



# Massachusetts Cannabis Control Commission

## Marijuana Product Manufacturer

General Information:			
License Number:	MP281733		
Original Issued Date:	09/06/2022		
Issued Date:	09/06/2022		
Expiration Date:	09/06/2023		

## ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: OBCC, LLC			
Phone Number: 937-631-9094	Email Address: jason@bridgecitycollective.com		
Business Address 1: 74 Downing Parkway Business Address 2:			
Business City: Pittsfield	Business State: MA	Business Zip Code: 01201	
Mailing Address 1: PO Box 2189	9	Mailing Address 2:	
Mailing City: Pittsfield	Mailing State: MA	Mailing Zip Code: 01202	

# CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE, Lesbian, Gay, Bisexual, and Transgender Owned Business

## **PRIORITY APPLICANT**

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

#### **RMD INFORMATION**

## Name of RMD:

Department of Public Health RMD Registration Number:

**Operational and Registration Status:** 

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

If no, describe the circumstances below:

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY Person with Direct or Indirect Authority 1

Percentage Of Ownership: 22	Percentage Of Control: 100	
Role: Executive / Officer	Other Role: Chief Executive C	Officer
First Name: Jason	Last Name: Kabbes	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:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY No records found

CLOSE ASSOCIATES AND MEMBERS No records found

CAPITAL RESOURCES - INDIVIDUALS No records found

CAPITAL RESOURCES - ENTITIES No records found

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES Business Interest in Other State 1

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

Owner First Name: Jason	Owner Last Name: Kabbes	Owner Suffix:	
Entity Legal Name: UHCC, In	с.	Entity DBA:	
Entity Description: Illinois ad	ult use cannabis establishment		
Entity Phone:	Entity Email:	Entity Website:	
970-389-4548	david@bridgecitycollective.com		
Entity Address 1: 4312 N Williams Avenue		Entity Address 2:	
Entity City: Portland	Entity State: OR	Entity Zip Code: 97217	Entity Country: USA
Entity Mailing Address 1: 71	South Wacker Drive	Entity Mailing Address 2:	
Entity Mailing City: Chicago	Entity Mailing State: IL	Entity Mailing Zip Code:	Entity Mailing Country:
		60606	USA

#### **Business Interest in Other State 2**

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

Owner First Name: Jason	Owner Last Name: Kabbes	Owner Suffix:	
Entity Legal Name: SLCC, LLC		Entity DBA:	
Entity Description: Missouri m	nedical cannabis establishment		
Entity Phone: 907-952-2328	Entity Email: kdavies@stlcannacollective.com	Entity Website:	
Entity Address 1: 1015 McCa	usland Avenue	Entity Address 2:	
Entity City: St Louis	Entity State: MO	Entity Zip Code: 63117	Entity Country: USA
Entity Mailing Address 1: 142	1 Wabash Avenue	Entity Mailing Address 2:	
Entity Mailing City: Kansas	Entity Mailing State: MO	Entity Mailing Zip Code:	Entity Mailing Country:
City		64127	USA

## Business Interest in Other State 3

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

Owner First Name: Jason	Owner Last Name: Kabbes	Owner Suffix:		
Entity Legal Name: GSCC Management, LLC		Entity DBA:		
Frein-Deservicient Neur Jansen und die Jaarmachie sultingten				

Entity Description: New Jersey medical cannabis cultivator

Entity Phone:	Entity Email: Entity Website:		
937-631-9094	jason@bridgecitycollective.com		
Entity Address 1: 320 Park	Avenue	Entity Address 2:	
Entity City: Plainfield	Entity State: NJ	Entity Zip Code: 07060	Entity Country: USA
Entity Mailing Address 1: 32	20 Park Avenue	Entity Mailing Address 2:	
Entity Mailing City:	Entity Mailing State: NJ	Entity Mailing Zip Code:	Entity Mailing Country:
Plainfield		07060	USA

## Business Interest in Other State 4

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

Owner First Name: Jason	Owner Last Name: Kabbes	Owner Suffix:	
Entity Legal Name: BCCO, LL	C	Entity DBA:	
Entity Description: Ohio med	ical cannabis retail		
Entity Phone:	Entity Email:	Entity Website:	
937-631-9094	jason@bridgecitycollective.com		
Entity Address 1: 3560 Dolso	on Court NW	Entity Address 2:	
Entity City: Carroll	Entity State: OH	Entity Zip Code: 43112	Entity Country: USA
Entity Mailing Address 1: 35	60 Dolson Court NW	Entity Mailing Address 2:	
Entity Mailing City: Carroll	Entity Mailing State: OH	Entity Mailing Zip Code:	Entity Mailing Country:
		43112	USA

## В

Entity Mailing City: Dayton	Entity Mailing State: OH	Entity Mailing Zip Code:	Entity Mailing Country:	
Entity Mailing Address 1: 204	16 Valley Street	Entity Mailing Address 2:		
Entity City: Dayton	Entity State: OH	Entity Zip Code: 45404	Entity Country: USA	
Entity Address 1: 2046 Valley	/ Street	Entity Address 2:		
Entity Phone: 937-620-8808	Entity Email: zhemphill@ohiocleanleaf.com	Entity Website:		
Entity Description: Ohio medi	ical cannabis processing			
Entity Legal Name: Diamond	Science Holdings, LLC	Entity DBA:		
Owner First Name: Jason Owner Last Name: Kabbes Owner Suffix:				
Business Interest of an Owne	Business Interest of an Owner or the Marijuana Establishment: Business Interest of an Owner			
Business Interest in Other State 5				

# Business Interest in Other State 6

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

Owner First Name: Jason	Owner Last Name: Kabbes	Owner Suffix:	
Entity Legal Name: Ohio Cle	an Leaf, LLC	Entity DBA:	
Entity Description: Ohio med	lical marijuana cultivation		
Entity Phone:	Entity Email:	Entity Website:	
513-410-2676	aaron@ohiocleanleaf.com		
Entity Address 1: 2046 Valle	y Street	Entity Address 2:	
Entity City: Dayton	Entity State: OH	Entity Zip Code: 45404	Entity Country: USA
Entity Mailing Address 1: 20	46 Valley Street	Entity Mailing Address 2:	
Entity Mailing City: Dayton	Entity Mailing State: OH	Entity Mailing Zip Code:	Entity Mailing Country:
		45404	USA

45404

USA

### DISCLOSURE OF INDIVIDUAL INTERESTS Individual 1

First Name: Jason	Las	at Name: Kabl	oes	Suffix:
Marijuana Establishment Name: G	reen Railroad G	iroup, Inc.	Business Type:	Marijuana Retailer
Marijuana Establishment City: Gre	at Barrington		Marijuana Estal	blishment State: MA
Individual 2				
First Name: Jason	Last Name: K	abbes	Suffix:	
Marijuana Establishment Name: 0	BCC, LLC	Business Ty	<b>pe:</b> Marijuana Cu	ultivator
Marijuana Establishment City: Pitt	sfield	Marijuana E	stablishment Sta	ate: MA
MARIJUANA ESTABLISHMENT PR	OPERTY DETAI	LS		
Establishment Address 1: 74 Dow	ning Parkway			

