



Massachusetts Cannabis Control Commission

Marijuana Retailer

General Information:

License Number: MR284253
Original Issued Date: 04/03/2023
Issued Date: 04/03/2023
Expiration Date: 04/03/2024

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Lemonnade Springfield, LLC

Phone Number: 714-448-3649 Email Address: anna@cookiesre.com

Business Address 1: 595 Main Street

Business Address 2:

Business City: Springfield

Business State: MA

Business Zip Code: 01105

Mailing Address 1: 4675 MacArthur Court Floor 15

Mailing Address 2:

Mailing City: Newport Beach

Mailing State: CA

Mailing Zip Code: 92660

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

PRIORITY APPLICANT

Priority Applicant: yes

Priority Applicant Type: Economic Empowerment Priority

Economic Empowerment Applicant Certification Number: EE202373

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: 4.68

Percentage Of Control:

Role: Other (specify)

Other Role: Manager of Cookies Holdings LLC, TRP Holdco, LLC, and TRP Partners, LLC

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

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 21.84	Percentage Of Control: 39	
Role: Other (specify)	Other Role: Manager of Lemonnade Springfield, LLC, TRP Holdco, LLC, and TRP Partners, LLC	
First Name: Brandon	Last Name: Johnson	Suffix:
Gender: Male	User Defined Gender:	
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)		
Specify Race or Ethnicity:		

Person with Direct or Indirect Authority 3

Percentage Of Ownership: 4.68	Percentage Of Control:	
Role: Other (specify)	Other Role: Manager of CR Operator Holdings, LLC, Cookies Holdings LLC, TRP Partners, LLC, and TRP Holdco, LLC	
First Name: Ryan	Last Name: Johnson	Suffix:
Gender: Male	User Defined Gender:	
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)		
Specify Race or Ethnicity:		

Person with Direct or Indirect Authority 4

Percentage Of Ownership: 0.04	Percentage Of Control:	
Role: Other (specify)	Other Role: Manager of Cookies Holdings LLC and TRP Holdco, LLC	
First Name: Thomas	Last Name: Linovitz	Suffix:
Gender: Male	User Defined Gender:	
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)		
Specify Race or Ethnicity:		

Person with Direct or Indirect Authority 5

Percentage Of Ownership: 51	Percentage Of Control: 51	
Role: Other (specify)	Other Role: Manager of Lemonnade Springfield, LLC	
First Name: Brittany	Last Name: Washum	Suffix:
Gender: Female	User Defined Gender:	
What is this person's race or ethnicity?: Black or African American (of African Descent, African American, Nigerian, Jamaican, Ethiopian, Haitian, Somali)		
Specify Race or Ethnicity:		

Person with Direct or Indirect Authority 6

Percentage Of Ownership: 10	Percentage Of Control: 10
Role: Owner / Partner	Other Role:

First Name: Travis	Last Name: Best	Suffix:
Gender: Male	User Defined Gender:	
What is this person's race or ethnicity?: Black or African American (of African Descent, African American, Nigerian, Jamaican, Ethiopian, Haitian, Somali)		
Specify Race or Ethnicity:		

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

Percentage of Control: 39	Percentage of Ownership: 39	
Entity Legal Name: CR Operator Holdings, LLC	Entity DBA:	DBA City:
Entity Description: California Limited Liability Company		
Foreign Subsidiary Narrative:		
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:
Entity Address 1: 2804 Gateway Oaks Drive, #100	Entity Address 2:	
Entity City: Sacramento	Entity State: CA	Entity Zip Code: 95833
Entity Mailing Address 1: 4675 MacArthur Court Floor 15	Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660
Relationship Description: A parent company of Lemonnade Springfield, LLC		

Entity with Direct or Indirect Authority 2

Percentage of Control: 39	Percentage of Ownership: 39	
Entity Legal Name: Cookies Retail LLC	Entity DBA:	DBA City:
Entity Description: California Limited Liability Company		
Foreign Subsidiary Narrative:		
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:
Entity Address 1: 2804 Gateway Oaks Drive, #100	Entity Address 2:	
Entity City: Sacramento	Entity State: CA	Entity Zip Code: 95833
Entity Mailing Address 1: 4675 MacArthur Court Floor 15	Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660
Relationship Description: Sole member and manager of Cookies Retail LLC		

Entity with Direct or Indirect Authority 3

Percentage of Control: 39	Percentage of Ownership: 39	
Entity Legal Name: Cookies Holdings, LLC	Entity DBA:	DBA City:
Entity Description: California Limited Liability Company		
Foreign Subsidiary Narrative:		
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:
Entity Address 1: 2804 Gateway Oaks Drive, #100	Entity Address 2:	
Entity City: Sacramento	Entity State: CA	Entity Zip Code: 95833
Entity Mailing Address 1: 4675 MacArthur Court Floor 15	Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660
Relationship Description: Sole member of CR Operator Holdings, LLC		

Entity with Direct or Indirect Authority 4

Percentage of Control: 31.2	Percentage of Ownership: 31.2
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Entity Legal Name: Bakery Partners, LLC	Entity DBA:	DBA City:
Entity Description: California Limited Liability Company		
Foreign Subsidiary Narrative:		
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:
Entity Address 1: 2804 Gateway Oaks Drive, #100	Entity Address 2:	
Entity City: Sacramento	Entity State: CA	Entity Zip Code: 95833
Entity Mailing Address 1: 4675 MacArthur Court Floor 15	Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660
Relationship Description: A parent company of Cookies Retail LLC		

Entity with Direct or Indirect Authority 5

Percentage of Control: 31.2	Percentage of Ownership: 31.2	
Entity Legal Name: TRP Holdco, LLC	Entity DBA:	DBA City:
Entity Description: California Limited Liability Company		
Foreign Subsidiary Narrative:		
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:
Entity Address 1: 4675 MacArthur Court Floor 15	Entity Address 2:	
Entity City: Newport Beach	Entity State: CA	Entity Zip Code: 92660
Entity Mailing Address 1: 4675 MacArthur Court Floor 15	Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660
Relationship Description: A parent company of Bakery Partners, LLC		

Entity with Direct or Indirect Authority 6

Percentage of Control: 31.2	Percentage of Ownership: 31.2	
Entity Legal Name: TRP BR Holdings, LLC	Entity DBA:	DBA City:
Entity Description: California Limited Liability Company		
Foreign Subsidiary Narrative:		
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:
Entity Address 1: 4675 MacArthur Court Floor 15	Entity Address 2:	
Entity City: Newport Beach	Entity State: CA	Entity Zip Code: 92660
Entity Mailing Address 1: 4675 MacArthur Court Floor 15	Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660
Relationship Description: Parent company of TRP Holdco, LLC		

Entity with Direct or Indirect Authority 7

Percentage of Control: 31.2	Percentage of Ownership: 31.2	
Entity Legal Name: TRP Partners, LLC	Entity DBA:	DBA City:
Entity Description: California Limited Liability Company		
Foreign Subsidiary Narrative:		
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:
Entity Address 1: 4675 MacArthur Court Floor 15	Entity Address 2:	
Entity City: Newport Beach	Entity State: CA	Entity Zip Code: 92660
Entity Mailing Address 1: 4675 MacArthur Court Floor 15	Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660

Relationship Description: Parent company of TRP BR Holdings, LLC

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Brandon Last Name: Johnson Suffix:

Types of Capital: Monetary/Equity Other Type of Capital: Total Value of the Capital Provided: \$300000 Percentage of Initial Capital: 100

Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

Business Interest in Other State 1

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

Owner First Name: Owner Last Name: Owner Suffix:

Entity Legal Name: Jonesa, LLC Entity DBA:

Entity Description: Alternative Therapy Retail

Entity Phone: 949-275-0747 Entity Email: Entity Website:
ryan@cookiesre.com

Entity Address 1: 3129 Knightsbridge Drive Entity Address 2:

Entity City: Modesto Entity State: CA Entity Zip Code: 95355 Entity Country: USA

Entity Mailing Address 1: 3129 Knightsbridge Drive Entity Mailing Address 2:

Entity Mailing City: Modesto Entity Mailing State: CA Entity Mailing Zip Code: Entity Mailing Country:
95355 USA

Business Interest in Other State 2

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

Owner First Name: Owner Last Name: Owner Suffix:

Entity Legal Name: Haywood, Inc. Entity DBA:

Entity Description: Domestic LLC

Entity Phone: 949-275-0747 Entity Email: Entity Website:
ryan@cookiesre.com

Entity Address 1: 3435 Ocean Park Blvd Entity Address 2: #107-718

Entity City: Santa Monica Entity State: CA Entity Zip Code: 90405 Entity Country: USA

Entity Mailing Address 1: 3435 Ocean Park Blvd Entity Mailing Address 2: #107-718

Entity Mailing City: Santa Monica Entity Mailing State: CA Entity Mailing Zip Code: Entity Mailing Country:
90405 USA

Business Interest in Other State 3

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

Owner First Name: Owner Last Name: Owner Suffix:

Entity Legal Name: Medical Miracle, Inc. Entity DBA:

Entity Description: Alternative Therapy Retail

Entity Phone: 949-275-0747 Entity Email: Entity Website:
ryan@cookiesre.com

Date generated: 05/01/2023

Page: 5 of 12

Entity Address 1: 2804 Gateway Oaks Drive		Entity Address 2: #100	
Entity City: Sacramento	Entity State: CA	Entity Zip Code: 95833	Entity Country: USA
Entity Mailing Address 1: 2804 Gateway Oaks Drive		Entity Mailing Address 2: #100	
Entity Mailing City: Sacramento	Entity Mailing State: CA	Entity Mailing Zip Code: 95833	Entity Mailing Country: USA

Business Interest in Other State 4

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

Owner First Name:		Owner Last Name:		Owner Suffix:	
Entity Legal Name: Infinity Assets Merced, LLC				Entity DBA:	
Entity Description: Cannabis Dispensary					
Entity Phone: 949-275-0747		Entity Email: ryan@cookiesre.com		Entity Website:	
Entity Address 1: 1547 Palos Verde Mal				Entity Address 2: #297	
Entity City: Walnut Creek		Entity State: CA		Entity Zip Code: 94597	
				Entity Country: USA	
Entity Mailing Address 1: 1547 Palos Verde Mal				Entity Mailing Address 2: #297	
Entity Mailing City: Walnut Creek		Entity Mailing State: CA		Entity Mailing Zip Code: 94597	
				Entity Mailing Country: USA	

Business Interest in Other State 5

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

Owner First Name:	Owner Last Name:	Owner Suffix:	
Entity Legal Name: Cookies Florida, Inc.		Entity DBA:	
Entity Description: Florida Profit Corporation			
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:	
Entity Address 1: 4675 MacArthur Court Floor 15		Entity Address 2:	
Entity City: Newport Beach	Entity State: CA	Entity Zip Code: 92660	Entity Country: USA
Entity Mailing Address 1: 4675 MacArthur Court Floor 15		Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660	Entity Mailing Country: USA

Business Interest in Other State 6

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

Owner First Name:	Owner Last Name:	Owner Suffix:	
Entity Legal Name: Bakery OR I, Inc.		Entity DBA:	
Entity Description: Business Corporation			
Entity Phone: 949-275-0747	Entity Email: ryan@cookiesre.com	Entity Website:	
Entity Address 1: 4675 MacArthur Court Floor 15		Entity Address 2:	
Entity City: Newport Beach	Entity State: CA	Entity Zip Code: 92660	Entity Country: USA
Entity Mailing Address 1: 4675 MacArthur Court Floor 15		Entity Mailing Address 2:	
Entity Mailing City: Newport Beach	Entity Mailing State: CA	Entity Mailing Zip Code: 92660	Entity Mailing Country: USA

Business Interest in Other State 7

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

Owner First Name: Owner Last Name: Owner Suffix:
Entity Legal Name: Blue Enterprises OKC, Inc. Entity DBA:
Entity Description: Domestic for profit entity
Entity Phone: 949-275-0747 Entity Email: Entity Website:
ryan@cookiesre.com
Entity Address 1: 809 N 36th Street Entity Address 2:
Entity City: Oklahoma Entity State: OK Entity Zip Code: 73118 Entity Country: USA
Entity Mailing Address 1: 809 N 36th Street Entity Mailing Address 2:
Entity Mailing City: Entity Mailing State: OK Entity Mailing Zip Code: Entity Mailing Country:
Oklahoma 73118 USA

Business Interest in Other State 8**Business Interest of an Owner or the Marijuana Establishment: Business Interest of an Owner**

Owner First Name: Owner Last Name: Owner Suffix:
Entity Legal Name: Jiva SBD, LLC Entity DBA:
Entity Description: Licensing
Entity Phone: 949-275-0747 Entity Email: Entity Website:
ryan@cookiesre.com
Entity Address 1: 436 Clementina Street Entity Address 2: APT 303
Entity City: San Francisco Entity State: CA Entity Zip Code: 94103 Entity Country: USA
Entity Mailing Address 1: 436 Clementina Street Entity Mailing Address 2: APT 303
Entity Mailing City: San Entity Mailing State: CA Entity Mailing Zip Code: Entity Mailing Country:
Francisco 94103 USA

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 587-595 Main Street
Establishment Address 2:
Establishment City: Springfield Establishment Zip Code: 01105
Approximate square footage of the establishment: 2000 How many abutters does this property have?: 40
Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?: Yes

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan to Remain Compliant with Local Zoning	Lemonnade_Plan to Remain Compliant with Local Zoning.pdf	pdf	60a6865510916d07f8281bf0	05/20/2021
Certification of Host Community Agreement	Lemonnade Springfield HCA Certification.pdf	pdf	61bca3417baa3f462ea47175	12/17/2021
Community Outreach Meeting Documentation	Lemonnade - Community Outreach Attestation.pdf	pdf	61fab00e879c73091c817285	02/02/2022

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	Lemonnade_Positive Impact Plan.pdf	pdf	61fbed5dd3dbc608cffa67f9	02/03/2022

ADDITIONAL INFORMATION NOTIFICATION

Notification:

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Other (specify) Other Role: Manager of Cookies Holdings LLC,TRP Holdco, LLC, TRP Partners, LLC
First Name: Daniel Last Name: Firtel Suffix:
RMD Association: Not associated with an RMD
Background Question: no

Individual Background Information 2

Role: Manager Other Role:
First Name: Brandon Last Name: Johnson Suffix:
RMD Association: Not associated with an RMD
Background Question: no

Individual Background Information 3

Role: Other (specify) Other Role: Manager of CR Operator Holdings, LLC; Manager of Cookies Holdings LLC
First Name: Ryan Last Name: Johnson Suffix:
RMD Association: Not associated with an RMD
Background Question: no

Individual Background Information 4

Role: Other (specify) Other Role: Manager of Cookies Holdings LLC
First Name: Thomas Last Name: Linovitz Suffix:
RMD Association: Not associated with an RMD
Background Question: no

Individual Background Information 5

Role: Manager Other Role:
First Name: Brittany Last Name: Washum Suffix:
RMD Association: Not associated with an RMD
Background Question: no

Individual Background Information 6

Role: Owner / Partner Other Role:
First Name: Travis Last Name: Best 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:** A parent company of Lemonnade Springfield, LLC

Entity Legal Name: CR Operator Holdings, LLC **Entity DBA:**

Entity Description: California Limited Liability Company

Phone: 949-275-0747 **Email:** ryan@cookiesre.com

Primary Business Address 1: 2804 Gateway Oaks Drive, #100 **Primary Business Address 2:**

Primary Business City: Sacramento **Primary Business State:** CA **Principal Business Zip Code:** 95833

Additional Information:

Entity Background Check Information 2

Role: Other (specify) **Other Role:** Sole member and manager of Cookies Retail LLC

Entity Legal Name: Cookies Retail LLC **Entity DBA:**

Entity Description: California Limited Liability Company

Phone: 949-275-0747 **Email:** ryan@cookiesre.com

Primary Business Address 1: 2804 Gateway Oaks Drive, #100 **Primary Business Address 2:**

Primary Business City: Sacramento **Primary Business State:** CA **Principal Business Zip Code:** 95833

Additional Information:

Entity Background Check Information 3

Role: Other (specify) **Other Role:** Sole member of CR Operator Holdings, LLC

Entity Legal Name: Cookies Holdings, LLC **Entity DBA:**

Entity Description: California Limited Liability Company

Phone: 949-275-0747 **Email:** ryan@cookiesre.com

Primary Business Address 1: 2804 Gateway Oaks Drive, #100 **Primary Business Address 2:**

Primary Business City: Sacramento **Primary Business State:** CA **Principal Business Zip Code:** 95833

Additional Information:

Entity Background Check Information 4

Role: Other (specify) **Other Role:** A parent company of Cookies Retail LLC

Entity Legal Name: Bakery Partners, LLC **Entity DBA:**

Entity Description: California Limited Liability Company

Phone: 949-275-0747 **Email:** ryan@cookiesre.com

Primary Business Address 1: 2804 Gateway Oaks Drive, #100 **Primary Business Address 2:**

Primary Business City: Sacramento **Primary Business State:** CA **Principal Business Zip Code:** 95833

Additional Information:

Entity Background Check Information 5

Role: Parent Company **Other Role:**

Entity Legal Name: TRP Partners, LLC **Entity DBA:**

Entity Description: California LLC

Phone: 949-275-0747 **Email:** ryan@cookiesre.com

Primary Business Address 1: 4675 Macarthur Corut Floor 15 **Primary Business Address 2:**

Primary Business City: Newport Beach Primary Business State: CA Principal Business Zip Code: 92660

Additional Information:

Entity Background Check Information 6

Role: Parent Company

Other Role:

Entity Legal Name: TRP Holdco LLC

Entity DBA:

Entity Description: California LLC

Phone: 949-275-0747

Email: ryan@cookiesre.com

Primary Business Address 1: 4675 Macarthur Corut Floor 15

Primary Business Address 2:

Primary Business City: Newport Beach

Primary Business State: CA

Principal Business Zip Code: 92660

Additional Information:

Entity Background Check Information 7

Role: Parent Company

Other Role:

Entity Legal Name: TRP BR Holdings LLC

Entity DBA:

Entity Description: California LLC

Phone: 949-275-0747

Email: ryan@cookiesre.com

Primary Business Address 1: 4675 Macarthur Corut Floor 15

Primary Business Address 2:

Primary Business City: Newport Beach

Primary Business State: CA

Principal Business Zip Code: 92660

Additional Information:

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Secretary of Commonwealth - Certificate of Good Standing	Lemonnade - SOC COGS.pdf	pdf	60a67084874c4807a95b184b	05/20/2021
Articles of Organization	Lemonnade - Certificate of Organization.pdf	pdf	60a670b107441707ab755a9f	05/20/2021
Department of Revenue - Certificate of Good standing	Lemonnade - DUA COGS.pdf	pdf	60a68e8e19087a07cee01330	05/20/2021
Department of Revenue - Certificate of Good standing	Certificate of Good Standing_DOR.pdf	pdf	60bebecc7f6a51360532befd	06/07/2021
Bylaws	Lemonnade_OA Draft_Springfield_v.3.17.21.1.pdf	pdf	60c22e05307f65213f0c8cf7	06/10/2021

No documents uploaded

Massachusetts Business Identification Number: 001493661

Doing-Business-As Name: Cookies

DBA Registration City: Springfield

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Plan for Obtaining Liability Insurance.pdf	pdf	60a6720e51a81d07d9fe2c99	05/20/2021

Business Plan	Business Plan.pdf	pdf	60a685565584fe07c3fa475a	05/20/2021
Proposed Timeline	Timeline.pdf	pdf	60a685688b901d07c17f15dc	05/20/2021

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for obtaining marijuana or marijuana products	Plan for Obtaining Marijuana or Marijuana Products.pdf	pdf	60a672da07441707ab755aae	05/20/2021
Restricting Access to age 21 and older	Plan for Restricting Access to Age 21 and Older.pdf	pdf	60a672e68b901d07c17f152f	05/20/2021
Security plan	Security Plan.pdf	pdf	60a672f6bbf00d07b2722dcc	05/20/2021
Prevention of diversion	Prevention of Diversion.pdf	pdf	60a672fc83a99307cc7466ea	05/20/2021
Storage of marijuana	Storage of Marijuana.pdf	pdf	60a6730110916d07f8281b56	05/20/2021
Transportation of marijuana	Transportation of Marijuana.pdf	pdf	60a6731fd9bd4b07de2af4fa	05/20/2021
Inventory procedures	Inventory Procedures.pdf	pdf	60a67325bbf00d07b2722dd0	05/20/2021
Quality control and testing	Quality Control and Testing.pdf	pdf	60a6732b874c4807a95b1861	05/20/2021
Dispensing procedures	Dispensing Procedures.pdf	pdf	60a6733054f2d307a243faf2	05/20/2021
Personnel policies including background checks	Personnel Policies Including Background Checks.pdf	pdf	60a673878b901d07c17f1535	05/20/2021
Record Keeping procedures	Recordkeeping.pdf	pdf	60a6738b10916d07f8281b5b	05/20/2021
Maintaining of financial records	Maintaining of Financial Records.pdf	pdf	60a6739162b6b807d7d6da3b	05/20/2021
Qualifications and training	Qualifications and Training.pdf	pdf	60a673b703be0807b0c6dd1a	05/20/2021
Energy Compliance Plan	Energy Compliance Plan.pdf	pdf	60a673bed9bd4b07de2af502	05/20/2021
Diversity plan	Lemonnade_Diversity Plan.pdf	pdf	61f8328e879c73091c816599	01/31/2022

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

ATTESTATIONS

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

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

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

Notification:

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification:

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

HOURS OF OPERATION

Monday From: 9:00 AM	Monday To: 9:00 PM
Tuesday From: 9:00 AM	Tuesday To: 9:00 PM
Wednesday From: 9:00 AM	Wednesday To: 9:00 PM
Thursday From: 9:00 AM	Thursday To: 9:00 PM
Friday From: 9:00 AM	Friday To: 9:00 PM
Saturday From: 9:00 AM	Saturday To: 9:00 PM
Sunday From: 10:00 AM	Sunday To: 9:00 PM



Plan to Remain Compliant with Local Zoning

The City of Springfield adopted Zoning Ordinance Section 4.7.110, governing Adult Use Marijuana Establishments to ensure that all proposed Adult Use Marijuana facilities, including Marijuana Retailers, were located in such a way as to ensure “the health, safety, and general well-being of the public and of the authorized adult customers seeking to legally purchase marijuana for their own use.” City Zoning Ordinance, Section 4.7.111. In order to fulfill this purpose, confirm that such facilities are not located within close proximity of minors, and safeguard against over concentration of Marijuana Establishments in one area, the Table of Uses in the City Zoning Ordinance was amended to allow Marijuana Establishments to locate in a limited number of Zoning Districts upon receipt of a Tier 3 Special Permit. Specifically, Marijuana Retailers may be allowed to operate in the following Zoning Districts: Business A, Business B, Business C, Riverfront, Industrial A, and Industrial Park. See City Zoning Ordinance, Section 4-4, Table of Uses.

Lemonnade’s proposed Marijuana Retailer site, situated at 595 Main Street in Springfield, is located in the Business B Zoning District, which is designated as an eligible zone for Adult Use Marijuana Storefront Retailers. See City Zoning Ordinance, Section 4-4, Table of Uses, 20.1(1), Storefront Retailers. Lemonnade will obtain a Special Permit from the City Council, which must be acted upon within two years of issuance. It will seek a Building Permit from the City of Springfield and obtain a Certificate of Occupancy once construction is completed.



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):

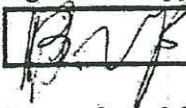
1. Name of applicant:

Lemonnade Springfield, LLC

2. Name of applicant's authorized representative:

Brittany Washum

3. Signature of applicant's authorized representative:



4. Name of municipality:

Springfield

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

Edward M. P. K. City Solicitor



on behalf of City of
Designated by Mayor



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).*):

8. Host community agreement execution date:

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): 3/18/21
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:

3/3/21

b. Name of publication:

The Republican

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:

3/1/21

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

a. Date notice(s) mailed:

3/10/21

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



Name of applicant:

Lemonnade Springfield, LLC

Name of applicant's authorized representative:

Brittany Washum

Signature of applicant's authorized representative:

Brittany Washum



Subject: Public Meeting Notice
Date: Monday, March 1, 2021 at 3:25:20 PM Eastern Standard Time
From: Rebecca Rutenberg
To: cnelson@springfieldcityhall.com
CC: Brandon Kurtzman
Attachments: Lemonnade Springfield - Outreach Meeting.docx

Hello,

Please find the attached public meeting notice. If we can provide any additional information, please do not hesitate to ask.

Best,

Becca

--

Rebecca Rutenberg
Director of Strategic Affairs

Vicente Sederberg LLP
2 Seaport Ln., 11th Floor
Boston, MA 02210
Cell: 610-675-5958
Rebecca@VicenteSederberg.com
VicenteSederberg.com

[Confidentiality Notice](#)

**NOTICE OF COMMUNITY OUTREACH MEETING
LEMONNADE SPRINGFIELD**

Notice is hereby given that Lemonnade Springfield will hold a Virtual Community Outreach Meeting on **March 18, 2021** at 6:00 PM relative to its proposal to site an Adult Use Marijuana Retailer at 595 Main Street in Springfield, Massachusetts 01105.

This Virtual Community Outreach Meeting will be held in accordance with the Massachusetts Cannabis Control Commission's Administrative Order Allowing Virtual Web-Based Community Outreach Meetings and the applicable requirements set forth in M.G.L. ch. 94G and 935 CMR 500.000 *et seq.*

The Virtual Community Outreach Meeting via Zoom is available at <https://us02web.zoom.us/j/87925450926>. Participants may also dial in by telephone using the phone number: 301-715-8592 with meeting ID 87925450926 #. A copy of the meeting presentation will be made available at least 24 hours prior to the meeting at LemonnadeSpringfield.Squarespace.com.

Interested members of the community will have the opportunity to ask questions and receive answers from company representatives about the proposed facility and operations. Questions can be submitted in advance by emailing rebecca@vicentesederberg.com or asked during the meeting after the presentation.

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LEMONNADE
SPRINGFIELD, LLC

595 MAIN ST • SOUTH END

Community Outreach Meeting

March 18, 2021

LOCALLY OWNED LOCALLY OPERATED



BRITTANY WASHUM

Father and daughter team **James Bennett** and **Brittany Washum** are lifelong Massachusetts residents and small business owners. Collectively, they have over 30 years of experience in retail operations, project management, and agriculture. A Western Massachusetts resident, Brittany is the majority owner of Lemonade Springfield as well as a Cannabis Control Commission Certified Economic Empowerment Applicant.



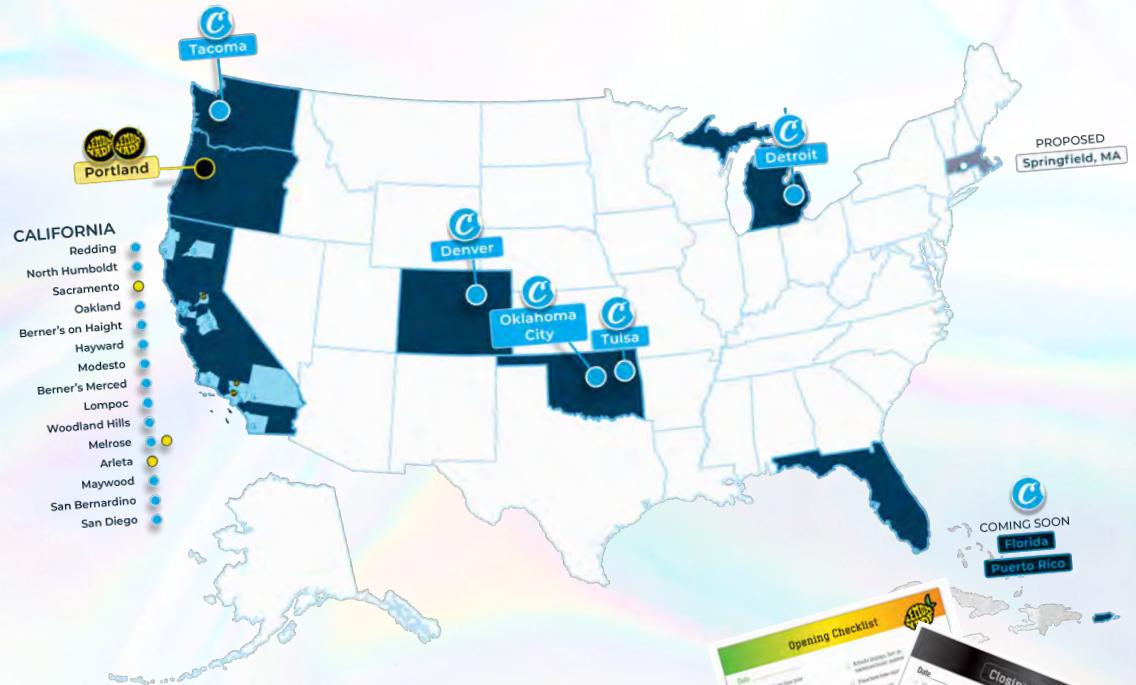
SOURCE: MASSLIVE

TRAVIS BEST

Born and raised in Springfield, Travis Best is committed to excellence on and off the court. After playing for Springfield Central High School, Travis was recruited by Georgia Tech before being drafted by the Indiana Pacers. He also played for the Chicago Bulls, Miami Heat, Dallas Mavericks, and the New Jersey Nets. Travis leads the Travis Best Foundation, which teaches underserved youth to utilize all of the academic and life resources that sports and arts afford.

