provided in Section 7.1, and shall be made to and among the Members as follows:

(i) first, to and among the Members to the extent of, and in proportion to, their respective Unreturned Capital Contributions, until such Unreturned Capital Contributions have been reduced to zero; and

(ii) second, the balance to and among the Members in proportion to their respective Percentage Interests.

(d) Notwithstanding the foregoing, the Company may elect, as determined by Manager Approval, to make, with respect to each Fiscal Year of the Company, minimum distributions of Distributable Cash to each Member in an amount equal to the Tax Liability of such Member for such Fiscal Year (such distributions pursuant to this Section 6.3(d), "Tax Distributions"); provided, however, that the maximum amount of any Tax Distributions to be made to a Member shall be reduced by other distributions that have been made or are to be made with respect to such Fiscal Year (as determined by Manager Approval) to such Member. Any distributions made to a Member with respect to such Member's Tax Liability pursuant to this

Section 6.3(d) shall be deemed an advance against and shall serve to reduce subsequent distributions made to such Member pursuant to Section 6.3(c), including pursuant to Section 10.2.

(e) Distributions pursuant to this Article 6 shall be made with respect to all Membership Interests, whether vested or unvested. Unless otherwise determined by Manager Approval, any distributions pursuant to Section 6.3(c) (but not, for the avoidance of doubt, pursuant to Section 6.3(d)) with respect to any portion of any Membership Interest which is reflected by a Percentage Interest which is unvested shall be held by the Company (net of amounts with respect thereto, if any, that are distributed to the applicable Member pursuant to Section 6.3(d)) until such Percentage Interest becomes a vested, at which time any such retained distributions shall be released to the applicable Member. Upon the forfeiture of any unvested Membership Interest, any retained distributions applicable to such Membership Interest shall be forfeited by the Member. Any retained distributions that are forfeited pursuant to the foregoing sentence shall thereafter be distributed to the Members in accordance with the order and priorities set forth in Section 6.3(c) or Section 10.2, as applicable.

#### **Section 6.4                      Withholding; Tax Documentation.**

Notwithstanding anything to the contrary in this Agreement, the Company may withhold from any distribution or other payment, as applicable, to any Member (including any former Member) the amount (the “Member Tax Amount”) of (i) any taxes required to be, or that should have been, withheld with respect to such distribution or other payment or any other distribution, payment, or allocation to such Member, (ii) any tax liability of the Company otherwise attributable to such Member, whether or not already paid by the Company, and (iii) any interest, additions to tax and penalties in respect of taxes described in the foregoing clauses (i) or (ii). All Member Tax Amounts will be determined by Manager Approval. For avoidance of doubt, Member Tax Amounts will include any “imputed underpayment” within the meaning of Section 6225(c) of the Internal Revenue Code (or any successor provision or similar provision of federal, state or local tax law) that the Managers determine to be appropriate to treat as a tax liability attributable to Members (including former Members). All Member Tax Amounts withheld from any distribution or other payment to a Member shall be treated as amounts distributed or paid by the Company to such Member. If no distribution or other payment is then being made to such Member in an amount sufficient to cover the Member Tax Amounts attributable to such Member, then the shortfall that the Company is obligated to pay to a taxing authority shall be deemed to be an interest-free advance from the Company to such Member, payable by such Member by withholding from subsequent distributions or other payments by the Company to such Member or within fourteen (14) days after receiving a written request for payment from the Company; provided, that, in any event such amount shall be repaid to the Company no later than the date of the final distribution in liquidation of the Company. The amount of any taxes (including interest, additions to tax and penalties in respect of such taxes) that are paid by, or withheld from distributions by, entities that are partnerships or other flow-through entities for tax purposes through or in which the Company, directly or indirectly, holds an investment shall be treated as Member Tax Amounts that are subject to this Section 6.4 on the date such taxes are paid or withheld, to the extent determined by Manager Approval. Each Member and former Member agrees to timely complete and deliver to the Managers any form or document, and to



timely provide such other information, reasonably requested by the Company for tax purposes, including Massachusetts Form PTE-EX (as applicable).

## **ARTICLE 7.**

### **ISSUANCE OF ADDITIONAL MEMBERSHIP INTERESTS; ADMISSION OF ADDITIONAL MEMBERS**

#### **Section 7.1 Additional Issuances; Additional Members; Profits Interests.**

(a) By Manager Approval, a Member may purchase or be granted additional Membership Interests in the Company or a Person who is not already a Member of the Company may be admitted as a Member of the Company.

(b) The Percentage Interest, Capital Contribution (if any) and other terms with respect to any additional Membership Interests or any additional Member shall be determined by Manager Approval. Upon any issuance of Percentage Interests to a new or existing Member, the Percentage Interests of the existing Members (including the existing Member, if any, receiving an additional Percentage Interest) shall be reduced proportionately. At all times, the total amount of Percentage Interests held by the Members in the aggregate shall be 100%. So long as any required approval and consent has been obtained in each case, each such Person who is not already a Member of the Company shall be admitted as an additional Member of the Company by executing a counterpart of this Agreement or a separate signature page hereof. This Agreement shall thereupon be deemed amended by the admission of such additional Member and the Managers shall take such other actions as they shall deem necessary by Manager Approval to confirm or legalize any issuance of additional Membership Interests or the admission of any additional Member. The admission of any Person as an additional Member shall not be cause for dissolution of the Company.

(c) If the Managers intend, as determined by Manager Approval or as indicated on Schedule A, that a Membership Interest granted to a Person in exchange for providing services to the Company qualify as a “profits interest” for tax purposes, the Company and each Member agree to treat such Membership Interest (such interest, a “Profits Interest”) as a separate “profits interest” within the meaning of Rev. Proc. 93-27, 1993-2 C.B. 343 or any future Internal Revenue Service guidance or other authority that supplements or supersedes the foregoing Revenue Procedure, and it is the intention of the Members that distributions to each Profits Interest under this Agreement be limited to the extent necessary so that the Profits Interest of such Member qualifies as a “profits interest” under Rev. Proc. 93-27, and this Agreement shall be interpreted accordingly.

(d) Upon the grant of a Profits Interests to a Member, the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as provided in the definition of Gross Asset Value, and the Company’s Adjusted Taxable Profit and Company’s Adjusted Taxable Loss arising from such adjustment shall be allocated to the existing Members in accordance with Schedule B. This Section 7.1 is intended to reflect the intent of the parties hereto that such grant (aside from the portion of the new interest acquired in exchange for any capital contribution made by such Member) shall be treated as the issuance of a profits interest for United States federal income tax purposes.

(e) In connection with the issuance of any Profits Interest, the Managers, by Manager Approval, shall set a threshold dollar amount with respect to such Profits Interest (each, a “Threshold Amount”). The Threshold Amount with respect to each Profits Interest will be an amount, determined by Manager Approval, equal to the value of all outstanding Membership Interests at the time of issuance of such Profits Interest, determined based upon the amount of distributions that the holders of all such Membership Interests would be entitled to receive in a hypothetical liquidation of the Company on the date of issuance of such Profits Interest in which the Company sold its assets for their fair market value, satisfied its liabilities (excluding any nonrecourse liabilities to the extent the balance of such liabilities exceeds the fair market value of the assets that secure them) and distributed the net proceeds to the holders of Membership Interests in liquidation of the Company (excluding for these purposes the Profits Interest subject to such grant). The determination by Manager Approval of the Threshold Amount shall be final, conclusive and binding on all Members; provided, however, neither the Company nor the Managers shall bear any responsibility to any Member if such determination is incorrect.

(f) Notwithstanding any provision in this Agreement to the contrary, the Managers shall exclude a Profits Interest from participation in distributions from the Company (including pursuant to Section 6.3(c) and Article 10) in the manner and to the extent the Managers determine appropriate by Manager Approval so as to fully reflect the applicable Threshold Amount consistent with such Profits Interest’s treatment as a “profits interest” in accordance with this Section 7.1 (including, without limitation, by taking into account any subsequent capital contributions, forfeitures, recapitalizations, capital transactions and other similar transactions). For avoidance of doubt, the Managers and the Company shall not be responsible for any subsequent determination by a taxing authority that any Membership Interest that was intended to be a Profits Interest failed to so qualify.

(g) In accordance with Rev. Proc. 2001-43, 2001-2 CB 191, the Company shall treat a Member holding a Profits Interest as the owner of such Profits Interest from the date it is granted, and shall file its Internal Revenue Service Form 1065, and issue appropriate Schedule K-1s to such Member. Each Member agrees to take into account any allocations of items of income, gain, loss, deduction and credit associated with any Profits Interest held by such Member in computing his, her or its United States federal income tax liability for the entire period during which he, she or it holds the Profits Interest. The Company and each Member agree not to claim a deduction (as wages, compensation or otherwise) for the fair market value of such Profits Interest issued to a Member, either at the time of grant of the Profits Interest or at the time the Profits Interest becomes substantially vested. The undertakings contained in this Section 7.1(g) shall be construed in accordance with Section 4 of Rev. Proc. 2001-43.

(h) The Managers shall have the right, by Manager Approval, to amend this Agreement without the approval of any other Member upon publication of final Treasury Regulations in the Federal Register (or other official pronouncement) to (i) direct and authorize the election of a “safe harbor” under Proposed Treasury Regulation Section 1.83-3(l) (or any similar successor provision) under which the fair market value of a membership interest that is transferred in connection with the performance of services is treated as being equal to the liquidation value of that interest, (ii) to provide for an agreement by the Company and all of its Members to comply with all the requirements set forth in such Treasury Regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such

election) with respect to all interests transferred in connection with the performance of services while the election remains effective, and (iii) to provide for any other related amendments; provided, in any case, that (x) such amendment shall not change the relative economic interest of the Members, reduce any Member's share of distributions, or increase any Member's liability hereunder and (y) the Company shall provide a copy of such amendment to the Members at least ten (10) days prior to the effective date of any such amendment.

(i) This Section 7.1, together with any grant document pursuant to which Membership Interests are issued to an individual in such individual's capacity as an employee of or service provider to the Company, are intended to qualify as a compensatory benefit plan within the meaning of Rule 701 of the Securities Act and the issuance of Membership Interests pursuant hereto is intended to qualify for the exemption from registration under the Securities Act provided by Rule 701; provided, that the foregoing shall not restrict or limit the Company's ability to issue any Membership Interests pursuant to any other exemption from registration under the Securities Act available to the Company and to designate any such issuance as not being subject to Rule 701.

(j) Membership Interests may be issued subject to vesting, forfeiture and repurchase pursuant to separate written agreements, the provisions of which may be determined, altered or waived (unless otherwise specified in such agreements) by Manager Approval. Any Person holding a Membership Interest subject to a vesting arrangement, including, without limitation, any Profits Interest, shall be personally responsible for making, and shall make, a timely Internal Revenue Code Section 83(b) election in accordance with Treasury Regulation Section 1.83-2 with respect to each such Membership Interest (to the extent applicable).

(k) Each Member that is a service provider to the Company understands and agrees that, for so long as the Company is a partnership or disregarded entity for income tax purposes and subject to any change in applicable tax rules or regulations, such Member shall not be treated as an employee of the Company for tax purposes, but instead (i) shall be subject to reporting of any compensation paid to such Member by the Company on a Schedule K-1 (rather than a Form W-2) and shall be responsible for paying all self-employment and other taxes on such income and (ii) shall not be entitled to participate in the Company's employee benefit plans under Section 125 of the Internal Revenue Code.

## **ARTICLE 8.**

### **TRANSFER OF MEMBERSHIP INTERESTS; LEGAL REPRESENTATIVES**

#### **Section 8.1                      Assignability of Interests; Substitute Members.**

A Member may not sell, assign, transfer, pledge or otherwise encumber, or otherwise dispose of, such Member's Membership Interest, whether voluntarily or by operation of law, and an Assignee of a Member's Membership Interest shall not be admitted as a Substitute Member, in each case without prior Manager Approval. Unless and until admitted as a Substitute Member, an Assignee shall not be entitled to exercise any rights or powers of, or to receive any of the benefits of, the assigning Member other than, to the extent assigned, the share of Adjusted Taxable Profit and Adjusted Taxable Loss and the rights to receive distributions to which the assigning Member was entitled. An Assignee shall have no liability as a Member solely as a result of such assignment. An Assignee may become a Substitute Member only upon the terms

and conditions set forth in Section 8.2. The admission of an Assignee as a Substitute Member shall additionally in each case be conditioned upon (a) the Assignee's written assumption, in form and substance satisfactory to the Managers, of all of the obligations, restrictions and liabilities of the assigning Member with respect to the assigned Membership Interest under this Agreement and (b) the Assignee's execution of an instrument reasonably satisfactory to the Managers whereby such Assignee becomes a party to this Agreement as a Substitute Member. In no event shall any Member sell, assign, transfer, pledge or otherwise encumber, or otherwise dispose of, such Member's rights or obligations in an unvested Membership Interest, if any, whether voluntarily or by operation of law, and any such purported disposition shall be void *ab initio*.

## **Section 8.2 Additional Requirements.**

As additional conditions to the validity of any assignment of a Membership Interest and any admission of an Assignee as a Substitute Member, such assignment and any such admission:

- (a) shall not violate the registration provisions of the Securities Act, or the securities laws of any applicable jurisdiction;
- (b) shall not cause the Company to be terminated for United States federal income tax purposes or to be treated as a publicly traded partnership under the Internal Revenue Code, unless agreed to in writing by Manager Approval;
- (c) shall not be made to a Person that has been, or could reasonably be expected to be, subject to an Adverse Suitability Determination;
- (d) shall not be made to any Person whose control of the Company would violate the control limitations provided for in 935 CMR 500.005; and
- (e) shall not result in, or reasonably be expected to result in, an Adverse Suitability Determination with respect to the Company.

The Managers acting by Manager Approval may require reasonable evidence as to satisfaction of such conditions, including, without limitation, a favorable opinion, in form and substance satisfactory to the Managers, of legal counsel reasonably satisfactory to the Managers. Any purported assignment or admission as to which the conditions set forth in Section 8.1 and Section 8.2 are not satisfied shall be void *ab initio*.

## **Section 8.3 Distributions as Between Assignor and Assignee.**

If a Membership Interest shall be validly assigned, then the assignor and Assignee shall each be entitled to distributions as follows: unless the assignor and Assignee shall agree otherwise and so provide in the instrument of assignment, distributions shall be made to the Person owning the Membership Interest at the date of distribution. For the purpose of making computations based on distributions, any distribution to an Assignee who, at the time of the computation, (i) has not been admitted as a Substitute Member shall be deemed to have been made to the assigning Member, and (ii) has been admitted as a Substitute Member shall be deemed to have been made to the Assignee.

#### **Section 8.4 Deemed Agreement.**

Any Person who acquires in any manner whatsoever any Membership Interest or other interest in the Company, irrespective of whether such Person has accepted and adopted in writing the terms and provisions of this Agreement, shall be deemed by the acceptance of the benefits of the acquisition thereof to have agreed to be subject to and bound by all of the terms and conditions of this Agreement that any predecessor in such Membership Interest or other interest in the Company of such Person was subject to or by which such predecessor was bound.

#### **Section 8.5 Transfer of Capital Accounts.**

As determined by Manager Approval, the Capital Account established for each Substitute Member shall initially be in the same amount as the Capital Account of the Member (or portion thereof) to which such Substitute Member succeeds, at the time such Substitute Member is admitted as a Member of the Company. The Capital Account of any Member whose Membership Interest shall be increased by means of a transfer to it of all or part of the Membership Interest of another Member shall also be appropriately adjusted to reflect such transfer, as determined by Manager Approval. Any reference in this Agreement to a capital contribution of, or distribution to, a Member that has succeeded any other Member shall include any capital contributions or distributions previously made by or to the former Member on account of the Membership Interest of such former Member transferred to such Member. All of the foregoing shall be subject to the right of the Managers to determine the appropriate amount of the allocations, distributions and Capital Contribution for each Member.

#### **Section 8.6 Company Right of Repurchase.**

(a) The Company shall have the right, but not the obligation, to purchase from a Member (such Member, the “Repurchase Member”) all of such Member’s Membership Interest (the “Repurchased Interest”), for an amount equal to the distribution such Repurchase Member would have received pursuant to Section 10.2 assuming a complete liquidation of the Company (the “Repurchase Price”), upon the occurrence of any of the following events:

- (i) an Adverse Suitability Determination is made with respect to the Member;
- (ii) a Cannabis Regulatory Body advises the Company that a decision on the Company’s marijuana business license is being delayed beyond six (6) months following the filing of the Company’s application for a marijuana business license, and the Company is advised that the primary reason for such delay is the participation of or concerns about the Member; or
- (iii) if the Member is a “controlling person” (as defined by 935 CMR 500.050) of the Company, and the Member becomes a “controlling person” of any other Person that holds any cannabis license in the Commonwealth of Massachusetts.

(b) The Company, at its choice, may satisfy its payment obligation to the Repurchase Member with respect to its purchase of the Repurchased Interests by any of the following methods, or any combination of such methods: (i) by check, (ii) by wire transfer of



immediately available funds, (iii) in the event the Repurchase Member is indebted to the Company, by canceling all or any portion of such indebtedness or (iv) by delivering to the Repurchase Member a promissory note with a principal balance equal to the aggregate Repurchase Price, which note shall be payable over a ten (10) year period and shall bear interest at a rate equal to the last published long-term Applicable Federal Rate.

## **ARTICLE 9. DURATION OF THE COMPANY**

### **Section 9.1            Duration.**

The Company shall continue until it is dissolved and its affairs wound up, which shall occur on the earlier of the happening of any of the following events:

(a) The receipt of both Manager Approval and Member Approval with respect to such dissolution and winding up.

(b) The death, incapacitation, retirement, resignation, expulsion, or bankruptcy of all of the Members or the occurrence of any event which terminates the continued membership of all of the Members in the Company.

(c) The entry of a decree of judicial dissolution under Section 44 of the Massachusetts Act.