Establishment Address 2:

Establishment City: Pittsfield	Establishment Zip	Code: 01201
Approximate square footage of the Establishment: 37000		How many abutters does this property have?: 15

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

# HOST COMMUNITY INFORMATION

Host Community	Documentation:
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Document Category	Document Name	Туре	ID	Upload	
				Date	
Community Outreach Meeting	OBCC_COM Attestation_Attachment A.pdf	pdf	61c4ea73d2f0bb446ad263a9	12/23/2021	
Documentation					
Community Outreach Meeting	OBCC_COM Attestation_Attachment B.pdf	pdf	61c4ea75151a044618ec6a13	12/23/2021	
Documentation					
Community Outreach Meeting	OBCC_COM Attestation_Attachment C.pdf	pdf	61c4ea780183444639b5eb3c	12/23/2021	
Documentation					
Plan to Remain Compliant with	OBCC Plan to Remain Compliant with Local	pdf	61c4eabf0183444639b5eb44	12/23/2021	
Local Zoning	Zoning.pdf				
Certification of Host Community	OBCC_COM Attestation Form.pdf	pdf	61e5a41aa828d708f050b2df	01/17/2022	
Agreement					
Community Outreach Meeting	Transcript and Link.pdf	pdf	61e7828771cb79087958b052	01/18/2022	
Documentation					
Certification of Host Community	Pittsfield HCA Certification-OBCC LLC.pdf	pdf	61eeb7ae879c73091c813c8f	01/24/2022	
Agreement					

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	Туре	ID	Upload Date
Plan for Positive Impact	OBCC Positive Impact Plan_v2.pdf	pdf	61c4eae1bf093f4602540741	12/23/2021
Other	OBCC Gift Acceptance Letter_18 Degrees.pdf	pdf	61e78533879c73091c8124d6	01/18/2022

## ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

INDIVIDUAL BACKGROUND INFORMATION Individual Background Information 1	
Role: Executive / Officer	Other Role: Chief Executive Officer
First Name: Jason	Last Name: Kabbes Suffix:
RMD Association: Not associated with an RMD	
Background Question: yes	

## ENTITY BACKGROUND CHECK INFORMATION No records found

# MASSACHUSETTS BUSINESS REGISTRATION Required Business Documentation:

Document Category	Document Name	Туре	ID	Upload Date	
Bylaws	OBCC LLC - Operating Agreement (Updated March 2021) 4826-0405-2449.pdf	pdf	61c4ef40d3dd284475be4e0a	12/23/2021	
Articles of Organization	OBCC_Certificate of Organization.pdf	pdf	61dcfb31dc96b108e5511a6b	01/10/2022	
Secretary of Commonwealth - Certificate of Good Standing	220111 OBCC Cert of GS_SecState.pdf	pdf	61e5a4d37c2bdd089a1ef245	01/17/2022	
Secretary of Commonwealth - Certificate of Good Standing	220111 OBCC Cert of GS_DUA.pdf	pdf	61f00246d04772090d5a064f	01/25/2022	
Department of Revenue - Certificate of Good standing	220201 OBCC Cert of GS_DOR.pdf	pdf	61fbd96de95b8c0888816654	02/03/2022	

No documents uploaded

# Massachusetts Business Identification Number: 001423491

Doing-Business-As Name:

DBA Registration City: Pittsfield

## **BUSINESS PLAN**

# Business Plan Documentation:

Document Category	Document Name		ID	Upload Date
Business Plan	OBCC Business Plan.pdf	pdf	61c4f07a90ca3b46232e1f92	12/23/2021
Plan for Liability Insurance	OBCC Plan to Obtain Liability insurance.pdf	pdf	61c4f07ed2f0bb446ad263bc	12/23/2021
Proposed Timeline	OBCC Timeline to Manufacturing Operations.pdf	pdf	61dc947525efbc08930092f8	01/10/2022

# **OPERATING POLICIES AND PROCEDURES**

Policies and Procedures Documentation:

Document Category	Document Name	Туре	ID	Upload Date
Diversity plan	OBCC Diversity Plan_v2.pdf	pdf	61c4f2d2d2f0bb446ad263c1	12/23/2021
Energy Compliance Plan	OBCC Energy Compliance Plan.pdf	pdf	61c4f2d5151a044618ec6a32	12/23/2021

Inventory procedures	OBCC Inventory Procedures.pdf	pdf	61c4f2d90183444639b5eb5f	12/23/2021
Maintaining of financial records	OBCC Maintaining Financial Records.pdf	pdf	61c4f2dc12daf944393841d0	12/23/2021
Personnel policies including	OBCC Personnel Policies Including	pdf	61c4f2dfd3dd284475be4e12	12/23/2021
background checks	Background Checks.pdf			
Prevention of diversion	OBCC Prevention of Diversion.pdf	pdf	61c4f32ed2f0bb446ad263c5	12/23/2021
Quality control and testing	OBCC QC & Testing.pdf	pdf	61c4f330151a044618ec6a36	12/23/2021
Qualifications and training	OBCC Qualifications and Training.pdf	pdf	61c4f33384fb17447c43e02e	12/23/2021
Record Keeping procedures	OBCC Recordkeeping.pdf	pdf	61c4f33512daf944393841d4	12/23/2021
Transportation of marijuana	OBCC Secure Transportation of	pdf	61c4f3380b55784640e074b9	12/23/2021
	Cannabis.pdf			
Storage of marijuana	OBCC Storage of Marijuana.pdf	pdf	61c4f361922a104454b6af7e	12/23/2021
Safety Plan for Manufacturing	OBCC_Product Manufacturing Safety	pdf	61dc94b08dbcc30906634f87	01/10/2022
	Plan.pdf			
Sample of unique identifying	OBCC Samples of Unique Identifying Marks	pdf	61dc94b435cb3e08f72167f5	01/10/2022
marks used for branding	Used for Branding.pdf			
Types of products Manufactured.	OBCC_Types of Products	pdf	61e5a547ea0b000858e84b00	01/17/2022
	Manufactured_v2.pdf			
Method used to produce products	OBCC Method Used to Produce	pdf	61e5a5498dbcc3090663701d	01/17/2022
	Products_v2.pdf			
Security plan	OBCC Security Plan_v3.pdf	pdf	61fc55388dbcc3090663d42f	02/03/2022

## ATTESTATIONS

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

### Notification: I Understand

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

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

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

## ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

### COMPLIANCE WITH DIVERSITY PLAN No records found

# PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS No records found

# HOURS OF OPERATION

Monday From: 7:00 AM	Monday To: 7:00 PM
Tuesday From: 7:00 AM	Tuesday To: 7:00 PM
Wednesday From: 7:00 AM	Wednesday To: 7:00 PM
Thursday From: 7:00 AM	Thursday To: 7:00 PM
Friday From: 7:00 AM	Friday To: 7:00 PM
Saturday From: 7:00 AM	Saturday To: 7:00 PM
Sunday From: 7:00 AM	Sunday To: 7:00 PM

Wednesday, December 1, 2021

2-BLACK COVERALLS, large,

good condition \$40. 413-429-7548.