LOCAL ROOTS NATIONAL EXPERTISE

Founded in 2015 by Berner and industry legend Brett Wilson, Lemonnade is a sister brand of **Cookies**, an authentic cannabis company with decades of legal cannabis experience, and the number one selling cannabis products in the nation.

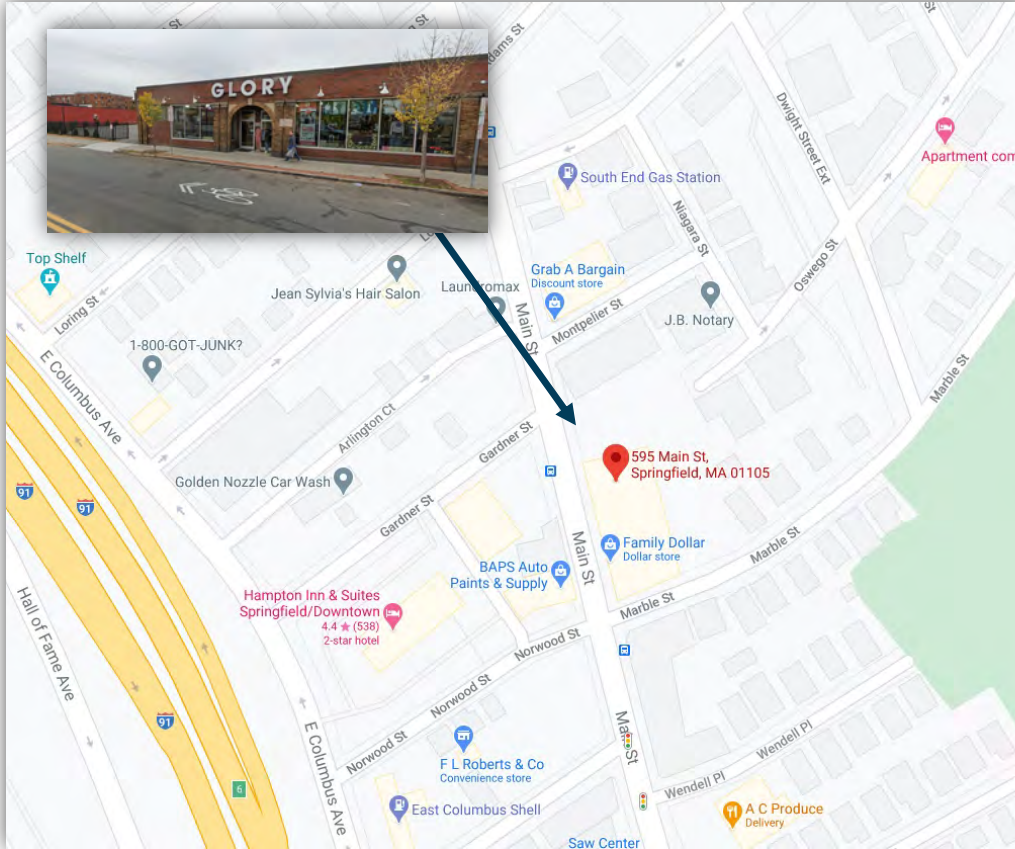


Our Springfield facility will have access to security, compliance, personnel, and operational resources from Lemonnade and Cookies operations across the nation, facilitating best-in-class operations on site.



\$8 M	paid in cannabis tax revenue YTD
50,000	unique monthly customers
\$11 M	available capital for start up costs and operations
\$150	average customer transaction
100+	cumulative years of cannabis experience
30+	cannabis licenses across the nation
0	regulatory infractions nationwide
50	miles that the average customer drives to a Lemonnade storefront

595 MAIN STREET: PROPOSAL OUTLINE

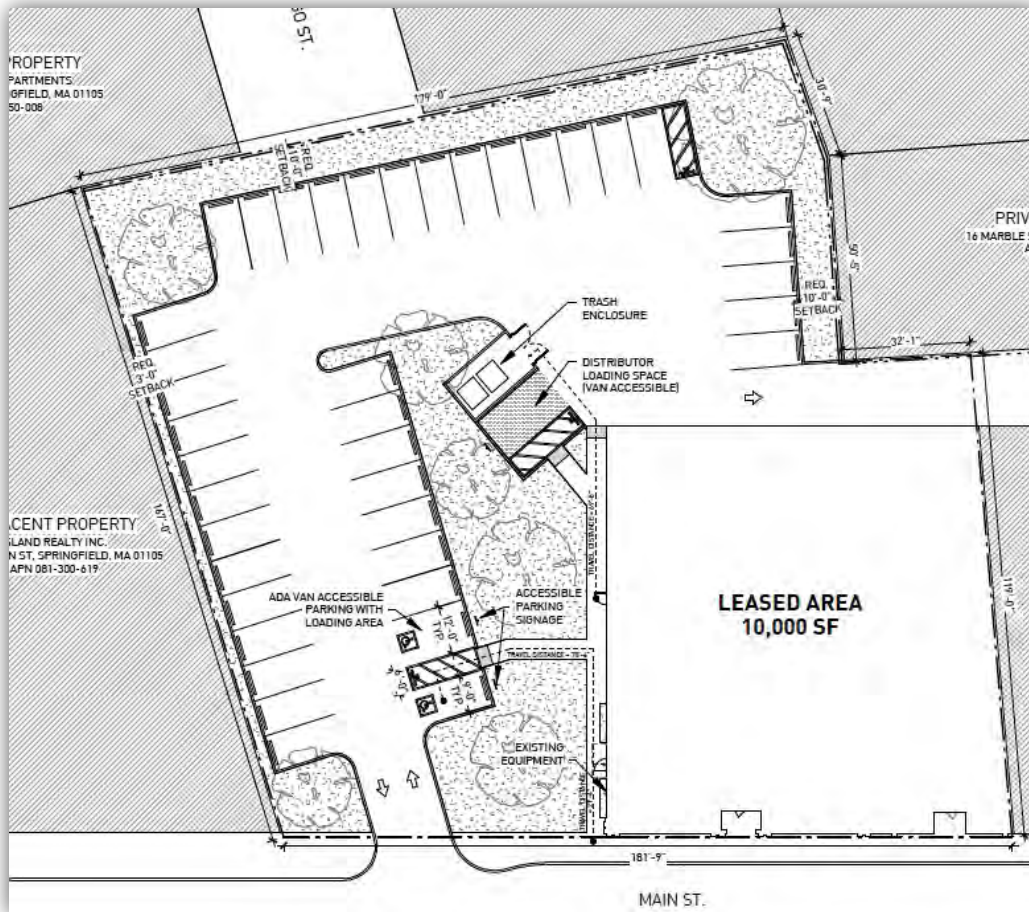


Lemonnade seeks to site a Marijuana Retailer at 585 Main Street in the South End Neighborhood. Pursuant to Section 4.7.110 of Springfield's Zoning Ordinance, the site is:

- not within 500 feet of a pre-existing K-12 school
- not within 300 feet of another marijuana retailer
- a parcel comprised of over 30,000 square feet of land, limiting residential impact and buffers from residential parcels
- located in the Business B district on a street that has been designated for such a use within the Marijuana Zoning Ordinance

If selected for a host community agreement, Lemonnade will apply for a Special Permit from the City Council and a license from the Cannabis Control Commission.

595 MAIN STREET: EXTERIOR SITE PLAN



- 41 on site parking spaces, with parking capacity for over 250 customers/hour if needed
- Steps away from numerous PVTA bus stops servicing Springfield & surrounding region
- Multiple points of egress to avoid congestion
- Security fence and secured area for loading and trash
- Downcast lighting to illuminate property without shining light into adjacent residences
- Addition of landscaping and parking lot improvements to enhance safety
- 24/7 video surveillance of parking lots

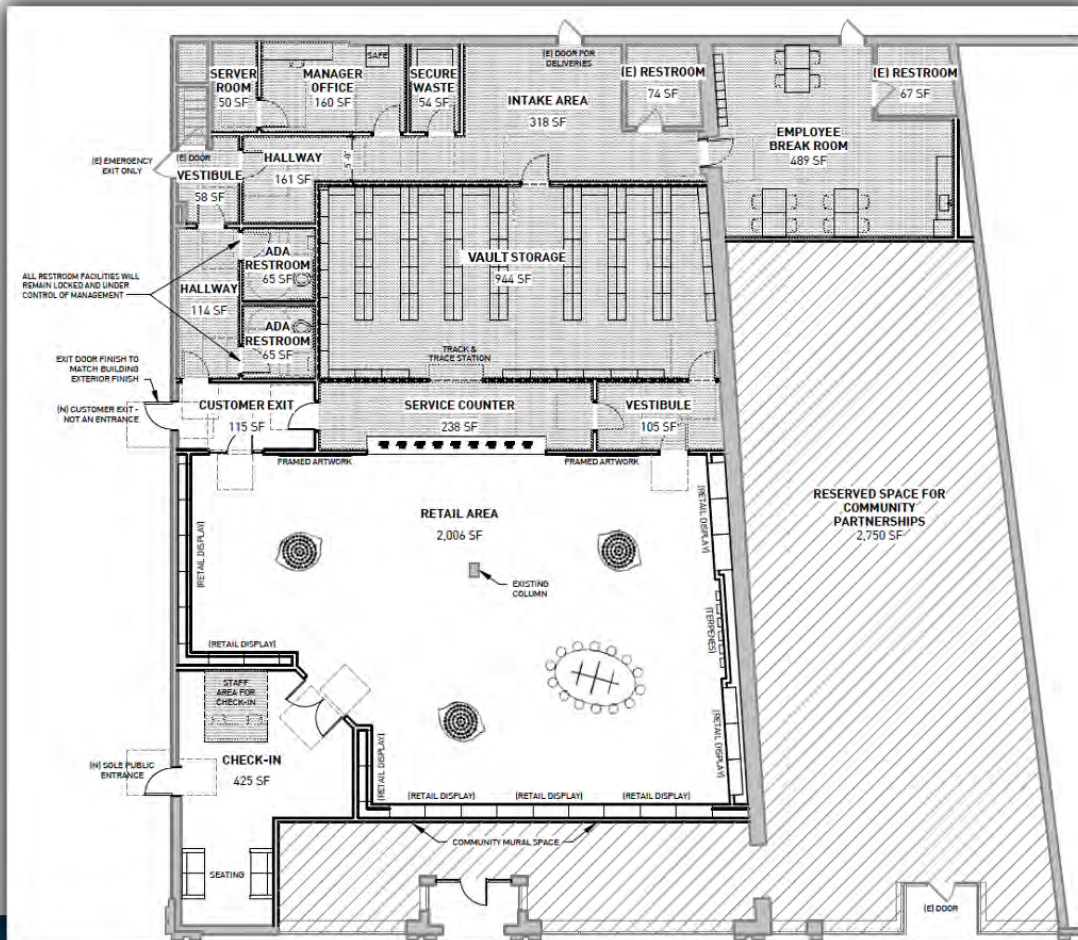
595 MAIN STREET: EXTERIOR LOOK & FEEL



- Main entry to facility in parking lot to minimize marijuana presence on Main Street
- Use of public art to revitalize a vacant commercial storefront and promote foot traffic while keeping nuanced facade and enhancing area security
- Partnership with Common Wealth Murals to commission public art



595 MAIN STREET: INTERIOR FLOOR PLAN



- Large security vestibule and retail area to mitigate exterior queuing, totaling 2,500 SF
- Two separate points of ID verification – at check in and at the service counter
- Displays of packaging - no product on sales floor
- Separate customer entry and exit, the gold standard to prevent diversion
- Secure loading and delivery area

OPERATIONAL EXCELLENCE: SECURITY

- A laser focus on security, inventory control, and diversion prevention throughout all SOPs and practices, with physical security provided by Astronaut Security, a Massachusetts cannabis security veteran and desire to collaborate with South End C3 Policing program to contribute to **secure outcomes for the entire community**



- Perimeter security, including motion sensors, alarms, and video surveillance, will be installed to protect the site from unauthorized intrusion. Intrusion detection sensors will be placed on all exit and entry points, including windows. Extensive video surveillance will be placed on the exterior of the facility and all interior locations that may contain cannabis. Duress, panic, and hold-up alarms will be located strategically throughout the facility.
- Multiple redundant alarm systems will be operating to ensure that the system does not fail in the case of power outage or any other service disruption.
- Live security guards will monitor camera feeds on site during all hours of operation. Additionally, feeds will be remotely monitored by offsite 24/7 dispatch team at all times in addition to looping into the Police Department if desired.
- Stringent access control procedures maintain strict control over who is in the facility at any given moment. Security agents will monitor the interior and exterior of the facility on alert for suspicious behaviors. They will be trained on Standard Operating Procedures to respond instantly in crisis situations.
- Products will be located in locked, secure vaults under video surveillance. Only designated staff will have access to the vault, with layered access badges prohibiting free staff movement throughout the building. No more than the anticipated inventory required for two days will be stored on site.

OPERATIONAL EXCELLENCE: PREVENTING DIVERSION

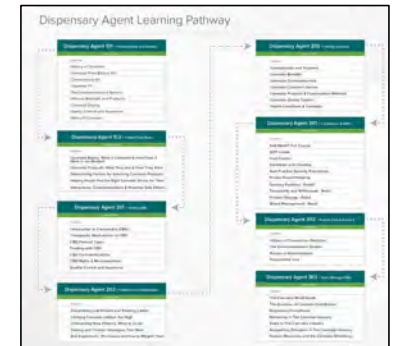
A laser focus on security, inventory control, and diversion prevention to contribute to secure outcomes for the entire community

ACCESS CONTROL

Only consumers 21 years of age or older with a verified and valid, government-issued photo ID will be allowed to enter the facility and conduct a transaction. IDs are checked on three separate occasions during a customer transaction. Employees are empowered to deny sales to individuals if they are concerned that they may not be of age.

EMPLOYEE PROTOCOL

Controls are in place to prevent the diversion of marijuana internally, including the use of a seed to sale tracking system. Employees undergo exhaustive training that underscores diversion prevention through all facets of operations, including facility access, sales, chain of custody, and security. If an employee intentionally or negligently sells marijuana to an individual under the age of 21 they will be terminated. Lemonnade will immediately notify the Cannabis Control Commission of any suspected diversion. Lemonnade will only hire individuals 21 years of age or older.



ADVERTISING AND BRANDING

Lemonnade will not engage in any marketing initiatives that are designed to appeal to minors under the age of 21. Products will not resemble realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.

OPERATIONAL EXCELLENCE: NUISANCE

A laser focus on security, inventory control, and diversion prevention to contribute to **secure outcomes for the entire community**

Lemonnade will provide a 24/7 contact phone number to the police, interested abutters or nearby residents, local civic associations and the City.

Absolutely **NO** public consumption is allowed on site or in adjacent areas. If City officials express that there are any areas of concern nearby, Lemonnade will offer to install video surveillance at any location.

Lemonnade will employ external security personnel to ensure vehicles, bicycles, and pedestrians are able to safely traverse its facility. The external security guards will also monitor the exterior of the premises to protect against loitering, public consumption, double parking, littering, or any other nuisance.

Lemonnade's facility has been carefully designed to mitigate noise, light pollution, and odor concerns.

Lemonnade's General Manager will attend all local neighborhood meetings to solicit feedback and remain aware of neighborhood issues and happenings.



VALUES FIRST PROFIT SECOND

- 100 percent of employees will be Springfield residents, minorities, or have a history of disproportionate impact by drug law enforcement
- Employees will be paid a **living wage** (no less than \$20/hour and averaging at \$24/hour), and have access to **comprehensive benefits, 401k, workforce development opportunities, and 40 hours of paid volunteer time**
- Customers sign a **Community Compact** upon entry to the facility
- Commitment to support the South End Community Center's Community Youth Core program



- Lemonnade's general manager will attend all local business and civic associations as a mandatory job function to stay abreast of current community happenings.
- Lemonnade will dedicate prime shelf space to products and brands owned by Social Equity and Economic Empowerment Applicants.
- Active participation in local and national civic, business, and philanthropic organizations

SOCIAL EQUITY IMPACT CENTER



Lemonnade has set aside a 3,000 SF separately tenanted portion of its facility to serve as a training center to assist Springfield residents in reducing barriers to entering the cannabis industry and identify future Lemonnade employees.



- [Cannabis Skill Seminars](#) utilizing Green Flower's Workforce Development Program platform that provides immensely valuable content in all facets of the cannabis industry and is used by higher education institutions across the nation, including Northern Michigan University, Western Washington University, the University of San Diego, Florida Atlantic University, and the University of Wisconsin;
- [Networking Sessions and Industry Events](#)
- [Office Hours](#) with experts to allow interested parties to collaborate to draft resumes, business plans, or compliance materials
- Partnership with [Valley Venture Mentors](#) and BIPOC led and centered organizations to create and execute a program to assist entrepreneurs of color
- [Community Meeting Space](#) for adult groups that are seeking regular meeting spaces for civic, business, or philanthropic endeavors.
- [Free Office Space](#) to business owners and entrepreneurs in the area
- [CORI Record Sealing Programs](#) to provide pathways for individuals who have been disproportionately impacted by drug law enforcement

COMMITMENT TO COMMUNITY

OUR PROMISE TO YOU.

JOIN	community organizations
DONATE	to local neighborhood priorities
SPONSOR	events and efforts of local organizations
ATTEND	regular meetings and special events
VOLUNTEER	time and resources to support community led efforts
LISTEN	to concerns by having a dedicated liaison
ACT	when needed to find solutions

COMMITMENTS TO DATE

- Create a Neighborhood Advisory Council
- Create new programs and initiatives hand and hand with South End Community Center
- 3,000 sq/ft Social Equity Impact Center
- Program with Valley Venture Mentors and BIPOC Centered Business Associations
- Expungement program for community members
- Cross marketing for South End businesses
- Program with Common Wealth Murals to create murals for Main Street windows and a major mural reflective of the South End and its history on the North-facing wall
- Continued discussion with MGM Springfield to help bolster initiatives they already perform

South End Citizen's Council - [South End Community Center](#) -South End Business Association - [South End C3 Policing](#) - Springfield Business Improvement District - [Common Wealth Murals](#) - Affiliated Chambers of Commerce of Greater Springfield - [Valley Venture Mentors](#) - Young Professionals of Greater Springfield - [Suit-Up Springfield](#) - Greater Springfield Visitors and Convention Bureau - [Association of Black Professionals and Businesses](#) - Spirit of Springfield - [Travis Best Foundation](#) - Any other appropriate organizations



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QUESTIONS?

Subject: Cloud Recording - Lemonnade - Springfield Community Outreach Meeting is now available
Date: Thursday, March 18, 2021 at 6:47:44 PM Eastern Daylight Time
From: Zoom
To: Rebecca Rutenberg

Hi Becca Rutenberg,

Your cloud recording is now available.

Topic: Lemonnade - Springfield Community Outreach Meeting
Date: Mar 18, 2021 05:45 PM Eastern Time (US and Canada)

Click here to view your recording (this link can be used only by the host):
https://us02web.zoom.us/recording/detail?meeting_id=C6Vbk2ZuQTuYFi8o%2BpJH9A%3D%3D

Copy the link below to share this recording with viewers:
https://us02web.zoom.us/rec/share/p1V44DNVhrW-9Vpjk4b7HpHTs5srdsFSnYss2d5N9QRXizlZinpoicsUbiHFWUoq.1wO_DkfNYv0lObgp Passcode: Q+f=rkh8

Thank you for choosing Zoom.
-The Zoom Team

CAUTION: This email is from an EXTERNAL contact. Please do not open attachments, or click on links from unknown or suspicious senders.

87925450926 - Attendee Report

Attendee Report									
Report Generated:	Mar 19, 2021 12:20 PM								
Topic	Webinar ID	Actual Start Time	Actual Duration (minutes)	# Registered	# Cancelled	Unique Viewers	Total Users	Max Concurrent Views	
Lemonnade - Springfield Community Outreach Meeting	879 2545 0926	Mar 18, 2021 5:45 PM	51	8	0	8	16	0	
Host Details									
Attended	User Name (Original Name)	Email	Join Time	Leave Time	Time in Session (minutes)	Country/Region Name			
Yes	Annie Nagle	rebecca@vicentesederberg.com	Mar 18, 2021 17:45:32	Mar 18, 2021 18:36:13	51	United States of America			
Panelist Details									
Attended	User Name (Original Name)	Email	Join Time	Leave Time	Time in Session (minutes)	Country/Region Name			
Yes	DanielleCAPTIONS	danielleblacklyons@gmail.com	Mar 18, 2021 17:47:01	Mar 18, 2021 18:36:13	50	United States of America			
Yes	MarcusVik	marcus@cookiesre.com	Mar 18, 2021 18:00:07	Mar 18, 2021 18:36:12	37	United States of America			
Yes	MaureenMcCollum	maureenmulcahy23@gmail.com	Mar 18, 2021 17:58:52	Mar 18, 2021 18:36:13	38	United States of America			
Yes	annamendoza	anna@cookiesre.com	Mar 18, 2021 18:02:08	Mar 18, 2021 18:36:08	34	United States of America			
Yes	BrittanyWashum	b.washumbennett@gmail.com	Mar 18, 2021 17:59:15	Mar 18, 2021 18:36:12	37	United States of America			
Yes	PhilSilverman	philsilverman@vicentesederberg.com	Mar 18, 2021 17:57:15	Mar 18, 2021 18:36:12	39	United States of America			
Attendee Details									
Attended	User Name (Original Name)	First Name	Last Name	Email	Registration Time	Approval Status	Join Time	Leave Time	Time in Session (minutes)
Yes	Bridgette Nikisher	Bridgette	Nikisher	bridgettenikisher@gmail.com	Mar 18, 2021 17:58:15	approved	Mar 18, 2021 17:58:22	Mar 18, 2021 18:36:12	38
Yes	james	james		kungfuvideos@gmail.com	Mar 18, 2021 18:02:48	approved	Mar 18, 2021 18:02:49	Mar 18, 2021 18:19:18	17
Other Attended									
User Name	Join Time	Leave Time	Time in Session (minutes)	Country/Region Name					
14135318057	Mar 18, 2021 5:58 PM	Mar 18, 2021 6:36 PM	38	United States of America					



Positive Impact Plan

As an entity owned by an Economic Empowerment Applicant, a cornerstone of Lemonnade's purpose-driven operational plan is a commitment to positively impact the communities that have been disproportionately impacted by drug law enforcement. Lemonnade's proposed site at 575 Main Street is located within US Census Tract 802000, which has been identified by the Cannabis Control Commission as an Area of Disproportionate Impact. As such, it is Lemonnade's intention to serve as a contributing, positive force within the by continued commitment to the following goals:

1. Empowering full participation in the cannabis industry by people from communities that have been disproportionately harmed by cannabis prohibition and enforcement through the establishment of a free, 3,000 SF Social Equity Impact Center immediately adjacent to its building, which will host Lemonnade-led incubator programs, cannabis lectures and seminars to provide no less than fifty (50) hours of community service per year to individuals residing within US Census Tract 802000 and other Commission-identified census tracts within Springfield;
2. Enlivening a previously vacant stretch of Main Street through a mural program facilitated by Common Wealth Murals, which positively impacts Census Tract 802000 by promoting community art at a previously blighted, vacant store; and
3. Prioritizing the hiring of Springfield residents—particularly those within the Census Tracts identified by the Commission—such that 100% of Lemonnade's employees are Springfield residents (with the overwhelming majority from Commission-identified Census Tracts).

SOCIAL EQUITY IMPACT CENTER

To reduce the barriers to entry that local residents face in entering the cannabis industry, Lemonnade has set aside a 3,000 SF separately tenanted portion of its facility at 575 Main Street to serve as a Social Equity Impact Center. The Social Equity Impact Center will host a number of initiatives and activities targeted towards providing mentoring, professional and technical services for disproportionately harmed people (particularly to those Springfield residents within Census Tract 802000), including:

- Cannabis Skill Seminars utilizing Green Flower's Workforce Development Program platform that provides immensely valuable content in all facets of the cannabis industry. Training will include topics such as regulatory compliance, general business practices, retail training, product manufacturing training, cultivation training, customer service, and business plan development. Lemonnade will also provide more traditional business trainings, including human resources, business writing, networking, fundraising accounting, and marketing. Trainings will be provided by third party companies with extensive experience in the marijuana industry;
- Networking Sessions and Industry Events to empower the formation of peer support groups and mentorship from experts;
- Drafting Office Hours with Lemonnade experts to allow interested parties to collaborate to draft resumes, business plans, or compliance materials;
- Free Office Space provide coworking space to local entrepreneurs and business people;
- Community Meeting Space for adult groups that are seeking regular meeting spaces for civic, business, or philanthropic endeavors.



Lemonnade will make local residents aware of this program through its regular outreach at local neighborhood association and business association meetings; by communicating opportunities to sign up well in advance on accelerator dates; through advertisements in local papers such as the Springfield Republican; by contacting local elected and appointed officials; and through posted signs inside of its retail premises.

WORKFORCE DEVELOPMENT TEAM:

Lemonnade recognizes the importance of leveraging the expertise of local team members with proven histories of community engagement with individuals from Springfield and individuals that have been disproportionately impacted by drug law enforcement. Lemonnade's ownership will set an unambiguous tone to make clear that of paramount importance in hiring and business development will be to ensure that all prospective employees and vendors have equal and equitable opportunity and are unhampered by artificial barriers or prejudices. Lemonnade's ownership team will ensure that the company is able to hire a talented staff of 35-45 individuals comprised of 100% employees that are Springfield residents.

WORKFORCE DEVELOPMENT STRATEGY:

Lemonnade's comprehensive recruitment initiative will serve as a pillar of its purpose-driven company. Lemonnade will seek to establish and maintain an inclusive and local workforce to serve its customers through an intentional human resources strategy that ensures each and every hiring search has a local candidate pool. Proposed outreach initiatives include:

Developing Partnerships with Mission-Based Organizations: Lemonnade will establish partnerships with Springfield organizations that specifically engage individuals from socioeconomically disadvantaged communities and individuals that have been disproportionately impacted by drug law enforcement.

Community Outreach Liaison: Under the supervision of the General Manager, Lemonnade will hire community outreach liaisons to engage individuals residing in the local community, individuals that have been disproportionately impacted by drug law enforcement. The liaisons will identify as a member of or have demonstrated backgrounds working with members of the above-mentioned constituencies. Liaisons will canvass communities, hold informational sessions targeted towards 15 people per session, and provide information about Lemonnade and its operations.

Referral Programs: Whenever new employment opportunities arise, Lemonnade will encourage all employees to refer potential applicants for employment. Lemonnade will incentivize recruitment through paid referral bonuses.

Additional Outreach Efforts: Lemonnade's recruitment efforts are designed to maintain a steady flow of qualified diverse applicants and includes the following steps:

- Advertising employment opportunities in local newspapers such as the Springfield Republican;
- Transmit career openings to local civic, business, and philanthropic associations; elected and appointed officials; the City's online job forum; and local partner organizations.

ECONOMIC DEVELOPMENT

Lemonnade intends to engage in a partnership with Common Wealth Murals. As they state, transforming a neighborhood takes more than a little paint, it takes people. Engaging the community through the creation of works of art builds relationships and helps strengthen the ties that bind people together. It allows communities to reclaim or rewrite the stories of their public spaces, promotes civic pride, and create intentional visions of what the future could hold. Community engaged murals help people experience what they can make when they work together to create something beautiful — which opens them up to the possibilities of what else they can achieve as a community. The Community Mural Institute combines classroom instruction and experiential learning so that by the end of the Institute, artists can independently create and install

exceptional community-engaged murals. The Institute teaches how to structure and facilitate community design and painting workshops, best practices for mural design, and how to create and install murals using the parachute cloth technique. During the Institute, each artist partners with a community group to design, paint and install a 150 square foot mural. Lemonnade intends to commission Common Wealth Murals to identify artists for the side and front of its facility. Please see the enclosed contract evidencing the specifics of the commissioning and permitting this participation.

PROGRAM MEASUREMENT

Lemonnade will evaluate its progress towards its goals by evaluating qualitative and quantitative measures annually upon Cannabis Control Commission license renewal.