## **ARTICLE 10. LIQUIDATION OF THE COMPANY**

### **Section 10.1        General.**

(a) Upon the dissolution of the Company, the Company shall be liquidated in an orderly manner in accordance with this Article 10 and the Massachusetts Act. The liquidation shall be conducted and supervised by the Managers or, if there are no Managers and no remaining Members, by the personal representative (or its nominee or designee) of the last remaining Member (the Managers or such other Person, as applicable, being referred to in this Article 10 as the “Liquidating Agent”). The Liquidating Agent shall have all of the rights, powers, and authority with respect to the assets and liabilities of the Company in connection with the liquidation of the Company that the Members have with respect to the assets and liabilities of the Company during the term of the Company, and the Liquidating Agent is hereby expressly authorized and empowered to execute any and all documents necessary or desirable to effectuate the liquidation of the Company and the transfer of any assets of the Company. The Liquidating Agent shall have the right from time to time, by revocable powers of attorney, to delegate to one or more Persons any or all of such rights and powers and such authority and power to execute documents and, in connection therewith, to fix the reasonable compensation of each such Person, which compensation shall be charged as an expense of liquidation. The Liquidating Agent is also expressly authorized to distribute Company assets to the Members subject to liens.

(b) The Liquidating Agent shall liquidate the Company as promptly as shall be practicable after dissolution. Without limitation of the rights, powers, and authority of the

Liquidating Agent as provided in this Article 10, the Liquidating Agent may, in its discretion, either distribute in kind or sell securities and other non-cash assets. Any securities or other non-cash assets which the Liquidating Agent may sell shall be sold at such prices and on such terms as the Liquidating Agent may, in its good faith judgment, deem appropriate.

## **Section 10.2                      Final Allocations and Distributions.**

Upon dissolution of the Company, the Company's liabilities to its creditors shall be paid, or provision for such payment as determined by the Liquidating Agent shall be made, prior to any other distributions to the Members. After paying such liabilities and providing for such reserves and after giving effect to all contributions, distributions and allocations for all periods, the Liquidating Agent shall cause the remaining net assets of the Company (and the remainder, if any, of the reserves established in accordance with the foregoing) to be distributed to and among the Members in accordance with Section 6.3(c), subject to any limitations applicable to Profits Interests, including applicable Threshold Amounts as provided in Section 7.1.

## **ARTICLE 11. POWER OF ATTORNEY**

### **Section 11.1                      General.**

(a) Each Member irrevocably constitutes and appoints each Manager and the Liquidating Agent the true and lawful attorney-in-fact of such Member to execute, acknowledge, swear to and file any of the following:

- (i) the Certificate of Organization and all other certificates and other instruments deemed advisable by Manager Approval to carry out the provisions of this Agreement and applicable law or to permit the Company to become or to continue as a limited liability company;
- (ii) this Agreement and all instruments that the Managers acting by Manager Approval deem appropriate to reflect a change or amendment to or modification of this Agreement made in accordance with this Agreement;
- (iii) all conveyances and other instruments or papers deemed advisable by Manager Approval or the Liquidating Agent to effect the dissolution and termination of the Company;
- (iv) all fictitious or assumed name certificates required or permitted to be filed on behalf of the Company;
- (v) all other certificates, instruments or papers that may be required or permitted by law to be filed on behalf of the Company and any amendment or modification of any certificate or other instrument referred to in this Section 11.1(a); and
- (vi) any agreement, document, certificate or other instrument that any Member is required to execute and deliver hereunder or pursuant to applicable law that such Member has failed to execute and deliver within ten (10) days after written request

from the Managers pursuant to Manager Approval.

(b) The foregoing power of attorney is (i) coupled with an interest, (ii) irrevocable and durable, (iii) shall not be terminated or otherwise affected by any act or deed of any Member (or by any other Person) or by operation of law, whether by the legal incapacity of a Member or by the occurrence of any other event or events, and (iv) shall survive the assignment by a Member of the whole or any part of such Member's Membership Interest, except that, where the assignee of the whole of such Member's Membership Interest is to be admitted as a Member, the power of attorney of the transferor shall survive such transfer for the sole purpose of enabling the applicable attorney-in-fact to execute, swear to, acknowledge and file any instrument necessary or appropriate to effect such admission.

(c) Each Member agrees to execute, upon five (5) days' prior written notice from the Managers acting by Manager Approval or any Liquidating Agent, as applicable, a confirmatory or special power of attorney containing the substantive provisions of this Article 11, which shall be in form satisfactory to the Persons or Person providing such notice.

## **ARTICLE 12.**

### **DUTIES, EXCULPATION AND INDEMNIFICATION**

#### **Section 12.1            Duties of Manager, Tax Matters Person and Liquidating Agent.**

Each Manager, Tax Matters Person and Liquidating Agent shall exercise in good faith such Person's judgment in carrying out such Person's functions and, otherwise, shall owe no duties (including fiduciary duties) to the Company or any Member in such capacity. The Members hereby agree that this Section 12.1 and the other provisions of this Agreement, to the extent that they restrict or eliminate duties of any Manager, Tax Matters Person or Liquidating Agent otherwise existing at law or in equity, modify such duties to such extent.

#### **Section 12.2            Exculpation; Liability of Covered Persons.**

(a) To the fullest extent permitted by law, none of the Managers, Tax Matters Persons, Liquidating Agents, or any other Persons who were, at the time of the act or omission in question, a Manager, Tax Matters Person or Liquidating Agent (each, a "Covered Person") 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 such Covered Person if such Covered Person, in good faith, determined that such course of conduct was in, or not opposed to, the best interests of the Company and such course of conduct did not constitute gross negligence, fraud, or willful misconduct of such Covered Person.

(b) No Covered Person shall have any personal liability for the repayment of the positive balance in the Capital Account of a Member. To the greatest extent permitted by applicable law, no Covered Person shall be liable to any Member by reason of any United States federal or other income tax laws or the interpretations thereof as they apply to the Company and such Member, or any changes thereto.

(c) The Members hereby agree that this Section 12.2 and the other provisions of this Agreement, to the extent that they restrict or eliminate liabilities of the Covered Persons otherwise existing at law or in equity, modify such liabilities to such extent.

### **Section 12.3 Indemnification of Covered Persons.**

(a) To the maximum extent permitted by applicable law and subject to the other provisions of this Section 12.3, the Company shall indemnify and hold harmless Covered Persons, from and against any claim, loss, expense, liability, action or damage (including, without limitation, any action by a Member or assignee thereof against a Covered Person) due to, arising from or incurred by reason of any action, inaction or decision performed, taken, not taken or made by Covered Persons or any of them in connection with the activities and operations of the Company, or any subsidiary of the Company, as the case may be, provided (i) such action, inaction or decision is within the scope of the authority of such Covered Persons as provided herein, (ii) such Covered Person acted in good faith and in a manner such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company or any subsidiary of the Company, as the case may be, and (iii) with respect to any criminal proceeding, such Covered Person had no reasonable cause to believe the conduct of such Covered Person was unlawful. The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not, by itself, create a presumption that the Covered Person did not act in good faith and in a manner which the Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company or any subsidiary of the Company, as the case may be, or that the Covered Person had reasonable cause to believe that such Covered Person's conduct was unlawful (unless there shall have been a final adjudication in the proceeding that the Covered Person did not act in good faith and in a manner which such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company or any subsidiary of the Company, as the case may be, or that the Covered Person did have reasonable cause to believe that such Covered Person's conduct was unlawful). Any Covered Person may consult with independent counsel selected by the Covered Person (which may be counsel for the Company or any Affiliate) and any opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by such Covered Person hereunder in good faith and in accordance with the opinion of such counsel. Any indemnification under this Section 12.3 shall include reasonable attorneys' fees incurred by Covered Persons in connection with the defense of any such action including, to the extent permitted by law, all such liabilities under United States federal and state securities acts. The reasonable expenses incurred by Covered Persons in connection with the defense of any such action shall be paid or reimbursed as incurred, upon receipt by the Company of an undertaking by such Covered Person to repay such expenses if it shall ultimately be determined that such Covered Person is not entitled to be indemnified hereunder, which undertaking may be accepted without reference to the financial ability of such Covered Person to make repayment. Such indemnification shall only be made to the extent that such Persons are not otherwise reimbursed from insurance or other means. Such indemnification shall only be paid from the assets of the Company, and no Member shall have any personal liability on account thereof.

(b) Notwithstanding the provisions of Section 12.3(a), a Covered Person shall not be entitled to be indemnified or held harmless from and against any claim, loss, expense,

liability, action or damage due to or arising from the Covered Person's gross negligence, fraud or willful misconduct.

(c) The provisions of this Section 12.3 shall be in addition to and not in limitation of any other rights of indemnification and reimbursement or limitations of liability to which a Covered Person may be entitled under the charter documents of any subsidiary of the Company or otherwise. The provisions of this Section 12.3 shall apply whether or not at the time of reimbursement the Covered Person entitled to reimbursement is then a Covered Person. Notwithstanding any repeal of this Section 12.3 or other amendment hereof, its provisions shall be binding upon the Company (subject only to the exceptions above set forth) as to any claim, loss, expense, liability, action or damage due to or arising out of matters which occur during or are referable to the period prior to any such repeal or amendment of this Section 12.3.

#### **Section 12.4 Interested Transactions.**

The Company may transact business and enter into and amend contracts, agreements and arrangements with one or more Covered Persons, or with any corporation, partnership, organization or other concern of or in which any one or more Covered Persons are directors, officers, stockholders, partners, members, trustees or otherwise interested. In the absence of fraud, (i) no such transaction, contract or arrangement shall be invalidated or in any way affected by the fact that such Covered Persons have or may have interests that are or might be adverse to the interest of the Company, even though the vote, consent or other action of such Covered Persons may have been necessary to obligate the Company under such transaction, contract or arrangement, and (ii) in the additional absence of any express agreement to the contrary, no such Covered Person shall be liable to the Company, any Member, any creditor of the Company or any other Person for any loss incurred by reason of any such transaction, contract or arrangement, nor shall such Covered Person be accountable for any gains or profits realized thereon.

### **ARTICLE 13. MISCELLANEOUS PROVISIONS**

#### **Section 13.1 Books and Accounts; Confidentiality.**

(a) Complete and accurate books and accounts shall be kept and maintained for the Company in accordance with generally accepted accounting principles, using such method of accounting as shall be determined by Manager Approval, and shall include separate accounts for each Member. Each Member, at such Member's own expense, shall at reasonable times and upon reasonable prior written notice to the Company have access to such copy of the Agreement and of the Certificate of Organization and such books of account, but only to the extent such books of account reasonably relate to such Member's Membership Interest and not the Membership Interest of any other Member. The Members shall only have information rights to the extent required by Section 9 of the Massachusetts Act.

(b) Within a period of time after the end of each Fiscal Year of the Company as determined by Manager Approval, the Company shall provide to each Member a Form K-1 for such Member with respect to such Fiscal Year.



(c) All funds received by the Company shall be deposited in the name of the Company in such account or accounts, all securities owned by the Company may be deposited with such custodians, and withdrawals therefrom shall be made upon such signature or signatures on behalf of the Company, as may be determined from time to time by Manager Approval.

(d) Each Member agrees to maintain the confidentiality of the Company's records and affairs, including the terms of this Agreement, agrees not to provide to any other Person (including any employee of the Company) copies of any financial statements, tax returns, or other records provided or made available to such Member, and agrees not to disclose to any other Person (including any employee of the Company) any information contained therein without Manager Approval; provided, that any Member may make disclosures and may provide financial statements, tax returns, and other records: (i) to such Member's accountants and legal counsel as long as such Member instructs such accountants and legal counsel to maintain the confidentiality thereof and not to disclose to any other Person (including any employee of the Company) any information contained therein, (ii) if, and to the extent, required by law, including judicial or administrative order (provided, that, to the extent feasible, the Company is given prior notice to enable it to seek a protective order or similar relief), and (iii) in order to enforce rights under this Agreement. Schedule A, as revised from time to time pursuant to the terms and subject to the conditions of this Agreement, shall be maintained by the Managers, and Members shall not be entitled to review or receive copies of such Schedule A unless permitted pursuant to Manager Approval.

(e) Notwithstanding the foregoing, nothing in this Agreement prohibits, or is intended in any manner to prohibit, a report of a possible violation of United States federal law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General, or making other disclosures that are protected under whistleblower provisions of United States federal law or regulation. No Person subject to the restrictions set forth in this Article 13 shall require the prior authorization of anyone at the Company or the Company's legal counsel to make any such reports or disclosures, and no such Person is required to notify the Company that it has made such reports or disclosures. Additionally, nothing in this Agreement is intended to interfere with or restrain the immunity provided under 18 U.S.C. Section 1833(b) for confidential disclosures of trade secrets to government officials, or lawyers, solely for the purpose of reporting or investigating a suspected violation of law; or in a sealed filing in court or other proceeding.

### **Section 13.2                      Survival of Rights and Remedies.**

No failure or delay by any party in exercising any right or remedy hereunder shall operate as a waiver thereof, and a waiver of a particular right or remedy on one occasion shall not be deemed a waiver of any other right or remedy or a waiver on any subsequent occasion.

### **Section 13.3                      Notices.**

All notices, demands, solicitations of consent or approval, and other communications hereunder shall be in writing and shall be sufficiently given if personally delivered or sent by postage prepaid, registered or certified mail, return receipt requested, or by overnight courier,

addressed as follows: if intended for the Company or the Managers in their capacity as such, to the Company's principal place of business determined pursuant to Section 2.3, and if intended for any Member to the address of such Member set forth on Schedule A or at such other address as any Member may designate by written notice. Notices shall be deemed to have been given (i) when personally delivered, (ii) if mailed, on the earlier of (A) three (3) days after the date on which deposited in the mails, and (B) the date on which received, or (iii) if sent by overnight courier, on the date on which received; provided, that notices of a change of address shall not be deemed given until the actual receipt thereof. The provisions of this Section 13.3 shall not prohibit the giving of written notice in any other manner, including email; any written notice given in any other manner shall be deemed given only when actually received.

#### **Section 13.4                   Waivers; Amendments.**

The operation or effect of any provision of this Agreement may only be waived, and this Agreement may only be amended, in accordance with this Section 13.4. The operation or effect of any provision of this Agreement may be waived, and this Agreement may be amended, upon receipt of both Member Approval and Manager Approval; provided, that (A) this Agreement may be amended by Manager Approval, to the extent required to conform to actions properly taken by the Company, the Managers, or any of the Members in accordance with this Agreement, including, without limitation, that are in accordance with Section 7.1(h) and amendments to Schedule A to reflect changes made pursuant to the terms of this Agreement, (B) except as otherwise set forth herein, no waiver or amendment pursuant to this Section 13.4 shall, without a Member's consent, (I) create personal liability for such Member or (II) require capital from such Member, and (C) any provision of this Agreement may be waived by the waiving party on such party's own behalf, without the consent of any other party.

#### **Section 13.5                   Applicable Law; Jurisdiction; Damages.**

(a) This Agreement shall be governed by, and construed in accordance with, the law of The Commonwealth of Massachusetts without regard to principles of conflicts of law.

(b) The parties (i) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Massachusetts and to the jurisdiction of the United States District Court for the District of Massachusetts for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (ii) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Massachusetts located in Middlesex or Suffolk County or the United States District Court for the District of Massachusetts located in Boston, and (iii) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

(c) A Member or former Member who initiates an action or suit in violation of this Agreement shall be liable to the Company and its Managers and any Members who are defendant parties for all damages and expenses which such defendant parties incur as a result,

including, without limitation, reasonable fees and expenses of legal counsel and expert witnesses and court costs.

### **Section 13.6                      Legal Counsel.**

The Company has engaged Foley Hoag LLP (“Foley”) as legal counsel to the Company. Moreover, Foley has previously represented or concurrently represents the interests of the Company and parties related thereto in connection with matters other than the preparation of this Agreement and may represent such Persons in the future. Each Member hereby approves Foley’s representation of the Company in the preparation of this Agreement and acknowledges that (a) actual or potential conflicts of interest may exist among the Members in connection with the preparation of this Agreement, (b) whether or not Foley has in the past represented or is currently representing such Member with respect to other matters, Foley has not represented the interests of any Member in the preparation and negotiation of this Agreement, and (c) Foley does not represent any Member in any Member’s capacity as a Member in the absence of a clear and explicit written agreement to such effect between such Member and Foley (and then, only to such extent as set forth in the such agreement) and, in the absence of any such agreement, Foley shall owe no duties directly to such Member. In the event any dispute or controversy arises between any Member and the Company, then each Member agrees that Foley may represent the Company in any such dispute or controversy to the extent permitted under the Massachusetts Rules of Professional Conduct or similar rules in any other jurisdiction or other laws and ethical rules governing the conduct of attorneys, and each Member hereby consents to such representation.

### **Section 13.7                      Construction.**

(a) The captions used herein are intended for convenience of reference only, and shall not modify or affect in any manner the meaning or interpretation of any of the provisions of this Agreement.

(b) As used herein, the singular shall include the plural, the masculine and feminine genders shall include the neuter, and the neuter gender shall include the masculine and feminine, unless the context otherwise requires.

(c) The words “hereof”, “herein”, and “hereunder”, and words of similar import, when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(d) All references herein to Articles, Sections, or Schedules shall be deemed to refer to Articles and Sections of and Schedules to this Agreement, unless specified to the contrary.

(e) The word “including”, and words of similar import, when used in this Agreement shall mean “including, but not limited to”.

(f) With respect to provisions of this Agreement in which any Manager or any other Person is permitted or required to make a decision in such Manager or any such Person’s “discretion” or “sole discretion” or under a grant of similar authority, such Manager or any such

Person shall be entitled to consider only such interests and factors as such Manager or any such Person desires, including such Manager or any such Person's own interests in addition to the interests of the Company.

**Section 13.8            Binding Effect.**

This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, executors, administrators, successors, and assigns of the parties hereto; provided, that this provision shall not be construed to permit any assignment or transfer which is otherwise prohibited hereby.

**Section 13.9            Severability.**

If any one or more of the provisions contained in this Agreement, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and all other applications thereof shall not in any way be affected or impaired thereby.


**Section 13.10          Entire Agreement.**

This Agreement sets forth the entire understanding among the parties relating to the subject matter hereof and supersedes any and all prior contracts or agreements with respect to such subject matter, whether oral or written. No promises, covenants or representations of any character or nature other than those expressly stated herein have been made to induce any party to enter into this Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Operating Agreement as of the date first written above.