7 FT. CHRISTMAS TREE. Artificial,

quite full 3 sections, easy to

\$100 and Under

\$99. Call 413-441-4653.

413-442-2038

413-449-3273.

413-442-4523.

413-441-4653.

413-445-5096

sleigh with

413-448-1339.

up. 917-328-5901

413-822-8965

#### **CLASSIFIEDS** The Berkshire Eagle | BerkshireEagle.com **B8**

# **Public Notices**

Commonwealth of Massachusetts The Trial Court Probate and Family Court

CITATION ON PETITION FOR FORMAL ADJUDICATION

## Docket No. BE21P086 EA

Estate of: Jacqueline Virginia Mikutowicz Also known as: Jacqueline V Mikutowicz, **Jacqueline Mikutowicz** Date of Death: 10/03/2021

### **Berkshire Probate and** Family Court 44 Bank Row Pittsfield, MA 01201 (413) 442-6941

To all interested persons:

A Petition for Formal Probate of Will with Appointment of Personal Representative has been filed by James M Mikutowicz of Inman SC requesting that the Court enter a formal Decree and Order and for such other relief as requested in the Petition.

The Petitioner requests that James M Mikutowicz of Inman SC be appointed as Personal Representative(s) of said estate to serve Without Surety on the bond in unsupervised administration.

#### IMPORTANT NOTICE

You have the right to obtain a copy of the Petition from the Petitioner or at the Court. You have a right to object to this proceeding. To do so, you or your attorney must file a written appearance and objection at this Court before: 10:00 a.m. on the return day of 12/20/2021.

This is NOT a hearing date, but a deadline by which you must file a written appearance and objection if you object to this proceeding. If you fail to file a timely written appearance and objection followed by an affidavit of objections within thirty (30) days of the return day, action may be taken without further notice to you.

UNSUPERVISED ADMINISTRATION UNDER THE MASSACHUSETTS UNIFORM PROBATE CODE (MUPC)

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

WITNESS. Hon. Richard A Simons First Justice of this Court.

Date: November 18, 2021

Anthony P. Petella **Řegister of Probate** 

James M Mikutowicz 126 Lake Bowen Drive Inman, SC 29349

AD# 62174 12/01/2021

> Commonwealth of Massachusetts The Trial Court **Probate and Family Court**

# **Public Notices** This is NOT a hearing date, but a deadline by which you must file a written appearance and objection if you object to this proceeding. If

you fail to file a timely written appearance and objection followed by an affidavit of objections within thirty (30) days of the return day, action may be taken without further notice to you.

#### UNSUPERVISED ADMINISTRATION UNDER THE MASSACHUSETTS UNIFORM PROBATE CODE (MUPC)

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

### WITNESS

Hon. Richard A Simons First Justice of this Court. Date: November 24, 2021 Anthony P. Patella Register of Probate

Louis J. Oggiani, Esq. 312 Main Street, Suite 3 Great Barrington, MA 01230 413-528-2175

#### AD# 62216 12/01/2021

## Commonwealth of Massachusetts The Trial Court

**Probate and Family Court** 

# CITATION ON PETITION FOR FORMAL ADJUDICATION Docket No. BE21P0640EA

Estate of: Edward Mark Bradley Also known as: E. Mark Bradley Date of Death: 06/14/2021

> Berkshire Probate and Family Court 44 Bank Row Pittsfield, MA 01201 (413) 442-6941

To all interested persons: A Petition for S/A Formal Probate of Will with Appointment of Personal Representative has been filed by Jennifer Bradley of Ashley Falls MA requesting that the Court enter a formal Decree and Order and for such other relief as requested in the Petition.

The Petitioner requests that: Jennifer Bradley of Ashley Falls MA be appointed as Personal Representative(s) of said estate to serve Without Surety on the bond in unsupervised administration

# **IMPORTANT NOTICE**

You have the right to obtain a copy of the Petition from the Petitioner or at the Court. You have a right to object to this proceeding. To do so, you or your attorney must file a written appearance and objection at this Court before: 10:00 a.m. on the return day of 12/24/2021. This is NOT a hearing date, but a deadline by which you must file a written appearance and objection if you object to this proceeding. If you fail to file a timely written appearance and objection followed by an affidavit of objections within thirty (30) days

of the return day, action may be taken without further notice to

UNSUPERVISED

ADMINISTRATION UNDER THE

MASSACHUSETTS UNIFORM PROBATE CODE (MUPC)

appointed under the MUPC in an unsupervised administration is not required to file an inventory or

annual accounts with the Court.

Persons interested in the estate

are entitled to notice regarding

the administration directly from

the Personal Representative and

may petition the Court in any

matter relating to the estate, including the distribution of

expenses

Anthony P. Patella

Register of Probate

of

and

Personal Representative

you.

Α

assets

administration.

# Public Notices

INVITATION FOR BID "AS NEEDED" PAINTING SERVICES

Pittsfield Housing Authority (PHA) is sealed bids for "As Painting Services from seeking Needed" January 1, 2022 through December 31, 2022. At the sole discretion of the Pittsfield Housing Authority, the contract may be renewed in one year increments for a total period not to exceed three years. Estimated contract value is \$80,000/year

Documents & specification will be available for pickup at the Pittsfield Housing Authority, 65 Columbus Ave, Pittsfield, MA 01201 between 8:30 am and 4 pm, Monday through Friday excluding holidays or by e m a i l williamschrade @pittsfieldhousing.org beginning December 1st.

Bids will be received until 12 p.m., Wednesday, December 22, 2021. Bids may be delivered or mailed to Columbia Arms, 65 Columbus Ave, Suite 1, Pittsfield, MA 01201.

Site Visit my be arranged by contacting William Schrade, contacting William Schrade, Director of Maintenance/Moderniza tion Coordinator, by phone: 413-443-5369 or by email w i I I i a m s c h r a d e @pittsfieldhousing.org

All questions regarding this bid shall be sent to William Schrade, Director Maintenance/Modernization of Coordinator, by email williamschrade @pittsfieldhousing.org

Pittsfield Housing Authority does not accept responsibility for any bids delivered late unless valid proof of intended/guaranteed delivery commitment through postal service or courier agent is provided.

Pittsfield Housing Authority reserves the right to cancel this Bid at any time, for any reason, without liability if cancellation is deemed to be in the best interest of Pittsfield Housing Authority.