- Whether or not it engaged Common Wealth Murals to procure a mural at its facility;
- The total amount of contributions made to organizations;
- The number of cannabis skill seminars held at its facility;
- The number of networking sessions or events held at its facility;
- The number of hours employees volunteered;
- The number of drafting office hours held at its facility; and
- Whether or not Lemonnade made local residents aware of this program through its regular outreach at local neighborhood association and business association meetings; by communicating opportunities to sign up well in advance on accelerator dates; through advertisements in local papers; by contacting local elected and appointed officials, to encourage them to inform their networks; and through posted signs inside of its retail premises.

DISCLOSURES

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



William Francis Galvin
Secretary of the
Commonwealth

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

March 18, 2021

TO WHOM IT MAY CONCERN:

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

LEMONNADE SPRINGFIELD, LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **March 11, 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: **RYAN JOHNSON, BRITTANY WASHUM**

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

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



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

Processed By:NGM

Corporations Division

Business Entity Summary

ID Number: 001493661[Request certificate](#)[New search](#)**Summary for: LEMONNADE SPRINGFIELD, LLC****The exact name of the Domestic Limited Liability Company (LLC):** LEMONNADE SPRINGFIELD, LLC**Entity type:** Domestic Limited Liability Company (LLC)**Identification Number:** 001493661**Date of Organization in Massachusetts:**
03-11-2021**Last date certain:****The location or address where the records are maintained** (A PO box is not a valid location or address):

Address: C/O PARACORP INCORPORATED 44 SCHOOL STREET, SUITE 505

City or town, State, Zip code, BOSTON, MA 02108 USA

Country:

The name and address of the Resident Agent:

Name: PARACORP INCORPORATED

Address: 44 SCHOOL STREET SUITE 505

City or town, State, Zip code, BOSTON, MA 02108 USA

Country:

The name and business address of each Manager:

Title	Individual name	Address
MANAGER	RYAN JOHNSON	44 SCHOOL STREET, SUITE 505 BOSTON, MA 02108 USA
MANAGER	BRITTANY WASHUM	44 SCHOOL STREET, SUITE 505 BOSTON, MA 02108 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	RYAN JOHNSON	44 SCHOOL STREET, SUITE 505 BOSTON, MA 02108 USA

☐ **Consent** ☐ **Confidential Data** ☐ **Merger Allowed** ☐ **Manufacturing**

View filings for this business entity:

ALL FILINGS

Annual Report
Annual Report - Professional
Articles of Entity Conversion
Certificate of Amendment

View filings

Comments or notes associated with this business entity:

[New search](#)

**Certificate of Good Standing or Compliance from the Massachusetts
Department of Unemployment Assistance Attestation Form**

Signed under the pains and penalties of perjury, I, Brittany Washum, an authorized representative of Lemonnade Springfield, LLC, certify that Lemonnade Springfield, LLC does not currently have employees and is therefore unable to register with the Massachusetts Department of Unemployment Assistance to obtain a Certificate of Good Standing or Compliance.

Brittany Washum

Signature

03/18/21

Date

Name: Brittany Washum

Entity: Lemonnade Springfield, LLC



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

mass.gov/dor

Letter ID: L0885030720
Notice Date: June 7, 2021
Case ID: 0-001-184-953



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



LEMONNADE SPRINGFIELD LLC
595 MAIN ST
SPRINGFIELD MA 01105-2437

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, LEMONNADE SPRINGFIELD 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 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

LIMITED LIABILITY COMPANY AGREEMENT

of

LEMMONADE SPRINGFIELD, LLC

among

THE MEMBERS NAMED HEREIN

Dated as of:

JUNE 8, 2021

TABLE OF CONTENTS

ARTICLE I DEFINITIONS	5
Section 1.01 Definitions.....	5
Section 1.02 Interpretation.....	15
ARTICLE II ORGANIZATION	16
Section 2.01 Formation.....	16
Section 2.02 Name.....	16
Section 2.03 Principal Office.....	16
Section 2.04 Registered Office; Registered Agent	16
Section 2.05 Purpose; Powers.....	16
Section 2.06 Term.....	17
Section 2.07 No State-Law Partnership.....	17
ARTICLE III UNITS.....	17
Section 3.01 Units Generally	17
Section 3.02 Authorization and Issuance of Class A Units	17
Section 3.03 Authorization and Issuance of Class B Units	17
Section 3.04 Other Issuances	18
Section 3.05 Limitations on Issuances of Units.....	18
Section 3.06 Certification of Units	18
ARTICLE IV MEMBERS.....	19
Section 4.01 Admission of New Members	19
Section 4.02 Representations and Warranties of Members	19
Section 4.03 No Personal Liability	21
Section 4.04 No Withdrawal.....	21
Section 4.05 Death.....	21
Section 4.06 Voting	21
Section 4.07 Meetings.....	21
Section 4.08 Action Without Meeting	22
Section 4.09 Power of Members.....	22
Section 4.10 No Interest in Company Property	22
Section 4.11 Automatic Divestiture.....	22
Section 4.12 Settling of Accounts Following Automatic Divestiture.....	22
Section 4.13 Class A Member Restrictions	23
Section 4.14 Other Business Activities.....	23
ARTICLE V CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS.....	23
Section 5.01 Initial Capital Contributions	23
Section 5.02 Additional Capital Contributions.....	24
Section 5.03 Maintenance of Capital Accounts.....	24
Section 5.04 Succession Upon Transfer	25
Section 5.05 Negative Capital Accounts	25
Section 5.06 No Withdrawal.....	25
Section 5.07 Treatment of Loans from Members	25

Section 5.08	Intent and Modifications	25
ARTICLE VI ALLOCATIONS		26
Section 6.01	Allocation of Net Income and Net Loss	26
Section 6.02	Regulatory and Special Allocations	26
Section 6.03	Tax Allocations	27
Section 6.04	Allocations in Respect of Transferred Units	28
Section 6.05	Curative Allocations	28
ARTICLE VII DISTRIBUTIONS		28
Section 7.01	General	28
Section 7.02	Priority of Distributions	29
Section 7.03	Tax Distributions	30
Section 7.04	Tax Withholding; Withholding Advances	31
Section 7.05	Distributions in Kind	32
ARTICLE VIII MANAGEMENT		33
Section 8.01	Establishment of the Board	33
Section 8.02	Board Composition; Vacancies	33
Section 8.03	Removal; Resignation	34
Section 8.04	Meetings	34
Section 8.05	Quorum; Manner of Acting	35
Section 8.06	Action by Written Consent	37
Section 8.07	Compensation; No Employment	37
Section 8.08	Officers	37
Section 8.09	No Personal Liability	38
ARTICLE IX TRANSFER		38
Section 9.01	General Restrictions on Transfer	38
Section 9.02	Right of First Refusal	38
ARTICLE X CONFIDENTIALITY		39
Section 10.01	Confidentiality	39
ARTICLE XI ACCOUNTING; TAX MATTERS		42
Section 11.01	Income Tax Audits	42
Section 11.02	Tax Returns; Tax Elections	44
Section 11.03	Company Funds	44
ARTICLE XII DISSOLUTION AND LIQUIDATION		44
Section 12.01	Events of Dissolution	44
Section 12.02	Effectiveness of Dissolution	45
Section 12.03	Liquidation	45
Section 12.04	Cancellation of Certificate	46
Section 12.05	Survival of Rights, Duties and Obligations	46
Section 12.06	Resource for Claims	46
ARTICLE XIII EXCULPATION AND INDEMNIFICATION		46

Section 13.01	Exculpation of Covered Persons.....	46
Section 13.02	Liabilities and Duties of Covered Persons.....	47
Section 13.03	Indemnification.....	48
ARTICLE XIV MISCELLANEOUS		50
Section 14.01	Expenses	50
Section 14.02	Further Assurances.....	50
Section 14.03	Notices	50
Section 14.04	Headings	50
Section 14.05	Severability	50
Section 14.06	Regulatory Review.....	51
Section 14.07	Entire Agreement.....	51
Section 14.08	Successors and Assigns.....	51
Section 14.09	No Third-party Beneficiaries	51
Section 14.10	Amendment.....	51
Section 14.11	Waiver.....	51
Section 14.12	Governing Law	52
Section 14.13	Dispute Resolution.....	52
Section 14.15	Equitable Remedies	52
Section 14.16	Attorneys' Fees.....	53
Section 14.17	Remedies Cumulative.....	53
Section 14.19	Counterparts.....	53

LIMITED LIABILITY COMPANY AGREEMENT

This Limited Liability Company Agreement (this “Agreement”) of Lemonnade Springfield, LLC (the “Company”), a Massachusetts limited liability company, effective as of the 11th day of March, 2021 is entered into by and among those persons or entities who are from time to time listed as members on Schedule A attached hereto in accordance with the terms of this Agreement (individually, “Member” and collectively, the “Members”).

RECITALS

WHEREAS, the Company was formed as a Massachusetts limited liability company on the 11th day of March, 2021, under the laws of The Commonwealth of Massachusetts by the filing of the Certificate of Organization in the office of the Secretary of State of the Commonwealth of Massachusetts under Massachusetts General Laws, Chapter 156C.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in this Section 1.01:

“Additional Capital” has the meaning set forth in Section 5.02(c).

“Adjusted Capital Account Deficit” means, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

- (a) crediting to such Capital Account any amount which such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulations Sections 1.704-1(b)(2)(ii)(c), 1.704-2(g)(1) and 1.704-2(i); and
- (b) debiting to such Capital Account the items described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

“Adjusted Taxable Income” of a Member for a Fiscal Year (or portion thereof) with respect to Units held by such Member means the federal taxable income allocated by the Company to the Member with respect to such Units (as adjusted by any final determination in connection with any tax audit or other proceeding) for such Fiscal Year (or portion thereof); provided, that such taxable income shall be computed (a) minus any excess taxable loss or excess taxable credits of the Company for any prior period allocable to such Member with respect to such Units that were not previously taken into account for purposes of determining such Member’s Adjusted Taxable Income in a prior Fiscal Year to the extent such loss or credit would be available under the Code to offset income of the Member (or, as appropriate, the direct or indirect members of the Member) determined as if the income, loss, and credits from the Company were the only income, loss, and

credits of the Member (or, as appropriate, the direct or indirect members of the Member) in such Fiscal Year and all prior Fiscal Years, and (b) taking into account any special basis adjustment with respect to such Member resulting from an election by the Company under Code Section 754.

“Affected Member” has the meaning set forth in Section 4.11.

“Affiliate” means, with respect to any Person, any other Person who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such Person. For purposes of this definition, “control,” when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms “controlling” and “controlled” shall have correlative meanings.

“Agreement” means this Limited Liability Company Agreement, as executed and as it may be amended, modified, supplemented or restated from time to time, as provided herein.

“Applicable Law” means all applicable provisions of (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

“Bankruptcy” means, with respect to a Member, the occurrence of any of the following: (a) the filing of an application by such Member for, or a consent to, the appointment of a trustee of such Member’s assets; (b) the filing by such Member of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing such Member’s inability to pay its debts as they come due; (c) the making by such Member of a general assignment for the benefit of such Member’s creditors; (d) the filing by such Member of an answer admitting the material allegations of, or such Member’s consenting to, or defaulting in answering a bankruptcy petition filed against such Member in any bankruptcy proceeding; or (e) the expiration of sixty (60) days following the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Member a bankrupt or appointing a trustee of such Member’s assets.

“Board” has the meaning set forth in Section 8.01.

“Book Depreciation” means, with respect to any Company asset for each Fiscal Year, the Company’s depreciation, amortization, or other cost recovery deductions determined for federal income tax purposes, except that if the Book Value of an asset differs from its adjusted tax basis at the beginning of such Fiscal Year, Book Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year bears to such beginning adjusted tax basis; provided, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year is zero and the Book Value of the asset is positive, Book Depreciation shall be determined with reference to such beginning Book Value using any permitted method selected by the Board in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g)(3).

“Book Value” means, with respect to any Company asset, the adjusted basis of such asset for federal income tax purposes, except as follows:

- (a) the initial Book Value of any Company asset contributed by a Member to the Company shall be the gross Fair Market Value of each such Company asset as of the date of such contribution;
- (b) immediately prior to the Distribution by the Company of any Company asset to a Member, the Book Value of such asset shall be adjusted to its gross Fair Market Value as of the date of such Distribution;
- (c) the Book Value of all Company assets shall be adjusted to equal their respective gross Fair Market Values, as determined by the Board, as of the following times:
 - (i) the acquisition of an additional Membership Interest in the Company by a new or existing Member in consideration of a Capital Contribution of more than a de minimis amount;
 - (ii) the acquisition of an additional Membership Interest in the Company by a new or existing Member in consideration of a Capital Contribution of more than a de minimis amount;
 - (iii) the Distribution by the Company to a Member of more than a de minimis amount of property (other than cash) as consideration for all or a part of such Member’s Membership Interest in the Company;
 - (iv) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g);

provided, that adjustments pursuant to clauses (i), (ii) and (iii) above need not be made if the Board reasonably determines that such adjustment is not necessary or appropriate to reflect the relative economic interests of the Members and that the absence of such adjustment does not adversely and disproportionately affect any Member. Furthermore, the Book Values of the Company's assets shall be adjusted to equal their respective gross Fair Market Values, as determined by the Board, as of the following times: (x) in connection with the issuance by the Company of a "noncompensatory option" within the meaning of Regulations Sections 1.721-2(f) and 1.761-3(a) other than for a de minimis Membership Interest, and (y) immediately after the exercise of any noncompensatory option in accordance with Regulations Section 1.704-1(b)(2)(iv)(s); provided that the adjustment resulting from the event described in clause (x) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company. If any noncompensatory options are outstanding upon an adjustment to the capital accounts pursuant to this paragraph, the Company shall adjust the Book Values of the Company's assets as determined for purposes of maintaining the Capital Accounts in accordance with Regulations Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2).

(d) the Book Value of each Company asset shall be increased or decreased, as the case may be, to reflect any adjustments to the adjusted tax basis of such Company asset pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Account balances pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m); provided, that Book Values shall not be adjusted pursuant to this paragraph (d) to the extent that an adjustment pursuant to paragraph (c) above is made in conjunction with a transaction that would otherwise result in an adjustment pursuant to this paragraph (d); and

(e) if the Book Value of a Company asset has been determined pursuant to paragraph (a) or adjusted pursuant to paragraphs (c) or (d) above, such Book Value shall thereafter be adjusted to reflect the Book Depreciation taken into account with respect to such Company asset for purposes of computing Net Income and Net Losses.

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in the City of Boston are authorized or required to close.

“Cannabis Code” means any laws or regulations promulgated or enacted by state or local jurisdiction in which the Company or its subsidiaries have operations pertaining to cannabis cultivation, dispensing, sale, storage, manufacturing, distribution, transporting, testing or other commercial cannabis activities within its respective jurisdiction.

“Cannabis Regulatory Body” means all applicable state and local licensing authorities with authority under a Cannabis Code, as the case may be.

“Capital Account” has the meaning set forth in Section 5.03.

“Capital Contribution” means, for any Member, the total amount of cash and cash equivalents and the initial Book Value of any property (net of liabilities assumed by the Company resulting from such contribution and liabilities to which the property is subject) contributed to the capital of the Company by such Member (excluding any advances or loans of Members), each as determined and updated from time to time by the Board.

“Certificate of Organization” has the meaning set forth in the Recitals.

“Change of Control” means: (a) the sale of all or substantially all of the consolidated assets of the Company and the Company Subsidiaries to a Third Party Purchaser; (b) a sale resulting in no less than a majority of the Units on a Fully Diluted Basis being held by a Third Party Purchaser; or (c) a merger, consolidation, recapitalization or reorganization of the Company with or into a Third Party Purchaser that results in the inability of the Members to designate or elect a majority of the Managers (or the board of directors (or its equivalent) of the resulting entity or its parent company).

“Class A Manager” has the meaning set forth in Section 8.02(a).

“Class A Units” means the Units authorized by Section 3.02 having the rights and privileges as provided for in this Agreement.

“Class B Manager” has the meaning set forth in Section 8.02(b).

“Class B Units” means the Units authorized by Section 3.03 having the rights and privileges as provided for in this Agreement.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” has the meaning set forth in the Preamble.

“Company Interest Rate” means a rate equal to applicable Preferred Return percentage for the year in which the applicable loan is made.

“Company Level Tax” has the meaning set forth in Section 11.01(g).

“Company Minimum Gain” means “partnership minimum gain” as defined in Section 1.704-2(b)(2) of the Treasury Regulations, substituting the term “Company” for the term “partnership” as the context requires.

“Company Opportunity” has the meaning provided in Section 4.14.

“Company Subsidiary” means a Subsidiary of the Company.

“Confidential Information” has the meaning set forth in Section 10.01(a).

“Covered Person” has the meaning set forth in Section 13.01(a).

“Deemed Liquidation Event” means each of the following events:

- (a) a merger or consolidation in which
 - (i) the Company is a constituent party or
 - (ii) a Material Subsidiary of the Company is a constituent party and the Company issues Units pursuant to such merger or consolidation, except any such merger or consolidation involving the Company or a Material Subsidiary in which the Units of the Company outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for Units or other securities that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity of (1) the surviving or resulting entity; or (2) if the surviving or resulting entity is a wholly owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity;
- (b) (1) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any Subsidiary of the Company of all or substantially all the assets of the Company and its Subsidiaries taken as a whole (including, without

limitation, the cannabis business licenses of the Company and its Subsidiaries), or (2) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one or more Subsidiaries of the Company if substantially all of the assets or business of the Company and its subsidiaries taken as a whole are held by such Subsidiary or Subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned Subsidiary of the Company; or

- (c) A transaction or series of transactions that otherwise results in a Change of Control.

“Deemed Liquidation Event Proceeds” means the proceeds of the Company from a Deemed Liquidation Event, reduced by (a) all expenses associated with such transaction (including investment banking fees, attorneys fees and other professional advisor fees); (b) all payments of principal, interest and other charges in respect of any indebtedness refinanced and any other indebtedness discharged with such proceeds (including with respect to any Members loans); and (c) all reasonable reserves required by the Company as reasonably determined by the Board with respect to such Deemed Liquidation Event or to wind-up the Company.

“Designated Individual” has the meaning set forth in Section 11.01.

“Distribution” means a distribution made by the Company to a Member, whether in cash, property or securities of the Company and whether by liquidating distribution or otherwise; provided, that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company or any Member of any Units or Unit Equivalents; (b) any recapitalization or exchange of securities of the Company; (c) any subdivision (by a split of Units or otherwise) or any combination (by a reverse split of Units or otherwise) of any outstanding Units; or (d) any fees or remuneration paid to any Member in such Member’s capacity as a Service Provider for the Company or a Company Subsidiary. “Distribute” when used as a verb shall have a correlative meaning.

“Economic Empowerment Priority Applicant” has the meaning provided in the Cannabis Code.

“Electronic Transmission” means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

“Estimated Tax Amount” of a Member for a Fiscal Year means the Member’s Tax Amount for such Fiscal Year as estimated in good faith from time to time by the Board. In making such estimate, the Board shall take into account amounts shown on Internal Revenue Service Form 1065 filed by the Company and similar state or local forms filed by the Company for the preceding taxable year and such other adjustments as in the reasonable business judgment of the Board are necessary or appropriate to reflect the estimated operations of the Company for the Fiscal Year.

“Excess Amount” has the meaning set forth in Section 7.03(c).

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

“Financing Document” means any credit agreement, guarantee, financing or security agreement or other agreements or instruments governing indebtedness of the Company or any of the Company Subsidiaries.

“Fiscal Year” means the calendar year, unless the Company is required to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

“Forfeiture Allocations” has the meaning set forth in Section 6.02(e).

“Fully Diluted Basis” means, as of any date of determination, (a) with respect to all the Units, all issued and outstanding Units of the Company and all Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable, or (b) with respect to any specified type, class or series of Units, all issued and outstanding Units designated as such type, class or series and all such designated Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable.

“GAAP” means United States generally accepted accounting principles in effect from time to time.

“Governmental Authority” means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

“Indemnifying Member” has the meaning set forth in Section 11.01(g).

“Joinder Agreement” means the joinder agreement in form attached hereto as **Error!**
Reference source not found.

“Liquidator” has the meaning set forth in Section 12.03(a).

“Losses” has the meaning set forth in Section 13.03(a).

“Manager” has the meaning set forth in Section 8.01.

“Marijuana Establishment” has the meaning provided in the Cannabis Code.

“Material Subsidiary” means any subsidiary or combination of subsidiaries making up materially all of the business of the Company.

“Member” means (a) each Person identified on the Members Schedule as of the date hereof as a Member and who has executed this Agreement, the Prior Agreement or a joinder thereto; and (b) and each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement in each case so long as such Person is shown on the Company’s books and records as the owner of one or more Units. The Members shall constitute the “members” of the Company..

“Member Nonrecourse Debt” means “partner nonrecourse debt” as defined in Treasury Regulation Section 1.704-2(b)(4), substituting the term “Company” for the term “partnership” and the term “Member” for the term “partner” as the context requires.

“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)(3).

“Member Nonrecourse Deduction” means “partner nonrecourse deduction” as defined in Treasury Regulation Section 1.704-2(i), substituting the term “Member” for the term “partner” as the context requires.

“Members Schedule” has the meaning set forth in Section 3.01.

“Membership Interest” means an interest in the Company owned by a Member, including such Member’s right (based on the type and class of Unit or Units held by such Member), as applicable, (a) to a distributive share of Net Income, Net Losses and other items of income, gain, loss and deduction of the Company in accordance with this Agreement; (b) to a Distribution in accordance with this Agreement; (c) to vote on, consent to or otherwise participate in any decision of the Members as provided in this Agreement; and (d) to any and all other benefits to which such Member may be entitled as provided in this Agreement.

“Misallocated Item” has the meaning set forth in Section 6.05.

“Net Income” and “Net Loss” mean, for each Fiscal Year or other period specified in this Agreement, an amount equal to the Company’s taxable income or taxable loss, or particular items thereof, determined in accordance with Code Section 703(a) (where, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or taxable loss), but with the following adjustments:

(a) any income realized by the Company that is exempt from federal income taxation, as described in Code Section 705(a)(1)(B), shall be added to such taxable income or taxable loss, notwithstanding that such income is not includable in gross income;

(b) any expenditures of the Company described in Code Section 705(a)(2)(B), including any items treated under Treasury Regulation Section 1.704-1(b)(2)(iv)(i) as items described in Code Section 705(a)(2)(B), shall be subtracted from such taxable

income or taxable loss, notwithstanding that such expenditures are not deductible for federal income tax purposes;

(c) any gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Book Value of the property so disposed, notwithstanding that the adjusted tax basis of such property differs from its Book Value;

(d) any items of depreciation, amortization and other cost recovery deductions with respect to Company property having a Book Value that differs from its adjusted tax basis shall be computed by reference to the property's Book Value (as adjusted for Book Depreciation) in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g);

(e) if the Book Value of any Company property is adjusted as provided in the definition of Book Value, then the amount of such adjustment shall be treated as an item of gain or loss and included in the computation of such taxable income or taxable loss; and

(f) to the extent an adjustment to the adjusted tax basis of any Company property pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis).

"Nonrecourse Liability" has the meaning set forth in Treasury Regulations Section 1.704-2(b)(3).

"Officers" has the meaning set forth in Section 8.08.

"Other Business" has the meaning provided in Section 4.14.

"Partnership Tax Audit Rules" means Code §§6221 through 6241, as amended by the Bipartisan Budget Act of 2015, together with any guidance issued thereunder (including Treasury Regulations promulgated thereunder) or successor provisions and any similar provision of state or local tax laws.

"Person" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

"Preferred Return" shall mean fifteen percent (15%) per annum on the Unreturned Additional Capital of a Member.

"Yearly Estimated Tax Amount" of a Member for any Fiscal Year means the excess, if any of the product of the Member's Estimated Tax Amount for such Fiscal Year over all Distributions previously made during such Fiscal Year to such Member.

"Regulatory Allocations" has the meaning set forth in Section 6.02(d).

“Representative” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

“ROFR Election” has the meaning set forth in Section 9.02.

“ROFR Notice” has the meaning set forth in Section 9.02.

“ROFR Period” has the meaning set forth in Section 9.02.

“ROFR Price” has the meaning set forth in Section 9.02.

“Securities Act” means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

“Shortfall Amount” has the meaning set forth in Section 7.03(b).

“Subsidiary” means, with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

“Super Majority Vote of the Board” has the meaning provided in Section 8.05(d).

“Tax Advance” has the meaning set forth in Section 7.03(a).

“Tax Amount” of a Member for a Fiscal Year means the product of (a) the Tax Rate for such Fiscal Year and (b) the Adjusted Taxable Income of the Member for such Fiscal Year with respect to its Units.

“Tax Rate” for any period, means the highest marginal blended federal, state and local tax rate applicable to ordinary income, qualified dividend income or capital gains, as appropriate, for such period for an individual residing in Boston, Massachusetts, taking into account for federal income tax purposes, the deductibility of state and local taxes and any applicable limitations on such deductions.

“Tax Representative” has the meaning set forth in Section 11.01.

“Taxing Authority” has the meaning set forth in Section 7.04(b).

“Third Party Purchaser” means any Person who, immediately prior to the contemplated transaction, does not directly or indirectly own or have the right to acquire any outstanding Units.

“Transfer” means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Units owned by a Person or any interest (including a beneficial interest) in any Units or Unit Equivalents owned by a Person. “Transfer” when used as a noun shall have a correlative meaning. “Transferor” and “Transferee” mean a Person who makes or receives a Transfer, respectively.

“Transferring Class A Member” has the meaning set forth in Section 9.02.

“Treasury Regulations” means the final or temporary regulations issued by the United States Department of Treasury pursuant to its authority under the Code, and any successor regulations.

“Unallocated Item” has the meaning set forth in Section 6.05.

“Unit” means a unit representing a fractional part of the Membership Interests of the Members and shall include all types and classes of Units, including the Class A Units and Class B Units; provided, that any type or class of Unit shall have the privileges, preference, duties, liabilities, obligations and rights set forth in this Agreement and the Membership Interests represented by such type or class or series of Unit shall be determined in accordance with such privileges, preference, duties, liabilities, obligations and rights.

“Unit Equivalents” means any security or obligation that is by its terms, directly or indirectly, convertible into, exchangeable or exercisable for Units, and any option, warrant or other right to subscribe for, purchase or acquire Units.

“Unpaid Preferred Return” means, with respect to any Member, on any date, an amount equal to the excess, if any, of (a) the Preferred Return allocated to a Member with respect to its Additional Capital pursuant to this Agreement, over (b) the aggregate amount of all Distributions made (or deemed made) to such Member in payment of such Preferred Return pursuant to this Agreement, regardless of the source, kind or character.

“Unreturned Additional Capital” means, with respect to any Member, on any date, an amount equal to the excess, if any, of: (a) the aggregate Additional Capital contributed by a Member to the Company, over (b) the aggregate amount of all Distributions made (or deemed made) to such Member in return of such Additional Capital pursuant to this Agreement, regardless of the source, kind or character.

“Unreturned Capital” means, with respect to any Member, on any date, an amount equal to the excess, if any, of: (a) the aggregate initial and, except as set forth in Section 5.02(c) below with respect to Additional Capital, any other additional Capital Contributions made by such Member to the Company, over (b) the aggregate amount of all Distributions made (or deemed made) to such Member in return of such Capital Contributions pursuant to this Agreement, regardless of the source, kind or character.

“Withholding Advances” has the meaning set forth in Section 7.04(b).

Section 1.02 Interpretation. For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (i) to Articles, Sections, and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement;

(ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

ARTICLE II ORGANIZATION

Section 2.01 Formation.

(a) The Company was formed on March 11 , 2021 upon the filing of the Certificate of Organization with the Secretary of State of the Commonwealth of Massachusetts.

(b) This Agreement shall constitute the “limited liability company agreement” of the Company. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to this Agreement.

Section 2.02 Name. The name of the Company is “Lemmonade Springfield, LLC” or such other name or names as the Board may from time to time designate; provided, that the name shall always contain the words “Limited Liability Company” or the abbreviation “L.L.C.” or the designation “LLC.” The Board shall give prompt notice to each of the Members of any change to the name of the Company.

Section 2.03 Principal Office. The principal office of the Company shall be the office as designated on the Certificate of Organization, or such other place as may from time to time be determined by the Board. The Board shall give prompt notice of any such change to each of the Members.

Section 2.04 Registered Office; Registered Agent.

(a) The registered office of the Company shall be the office of the initial registered agent named in the Certificate of Organization or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by Applicable Law.

(b) The registered agent for service of process on the Company in the Commonwealth of Massachusetts shall be the initial registered agent named in the Certificate of Organization or such other Person or Persons as the Board may designate from time to time in the manner provided by Applicable Law.