**MEMBER AND MANAGER:**

By:  F30312131B914A5...  
Isaias Rosario

*Signature Page to Operating Agreement of  
Infused Element, LLC*



**MEMBER:**

DocuSigned by:  
  
6D24F0EFA3744C6...

---

Ezra Bleau

*Signature Page to Operating Agreement of  
Infused Element, LLC*

**Schedule A – Schedule of Members****Operating Agreement  
of Infused Element, LLC**

<b>Name and Address of Member</b>	<b>Percentage Interest</b>	<b>Capital Contribution</b>	<b>Profits Interest (Yes or No)</b>	<b>Threshold Amount, if a Profits Interest<sup>(1)</sup></b>	<b>Date of Grant<sup>(1)</sup></b>
Isaias Rosario 405 Bay St, Springfield, MA 01109	50%	\$0.00	No	N/A	The Effective Date
Ezra Bleau 2 Sylvia Lane Holyoke, MA 01040	50%	\$0.00	No	N/A	The Effective Date
<b>Total of all Members:</b>	<b>100.00%</b>	<b>\$0.00</b>			

<sup>(1)</sup> With respect to the Membership Interest represented by such Percentage Interest.

Date of latest revision of this Schedule A: The Effective Date

**Operating Agreement  
of Infused Element, LLC**

**Capital Accounts; Allocations of Adjusted Taxable Profit and Adjusted Taxable Loss**

**1. Defined Terms.** For purposes of this *Schedule B* and this Agreement, the following capitalized terms have the respective meanings ascribed to them:

“*Adjusted Capital Account Balance*” shall mean with respect to any Member, such Member’s Capital Account balance maintained in accordance with this Agreement, as of the end of the relevant Fiscal Year or other allocation period, after giving effect to the following adjustments:

(a) increase such Capital Account by any amounts that such Member is obligated to restore pursuant to any provision of this Agreement, is treated as obligated to restore pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(c), or is deemed obligated to restore pursuant to the penultimate sentences of Treasury Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(b) decrease such Capital Account by the items described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4) through (d)(6).

The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Treasury Regulation Sections 1.704-1(b)(2)(ii)(d) and 1.704-2 and shall be interpreted consistently therewith.

“*Adjusted Taxable Profit*” and “*Adjusted Taxable Loss*” mean, as to any transaction or Fiscal Year or other allocation period, the taxable income or loss of the Company for United States federal income tax purposes, and each item of income, gain, loss or deduction entering into the computation thereof, with the following adjustments:

(a) Any tax-exempt income or gain of the Company that is not otherwise taken into account in computing Adjusted Taxable Profit or Adjusted Taxable Loss shall be deemed to increase the amount of such taxable income or decrease the amount of such loss;

(b) Any expenditures of the Company described in Section 705(a)(2)(B) of the Internal Revenue Code (or treated as such) and not otherwise taken into account in computing Adjusted Taxable Profit or Adjusted Taxable Loss shall decrease the amount of such taxable income or increase the amount of such loss; and

(c) In the event the Gross Asset Value of any Company asset is adjusted, (i) the amount of such adjustment (including an adjustment resulting from a distribution of such asset but excluding an adjustment resulting from a contribution of such asset) shall be taken into account in the same manner as gain or loss from the disposition of such asset for purposes of computing Adjusted Taxable Profit or Adjusted Taxable Loss, (ii) gain or loss resulting from any disposition of such asset with respect to which gain or loss is recognized for United States federal income tax purposes shall be computed by reference to the Gross Asset Value of such

asset, and (iii) in lieu of the cost recovery or similar deductions taken into account with respect to any asset with a Gross Asset Value which differs from its adjusted basis under the Internal Revenue Code, such deductions shall be an amount equal to the Depreciation with respect to such asset.

“*Company Minimum Gain*” has the meaning set forth for “partnership minimum gain” in Treasury Regulation Sections 1.704-2(b)(2), (d), and (g).

“*Depreciation*” means, for each Fiscal Year of the Company or other period, an amount equal to the depreciation, depletion, amortization or other cost recovery deduction allowable under the Internal Revenue Code with respect to an asset for such Fiscal Year or other period; provided, however, that if the Gross Asset Value of an asset differs from its adjusted basis for United States federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the United States federal income tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year or other period bears to such beginning adjusted tax basis; and provided further that if the United States federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by Manager Approval.

“*Gross Asset Value*” means, with respect to any asset, such asset’s adjusted basis for United States federal income tax purposes, except as follows:

(a) the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by Manager Approval in accordance with the Internal Revenue Code, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis capital contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of Company assets as consideration for an interest in the Company, including, without limitation, in connection with the withdrawal of a Member; (iii) the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by a new or existing Member acting in a Member capacity or in anticipation of becoming a Member; (iv) in connection with the issuance by the Company of a noncompensatory option (other than an option for a de minimis interest); and (v) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (i) through (iv) of this sentence shall not be made if the Managers, acting by Manager Approval, determine that such adjustments are not necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(b) the Gross Asset Value of any Company asset (other than cash) distributed in kind to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution, as determined by Manager Approval in accordance with the Internal Revenue Code;

(c) the initial Gross Asset Value of any asset contributed to the Company shall be adjusted to equal its gross fair market value at the time of its contribution, as determined by Manager Approval in accordance with the Internal Revenue Code; and

(d) the Gross Asset Value of Company assets shall otherwise be determined or adjusted, in the discretion of the Managers, acting by Manager Approval, as required or permitted for purposes of maintaining Capital Accounts under the Internal Revenue Code.

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraph (a), (c) or (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Adjusted Taxable Profit or Adjusted Taxable Loss and as otherwise required by Treasury Regulation Section 1.704-1(b)(2)(iv)(g).

*“Internal Revenue Code”* means the United States Internal Revenue Code of 1986, as amended from time to time, and any regulations, including temporary regulations, promulgated thereunder, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

*“Member Nonrecourse Debt”* has the same meaning as the term “partner nonrecourse debt” set forth in Treasury Regulation Section 1.704-2(b)(4).

*“Member Nonrecourse Debt Minimum Gain”* means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if the Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i).

*“Nonrecourse Deductions”* shall have the meaning set forth in Treasury Regulation Sections 1.704-2(b)(1) and 1.704-2(c).

*“Nonrecourse Liability”* shall have the meaning set forth in Treasury Regulation Section 1.704-2(b)(3).

*“Partnership Tax Audit Rules”* means Sections 6221 through 6241 of the Internal Revenue Code, as amended by the Bipartisan Budget Act of 2015, together with any Treasury Regulations and guidance issued thereunder or successor provisions, and any similar provision of state or local tax laws, including any Treasury Regulations, guidance or provisions issued or enacted after the date hereof.

*“Treasury Regulations”* means the United States income tax regulations, including temporary regulations, promulgated under the Internal Revenue Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

**2. Capital Accounts.** A capital account shall be maintained for each Member (a “Capital Account”) that shall be:

(a) increased by (i) any capital contributions made to the Company by such Member pursuant to this Agreement and (ii) any amounts in the nature of income or gain



allocated to the Capital Account of such Member pursuant to this Schedule B based on such Member's ownership of an interest in the Company;

(b) decreased by (i) the cash and fair market value of other property distributed to the Member and (ii) any amounts in the nature of loss or expense allocated to the Capital Account of such Member pursuant to this Schedule B based on such Member's ownership of an interest in the Company; and

(c) otherwise adjusted in accordance with this Agreement and for such other matters as the Managers, acting by Manager Approval, may reasonably determine appropriate, in all events in accordance with applicable provisions of the Internal Revenue Code.

### **3. General Allocations.**

(a) General Application. The rules set forth below in this Section 3 of this Schedule B shall apply for the purposes of determining each Member's allocable share of the items of income, gain, loss or expense of the Company comprising Adjusted Taxable Profit or Adjusted Taxable Loss for each Fiscal Year or other period, determining special allocations of other items of income, gain, loss and expense, and adjusting the balance of each Member's Capital Account to reflect these general and special allocations. For each Fiscal Year or other period, any required special allocations in Section 4 of this Schedule B shall be made immediately prior to the general allocations of Section 3(b) of this Schedule B.

(b) General Allocations. The items of income, gain, loss, and expense comprising Adjusted Taxable Profit or Adjusted Taxable Loss for a Fiscal Year or other period shall be allocated among the Members during such Fiscal Year or other period in a manner that will, as nearly as possible, cause the Capital Account balance of each Member at the end of such Fiscal Year or other period to equal:

(i) the amount of the hypothetical distribution (if any) that such Member would receive if, on the last day of the Fiscal Year or other period, (A) all Company assets, including cash, were sold for cash equal to their Gross Asset Values, as determined by Manager Approval, taking into account any adjustments thereto for such Fiscal Year or other period, (B) all Company liabilities were satisfied in cash according to their terms (limited, with respect to each Nonrecourse Liability, to the Gross Asset Value, as determined by Manager Approval, of the assets securing such liability), and (C) the net proceeds thereof (after satisfaction of such liabilities) were distributed in full in accordance with Section 10.2, minus

(ii) the sum of (A) the amount, if any, which such Member is obligated (or deemed obligated) to restore to such Member's Capital Account, (B) such Member's share of the Company Minimum Gain determined pursuant to Treasury Regulations Section 1.704-2(g), and (C) such Member's share of Member Nonrecourse Debt Minimum Gain determined pursuant to Treasury Regulations Section 1.704-2(i)(5), all computed immediately prior to the hypothetical sale described in Section 3(b)(i) of this Schedule B.

(c) The Managers, acting by Manager Approval, may modify the allocations otherwise provided for in this Section 3 of this Schedule B or offset prior allocations provided for in Section 4 of this Schedule B, including by specially allocating items of gross income, gain,

deduction, loss or expense among the Members, so that such modifications or offsets will cause the Capital Accounts of the Members to reflect more closely the Members' relative economic interests in the Company as set forth in this Agreement.

(d) Except as required by the Massachusetts Act or this Agreement, no Member shall be obligated to the Company, to any other Member, or to any third party to restore or repay any deficit in its Capital Account.

**4. Special Allocations.** The following special allocations shall be made in the following order:

(a) *Minimum Gain Chargeback.* In the event that there is a net decrease during a Fiscal Year or other period in either Company Minimum Gain or Member Nonrecourse Debt Minimum Gain, then notwithstanding any other provision of this Schedule B, each Member shall receive such special allocations of items of Company income and gain as are required in order to conform to Treasury Regulation Section 1.704-2.

(b) *Qualified Income Offset.* Subject to Section 4(a) of this Schedule B, but notwithstanding any provision of this Schedule B to the contrary, items of income and gain shall be specially allocated to the Members in a manner that complies with the "qualified income offset" requirement of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3).

(c) *Deductions Attributable to Member Nonrecourse Debt.* Any item of Company loss or expense that is attributable to Member Nonrecourse Debt shall be specially allocated to the Members in the manner in which they share the economic risk of loss (as defined in Treasury Regulation Section 1.752-2) for such Member Nonrecourse Debt.

(d) *Allocation of Nonrecourse Deductions.* Each Nonrecourse Deduction of the Company shall be allocated among the Members in accordance with the partners' interests in the partnership within the meaning of Treasury Regulations Sections 1.704-2(b)(1) and 1.704-1(b)(3).

(e) *Loss Limitation.* Adjusted Taxable Losses allocated to a Member pursuant to this Schedule B shall not exceed the maximum amount of Adjusted Taxable Losses that can be allocated to such Member without causing such Member to have a negative Adjusted Capital Account Balance at the end of any Fiscal Year or other allocation period in which any other Member does not have a negative Adjusted Capital Account Balance.

(f) The allocations set forth in Section 4(a) through Section 4(e) of this Schedule B are intended to comply with Treasury Regulation Sections 1.704-1(b) and 1.704-2 and shall be interpreted consistently with this intention. Any terms used in such provisions that are not specifically defined in this Agreement shall have the meaning, if any, given such terms in such Treasury Regulations.

(g) If during any Fiscal Year of the Company there is a change in any Member's interest in the Company, allocations of income or loss for such Fiscal Year shall take into account the varying interests of the Members in the Company in a manner consistent with the requirements of Section 706 of the Internal Revenue Code.

## 5. Tax Allocations.

(a) *Section 704(b) Allocations.* Subject to Section 5(b) and Section 5(c) of this Schedule B, each item of income, gain, loss, or deduction for United States federal income tax purposes that corresponds to an item of income, gain, loss or expense that is either taken into account in computing Adjusted Taxable Profit or Adjusted Taxable Loss or is specially allocated pursuant to Section 4 of this Schedule B (a “Book Item”) shall be allocated among the Members in the same proportion as the corresponding Book Item is allocated among them pursuant to Section 3 or Section 4 of this Schedule B.

(b) *Section 704(c) Allocations.* In the event any property of the Company is credited to the Capital Account of a Member at a value other than its tax basis, then allocations of taxable income, gain, loss and deductions with respect to such property shall be made in a manner which will comply with Sections 704(b) and 704(c) of the Internal Revenue Code, using such method as determined appropriate by Manager Approval. Such allocations also shall be made by the Company to any former Member to the extent applicable, as determined by Manager Approval. The allocation to a Member of items of taxable income, gain, loss, and deduction of the Company also shall be adjusted to reflect any election under Section 754 of the Internal Revenue Code.

(c) *Capital Accounts.* The tax allocations made pursuant to this Section 5 of this Schedule B shall be solely for tax purposes and shall not affect any Member’s Capital Account or share of non-tax allocations or distributions under this Agreement.

## 6. Tax Matters Person; Tax Audits.

(a) The Managers will designate one Manager that is a Member to be the “tax matters partner” of the Company within the meaning of Section 6231(a)(7) of the Internal Revenue Code, as in effect prior to the effective date of the Partnership Tax Audit Rules (or any similar provision of state or local tax law), to the extent such role as “tax matters partner” remains relevant with respect to state or local taxes. The Managers will designate one Manager (which may or may not be a Member) to be the “partnership representative” of the Company within the meaning of Section 6223 of the Internal Revenue Code (or any successor provision or similar provision of state or local tax law). The designated “tax matters partner” or “partnership representative,” as applicable, is referred to herein as the “Tax Matters Person.” Each Member hereby consents to such designations and agrees that, upon the request of the Tax Matters Person, such Member shall execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. The Tax Matters Person as of the Effective Date is Isaias Rosario.

(b) The Tax Matters Person shall have the right and obligation to take all actions authorized or required, respectively, by applicable law for a “tax matters partner” or “partnership representative,” as applicable, but subject to the restrictions and limitations set forth in this Agreement. Without limiting the generality of the foregoing, the Tax Matters Person shall have the sole discretion to determine all matters, and shall be authorized to take any actions necessary, with respect to any audit, examination or investigation of the Company by any taxing authority (including any judicial or administrative proceeding related thereto), and whether to cause the

Company to make any available election under the Partnership Tax Audit Rules with respect to any audit or other examination of the Company relating to taxes.

(c) Each Member shall promptly upon request furnish to the Tax Matters Person any information that the Tax Matters Person may reasonably request in connection with (i) the preparation or filing of any tax returns of the Company, (ii) any tax election of the Company (and the Company's and Member's compliance with any such election), or (iii) any audit, examination or investigation of the Company by any taxing authority (including any judicial or administrative proceeding related thereto). No Member shall, without the consent of the Tax Matters Person, (A) file a request for administrative adjustment of Company items, (B) file a petition with respect to any Company item or other tax matters involving the Company, or (C) enter into a settlement agreement with any taxing authority with respect to any Company items.

(d) Without limiting the foregoing, at the request of the Tax Matters Person in connection with an adjustment of any item of income, gain, loss, deduction or credit of the Company or any partnership in which the Company invests, directly or indirectly, each Member shall promptly file one or more amended returns in the manner contemplated by Section 6225(c) of the Internal Revenue Code (or any successor provision or similar provision of state or local tax law) and pay any tax due with respect to such returns or, if so requested by the Tax Matters Person, comply with the alternative procedures under Section 6225(c)(2)(B) of the Internal Revenue Code. If the Tax Matters Person causes the Company to make an election pursuant to Section 6226 of the Internal Revenue Code (or any successor provision or similar provision of state or local tax law) with respect to an "imputed underpayment," each Member shall comply with the applicable requirements under Code and applicable Treasury Regulations (or any similar provision of state or local tax law). At the request of the Tax Matters Person, each Member shall provide the Tax Matters Person and the Company with any information available to such Member and with such representations, certificates or forms relating to such Member (or its direct or indirect owners or account holders) and any other documentation, in each case, that the Tax Matters Person determines, in its sole discretion, are necessary to make an election under Section 6221(b)(1) of the Internal Revenue Code (or any successor provision or similar provision of state or local tax law), to modify an "imputed underpayment" under Section 6225(c) of the Internal Revenue Code (or any successor provision or similar provision of state or local tax law), or to take any other actions or make any elections allowed to be taken or made under the Partnership Tax Audit Rules. Notwithstanding anything to the contrary in this Agreement, any information, representations, certificates, forms or documentation so provided may be disclosed to any applicable taxing authority.

(e) In the event that the Company is responsible for the payment of any "imputed underpayment" in respect of an administrative adjustment pursuant to Section 6225(a) of the Internal Revenue Code (or any successor provision or similar provision of state or local tax law), the Tax Matters Person shall determine the treatment of, including the relative obligations of the Members with respect to any amounts paid by the Company to any taxing authority with respect to, such "imputed underpayment," and each Member hereby agrees to satisfy in full such obligations as so determined.

(f) The Tax Matters Person shall have the right to retain professional assistance in respect of any audit of the Company (including any judicial or administrative proceeding related

thereto), and all out-of-pocket expenses and fees incurred by the Tax Matters Person on behalf of the Company as Tax Matters Person shall be reimbursed by the Company

(g) The provisions of, and each Member's obligations to comply with, the requirements of Section 6 of this Schedule B shall survive the Member's ceasing to be a Member of the Company and the winding up, liquidation and dissolution of the Company, and any reference to "Member" in Section 6 of this Schedule B refers to a "current or former Member."