Pittsfield Housing Authority reserves the right to reject any or all bids or to waive any minor informality in the bidding.

**Constance Scott Executive Director** 

AD# 62117 12/01/2021

#### Legal Notice Public Auction Under Self Storage **Operations Lien**

The auction that was scheduled for Friday December 2, 2021 at the premises of Berkshire Mini Warehouse II Inc., 371 Cloverdale Street, Pittsfield, Massachusetts, been CANCELLED until has further notice.

AD# 62207 12/01/2021, 12/02/2021

#### NOTICE OF COMMUNITY **OUTREACH MEETING**

Notice is hereby given that OBCC, LLC will hold a Virtual Community Outreach Meeting on **December 14** 2021 at 5:00 PM to discuss the proposed siting of an Adult Use Marijuana Product Manufacturer and Indoor Cultivator at 74 Downing Parkway, Pittsfield MA.

# Primetime

# **Public Notices**

Virtual meeting information is at the end of this notice. 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. A copy of the meeting presentation will be made available at least 24 hours prior to the meeting by emailing

#### rebecca@vicentesederberg.com

Interested members of the community will have the opportunity ask questions and receive to 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.

Join Zoom Meeting: https://us02web.zoom.us/

j/84110238170 Zoom Meeting Telephone Dial In: 646-558-8656: Meeting ID: 841 1023 8170#

AD# 62181 12/01/2021

# Notice of Public Hearing

The Town of New Marlborough acting through its Board of Selectmen as the Special Permit Granting Authority, will hold a Special Permit Hearing on Monday, December 20, 2021 at 6:00 p.m. to be conducted via Zoom

https://us02web.zoom.us/ i/5583864085

The meeting ID is 558 386 4085. Telephone number: 1-646-558-8656;

then and there to act upon the application by Ingo Schweers, 32 Forest Street, Montclair, NJ 07042, under Section 3.5.4 of the Protective Bylaws of New Marlborough for the property located at 155 Norfolk Road, Southfield, MA 01259 (Assessors Map 110, Lot 41) for the purpose of building a 2-story single family home/home office on a non-conforming lot identified above. For copies of the application, please email

sfleck@newmarlboroughma.gov

Richard E. Long, Chair Mark Carson, Vice Chair Tara B. White

AD# 62222 1/01/2021, 12/18/2021

TOWN OF EGREMONT ZONING BOARD OF APPEALS PUBLIC HEARING

On Wednesday, December 8, 2021, at 5:00PM the Egremont Zoning Board of Appeals will hold a public hearing to consider the application for a special permit filed Michael Straher Lesley & Davenport for the alteration of the residential structure on the pre-existing non-conforming Straher/Davenport Lot, located at 24 & 0 Lakeside Drive, in accordance with Egremont Zoning Bylaw 4.3.1.5. Board members may be present in-person at Egremont Town Hall, all others participating via Zoom. The application can be viewed at the Egremont Town Hall by appointment or on the towns' web

A Pittsfield B North County C West Stockbridge, Lanesborough, Hinsdale 🈤 Movies

## page www.egremont-ma.gov Written comments will be accepted

**Public Notices** 

and may be emailed to tegremont@egremont-ma.gov

Join Zoom Meeting

https://us02web.zoom.us/j/ 82324657026?pwd=VU1EMUls SXkra0ZtUDVMM1FFVXpRUT09

Meeting ID: 823 2465 7026 Passcode: 783297

One tap mobile +1 646 558 8656 US (New York)

Cathy Fracasse, Chair Mark Holmes Rolfe Tessem Charles Ogden, Alternate

AD#s 61874, 61875 11/24/2021

Apartment Rentals

# ALL RENTALS

on-line at: www.rhabc.com by the Rental Housing Association of Berkshire County

# Timesharing

VACATION VILLAGE IN THE BERKSHIRES, Hancock. Week #38. A & C units. 2 units, each sleeps 4. Yearly maintenance fee \$949. Priced for quick sale. Best offer under \$100 (plus legal fees). Call 860-849-1518

## **Help Wanted**

# The Berkshire Eagle **Carrier's Wanted!**

(Amazing Potential Sign on Bonus)

Central North Adams Area Paper Draw: 284 Daily/320 Sat Approx. Pay: 1100.00+ Bi Weekly

**District Manager:** Keith (413) 344-5802

#### O'Connell Oil **HVAC Service Tech** \$1500. signing bonus Full time with benefits contact:

jsobon@oconnelloil.com/ 413-499-4800

PART TIME DRIVER. 1 day per week. for errands. Salary negotiable. 4 to 5 hours per week. Call Mary 413-458-8475.

# *\$100 and Under*

1-HUSKY PRESSURE WASHER. good condition \$100.413- 429-7548 16" UNICYCLE, still in box it came

\$90 OBO. Cash in. only. 413-441-3387

assemble w/variety of ornaments. \$50, 413-443-1661 8' FIBERGLASS STEPLADDER.

9 NURSERY RHYME Porcelain Dolls. \$90/set. Call 413-743-0416.

ACOUSTIC GUITAR. Crestline,

w/hard case, needs new strings perfect for beginner. \$25.

AERUS ELECTROLUX CANISTER

**VAC** with bags and all the tools. \$100. Call 413-553-7677.

ALL SEASON TIRES. (4) Uniroyal

Tigerpaw, 195-65-15, \$100. OBO. 413-447-0028

ALUMINUM R: multi-task Type **Solutions**. Like new ased twice. \$65.

ARTIFICIAL CHRISTMAS TREE,

AVIARY. 30 IN W X 35 IN H X 18 IN

D. With stand 84 in H. With 6 young

Parakeets. \$95. Brand New.

BABY-GO-BYE BYE, crawls and

talks. \$13 each. Call 413-441-4653.

BISSELL PROMINE Plus carpet cleaning machine w/cleaning solu-

BLADE RUNNER 500 ROLLER

blades childrens sizes 2 & 5, knee &

elbow pads \$20 each (413)443-4217.

BRASS BED: Single size, over 75

years old. \$30 or best offer. Call

CABBAGE PATCH DOLLS with

large box of clothes. \$45. Call

CARGO TRAY: 2019 Honda HRV.

Perfect condition. \$60. Great Christ-mas gift. 413-655-8317/

CHANDELIER. 3 Lights with glass

CHRISTMAS DECORATIONS: 7 Ft

artificial tree with multicolored

CHRISTMAS DECORATIONS: PVC

Sleigh and reindeer with lights. \$45. Call 413-448-1339.

CHRISTMAS DECORATIONS: Set

of 3 lighted gift boxes. \$10. Call 413-448-1339.

CHRISTMAS DECORATIONS: Wire

CHRISTMAS STOPPARE. 12 Plates/Cuper Christer, micro-wave/DW Schever used in orig boxes, \$25, OBO. Cash and carry.

CLOTHES DRYER: "ESTATE" HD

electric clothes dryer. Good condi-

tion. \$100 or best offer. You pick

COLEMAN LANTERN. \$10.