Section 2.05 Purpose; Powers.

(a) The purpose of the Company shall be as provided in the Company's Certificate of Organization, as amended from time to time.

(b) The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed.

Section 2.06 Term. The term of the Company commenced on the date the Certificate of Organization was filed with the Secretary of State of the Commonwealth of Massachusetts and shall continue in existence perpetually until the Company is dissolved in accordance with the provisions of this Agreement.

Section 2.07 No State-Law Partnership. The Members intend that the Company shall be treated as a partnership for federal and, if applicable, state and local income tax purposes, and, to the extent permissible, the Company shall elect to be treated as a partnership for such purposes. The Company and each Member shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment and no Member shall take any action inconsistent with such treatment. The Members intend that the Company shall not be a state law partnership (including, without limitation, a limited partnership) or joint venture, and that no Member, Manager or Officer of the Company shall be a partner or joint venture of any other Member, Manager, or Officer of the Company, for any purposes other than as set forth in the first sentence of this Section 2.07.

ARTICLE III UNITS

Section 3.01 Units Generally. The Membership Interests of the Members shall be represented by issued and outstanding Units, which may be divided into one or more types, classes or series. Each type, class or series of Units shall have the privileges, preference, distribution priorities, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement with respect to such type, class or series. The Board shall maintain a schedule of all Members, their respective mailing addresses and the amount and series of Units held by them (the "Members Schedule"), and shall update the Members Schedule upon the issuance or Transfer of any Units to any new or existing Member. A copy of the Members Schedule as of the execution of this Agreement is attached hereto as Schedule A.

Section 3.02 Authorization and Issuance of Class A Units. Subject to compliance with the terms of this Agreement, the Company is hereby authorized to issue a class of Units designated as "Class A Units." Notwithstanding the foregoing, Class A Units may only be issued to (a) Economic Empowerment Priority Applicants, (b) individuals that would qualify to receive Economic Empowerment Priority Applicant status, or (c) entities for which all of its owners and interest holders are individuals that would qualify to receive Economic Empowerment Priority Applicant status. As of the date hereof the number of Class A Units issued and outstanding to the Members are set forth opposite each Member's name on the Members Schedule.

Section 3.03 Authorization and Issuance of Class B Units. Subject to compliance with the terms of this Agreement, the Company is hereby authorized to issue a class of Units designated

as “Class B Units.” As of the date hereof, the number of Class B Units issued and outstanding to the Members are set forth opposite each Member’s name on the Members Schedule.

Section 3.04 Other Issuances. In addition to the Class A Units and Class B Units, the Company is hereby authorized, subject to compliance with Article IV, Section 8.05, and all other terms of this Agreement, to authorize and issue or sell to any Person any of the following (collectively, “New Interests”): (i) any new type, class or series of Units not otherwise described in this Agreement, which Units may be designated as classes or series of the Class A Units or Class B Units but having different rights. The Board is hereby authorized, subject to Section 14.10, to amend this Agreement to reflect such issuance and to fix the relative privileges, preference, duties, liabilities, obligations and rights of any such New Interests, including the number of such New Interests to be issued, the preference (with respect to Distributions, in liquidation or otherwise) over any other Units and any contributions required in connection therewith.

Section 3.05 Limitations on Issuances of Units. Notwithstanding the foregoing, the Company shall not, and neither the Members nor the Managers may cause the Company to, issue Units if such issuance would jeopardize the Company’s status as an Economic Empowerment Priority Applicant or otherwise jeopardize the business licenses or permits of the Company. Any purported issuance of Units in violation of this Section 3.05 shall be null and void.

Section 3.06 Certification of Units.

(a) The Board in its sole discretion may, but shall not be required to, issue certificates to the Members representing the Units held by such Member.

(b) In the event that the Board shall issue certificates representing Units in accordance with Section 3.06(a), then in addition to any other legend required by Applicable Law, all certificates representing issued and outstanding Units shall bear a legend substantially in the following form:

THE UNITS REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LIMITED LIABILITY COMPANY AGREEMENT AMONG THE COMPANY AND ITS MEMBERS, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICE OF THE COMPANY. NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE UNITS REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH LIMITED LIABILITY COMPANY AGREEMENT.

THE UNITS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER SUCH ACT AND LAWS, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT AND LAWS.

ARTICLE IV MEMBERS

Section 4.01 Admission of New Members.

(a) Subject to compliance with the terms of this Agreement, New Members may be admitted from time to time in connection with an issuance of Units by the Company and in connection with a Transfer of Units.

(b) In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or Transfer of Units, such Person shall have executed and delivered to the Company a written undertaking substantially in the form of the Joinder Agreement. Upon the amendment of the Members Schedule by the Board and the satisfaction of any other applicable conditions, including, if a condition, the receipt by the Company of payment for the issuance of the applicable Units, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company and thereupon shall be issued his, her or its Units. The Board shall also adjust the Capital Accounts of the Members as necessary in accordance with Section 5.03.

(c) Notwithstanding anything else contained herein, a Person not already a Member of the Company may only be admitted as a Member, and the Members and Managers may only cause a Person not already a Member of the Company to be admitted as a Member, if such Person is qualified under the Cannabis Code to have an ownership or economic interest in the Company and the addition of such Person as a Member would not jeopardize the Company's status as an Economic Empowerment Priority or otherwise jeopardize the business licenses or permits of the Company. Any purported admission of a Member in violation of this Section 4.01(c) shall be null and void.

Section 4.02 Representations and Warranties of Members. By execution and delivery of this Agreement or a Joinder Agreement, as applicable, each of the Members, admitted pursuant to Section 4.01, represents and warrants to the Company and acknowledges that:

(a) The Units have not been registered under the Securities Act or the securities laws of any other jurisdiction, are issued in reliance upon federal and state exemptions for transactions not involving a public offering and cannot be disposed of unless (i) they are subsequently registered or exempted from registration under the Securities Act and (ii) the provisions of this Agreement have been complied with;

(b) Such Member's Units are being acquired for its own account solely for investment and not with a view to resale or distribution thereof;

(c) Such Member has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company and the Company Subsidiaries and such Member acknowledges that it has been provided adequate access to the personnel, properties, premises and records of the Company and the Company Subsidiaries for such purpose;

(d) The determination of such Member to acquire Units has been made by such Member independent of any other Member and independent of any statements or opinions as to the advisability of such purchase or as to the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company and the Company Subsidiaries that may have been made or given by any other Member or by any agent or employee of any other Member;

(e) Such Member has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto;

(f) Such Member is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time;

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

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

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

(j) Such Member is, or, if such Member is an entity, the owners of such Member are, permitted by this Agreement to hold an interest in the Company pursuant to Section 4.01(c) and are eligible to hold an interest in the Company pursuant to the Cannabis Code;

(k) With respect to Members holding Class A Units,

(i) each such Member is (a) an Economic Empowerment Priority Applicants (b) qualified to receive Economic Empowerment Priority Applicant status, or (c) an entity for which all of its owners and interest holders are individuals that would qualify to receive Economic Empowerment Priority Applicant status; and

(ii) each such Member that is an entity has included appropriate provisions within its organizational documents to ensure that the representation and warranty included in this Section 4.02(k) remains true; and

(l) Such Member acknowledges that commercial cannabis activities, such as the business of the Company, are prohibited by federal law.

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

Section 4.03 No Personal Liability. By Applicable Law or expressly in this Agreement, no Member will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiaries or other Members, whether arising in contract, tort or otherwise, solely by reason of being a Member.

Section 4.04 No Withdrawal. A Member shall not cease to be a Member as a result of the Bankruptcy of such Member. So long as a Member continues to hold any Units, such Member shall not have the ability to withdraw or resign as a Member prior to the dissolution and winding up of the Company and any such withdrawal or resignation or attempted withdrawal or resignation by a Member prior to the dissolution or winding up of the Company shall be null and void. As soon as any Person who is a Member ceases to hold any Units, such Person shall no longer be a Member.

Section 4.05 Death. With respect to any Member that is a natural Person, the death of any Member shall not cause the dissolution of the Company. In such event the Company and its business shall be continued by the remaining Member or Members and the Units owned by the deceased Member shall automatically be Transferred to such Member's heirs; provided, that within a reasonable time after such Transfer, the applicable heirs shall sign a written undertaking substantially in the form of the Joinder Agreement, and provided further that such Transfer does not jeopardize the Company's status as an Economic Empowerment Priority Applicant or otherwise jeopardize the business licenses or permits of the Company. In the event that such heirs are not eligible to be Members of the Company pursuant to Section 4.01(c), such Units shall not Transfer to such heirs, and the Company shall negotiate in good faith with the estate of the decedent Member to execute agreements and documentation necessary to effect a Transfer or other disposition of such Units in a manner to maintain the Company's status as an Economic Empowerment Priority Applicant or not otherwise jeopardize the business licenses or permits of the Company.

Section 4.06 Voting. Except as otherwise provided by this Agreement (including Section 4.07 and Section 14.10) or as otherwise required by Applicable Law, each Member shall be entitled to one vote per Unit on all matters upon which the Members have the right to vote under this Agreement.

Section 4.07 Meetings. For any matter for which the Members are specifically authorized or required to act or consent pursuant to this Agreement or applicable law, either as a whole or on a class by class basis, the Members may take such action by a vote of the Members holding a majority of the Units entitled to vote on such matter at a meeting, provided, however,

that any meeting of the Members may only be called unanimously by the Members entitled to vote at such meeting.

Section 4.08 Action Without Meeting. Notwithstanding the provisions of Section 4.07, any matter that is to be voted on, consented to or approved by Members may be taken without a meeting, without prior notice and without a vote if consented to, in writing or by Electronic Transmission, unanimously by Members entitled to vote on such matter. A record shall be maintained by the Board of each such action taken by written consent of the Members.

Section 4.09 Power of Members. The Members shall only have the power to exercise any and all rights or powers granted to Members pursuant to the express terms of this Agreement. Except as otherwise specifically provided by this Agreement, no Member, in its capacity as a Member, shall have the power to act for or on behalf of, or to bind, the Company or to manage or operate the affairs of the Company.

Section 4.10 No Interest in Company Property. No real or personal property of the Company shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company. Without limiting the foregoing, each Member hereby irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the property of the Company.

Section 4.11 Automatic Divestiture. During anytime while the Company holds a local or state license pursuant to the Cannabis Code, in the event a Member or a member of an entity that is a Member of Company is no longer qualified pursuant to the Cannabis Code to hold an ownership or economic interest in the Company, then all interests of that Member in the Company (the “Affected Member”) will automatically and immediately terminate, and the Affected Member will cease to be a Member, provided, however, that if the Affected Member is a corporate entity and the Affected Member’s disqualification from holding an ownership or economic interest in a Marijuana Establishment is due to a member, shareholder, or officer of the Affected Member, the Affected Member shall have an option to redeem its share and shall be restored to its ownership position before the divestiture if the Affected Member provides evidence satisfactory to the Manager(s) that the member, shareholder, or officer that cause such disqualification or condition has been removed. Notwithstanding the foregoing, the automatic divestiture provided by this Section may be waived by a majority vote of the Members, without regard to the Affected Member.

Section 4.12 Settling of Accounts Following Automatic Divestiture. The Company shall be liable for the terminated ownership interest of the Affected Member as follows: (i) the Company and the Affected Member shall determine the fair market value of the Affected Member’s Units by a mutually-agreed upon third party appraisal; (ii) if the Affected Member and the Company cannot agree on a third party appraisal, they shall both individually choose and pay for their own appraisal and the differences, if any, between the two valuations of the Affected Member’s Units shall be averaged and used for calculating the Payoff Note (as defined herein); (iii) once the value of the Affected Member’s Units is determined, the Company shall deliver a note (the “Payoff Note”) to the Affected Member for one hundred percent (100%) of the value determined by the appraisal or the average of the appraisals. The Payoff Note shall be payable over a five (5) year period and shall bear interest at a rate equal to the prime rate of interest as announced from time to time by the Wall Street Journal or shall be discounted (using the same rate) to present

value if an earlier payoff is required under the Cannabis Code. The terms of the Payoff Note shall include equal monthly payments and shall be reasonable and customary for a transaction of this type. The Company may sell the Affected Member's Units, in accordance with the terms of this Agreement, to finance the Payoff Note or for any other lawful reason.

Section 4.13 Class A Member Restrictions. Each Member that holds Class A Units and is an entity agrees that it shall not permit its ownership structure or make-up to exist in such a manner, or otherwise take any action, that would disqualify the Company from maintaining its status as an Economic Empowerment Priority Applicant. In the event that a holder of Class A Units violates this Section 4.13, then, at the election of Members holding a majority of the Class B Units, such Member shall be an Affected Member pursuant to Section 4.11.

Section 4.14 Other Business Activities.

(a) Except as provided in Error! Reference source not found., the Members and the Company expressly acknowledge and agree that, subject to the Cannabis Code: (i) the Members, and the owners and interest holders of such Members, are permitted to have, and may presently or in the future have, investments or other business or strategic relationships, ventures, agreements or other arrangements with entities other than the Company that are engaged in the same or similar business as the Company, or that are or may be competitive with the Company (any such other investment or relationship, an "Other Business"); (ii) none of the Members will be prohibited by virtue of their investment in the Company from pursuing and engaging in any Other Business; (iii) none of the Members will be obligated to inform the Company or any other Member of any opportunity, relationship or investment in any Other Business (a "Company Opportunity") or to present any Company Opportunity to the Company, and the Company hereby renounces any interest in any Company Opportunity and any expectancy that a Company Opportunity will be offered to it; (iv) nothing contained herein shall limit, prohibit or restrict any Member from serving on the board of directors or other governing body or committee of any Other Business; and (v) no other Member will acquire, be provided with an option or opportunity to acquire, or be entitled to any interest or participation in any Other Business as a result of the participation therein of any other Member. The Members and the Company expressly authorize and consent to the involvement of any Member in any Other Business; *provided*, that any transactions between the Company and any Other Business will be on terms no less favorable to the Company than would be obtainable in a comparable arm's-length transaction. The Members and the Company each expressly waive, to the fullest extent permitted by applicable law, any rights to assert any claim that such involvement breaches any fiduciary or other duty or obligation owed to the Company or any Member or to assert that such involvement constitutes a conflict of interest by the Member participating in the Other Business with respect to the Company or any other Member.

ARTICLE V CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS

Section 5.01 Initial Capital Contributions. Each Member owning Units has made Capital Contributions and is deemed to own the number, type, series and class of Units, in each

case, in the amounts set forth opposite such Member's name on the Members Schedule as in effect on the date hereof.

Section 5.02 Additional Capital Contributions.

(a) No Member shall be required to make any additional Capital Contributions to the Company. Except for contributions of Additional Capital as described in Section 5.02(c), any future Capital Contributions made by any Member shall only be made with the consent of the Board and in connection with an issuance of Units made in compliance with Article IX.

(b) No Member shall be required to lend any funds to the Company and no Member shall have any personal liability for the payment or repayment of any Capital Contribution by or to any other Member. If one or more Members lend funds to the Company in order to fund operating expenses or working capital needs of the Company, the interest rate on such borrowing shall not exceed an amount equal to the Company Interest Rate, and such loan shall be on such other terms as determined by the Board and the lending Member.

(c) In the event that the Company does not have sufficient cash flow to pay its operating expenses or otherwise requires additional capital for working capital needs, and the Company is unable or unwilling to borrow such funds from any source (including Members) on terms satisfactory to the Member (if applicable) and the Board in accordance with this Agreement, and the Members are unable or unwilling to contribute such capital on a pro rata basis, then any Member shall be entitled to make additional Capital Contributions to the Company (the "Additional Capital") for such working capital needs. Upon the contribution of any such Additional Capital, the following shall apply: (i) the Company shall pay a Preferred Return on such Additional Capital in accordance with Section 7.02 and other provisions of this Agreement, and (ii) the Member contributing any such Additional Capital shall receive a priority return on Distributions with respect to its Unrecovered Additional Capital in accordance with Section 7.02 and other provisions of this Agreement.

Section 5.03 Maintenance of Capital Accounts. The Company shall establish and maintain for each Member a separate capital account (a "Capital Account") on its books and records in accordance with this Section 5.03 and other provisions of this Article V. Each Capital Account shall be established and maintained in accordance with the following provisions:

- (a) Each Member's Capital Account shall be increased by the amount of:
 - (i) such Member's Capital Contributions, including such Member's initial Capital Contribution;
 - (ii) any Net Income or other item of income or gain allocated to such Member pursuant to Article VI; and
 - (iii) any liabilities of the Company that are assumed by such Member or secured by any property Distributed to such Member.

(b) Each Member's Capital Account shall be decreased by:

(i) the cash amount or Book Value of any property Distributed to such Member pursuant to Article VII and Section 12.03(c);

(ii) the amount of any Net Loss or other item of loss or deduction allocated to such Member pursuant to Article VI and

(iii) the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) The rules of Treasury Regulations Section 1.704-1(b)(2)(iv)(d) (with respect to the maintenance of capital accounts in connection with the exercise of a noncompensatory option) shall be incorporated by reference and shall be given effect in the maintenance of the Capital Accounts.

Section 5.04 Succession Upon Transfer. In the event that any Units are Transferred in accordance with and only as permissible under the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred Units and, subject to Section 6.04, shall receive allocations and Distributions pursuant to Article VI, Article VII and Article VIII in respect of such Units.

Section 5.05 Negative Capital Accounts. In the event that any Member shall have a deficit balance in his, her or its Capital Account, such Member shall have no obligation, during the term of the Company or upon dissolution or liquidation thereof, to restore such negative balance or make any Capital Contributions to the Company by reason thereof, except as may be required by Applicable Law or in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

Section 5.06 No Withdrawal. No Member shall be entitled to withdraw any part of his, her or its Capital Account or to receive any Distribution from the Company, except as provided in this Agreement. No Member shall receive any interest, salary or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise provided in this Agreement. The Capital Accounts are maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any Distributions to any Members, in liquidation or otherwise.

Section 5.07 Treatment of Loans from Members. Loans by any Member to the Company shall not be considered Capital Contributions and shall not affect the maintenance of such Member's Capital Account, other than to the extent provided in Section 5.03(a)(iii), if applicable.

Section 5.08 Intent and Modifications. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with such Treasury Regulations. If the Board determines that it is prudent to modify the manner in which the Capital Accounts, or any increases or decreases to the Capital

Accounts, are computed in order to comply with such Treasury Regulations, the Board may authorize such modifications.

ARTICLE VI ALLOCATIONS

Section 6.01 Allocation of Net Income and Net Loss. For each Fiscal Year (or portion thereof), except as otherwise provided in this Agreement, Net Income and Net Loss (and, to the extent necessary, individual and/or gross items of income, gain, loss or deduction) of the Company shall be allocated among the Members in a manner such that, after adjusting each Member's Capital Account for all Capital Contributions and Distributions made during such Fiscal Year (or portion thereof) and after giving effect to the special allocations set forth in Section 6.02, the Capital Account balance of each Member (which may be either a positive or negative balance), immediately after making such adjustments and allocations, is, as nearly as possible, equal to (a) the Distributions that would be made to such Member pursuant to Section 12.03(c)(iii) if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Book Value, all Company liabilities were satisfied (limited with respect to each Nonrecourse Liability to the Book Value of the assets securing such liability), and the net assets of the Company were Distributed, in accordance with Section 12.03(c)(iii), to the Members immediately after making such allocations, minus (b) such Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets.

Section 6.02 Regulatory and Special Allocations. Notwithstanding the provisions of Section 6.01:

(a) If there is a net decrease in Company Minimum Gain (determined according to Treasury Regulations Section 1.704-2(d)(1)) during any Fiscal Year, each Member shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g). The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 6.02(a) is intended to comply with the "minimum gain chargeback" requirement in Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Member Nonrecourse Deductions shall be allocated in the manner required by Treasury Regulations Section 1.704-2(i). Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any Fiscal Year, each Member that has a share of such Member Minimum Gain shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to that Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain. Items to be allocated pursuant to this paragraph shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 6.02(b) is intended to comply with the "minimum gain chargeback" requirements in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) In the event any Member unexpectedly receives any adjustments, allocations or Distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), Net Income shall be specially allocated to such Member in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit created by such adjustments, allocations or Distributions as quickly as possible. This Section 6.02(c) is intended to comply with the qualified income offset requirement in Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) The allocations set forth in paragraphs (a) (b) and (c) above (the “Regulatory Allocations”) are intended to comply with certain requirements of the Treasury Regulations under Code Section 704. Notwithstanding any other provisions of this Article VI (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating Net Income and Net Losses among Members so that, to the extent possible, the net amount of such allocations of Net Income and Net Losses and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to such Member if the Regulatory Allocations had not occurred.

(e) The Company and the Members acknowledge that allocations like those described in Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) (“Forfeiture Allocations”) result from the allocations of Net Income and Net Loss provided for in this Agreement. For the avoidance of doubt, the Company is entitled to make Forfeiture Allocations and, once required by applicable final or temporary guidance, allocations of Net Income and Net Loss will be made in accordance with Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) or any successor provision or guidance.

Section 6.03 Tax Allocations.

(a) Subject to Section 6.03(b) through Section 6.03(e), all income, gains, losses and deductions of the Company shall be allocated, for federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses and deductions among the Members for computing their Capital Accounts, except that if any such allocation for tax purposes is not permitted by the Code or other Applicable Law, the Company’s subsequent income, gains, losses and deductions shall be allocated among the Members for tax purposes, to the extent permitted by the Code and other Applicable Law, so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Items of Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) and such permissible method(s) under Treasury Regulations Section 1.704-3 as determined by the Tax Representative so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value.

(c) If the Book Value of any Company asset is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(f) as provided in clause (c) of the definition of Book Value, subsequent allocations of items of taxable income, gain, loss and deduction with

respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c).

(d) Allocations of tax credit, tax credit recapture and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Tax Representative taking into account the principles of Treasury Regulations Section 1.704-1(b)(4)(ii).

(e) The Company shall make allocations pursuant to this Section 6.03 in accordance with such permissible methods as set forth and in accordance with Treasury Regulations Section 1.704-3 and this Agreement.

(f) Allocations pursuant to this Section 6.03 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, Distributions or other items pursuant to any provisions of this Agreement.

Section 6.04 Allocations in Respect of Transferred Units. In the event of a Transfer of Units during any Fiscal Year made in compliance with the provisions of Article IX Net Income, Net Losses and other items of income, gain, loss and deduction of the Company attributable to such Units for such Fiscal Year shall be determined using the interim closing of the books method, provided, however, that the Board may, in its sole discretion, elect to make such allocations on a pro rata basis.

Section 6.05 Curative Allocations. In the event that the Tax Representative determines, after consultation with counsel experienced in income tax matters, that the allocation of any item of Company income, gain, loss or deduction is not specified in this Article VI (an "Unallocated Item"), or that the allocation of any item of Company income, gain, loss or deduction hereunder is clearly inconsistent with the Members' economic interests in the Company (determined by reference to the general principles of Treasury Regulations Section 1.704-1(b) and the factors set forth in Treasury Regulations Section 1.704-1(b)(3)(ii)) (a "Misallocated Item"), then the Board may allocate such Unallocated Items, or reallocate such Misallocated Items, to reflect such economic interests; provided, that no such allocation will be made without the prior consent of each Member that would be adversely and disproportionately affected thereby; and provided, further, that no such allocation shall have any material effect on the amounts distributable to any Member, including the amounts to be distributed upon the complete liquidation of the Company.

ARTICLE VII DISTRIBUTIONS

Section 7.01 General.

(a) Subject to Section 7.01(b), Section 7.02 and Section 7.03, the Board shall have sole discretion regarding the amounts and timing of Distributions to Members, including to decide to forego payment of Distributions in order to provide for the retention and establishment of reserves of, or payment to third parties of, such funds as it deems necessary with respect to the reasonable business needs of the Company (which needs may

include the payment or the making of provision for the payment when due of the Company's obligations, including, but not limited to, present and anticipated debts and obligations to third parties and Members (as applicable), capital needs and expenses, the payment of any management or administrative fees and expenses, and reasonable reserves for contingencies).

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any Distribution to Members if such Distribution would violate Applicable Law.

Section 7.02 Priority of Distributions.

(a) Distributions from Operations. After making all Distributions required for a given Fiscal Year under Section 7.03, and except as otherwise provided in Section 7.02(b) or Section 12.03(c), all Distributions determined to be made by the Board pursuant to Section 7.01 shall be made to the Members in the following order and priority:

(i) First, to the Members who have contributed Additional Capital, if any, pro rata in proportion to their Unpaid Preferred Return, until each such Member has received aggregate Distributions under this section sufficient to cause each such Member's Unpaid Preferred Return to equal zero; and

(ii) Then, to the Members who have contributed Additional Capital, if any, pro rata in proportion to their Unreturned Additional Capital, until each such Member has received aggregate Distributions under this section sufficient to cause each such Member's Unreturned Additional Capital to equal zero; and

(iii) Thereafter, pro rata in proportion to each Member's aggregate holdings of Units.

(b) Distributions from Deemed Liquidation Events. Except as otherwise provided in Section 7.06, upon the occurrence of a Deemed Liquidation Event, the Deemed Liquidation Event Proceeds therefrom shall be Distributed to the Members, as soon as reasonably practical following receipt by the Company of such Deemed Liquidation Event Proceeds, in the following order and priority:

(i) First, to the Members who have contributed Additional Capital, if any, pro rata in proportion to their Unpaid Preferred Return, until each such Member has received aggregate Distributions under this section sufficient to cause each such Member's Unpaid Preferred Return to equal zero; and

(ii) Then, to the Members who have contributed Additional Capital, if any, pro rata in proportion to their Unreturned Additional Capital, until each such Member has received aggregate Distributions under this section sufficient to cause each such Member's Unreturned Additional Capital to equal zero; and

(iii) Then, to the Members, pro rata in proportion to their Unreturned Capital, until the Members have received aggregate Distributions under this section sufficient to cause each such Member's Unreturned Capital to equal zero; and

(iv) Thereafter, pro rata in proportion to each Member's aggregate holdings of Units.

Section 7.03 Tax Distributions.

(a) Subject to any restrictions in any of the Company's and/or any Company Subsidiary's then applicable debt-financing arrangements, and subject to the Board's sole discretion to retain any other amounts necessary to satisfy the Company's and/or the Company Subsidiaries' obligations, at least seven (7) days before each date prescribed by the Code for a calendar-year corporation to pay quarterly installments of estimated tax, the Company shall Distribute cash to each Member in proportion to and to the extent of such Member's Quarterly Estimated Tax Amount for the applicable calendar quarter (each such Distribution, a "Tax Advance").

(b) If, at any time after the final Quarterly Estimated Tax Amount has been Distributed pursuant to Section 7.03(a) with respect to any Fiscal Year, the aggregate Tax Advances to any Member with respect to such Fiscal Year are less than such Member's Tax Amount for such Fiscal Year (a "Shortfall Amount"), the Company shall Distribute cash in proportion to and to the extent of each Member's Shortfall Amount. The Company shall use commercially reasonable efforts to Distribute Shortfall Amounts with respect to a Fiscal Year before the 60th day of the next succeeding Fiscal Year; provided, that if the Company has made Distributions other than pursuant to this Section 7.03, the Board may apply such Distributions to reduce any Shortfall Amount.

(c) If the aggregate Tax Advances made to any Member pursuant to this Section 7.03 for any Fiscal Year exceed such Member's Tax Amount (an "Excess Amount"), such Excess Amount shall reduce subsequent Tax Advances that would be made to such Member pursuant to this Section 7.03, except to the extent taken into account as an advance pursuant to Section 7.03(d).

(d) For avoidance of doubt, any Distributions made pursuant to this Section 7.03 shall be treated as advances on Distributions payable to the applicable Member pursuant to Section 7.02 and shall reduce the amount otherwise Distributable to such Member pursuant to Section 7.02 or Section 12.03(c). Further, the amount to be Distributed as a tax Distribution in respect of any Fiscal Year pursuant to this Section 7.03 shall be computed as if any Distributions made pursuant to Section 7.02 during such Fiscal Year were a tax Distribution in respect of such Fiscal Year, with the understanding that the Company shall not make a tax Distribution in respect of any Fiscal Year to the extent any Distributions made pursuant to Section 7.02 during such Fiscal Year exceeds the Tax Amount of the Member in respect of such Fiscal Year.

(e) Any good faith determination of the amount of a tax Distribution made by the Board pursuant to this Section 7.03 shall be conclusive and binding on all Members absent manifest error.

Section 7.04 Tax Withholding; Withholding Advances.

(a) Tax Withholding. If requested by the Board, each Member shall, if able to do so, deliver to the Board:

(i) any applicable IRS forms or an affidavit in form satisfactory to the Board that the applicable Member (or its members, as the case may be) is not subject to withholding under the provisions of any federal, state, local, foreign or other Applicable Law;

(ii) any certificate that the Board may reasonably request with respect to any such laws; and/or

(iii) any other form or instrument reasonably requested by the Board relating to any Member's status under such law.