**7. Tax Elections and Other Tax Decisions.** Subject to the provisions of this Schedule B, the Managers, acting by Manager Approval, shall have the authority to make any tax elections and other tax decisions with respect to the Company, to approve any returns regarding any foreign, federal, state or local tax obligations of the Company, and to make all determinations regarding the allocations contemplated by Schedule B.

**8. Tax Consequences.** The Members are aware of the income tax consequences of the allocations made by this Schedule B and hereby agree to be bound by the provisions of this Schedule B and this Agreement in reporting their shares of the Company's income and loss for income tax purposes.



William Francis Galvin  
Secretary of the  
Commonwealth

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

**April 25, 2022**

TO WHOM IT MAY CONCERN:

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

**INFUSED ELEMENT, LLC**

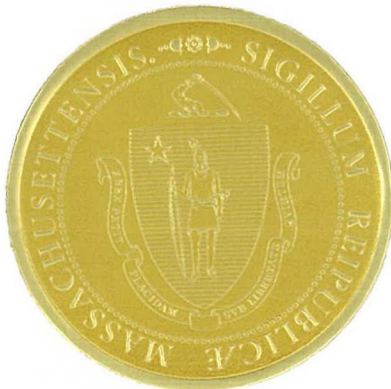
in accordance with the provisions of Massachusetts General Laws Chapter 156C on **February 4, 2021**.

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: **ISAIAS ROSARIO**

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

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



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





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

mass.gov/dor

Letter ID: L1319499200  
Notice Date: June 7, 2022  
Case ID: 0-001-548-160



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



INFUSED ELEMENT, LLC  
405 BAY ST # SPRINGFIELD  
SPRINGFIELD MA 01109-2901

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

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

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

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

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

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

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

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



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

Charles D. Baker  
GOVERNOR

Karyn E. Polito  
LT. GOVERNOR



397495961

Rosalin Acosta  
SECRETARY

Connie C. Carter  
DIRECTOR

Infused Element, LLC  
405 BAY ST  
SPRINGFIELD, MA 01109-2901

EAN: 22236931  
July 12, 2022

Certificate Id:60526

The Department of Unemployment Assistance certifies that as of 7/12/2022 ,Infused Element, 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.

Connie C. Carter, Director

Department of Unemployment Assistance



**Holyoke's Native Sons Creating a Line of Cannabis  
Products for Fast Acting, High-Quality Relaxation.**

**Executive Summary  
2022**

## OUR MISSION

**T**oo often we have seen companies rush into the cannabis market with only a dollar on their mind. Little attention has been paid to creating a better experience for customers of both medicinal and recreational cannabis use. The result has been a fragmented market with inferior quality and inconsistent results from taste to potency.

**I**nfused Element is different. We have years of experience in culinary arts, cannabis production, and business operations. Our goal is to combine these backgrounds into a company that stands for something consistent, true, and delicious.

Using state-of-the-art equipment, we will change the landscape with new techniques for emulsification, better recipes, and a sharp eye towards quality ingredients. Every product we make from drinks and edibles to vape cartridges is designed to be as healthy, enjoyable, and delectable as possible. Our mission is to become the gold standard in cannabis products.



# TETRA DRINKS

**BEVERAGES FOR HEALTHY BODIES TO CONSUME THEIR RELAXATION.**



**T**etra uses state-of-the-art technology to provide the best-infused beverages. Starting with the Highest Quality Full Spectrum Cannabis and employing New Beverage Technology, we provide a healthy relaxation with rapid onset. With our experience in the Non-Alcoholic Beer industry, we can gain an advantage using technology in the THC sector, offering brewery-specific Infused Non-alcoholic beers.

## The Difference Is In Healthy Drinks:

**Preservative-Free / Naturally Flavored / Naturally Sweetened / Kosher Pareve / Non-GEO/  
GMO Project Verified / Shelf-Stable / Gluten-Free / No Artificial Ingredients / Vegan**

**The First Quick-Acting, Premium Drinks & Edibles  
on the Market with 60% Faster Onset Time.**

# CANNABITES

**CLASSIC RECIPES WITH A MODERN TWIST**

**C**annabites combine the culinary intricacies of a high end treat with premier flower extracts that offers a truly unique experience. Our co-founders, Ezra Bleau, a trained pastry chef and Isaias Rosario, a certified culinarian, refined their cannabis macron and brownie recipes for years. Since the launch of Infused Element, our team has market tested these recipes to amazing reviews and have already begun talks with several dispensaries that want to prominently featured and sell these products.



## The Difference Is In The Ingredients:

**PRESERVATIVE-FREE / NATURAL FLAVORS / NATURALLY SWEETENED / GLUTEN-FREE OPTIONS / HIGH-  
QUALITY CANNABIS EXTRACT / TRAINED CULINARY EXPERTS / HAND CRAFTED / SMALL BATCH**

# ENTOURAGE PRE-ROLLS

**PROFESSIONAL ROLLS FOR BOTH THE CONNOISSEUR AND NOVICE**



**E**ntourage pre rolls use cannabis “Shake”, which sells for around \$1000 per/lb and can be filled in pre-rolled cones, retailing for \$12-18 a piece. “Entourage” cones will have profit margins as high as 70% with low start-up costs, making them a natural choice for the Infused Element brand. This product line serves an important customer profile that is new to the marijuana experience, many of who do not know how to roll a joint.

## The Difference Is In The Experience:

**SMOOTH PULL / DEEP BODIED FLAVORS / EVEN BURN/ CERAMIC TIP / GREAT VALUE /  
HIGH-QUALITY FLOWER / AROMATIC FLAVORS / CONSISTENT QUALITY**

## A Portfolio of Cannabis Products to Make Relaxation Easier.

**O**ur Raw Zen vape cartridges are unquestionably superior to the competition, which use harmful solvents to extract their cannabis oil. Infused Element produces our oils by pressing the flowers to create Rosin (pronounced Raw Zen), the natural and healthy way to extract. In addition, we refuse to package our products in unnecessary plastics and instead use a simple, but elegant, biodegradable cardboard material. Finally, we have designed a universal pod with a ceramic tip to make vaping easy and smooth. There are many brands on the market, but there will be only one RAW ZEN.

## The Difference Is In The Process:

**Preservative-Free / Solvent Less Extraction / Terpene Focused Flavors / High-Quality Rosin Extract / Small Batch Extractions / Ceramic Tips / Surgical Grade Steel / Branded Raw Zen Seal / Universal 510 Thread**

## RAW ZEN CARTRIDGES

**AN EXCEPTIONALLY SUPERIOR VAPING EXPERIENCE.**

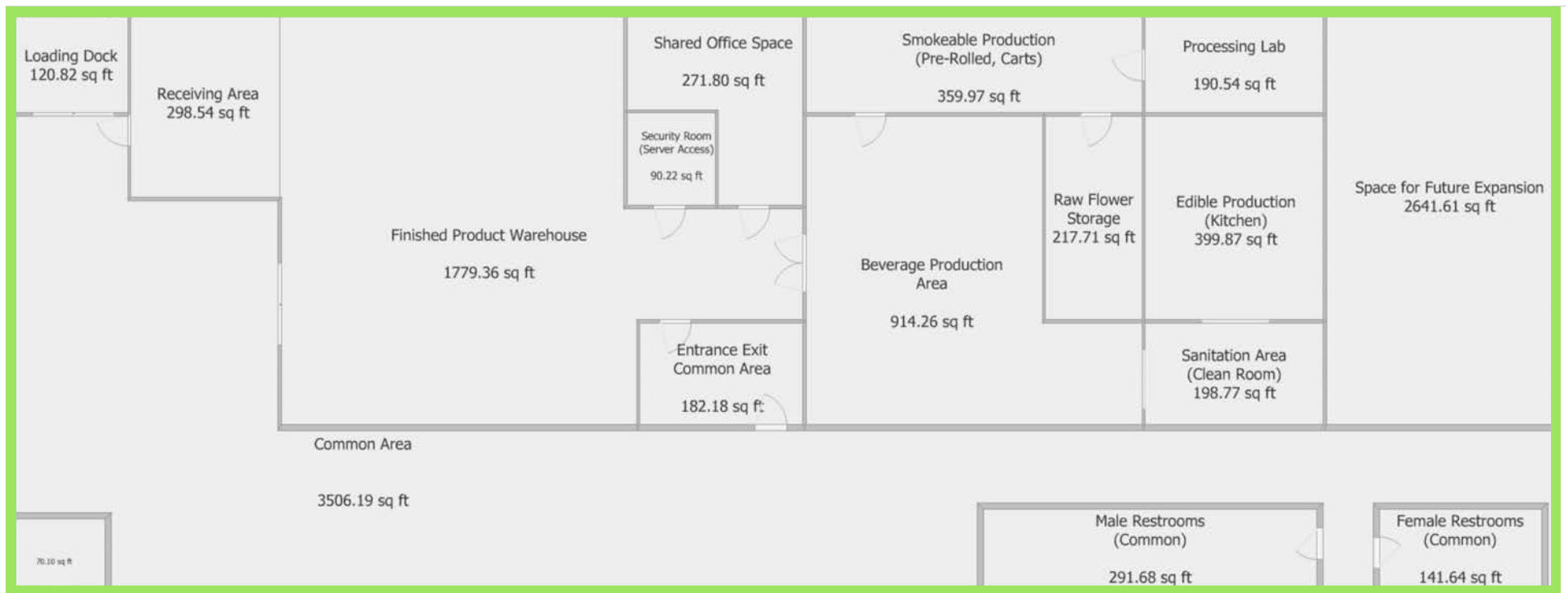




# A FULL PRODUCTION FACILITY

Our facility will be a fully compliant production space with state-of-the-art equipment to produce our full portfolio of products. We will have secure receiving areas and raw flower storage, meeting all CCC regulations. Under one roof, there will be dedicated rooms for producing our Raw Zen vapes, Tetra Drinks, Cannabites Edibles, and DooBes pre-rolls. There is also additional onsite space for immediate expansion if necessary.

## PLANNED OPENING Q1 2023



State of the Art Extraction  
and Production Equipment

Fully Compliant with CCC Security  
and Production Standards

Capable of Producing Four  
Main Product Lines

# Market Focus

1

Focus on the highly fragmented regional dispensary system, that suffers from Poor Product Quality, Inconsistent Supply, and Nonexistent Quality Standards.

2

Exploit opportunities to expand into other new recreational cannabis markets set to open soon in close proximity to Massachusetts like CT and NY.

3

Make consumption of cannabis wellness products easier for people with health needs like sleep deprivation, nausea, and pain without the harmful effects of traditional medications.

**US cannabis-infused beverage sales surged 40% last year, to \$95.2 million, according to the Cannabis Beverage Association.**

## Competition Failures:

**TASTE** - a failure to source the best flower and incorporate the plant's natural terpenes for better flavor.

**SEPARATION** - without emulsification drinks are stratified with the cannabis oils sinking to the bottom.

**CANNABIS AFTER TASTE** - many cannabis-naive customers do not enjoy the taste of the plant and avoid beverages that have strong aftertastes.

## Trends:

**CURRENT HEALTH TRENDS:** an increasing number of people have turned to cannabis as an alternative to alcohol.

**SOCIALLY ACCEPTABLE:** as more states legalize recreational cannabis use, the choice has become destigmatized in mainstream culture.

**CPG INDUSTRY INTEREST:** companies exploring ways to expand offerings into cannabis infused consumables.

## OUR FOUNDERS



**Isaias Rosario**

CEO, Co-FOUNDER

Cannabis Connoisseur and Expert, Sales and Marketing Veteran, Computer Science Background, ServSafe Certified.



**Ezra Bleu**

COO, Co-FOUNDER

Food and Beverage Influencer, Culinary Arts Expert, Community Leader, Certified in Culinary Cannabis and Edibles.

## OUR TEAM

**BYRON STATON:** has decades of experience running commercial cannabis cultivation facilities. Throughout his career he has designed, built and operated numerous grow locations in Massachusetts. Byron continues to oversee Apothca's cultivation facility as COO. Byron and his family have also founded a Cannabis Genetics company supplying historical strains from mother plants, and researching and developing new strains for the market.

**FOLEY HOAG LAW FIRM:** is a full-service law firm comprised of attorneys with unique insight and experience in assisting cannabis and cannabis-related operators and investors with all aspects of their business. Led by Kevin Conroy, former Massachusetts Deputy Attorney General, their practice is national and international in scope, as they represent cannabis client transactions in a variety of states and Canada.

**LEGION RESOURCES:** A Capital Markets Advisory firm with a diverse group of professionals that possess industry knowledge and expertise in regulations, financing, and go-to-market strategies as well as operational experience in the start-up space. Legion's experience and network provide valuable assets and opportunities helping companies either go to market or scale their current business operations.

## OUR ADVISORS

**PHILIPPE CHANTECAILLE:** Director of Media Production at Chantecaille Cosmetics, Branding and Marketing Expert, Freelance Photographer, Advanced Product Manufacturing Knowledge.

**DAN MARTINI:** 25 years of experience at the Suffolk County Sheriff's Dept., 15 as CFO, successful budget administration, financial planning, hiring and training, which included process development and implementation.

**ULYSSES YOUNGBLOOD:** President of Major Bloom, an impact-driven cannabis company in the EE program with manufacturing, retail, and delivery licenses in Worcester, MA, as a vertically integrated operation. Ulysses is also an Adjunct Professor of Entrepreneurship, Innovation, and Cannabis Regulation at Clark University in Worcester.

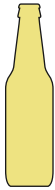
**Andrew Rogal:** An experienced entrepreneurial sales and growth-oriented executive with the proven ability to strategically and operationally launch and lead businesses, from startup to exit with private and public companies. Andrew has a proven history as a Founder, Chairman and CEO in services, health care, as CEO, CymogenDx ( biotech-molecular diagnostics) and CEO, Geenee, Inc., in technology (image recognition, web augmented reality, NFTs).

## THE SOCIAL EQUITY PROGRAM

The social equity program is a unique opportunity to encourage people from communities like Holyoke that have been disproportionately harmed by marijuana prohibitions and enforcement. The program is a chance for these individuals to fully participate in the marijuana industry and positively impact their communities. Removing barriers that exist and making it easier to access capital, legal support, and education sets participants up for sustainable growth. Although the Cannabis Control Commission has made attempts to prioritize equity for applicants, start-up costs and a cumbersome application processes continue to be a significant impediment for minorities that do not have the financial capacity to compete in this industry.

**We will be the first social equity member to focus on cannabis infused consumer packaged goods in Massachusetts**

# KEY MARKET NUMBERS



## MASSACHUSETTS INFUSED BEVERAGE MARKET 2021

**722,353** UNITS SOLD

TOTAL CASES **30,098** CASES SOLD

TOTAL SALES **\$10,937,891**

THC-INFUSED BEVERAGES WILL ACCOUNT  
FOR **\$1 BILLION** IN US SALES BY 2025



## MASSACHUSETTS EDIBLE MARKET 2020

**2,862,521** UNITS SOLD

TOTAL SALES **\$105,691,982**

CANNABIS EDIBLES ACCOUNTED FOR  
**\$1.23 BILLION** IN US SALES<sup>1</sup>

**60%** INCREASE FROM 2019 US SALES



## MASSACHUSETTS VAPE MARKET 2021

**4,691,678** UNITS SOLD

TOTAL SALES **\$262,829,678**

**112%** INCREASE FROM 2020 MA SALES

CANNABIS VAPE PENS ACCOUNTED FOR  
**\$1.8 BILLION** IN SALES ACROSS 5 STATES<sup>2</sup>

IN STATES WHERE RECREATIONAL CANNABIS PRODUCTS ARE LEGAL, 65% OF GEN Z SURVEY RESPONDENTS  
SMOKE MARIJUANA AND **51% CONSUME CANNABIS-INFUSED BEVERAGES**<sup>3</sup>



THE GLOBAL CANNABIS BEVERAGES MARKET SIZE IS EXPECTED TO REACH USD 2.8  
BILLION BY 2025, EXPANDING AT A **CAGR OF 17.8%** DURING THE  
FORECAST PERIOD, ACCORDING TO A NEW REPORT BY GRAND VIEW RESEARCH, INC<sup>4</sup>

A SIMILARLY SITUATED CANNABIS-INFUSED SELTZER WATER, LEVIA, RECENTLY  
SOLD FOR **\$60 MILLION** AFTER LESS THAN 6 MONTHS OF OPERATIONS.<sup>4</sup>

# OUR TIMELINE

22' Q2

22' Q3

22' Q4

23' Q1

23' Q2

23' Q3

Close Seed Round

Begin Renovation of  
1 Cabot St.