COMFORTER WITH PILLOW

SHAMS. Country Curtains full size

cream with leaf pattern. Excellent

condition. \$65. Call 413-445-5762.

DRESSER, 5 DRAWER, WOOD.

Great condition Pic available \$50 413-446-8487

Dec. 1, 2021

413-822-5048 can send pics.

lights. \$25.

\$20.

Call

globes, Bronze color.

lights, \$60. Call 413-448-1339.

tion. \$30. Call/text 413-441-7966.

6'. (New). \$50. Call 413-441-4653.

413-684-2227 evenings.

#### CITATION ON PETITION FOR FORMAL ADJUDICATION Docket No. BE21P0851EA

Estate of: Pamela A Defino Date of Death: 08/26/2021

> Berkshire Probate and Family Court 44 Bank Row Pittsfield, MA 01201 (413) 442-6941

To all interested persons:

A Petition for Formal Probate of Will with Appointment of Personal Representative has been filed by Michael Bell of Sheffield MA requesting that the Court enter a formal Decree and Order and for such other relief as requested in the Petition.

## The Petitioner requests that:

Michael Bell of Sheffield MA be appointed as Personal Representative(s) of said estate to serve Without Surety on the bond in unsupervised administration

## **IMPORTANT NOTICE**

You have the right to obtain a copy of the Petition from the Petitioner or at the Court. You have a right to object to this proceeding. To do so, you or your attorney must file a written appearance and objection at this Court before: 10:00 a.m. on the return day of 12/23/2021.

WITNESS Hon, Richard A Simons First Justice of this Court. Date: November 26, 2021 Louis J. Oggiani, Esq.

312 Main Street, Suite 3 Great Barrington, MA 01230 413-528-2175

AD# 62217 12/01/2021



Reserve yours today and get your message seen!



classifieds@newenglandnewspapers.com

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 From: Bridgette Nikisher
 Att

 Sent: Wednesday, November 24, 2021 10:12 AM
 To: 'mbenjamin@cityofpittsfield.org' <mbenjamin@cityofpittsfield.org>;

 'hbrazeau@cityofpittsfield.org' <hbrazeau@cityofpittsfield.org>; 'djamross@cityofpittsfield.org'

<djamross@cityofpittsfield.org>; 'agangell@cityofpittsfield.org' <agangell@cityofpittsfield.org>;

**Attachment B** 

'sgogan@cityofpittsfield.org' <sgogan@cityofpittsfield.org>

**Cc:** Rebecca Rutenberg <rebecca@vicentesederberg.com>

Subject: Notice of Community Outreach Meeting

Hello,

Please find the attached public meeting notice relative to a proposed adult-use marijuana product manufacturer and indoor cultivator. If I can provide further information, please don't hesitate to ask.

Best,

**Bridgette Nikisher** Strategic Affairs Specialist She/Her/Hers

# Vicente Sederberg LLP

Direct: 917-398-0685 Main: 917-338-5455 b.nikisher@vicentesederberg.com VicenteSederberg.com Confidentiality Notice





Vicente Sederberg LLP

# Attachment **B**

# NOTICE OF COMMUNITY OUTREACH MEETING

Notice is hereby given that OBCC, LLC will hold a Virtual Community Outreach Meeting on **December 14 2021** at 5:00 PM to discuss the proposed siting of an Adult Use Marijuana Product Manufacturer and Indoor Cultivator at 74 Downing Parkway, Pittsfield MA.

Virtual meeting information is at the end of this notice. 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.* A copy of the meeting presentation will be made available at least 24 hours prior to the meeting by emailing rebecca@vicentesederberg.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 <u>rebecca@vicentesederberg.com</u> or asked during the meeting.

--

Join Zoom Meeting: https://us02web.zoom.us/j/84110238170 Zoom Meeting Telephone Dial In: 646-558-8656; Meeting ID: 841 1023 8170#

# Attachment C

# NOTICE OF COMMUNITY OUTREACH MEETING

Notice is hereby given that OBCC, LLC will hold a Virtual Community Outreach Meeting on **December 14 2021** at 5:00 PM to discuss the proposed siting of an Adult Use Marijuana Product Manufacturer and Indoor Cultivator at 74 Downing Parkway, Pittsfield MA.

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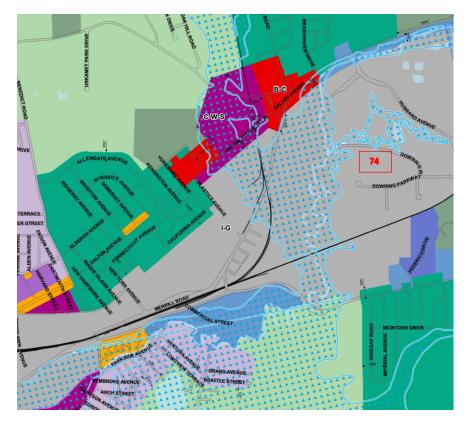
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Join Zoom Meeting: https://us02web.zoom.us/j/84110238170 Zoom Meeting Telephone Dial In: 646-558-8656; Meeting ID: 841 1023 8170#



# OBCC, LLC Plan to Remain Compliant with Local Zoning

The proposed facility of OBCC, LLC ("OBCC") will be located at 74 Downing Parkway, Pittsfield MA (the "Site"). The address is currently zoned within the Industrial District. According to the Pittsfield Zoning Bylaws, Chapter 23, the General Industrial (I-G) District allows marijuana cultivation and manufacturing with special permits from the Zoning Board of Appeals. OBCC will comply with all requirements specified by the host community. OBCC will make no changes to the premises or its operation that would violate said bylaws. See zone map below, the subject property is noted by the red "74."



Commonwealth Cultivation, Inc. (CCI), the original license-holder for this site, worked with the Pittsfield City Council, the Pittsfield Mayor, Pittsfield's legal counsel and Pittsfield's Zoning Board of Appeals to secure all necessary permitting to allow for marijuana cultivation and manufacturing at the Site. CCI has also worked with such persons to address security and operational requirements; present to Town stakeholders; and secure local government support. OBCC, through purchase of CCI's license and April 2021 Change of Control approval by the Cannabis Control Commission ("CCC"), has inherited and assumed ownership of those agreements.

OBCC will regularly continue such interaction with such persons, and the Managing Director

and/or Chief of Staff will coordinate communication with Building, Fire, Highway, Police and other appropriate departments and officials to ensure ongoing compliance with local laws relating to the design, building and operation of the marijuana establishment, including that which relates to signs, business hours, odor controls, safety, reporting and the like. OBCC, through its Managing Director, Chief of Staff, and legal counsel, will continue to ensure compliance by timely reviewing of ordinance changes; engaging in ongoing collaboration with Town officials and inspectors; and having quarterly executive, internal meetings on local law proposals, changes, updates and compliance. With respect to local matters relating to zoning and/or other requirements to operate at such site, OBCC will also execute the following:

Diversion Mitigation: In cooperation with and to the extent requested by the Town's Police Department, and consistent with the regulations ("Regulations") of the CCC, the Company will work with the Town's Police Department to implement a CCC-compliant diversion prevention plan, a form of which plan to be in place prior to the date of commencing operations. Such plan will include, but is not limited to, training employees to be aware of, observe, and report any unusual behavior in authorized visitors or other employees that may indicate the potential for diversion; and utilizing seed-to-sale tracking software to closely track all inventory.