(iv) If a Member fails or is unable to deliver to the Board the IRS form or affidavit described in Section 7.04(a)(i), the Board may withhold amounts from such Member in accordance with Section 7.04(b).

(b) Withholding Advances. The Company is hereby authorized at all times to make payments ("Withholding Advances") with respect to each Member in amounts required to discharge any obligation of the Company (as determined by the Tax Representative based on the advice of legal or tax counsel to the Company) to withhold or make payments to any federal, state, local or foreign taxing authority (a "Taxing Authority") with respect to any Distribution or allocation by the Company of income or gain to such Member and to withhold the same from Distributions to such Member. Any funds withheld from a Distribution by reason of this Section 7.04(b) shall nonetheless be deemed Distributed to the Member in question for all purposes under this Agreement and, at the option of the Board, shall be charged against the Member's Capital Account in accordance with this Agreement.

(c) Repayment of Withholding Advances. Any Withholding Advance made by the Company to a Taxing Authority on behalf of a Member and not simultaneously withheld from a Distribution to that Member shall, with interest thereon accruing from the date of payment at a rate equal to the prime rate published in the Wall Street Journal on the date of payment:

(i) be promptly repaid to the Company by the Member on whose behalf the Withholding Advance was made (which repayment by the Member shall not constitute a Capital Contribution, but shall credit the Member's Capital Account if the Board shall have initially charged the amount of the Withholding Advance to the Capital Account); or

(ii) with the consent of the Board, be repaid by reducing the amount of the next succeeding Distribution or Distributions to be made to such Member (which reduction amount shall be deemed to have been Distributed to the Member, but which shall not further reduce the Member's Capital Account if the Board shall have initially charged the amount of the Withholding Advance to the Capital Account).

Interest shall cease to accrue from the time the Member on whose behalf the Withholding Advance was made repays such Withholding Advance (and all accrued interest) by either method of repayment described above.

(d) Indemnification. Each Member hereby agrees to indemnify and hold harmless the Company and the other Members from and against any liability with respect to taxes, interest or penalties which may be asserted by reason of the Company's failure to deduct and withhold tax on amounts Distributable or allocable to such Member. The provisions of this Section 7.04(d) and the obligations of a Member pursuant to Section 7.04(c) shall survive the termination, dissolution, liquidation and winding up of the Company and the withdrawal of such Member from the Company or Transfer of its Units. The Company may pursue and enforce all rights and remedies it may have against each Member under this Section 7.04, including bringing a lawsuit to collect repayment with interest of any Withholding Advances.

(e) Overwithholding. Neither the Company nor the Board shall be liable for any excess taxes withheld in respect of any Distribution or allocation of income or gain to a Member. In the event of an overwithholding, a Member's sole recourse shall be to apply for a refund from the appropriate Taxing Authority.

Section 7.05 Distributions in Kind.

(a) The Board is hereby authorized, in its sole discretion, to make Distributions to the Members in the form of securities or other property held by the Company; provided, that Tax Advances shall only be made in cash. In any non-cash Distribution, the securities or property so Distributed will be Distributed among the Members in the same proportion and priority as cash equal to the Fair Market Value of such securities or property would be Distributed among the Members pursuant to Section 7.02.

(b) Any Distribution of securities shall be subject to such conditions and restrictions as the Board determines are required or advisable to ensure compliance with Applicable Law. In furtherance of the foregoing, the Board may require that the Members execute and deliver such documents as the Board may deem necessary or appropriate to ensure compliance with all federal and state securities laws that apply to such Distribution and any further Transfer of the Distributed securities, and may appropriately legend the certificates that represent such securities to reflect any restriction on Transfer with respect to such laws.

(c) Upon any such Distribution, such Fair Market Value of the non-cash assets Distributed will be debited against the each applicable Member's respective Capital

Account at such Fair Market Value, and any such Distributions shall be deemed for purposes of determining Net Profits or Net Losses (if any) to have been sold by the Company for an amount equal to such Fair Market Value and any such deemed Net Profits or Net Losses shall be allocated to the Members' respective Capital Accounts in accordance with this Agreement.

Section 7.06 Distributions Upon Deemed Liquidation Event Resulting in Dissolution. In the event of a Deemed Liquidation Event that results in a dissolution of the Company, the Board shall distribute the proceeds of such Deemed Liquidation Event in the manner provided in Section 12.03(c).

ARTICLE VIII MANAGEMENT

Section 8.01 Establishment of the Board. A board of managers of the Company (the "Board") is hereby established and shall be comprised of natural Persons (each such Person, a "Manager") who shall be appointed in accordance with the provisions of Section 8.02. The business and affairs of the Company shall be managed, operated and controlled by or under the direction of the Board, and the Board shall have, and is hereby granted, the full and complete power, authority and discretion for, on behalf of and in the name of the Company, to take such actions as it may in its sole discretion deem necessary or advisable to carry out any and all of the objectives and purposes of the Company, subject only to the terms of this Agreement.

Section 8.02 Board Composition; Vacancies. The Company and the Members shall take such actions as may be required to ensure that the number of managers constituting the Board is at all times five (5), comprised as follows, unless otherwise modified by a Supermajority Vote of the Board:

(a) The Members holding Class A Units shall be entitled to appoint up to three (3) Managers (the "Class A Managers"). The initial Class A Managers shall be Brittany Washum. Each Class A Manager shall hold office until his or her resignation, removal from office as hereinafter provided, or death or incapacity. Any Class A Manager may be removed, with or without cause, by the affirmative vote of Members holding more than fifty percent (50%) of the total outstanding Class A Units. A Class A Manager may resign at any time by written notice thereof to the Members and the other Managers. Any vacancy occurring in a Class A Manager position shall be filled by the affirmative vote of Members holding more than fifty percent (50%) of the outstanding Class A Units.

(b) The Members holding Class B Units shall be entitled to appoint up to two (2) Managers (the "Class B Managers"). The initial Class B Manager shall be Ryan Johnson and Brandon Johnson. Each Class B Manager shall hold office until his or her resignation, removal from office as hereinafter provided, or death or incapacity. Any Class B Manager may be removed, with or without cause, by the affirmative vote of Members holding more than fifty percent (50%) of the total outstanding Class B Units. A Class B Manager may resign at any time by written notice thereof to the Members and the other

Managers. Any vacancy occurring in a Class B Manager position shall be filled by the affirmative vote of Members holding more than fifty percent (50%) of the outstanding Class B Units.

(c) In the event that the Members shall fail to designate in writing a representative to fill a vacant Manager position on the Board, and such failure shall continue for more than thirty (30) days after notice from the Company with respect to such failure, then the vacant position shall be filled by an individual designated by the other Manager(s) then in office that were appointed by the same class of Members entitled to fill such vacancy; provided, that such individual shall be removed from such position if and when the Members entitled to fill such vacancy, by majority vote, so direct and simultaneously designate a new Manager.

Section 8.03 Removal; Resignation.

(a) A Manager may be removed or replaced at any time from the Board, with or without cause, upon, and only upon, the written request of a majority of the Members entitled to appoint such Manager.

(b) A Manager may resign at any time from the Board by delivering written resignation to the Board. Any such resignation shall be effective upon receipt thereof unless it is specified to be effective at some other time or upon the occurrence of some other event. The Board's acceptance of a resignation shall not be necessary to make it effective.

Section 8.04 Meetings.

(a) Generally. The Board shall meet at such time and at such place as the Board may designate. Meetings of the Board may be held either in person or by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, at the offices of the Company or such other place (either within or outside the Commonwealth of Massachusetts) as may be determined from time to time by the Board. Written notice of each meeting of the Board shall be given to each Manager at least twenty-four (24) hours prior to each such meeting.

(b) Special Meetings. Special meetings of the Board shall be held on the call of any Manager upon at least five days' written notice (if the meeting is to be held in person) or one day's written notice (if the meeting is to be held by telephone communications or video conference) to the Managers, or upon such shorter notice as may be approved by all the Managers. Any Manager may waive such notice as to themselves.

(c) Attendance and Waiver of Notice. Attendance of a Manager at any meeting shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Section 8.05 Quorum; Manner of Acting.

(a) Quorum. A majority of the Managers serving on the Board shall constitute a quorum for the transaction of business of the Board, provided, however, that a quorum shall require at least one Class A Manager and at least one Class B Manager. At all times when the Board is conducting business at a meeting of the Board, a quorum of the Board must be present at such meeting. If a quorum shall not be present at any meeting of the Board, then the Managers present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(b) Participation. Any Manager may participate in a meeting of the Board by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Manager may vote or be present at a meeting either in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law.

(c) Binding Act. Each Manager shall have one vote on all matters submitted to the Board or any committee thereof. Except as provided in Section 8.05(d) and Section 8.08, with respect to any matter before the Board, the act of a majority of the Managers constituting a quorum shall be the act of the Board.

(d) Super Majority Actions. The following actions of the Company shall require the approval of a super majority of the Board, provided, however, that such super majority shall require at least one Class A Manager and at least one Class B Manager (a “Super Majority Vote of the Board”):

- (i) Amend this Agreement;
- (ii) Make any material change to the business of the Company or authorize the Company to enter into a new line of business;
- (iii) Authorize the issuance of Units;
- (iv) Admit new Members to the Company;
- (v) Incur any indebtedness, pledge or grant liens on any assets or guaranty, or assume, endorse or otherwise become responsible for the obligations of any other person or entity, in each case in excess of ten thousand United States Dollars (\$10,000 USD), except to the extent approved or authorized in the budget of the Company, if any;
- (vi) Make any loan, advance, or capital contribution to or in any person or entity), except to the extent approved or authorized in the budget of the Company, if any;

(vii) Enter into, amend in any material respect, waive, or terminate any agreement, arrangement, or understanding between the Company and any Member or any affiliate of a Member or any officer or employee of the Company (a “Related Party Agreement”) other than the entry into a Related Party Agreement that is on an arm’s length basis and on terms no less favorable to the Company than those that could be obtained from an unaffiliated third party;

(viii) Enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange or other disposition (including by merger, consolidation, sale of equity or sale of assets) of any material portion of the Company’s assets, other than sales of inventory in the ordinary course of business consistent with past practice;

(ix) Establish a Subsidiary or enter into any joint venture or similar business arrangement;

(x) Settle any lawsuit, action, dispute or other proceeding, or otherwise assume any liability, with a value in excess of ten thousand United States Dollars (\$10,000.00);

(xi) Initiate or consummate an initial public offering or convert the Company to a C corporation;

(xii) Make any investments in excess of ten thousand United States Dollars (\$10,000 USD) in each occurrence or in the aggregate in a series of related transactions, except to the extent approved or authorized in the budget of the Company, if any;

(xiii) Approve any business plan or budget for the Company, or any modifications to or material deviations therefrom;

(xiv) Dissolve, wind-up, or liquidate the Company;

(xv) Initiate any bankruptcy proceeding;

(xvi) Take any action that would result, or would reasonably be likely to result, in a violation of the Cannabis Code;

(xvii) Hire executive staff;

(xviii) Enter into, amend, or terminate any contract, agreement, or arrangement with any person or entity that could have a value in excess of ten thousand United States Dollars (\$10,000.00); or

(xix) Enter into a binding agreement to do any of the foregoing.

Section 8.06 Action by Written Consent. Notwithstanding anything herein to the contrary, any action of the Board (or any committee of the Board) may be taken without a meeting if either (a) a written consent of the number of Managers required to take such action at a meeting shall approve such action; provided, that prior written notice of such action is provided to all Managers at least one day before such action is taken, or (b) a written consent constituting all of the Managers on the Board shall approve such action. Such consent shall have the same force and effect as a vote at a meeting where a quorum was present and may be stated as such in any document or instrument filed with the Secretary of State of Massachusetts.

Section 8.07 Compensation; No Employment.

(a) Each Manager shall be reimbursed for his reasonable out-of-pocket expenses incurred in the performance of his duties as a Manager, pursuant to such policies as from time to time established by the Board. Nothing contained in this Section 8.07 shall be construed to preclude any Manager from serving the Company in any other capacity and receiving reasonable compensation for such services.

(b) This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to continued employment by the Company, and nothing herein should be construed to have created any employment agreement with any Manager.

Section 8.08 Officers.

(a) Election. The Class B Managers may appoint individuals as officers of the Company (the “Officers”) as it deems necessary or desirable to carry on the business of the Company and the Class B Managers may delegate to such Officers such power and authority as such Managers deems advisable. No Officer need be a Member or Manager. Any individual may hold two or more offices of the Company.

(b) Tenure; Vacancy. Each Officer shall hold office until his successor is designated by the Board or until his earlier death, resignation or removal. Any Officer may resign at any time upon written notice to the Board. Any Officer may be removed by the Class B Managers with or without cause at any time. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Class B Managers. Officers shall only have those powers specifically delegated and authorized by the Class B Managers. If for any reason the Class B Members fail to fill a vacancy in an Officer position, and such failure shall continue for at least thirty (30) days, then the Members holding a majority of the Class B Units may fill such vacancy.

(c) Chief Executive Officer and Vice President. The Members and the Managers hereby delegate to the office of the Chief Executive Officer of the Company the authority and duties of the general charge and supervision of the business of the Company. Any Vice Presidents will have duties as will be designated from time to time by the Chief Executive Officer.

(d) Treasurer and Assistant Treasurers. The Members and the Managers hereby delegate to the office of the Treasurer the authority and duties of the chief financial officer of the Company and will be in charge of its funds and valuable papers, and will have such

other duties and powers as may be designated from time to time by the Chief Executive Officer. If no Controller is elected, the Treasurer (or if no Treasurer is elected, the Chief Executive Officer) will also have the duties and powers of the Controller. Any Assistant Treasurers will have such duties and powers as will be designated from time to time by the Chief Executive Officer or the Treasurer.

(e) Controller and Assistant Controllers. The Members and the Managers hereby delegate to the office of the Controller the authority and duties of the chief accounting officer of the Company, who shall be in charge of its books of account and accounting records, and of its accounting procedures. The Controller will have such other duties and powers as may be designated from time to time by the Chief Executive Officer or the Treasurer. Any Assistant Controller will have such duties and powers as will be designated from time to time by the Chief Executive Officer, the Treasurer or the Controller.

(f) Secretary and Assistant Secretaries. The Members and the Managers hereby delegate to the office of the Secretary the authority and duties typically attributable to the secretary, including keeping records all proceedings of the Managers, Officers, and Members in a book or series of books to be kept therefor and will file therein all actions by written consent of such individuals. In the absence of the Secretary from any meeting, an Assistant Secretary, or if no Assistant Secretary is present, a temporary secretary chosen at the meeting, will record the proceedings thereof. The Secretary will keep or cause to be kept records, which will contain the names and record addresses of all Members, Managers, and Officers. The Secretary will have such other duties and powers as may from time to time be designated by the Chief Executive Officer. Any Assistant Secretaries will have such duties and powers as will be designated from time to time by the Chief Executive Officer or the Secretary

Section 8.09 No Personal Liability. Except as required by Applicable Law or expressly in this Agreement, no Manager will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiaries, whether arising in contract, tort or otherwise, solely by reason of being a Manager.

ARTICLE IX TRANSFER

Section 9.01 General Restrictions on Transfer. The Members may not transfer their Units without the consent of a Super Majority of the Board, and no Transfer may occur unless in compliance with Section 4.01(c). Notwithstanding the foregoing, no Member may transfer its Units to any transferee that would, upon becoming a Member, be an Affected Member as described in this Agreement, and any such purported transfer shall be and is null and void.

Section 9.02 Right of First Refusal. Prior to any Member transferring any Class A Units, such transferring Member (the “Transferring Class A Member”) shall first provide the Members holding Class B Units with written notice (the “ROFR Notice”) of such proposed transaction, which notice shall include the identity of the proposed Transferee, the number of Class A Units proposed to be sold, and the price per Class A Unit to be sold in such proposed transaction.

The ROFR Notice shall constitute an irrevocable offer to sell to the Members holding Class B Units all of the Class A Units proposed to be sold in the transaction at a price equal to eighty-five percent (85%) of the price provided in the ROFR Notice (the “ROFR Price”). Each Member holding Class B Units may at their sole discretion, within thirty (30) days of receipt of the ROFR notice (the “ROFR Period”), elect to purchase some or all of such Class B Units at the ROFR Price by providing written notice to the Transferring Class A Member (the “ROFR Election”). In the event that multiple Members holding Class B Units make a ROFR Election electing to purchase, in the aggregate, more Class A Units than are offered in the ROFR Notice, then the Members making a ROFR Election shall be entitled to purchase such Class A Units pro rata based on the ratio of the respective holdings of Class B Units of such electing Members. In the event that no Class B Members have provided ROFR Elections to the Transferring Class A Member during the ROFR Period, then the Transferring Class A Member may sell Class A Units on the terms described in the ROFR Notice, provided, however, that if such transaction does not close within ninety (90) days of the end of the ROFR Period, then the Transferring Class A Member may not transfer Class A Units without first complying with this Section 9.02.

ARTICLE X CONFIDENTIALITY

Section 10.01 Confidentiality.

(a) In pursuit of the Company’s business (the “Authorized Use”), certain trade secrets and business information proprietary to each Member and which each Member considers to be Confidential Information (as hereinafter defined) may be provided to one Member or the Company, and its affiliates (“Receiving Party”) by another Member, and its affiliates (“Disclosing Party”). This Section 10.01 is intended to allow the parties to have open discussions regarding the Confidential Information, while still affording complete protection of the Disclosing Party’s Confidential Information against disclosure or unauthorized use.

(b) “Confidential Information” means any Disclosing Party confidential or proprietary information, whether marked as confidential or not, in the form of notes, documents, materials, correspondence, or any other form, and anything derived from the foregoing, relating to: (i) the Disclosing Party’s proprietary technology and products, including without limitation, technical data, trade secrets, know-how, research, product plans, ideas or concepts, products services, software, inventions, patent applications, techniques, processes, developments, algorithms, formulas, technology, designs, schematics, drawings, engineering, and hardware configuration information, (ii) proprietary information relating to the Disclosing Party’s operations and business or financial plans or strategies, including but not limited to customers, customer lists, markets, financial statements and projections, standard operating procedures (SOP’s) product pricing and marketing, financial or other strategic business plans or information, disclosed to Receiving Party by the Disclosing Party, either directly or indirectly, in writing, orally or by drawings or inspection of samples, equipment or facilities, (iii) information received by the Disclosing Party from third parties under confidential conditions which information is identified by the Disclosing Party as being subject to such conditions; and (iv) the Disclosing Party’s “Trade Secrets” which means information which derives economic

value, actual or potential, from not being generally known to, or readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and which is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. "Confidential Information" shall *not* include any information that: (i) is or subsequently becomes publicly available without the Receiving Party's breach of any obligation owed the Disclosing Party; (ii) became known to the Receiving Party prior to the Disclosing Party's disclosure of such information to the Receiving Party; (iii) became known to the Receiving Party from a source other than the Disclosing Party or its affiliates or advisors other than by the breach of an obligation of confidentiality owed to the Disclosing Party; or (iv) is independently developed by the Receiving Party without violating any of its obligations under this Agreement.

(c) Non-Disclosure of Confidential Information. Other than with respect to disclosures by the Company to a Cannabis Regulatory Body in connection with the pursuit of the Company's business, the Receiving Party will keep all Confidential Information of the Disclosing Party confidential and will not, directly or indirectly, commercially exploit the Confidential Information of the Disclosing Party or use same for any other purpose, except for the Authorized Purpose. The Receiving Party shall take all reasonable action and shall take at least the same commercially reasonable precautions as it takes to prevent the disclosure of its own Confidential Information, to prevent the disclosure to third parties of the Confidential Information of the Disclosing Party. The Receiving Party shall only have the right to disclose the Confidential Information to its employees, agents, consultants and professional advisers on a "need to know" basis for the Authorized Purpose. The Receiving Party shall, prior to disclosing any Confidential Information to any such person, issue appropriate instructions to them and obtain all necessary undertakings to ensure that such persons comply with the confidentiality and use obligations and restrictions contained in this Agreement with respect to the Confidential Information of the Disclosing Party. Each Party shall specifically inform each of its representatives, employees and agents who receive any Confidential Information of the other Party hereunder of the obligations created by this Agreement and obtain the written acknowledgment from each such person or entity, who shall be bound to accept the non-disclosure obligations of the Receiving Party. Each Party and its officers (personally, under joint and several liability) shall be liable for any breach hereof by any of its employees, agents or representatives.

(d) Ownership of Confidential Information. Notwithstanding anything else contained herein, unless otherwise provide in a separate agreement all Confidential Information shall remain the property of the Disclosing Party and shall be held in trust by the Receiving Party for the Disclosing Party unless otherwise provided in a separate agreement. Nothing in this Agreement shall be construed as granting any rights to Receiving Party under any patent or copyright, nor shall this Agreement be construed to grant the Receiving Party any rights in or to the Disclosing Party's Confidential Information, except the limited right to review such Confidential Information solely for the Authorized Purpose.

(e) Required Disclosure. Other than with respect to disclosures to a Cannabis Regulatory Body in connection with the pursuit of the Company's business, if the Receiving Party becomes legally required to disclose any Confidential Information, the

Receiving Party will, to the extent permitted by Applicable Law, give the Disclosing Party prompt notice of such fact so that the Disclosing Party may obtain a protective order or other appropriate remedy concerning any such disclosure and/or waive compliance with the non-disclosure provisions of this Agreement. The Receiving Party will fully cooperate with the Disclosing Party in connection with the Disclosing Party's efforts to obtain any such order or other remedy. If any such order or other remedy does not fully preclude disclosure or the Disclosing Party waives such compliance, the Receiving Party will make such disclosure only to the extent that such disclosure is legally required and will use its best efforts to have confidential treatment accorded to the disclosed Confidential Information.

(f) Return of Confidential Information. The Receiving Party shall, immediately upon the earlier of (i) the Disclosing Party or Receiving Party no longer being a Member of the Company and (ii) the dissolution of the Company, discontinue use of the Confidential Information of the Disclosing Party and return within 10 days of receipt of notice from the Disclosing Party requesting the return of the Disclosing Party's Confidential Information all tangible forms of such Confidential Information, and all copies thereof, which may be or have been in the Receiving Party's possession. Except as otherwise required by law, the Receiving Party shall promptly redeliver or destroy all material containing or reflecting any information contained in the Confidential Information and will not retain any copies, extracts, or other reproductions of such written material. Subject to the foregoing exceptions, all documents, memoranda, notes, or other writings whatsoever, prepared and based on the information contained in the Confidential Information shall be returned or destroyed. If Confidential Information is destroyed, the Receiving Party will provide written certification signed by one of its senior officers that such Confidential Information has been destroyed.

(g) Term. The restrictions on use and disclosure of Confidential Information shall continue indefinitely and shall survive the termination of this Agreement.

(h) Injunctive Relief. The Receiving Party acknowledges and agrees that the breach by it of any of the Receiving Party's confidentiality obligations hereunder may cause serious and irreparable harm to the Disclosing Party which could not adequately be compensated for in damages. Each of the Parties therefore consents to an order specifically enforcing the provisions of this Agreement, or an order of injunction being issued against it restraining it from any further breach of such provisions and agrees that such injunction may be issued against it without the necessity of an undertaking as to damages by the other Party. The provisions of this section shall not derogate from any other remedy which a Party may have in the event of such a breach.

(i) Indemnification. The Receiving Party shall indemnify the Disclosing Party the officers, members, employees, agents, successors and assigns of the Disclosing Party for any and all damages incurred as a result of any breach hereof by the receiving party and/or any employee or agent of the Receiving Party.

ARTICLE XI ACCOUNTING; TAX MATTERS

Section 11.01 Income Tax Audits.

(a) For each year in which the Company is subject to the Partnership Tax Audit Rules, the Company shall designate Jonathan Tucker to serve as the “partnership representative” of the Company within the meaning of Code section 6223, as amended by the Partnership Tax Audit Rules (the “Tax Representative”). Tax Representative shall have sole authority to act on behalf of the Company for purposes of the Code and the Partnership Tax Audit Rules and any comparable provisions of state or local income tax laws with respect to the taxable year(s) such Person was designated to serve in such capacity, until such Person resigns or is replaced by the Board in accordance with the provisions of Section 11.01(b). If the Tax Representative is an entity rather than an individual, the Tax Representative shall appoint an individual who meets the requirements of the Partnership Tax Audit Rules to serve as the “designated individual” (the “Designated Individual”) to act on behalf of the Tax Representative for the Company, which appointment shall be deemed to be the appointment of the Company. For purposes of this Section 11.01, unless otherwise specified, all references to provisions of chapter 63 of the Code shall be to such provisions as enacted by the Partnership Tax Audit Rules.

(b) The Person serving as the Tax Representative (or Designated Individual, as applicable) shall be automatically removed as Tax Representative upon the death, dissolution and/or winding up, legal incompetency or Bankruptcy of such Person, and the Person serving as the Tax Representative may be removed at any time by the Board. Upon such removal of the Tax Representative (or Designated Individual, as applicable) a successor to serve in such position shall be designated by the Board, and the removed Tax Representative (or Designated Individual, as applicable) shall not take any action for or on behalf of the Company without the prior written consent of the Board.

(c) The Company shall indemnify and hold harmless the Tax Representative (and Designated Individual, as applicable) in accordance with Article XIII as a result of any act or decision concerning Company tax matters and within the scope of such Person’s responsibility as Tax Representative. All amounts indemnified may be advanced as incurred in accordance with Article XIII. The Tax Representative (and Designated Individual, as applicable) shall be entitled to rely on the advice of outside legal counsel and accountants as to the nature and scope of such Person’s responsibilities and authority, and any act or omission of the Tax Representative pursuant to such advice in no event shall subject the Tax Representative to liability to the Company or any Member.

(d) If the Company qualifies to elect pursuant to Code section 6221(b) (or successor provision) to have federal income tax audits and other proceedings undertaken by each Member rather than by the Company, the Company shall make such election.

(e) Notwithstanding other provisions of this Agreement to the contrary, but subject to Section 11.01(f), if any “partnership adjustment” (as defined in Code section 6241(2)) is determined with respect to the Company, the Tax Representative, upon the

determination of the Board in its sole discretion, will cause the Company to elect pursuant to Code section 6226 (the “push-out” election) to have any such adjustment passed through to the Members and former Members for the year to which the adjustment relates (i.e., the “reviewed year” within the meaning of Code section 6225(d)(1)). In the event that the Tax Representative has not caused the Company to so elect pursuant to Code section 6226, then any “imputed underpayment” (as determined in accordance with Code section 6225) or “partnership adjustment” that does not give rise to an “imputed underpayment” shall be apportioned among the Members and former Members of the Company in such manner as may be necessary (as determined by the Board in good faith) so that, to the maximum extent possible, the tax and economic consequences of the partnership adjustment and any associated interest and penalties are borne by the Members and former Members based upon their interests in the Company for the reviewed year.

(f) Each Member and former Member agrees that, upon request of the Tax Representative, such Member shall: (i) provide any information and take such action as may be reasonably required by the Tax Representative in order to determine whether any “imputed underpayment” within the meaning of Code Section 6225 may be modified pursuant to Code Section 6225(c); (ii) file amended tax returns or effectuate the alternative “pull-in” procedure as provided in Code section 6225(c)(2) with respect to any “reviewed year” (within the meaning of Code section 6225(d)(1)) to reduce the amount of any “partnership adjustment” otherwise required to be taken into account by the Company; or (iii) in the event the Members do not fully or timely comply (in the Tax Representatives sole discretion) with the procedures of such Code section 6225(c)(2), take such actions as may be necessary or desirable (if any) to allow the Company to comply with the provisions of Code section 6226 (concerning the “push-out” election) so that any “partnership adjustments” are taken into account by the Members rather than the Company.

(g) If the Company is obligated to pay any amount of tax, penalty, interest, or other charges determined under the Code (a “Company Level Tax”), each Member or former Member to which the assessment or payment relates (an “Indemnifying Member”) shall indemnify the Company for, and pay to the Company, the Indemnifying Member’s allocable share of the Company Level Tax. Each Indemnifying Member’s allocable share of the Company Level Tax shall be determined in good faith by the Board. Promptly upon notification by the Board of the Indemnifying Member’s obligation to indemnify the Company, an Indemnifying Member shall make a payment to the Company of immediately available funds, at the time and in the amount and manner directed by the Board. Amounts paid to the Company under this Section 11.01(g) by an Indemnifying Member who is not a Member of the Company at the time such payment is made shall not be treated as a Capital Contribution.