Purchase Equipment +  
Build Out

Open Facility / Begin  
Production Immediately

General Plan

Close Series A

Close Distribution  
Deals in Negotiation

First Sales

**Go To Market Milestones**

HCA GRANTED

Provisional License  
GRANTED

Special Holyoke Permit  
GRANTED

Final Production License  
GRANTED

LOI on  
Property

Security  
Proposal

**Regulatory Process**



# SOURCES AND USES

## Initial 3 Months

<b>Site Design &amp; Operations Plan</b>	<b>\$30,000</b>
<b>Location Letter of Intent</b>	<b>\$21,000</b>
<b>Legal Services</b>	<b>\$5,000</b>
<b>Marketing &amp; Branding</b>	<b>\$5,000</b>
<b>Security Plan</b>	<b>\$15,000</b>
<b>Beverage Development</b>	<b>\$10,000</b>
<b>Operating Expenses</b>	<b>23,000</b>
<b>Application Fees</b>	<b>\$3,000</b>
<b>Contingency</b>	<b>\$13,000</b>
<b>GRAND TOTAL</b>	<b>\$125,000</b>

# CITATIONS

1. <https://mjbizdaily.com/edibles-outperform-cannabis-industry-growth-in-2020-on-covid-spurred-sales-surge/>
2. <https://mjbizdaily.com/marijuana-vape-market-share-down-as-manufacturers-work-to-rebuild-consumer-confidence>
3. <https://www.restaurantbusinessonline.com/beverage/cannabis-competing-alcohol-gen-zs-dollars>
4. <https://www.grandviewresearch.com/press-release/global-cannabis-beverages-market>
5. <https://www.forbes.com/sites/ajherrington/2021/09/29/ayr-wellness-to-acquire-cannabis-beverage-startup-levia/amp/>

**Thank You**

**Please Contact**

**[isaias@infusedelement.com](mailto:isaias@infusedelement.com)**



### Infused Element 5-Year Proforma

		Y1	Y2	Y3	Y4	Y5
<b>PreRolls</b>		\$ 889,620.48	\$ 889,620.48	\$ 889,620.48	\$ 1,047,674.88	\$ 1,047,674.88
<b>Carts</b>		\$ 10,213,056.00	\$ 10,328,256.00	\$ 10,328,256.00	\$ 10,558,656.00	\$ 10,789,056.00
<b>Edibles</b>		\$ 857,611.24	\$ 874,763.46	\$ 892,258.73	\$ 1,020,470.97	\$ 1,164,712.24
<b>Drinks</b>		\$ 2,016,000.00	\$ 2,173,824.00	\$ 2,648,775.17	\$ 3,246,990.85	\$ 3,908,103.13
<b>Net Income</b>		\$ 13,976,287.72	\$ 14,266,463.94	\$ 14,758,910.38	\$ 15,873,792.71	\$ 16,909,546.25
<b>Salaries</b>		\$ 1,090,000.00	\$ 1,144,500.00	\$ 1,201,725.00	\$ 1,261,811.25	\$ 1,324,901.81
<b>Rent</b>		\$ 96,000.00	\$ 147,216.00	\$ 198,432.00	\$ 249,648.00	\$ 300,864.00
<b>Misc</b>						
<b>Testing Pricing</b>						
<b>Legal</b>		\$ 50,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
<b>Net EBITDA</b>		\$ 12,740,287.72	\$ 12,949,747.94	\$ 13,333,753.38	\$ 14,337,333.46	\$ 15,258,780.44
<b>Taxes</b>						
<b>Federal Corp.</b>	<b>21.00%</b>	\$ 2,675,460.42	\$ 2,719,447.07	\$ 2,800,088.21	\$ 3,010,840.03	\$ 3,204,343.89
<b>Mass MJ Excise</b>	<b>10.75%</b>	\$ 1,369,580.93	\$ 1,392,097.90	\$ 1,433,378.49	\$ 1,541,263.35	\$ 1,640,318.90
<b>Holyoke</b>	<b>3.00%</b>	\$ 382,208.63	\$ 388,492.44	\$ 400,012.60	\$ 430,120.00	\$ 457,763.41
<b>After Tax</b>		\$ 8,313,037.74	\$ 8,449,710.53	\$ 8,700,274.08	\$ 9,355,110.08	\$ 9,956,354.23

### **Plan to Obtain Liability Insurance**

Infused Element (“Infused”) will 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.

Prior to commencing operations, Infused will provide proof of having obtained a surety bond or escrow account in an amount equal to its licensure fee payable to the Marijuana Regulation Fund to ensure payment of the cost incurred for the destruction of cannabis goods necessitated by a violation of St. 2016, c. 334, as amended by St. 2017, c. 544 or 935 CMR 500.000 or the cessation of operation of Infused.

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

Access to Infused Element's ("Infused") Holyoke, MA marijuana processing facility shall be strictly limited to individuals age 21 or older who possess a valid, non-expired, government-issued photo identification verifying their age. In accordance with 935 CMR 500.030, all Infused employees and agents shall be age 21 or older. Infused will require all visitors to present government-issued photo identification to verify that they are 21 years or older in accordance with 935 CMR 500.050(5). Upon entry into the premises of the marijuana establishment by any individual, a trained Infused security agent will immediately inspect the individual's proof of identification and determine the individual's age, in accordance with 935 CMR 500.140(2). Additionally, Infused will use an electronic fraud detection scanner on all identifications presented, regardless of the customer's appearance

In the event that Infused discovers that any of its agents intentionally or negligently allowed a person under the age of 21 to enter its facility, the agent will be terminated and the Commission will be notified in accordance with 935 CMR 500.105(1).

Infused's advertising, marketing, and labeling practices will comply with 935 CMR 500.105, including the requirements designed to ensure that individuals under 21 years of age do not use marijuana or marijuana products. Infused's website will require all online visitors to verify that they are 21 years of age or older prior to accessing the website, in accordance with 935 CMR 500.105(4)(b)(13).

As required by 935 CMR 500.105(4), Infused will not market, advertise, or brand products or materials in any manner that is targeted to, deemed to appeal to or portray minors under the age of 21.

As required by 935 CMR 500.105(6)(b), packaging of any Infused product will not use bright colors, resemble existing branded products, feature cartoons or celebrities commonly used to market products to minors, feature images of minors or other words that refer to products commonly associated with minors or otherwise be attractive to minors.

Infused will not engage in any advertising, marketing and branding by means of television, radio, internet, mobile applications, social media, or other electronic communication, billboard or other outdoor advertising, including charitable, sporting or similar events, unless at least 85% of the audience is reasonably expected to be 21 years of age or older as determined by reliable and current audience composition data.

Finally, Infused will never sell any edible products that resemble a realistic or fictional human, animal or fruit, including artistic, caricature or cartoon renderings, in accordance with 935 CMR 500.150(1)(b). Similarly, per 935 CMR 500.105(4)(a)(5), any marketing, advertising and branding materials for public viewing will prominently display a warning stating, "For use only by adults 21 years of age or older. Keep out of the reach of children. Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of marijuana."

## **Personnel Policies Including Background Checks**

### **Introduction**

Infused Element (“Infused”) will maintain personnel records as a separate category of records due to the sensitivity and importance of information concerning agents, including registration status and background check records. At a minimum, Infused will maintain the following personnel records: 1) job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions; 2) personnel records for each marijuana establishment agent; 3) a staffing plan that will demonstrate accessible business hours and safe conditions; 4) personnel policies and procedures; and 5) all background check reports obtained in accordance with 935 CMR 500.030. Infused anticipates that it will employ marijuana agents to fill the following job roles for its marijuana processing facility in Holyoke, MA:

- A. Sales Development Representatives
- B. Production Managers
- C. Human Resources Manager
- D. Packing Team
- E. Security Manager
- F. Security Guard(s)
- G. Extraction Lab Assistant

### **Marijuana Agent Personnel Records**

Personnel records for each marijuana agent (as defined in 935 CMR 500.002) will be maintained for at least twelve (12) months after termination of the agent’s affiliation with Infused and will include, at a minimum, the following: 1) all materials submitted to the Commission pursuant to 935 CMR 500.030(2); 2) documentation of verification of references; 3) the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision of the marijuana agent; 4) 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; 5) documentation of periodic performance evaluations; 6) records of any disciplinary actions taken; 7) notice of completed responsible vendor and eight-hour related duty training; 8) results of initial background investigation, including CORI reports; and 9) documentation of all security related events (including

violations) and the results of any investigations and description of remedial actions, restrictions, or additional training required as a result of an incident. These personnel records will be kept in a secure location to maintain confidentiality and be accessible only to the agent's manager or members of the executive management team.

### **Marijuana Agent Background Checks**

In addition to completing the Commission's agent registration process, all agents hired to work for Infused will undergo a detailed background investigation prior to being granted access to Infused's Holyoke facility or beginning work duties. Background checks will be conducted on all agents in their capacity as employees or volunteers for Infused pursuant to 935 CMR 500.100 and will be used by the Director of Security, who will be registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration and the Commission for purposes of determining the suitability of individuals for registration as a marijuana establishment agent with the licensee.

For purposes of determining suitability based on background checks performed in accordance with 935 CMR 500.101(1), Infused will consider: 1) all conditions, offenses, and violations are construed to include Massachusetts law or like or similar law(s) of another state, the United States or foreign jurisdiction, a military, territorial or Native American tribal authority, or any other jurisdiction; 2) all criminal disqualifying conditions, offenses, and violations include the crimes of attempt, accessory, conspiracy, and solicitation. Juvenile dispositions will not be considered as a factor for determining suitability; and 3) where applicable, all look back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802 commence upon the date of disposition; provided, however, that if disposition results in incarceration in any institution, the look back period will commence upon release from incarceration.

Infused will make employment suitability determinations in accordance with the procedures set forth in 935 CMR 500.800. In addition to the requirements established in 935 CMR 500.800, Infused will:

- A. Comply with all guidance provided by the Commission and 935 CMR 500.802: Tables B through D to determine if the results of the background are grounds for Mandatory Disqualification or Presumptive Negative Suitability Determination;
- B. Consider whether offense(s) or information that would result in a Presumptive Negative Suitability Determination under 935 CMR 500.802. In the event a Presumptive Negative Suitability Determination is made, Infused will consider the following factors:
  - 1. Time since the offense or incident;
  - 2. Age of the subject at the time of the offense or incident;
  - 3. Nature and specific circumstances of the offense or incident;



4. Sentence imposed and length, if any, of incarceration, if criminal;
5. Penalty or discipline imposed, including damages awarded, if civil or administrative;
6. Relationship of offense or incident to nature of work to be performed;
7. Number of offenses or incidents;
8. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
9. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including, but not limited to, professional or educational certifications obtained; and
10. Any other relevant information, including information submitted by the subject; and

- C. Consider appeals of determinations of unsuitability based on claims of erroneous information received as part of the background check during the application process in accordance with 803 CMR 2.17: Requirement to Maintain a Secondary Dissemination Log and 2.18: Adverse Employment Decision Based on CORI or Other Types of Criminal History Information Received from a Source Other than the DCJIS.

Upon adverse determination for a particular applicant, Infused will provide the applicant a copy of her/his background screening report and a pre-adverse determination letter providing the applicant with a copy of their right to dispute the contents of the report, who to contact to do so and the opportunity to provide a supplemental statement. After 10 business days, if the applicant does not dispute the contents of the report and no applicant-provided statement gives cause to alter the suitability determination, an adverse action letter will be issued providing the applicant information on the final determination made by Infused along with any legal notices required. All suitability determinations will be documented in compliance with all requirements set forth in 935 CMR 500 et seq. and guidance provided by the Commission.

Infused will cause its background screening to be conducted by an investigative firm holding the National Association of Professional Background Screeners (NAPBS®) Background Screening Credentialing Council (BSCC) accreditation and capable of performing the searches required by the regulations and guidance provided by the Commission. Any references provided by the marijuana agent will be verified at the time of hire. As deemed necessary, individuals in to be hired for key Infused positions with unique and sensitive access (e.g., members of the executive management team) will undergo additional screening, which may include interviews with prior employers and/or colleagues. As a condition of continued employment, agents, volunteers, contractors, and subcontractors are required to renew their Registration Cards (as that term is

defined in 935 CMR 500.002) annually and submit to other background screening as may be required by Infused or the Commission.

## **Staffing Plan and Business Hours**

### **Hiring and Recruitment**

Infused's Human Resource Manager ] will engage the executive management team and supervisory staff on a regular basis to determine if vacancies are anticipated and whether specific positions need to be created in response to company needs. Infused's hiring practices will include but are not limited to the following and apply to all types of working situations including hiring, firing, promotions, harassment, training, wages and benefits:

1. Equal Employment Opportunity Commission (EEOC) Compliance;
2. Infused's Diversity Plan;
3. Infused's Plan to Positively Impact Areas of Disproportionate Impact;
4. Background Checks and References;
5. Mandatory reporting of criminal convictions (and termination if necessary);
6. State and Federal Family Leave Act;
7. Workplace Safety Laws;
8. State and Federal Minimum Wage Requirements; and
9. Non-Disclosure and Non-Complete Agreements

### **Standards of Employee Conduct**

Infused's mission is to provide a professional workplace free from harassment and discrimination for employees. Infused has a zero-tolerance policy on harassment or discrimination based on sex, race, color, national origin, age, religion, disability, sexual orientation, gender identity, gender expression, or any other trait or characteristic protected by any applicable federal, state, or local law or ordinance. Harassment or discrimination on the basis of any protected trait or characteristic contravenes Infused's Code of Conduct. A broad range of behavior could constitute harassment and/or discrimination. In general, harassment is any verbal or physical conduct that: 1) has the purpose or effect of creating an intimidating, hostile, or offensive working environment; 2) has the purpose or effect of unreasonably interfering with an individual's work performance; or 3) adversely and unjustifiably affects an individual's employment opportunities.

Employees are expected to maintain the highest degree of professional behavior. All harassment or discrimination by employees is strictly prohibited. Furthermore, harassing or discriminatory behavior of non-employees directed at Infused employees or customers also is condemned and will be promptly addressed.

Infused has a policy for the immediate dismissal of any agent who diverts in marijuana, engages in unsafe practices, or is convicted or enters a guilty plea for a felony charge of distribution of a drug to a minor in accordance with 935 CMR 500.105(1).

Infused also has a zero-tolerance policy against use of alcohol, tobacco and other smoking products (including, but not limited to, marijuana consumption), or drugs within its Holyoke facility. All employees and volunteers (if any) will be made aware of this zero-tolerance policy, and Infused will have in place policies and procedures to ensure company-wide compliance.

#### *Violence and Weapons in the Workplace*

Any and all acts of violence in the workplace will result in immediate dismissal of the employee, customer, or parties involved. The Holyoke Police Department and other law enforcement authorities, as applicable, will be contacted immediately in the case of a violent event. Weapons are not permitted at Infused's Holyoke facility by employees, customers, or any other parties. Agents (including employees) found carrying weapons at Infused's facility will be immediately terminated. Vendors or other visitors to the facility found carrying weapons on the premises will be asked to leave and/or the police will be notified accordingly.

#### *At-Will Employment*

In the state of Massachusetts, employment is assumed to be at-will unless otherwise stated. At-will employment implies that employer and employee alike may terminate the work relationship at any given moment and for any legitimate purpose. Wrongful termination may be more difficult to prove in an at-will arrangement because of the freedom that each party has to end the employment. However, there are still many instances wherein a termination or discharge can be called wrongful, even in an at-will employment.

#### *Workplace Attire*

The required attire for registered marijuana agents at Infused's facility varies based upon required duties. New hire training will define appropriate attire for each role and the Human Resources Manager will be responsible for ensuring compliance with all requirements is met.

#### *Staffing Plan Record Retention*

Prior to commencing operations in Holyoke, Infused will implement a tailored staffing plan, which shall include job descriptions for each employee and volunteer position (if any) at the facility, in addition to an organizational chart that is consistent with those job descriptions. For each employee or volunteer, Infused will retain all staffing and personnel records described in 935 CMR 500.105(9) for at least 12 months after termination of the employee/volunteer's affiliation with Infused.

### **Overview of Personnel Policies and Procedures**

#### *Standard Employment Practices*

Infused values and thrives off of the contributions of its management and staff positions. Infused intends to be a market leader in workplace satisfaction by offering competitive wage and benefits packages and nurturing a corporate culture that values meaningful work-life balance, complete transparency and accountability and service to the Holyoke community.

#### *Advancement*

The organization will be structured in a relatively flat manner, with promotional opportunities within each department. Participation in training and bi-annual performance evaluations will be critical for any promotions or pay increases. Infused pledges to be an equal opportunity employer and advancer of its employees. *See* Infused's Diversity Plan for greater detail.

#### *Written Policies*

Infused's written policies will address, inter alia, the Family and Medical Leave Act (FMLA), the Consolidated Omnibus Budget Reconciliation Act (COBRA), equal employment opportunity, discrimination, harassment, the Employee Retirement Income Security Act (ERISA), disabilities, maintenance of personnel files, privacy, email policy, 935 CMR 500.000 et. seq., holidays, hours, sick time, personal time, overtime, performance reviews, disciplinary procedures, working hours, pay rates, overtime, bonuses, veteran preferences, drug testing, personnel policies, military leaves of absence, bereavement leave, jury duty, CORI checks, smoking, HIPAA, patient confidentiality, and compliance hotline.

#### *Investigations*

Infused will develop policies and procedures to investigate any complaints or concerns identified or raised internally or externally in order to stay remain compliant with 935 CMR 500.000 *et seq.*

#### *Designated Outside Counsel*

Infused may retain counsel specializing in employment law to assist the Human Resources Manager with any issues and questions.

#### *Employee Quality Control Samples*

If Infused intends to provide its employees will quality control samples for the purpose of ensuring product quality and determining whether to make the product available to sell, all such samples will be distributed in accordance with 935 CMR 500.120(14) and 500.130(9), as applicable.

Quality Control Samples provided to employees:

- May not be consumed on the licensed Premises;
- May not be sold to another licensee or Consumer; and
- Shall be tested in accordance with 935 CMR 500.160: Testing of Marijuana and Marijuana Products.

Infused acknowledges that it is limited to providing the following aggregate amount of Quality Control Samples to all employees in a calendar month period:

- Five grams of Marijuana concentrate or extract, including but not limited to tinctures;
- Five hundred milligrams of Edibles whereby the serving size of each individual sample does not exceed five milligrams and otherwise satisfies the potency levels set forth in 935 CMR 500.150(4): Dosing Limitations; and
- Five units of sale per Cannabis product line and no more than six individual Cannabis product lines. For purposes of 935 CMR 500.130(8): Vendor Samples, a Cannabis product line shall mean items bearing the same Stock Keeping Unit Number.

All Quality Control Samples shall have a legible, firmly affixed label on which the wording is no less than 1/16 inch in size containing at minimum the following information:

- A statement that reads: “QUALITY CONTROL SAMPLE NOT FOR RESALE”;
- The name and registration number of the Product Manufacturer;
- The quantity, net weight, and type of Marijuana flower or Marijuana Product contained within the package; and
- A unique sequential, alphanumeric identifier assigned to the Production Batch associated with the Quality Control Sample that is traceable in the [Company’s] Seed-to-sale system.

In accordance with 935 CMR 500.105(1)(r), Infused has in place policies and procedures to promote workplace safety consistent with the standards set forth in the Occupational Safety and Health Act (“OSHA”) of 1970. Infused shall furnish to each of employees employment and a place of employment, which are free from recognized hazards that are causing or likely to cause death or serious physical harm. Infused will establish alcohol, smoke, and drug-free workplace policies per 935 CMR 500.105(1). In turn, Infused shall comply with all applicable OSHA regulations.