Security: To the extent requested by the Town's Police Department, and consistent with the Regulations, OBCC will also work with the Town's Police Department in determining the placement of interior and exterior security cameras, but at all times compliant with the Regulations and approval of the CCC. The Company will maintain a cooperative relationship with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communication to Police Department of any suspicious activities on or in the immediate vicinity of the Site and regarding any anti-diversion procedures. OBCC also agrees to develop a crisis plan and train its security personnel in its use.

MIPs: The production, handling, marketing and sale of edible marijuana-infused products ("MIPs") by OBCC will be in accordance with the Regulations, including the packaging and labeling requirements which, among other things, provide that edible MIPs shall not bear a reasonable resemblance to any product available for consumption as a commercially available candy. OBCC shall obtain any necessary food preparation licenses annually from the Pittsfield Board of Health.

Consumption: The on-site consumption of marijuana products shall be prohibited.



# 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):

Dec 14, 2021

- 2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
- 3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).

1

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."



- 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:
- Nov 24, 2021
- 6. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was mailed at least seven (7) calendar days prior to the community outreach meeting to abutters of the proposed address, and residents within 300 feet of the property line of the applicant's proposed location as they appear on the most recent applicable tax list, notwithstanding that the land of the abutter or resident is located in another municipality. A copy of this mailed notice is labeled and attached as "Attachment C." Please redact the name of any abutter or resident in this notice.
  - a. Date notice(s) mailed:

7. The applicant presented information at the Community Outreach Meeting, which at a minimum included the following:

a. The type(s) of ME or MTC to be located at the proposed address;

Nov 30, 2021

- b. Information adequate to demonstrate that the location will be maintained securely;
- c. Steps to be taken by the ME or MTC to prevent diversion to minors;
- d. A plan by the ME or MTC to positively impact the community; and
- e. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.
- 8. Community members were permitted to ask questions and receive answers from representatives of the ME or MTC.



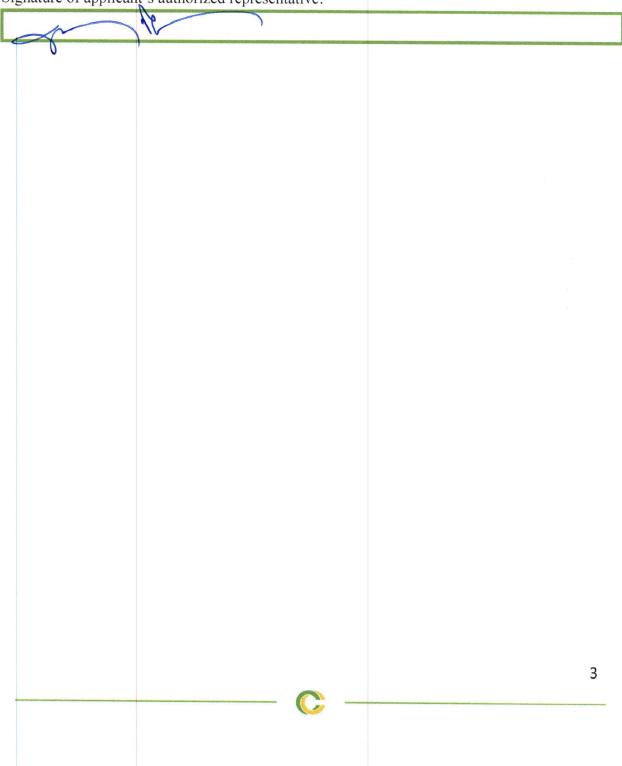
Name of applicant:

OBCC, LLC

Name of applicant's authorized representative:

Jeremy Bromberg

Signature of applicant's authorized representative:



# OBCC LLC – PITTSFIELD COMMUNITY OUTREACH MEETING DECEMBER 14, 2021

Number of Participants: 0

Link to Video: https://us02web.zoom.us/rec/share/FPfpagQFRW4iucN8ZWCai\_Z-0CQDigvszzMJ7Y8JNa1QCJLuqJr4B7Q1ZNL8wJrB.LtGwS3dS1rC\_gH4F

Password: 8Vb&N%G2

DISCLAIMER: This text is not a verbatim transcript. Communication Access Real Time Translation (CART) is provided in order to facilitate communication credibility and may not be a totally verbatim record of the proceedings.

>> Okay, we will go ahead and start.

>> Oh okay so well I just start talking and go through it regardless and people can join in when they get here? >> So I'm going to read a statement that covers a lot of our requirements and then I will take it over to you and you will go through it to whether or not there are people here because it is being recorded for people to watch after the fact. >> Okay. >> If anybody joins us we will answer their questions and if no one joins us we will giveaway to ask questions outside of this channel. And then that will be that. That's great. >> Okay so let me know when you're ready to go. >> So, thank you for joining us this evening at a community outreach meeting for OBCC LLC. The company is holding this community outreach meeting in accordance with the cannabis control commission's administrative order, allowing web-based community outreach meetings. My name is Annie Nagle and I am serving as the moderator for this presentation which is a requirement of the cannabis control commission I have no formal affiliation with the company and my role is to ensure that all questions submitted in advance of and during the meeting are answered. To submit a question during the meeting there are three options. First you can use the question and answer function, second you can use the chat box and third, if dialing and you can push star nine to raise your hand and I will call on you. This meeting is being video recorded and closed captions. If you're interested in receiving a copy of the transcript or the video, reach out to the email address located in the email notice. A copy of the presentation itself is available by request. >> You need me to share my screen for you? >> No, I can share mine. I will do so. >> Okay. Looks good. >> Thanks. So, thank you for having us today and giving us the chance to present our interest in pursuing a manufacturing license. My name is Jeremy Bromberg with more information about me to come. But, going through the presentation here, we will start by introducing who we are and this company, OBCC LLC is a Massachusetts based cannabis company that is formed and owned by Bridge City collective out of Portland, Oregon. >> Bridge City is a fully incorporated cannabis company and we have operations in Missouri, Ohio, Illinois, New Jersey as well as now pending in Massachusetts and we are out of Oregon. We have an experienced team, a great network and we are serious about doing the job right. Bridge City has been out of Oregon since 2014 when it opened and it's done very well in Oregon and has two dispensaries in Portland and they are the only two still independently owned dispensaries in the city. But, Bridge City has overtime worked very hard to produce a distinctive quality flower and one best in class in response is an and reviews in the past. And our goal is to be the best that we are not interested in being the biggest,

there's a book out there I like called small Giants and we talked about companies that want to be really good, more than they want to be huge and that would qualify us and were trying to do something that works for people and it helps the industry grow and do the right thing. The management team, our CEO is a fellow named Jason based in Oregon and one of the cofounders of the Bridge City collective. While he is the legal and foremost CEO for OB CC, I am the managing director for Massachusetts and so myself and are the boots on the ground in the eyes ears and decision-makers here in Massachusetts. We work together at two other cannabis companies before this one over the past 4 ½ years, and I had another year in addition to that. Our experience within the cannabis industry has been building companies from the ground up.