(h) Each Member and former Member agrees that such Member shall not treat any Company item inconsistently on such Member’s federal, state, foreign, or other income tax return with the treatment of the item on the Company’s return. Any deficiency for taxes imposed on any Member or former Member (including penalties, additions to tax or interest imposed with respect to such taxes, and any taxes imposed pursuant to Code section 6226, as amended) shall be paid by such Member, and if paid by the Company will be recoverable from such Member.

(i) The obligations of each Member or former Member under this Section 11.01 shall survive any actual or attempted Transfer, withdrawal or abandonment by such Member of its Transferable Interest and the termination of this Agreement or the dissolution of the Company.

Section 11.02 Tax Returns; Tax Elections.

(a) At the expense of the Company, the Board (or any Officer that it may designate pursuant to Section 8.08) shall endeavor to cause the preparation and timely filing (including extensions) of all tax returns required to be filed by the Company pursuant to the Code as well as all other required tax returns in each jurisdiction in which the Company and the Company Subsidiaries own property or do business. As soon as reasonably possible after the end of each Fiscal Year, the Board or designated Officer will cause to be delivered to each Person who was a Member at any time during such Fiscal Year, IRS Schedule K-1 to Form 1065 and such other information with respect to the Company as may be necessary for the preparation of such Person's federal, state and local income tax returns for such Fiscal Year.

(b) The Tax Representative, with the consent of the Board, shall make any and all elections for federal, state, local, or foreign tax purposes including without limitation any election, if permitted by applicable law: (i) to adjust the basis of property pursuant to Code sections 734(b), 743(b) and 754, or comparable provisions of state, local or foreign law, in connection with Transfers of Units and Company distributions; (ii) to extend the statute of limitations for assessment of tax deficiencies against the Members with respect to adjustments to the Company's federal, state, local or foreign tax returns; and (iii) to make all decisions on behalf of the Company and the Members and to direct the activities of the Tax Representative before taxing authorities or courts of competent jurisdiction in tax matters affecting the Company or the Members in their capacities as Members, and to direct the filing of any tax returns and to cause the execution of any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Company and the Members.

Section 11.03 Company Funds. All funds of the Company shall be deposited in its name, or in such name as may be designated by the Board, in such checking, savings or other accounts, or held in its name in the form of such other investments as shall be designated by the Board. The funds of the Company shall not be commingled with the funds of any other Person. All withdrawals of such deposits or liquidations of such investments by the Company shall be made exclusively upon the signature or signatures of such Officer or Officers as the Board may designate.

ARTICLE XII DISSOLUTION AND LIQUIDATION

Section 12.01 Events of Dissolution. The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

(a) The determination of the Board to dissolve the Company pursuant to Section 8.05(d);

(b) The sale, exchange, involuntary conversion, or other disposition or Transfer of all or substantially all the assets of the Company subject to consent of the Board pursuant to Section 8.05(d) or otherwise the occurrence of a Deemed Liquidation Event with the Board's determination to thereafter dissolve pursuant to Section 8.05(d); or

(c) The entry of a decree of judicial dissolution.

Section 12.02 Effectiveness of Dissolution. Dissolution of the Company shall be effective on the day on which the event described in Section 12.01 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 12.03 and the Certificate of Organization shall have been cancelled as provided in Section 12.04.

Section 12.03 Liquidation. If the Company is dissolved pursuant to Section 12.01, the Company shall be liquidated and its business and affairs wound up in accordance with the following provisions:

(a) Liquidator. The Board, or, if the Board is unable to do so, a Person selected by the holders of a majority of the Class B Units, shall act as liquidator to wind up the Company (the "Liquidator"). The Liquidator shall have full power and authority to sell, assign, and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.

(b) Accounting. As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.

(c) Distribution of Proceeds. The Liquidator shall liquidate the assets of the Company and Distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

(i) First, to the payment of all of the Company's debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

(ii) Second, to the establishment of and additions to reserves that are determined by the Board in its sole discretion to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company;

(iii) Third, to the Members in the same manner as Distributions are made under Section 7.02 (regarding Distributions from Deemed Liquidation Events), subject to Section 7.03 (regarding Tax Distributions).

(d) Discretion of Liquidator. Notwithstanding the provisions of Section 12.03(c) that require the liquidation of the assets of the Company, but subject to the order of priorities set forth in Section 12.03(c), if upon dissolution of the Company the Liquidator determines that an immediate sale of part or all of the Company's assets would be impractical or could cause undue loss to the Members, the Liquidator may defer the liquidation of any assets except those necessary to satisfy Company liabilities and reserves, and may, in its absolute discretion, Distribute to the Members, in lieu of cash, as tenants in common and in accordance with the provisions of Section 12.03(c), undivided interests in such Company assets as the Liquidator deems not suitable for liquidation. Any such Distribution in kind will be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operating of such properties at such time. For purposes of any such Distribution, the following rules shall be applied consistent with Treasury Regulation Section 1.704-1(b)(2)(iv)(e): (i) any property to be Distributed will be valued at its Fair Market Value; (ii) the difference between the Fair Market Value of any asset to be Distributed in kind and its carrying value on the books of the Company shall be deemed to be gain or loss and any such deemed gain or loss shall be allocated in accordance with Article VI; and (iii) all such allocations of gain or loss shall be credited or charged to the Members' Capital Accounts prior to making such Distributions.

Section 12.04 Cancellation of Certificate. Upon completion of the Distribution of the assets of the Company as provided in Section 12.03(c) hereof, the Company shall be terminated and the Liquidator shall cause the cancellation of the Certificate of Organization in the Commonwealth of Massachusetts and of all qualifications and registrations of the Company as a foreign limited liability company in jurisdictions other than the Commonwealth of Massachusetts and shall take such other actions as may be necessary to terminate the Company.

Section 12.05 Survival of Rights, Duties and Obligations. Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any Loss which at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or which thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination. For the avoidance of doubt, none of the foregoing shall replace, diminish or otherwise adversely affect any Member's right to indemnification pursuant to Section 13.03.

Section 12.06 Resource for Claims. Each Member shall look solely to the assets of the Company for all Distributions with respect to the Company, such Member's Capital Account, and such Member's share of Net Income, Net Loss and other items of income, gain, loss and deduction, and shall have no recourse therefor (upon dissolution or otherwise) against the Board, the Liquidator or any other Member.

ARTICLE XIII EXCULPATION AND INDEMNIFICATION

Section 13.01 Exculpation of Covered Persons.

(a) Covered Persons. As used herein, the term “Covered Person” shall mean (i) each Member, (ii) each officer, director, shareholder, partner, member, controlling Affiliate, employee, agent or representative of each Member, and each of their controlling Affiliates, and (iii) each Manager, Officer, employee, agent or representative of the Company.

(b) Standard of Care. No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any action taken or omitted to be taken by such Covered Person in good-faith reliance on the provisions of this Agreement, so long as such action or omission does not constitute fraud or willful misconduct by such Covered Person.

(c) Good Faith Reliance. A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, Net Income or Net Losses of the Company or any facts pertinent to the existence and amount of assets from which Distributions might properly be paid) of the following Persons or groups: (i) another Manager; (ii) one or more Officers or employees of the Company; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person’s professional or expert competence.

Section 13.02 Liabilities and Duties of Covered Persons.

(a) Limitation of Liability. This Agreement is not intended to, and does not, create or impose any fiduciary duty on any Covered Person. Furthermore, each of the Members and the Company hereby waives any and all fiduciary duties that, absent such waiver, may be implied by Applicable Law, and in doing so, acknowledges and agrees that the duties and obligation of each Covered Person to each other and to the Company are only as expressly set forth in this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of such Covered Person.

(b) Duties. Whenever in this Agreement a Covered Person is permitted or required to make a decision (including a decision that is in such Covered Person’s “discretion” or under a grant of similar authority or latitude), the Covered Person shall be entitled to consider only such interests and factors as such Covered Person desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of or factors affecting the Company or any other Person. Whenever in this Agreement a Covered Person is permitted or required to make a decision in such Covered Person’s “good faith,” the Covered Person shall act under such express standard and shall not be subject to any other or different standard imposed by this Agreement or any other Applicable Law.

Section 13.03 Indemnification.

(a) Indemnification. As the same now exists or may hereafter be amended, substituted or replaced the Company shall indemnify, hold harmless, defend, pay and reimburse any Covered Person against any and all losses, claims, damages, judgments, fines or liabilities, including reasonable legal fees or other expenses incurred in investigating or defending against such losses, claims, damages, judgments, fines or liabilities, and any amounts expended in settlement of any claims (collectively, "Losses") to which such Covered Person may become subject by reason of:

(i) Any act or omission or alleged act or omission performed or omitted to be performed on behalf of the Company, any Member or any direct or indirect Subsidiary of the foregoing in connection with the business of the Company; or

(ii) The fact that such Covered Person is or was acting in connection with the business of the Company as a partner, member, stockholder, controlling Affiliate, manager, director, officer, employee or agent of the Company, any Member, or any of their respective controlling Affiliates, or that such Covered Person is or was serving at the request of the Company as a partner, member, manager, director, officer, employee or agent of any Person including the Company or any Company Subsidiary;

provided, that (x) such Covered Person acted in good faith and in a manner believed by such Covered Person to be in, or not opposed to, the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe his conduct was unlawful, and (y) such Covered Person's conduct did not constitute fraud or willful misconduct, in either case as determined by a final, nonappealable order of a court of competent jurisdiction. In connection with the foregoing, the termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Covered Person did not act in good faith or, with respect to any criminal proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful, or that the Covered Person's conduct constituted fraud or willful misconduct.

(b) Reimbursement. The Company shall promptly reimburse (and/or advance to the extent reasonably required) each Covered Person for reasonable legal or other expenses (as incurred) of such Covered Person in connection with investigating, preparing to defend or defending any claim, lawsuit or other proceeding relating to any Losses for which such Covered Person may be indemnified pursuant to this Section 13.03; provided, that if it is finally judicially determined that such Covered Person is not entitled to the indemnification provided by this Section 13.03, then such Covered Person shall promptly reimburse the Company for any reimbursed or advanced expenses.

(c) Entitlement to Indemnity. The indemnification provided by this Section 13.03 shall not be deemed exclusive of any other rights to indemnification to which those seeking indemnification may be entitled under any agreement or otherwise. The provisions of this Section 13.03 shall continue to afford protection to each Covered Person regardless

of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this Section 13.03 and shall inure to the benefit of the executors, administrators, legatees and distributees of such Covered Person.

(d) Insurance. To the extent available on commercially reasonable terms, the Company may purchase, at its expense, insurance to cover Losses covered by the foregoing indemnification provisions and to otherwise cover Losses for any breach or alleged breach by any Covered Person of such Covered Person's duties in such amount and with such deductibles as the Board may determine; provided, that the failure to obtain such insurance shall not affect the right to indemnification of any Covered Person under the indemnification provisions contained herein, including the right to be reimbursed or advanced expenses or otherwise indemnified for Losses hereunder. If any Covered Person recovers any amounts in respect of any Losses from any insurance coverage, then such Covered Person shall, to the extent that such recovery is duplicative, reimburse the Company for any amounts previously paid to such Covered Person by the Company in respect of such Losses.

(e) Funding of Indemnification Obligation. Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this Section 13.03 shall be provided out of and to the extent of Company assets only, and no Member (unless such Member otherwise agrees in writing) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity by the Company.

(f) Savings Clause. If this Section 13.03 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person pursuant to this Section 13.03 to the fullest extent permitted by any applicable portion of this Section 13.03 that shall not have been invalidated and to the fullest extent permitted by Applicable Law.

(g) Amendment. The provisions of this Section 13.03 shall be a contract between the Company, on the one hand, and each Covered Person who served in such capacity at any time while this Section 13.03 is in effect, on the other hand, pursuant to which the Company and each such Covered Person intend to be legally bound. No amendment, modification or repeal of this Section 13.03 that adversely affects the rights of a Covered Person to indemnification for Losses incurred or relating to a state of facts existing prior to such amendment, modification or repeal shall apply in such a way as to eliminate or reduce such Covered Person's entitlement to indemnification for such Losses without the Covered Person's prior written consent.

(h) Survival. The provisions of this Article XIII shall survive the dissolution, liquidation, winding up and termination of the Company.

ARTICLE XIV MISCELLANEOUS

Section 14.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with the preparation and execution of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 14.02 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Member hereby agrees, at the request of the Company or any other Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 14.03 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 14.03):

If to the Company: [ADDRESS]
 [ADDRESS]
 Attention:

with a copy to: Vicente Sederberg LLP
 E-mail: brandon@vicentesederberg.com

If to a Member, to such Member's respective mailing address as set forth on the Members Schedule.

Section 14.04 Headings. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision of this Agreement.

Section 14.05 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement in a mutually acceptable manner to remedy

such deficiency, provided, however, that any such modification shall be made so as to maintain the original intent of the parties to the greatest extent possible.

Section 14.06 Regulatory Review. The Members and the Company acknowledge and agree that this Agreement (a) must comply with the Cannabis Code (b) may be subject to regulatory review from a Cannabis Regulatory Body and (c) is intended to ensure that the Company is qualified as an Economic Empowerment Priority Applicant. In the event that a Cannabis Regulatory Body determines, or the Members otherwise reasonably determine, that this Agreement violates the Cannabis Code or otherwise would jeopardize the Company's status as an Economic Empowerment Priority Applicant or the business licenses or permits of the Company, the parties hereto shall negotiate in good faith to modify this Agreement in a mutually acceptable manner to remedy such deficiency, provided, however, that any such modification shall be made so as to maintain the original intent of the parties to the greatest extent possible.

Section 14.07 Entire Agreement. This Agreement, together with the Certificate of Organization, any agreement to acquire Units, and all related Exhibits and Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

Section 14.08 Successors and Assigns. Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section 14.09 No Third-party Beneficiaries. Except as provided in Article XIII which shall be for the benefit of and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 14.10 Amendment. No provision of this Agreement may be amended or modified except by an instrument in writing approved pursuant to Section 8.05(d). Any such written amendment or modification will be binding upon the Company and each Member.

Section 14.11 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. For the avoidance of doubt, nothing contained in this Section 14.11 shall diminish any of the explicit and implicit waivers described in this Agreement, including in Section 8.04(c) and Section 14.15 hereof.

Section 14.12 Governing Law. All issues and questions concerning the application, construction, validity, interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without giving effect to any choice or conflict of law provision or rule (whether of the Commonwealth of Massachusetts or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the Commonwealth of Massachusetts.

Section 14.13 Dispute Resolution. In the event of any dispute, claim or controversy arising out of or relating to this Agreement, the parties shall first attempt in good faith to resolve their dispute through in-person negotiation between authorized representatives of each of the parties with authority to settle the relevant dispute. Either party may commence this negotiation by delivering written notice to the other party pursuant to the terms outlined in this Agreement. The parties may agree to engage the services of a jointly agreed-upon mediator to facilitate this in-person meeting, in which case they agree to share equally in the costs of the mediation. If the dispute cannot be settled amicably within fourteen (14) days of delivery of written notice or the in-person meeting of authorized representatives, whichever comes later, then the dispute shall be resolved by binding arbitration as provided in Section 14.14.

Section 14.14 Binding Arbitration. Any dispute, controversy, or claim arising out of or relating to this Agreement, including any determination of the scope or applicability of this Section, shall be finally settled by arbitration administered by the American Arbitration Association (“AAA”) in accordance with its Commercial Arbitration Rules then in effect, and judgment on the award rendered by the arbitral tribunal may be entered in any court having jurisdiction thereof. The Parties shall share the costs of the arbitration equally; however, each Party shall be responsible for its own attorneys’ fees and other costs and expenses. The arbitration will be conducted in the English language, in the city of Boston, Massachusetts by a single arbitrator jointly selected by the parties in accordance with the AAA Rules. The arbitrator shall have the power to grant legal and equitable remedies, including awarding the prevailing party its attorneys’ fees and other costs of the arbitration, but they shall not grant punitive damages. To the extent federal and state law conflict as regards this contract, state law shall apply. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties. The award shall be final and binding upon all parties as from the date rendered and shall be the sole and exclusive remedy between the parties regarding any claims, counterclaims, issues, or accounting presented to the arbitral tribunal. The Parties acknowledge that they are irrevocably waiving the right to a trial in court, including a trial by jury and that all rights and remedies will be determined by an arbitrator and not by a judge or jury.

Section 14.15 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

Section 14.16 Attorneys' Fees. In the event that any party hereto institutes any legal suit, action or proceeding, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

Section 14.17 Remedies Cumulative. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise, except to the extent expressly provided in Section 13.02 to the contrary.

Section 14.18 Legal Representation. Each Member hereby acknowledges that it has had the opportunity to consult with its independent attorney(s) and/or tax advisor(s) prior to the execution of this Agreement. Further, each Member hereby acknowledges and agrees that: (a) Vicente Sederberg LLP ("VS") has previously, is currently, and/or may in the future represent some or all of the Members holding Class B Units or their respective Affiliates; (b) such Member retained VS to represent the Company in connection with this Agreement and the transactions contemplated hereby and expects to retain VS as legal counsel in connection with the management and operation the Company; (c) no current or future conflicts of interest may be asserted on the basis of the services rendered by VS in connection with this Agreement, such conflicts being hereby waived; (d) VS shall be permitted to represent the Company, the Board and such Member and its Affiliates in connection with any matter whatsoever, now or in the future, including but not limited to any dispute with another Member or their Affiliates; and (e) each Member hereby waives any conflicts of interest that may arise in connection with any or all of the foregoing.

Section 14.19 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature page follows]

DRAFT



PLAN FOR OBTAINING LIABILITY INSURANCE

Lemonnade Springfield will contract with an insurance provider to maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually and product liability coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually. The policy deductible will be no higher than \$5,000 per occurrence. Lemonnade Springfield will consider additional coverage based on availability and cost-benefit analysis.

If adequate coverage is unavailable at a reasonable rate, Lemonnade Springfield will place in escrow at least \$250,000 to be expended for liabilities coverage (or such other amount approved by the Commission). Any withdrawal from such escrow will be replenished within 10 business days of any expenditure. Lemonnade Springfield will keep reports documenting compliance with 935 CMR 500.105(10): *Liability Insurance Coverage or Maintenance of Escrow* in a manner and form determined by the Commission pursuant to 935 CMR 500.000.



BUSINESS PLAN

Built with the vision of forming stronger, more equitable communities through cannabis, Lemonnade recognizes that it has the unique opportunity to implement an intentional and inclusive employment model that will set the standard for equity-driven businesses in the cannabis industry. The enforcement of drug laws across the nation has yielded staggering racial disparities that disproportionately impact Black and Latinx people. Lemonnade's leadership, comprised of individuals with nationally acclaimed talent in athletics, music, retail, and academics, acknowledges the ease by which they, too, could have become a statistic in the War on Drugs. As such, Lemonnade maintains a deep-rooted commitment to incorporating equity and inclusion within all facets of its business operations to make purposeful strides towards ensuring that diverse participants and groups are afforded equality of opportunity at all levels of employment or contractual relationship with the company.

Lemonnade has developed a robust workforce and job-creation plan that is grounded in restorative justice and affording opportunity for communities that have previously been left behind. The following plan outlines the measures Lemonnade will take to:

1. Hire a talented staff of 35-45 individuals comprised of 100% employees that are Springfield residents, minorities, or individuals with drug related CORIs;
2. Foster an inclusive environment that celebrates team members for who they are, including people who identify as LGBTQ+ and people with disabilities;
3. Prioritize hiring bilingual staff that are fluent in Spanish;
4. Offer a robust employment package that emphasizes a living wage, comprehensive
5. benefits, and workforce development training; and
6. Support local economic development through a reliance on local suppliers and those that value diversity and inclusion.

ANTICIPATED POSITIONS + SALARY LEVELS

Lemonnade anticipates that its facility has the potential to add between 35-45 jobs. Throughout this section, Lemonnade will review anticipated positions and salary levels; proposed local recruitment efforts; and continuing workforce training initiatives to incentivize employees to grow within the organization.

Lemonnade will provide employees with access to comprehensive health, vision, and dental insurance. All employees will be automatically enrolled in a life insurance plan and receive disability insurance. Lemonnade recognizes that transportation costs, training costs, accessibility of its workplace, parental leave policies, and uniform costs can serve as limiting factors that can make it challenging for individuals from diverse backgrounds to sustain a career. As such, the company will provide a living wage, comprehensive healthcare benefits, paid parental leave, transportation reimbursements, uniform stipends, 401k, tuition reimbursement, and paid training. All employees receive 40 paid volunteer



hours. Additionally, Lemonnade's facility has been designed with accessibility in mind to ensure individuals with physical disabilities are able to easily access and traverse their place of employment.

Role: General Manager	Anticipated Hires: 2	Annual Salary: \$80,000
<p>Job Description: Reporting to the Executive Management Team, the General Manager is responsible for driving revenue goals while providing an outstanding customer experience, leading the management and development of the retail team, and ensuring compliance with all inventory, security, and system protocols. The General Manager will serve as the day-to-day liaison with City officials and respond to City and community inquiries as a chief priority. Additional responsibilities include:</p> <ul style="list-style-type: none"> • Forecasting inventory levels; • Ordering & receiving products; • Developing plans to achieve retail store sales and targets; • Recruiting, engaging, and retaining best in class talent; • Coaching, mentoring, and leading all aspects of a world class customer experience including visual presentation, product knowledge, and customer service strategies; • Develop budgets and sales forecasting; • Maintaining accurate systems for regulatory reporting and sales analysis; and • Maintain outstanding store condition and visual merchandising standards. 		

Role: Assistant Manager	Anticipated Hires: 4	Annual Salary: \$65,000
<p>Job Description: Reporting to the General Manager, Assistant Managers are responsible for overseeing all Customer Services Agents and managing day-to-day operations of the retail facility. This includes, but is not limited to:</p> <ul style="list-style-type: none"> • Implementing operational rules, regulations, policies, procedures, and inventory tracking; • Coordinate and facilitate transactions and controls; • Assist in the management and supervision of staff, including recommendations regarding hiring, training, disciplining, and terminating employees; • Ensuring customer satisfaction through feedback tools; • Reporting all incidents and complaints to the executive team; and • Coll 		

Role: Customer Service Representative	Anticipated Hires: 15-20	Hourly Rate: \$20
<p>Job Description: Customer Service Representatives ensure that each customer is treated with respect while at a Lemonnade facility and that each customer receives the appropriate amount of individualized attention in order to address his/her specific needs and questions. Responsibilities include, but are not limited to:</p> <ul style="list-style-type: none"> • Maintaining a clean, safe, healthy, and productive environment ensuring that customers have a positive experience at a Lemonnade facility; • Answering customer questions regarding products including, but not limited to, flowers, concentrates, tinctures, and edibles; • Being knowledgeable of strains and various types of products offered by Lemonnade; • Properly setting up product displays pursuant to Lemonnade policies and procedures; 		

- Executing and enforcing compliance with Commission regulations and Lemonnade policies and procedures;
- Understanding sales transactions using Metrc;
- Understanding individual customer goals;
- Reconciling cash from sales transactions, sales reports, and other forms of task management daily; and
- Participating in ongoing education and professional development as required.

Role: Inventory Manager	Anticipated Hires: 2	Hourly Rate: \$24
<p>Job Description: The Inventory Manager is responsible for inventory on a day-to-day basis as well as the weekly and monthly inventory counts and waste disposal requirements. The inventory manager will perform the comprehensive annual inventory in conjunction with the executive management team. Additional duties include, but are not limited to:</p> <ul style="list-style-type: none"> • Implementing inventory controls to track and account for all inventory; • Implementing procedures and notification policies for proper disposal; • Maintaining records, including operating procedures, inventory records, audit records, storage and transfer records; • Maintaining documents with each day's beginning, acquisitions, sales, disposal, and ending inventory; and • Proper storing, labeling, tracking, and reporting of inventory. 		

Role: Inventory Associate	Anticipated Hires: 10	Hourly Rate: \$23
<p>Job Description: Inventory Associates support the Inventory Manager during day-to-day operations with responsibilities including, but not limited to:</p> <ul style="list-style-type: none"> • Maintaining records, including operating procedures, inventory records, audit records, storage and transfer records; • Maintaining documents with each day's beginning, acquisitions, sales, disposal and ending inventory; • Ensuring products are properly stored, labeled, and recorded in the tracking software system; • Ensuring waste is properly stored; and • Coordinating the waste disposal schedule and ensuring Lemonnade's policies and procedures for waste disposal are adhered to. 		

Role: Security Agent	Anticipated Hires: 10	Annual Salary: \$58,000
<p>Job Description: Reporting to Lemonnade's Director of Security, Security Agents monitor Lemonnade's security systems including alarms, video surveillance, and motion detectors. Security Agents are responsible for ensuring that only authorized individuals are permitted access to the Lemonnade facility by verifying appropriate ID cards and other forms of identification. In addition, Security Agents perform the following duties and other duties upon request:</p> <ul style="list-style-type: none"> • Investigate, communicate, and provide leadership in the event of an emergency such as an intrusion, fire, or other threat that jeopardizes customers, authorized visitors, and Lemonnade agents; 		

- Respond and investigate security situations and alarm calls; clearly document the incident and details surrounding the incident in a written report for the Director of Security;
- Oversee the entrance to the facility and verify credentials of each person seeking access to the Lemonnade facility;
- Answer routine inquiries;
- Log entries, and maintain visitor log;
- Escort authorized visitors in restricted access areas; and
- Escort Lemonnade agents from the facility during non-business hours and perform security checks at designated intervals.

Role: Compliance Officer	Anticipated Hires: 1	Annual Salary: \$70,000
Job Description: Responsible for planning and directing quality assurance policies and the development and maintenance of the standard operating procedures. Directs process and product testing to ensure quality standards are met, as well as ensure compliance with all applicable state and local laws, regulations, ordinances, and other requirements. Reviews and evaluates compliance issues and concerns and ensures compliance with the rules set forth by the Department and all applicable state and local laws, regulations, ordinances, and other requirements, as well as internal policies and procedures.		

RECRUITMENT EFFORTS

Lemonnade will establish and maintain a local and diverse workforce to serve its customers through recruitment that is intentionally targeted towards Springfield residents as well as underrepresented and minority communities. Lemonnade's recruitment efforts are designed to maintain a steady flow of qualified diverse applicants and includes the following steps:

- Advertising employment opportunities in local newspapers such as the Springfield Republican, local bilingual media, and advertising to the local Neighborhood Council and other business, civic, and philanthropic group;
- Providing briefings to representatives from local workforce development companies concerning current and future job openings;
- Hosting regular job fairs in Springfield that are widely publicized in multiple forms of news media and held during traditional and non-traditional hours to ensure participation of a diverse range of individuals;
- Encouraging employees to refer applicants for employment through recruitment bonuses;
- Transmit career openings to local civic, business, and philanthropic associations; elected and appointed officials; the City's online job forum; partner organizations; and by posting them online on boards including Blackjobs.com, United Latino Job Bank, LatPro.com, Black Career Network, HBCU Connect, Asian Hires, NAACP Career Center, iHispano, Diversity Inc., and Diversity Job Board. Vice President of Government Affairs and Compliance, Christian Bax, is a member of the Board of Directors for Minorities for Medical Marijuana, the nation's premier advocacy group for minorities inclusion in the cannabis industry. Cookies and Minorities for Medical Marijuana are currently finalizing a partnership to collaborate on training and hiring on a national basis;
- Hosting informational sessions about careers in the marijuana industry and publicizing them to local educational institutions; and

- Utilizing Zip Recruiter to reach over 100 online career and job websites, as well as social media.

WORKFORCE TRAINING

Lemonnade acknowledges the critical importance of education in empowering its employees to succeed in the future, whether it be in continued employment opportunities within the business, in the cannabis industry at large, or in the professional field of their choosing. In addition to the Cannabis Control Commission's Responsible Vendor Training, all employees will receive access to comprehensive training across all facets of business operations in the cannabis industry, including cultivation, manufacturing, retail sales, marketing, finance, regulatory compliance, and basic business skills. Lemonnade has partnered with Green Flower to develop an online Workforce Development Program platform that provides immensely valuable content to participants an edge above the rest when it's time to seek out the next move in their career -- whether it's in the grow room or the board room. Employees can review previous seminars, participate in courses, or engage in a full curriculum leading to a specialized certificate.



Certificates and Career Paths

Designed for students that want to dive deep into different cannabis disciplines. Each certificate is made up of multiple courses.



Green Flower's platform is used by higher education institutions across the nation, including Northern Michigan University, Western Washington University, the University of San Diego, Florida Atlantic University, and the University of Wisconsin.

FOSTERING A SENSE OF BELONGING

Lemonnade will develop a Workforce Mentoring Program to create an environment that fosters trust, belonging, and support. Employees will be paired with manager-level staff and given the opportunity to chart a pathway upwards within the organization, identify opportunities for training and educational advancement, voice concerns, and overcome potential hurdles. Mentorship meetings will occur at least monthly, but employees will be encouraged to regularly schedule opportunities to collaborate with their mentor or mentee.