## **Job Status**

### *Job Classifications*

Positions at Infused are categorized by rank and by the department. Infused’s executive management team oversees the overall success toward achieving the company’s mission. Infused’s CEO and COO is responsible for implementation of the mission and the greater executive management team is responsible for ensuring that all departments are properly executing their functions and responsibilities. Job classification is comprised of three rank tiers: Executive Management, Management/Supervisors, and Non-Management Employee Staff

### *Work Schedules*

Work schedules will be either part-time, full-time, or salaried, depending of the specific position. Schedules will be set according to the needs of each department as determined by the applicable

department manager and the supervising executive manager. It is the department manager's responsibility to develop and implement a work schedule that provides necessary duty and personnel coverage but does not exceed what is required for full implementation of operations. The department manager will also ensure that adequate coverage occurs on a daily basis and does not lead to unnecessary utilization of overtime coverage.

#### *Mandatory Meetings and Community Service Days*

There will be a mandatory reoccurring company-wide meeting on a quarterly basis. All full-time employees will be notified of their required attendance. Infused will also organize and encourage employee participation in community service activities in Holyoke.

#### *Breaks*

Daily breaks, including lunch breaks, will comply with the laws of the Commonwealth of Massachusetts.

#### *Performance Reviews*

Performance reviews will be conducted by executive or department managers. Reviews will be conducted at three-month intervals for new employees during the first year of employment and at least 6-month intervals thereafter. A written review will be provided to, and signed by, the employee under review. Reviews must be retained in each employee's personnel file and treated as a personnel record in accordance with Infused's Recordkeeping Policies. Performance reviews must take into account positive performance factors and areas requiring improvement. Scoring systems may be utilized to help reflect the employee's overall performance.

#### *Leave Policies*

Infused's leave policies will comport with all state and federal law. All full-time employees will receive two 40-hour weeks of paid vacation per annum. Additional leave must be requested at least 2 weeks in advance and approved by the employee's department manager. Infused will determine which holidays will be observed and which departments will not be required to work. Infused will offer paid maternity leave. Additional leave will not be paid and must be approved by the applicable department manager.

Infused anticipates observing the following holidays:

- New Year's Day;
- Martin Luther King Day;
- Presidents' Day;
- Memorial Day;
- Juneteenth
- Independence Day;
- Labor Day;

- Yum Kippur
- Thanksgiving; and
- Christmas Day
- Eid al-Fitr
- Three Kings Day

## **Disciplinary Policies**

### *Purpose*

Infused's discipline policy and the procedure are designed to provide a structured corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. The steps outlined below have been designed for consistency with Infused's organizational values, best practices, and employment laws.

Infused reserves the right to combine or skip steps depending upon facts of each situation and the nature of the offense – each offense will be reviewed and remediated on a case-by-case basis. The level of disciplinary intervention may also vary. The procedure outlined below is intended to provide guidance to Infused's Human Resources Manager and executive management team and not bind them in any given disciplinary scenario. Some of the factors that will be considered depend upon whether the offense is repeated despite coaching, counseling, and/or training; the employee's work record; and the impact the conduct and performance issues have on Infused's organization.

### *Procedure*

#### *Step 1: Counseling and Verbal Warning*

Step 1 creates an opportunity for the immediate supervisor to schedule a meeting with an employee to bring attention to the existing performance, conduct, or attendance issue. The supervisor should discuss with the employee the nature of the problem or violation of company policies and procedures. The supervisor is expected to clearly outline expectations and steps the employee must take to improve performance or resolve the problem.

Within five business days, the supervisor will prepare written documentation of a Step 1 meeting. The employee will be asked to sign the written documentation. The employee's signature is needed to demonstrate the employee's understanding of the issues and the corrective action needed.

#### *Step 2: Written Warning*

While it is hoped that the performance, conduct, or attendance issues that were identified in Step 1 have been corrected, Infused recognizes that this may not always be the case. A written warning involves a more formal documentation of the performance, conduct, or attendance issues and consequences.



During Step 2, the immediate supervisor and a department manager or director will meet with the employee and review any additional incidents or information about the performance, conduct, or attendance issues as well as any prior relevant corrective action plans. Infused management will outline the consequences for the employee of his or her continued failure to meet performance and/or conduct expectations. A formal performance improvement plan (PIP) requiring the employee's immediate and sustained corrective action will be issued within five business days of a Step 2 meeting. A warning outlining that the employee may be subject to additional discipline up to and including termination if immediate and sustained corrective action is not taken may also be included in the written warning.

### Step 3: Suspension and Final Written Warning

There may be performance, conduct, or safety incidents so problematic and harmful that the most effective action may be the temporary removal of the employee from the workplace. When immediate action is necessary to ensure the safety of the employee or others, the immediate supervisor may suspend the employee pending the results of an investigation.

Suspensions that are recommended as part of the normal progression of this progressive discipline policy and procedure are subject to approval from a next-level manager and the Human Resources Manager.

Depending upon the seriousness of the infraction, the employee may be suspended without pay in full-day increments consistent with federal, state and local wage-and-hour employment laws. Nonexempt/hourly employees may not substitute or use an accrued paid vacation or sick day in lieu of the unpaid suspension. Due to Fair Labor Standards Act (FLSA) compliance issues, unpaid suspension of salaried/exempt employees is reserved for serious workplace safety or conduct issues. The Human Resources Manager will provide guidance so that the discipline is administered without jeopardizing the FLSA exemption status.

Pay may be restored to the employee if an investigation of the incident or infraction absolves the employee.

### Step 4: Recommendation for Termination of Employment

The last and most serious step in the progressive discipline procedure is a recommendation to terminate employment. Generally, Infused will endeavor to exercise the progressive nature of this policy by first providing warnings, a final written warning, and/or suspension from the workplace before proceeding to a recommendation to terminate employment. However, Infused reserves the right to combine and skip steps depending upon the circumstances and severity of each situation and the nature of the

offense. Furthermore, employees may be terminated without prior notice or disciplinary action.

Management's recommendation to terminate employment must be approved by the Human Resources Manager and department manager or designee. Final approval may be required from the CEO or designee.

Notwithstanding the foregoing, nothing in this policy provides any contractual rights regarding employee discipline or counseling nor should anything in this policy be read or construed as modifying or altering the employment-at-will relationship between Infused and its employees.

### *Appeal Process*

Employees will have the opportunity to present information that may challenge information management has used to issue disciplinary action. The purpose of this process is to provide insight into extenuating circumstances that may have contributed to the employee performance and/or conduct issues while allowing for an equitable solution. If the employee does not present this information during any of the step meetings, he or she will have five business days after that meeting to present information.

### *Performance and Conduct Issues Not Subject to Progressive Discipline*

Behavior that is illegal is not subject to progressive discipline and may be reported to the Holyoke Police Department or other law enforcement authorities. Theft, intoxication at work, fighting and other acts of violence are also not subject to progressive discipline and are grounds for immediate termination.

### *Documentation*

The employee will be provided copies of all progressive discipline documentation, including all performance improvement plans. The employee will be asked to sign copies of this documentation attesting to their receipt and understanding of the corrective action outlined in these documents. Copies of these documents will be placed in the employee's official personnel file.

### *Separation of Employment*

Separation of employment within an organization can occur for several different reasons. Employment may end as a result of resignation, retirement, release (end of season or assignment), reduction in workforce, or termination. When an employee separates from Infused, his or her supervisor must contact the Human Resources Manager to schedule an exit interview, typically to take place on the employee's last workday.

### *Types of Separation*

#### *1. Resignation*

Resignation is a voluntary act initiated by the employee to end employment Infused. The employee must provide a minimum of two (2) weeks' notice prior to resignation. If an employee does not provide advance notice or fails to actually work the remaining two weeks, the employee will be ineligible for rehire and will not receive accrued benefits. The resignation date must not fall on the day after a holiday.

2. Retirement

An employee who wishes to retire is required to notify his or her department director and the Human Resources Manager in writing at least one (1) month before planned retirement date. It is the practice of Infused to give special recognition to valued employees at the time of their retirement.

3. Job Abandonment

An employee who fails to report to work or contact his or her supervisor for two (2) consecutive workdays will be considered to have abandoned the job without notice effective at the end of the employee's normal shift on the second day. The department manager will notify the Human Resources Manager at the expiration of the second workday and initiate the paperwork to terminate the employee. Employees who are separated due to job abandonment are ineligible to receive accrued benefits and are ineligible for rehire.

4. Termination

Employees of Infused are employed on an at-will basis, and the company retains the right to terminate an employee at any time.

5. Reduction in Workforce

An employee may be laid off due to changes in duties, organizational changes, lack of funds, or lack of work. Employees who are laid off may not appeal the layoff decision through the appeal process.

6. Release

Release is the end of temporary or seasonal employment. The Human Resources Manager, in consultation with the department manager, will inform the temporary or seasonal worker of their release according to the terms of the individual's temporary employment.

*Exit Interview*

The separating employee will contact the Human Resources Manager as soon as notice is given to schedule an exit interview. The interview will be on the employee's last day of work or other day, as mutually agreed upon.

*Return of Property*

The separating employee must return all company property at the time of separation, including but not limited to uniforms, cell phones, keys, facility access cards, computers, and identification cards. Failure to return some items may result in deductions from final paycheck. An employee will be required to sign the Wage Deduction Authorization Agreement to deduct the costs of such items from the final paycheck.

#### *Termination of Benefits*

An employee separating from Infused is eligible to receive benefits as long as the appropriate procedures are followed as stated above. Two weeks' notice must be given, and the employee must work the full two work weeks. Any accrued vacation and/or accrued sick leave will be paid in the last paycheck.

#### *Health Insurance*

Health insurance terminates on the last day of the month of employment, unless the employee requests immediate termination of benefits. Information about the Consolidated Omnibus Budget Reconciliation Act (COBRA) continued health coverage will be provided. Employees will be required to pay their share of the dependent health and dental premiums through the end of the month.

#### *Rehire*

Former employees who left in good standing and were classified as eligible for rehire may be considered for reemployment. An application must be submitted to the Human Resources Manager, and the applicant must meet all minimum qualifications and requirements of the position, including any qualifying exam and current registration with the Commission, when required.

Department managers must obtain approval from the Human Resources Manager or designee prior to rehiring a former employee. Rehired employees begin benefits just as any other new employee. Previous tenure will not be considered in calculating longevity, leave accruals, or any other benefits. An applicant or employee who is terminated for violating policy or who resigned in lieu of termination from employment due to a policy violation will be ineligible for rehire.

#### **Compensation**

Infused believes that it is in the best interests of both the organization and its employees to fairly compensate its workforce for the value of the work provided. Infused intends to use a compensation system that will determine the current market value of a position based on the skills, knowledge, and behaviors required of a fully-competent incumbent. The system used for determining compensation will be objective and non-discriminatory in theory, application and practice. The company has determined that this can best be accomplished by using a professional compensation consultant, as needed, and a system recommended and approved by the executive management team.

### *Selection Criteria*

1. The compensation system will price positions to market by using local, national, and marijuana-industry specific survey data.
2. The market data will primarily include marijuana-related businesses and will include survey data for more specialized positions and will address significant market differences due to geographical location.
3. The system will evaluate external equity, which is the relative marketplace job worth of every marijuana-industry job directly comparable to similar jobs at Infused, factored for general economic variances, and adjusted to reflect the local economic marketplace.
4. The system will evaluate internal equity, which is the relative worth of each job in the organization when comparing the required level of job competencies, formal training and experience, responsibility and accountability of one job to another, and arranging all jobs in a formal job-grading structure.
5. Professional support and consultation will be available to evaluate the compensation system and provide on-going assistance in the administration of the program.
6. The compensation system must be flexible enough to ensure that the company is able to recruit and retain a highly-qualified workforce, while providing the structure necessary to effectively manage the overall compensation program.

### *Responsibilities*

The executive management team will possess final approval authority over Infused's compensation system.

1. On an annual basis the executive management team will review and approve, as appropriate, recommended changes to position-range movement as determined through the vendor's market analysis process.
2. As part of the annual budgeting process, the executive management team will review and approve, as appropriate, funds to be allocated for total compensation, which would include base salaries, bonus, variable based or incentive-based pay, and all other related expenses, including benefit plans.

### *Management Responsibility*

1. The CEO is charged with ensuring that Infused is staffed with highly-qualified, fully-competent employees and that all company programs are administered within appropriate guidelines and within the approved budget.
2. The salary budget will include a gross figure for the following budget adjustments, but the individual determinations for each employee's salary adjustment will be the exclusive domain of the CEO: determining the appropriate head count, titles, position levels, merit and promotional increases and compensation consisting of salary, incentive, bonus, and other discretionary pay for all positions.
3. The CEO will ensure that salary ranges are updated at least annually, that all individual jobs are market priced at least once every two years, and that pay equity adjustments are administered in a fair and equitable manner.

### **Maintaining of Financial Records Plan**

Infused Element's ("Infused") operating policies and procedures and robust recordkeeping procedures (see Infused's companion Recordkeeping Procedures for greater detail) will ensure that its financial records are accurate and maintained in compliance with the Commission's regulations at 935 CMR 500 *et. seq.* Infused's financial records maintenance plan includes policies and procedures requiring that:

- A. Confidential information will be maintained in a secure location, kept separate from all other records, and will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided, however, the Commission may access this information to carry out its official duties.
- B. All recordkeeping requirements under 935 CMR 500.105(9) are followed, including the keeping written business records available for inspection, and in accordance with Generally Accepted Accounting Principles ("GAAP"), which will include manual or, if possible, electronic records of: 1) statements assets and liabilities; 2) monetary transactions; 3) books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers; 4) the quantity, form, and cost of marijuana products sold to other licensed marijuana establishments; and 5) salary and wages paid to each employee and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a marijuana establishment, including members, if any.
- C. Additional written business records will be kept, including, but not limited to, records of: 1) compliance with liability insurance coverage or maintenance of escrow requirements under 935 CMR 500.105(10) and all bond or escrow requirements under 935 CMR 500.105(16); 2) fees paid under 935 CMR 500.005 or any other section of the Commission's regulations; and 3) fines or penalties, if any, paid under 935 CMR 500.550 or any other section of the Commission's regulations.
- D. Infused will not utilize software or other methods to manipulate or alter sales data and will conduct monthly audits of its sales equipment and software (including accounting and seed-to-sale tracking systems) in order to confirm that no such malware has been deployed. If Infused uncovers any sales data manipulation, it shall immediately disclose that information to the Commission, cooperate with the Commission in any investigation regarding manipulation or alteration of sales data, and take any other such action as directed by the Commission.
- E. Infused shall maintain records that it has completed the required monthly audits and make such records available to the Commission upon request.

- F. Finally, Infused shall institute separate accounting practices for marijuana and non-marijuana sales and comply with 830 CMR 62C.25.1: Record Retention and DOR Directive 16-1 regarding recordkeeping requirements.



## **Safety Plan**

### **I. Introduction to Safety Plan**

All members of Infused Element's ("Infused") processing team are Hazard Analysis and Critical Control Points ("HACCP") certified and each kitchen team member is required to complete a ServSafe certification course and maintain the certification throughout the duration of his or her employment with Infused]. The kitchen staff will prepare, handle, and store edible products in compliance with the sanitation requirements in 105 CMR 590.000: State Sanitary Code Chapter X – Minimum Sanitation Standards for Food Establishments. Infused develops its recipes with appropriate dosing in mind and will take great care to ensure that when marijuana concentrate is added during the manufacturing of edible products that it is thoroughly homogenized throughout the entire batch and that individual doses are precisely measured.

Using its METRC seed-to-sale tracking system, Infused will fastidiously maintain electronic records identifying the source of each ingredient utilized in marijuana-infused products on a secure internal company drive. These records include the vendor that supplied the ingredient, the date of receipt of the ingredients, the vendor number, and control number or any other identifying symbol used by the vendor.

To further ensure safety-controlled manufacture, Infused has developed detailed HACCP plans for each product line manufactured in its kitchen, which are updated and maintained by the Production Manager on a routine basis. In addition, Infused's kitchen is designed to meet or exceed good manufacturing practices and health code standards for kitchens outlined in the FDA's Food Code and includes coved tile and segregated dishwashing facilities. In addition to ServSafe training, each kitchen staff member undergoes a role-specific training program ranging from one to three weeks and at least eight hours of ongoing training each year.

### **II. HACCP Plan**

HACCP is a systematic preventive approach to food safety designed to control chemical, biological and physical hazards in production processes to safe levels. Infused's HACCP Plan follows FDA and Massachusetts guidance for a food safety programs. All standards in the plan are based on FDA and Massachusetts regulations for food manufacturers with wholesale distribution: 21 CFR; 105 CMR 500 and CCC regulations for production of Edible Marijuana Products: 935 CMR 501.150 & 935 CMR 501.130.

All Infused employees are given an overview of HACCP principles as they relate to food production at Infused's processing facility in Holyoke, MA. It is the responsibility of Production Managers and other supervisory staff to carry out these control measures and maintain Standard Operating Procedures ("SOPs") in order to ensure safe food production consistently.

Kitchen activities are monitored and documented in physical and electronic recordkeeping logs. These will be regularly reviewed by Infused's designated HACCP manager or trained designee in order to verify that the plan is working effectively as designed. Infused's HACCP Plan and implementing SOPs are updated as processes, products, or facility are altered, and additionally verified for efficacy.

### **III. Emergency and Security Procedures**

Time and temperature controls are critical to controlling bacteria outgrowth of potentially hazardous ingredients during the production and storage of edible MIPs. Refrigeration temperatures are monitored throughout the day, and freezer temperatures are checked and recorded daily. Upon arrival or at any time during operational hours, if product temperatures are out of ideal range, or other hazards are identified at any stage of processing, corrective actions are implemented. Any issues and corrective actions are listed on the appropriate temperature and production logs.

Allergen control is also important in the production and distribution of safe, consistent ready-to-eat products. Infused's dedicated Allergen Control SOP includes Good Manufacturing Practices for preventing cross-contamination and ensuring accurate labeling according to federal regulations. All MIPs are stored in secure, locked locations at all times prior to and during shipping, in accordance with state regulations.