We've done it twice, one in Hobart, Mass and Clinton, Massachusetts with Springfield and Boston. So we are excited to do this again. We are experienced operators and we are a serious professional business and business people and we look to bring the merger of business practices and cannabis culture to a market that will appreciate the sensitivity and awareness and propriety.

The cannabis control commission, there cannabis process, we are going for a manufacturing license so this title is wrong.

But, that being the case to the process still works the same way which is that you identify a site that you get permission from a town and you go to a cannabis control mission that says to apply for an initial license and then at that point the group can then start the process of preparing to build out and operate and as we get to different stages of the process, the cannabis control commission will come in for further inspections to make sure that everything we are doing as per the state of regulations. And, ultimately as each successive inspection gets passed we then get to where we are finally approved to operate. So, it's our and original provisional license it says we may work on our design and build and then there's a post provisional license inspection that says you have built to what you said you would do and we think you're approaching readiness to operate and we then have some more steps and then they come back and say yes you are now ready to operate and begin operations. So it's a back-and-forth process, it's an iterative process there is carefully monitored to make sure they meet all requirements and to be an operator in Massachusetts.

>> The establishment were looking to do is already an approved establishment and for cultivation activity and for industrial Parkway which as it turns out is directly across the street to a nether cultivation facility. We've already been approved to build out our cultivation in this application and what we're talking to you about today is for us to be allowed to do extraction and processing in the building.

So, extraction is the process by which you remove the chemicals from the plant and then you can turn the oil into products that can be used in edibles or tinctures, another form of the product but extracted and frankly and often times easier to intake type approach.

Our manufacturing activities are extraction in the kitchen will be in the middle of the building, not on any outside walls.

The extraction process might use, CO2, carbon dioxide, ethanol or butane. Each of these has a very specific handling instructions and specific requirements that we would review very carefully with the fire department in Pittsfield to make sure that we are not doing anything that would bring any risk of danger to anyone. We don't want to hurt anyone in the community and certainly don't want to hurt our

Transcript

employees so anything we are doing in this building we take the utmost care and steps to ensure the safety of everyone who might be anywhere in around or near the building. We are also putting equipment in place to make sure that you are not smelling our activity. We have seen facilities in the state and people around have complained

because it's quite obvious what's going on there and we see facilities that have done a great deal of mitigation and we believe we can follow those practices as well. Anyone coming into the building more about security but anyone coming in the building will be required to show government issued identification and if you are not a member of staff you would need to be escorted everywhere in the building by a member of our team.

Local zoning.

There are various requirements that Pittsfield has put in place, we are in the general industrial zoning district where this activity is permitted. We are not within any public or private school or any public playground or license daycare.

We do have site plan approval for the facility and would obviously go for any and all permits required to operate their and, frankly, in our desire to be good neighbors and good citizens, we will work cooperatively with Pittsfield to make sure that what we are doing is acceptable to the community and to the local officials . The second product manufacturing operations, when we are doing this, any product that is prepared by us does undergo rigorous testing by independent licensed laboratory. These tests are for everyone's safety and they test everything from the characteristics of the product the better also, more importantly looking for any form of biological or chemical contaminants. Certainly there was a well-publicized scare in the past and we want to make sure that -- well, it wasn't just a scare, people did die from it but we want to make sure that nothing ever happens like that from a facility and everything we do is measured, tested and affirmed to be within specifications of acceptable use.

We also, as we look at what we are doing, we know that what we are doing is an expensive building and can use a lot of electricity and gas and utilities to the commission has established standards to make sure that we limit our use of electricity.

We are easily able to comply with that and we are also looking to further minimize our draw on public utilities whether that's other techniques but we want to minimize the footprint and impact on utilities with that.

All products have to be handled, secured, stored in very specific ways. We also have food safety requirements to follow, good manufacturing practices is a certification that we are looking to achieve and so we want to be very careful and handled the product in as clean a fashion as possible so that for the safety of all who are buying our product that we want them to be comfortable, that it's been properly handled, prepared and is ready for safe consumption.

We also have regulations that say that we cannot go we do nothing to try to attract children to the product. So, any edibles cannot be in any child appealing shape. All packaging must be child resistant, labeling is very careful; we can't be cartoonish on our labels. So, everything that we do is to try to make sure that it only reaches the intended market these are authorized users or in these cases recreational users 21 years of age and older . Our timeline for getting going, today we are having the outreach meeting and following this we are then able to submit our application to the commission. The commission will be reviewing our manufacturing license application and it will take time for them to do so but we expect that about March was when we would get an approval.

We then have to submit architectural drawings to the review and then we submit them to the commission for their review and once they approve that we can approve construction and we hope the construction of that fits in with the construction that we are doing on cultivation for So, in the end they all come out at the same time.

But then, with that done and at that point were into 2023 likely that we then need the final inspection for the commission to get everything approved to operate and then we can go forward from there.

And as indicated on this slide we think that's world take about three months before fully approved to operate.

>> Preventing diversion. Security, as you see on another slide that is a huge issue for us and it's an area we spend a lot of money and pay a lot of attention to. Now, security is such that we will have a very secure facility inside and out inside every inch has to be visible on security cameras, which are running 24/7, and are backed for 90 days, so, we have a lot of data and a lot of storage to keep all aspects and information of everything that is going on in the facility recorded.

Outside we also make sure that the full exterior of the building is monitored as well.

That said, the title of the slide is preventing diversion because when it comes to security, the bigger worry is diversion or theft from inside, then it is from outside. Not to say that we don't worry about theft from outside but, frankly, the effort that anyone has to go through to get into one of ours facilities, the time it will take in the alarms it will set off, and the fact that everything inside of the facility while we are not in there is completely locked, means that they would be inside and surrounded before they got too far.

But, for us, since we have this product routinely sitting out as we are working on a, we are very concerned about anyone putting some in their pocket or trying to walk away with it. So, we make sure to do that that we have the security cameras everywhere, all of our employees are trained, they are reminded and, if anyone steps follow that they will be immediately fired and like reported to the police for theft. So, we are not fooling around and again, we have to do things by the book and that is our intent.

We also, as mentioned before, not only in terms of edibles in the shape of everything that we are not allowed and will not market to people under 21 years of age.