Lemonnade will provide annual cultural training on cultural sensitivity and recognizing unconscious bias, focusing on materials including learning about multicultural environments, how to foster inclusion and belonging, intercultural competence, and break out group sessions.

Lemonnade will offer promotions, career counseling, and training to provide all employees with opportunity for growth and to decrease turnover. Lemonnade will ensure that all employees are given opportunities for promotion by communicating opportunities, training programs, and clearly-defined job descriptions. Lemonnade will ensure that all employees receive opportunity for career counseling,



counsel employees on advancement opportunities, and provide training programs to assist them in career development.

Lemonnade will implement a whistleblower protection policy to ensure that employees are comfortable making management aware of security, safety, or operational concerns within the facility without fear of retaliation. Suggestion boxes will also be placed in the employee break room to give individuals the ability to provide feedback anonymously.

SUPPORTING LOCAL ECONOMIC DEVELOPMENT

Lemonnade understands the hurdles that must be overcome to stand up a business and a brand, so the company prioritizes utilizing vendors that are local or BIPOC owned. As such, Lemonnade is committed to prioritizing the use of vendors that are based in Springfield or designated as disadvantaged businesses, minority-owned businesses, women-owned businesses, service-disabled veteran-owned small businesses, or veteran-owned small businesses through certification.

When bidding out projects, Lemonnade's team will utilize a procurement process that facilitates the use of diverse suppliers, which will include:

1. In the bidding process, incorporating a scored component for companies that maintain a valid certificate issued by a third-party certifying organization (Unified Certification Program (UCP), Woman's Business Enterprise National Council (WBENC), National Minority Supplier Development Council (NMSDC), United States Small Business Administration (SBA) 8(a) Program, or Vets First Verification Program (vetbiz.gov)) or a valid Small Diverse Business verification issued by the Commonwealth's Operational Services Division;
2. Advertising all procurement opportunities to the local Chamber of Commerce and diverse business organizations;
3. Requesting referrals from other diverse suppliers that the company uses.

USE OF VEHICLES

Lemonnade does not anticipate utilizing vehicles for its proposed Springfield operations.

FINANCIAL SUMMARY FOR THE PROPOSED PROJECT

As evidenced by the below financial statement, Lemonnade has over \$11,000,000 in liquid capital that is able to be immediately deployed to construct its proposed Springfield Marijuana Retailer.



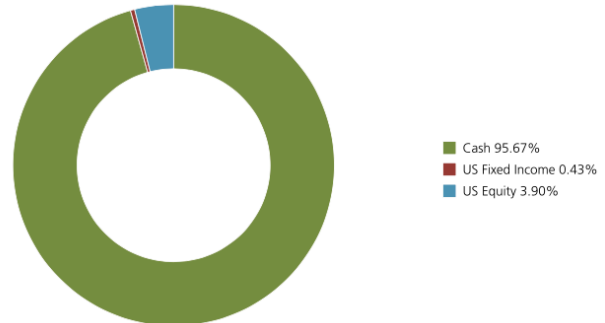
Asset allocation review

as of February 11, 2021

Summary of asset allocation

	Market value (\$)	% of Portfolio
Cash	11,052,268.48	95.67
Cash	11,052,268.48	95.67
Fixed Income	50,145.10	0.43
US	50,145.10	0.43
Equity	450,276.02	3.90
US	450,276.02	3.90
Commodities	0.00	0.00
Non-Traditional	0.00	0.00
Other	0.00	0.00
Total Portfolio	\$11,552,689.60	100%

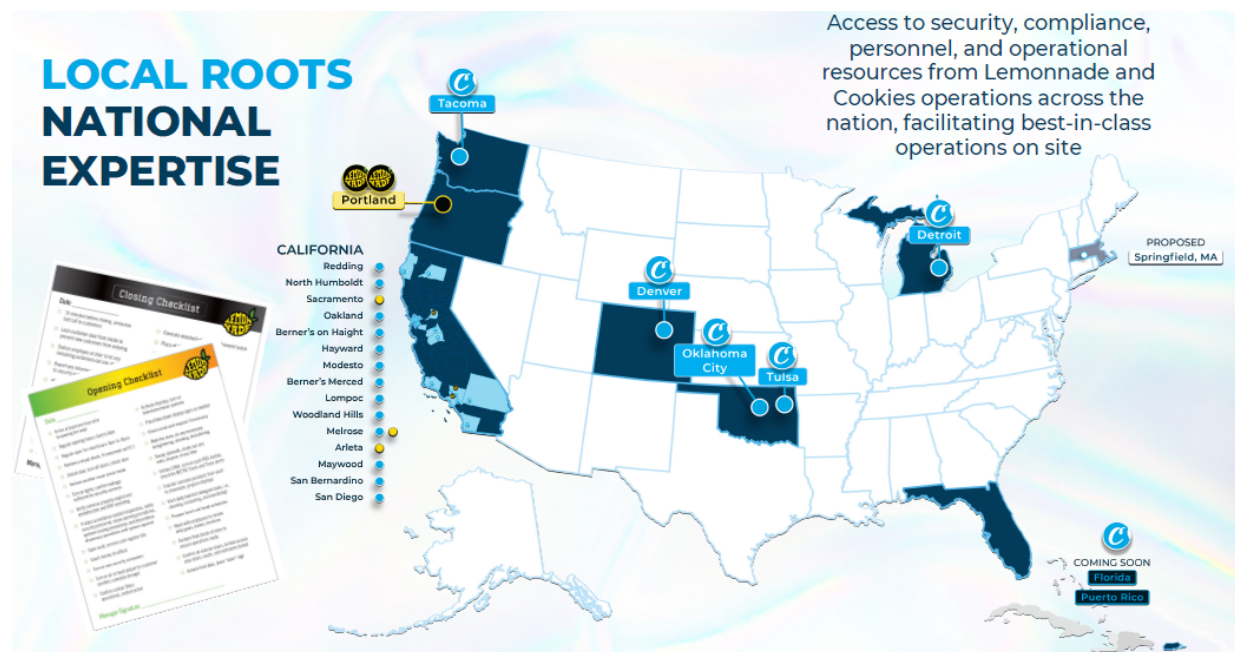
Balanced mutual funds are allocated in the 'Other' category



Lemonnade's Background, Reputation and Expertise as an Adult Use Marijuana Retailer

Lemonnade Springfield, LLC ("Lemonnade") was recently founded as part of the Cookies' brands strategic expansion to the Pioneer Valley of Massachusetts, with the goal of bringing its unique and highly respected brand of cannabis to the City of Springfield through its partnership with local owners. Lemonnade is Cookies' sister brand. It was founded in 2015 by Cookies co-founder Berner and industry legend Brett Wilson who saw something special in the cannabis cultivar, Lemon Diesel. Notoriously difficult to cultivate, but with a vibrant terpene profile and euphoric psychoactive effects common among sativa-dominant strains, it was quickly made popular by Berner and other California-based recording artists. After years of research and development, Lemonnade has created a full menu of flavor-forward sativa-dominant strains beloved by both cannabis connoisseurs and new consumers looking for exotic tasting products that cannot be found anywhere else.

To match the originality of its product offerings, the Lemonnade dispensary experience is like nothing else in the industry. With an emphasis on human interaction and shared experiences, customers at Lemonnade learn about the craft behind the crop from a staff with in-depth cultivation knowledge. The cannabis industry is changing. Many consumers now value flavor over potency and the more uplifting sativa-dominant cultivars over the more sedative indicas. Lemonnade has long anticipated this change and is committed to creating a fresh experience with innovative products that appeals to this changing demographic.



OWNERSHIP AND MANAGEMENT OF LEMONNADE SPRINGFIELD LLC

Although both Cookies and Lemonnade are global brands, we are a locally owned company. With majority ownership held by a Cannabis Control Commission certified Economic Empowerment applicant with longstanding roots in Western Massachusetts, the company possesses a deep-rooted commitment to operating a business that enhances the Springfield community in an equitable, sustainable, and responsible manner. Co-owner Travis Best was born and raised Springfield,

underscoring the company's commitment to making meaningful local contributions. Cookies is eager to introduce its sister brand, Lemonnade, to the South End community in Springfield, a neighborhood that shares the bedrock values of diversity, commitment to community, and excellence in cannabis genetics that gave rise to Cookies' national brand.

COLLECTIVE BUSINESS AND CANNABIS INDUSTRY EXPERIENCE

Lemonnade's team has over 100 years of combined experience operating compliant cannabis businesses. Since its inception, our San Francisco-based brand has overseen the startup and management of countless Adult Use Marijuana Retailer licenses across California, which has allowed us to expand operations to Oregon, Washington, Colorado, Oklahoma, and Michigan. Our years of experience and operational knowledge give us the unique ability to understand all aspects of the cannabis industry from seed-to-sale, as well as the complex and rapidly changing regulatory environment that is crucial to the success of our operations. Our knowledge regarding cannabis retail storefront business practices and regulatory compliance has made us industry-leaders in operations and compliance and enables us to set the bar for the rest of the industry.

Lemonnade seeks to further our brand's legacy through its proposed Springfield Adult Use Marijuana Retailer operation. In order to do so, Lemonnade has assembled an ownership and executive team comprised of a diverse group of individuals with extensive experience in the cannabis industry, retail management, and other highly regulated industries such as finance and real estate. As reflected in our team members' profiles below, Lemonnade is more than qualified to operate an Adult Use Marijuana Retailer in Springfield.

Brittany Washum, Majority Owner and Manager

Brittany Washum, a Certified Economic Empowerment applicant, is the majority owner of Lemonnade, and a lifelong Massachusetts resident. She maintains extensive experience in the successful operation of retail businesses, working collaboratively with her father to oversee their family's specialized retail store. She is currently studying to obtain her Masters in Business Administration at the University of Massachusetts, Amherst, which will further her ability to provide keen insights into the day-to-day oversight operations as Lemonnade. Ms. Washum previously served as the Vice President and Treasurer of Alpha Kappa Alpha Sorority, Rho Kappa Chapter where she was responsible for all financial accounting, fundraising initiatives throughout the Pioneer Valley, and for creating educational programs for the UMass community. In addition, she previously served as a Supervisor for the NAACP's Pipeline to Leadership, which involved organizing, promoting and staffing community events. In this role she also mentored a group of twenty adolescents, aged fourteen to eighteen, on the importance of community activism.



**LOCALLY OWNED
LOCALLY OPERATED**

While completing the necessary coursework to receive her M.B.A. in May of 2022, Ms. Washum is also working as a Recruitment Manager with Match Education, where she collaborates with the Dean of the Sposato Graduate School of Education in order to train the recruitment team on strategies to obtain talented workforce applicants through job postings, resume review, and the interviewing process. Ms. Washum is eager to lend her proven business acumen, community activism, and workforce development skillset to the Lemonnade team as it seeks to become a valuable member of the Springfield business community.

Travis Best, Owner

Travis Best, an owner of Lemonnade, has enthusiastically joined Lemonnade in a leadership position in order to give back to the community that has given so much to him. After establishing himself as a local basketball legend at Springfield Central High School, Best was highly recruited by Georgia Tech and then drafted by the Indiana Pacers. He also played for the Chicago Bulls, Miami Heat, Dallas Mavericks and the New Jersey Nets.



MASS LIVE

"I could not be more happy to have Travis Best as a partner! His name and reputation is impeccable and synonymous with the City of Springfield. He's a perfect teammate, as many can attest to, and I can't wait to deliver a win for Springfield alongside him." – Brittany Washum

Mr. Best, a businessperson and entrepreneur, is eager to partner with Lemonnade and support its effort of revitalizing the South End Community, fostering economic growth, and engaging in impactful philanthropic work in his hometown. Similarly, Lemonnade looks forward to collaborating with the Travis Best Foundation, a non-profit organization that teaches underserved youth to utilize the academic and life resources that sports and arts afford.

Brandon Johnson | Owner & Chief Development Officer | Four Years of Industry Experience

As a co-founder of Cookies Retail, over the past two years, Brandon Johnson has been responsible for overseeing the expansion of Cookies dispensaries in seven locations throughout the country. In particular, he has focused on ensuring all aspects of the business are compliant with local regulations, from site selection through opening and operations. This work involves being hands-on in communities like Springfield to design, build, value-engineer, and operate the business in a compliant and effective manner.



Ryan Johnson, Esq. | Manager, Owner, & General Counsel | Four Years of Industry Experience



Ryan Johnson is an attorney and cannabis business owner with comprehensive knowledge and practical working experience in cannabis compliance. Mr. Johnson regularly analyzes cannabis regulations in jurisdictions throughout the country. He has advised on specific cannabis business property requirements, compliant standard operating procedures, and state and federal tax obligations. For over a decade, Mr. Johnson has been involved with Kure It Cancer Research, a nonprofit dedicated to raising awareness and funding research for so-called "orphan cancers"—rare or underfunded cancers that do not receive much public attention. He looks forward to bringing his passion for philanthropy and compliance to the Springfield community.

Operating Policies and Procedures

Using standardized step-by-step Standard Operating Procedures (“SOPs”) tailored to each facility, our team has been able to successfully streamline operations across all our locations. To the extent possible, and within the frameworks of each local jurisdiction’s specific regulatory requirements, each of these locations employs the same compliant operational procedures and industry best practices. More importantly, none of these locations has ever failed a regulatory compliance audit or been disciplined by a regulatory agency. This history of compliance evidences the successful implementation of the policies and procedures described in this section.

To standardize our company policies and procedures across each of our stores, and to ensure compliance with all applicable government regulations and industry best practices, Lemonnade utilizes a detailed document management system to catalogue each of our SOPs. Our SOPs are a living, breathing document that we consistently improve upon. They govern some of the most imperative aspects of our business such as quality control, electronic tracking and storage of required records of sales, delivery manifests, inventory, and cash management.

Lemonnade’s written SOPs are set forth in the table below. Lemonnade currently has nearly 150 SOPs that dictate compliant operations in our retail stores nationwide. The table below demonstrates the comprehensive list of topics that our SOPs address to meet regulatory requirements. Each of these comprehensive SOPs will be tailored to comply with Massachusetts state and local laws, which will allow us to efficiently implement our proven methodologies at our Springfield location.

	STANDARD OPERATING PROCEDURE SYSTEM
1.1	Standard Operating Procedure Revisions
	FACILITY STANDARDS
2.1	Facility Maintenance and Cleaning
2.2	Facility Cleaning Schedule
2.3	Equipment Maintenance and Cleaning
2.3.1	Fire Suppression Equipment Maintenance
2.3.2	Ventilation System Cleaning and Maintenance
2.3.3	Dehumidifier Equipment Cleaning and Maintenance
2.3.4	Heating and Cooling Equipment Cleaning and Maintenance
2.3.5	Weighing and Measuring Equipment Cleaning and Maintenance
2.4	Disinfectants and Cleaning Agents
2.5	Employee Sanitation and Health
2.5.1	Hand Washing Procedures
2.5.2	General Employee Hygiene
2.5.3	COVID-19 Protocols
2.6	Contamination Prevention
3.0	WASTE MANAGEMENT
3.1	Non-Cannabis Waste Disposal
3.2	Cannabis Waste Disposal

3.2.1	Rendering Cannabis Waste
3.2.2	GAIACA Waste Procedures
3.3	RTV Procedures
3.4	Chemical and Hazardous Waste
4.0	ALARM SYSTEM
4.1	Alarm System Communication
4.2	Alarm System Testing and Maintenance
5.0	SURVEILLANCE SYSTEM
5.1	Camera Coverage and Placement
5.2	Surveillance Communication
5.3	Surveillance Testing
6.0	IT SECURITY
6.1	IT Security Breach
7.0	ACCESS CONTROL
7.1	Employee Access
7.1.1	Assigning Employee Access Permissions and Credentials
7.1.2	Missing or Lost Employee Access Credentials
7.2	Visitor Access
7.2.1	Issuance of Visitor Identification Badge
7.2.2	Temporary Access Credentials Issuance
7.2.3	Visitor Escort Procedures
8.0	PRODUCT SAFETY AND SECURITY
8.1	Vault Access Log
8.2	Vault Access Credentials Issuance
9.0	INCIDENT RESPONSE
9.1	Incident Containment and Corrective Action Plans
9.1.1	Fire Procedures
9.1.2	Evacuation of Facility
9.1.3	Facility Closure
9.1.4	Unauthorized Entry/Robbery
9.1.5	Internal Theft/Burglary
9.1.6	Natural Disasters
10.0	WORKPLACE SAFETY
10.1	Workplace Safety Communication
10.2	Job Hazard Analysis
10.3	Personal Protective Equipment (PPE)
10.3.1	PPE Selection, Inspection, and Use
10.3.1	PPE Maintenance and Storage
10.4	Lifting
10.5	Fall Prevention
10.6	Workplace Safety Recordkeeping
10.7	Workplace Safety Evaluation
10.8	Enforcement of Workplace Safety
11.0	HAZARD COMMUNICATION

11.1	Identifying Hazardous Chemicals
11.2	Material Safety Data Sheets (MSDS)
11.3	Hazardous Chemical Non-Routine Tasks
11.4	Informing Contractors about Hazardous Chemicals
11.5	Hazardous Chemicals Inventory List
11.6	Safe and Proper Storage of Hazardous Chemicals
11.7	Chemical Spill Response
12.0	ACCIDENT REPORTING
12.1	Investigation of an Accident Involving Employees
12.2	Reporting of an Employee Accident
13.0	EMPLOYMENT PROCEDURES
13.1	Employment Eligibility
13.2	Employee Handbook Review
13.3	Employee Hygiene and Appearance
13.4	Locker Procedures
13.5	Employee Training
13.5.1	General Training
13.5.2	Security Training
13.5.3	Incident Response Training
13.5.4	Workplace Safety Training
13.5.5	Hazard Communication Training
13.5.6	Quality Assurance Training
13.5.7	Retail Training
14.0	RETAIL OPERATIONS
14.1	Pre-Opening Procedure
14.2	Customer Relationship Management
14.3	Customer ID Verification on Entry
14.4	Point of Sale Procedures
14.4.1	Facilitating Sales Transactions
14.4.2	Cash Handling Procedures
14.4.3	Sales Records
14.5	Home Delivery Procedures
14.5.1	Delivery Team
14.5.2	Delivery Vehicles
14.5.2.1	Cargo Theft Prevention
14.5.3	Preparation of Product for Delivery
14.5.3.1	Transportation Manifest
14.5.3.2	Transportation Routes
14.5.4	Address and ID Verification on Delivery
15.0	INVENTORY MANAGEMENT PROCEDURES
15.1	General Inventory Management Procedures
15.1.1	Statewide Track and Trace System
15.1.1.1	Employee Access to the Statewide Track and Trace System
15.1.1.2	Loss of Access to the Statewide Track and Trace System

15.1.1.3	Third-Party Inventory System (COVA)
15.1.2	Inventory Counts
15.1.2.1	Inventory Counts Schedule
15.1.3	Incoming Cannabis Product Transportation Manifest Review
15.1.3.1	Incoming Cannabis Product Packaging Review
15.1.3.2	Incoming Cannabis Product Labeling Review
15.1.3.3	Incoming Cannabis Product Certificate of Analysis Review
15.1.3.4	Refusal of Incoming Cannabis Product
15.2	Retail Inventory Management Procedures
15.2.1	Retail Inventory Storage
15.2.1.1	Daily Sales Storage
15.2.2	Inventory Limits
15.2.3	Inventory Reconciliation Policies
15.2.4	Discrepancies in Inventory
16.0	QUALITY ASSURANCE PROCEDURES
16.1	General Quality Assurance Procedures
16.1.1	Storage and Transfer
16.1.2	Storage Conditions
16.1.3	Quality Assurance Review and Product Release
16.1.3.1	Review of Testing Results and Certificate of Analysis
16.2	Cannabis Product Complaints
16.2.1	Complaint Log
16.2.2	Compliant Response
17.0	RECALL PROCEDURES
17.1	Voluntary Withdrawal
17.2	Mandatory Recall
17.3	Recall Team
17.3.1	Recall Team Duties
17.3.2	Recall Team Communication
17.4	Tracking Withdrawn and Recalled Cannabis Products
17.5	Returned, Withdrawn, or Recalled Cannabis Products
17.6	Disposal of Withdrawn or Recalled Cannabis Products
17.7	Mock Withdrawal or Recall Drills
18.0	RECORDKEEPING
18.1	Required Records
18.1.1	Inventory Records
18.1.2	Financial Records
18.1.3	Logs and Management Systems

SOP MANAGEMENT

Lemonnade will maintain copies of the SOPs on the premises and provide copies to regulators upon request. Copies of Lemonnade's SOPs will be maintained electronically and in hard-copy form so that they are always available to employees. We have implemented an industry best practice wherein our employees will be able to access the location's specific SOPs and updated ordinances and regulations

at the touch of a button via our proprietary, secure, cloud-based operational management system. Our procedures are designed to hold both management and all employees accountable for Lemonnade's operations and identify individual and collective responsibilities. To ensure sensitive information remains confidential, electronic copies of the SOPs will be secured via password-protection, and hard copies will be stored in a locked, fire-proof filing cabinet. Lemonnade's SOPs will be accessible only to employees; management will further restrict access according to employee roles and responsibilities as needed for security purposes by providing unique keys and/or passwords to certain employees.





PLAN FOR RESTRICTING ACCESS TO AGE 21 AND OLDER

Pursuant to 935 CMR 500.050(8)(b), Lemonnade Springfield will only be accessible to individuals, visitors, and agents who are 21 years of age or older with a verified and valid government-issued photo ID. Upon entry into the premises of the marijuana establishment by an individual, visitor, or agent, a Lemonnade Springfield agent will immediately inspect the person's proof of identification and determine the person's age, in accordance with 935 CMR 500.140(2).

In the event Lemonnade Springfield discovers any of its agents intentionally or negligently sold marijuana to an individual under the age of 21, the agent will be immediately terminated, and the Commission will be promptly notified, pursuant to 935 CMR 500.105(1)(m). Lemonnade Springfield will not hire any individuals who are under the age of 21 or who have been convicted of distribution of controlled substances to minors in the Commonwealth or a like violation of the laws in other jurisdictions, pursuant to 935 CMR 500.030(1).

Pursuant to 935 CMR 500.105(4), Lemonnade Springfield will not engage in any advertising practices that are targeted to, deemed to appeal to or portray minors under the age of 21. Lemonnade Springfield will not engage in any advertising by means of television, radio, internet, mobile applications, social media, or other electronic communication, billboard or other outdoor advertising, including sponsorship of 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. Lemonnade Springfield will not manufacture or sell any edible products that resemble a realistic or fictional human, animal, fruit, or sporting-equipment item including artistic, caricature or cartoon renderings, pursuant to 935 CMR 500.150(1)(b). In accordance with 935 CMR 500.105(4)(a)(5), any advertising created for public viewing will include 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. Please Consume Responsibly."** Pursuant to 935 CMR 500.105(6)(b), Lemonnade Springfield packaging for any marijuana or marijuana products will not use bright colors, defined as colors that are "neon" in appearance, resemble existing branded products, feature cartoons, a design, brand or name that resembles a non-cannabis consumer 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 marketed to minors. Lemonnade Springfield's website will require all online visitors to verify they are 21 years of age or older prior to accessing the website, in accordance with 935 CMR 500.105(4)(b)(13).



QUALITY CONTROL AND TESTING

QUALITY CONTROL

Lemonnade Springfield will comply with the following sanitary requirements:

1. Any Lemonnade Springfield agent whose job includes contact with marijuana or nonedible marijuana products is subject to the requirements for food handlers specified in 105 CMR 300.000, and all edible marijuana products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000, and with the requirements for food handlers specified in 105 CMR 300.000.
2. Any Lemonnade Springfield agent working in direct contact with preparation of marijuana or nonedible marijuana products will conform to sanitary practices while on duty, including:
 - a. Maintaining adequate personal cleanliness; and
 - b. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
3. Lemonnade Springfield's hand-washing facilities will be adequate and convenient and will be furnished with running water at a suitable temperature. Hand-washing facilities will be located in Lemonnade Springfield's production areas and where good sanitary practices require employees to wash and sanitize their hands, and will provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
4. Lemonnade Springfield's facility will have sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;
5. Lemonnade Springfield will ensure that litter and waste is properly removed and disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal will be maintained in an adequate manner pursuant to 935 CMR 500.105(12);
6. Lemonnade Springfield's floors, walls, and ceilings will be constructed in such a manner that they may be adequately kept clean and in good repair;
7. Lemonnade Springfield's facility will have adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
8. Lemonnade Springfield's buildings, fixtures, and other physical facilities will be maintained in a sanitary condition;
9. Lemonnade Springfield will ensure that all contact surfaces, including utensils and equipment, will be maintained in a clean and sanitary condition. Such surfaces will be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils will be so designed and of such material and workmanship as to be adequately cleanable;
10. All toxic items will be identified, held, and stored in a manner that protects against contamination of marijuana products. Toxic items will not be stored in an area containing products used in the cultivation of marijuana. Lemonnade Springfield acknowledges and understands that the Commission may require Lemonnade Springfield to demonstrate the intended and actual use of any toxic items found on Lemonnade Springfield's premises;

11. Lemonnade Springfield will ensure that its water supply is sufficient for necessary operations, and that any private water source will be capable of providing a safe, potable, and adequate supply of water to meet Lemonnade Springfield's needs;
12. Lemonnade Springfield's plumbing will be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the marijuana establishment. Plumbing will properly convey sewage and liquid disposable waste from the marijuana establishment. There will be no cross-connections between the potable and wastewater lines;
13. Lemonnade Springfield will provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair;
14. Lemonnade Springfield will hold all products that can support the rapid growth of undesirable microorganisms in a manner that prevents the growth of these microorganisms; and
15. Lemonnade Springfield will ensure that finished products are stored and transported under conditions that will protect marijuana and marijuana products against physical, chemical, and microbial contamination, as well as against deterioration of finished products or their containers.

Vehicles and transportation equipment used in the transportation of marijuana products or edibles requiring temperature control for safety will be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the marijuana products or edibles from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR 1.908(c).

Lemonnade Springfield will ensure that Lemonnade Springfield's facility is always maintained in a sanitary fashion and will comply with all applicable sanitary requirements.

Lemonnade Springfield will follow established policies and procedures for handling voluntary and mandatory recalls of marijuana products. Such procedures are sufficient to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by Lemonnade Springfield to remove defective or potentially defective marijuana products from the market, as well as any action undertaken to promote public health and safety.

Any inventory that becomes outdated, spoiled, damaged, deteriorated, mislabeled, or contaminated will be disposed of in accordance with the provisions of 935 CMR 500.105(12), and any such waste will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations.

TESTING

Lemonnade Springfield will not sell or otherwise market marijuana or marijuana products that are not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. No marijuana product will be sold or otherwise marketed for adult use that has not first been tested by an Independent Testing Laboratory and deemed to comply with the standards required under 935 CMR 500.160.

Any Independent Testing Laboratory relied upon by Lemonnade Springfield for testing will be licensed or registered by the Commission and (i) currently and validly licensed under 935 CMR 500.101: *Application Requirements*, or formerly and validly registered by the Commission; (ii) accredited to ISO 17025:2017 or the most current International Organization for Standardization 17025 by a third-party accrediting body that is a signatory to the International Laboratory Accreditation Accrediting Cooperation mutual recognition arrangement or that is otherwise approved by the Commission; (iii) independent financially from any Medical Marijuana Treatment Center, Marijuana Establishment or Licensee; and (iv) qualified to test marijuana and marijuana products, including marijuana-infused products, in compliance with M.G.L. c. 94C, § 34; M.G.L. c. 94G, § 15; 935 CMR 500.000: *Adult Use of Marijuana*; 935 CMR 501.000: *Medical Use of Marijuana*; and Commission protocol(s).

Testing of Lemonnade Springfield's marijuana products will be performed by an Independent Testing Laboratory in compliance with a protocol(s) established in accordance with M.G.L. c. 94G, § 15 and in a form and manner determined by the Commission, including but not limited to, the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products*. Testing of Lemonnade Springfield's environmental media will be performed in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the Commission.

Lemonnade Springfield's marijuana will be tested for the cannabinoid profile and for contaminants as specified by the Commission including, but not limited to, mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides. In addition to these contaminant tests, final ready-to-sell Marijuana Vaporizer Products shall be screened for heavy metals and Vitamin E Acetate (VEA) in accordance with the relevant provisions of the *Protocol for Sampling and Analysis of Finished Marijuana and Marijuana Products for Marijuana Establishments, Medical Marijuana Treatment Centers and Colocated Marijuana Operations*. Lemonnade Springfield acknowledges and understands that the Commission may require additional testing.