### **IV. Kitchen Staff Training**

Kitchen staff training includes all SOPs contained in Infused's overall HACCP plan include discussion of and procedures for guarding against pathogens of concern (including *Staphylococcus aureus* and Norovirus) in food processing operations. Staff are trained on risk-based HACCP principles, including, but not limited to:

- A. Labeling methods;
- B. Date marking products;
- C. Storage temperatures;
- D. Time and temperature controls during food preparation;
- E. Illness policies, cleaning protocols and distribution strategies.

In addition, kitchen staff are trained to monitor Critical Control Points and document these activities and any corrective actions in recordkeeping logs. Training is continuous and repeated with every change in process, recipe, and new employee onboarding.

### **V. Kitchen Sanitary Practices**

Kitchen equipment used in the production of marijuana products is cleaned between each use and at the conclusion of each shift by the kitchen staff. Cleaning procedures are guided by cleaning and sanitation standards established by the federal Occupational Safety and Health Administration ("OSHA"). Kitchen staff are responsible for daily cleaning and sterilization of the kitchen and equipment, as well as the proper disposal of and recordkeeping processes for waste generated in the kitchen.

"Deep cleaning" of the kitchen is conducted weekly by the kitchen staff and includes the cleaning and sterilization of all stoves, ovens, hoods/vents, scales, mixers, sinks, refrigerators,

steam kettles, tables, shelving, storage racks, walls, grease traps, dish-washing machines and floors. Kitchen staff are provided with training documents that include step-by-step instructions on the proper cleaning methods for each piece of equipment.

#### **VI. Kitchen Employee Hygiene Standards & Personal Protective Equipment (“PPE”)**

Kitchen staff are required wash their hands thoroughly in an adequate hand-washing area before starting work and at any other time when hands may have become soiled or contaminated. Instructions on proper handwashing techniques are provided to staff at the start of employment and posted throughout Infused’s Holyoke, MA facility, including within the kitchen area. Additionally, kitchen staff are required to shower within two hours before beginning their shifts.

Kitchen staff are required to change into a clean, company uniform prior to entering the kitchen, which uniform includes non-slip shoes. Hair must be pulled back and covered with a hair net at all times. Beard coverings are required for any facial hair longer than an eyelash. No jewelry is permissible except a plain band on the finger and fingernails must be kept short and clean. Gloves must be worn when handling any ingredients or cannabis-containing products.

Outside food or drinks are never permitted in the kitchen and must be stored in the break room to prevent cross-contamination.

#### **VII. Product Labeling and Packaging Controls**

Kitchen staff are responsible for accurate labeling, dosage accuracy and packaging controls to minimize the risk of misuse by Infused’s customers. This label control and verification is intended to meet or exceed CCC guidelines. Infused’s Labeling and Packaging SOPs incorporate the minimum controls that are required to be implemented for edible marijuana products per 935 CMR 501.105(5) – Labeling of Marijuana and Marijuana Products. These controls will also assist in the unlikely event of a food recall or outbreak situation. Finally, the Labeling and Packaging SOPs also include protocols for traceability, product disposition and corrective actions if necessary.

## **Quality Control and Testing**

Infused Element (“Infused”) is dedicated to selling the highest quality marijuana and marijuana products to its customers. That commitment requires Infused to maintain safe and sanitary working conditions, to hold its employees to the highest sanitation standards, and to ensure that its products are properly tested for contaminants. Accordingly, Infused shall abide by the below requirements:

### **Testing of Marijuana**

- A. Infused shall engage an Independent Testing Laboratory to test its marijuana and marijuana products 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 Massachusetts Department of Public Health (“DPH”) and to test its environmental media (e.g., soils, solid growing media, and water) in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the DPH.
- B. Infused will never market or sell marijuana or marijuana product that is not capable of being tested by Independent Testing Laboratories (except as allowed under 935 CMR 500.000).
- C. Infused will utilize an Independent Testing Laboratory to conduct testing for contaminants as required by the Commission, including for mold, mildew, heavy metals, plant-growth regulators, and pesticides not approved for use on marijuana by the Massachusetts Department of Agricultural Resources. Testing records shall be maintained for no less than one year.
- D. [For Product Manufacturers] If Infused manufactures vaporizers, it will ensure that such products will be screened for heavy metals and Vitamin E Acetate in accordance with the relevant provisions of the *Protocol for Sampling and Analysis of Finished Marijuana and Marijuana Products for Marijuana Establishments, Medical Marijuana Treatment Centers and Colocated Marijuana Operations*.
- E. For any products that fail initial testing, Infused subject the products to a Second Confirmatory Test in accordance with the procedures set forth in 935 CMR 500.002 and 500.160(13).
- F. Infused shall provide written notification within seventy-two hours to the Commission of any testing results indicating that its marijuana or marijuana products’ contaminant levels are above the acceptable limits identified in 935 CMR 500.160(1), that contamination cannot be remediated, and must be disposed of. Infused shall also ensure that its Independent Testing Laboratory notify the Commission of the results. In its written notification to the Commission, Infused

shall offer a proposed plan to destroy the contaminated product and to identify and remediate the source of contamination.

- G. All transportation of marijuana and marijuana products to and from an Independent Testing Laboratory shall be secure and in compliance with 935 CMR 500.105(13).
- H. Following testing, all excess marijuana shall be disposed of in compliance with Infused's Disposal Policy and 935 CMR 500.105(12), either by the Independent Testing Laboratory returning the excess marijuana to Infused for disposal or by the Independent Testing Laboratory disposing of it directly.
- I. If Infused were to sell or transfer marijuana or marijuana products to other Marijuana Establishments, then, consistent with 935 CMR 500.120(6), Infused would provide documentation of compliance or lack thereof, as the case may be, with the testing requirements of 935 CMR 500.160.
- J. In accordance with 935 CMR 500.160(13), if Infused receives notice that Marijuana it has submitted for testing has failed any test for contaminants shall either reanalyze the Marijuana without remediation, take steps to remediate the identified contaminants, or dispose of the Marijuana.
  - 1. Reanalysis by a Second Independent Testing Laboratory ("ITL"). If Infused chooses to reanalyze the sample, a sample from the same batch shall be submitted for reanalysis at the ITL that provided the original failed result. If the sample passes all previously failed tests at the initial ITL, a sample from the same batch previously tested shall be submitted to a second ITL other than the initial ITL for a Second Confirmatory Test. To be considered passing and therefore safe for sale, the sample shall have passed the Second Confirmatory Test at a second ITL. Any Marijuana that fails the Second Confirmatory Test may not be sold, transferred or otherwise dispensed to Consumers, Patients or Licensees without first being remediated. Otherwise, Infused shall dispose of any such product
  - 2. Remediation. If Infused chooses to remediate, a new test sample shall be submitted to a licensed ITL, which may include the initial ITL for a full-panel test. Any failing Marijuana may be remediated a maximum of two times. Any Marijuana that fails any test after the second remediation attempt may not be sold, transferred or otherwise dispensed to Consumers, Patients or Licensees. Infused shall dispose of any such product.
  - 3. If Infused chooses to dispose of the Marijuana, it shall do so in compliance with 935 CMR 500.105(12): Waste Disposal.

## **Handling of Marijuana & Sanitation**

Infused shall handle and process marijuana and marijuana products in a safe and sanitary manner. Infused shall implement the following policies:

- A. Infused shall process the leaves and flowers of the female marijuana plant only. Such leaves and flowers shall be: (i) well cured and generally free of seeds, stems, dirt, sand, debris, mold, rot, other fungus, and bacterial diseases; (ii) prepared and handled on food-grade stainless steel tables; (iii) free of dirt sand, debris, and other foreign matter; (iv) of contamination by mold, rot, other fungus, and bacterial diseases; and (v) packaged in a secure area.
- B. Any Infused agent whose job includes contact with marijuana or nonedible marijuana products shall comply with the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*; maintain adequate personal hygiene; and wash their hands thoroughly before starting work, and at any other time when hands may have become soiled or contaminated. Infused shall provide such agents with readily-accessible hand-washing and drying facilities in all areas where good sanitary practices require employees to wash and sanitize their hands.
- C. The building envelope for Infused's facility (including floors, walls, and ceilings) will allow for adequate cleaning/repair.
- D. Infused shall implement the following policies and procedures to ensure that its facility is maintained in a sanitary condition:
  - 1. Provide adequate storage for equipment and materials necessary for the maintenance of sanitary operations;
  - 2. Remove and dispose of litter and waste, in a manner consistent with 935 CMR 500.105(12), to prevent the development of odor and minimize the potential for the waste attracting and harboring pests;
  - 3. Ensure that the facility is constructed in a manner that allows surfaces to be kept clean and in good repair;
  - 4. Provide ample lighting in all areas where marijuana is processed and stored and where equipment or utensils are cleaned;
  - 5. Purchase equipment and utensils that are designed to allow adequate sanitization;
  - 6. Maintain all contact surfaces in a clean and sanitary condition, cleaning them as frequently as necessary to protect against contamination. All cleaning of contact surfaces will be performed with a sanitizing agent registered by the US Environmental Protection Agency ("EPA");

7. Clearly label any toxic item and store them in a manner that protects against contamination of marijuana products;
  8. Maintain a safe, potable, and adequate water supply, with plumbing that is adequately designed and installed to carry sufficient quantities of water throughout the facility, and to convey sewage and liquid disposable waste from the facility;
  9. Maintain a water supply that is sufficient for all necessary operations at the facility;
  10. Maintain restroom facilities that are maintained in sanitary condition and good repair;
  11. Provide agents with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair; and
  12. Store products that can facilitate the rapid growth of undesirable microorganisms in a manner that prevents such growth.
- E. Infused shall store and transport products under conditions that protect against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers. This includes ensuring that vehicles and transportation equipment provide adequate temperature control to prevent the marijuana products or edibles from becoming unsafe during transportation.
- F. If applicable, all edible products shall be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: *Minimum Sanitation Standards for Food Establishments*.



## **Recordkeeping Procedures**

### **Introduction**

Infused Element (“Infused”) has established policies regarding recordkeeping and record-retention in order to ensure the maintenance, safe keeping, and accessibility of critical documents. Infused intends to maintain all records, to the extent feasible, in electronic form. If physical records are used, they will be stored at Infused’s Holyoke processing facility in a locked room designated for record retention. All written and electronic records will be available for inspection by the Commission upon request in accordance with 935 CMR 500.300(1).

### **Recordkeeping Procedures**

All records will be maintained in accordance with Generally-Accepted Accounting Principles (“GAAP”). In order to ensure that Infused’s recordkeeping practices remain compliant with the specific requirements of 935 CMR 500.030, executive management team review of Corporate Records, Business Records, and Personnel Records for completeness, accuracy, and timeliness of such documents will occur as part of Infused’s quarter-end closing procedures. Infused will meet Commission recordkeeping requirements and retain a copy of all records for two (2) years, unless otherwise specified in the regulations and herein below. In addition, Infused will update its internal operating procedures on regular basis, as needed and under the supervision of the executive management team in order to ensure the safe and compliant keeping of records. Infused’s internal operating procedures will provide for the safe and compliant keeping and maintenance of the following records:

- A. Corporate Records: are defined as those records that require, at a minimum, annual reviews, updates, and renewals. These records include:
  - 1. Insurance Coverage Records (including: Directors & Officers Policies, Product Liability Policies; General Liability Policies, Umbrella Policies, Workers Compensation Policies and Employer Professional Liability Policies);
  - 2. Third-Party Contracts;
  - 3. Commission Required Registrations (including: Annual Agent Registration(s) and Annual Marijuana Establishment Registration);
  - 4. Local Compliance Documents (including: Certificate of Occupancy, Special Permits, Variances, Site Plan Approvals and As-Built Drawings); and
  - 5. Corporate Governance Filings (including: Annual Reports and Secretary of State Filings).
- B. Business Records: as are required by 935 CMR 500.105(9)(e). Infused will keep these records in electronic form, of possible, so that Infused can efficiently produce the records for inspection by the Commission. Infused’s business records include: 1) statements of assets and liabilities; 2) monetary transactions; 3) books of accounts, which will include journals, ledgers, and supporting documents,

agreements, checks, invoices, and vouchers; 4) the quantity, form, and cost of marijuana products sold to other licensed marijuana establishments; and 5) salary and wages paid to each agent, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with Infused, including members, if any.

- C. Personnel Records: will include at least: 1) job descriptions for each agent and volunteer position, as well as organizational charts consistent with the job descriptions; 2) a staffing plan that will demonstrate accessible business hours and safe processing conditions; 3) personnel policies and procedures; 4) all background check reports obtained in accordance with 935 CMR 500.030; and, finally, 5) a personnel file for each marijuana establishment agent. Infused will maintain such personnel files for at least twelve (12) months after termination of the agent's or employee's affiliation with Infused. Infused's personnel files will include for each agent, at a minimum, the following:
1. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
  2. Documentation of verification of references;
  3. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision of the agent;
  4. 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;
  5. Documentation of periodic performance evaluations;
  6. A record of any disciplinary action taken; and
  7. Notice of completed responsible vendor and eight-hour related duty training.
- D. Agent Training Records: Infused will maintain documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual indicating the date, time, and place he or she received the training, the topics discussed and the name and title of the presenter(s). Infused will maintain records of responsible vendor trainings of agents for at least four (4) years.
- E. Written Operating Policies and Procedures: policies and procedures related to Infused's operations will be updated by the executive management team on an ongoing basis as needed and undergo a review by the executive management team on an annual basis. Written operating policies and procedures will include the following:
1. Security measures in compliance with 935 CMR 500.110;

2. Agent security policies, including personal safety and crime prevention techniques;
3. A description of Infused's hours of operation and after-hours contact information, which will be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000;
4. Storage of marijuana in compliance with 935 CMR 500.105(11);
5. Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.160;
6. Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
7. A staffing plan and staffing records in compliance with 935 CMR 500.105(9);
8. Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
9. Alcohol, smoke, and drug-free workplace policies;
10. A plan describing how confidential information will be maintained;
11. Policy for the immediate dismissal of any dispensary agent who has: 1) diverted marijuana (which diversions will be reported the Holyoke Police Department and to the Commission); 2) engaged in unsafe practices with regard to processing operations, which will be reported to the Commission; or 3) been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority;
12. A list of all Infused executives and members, if any, of the licensee must be made available upon request by any individual. 935 CMR 500.105(1)(m)'s requirement may be fulfilled by placing this information on Infused's website;
13. Policies and procedures for the handling of any cash on Infused's premises including but not limited to storage, collection frequency and transport to financial institution(s);
14. Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old;
15. Policies and procedures for energy efficiency and conservation that will include: 1) identification of potential energy use reduction opportunities (including but not limited to natural lighting, heat recovery ventilation and energy efficiency measures), and a plan for implementation of such opportunities; 2) consideration of opportunities for renewable energy generation, including, where applicable, submission of building plans showing where energy generators could be placed on site, and an explanation of why the identified opportunities were not pursued, if applicable; 3) strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and 4)

engagement with energy efficiency programs offered pursuant to M.G.L. c. 25 § 21, or through municipal lighting plants.

- F. Handling and Testing of Marijuana Records: Infused will maintain the results of all testing for a minimum of one (1) year.
- G. Inventory Records: the record of each inventory will include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the agents who conducted the inventory in accordance with 935 CMR 500.105(8)(d).
- H. Seed-to-Sale Tracking Records: Infused will use a Commission-approved seed-to-sale tracking system, most likely *METRC*, to maintain real-time inventory. *METRC* inventory reporting meets the requirements specified by the Commission and 935 CMR 500.105(8)(c) and (d), including, at a minimum, an inventory of marijuana plants; marijuana plant-seeds and clones in any phase of development such as propagation, vegetation, flowering; marijuana ready for dispensing; all marijuana products; and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal. Infused's tracking software will enable Infused to tag and track all marijuana seeds, clones, plants, and marijuana products in compliance with the seed-to-sale methodology in a form and manner approved by the Commission.
- I. [For Product Manufacturers] Vaporizer Records: If Infused manufactures vaporizers, it shall record and maintain all of the information required by 935 CMR 500.130(4).
1. Specifically, Infused will maintain records of the name and business address of the manufacturer of any cartridge, battery, atomizer coil, hardware or other component of the vaporizer.
  2. In turn, Infused will also maintain a copy of the Certificate of Analysis for each thickening agent, thinning agent or terpene infused or incorporated into a vaporizer during production.
  3. If Infused wholesales vaporizers to a marijuana retailer, it will provide the retailer with the information insert required by 935 CMR 500.105(5)(c) or the necessary information to produce the insert.
- J. Waste Disposal Records: when marijuana or marijuana products are disposed of, Infused will create and maintain a written record of the date, the type and quantity disposed of or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Infused agents present during the disposal or handling, with their signatures in compliance with 935 CMR 500.105(12). Infused will keep disposal records for at least three (3) years. This period will automatically be extended for the duration of any enforcement action and may be extended by an order of the Commission.

- K. Incident Reporting Records: within ten (10) calendar days, Infused will provide written notice to the Commission of any incident described in 935 CMR 500.110(7)(a), by submitting an incident report, detailing the incident, the investigation, the findings, resolution (if any), confirmation that the Holyoke Police Department and Commission were notified within twenty-four (24) hours of discovering the breach, and any other relevant information. Reports and supporting documents, including photos and surveillance video related to a reportable incident, will be maintained by Infused for no less than one (1) year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities upon request.
- L. Visitor Records: a visitor sign-in and sign-out record will be maintained at the security office. The record will include the visitor's name, address, organization or firm, date, time in and out, and the name of the authorized agent who will be escorting the visitor.
- M. Security Records: Infused will maintain a current list of authorized agents and service personnel that have access to the surveillance room will be available to the Commission upon request. Twenty-four (24) hour recordings from all video cameras that are available for immediate viewing by the Commission upon request and that are retained for at least ninety (90) calendar days.
- N. Transportation Records: Infused will retain all transportation manifests (which, in each instance, will be created in accordance with 935 CMR 500.105(13)(f)) for a minimum of one (1) year and make them available to the Commission upon request.
- O. Closure: In the event that Infused's Holyoke facility closes, all records will be kept for at least two (2) years at Infused's expense in a form (electronic, hard copies, etc.) and location acceptable to the Commission. In addition, Infused will communicate with the Commission during the closure process and accommodate any additional requests that the Commission or other Commonwealth agencies may have.

## **Employee Qualifications and Training Plan**

Infused Element (“Infused”) shall ensure that all marijuana establishment agents undergo and maintain comprehensive training prior to performing job functions, and at regular intervals. Training shall be tailored to the roles and responsibilities of the job function of each marijuana establishment agent, and at a minimum shall include participation in a Responsible Vendor Program pursuant to 935 CMR 500.105(2)(b). Records of these trainings will be maintained for at least 4 years. Infused will require that all marijuana agents and staff receive and participate in, a minimum of, eight (8) hours of training annually, including a minimum of 4 hours of responsible vendor training in accordance with 935 CMR 500.105(2)(a) and (b)(1). In addition, Infused will ensure that all employees are trained on job specific duties prior to performing job functions.

### **Company Training Programs**

Infused’s Training Policies shall be as follows:

- A. All owners, managers and employees that are involved in the handling and wholesaling of marijuana for adult use at the time of licensure or renewal of licensure, as applicable, shall attend and successfully complete a responsible vendor training.
- B. All new employees involved in the handling and wholesaling of marijuana for adult use shall successfully complete a responsible vendor program within 90 days of hire.
- C. After initial successful completion of a responsible vendor program, each owner, manager, and employee involved in the handling and wholesaling of marijuana for adult use shall successfully complete the program once each year thereafter in order to maintain designation as a responsible vendor.
- D. Administrative employees who do not handle or wholesale marijuana may voluntarily participate in the responsible vendor program.
- E. Infused will require that all marijuana establishment agents and staff receive and participate in, a minimum of, eight (8) hours of training annually, including a minimum of 4 hours of responsible vendor training. 935 CMR 500.105(2)(a) and (b)(1). Any additional responsible vendor training hours shall not count to the 8-hour annual minimum.
- F. Infused shall maintain records of responsible vendor training program compliance for four (4) years and make them available for inspection by the Commission and any other applicable licensing authority upon request during normal business hours.

### **Responsible Vendor Program**

With respect to Responsible Vendor Training and in accordance with 935 CMR 500.105, Infused's marijuana agents first take the Basic Core Curriculum. On completing the Basic Core Curriculum, an agent will be eligible to take the Infused Core Curriculum. Infused shall ensure that its Responsible Vendor Training Program's core curriculum includes the following minimum requirements and meets any other requirements of a Commission approved curriculum:

- A. Safety, Security and Rules and Regulations pertaining to processing of marijuana including sanitary procedures;
- B. Discussion concerning marijuana's effect on the human body, with specific focus on:
  - 1. Marijuana's physical effects based on type of marijuana product;
  - 2. Duration of physical effects; and
  - 3. Recognizing the signs of impairment.
- C. Diversion prevention and prevention of sales to minors;
- D. Compliance with all inventory tracking requirements;
- E. Acceptable forms of identification, with specific focus on:
  - 1. Verifying identification;
  - 2. Spotting false identification;
  - 3. Confiscating fraudulent identifications;
  - 4. Common mistakes made in verification.
- F. Other state laws and regulations affecting owners, managers, and employees, which shall include:
  - 1. Local and state licensing and enforcement;
  - 2. Incident and notification requirements;
  - 3. Administrative and criminal liability;
  - 4. License sanctions and court sanctions;
  - 5. Waste disposal;
  - 6. Health and safety standards;
  - 7. Patrons prohibited from bringing marijuana onto licensed premises;



8. Permitted hours of sale;
  9. Conduct of establishment;
  10. Permitting inspections by state and local licensing and enforcement authorities;
  11. Licensee responsibilities for activities occurring within licensed premises;
  12. Maintenance of records;
  13. Privacy issues; and
  14. Prohibited purchases and practices.
- G. Any other areas of training determined by the Commission to be included in a responsible vendor training program.

### **Personnel Plans**

At launch or shortly thereafter, the company plans to hire personnel to fill the following positions:

- A. Sales Development Representatives
- B. Production Managers
- C. Human Resources Manager
- D. Packing Team
- E. Security Manager
- F. Security Guard(s)
- G. Extraction Lab Assistant

Prior to final licensure, Infused anticipates it will need to hire additional staff to support the current executive team detailed in the application. The roles, responsibilities, and qualifications are anticipated to be:

- A. Sales Development Representative – The Sales Development Representative will work to cultivate relationships with various cannabis establishments throughout Massachusetts to educate establishment owners, consumers, and budtenders on our portfolio of products. Specifically, the Sales Development Representative will be responsible for:

1. Meeting sales goals and company objectives through securing sales of wholesale Infused cannabis products to dispensaries throughout Massachusetts.
  2. Managing a defined territory to obtain cannabis market share through developing strong relationships.
  3. Prospecting specified territories to develop new clients and relationships.
  4. Maintaining current clients and account activity.
  5. Working with the management team to stay up-to-date on cannabis products and market trends.
  6. Maintaining consumer contact information and presenting the analysis of sales to management for review.
  7. Working independently, yet cooperatively, with the company and team goals and directives.
  8. Adhering to all Commission regulatory guidelines and company policies including but not limited to permitted and prohibited advertising practices and safety.
  9. Maintenance and care of samples and displays.
2. Qualifications for the Sales Development Representatives include:
1. Age 21+.
  2. Must be qualified to become a Registered Marijuana Agent with the Commission.
  3. Professional appearance and demeanor.
  4. Excellent verbal and written communication skills.
  5. Proficiency in Microsoft Office and Google Suite.
  6. Familiarity with seed-to-sale tracking software and/or the ability to be trained to work with such systems (e.g. METRC)
  7. Must be able to work extensively across Massachusetts.
  8. Valid driver's license and good driving record.
  9. Reliable personal transportation.
  10. Commission-based sales experience preferred.

11. Experience in and knowledge of the cannabis industry preferred.
12. Strong relationships with dispensaries in Massachusetts preferred.
13. **Authenticity** – we care about the people with whom we work and the communities in which we live. We believe that clear communication builds a better world than suspicion, and that transparency is the key to building trust and confidence in all that we do.
14. **Resourcefulness** – we seek individuals that are adaptive and creative, finding joy in connecting assets and ideas in novel ways that are not immediately apparent to others.
15. **Innovation** – we seek individuals that are excited to not only work in a new industry but to create one.

B. **Delivery Driver(s)** - Qualifications for Delivery Drivers include:

1. 21+ years old.
2. A valid Driver's License.
3. Proof of insurance.
4. Background check and acceptable DMV driving record.
5. Excellent written and verbal communication skills required.
6. Excellent customer service skills required.
7. Comfortable in a fast-paced, time-sensitive environment.
8. Must have or be qualified to become a Registered Marijuana Agent with the Commission.
9. An ability to adhere to all regulatory guidelines and company policy related to transportation of marijuana products as defined by 935 CMR 500.105(13)(c).
10. Familiarity with seed-to-sale tracking software and/or the ability to be trained to work with such systems (e.g. METRC).

C. **Extraction Lab Assistant** - Qualifications for Extraction Lab Assistants include:

1. 21+ years old.
2. Must possess BS in a hard science, Analytical Chemistry degree preferred. Previous experience working in a laboratory environment and/or in the cannabis industry is preferred but not required.

3. Candidate must be comfortable working with cannabis.
4. Previous experience with Lab Information Management systems preferred.
5. 1-2 years of prior experience in an academic or commercial lab is preferred.
6. Previous experience working in a laboratory environment and/or in the cannabis industry is preferred.
7. Experience with basic laboratory tasks such as pipetting.
8. An ability to adhere to all state regulations and company policies including but not limited to safe handling of marijuana and marijuana products and sanitary practices.
9. Familiarity with seed-to-sale tracking software and/or the ability to be trained to work with such systems (e.g. METRC).
10. Ideal candidate will be a creative, analytical problem-solver who can cooperatively and effectively work with colleagues. Understands and follows verbal and written instructions; works independently in the absence of supervision. Ideal candidate will possess the ability to make mathematical calculations quickly and accurately.
11. Willingness to learn and grow in the analytical chemistry field.
12. Proficiency with the Microsoft Office suite (Word, Excel, etc.) and G Suite (primarily Google Sheets & Google Docs).
13. Effective communication skills (both verbal and written) with excellent computer, typing, and organizational abilities.
14. Ability to work in a fast-paced setting, ability and willingness to multitask, and the ability to prioritize and manage assignments.
15. Positive attitude and willingness to work in a collaborative environment.
16. Hours/Schedule: 1st or 2nd Shift, extra hours may be required, the potential for flexible hours.

D. **Packaging Operators** (Canning Line, Pre Roll, Cartridges) – Packaging Operators ensure the packaging of all products of the facility are labeled and packaged correctly and are in compliance with all Commission regulations. The Packaging Team will work with leadership to ensure that the quality and quantity of Infused’s products meet our highest standards. Packaging Operators must be technically savvy as they perform many machine-adjustment and maintenance tasks in a day. Qualifications for Packaging Operators include:

1. 21+ years old.
2. Previous experience in a manufacturing environment.
3. Proper use of PPE.
4. OSHA-approved Forklift Certification.
5. Competent operation of fillers, washers, palletizers and conveyors.
6. Maintain line efficiency through seamless supply of empty packaging and removal of full packaging.
7. High School diploma or minimum equivalent required.
8. Bachelor or Associate Degree from an accredited college/university is preferred.
9. The ability to ensure accurate and legible coding and compliant labeling of all containers in compliance with Commission regulations.
10. Proficient or the ability to learn SAAS systems for inventory management and compliance.
11. Previous experience within a canning facility is preferred.
12. Strong attention to detail.
13. Genuine enthusiasm for cannabis beverages.

E. **Production Manager** - The Production Manager is responsible for managing the Operations, Manufacturing, and Quality and Regulatory of their specified Product Line with the goals of compliance, innovation, cost reduction, and improved efficiencies. Qualifications for the Production Manager include:

1. 21+ years only.
2. Familiarity with seed-to-sale tracking software and/or the ability to be trained to work with such systems (e.g. METRC).
3. Candidate must be comfortable working with cannabis.
4. An ability to adhere to all state regulations and company policy including but not limited to safe handling of marijuana and marijuana products and sanitary practices.
5. Must have experience implementing large Enterprise Resource Planning (ERP) projects.

6. Proficiency modeling business systems with Excel. Proficiency with the Microsoft Office suite (Word, Excel, etc.) and G Suite (primarily Google Sheets & Google Docs).
7. Effective communication skills (both verbal and written) with excellent computer, typing, and organizational abilities.
8. Ability to work in a fast-paced setting, ability and willingness to multitask, and the ability to prioritize and manage assignments.
9. Bachelor or Associate Degree from an accredited college/university is preferred.

After hire, all Infused employees, interns and volunteers must register with the Commission as Marijuana Establishment Agents as required by 935 CMR 500.030 and receive approval to work as an agent. Following such approval, but before commencing work duties, each employee must undergo a series of trainings which are outlined in Infused's Employee Handbook and are tailored to the duties and responsibilities of the specific job function as noted in 935 CMR 500.105(2)(a).

These trainings shall include but not be limited to: Responsible Vendor Program training as required by 935 CMR 500.105(2)(b), which for new employees must occur within 90 days of being hired. Training will include modules on privacy and confidentiality, security and emergency protocols, preventing diversion of marijuana and marijuana products, harassment and sexual harassment and job-specific functions and, collectively, will meet or exceed the eight hour minimum annual training requirement established in 935 CMR 500.105(2)(b)(1). Indeed, Infused's Employee Handbook ensures that all employees are aware they will undergo a minimum of 8 hours of ongoing training annually.

All current owners, managers and employees of Infused that are involved in the handling and sale of marijuana for adult use at the time of licensure or renewal of licensure, as applicable, shall have attended and successfully completed a Responsible Vendor Training Program to be designated a "Responsible Vendor." Each owner, manager and employee involved in the handling and sale of marijuana for adult use shall take the training each year. All Responsible Vendor training documentation will be retained for four years and will be available for inspection by the Commission and any other applicable licensing authority on request during normal business hours in compliance with 935 CMR 500.105(2)(b)

### **Energy Compliance Plan**

Infused Element (“Infused”) appreciates that consideration of energy efficiency and conservation should occur during the application process for marijuana establishment licensees and throughout the operational life of its facility. Accordingly, Infused will develop procedures to comply with all energy conservation regulations and guidance documents applicable to product manufacturing facilities. In accordance with 935 CMR 500.105(1)(q), Infused will implement policies and procedures for energy efficiency and conservation that shall include:

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

The build-out of the facility at 1 Cabot St in Holyoke will include collaboration with energy professionals who will review facility and equipment needs and make recommendations for optimal facility equipment choices based on energy usage. In addition, to the extent the Commonwealth’s Executive Office of Energy and Environmental Affairs (“EOEEA”) promulgates any energy or water conservation regulations applicable to marijuana cultivators, Infused will nimbly incorporate such regulations into its energy compliance procedures.

To the extent that waste is produced on site, Infused will comply with the Commission’s Guidance on Best Management Practices for Waste Management.<sup>1</sup> Likewise, Infused will nevertheless comply with the Commission’s Guidance on Best Management Practices for Water Use.<sup>2</sup>

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<sup>1</sup> Available at: [https://mass-cannabis-control.com/wp-content/uploads/200825\\_Energy\\_and\\_Environment\\_Compiled\\_Guidance.pdf](https://mass-cannabis-control.com/wp-content/uploads/200825_Energy_and_Environment_Compiled_Guidance.pdf).

<sup>2</sup> *Id.*

For the avoidance of doubt, all of Infused's energy and water conservation procedures will be fully compliant with h 935 CMR 500.101(1)(c)(10) and 500.105(15), to the extent applicable to marijuana product manufacturers. Likewise, in accordance with 935 CMR 500.130(3), Infused will meet all applicable environmental laws, regulations, permits and other applicable approvals including, but not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7:00: Air Pollution Control, and to use additional best management practices as determined by the Commission in consultation with the working group established under St. 2017, c. 55, § 78(b) or applicable departments or divisions of the EOEEA to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts.



## **Diversity Plan**

### **Introduction**

Infused Element (“Infused”) is committed to developing and maintaining a robust policy of inclusivity and diversity at its Holyoke, MA marijuana product manufacturing facility and hiring a workforce that is representative and as diverse as the surrounding community. In this regard, Infused will foster a diverse culture and pledges to promote equity among minorities, women, veterans, people with disabilities, and LGBTQ+ individuals and make every effort to employ and advance in employment qualified and diverse people at all levels within the company.

### **Diversity Goals**

**Goal 1:** Infused will hire a diverse workforce that is reflective of the City of Holyoke. At the end of year 1 of operations, Infused will employ a staff that is at least **30%** diverse. Infused’s long-term goal is a minimum of **50%** diverse (i.e., minorities, women, veterans, people with disabilities, and LGBTQ+ individuals) individual employment across the entire company by year 5 of operations. To achieve that goal, by year 5, Infused intends to hire a workforce that is composed of:

- A. at least **40%** minority employees;
- B. at least **30%** women employees;
- C. at least **10%** employees with disabilities;
- D. at least **10%** veterans; and
- E. at least **10%** LGBTQ+ employees.

**Goal 2:** Infused will educate and develop a culturally-aware workforce that understands the deleterious impacts of bias and racism.

### **Diversity Programs**

**Program related to Goal 1:** Infused’s regular participation at community job fairs in Holyoke – a majority-minority city<sup>1</sup> – will ensure that a diverse pool of applicants is aware of employment opportunities within the company. Infused will participate in at least two job fairs during its first year of operations in Holyoke and pledges to steadily increase its participation at Holyoke job fairs as the business scales and its workforce grows.

**Program related to Goal 2:** Infused will provide regular (*i.e.*, at least annual) trainings to all employees on equity-focused topics including antiracism and unconscious bias.<sup>2</sup> Each year, Infused’s executive management team will vet and evaluate credible training programs and select

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<sup>1</sup> According to recent US Census data, over 53% of the City of Holyoke is Hispanic. See <https://www.census.gov/quickfacts/fact/dashboard/holyokecitymassachusetts/PST045219>.

<sup>2</sup> Pursuant to page 13 of the Commission’s Guidance on Diversity Plans, August 2021, “[p]roviding antiracism and unconscious bias training for all employees” is a program that can effectuate the goals of a Diversity Plan, impact diverse populations, and promote the inclusion of diverse populations in the cannabis industry.

appropriate training modules for all employees. Such trainings may vary from year to year, but in each case will focus on equity issues within the workplace and combating unconscious bias and racism. Such trainings may be in person or virtual in the discretion of the Infused executive management team.

## **Diversity Measurement**

**Metrics related to Goal 1:** Infused will develop policies to regularly analyze the effectiveness of its diversity hiring and diverse employee advancement programs for creating a diverse and inclusive work environment. As part of that regular analysis, Infused's executive management team will annually audit all job applications received by the company (for both internship and full-time positions) to ensure that the company is attracting interest from a diverse population of applicants which includes minorities, women, veterans, people with disabilities, and LGBTQ+ individuals. They will also audit all new hiring decisions to ensure that the company's commitment to a diverse and inclusive work environment is reflected in its hiring decisions and employee profile.

Infused's executive management team will oversee progress toward Infused's long-term hiring goal (*see* Diversity Goals section) by obtaining, at least annually, employee biographical data through self-identifying surveys.

**Metrics related to Goal 2:** Infused's executive management team will keep diligent records of each employee's participation in the required annual (or more frequent) equity-focused trainings and make such records available to the Commission upon request.

## ***Diversity Plan Acknowledgments***

Infused acknowledges that the Commission will evaluate the company's progress toward achieving the goals in this plan annually during the license renewal process. Infused pledges to adhere to the requirements set forth in 935 CMR 500.105(4)(a) which provides the permitted advertising, branding, marketing, and sponsorship practices for all Marijuana Establishments. Infused likewise pledges not to employ any of the prohibited practices articulated in 935 CMR 500.105(4)(b). Finally, none of the actions taken or programs instituted by Infused will violate the Commission's regulations with respect to limitations on ownership or control or any other applicable state laws.