Lemonnade Springfield's policy of responding to laboratory results that indicate contaminant levels are above acceptable limits established in the protocols identified in 935 CMR 500.160(1) will include notifying the Commission (i) within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch and (ii) of any information regarding contamination as specified by the Commission immediately upon request by the Commission. Such notification will be from both Lemonnade Springfield and the Independent Testing Laboratory, separately and directly, and will describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.

Lemonnade Springfield will maintain testing results in compliance with 935 CMR 500.000 *et seq* and the record keeping policies described herein and will maintain the results of all testing for no less than one year. Lemonnade Springfield acknowledges and understands that testing results will be valid for a period of one year, and that marijuana or marijuana products with testing dates in excess of one year shall be deemed expired and may not be dispensed, sold, transferred or otherwise conveyed until retested.

All transportation of marijuana to and from Independent Testing Laboratories providing marijuana testing services will comply with 935 CMR 500.105(13). All storage of Lemonnade Springfield's marijuana at a laboratory providing marijuana testing services will comply with 935 CMR 500.105(11). All excess marijuana will be disposed in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to Lemonnade Springfield for disposal or by the Independent Testing Laboratory disposing of it directly. All Single-servings of marijuana products will be tested for potency in accordance with 935 CMR 500.150(4)(a) and subject to a potency variance of no greater than plus/minus ten percent (+/- 10%).

Any marijuana or marijuana products that fail any test for contaminants must either be reanalyzed without remediation, remediated, or disposed of. In the event marijuana or marijuana products are reanalyzed, 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, an additional 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 must have passed the Second Confirmatory Test at a second ITL. Any Marijuana or Marijuana Product that fails the Second Confirmatory Test will not be sold, transferred or otherwise dispensed to Consumers, Patients or Licensees without first being remediated. Otherwise, any such product shall be destroyed in compliance with 935 CMR 500.105(12): *Waste Disposal*.

If marijuana or marijuana products are destined for remediation, a new test sample will be submitted to a licensed ITL, which may include the initial ITL for a full-panel test. Any failing Marijuana or Marijuana Product may be remediated a maximum of two times. Any Marijuana or Marijuana Product that fails any test after the second remediation attempt will not be sold, transferred or otherwise dispensed to Consumers, Patients or Licensees and will be destroyed in compliance with 935 CMR 500.105(12): *Waste Disposal*.



PERSONNEL POLICIES INCLUDING BACKGROUND CHECKS

OVERVIEW

Lemonnade Springfield will securely maintain personnel records, including registration status and background check records. Lemonnade Springfield will keep, at a minimum, the following personnel records:

- Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
- A personnel record for each marijuana establishment agent;
- A staffing plan that will demonstrate accessible business hours and safe operating conditions;
- Personnel policies and procedures; and
- All background check reports obtained in accordance with 935 CMR 500.030.

AGENT PERSONNEL RECORDS

In compliance with 935 CMR 500.105(9), personnel records for each agent will be maintained for at least twelve (12) months after termination of the agent's affiliation with Lemonnade Springfield and will include, at a minimum, the following:

- All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
- Documentation of verification of references;
- The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
- Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
- Documentation of periodic performance evaluations;
- A record of any disciplinary action taken;
- Notice of completed responsible vendor and eight-hour related duty training; and
- Results of initial background investigation, including CORI reports.

Personnel records will be kept in a secure location to maintain confidentiality and be only accessible to the agent's manager or members of the executive management team.

AGENT BACKGROUND CHECKS

- In addition to completing the Commission's agent registration process, all agents hired to work for Lemonnade Springfield will undergo a detailed background investigation prior to being granted access to a Lemonnade Springfield facility or beginning work duties.
- Background checks will be conducted on all agents in their capacity as employees or volunteers for Lemonnade Springfield pursuant to 935 CMR 500.030 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 500.030, Lemonnade Springfield will consider:
 - a. 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.
 - b. 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.
 - c. 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.
- Suitability determinations will be made in accordance with the procedures set forth in 935 CMR 500.800. In addition to the requirements established in 935 CMR 500.800, Lemonnade Springfield 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, Lemonnade Springfield will consider the following factors:
 - i. Time since the offense or incident;
 - ii. Age of the subject at the time of the offense or incident;
 - iii. Nature and specific circumstances of the offense or incident;
 - iv. Sentence imposed and length, if any, of incarceration, if criminal;
 - v. Penalty or discipline imposed, including damages awarded, if civil or administrative;
 - vi. Relationship of offense or incident to nature of work to be performed;
 - vii. Number of offenses or incidents;
 - viii. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
 - ix. 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
 - x. Any other relevant information, including information submitted by the subject.
 - 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.

- 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.
- Background screening will 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.
- References provided by the agent will be verified at the time of hire.
- As a condition of their continued employment, agents, volunteers, contractors, and subcontractors are required to renew their Program ID cards annually and submit to other background screening as may be required by Lemonnade Springfield or the Commission.

PERSONNEL POLICIES AND TRAINING

As outlined in Lemonnade Springfield's Record Keeping Procedures, a staffing plan and staffing records will be maintained in compliance with 935 CMR 500.105(9) and will be made available to the Commission, upon request. All Lemonnade Springfield agents are required to complete training as detailed in Lemonnade Springfield's Qualifications and Training plan which includes but is not limited to Lemonnade Springfield's strict alcohol, smoke and drug-free workplace policy, job specific training, Responsible Vendor Training Program, confidentiality training including how confidential information is maintained at the marijuana establishment and a comprehensive discussion regarding the marijuana establishment's policy for immediate dismissal. All training will be documented in accordance with 935 CMR 105(9)(d)(2)(d).

Lemonnade Springfield will have a policy for the immediate dismissal of any dispensary agent who has:

- Diverted marijuana, which will be reported the Police Department and to the Commission;
- Engaged in unsafe practices with regard to Lemonnade Springfield operations, which will be reported to the Commission; or
- 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.



RECORDKEEPING PROCEDURES

GENERAL OVERVIEW

Lemonnade Springfield has established policies regarding recordkeeping and record-retention in order to ensure the maintenance, safe keeping, and accessibility of critical documents. Electronic and wet signatures are accepted forms of execution of Lemonnade Springfield documents. Records will be stored at Lemonnade Springfield in a locked room designated for record retention. All written records will be available for inspection by the Commission upon request.

RECORDKEEPING

To ensure that Lemonnade Springfield is keeping and retaining all records as noted in this policy, reviewing Corporate Records, Business Records, and Personnel Records to ensure completeness, accuracy, and timeliness of such documents will occur as part of Lemonnade Springfield's quarter-end closing procedures. In addition, Lemonnade Springfield's operating procedures will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis.

- Corporate Records

Corporate Records are defined as those records that require, at a minimum, annual reviews, updates, and renewals, including:

- Insurance Coverage:
 - Directors & Officers Policy
 - Product Liability Policy
 - General Liability Policy
 - Umbrella Policy
 - Workers Compensation Policy
 - Employer Professional Liability Policy
- Third-Party Laboratory Contracts
- Commission Requirements:
 - Annual Agent Registration
 - Annual Marijuana Establishment Registration
- Local Compliance:
 - Certificate of Occupancy
 - Special Permits
 - Variances
 - Site Plan Approvals
 - As-Built Drawings
- Corporate Governance:
 - Annual Report
 - Secretary of Commonwealth Filings

- Business Records

Business Records require ongoing maintenance and updates. These records can be electronic or hard copy (preferably electronic) and at minimum include:

- Assets and liabilities;
- Monetary transactions;

- Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
- Sales records including the quantity, form, and cost of marijuana products;
- Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over Lemonnade Springfield.
- Personnel Records

At a minimum, Personnel Records will include:

 - Job descriptions for each agent and volunteer position, as well as organizational charts consistent with the job descriptions;
 - A personnel record for each marijuana establishment agent. Such records will be maintained for at least twelve (12) months after termination of the agent's affiliation with Lemonnade Springfield and will include, at a minimum, the following:
 - All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 - Documentation of verification of references;
 - The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
 - Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
 - Documentation of periodic performance evaluations; and
 - A record of any disciplinary action taken.
 - Notice of completed responsible vendor and eight-hour related duty training.
 - A staffing plan that will demonstrate accessible business hours and safe operating conditions;
 - Personnel policies and procedures; and
 - All background check reports obtained in accordance with 935 CMR 500.030: Registration of Marijuana Establishment Agents 803 CMR 2.00: Criminal Offender Record Information (CORI).
- Handling and Testing of Marijuana Records
 - Lemonnade Springfield will maintain the results of all testing for a minimum of one (1) year.
- 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.
- Seed-to-Sale Tracking Records
 - Lemonnade Springfield will use Metrc as the seed-to-sale tracking software to maintain real-time inventory. The seed-to-sale tracking software inventory reporting will meet the requirements specified by the Commission and 935 CMR 500.105(8)(e), 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.

- Sales Records for Marijuana Retailer

- Lemonnade Springfield will maintain records that it has performed a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate the sales data and produce such records on request to the Commission.

- Incident Reporting Records

- Within ten (10) calendar days, Lemonnade Springfield will provide notice to the Commission of any incident described in 935 CMR 500.110(9)(a), by submitting an incident report in the form and manner determined by the Commission which details the circumstances of the event, any corrective action taken, and confirmation that the appropriate law enforcement authorities were notified within twenty-four (24) hours of discovering the breach or incident.
- All documentation related to an incident that is reportable pursuant to 935 CMR 500.110(9)(a) will be maintained by Lemonnade Springfield for no less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities within Lemonnade Springfield's jurisdiction on request.

- Visitor Records

- A visitor sign-in and sign-out log will be maintained at the security office. The log 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.

- Waste Disposal Records

- When marijuana or marijuana products are disposed of, Lemonnade Springfield will create and maintain an electronic 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 Lemonnade Springfield agents present during the disposal or other handling, with their signatures. Lemonnade Springfield 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.

- Security Records

- A current list of authorized agents and service personnel that have access to the surveillance room will be available to the Commission upon request.
- Recordings from all video cameras which shall be enabled to record twenty-four (24) hours each day shall be available for immediate viewing by the Commission on request for at least the preceding ninety (90) calendar days or the duration of a request to preserve the recordings for a specified period of time made by the Commission, whichever is longer.
- Recordings shall not be destroyed or altered and shall be retained as long as necessary if Lemonnade Springfield is aware of pending criminal, civil or

administrative investigation or legal proceeding for which the recording may contain relevant information.

- Transportation Records
 - Lemonnade Springfield will retain all transportation manifests for a minimum of one (1) year and make them available to the Commission upon request.
- Vehicle Records (as applicable)
 - Records that any and all of Lemonnade Springfield's vehicles are properly registered, inspected, and insured in the Commonwealth and shall be made available to the Commission on request.
- Agent Training Records
 - 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).
- Responsible Vendor Training
 - Lemonnade Springfield shall maintain records of Responsible Vendor Training Program compliance for four (4) years and make them available to inspection by the Commission and any other applicable licensing authority on request during normal business hours.
- Closure
 - In the event Lemonnade Springfield closes, all records will be kept for at least two (2) years at Lemonnade Springfield's expense in a form (electronic, hard copies, etc.) and location acceptable to the Commission. In addition, Lemonnade Springfield will communicate with the Commission during the closure process and accommodate any additional requests the Commission or other agencies may have.
- Written Operating Policies and Procedures

Policies and Procedures related to Lemonnade Springfield's operations will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis. Policies and Procedures will include the following:

 - Security measures in compliance with 935 CMR 500.110;
 - Employee security policies, including personal safety and crime prevention techniques;
 - A description of Lemonnade Springfield'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.
 - Storage of marijuana in compliance with 935 CMR 500.105(11);
 - Description of the various strains of marijuana to be sold, as applicable, and the form(s) in which marijuana will be sold;
 - Price list for Marijuana and Marijuana Products, and alternate price lists for patients with documented Verified Financial Hardship as defined in 501.002: *Definitions*, as required by 935 CMR 501.100(1)(f);
 - Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.105(8) and (9);

- Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
- A staffing plan and staffing records in compliance with 935 CMR 500.105(9)(d);
- Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
- Alcohol, smoke, and drug-free workplace policies;
- A plan describing how confidential information will be maintained;
- Policy for the immediate dismissal of any dispensary agent who has:
 - Diverted marijuana, which will be reported to Law Enforcement Authorities and to the Commission;
 - Engaged in unsafe practices with regard to Lemonnade Springfield operations, which will be reported to the Commission; or
 - 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.
- A list of all board of directors, members, and executives of Lemonnade Springfield, and members, if any, of the licensee must be made available upon request by any individual. This requirement may be fulfilled by placing this information on Lemonnade Springfield's website.
- Policies and procedures for the handling of cash on Lemonnade Springfield premises including but not limited to storage, collection frequency and transport to financial institution(s), to be available upon inspection.
- Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.
- Policies and procedures for energy efficiency and conservation that will include:
 - 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;
 - 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;
 - Strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and
 - Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25 § 21, or through municipal lighting plants.
- Policies and procedures to promote workplace safety consistent with applicable standards set by the Occupational Safety and Health Administration, including plans to identify and address any biological, chemical or physical hazards. Such policies and procedures shall include, at a minimum, a hazard communication plan, personal protective equipment assessment, a fire protection plan, and an emergency action plan.
- License Renewal Records

- Lemonnade Springfield shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should state that, in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

RECORD-RETENTION

Lemonnade Springfield will meet Commission recordkeeping requirements and retain a copy of all records for two (2) years, unless otherwise specified in the regulations.



MAINTAINING OF FINANCIAL RECORDS

Lemonnade Springfield's operating policies and procedures ensure financial records are accurate and maintained in compliance with the Commission's Adult Use of Marijuana regulations (935 CMR 500). Financial records maintenance measures include policies and procedures requiring that:

- 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.
- All recordkeeping requirements under 935 CMR 500.105(9) are followed, including:
 - Keeping written business records, available for inspection, and in accordance with generally accepted accounting principles, which will include manual or computerized records of:
 - Assets and liabilities;
 - Monetary transactions;
 - Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
 - Sales records including the quantity, form, and cost of marijuana products; and
 - Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over Lemonnade Springfield.
- All sales recording requirements under 935 CMR 500.140(5) are followed, including:
 - Utilizing a point-of-sale (POS) system approved by the Commission, in consultation with the DOR, and a sales recording module approved by DOR;
 - Prohibiting the use of software or other methods to manipulate or alter sales data;
 - Conducting a monthly analysis of its equipment and sales data, and maintaining records, available to the Commission upon request, that the monthly analysis has been performed;
 - If Lemonnade Springfield determines that software has been installed for the purpose of manipulation or alteration of sales data or other methods have been utilized to manipulate or alter sales data: 1. it shall immediately disclose the information to the Commission; 2. it shall cooperate with the Commission in any investigation regarding manipulation or alteration of sales data; and 3. take such other action directed by the Commission to comply with 935 CMR 500.105.
 - Complying with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements;
 - Adopting separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales; and
 - Maintaining such records that would allow for the Commission and the DOR to audit and examine the point-of-sale system used in order to ensure compliance with Massachusetts tax laws and 935 CMR 500.
- Additional written business records will be kept, including, but not limited to, records of:

- 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);
- Fees paid under 935 CMR 500.005 or any other section of the Commission's regulations; and
- Fines or penalties, if any, paid under 935 CMR 500.360 or any other section of the Commission's regulations.
- License Renewal Records
 - Lemonnade Springfield shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should state that, in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.



QUALIFICATIONS AND TRAINING

Lemonnade Springfield will ensure that all employees hired to work at a Lemonnade Springfield facility will be qualified to work as a marijuana establishment agent and properly trained to serve in their respective roles in a compliant manner.

QUALIFICATIONS

In accordance with 935 CMR 500.030, a candidate for employment as a marijuana establishment agent must be 21 years of age or older. In addition, the candidate cannot have been convicted of a criminal offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States, or foreign jurisdiction, or a military, territorial, or Native American tribal authority.

Lemonnade Springfield will also ensure that its employees are suitable for registration consistent with the provisions of 935 CMR 500.802. In the event that Lemonnade Springfield discovers any of its agents are not suitable for registration as a marijuana establishment agent, the agent's employment will be terminated, and Lemonnade Springfield will notify the Commission within one (1) business day that the agent is no longer associated with the establishment.

TRAINING

As required by 935 CMR 500.105(2), and prior to performing job functions, each of Lemonnade Springfield's agents will successfully complete a comprehensive training program that is tailored to the roles and responsibilities of the agent's job function. A Lemonnade Springfield Agent will receive a total of eight (8) hours of training annually. A minimum of four (4) hours of training will be from Responsible Vendor Training Program ("RVT") courses established under 935 CMR 500.105(2)(b). Any additional RVT over four (4) hours may count towards the required eight (8) hours of training.

Non-RVT may be conducted in-house by Lemonnade Springfield or by a third-party vendor engaged by the Lemonnade Springfield. Basic on-the-job training in the ordinary course of business may also be counted towards the required eight (8) hour training.

All Lemonnade Springfield Agents that are involved in the handling or sale of marijuana at the time of licensure or renewal of licensure will have attended and successfully completed the mandatory Responsible Vendor Training Program operated by an education provider accredited by the Commission.

BASIC CORE CURRICULUM

Lemonnade Springfield Agents must first take the Basic Core Curriculum within 90 days of hire, which includes the following subject matter:

- Marijuana's effect on the human body, including:
 - Scientifically based evidence on the physical and mental health effects based on the type of Marijuana Product;
 - The amount of time to feel impairment;

- Visible signs of impairment; and
 - Recognizing the signs of impairment.
- Diversion prevention and prevention of sales to minors, including best practices.
- Compliance with all tracking requirements.
- Acceptable forms of identification. Training must include:
 - How to check identification;
 - Spotting and confiscating fraudulent identification;
 - Common mistakes made in identification verification.
 - Prohibited purchases and practices, including purchases by persons under the age of 21 in violation of M.G.L. c. 94G, § 13.
- Other key state laws and rules affecting Lemonnade Springfield Agents which shall include:
 - Conduct of Lemonnade Springfield Agents;
 - Permitting inspections by state and local licensing and enforcement authorities;
 - Local and state licensing and enforcement, including registration and license sanctions;
 - Incident and notification requirements;
 - Administrative, civil, and criminal liability;
 - Health and safety standards, including waste disposal;
 - Patrons prohibited from bringing marijuana and marijuana products onto licensed premises;
 - Permitted hours of sale;
 - Licensee responsibilities for activities occurring within licensed premises; xix. Maintenance of records, including confidentiality and privacy; and
 - Such other areas of training determined by the Commission to be included in a Responsible Vendor Training Program.

Lemonnade Springfield will encourage administrative employees who do not handle or sell marijuana to take the “Responsible Vendor” program on a voluntary basis to help ensure compliance. Lemonnade Springfield’s records of Responsible Vendor Training Program compliance will be maintained for at least four (4) years and made available during normal business hours for inspection by the Commission and any other applicable licensing authority on request.

After successful completion of the Basic Core Curriculum, each Lemonnade Springfield Agent involved in the handling or sale of marijuana will fulfill the four-hour RVT requirement every year thereafter for Lemonnade Springfield to maintain designation as a Responsible Vendor. Once the Lemonnade Springfield Agent has completed the Basic Core Curriculum, the Agent is eligible to take the Advanced Core Curriculum. Failure to maintain Responsible Vendor status is grounds for action by the Commission.



ENERGY COMPLIANCE PLAN

Lemonnade Springfield is currently exploring potential energy-use reduction opportunities such as natural lighting and energy efficiency measures and a plan for implementation of such opportunities. Lemonnade Springfield will update this plan as necessary and will further provide relevant documentation to the Commission during Architectural Review and during inspections processes.

POTENTIAL ENERGY-USE REDUCTION OPPORTUNITIES

Lemonnade Springfield is considering the following potential opportunities for energy-use reduction and plans for implementation of such opportunities.

1. Natural Lighting;
2. Energy efficient exterior wall construction, which may include batt insulation, continuous rigid insulation, and air and vapor barriers; and
3. Plumbing fixtures that are Water Sense rated for reduced water consumption.

As the need and opportunity for facility upgrades and maintenance arise in the future and the company becomes cash flow positive, Lemonnade Springfield will continue to evaluate energy-use reduction opportunities.

RENEWABLE ENERGY GENERATION OPPORTUNITIES

Lemonnade Springfield is in the process of considering opportunities for renewable energy generation (including wind and solar options). Lemonnade Springfield's preliminary examination of renewable energy generation has determined that the upfront costs of such options are too expensive at this time, although Lemonnade Springfield may reconsider at a future date. Lemonnade Springfield will also consult with its architects and engineers when designing the facility to determine the building's capacity for renewable energy options (e.g. whether or not the roof can support the weight of solar panels). Nevertheless, our team is dedicated to consistently strive for sustainability and emissions reduction.

STRATEGIES TO REDUCE ELECTRIC DEMAND

Lemonnade Springfield is considering the following strategies to reduce electric demand:

1. Exterior and interior glazing on windows such that maximum natural daylight can enter the building without compromising security, reducing the reliance on artificial light during daytime hours;
2. Lighting fixtures that are energy efficient and used with Energy Star rated bulbs; and
3. Room lighting and switching will have occupancy sensors to reduce electrical consumption when rooms are unoccupied.

As the need and opportunity for facility upgrades and maintenance arise in the future and the company becomes cash flow positive, Lemonnade Springfield will continue to evaluate strategies to reduce electric demand.

OPPORTUNITIES FOR ENGAGEMENT WITH ENERGY EFFICIENCY PROGRAMS

Lemonnade Springfield also plans on engaging with energy efficiency programs offered by Mass Save and the Massachusetts Clean Energy Center and will coordinate with municipal officials to identify other potential energy saving programs and initiatives. Lemonnade Springfield will also coordinate with its utility companies to explore any energy efficiency options available to Lemonnade Springfield.



Diversity Plan

Lemonnade recognizes that it has the unique opportunity to implement an intentional, inclusive, and diverse business model that will set the standard for the Commonwealth's cannabis industry. Lemonnade has a deep-rooted commitment to establishing a diversity plan that makes purposeful strides towards ensuring that diverse participants and groups are afforded equity of opportunity at all levels of employment or contractual relationship with the company

Through the strategies outlined below, Lemonnade will create pathways to management, employment, and involvement with Lemonnade's South End operations for minorities; women; veterans; people who identify as LGBTQ+; and people with disabilities. Further, Lemonnade hopes to empower employees with the tools they need for success in owning their own cannabis ventures, including education, experience, networking, and financial resources.

1. Creating a robust diversity recruitment plan that is specifically designed to reach a diverse range of individual candidates, create partnerships with organizations serving targeted populations, and overcome institutional hiring barriers, such that Lemonnade hires a staff comprised of minorities (at least 50%), Veterans (at least 10%), women (at least 50%), LGBTQ+ (at least 10%) and people with disabilities (at least 10%); and
2. Implement policies to address employee recruitment, retention, and training, through workforce development programs, mentorship initiatives, and clear pathways for upward mobility, including annual career fairs and quarterly educational trainings.

WORKFORCE DEVELOPMENT TEAM:

To achieve its overarching goal of creating a diverse and inclusive workforce, Lemonnade recognizes the importance of leveraging the expertise of local team members with proven histories of community engagement with minorities; women; veterans; people who identify as LGBTQ+; and people with disabilities. Notably, Lemonnade is owned by a diverse team of Black and Latinx professionals. Lemonnade's ownership will set an unambiguous tone to make clear that of paramount importance in hiring and business development will be to ensure that all prospective employees and vendors have equal and equitable opportunity and are unhampered by artificial barriers or prejudices.

Lemonnade's ownership team will ensure that the company is able to:

1. Hire a talented staff of 35-45 individuals comprised of minorities (at least 50%), Veterans (at least 10%), or women (at least 50%);
2. Foster an inclusive environment that celebrates team members for who they are, including people who identify as LGBTQ+ (at least 10%) and people with disabilities (at least 10%); and
3. Prioritize hiring bilingual staff that are fluent in Spanish

WORKFORCE DEVELOPMENT STRATEGY:

Lemonnade's comprehensive recruitment initiative will serve as a pillar of its purpose-driven company. Lemonnade will seek to establish and maintain an inclusive and diverse workforce to serve its customers through an intentional human resources strategy that ensures each and every hiring search has a diverse candidate pool. Proposed outreach initiatives include:



Developing Partnerships with Mission-Based Organizations: Lemonnade will establish partnerships with organizations that specifically engage minorities; women; veterans; people who identify as LGBTQ+; and people with disabilities.

Community Outreach Liaison: Under the supervision of the General Manager, Lemonnade will hire community outreach liaisons to engage minorities; women; veterans, people who identify as LGBTQ+; and people with disabilities. The liaisons will identify as a member of or have demonstrated backgrounds working with members of the above-mentioned demographics. Liaisons will canvass communities, hold informational sessions targeted towards 15 people per session, and provide information about Lemonnade and its operations.

Career Fairs: Lemonnade will host annual career fairs to ensure that minorities; women; veterans, people who identify as LGBTQ+; and people with disabilities benefit from the wealth of career opportunities afforded by Lemonnade's operations. Career fairs will be held during daytime, evening, and weekend hours to accommodate those with nontraditional hours of employment. Career fairs will be advertised in diverse publications including bilingual media such as the African American Point of View, La Voz and El Pubelo Latino, and networking groups.

Referral Programs: Whenever new employment opportunities arise, Lemonnade will encourage all employees to refer potential applicants for employment. Lemonnade will incentivize recruitment through paid referral bonuses.

Additional Outreach Efforts: Lemonnade's recruitment efforts are designed to maintain a steady flow of qualified diverse applicants and includes the following steps:

- Advertising employment opportunities in diverse publications such as the African American Point of View and local bilingual media such as La Voz and El Pubelo Latino;
- Transmit career openings by posting them online on boards including Blackjobs.com, United Latino Job Bank, LatPro.com, Black Career Network, HBCU Connect, Asian Hires, NAACP Career Center, iHispano, Diversity Inc., and Diversity Job Board; and
- Utilizing Zip Recruiter to reach over 100 online career and job websites, as well as social media.

EMPLOYEE RETENTION AND TRAINING:

Perhaps the most critical element of maintaining a diverse and inclusive workforce is keeping the pathways to professional development and promotion open for all employees. Therefore, Lemonnade's mentoring, training, and professional development programs are structured with the intention of finding, fostering, and promoting diverse employees to management positions. Lemonnade will offer promotions, career counseling, and training to provide employees with opportunity for growth and to decrease turnover. Lemonnade will proactively communicate opportunities for advancement, training programs, and clearly-defined job descriptions.

Mentorship Program: Lemonnade will develop a Workforce Mentoring Program to create an environment of trust, belonging, understanding, and support. Employees will be paired with manager-level staff and given the opportunity to chart a pathway upwards within the organization, identify opportunities for training and educational advancement, voice concerns and overcome potential hurdles. Mentorship meetings will occur at least monthly, but employees will be encouraged to regularly schedule opportunities to collaborate with their mentor or mentee.

Paid Training Programs: Paid training programs will be both internal and external to the company and cannabis industry and will include topics such as: marijuana cultivation techniques, product

manufacturing techniques, retail practices, compliance, writing, management training, and industry seminars provided at annual conferences. Lemonnade anticipates hosting quarterly educational trainings. Lemonnade will also provide annual cultural training on cultural sensitivity and recognizing unconscious bias, focusing on materials including learning about multicultural environments, how to foster inclusion and belonging, intercultural competence, and break out group sessions.

In addition to the Cannabis Control Commission's Responsible Vendor Training, employees will receive access to comprehensive training across all facets of business operations in the cannabis industry, including cultivation, manufacturing, retail sales, marketing, finance, regulatory compliance, and basic business skills. Lemonnade has partnered with Green Flower to develop an online Workforce Development Program platform that provides immensely valuable content to participants an edge above the rest when it's time to seek out the next move in their career -- whether it's in the grow room or the board room. Employees can review previous seminars, participate in courses, or engage in a full curriculum leading to a specialized certificate.

MEASUREMENT:

Lemonnade will evaluate its progress towards its goals by evaluating qualitative and quantitative measures annually upon renewal. Measurements include:

- Whether or not Lemonnade has hired a staff comprised of minorities (at least 50%), Veterans (at least 10%), women (at least 50%), LGBTQ+ (at least 10%) and people with disabilities (at least 10%);
- Documentation of career fairs held and advertisements related to same;
- Whether or not Lemonnade advertised such opportunities by placing advertisements about fellowship opportunities in diverse publications including bilingual media, local networking groups and public boards; providing briefings to representatives from recruitment sources tailored to individuals falling in the above-listed demographics concerning current and future openings; encouraging current fellows to refer applicants for employment; hosting informational sessions; and continuing to develop relationships with programs designed to improve employment opportunities for diverse persons;
- Whether or not there is at least one bilingual team member on each shift; and
- The number of partnerships made with local workforce development organizations targeted towards hiring at minorities, women, veterans, people with disabilities, immigrant populations, or people who identify as LGBTQ+.

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