Any marketing or advertising that we do can only be two markets that are at least 85% viewers are 21 years of age or older. So again, efforts are being made to limit access and appeal to the folks who are too young to purchase the product. We are not hiring anyone under 21, we are not -- all of these things, it's a very clear-cut about age 21. So whether we are hiring, selling or anything else, the people we work with or sell to must be 21 years of age.

>> Nuisance. As I said earlier, we want to be good neighbors. We want to be good citizens and we want to be supportive so, you know, we are looking to make sure that we are as unobservable a facility as possible, you can see a building at the end of the road and not much saying about what is going on and maybe a small sign somewhere with our name, that is about it.

And, otherwise we want to maintain as low-profile as possible.

We are not going to allow people to hang out on our facility, we are not can have our employees hang out after hours, we are not allowing public consumption of cannabis and not allowing loitering, or anything that would be illegal anywhere is illegal here. And again, we want to make sure that we are a low-impact or low to no impact member of the community, providing benefit to the community in terms of jobs and tax revenue but not creating additional work for the community due to cleanup or have to police us. I mentioned a couple times security is a big deal, it really is.

And we have professional security companies and alarm companies installing to monitor everything we do.

They require us to have redundancy so we will have two monitors for redundant systems, two monitors going to two different companies and everything exterior will be lit up and will try to make all the views of the building as clear as possible and only our staff or authorize visitors will be allowed to access the facility and we track everyone who comes in and goes out . If you are the visitor you have an ID badge and if you're an employee you have a visible badge so, we know who has access to where and who is a guest . If you are aghast you will be escorted at all times into the facility and no nonemployee will be able to walk without an escort. We have our security system with backup and failure notification everything to make sure it's rock-solid we have backup energy, backup electricity, but backup generators, Excuse me, located to help to make sure the security system stays operational in the event of a power failure to the facility.

So, we want -- we don't want to, we have to and we will monitor inside and outside  $24/7 \times 52$ .

>> This is the pride of Pittsfield, yes, we want to do a business but we want to do one that fits and we want to do one that benefits the community.

We already anticipate that the cultivation facility will probably allow us to hire 60, 70, 80 people. Adding the manufacturing capability puts us up another 20 giving us around 100 jobs in that one facility, and it this pays impact fees annually. And access to consistent high-quality clean cannabis to consumers 21 years of age and older and we are actively in communication with Pittsfield police, fire department and all officials so that we stay in good standing and make sure that any issues are raised as early as possible to address them and stay in good standing.

The people that we are hiring are not only as old as I am but the people we are hiring are seasoned professionals established serious people, this industry does not necessarily always hire this type but my background is such that I come from high-tech professional services and consulting. I would like to work with the type of people that we see in those industries as well and so we focused our hiring on our leaders and they will be very capable individuals. Lastly, community support we want to support local organizations.

We've been in touch with a member with a nice family service firms with job counseling and we see ways to support them with financial, volunteer and maybe even offering coursework to low so communities to help educate on what it is we are doing and what the cannabis industry looks like. So, we see a number of ways that we can be good members of the community, be supportive members of the community and hopefully earn your trust as people you are comfortable having and working in Pittsfield.

That is the presentation that we have if you have questions you are always welcome to contact me and as you see on the screen my name is Jeremy Bromberg and my email

Transcript

address is also on the screen . I'm the managing director for Massachusetts and I'm happy to answer any questions and do anything we can to make you more comfortable with what we are doing at 74 Downing Parkway. Thank you. So, as we have no questions, like what Jeremy said if you were watching this after-the-fact as a recorded video, feel free to email Jeremy or you can email the email address located on your meeting notice. And, with that, I have no open questions so Jeremy you are free to wrap it up do you have anything you would like to say in closing? >> We appreciate that the city of Pittsfield has allowed the site therein the first place at Downing industrial Parkway. We are not talking about an expansion to where we are already cited but we appreciate the opportunity to be in Pittsfield and look forward to being a valued member of the community. Thank you. >> Excellent. Thank you very much for being here tonight and that is all we have. >> Great. >> Good night.



# 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:

OBCC, LLC

- Name of applicant's authorized representative:
   Jeremy Bromberg
- 3. Signature of applicant's authorized representative:



- 4. Name of municipality: City of Pittsfield MA
- 5. Name of municipality's contracting authority or authorized representative:

inda M. Tyer

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

Linda M. Juer

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).):

Magorsoffice @ City of pittsfield.org

8. Host community agreement execution date: April 23, 2021 (assignment and assumption)

# OBCC, LLC Positive Impact Plan

OBCC, LLC ("OBCC") is committed to supporting People Disproportionately Harmed by Cannabis Prohibition, which the Cannabis Control Commission ("CCC") has identified as the following:

- 1. Past or present residents of the geographic "Areas of Disproportionate Impact," which have been defined by the Commission and identified in its Guidance for Identifying Areas of Disproportionate Impact
- 2. Commission-designated Economic Empowerment recipients
- 3. Commission-designated Social Equity Program participants
- 4. Massachusetts residents who have past drug convictions
- 5. Massachusetts residents with parents or spouses who have drug convictions

This Positive Impact Plan will outline how OBCC will help residents of Commission identified Areas of Disproportionate Impact ("ADIs"). The Goals, Programs, and Measurements in this Plan define how the company will drive, support, and measure these initiatives. OBCC wishes to establish itself as a good neighbor, by supporting, collaborating, and cooperating with the communities we serve. This commitment begins with the CEO, Managing Director, and Chief of Staff, the senior executives leading OBCC.

OBCC's production facility is in Pittsfield, MA, and is 20 miles from North Adams, both communities defined as ADIs per the CCC.

OBCC's Positive Impact Plan has identified and created goals and programs to support residents from Pittsfield and North Adams through key initiatives such as hiring, charity, and community outreach. These will be referred to as "Impact Areas" in the following Plan.

# <u>Goals</u>

For OBCC to positively impact the above communities, OBCC has established the following goals:

- Hire and retain, in a legal and non-discriminatory manner, at least twenty percent (20%) of its employees from Pittsfield and North Adams, hence reducing barriers to entry in the commercial adult-use cannabis industry;
- 2. Support these communities through donating \$5,000 over the next year (while preoperational) in Pittsfield and North Adams with 18 Degrees, a family organization with which OBCC has an active collaboration, and potentially other organizations or

individuals that serve Pittsfield and North Adams – Impact Areas disproportionately harmed by cannabis prohibition, as defined per the CCC; and

3. Provide cannabis education to these community and promote awareness through annual informational sessions/events.

# **Programs**

The below details actions, activities, and processes that will be utilized to achieve the outlined goals of OBCC:

- Instituting a preferential hiring program for Impact Areas. This will include ongoing outreach at annual Impact Area-based career fairs and posting available job positions in Impact Area publications and websites to attract residents (e.g., The Berkshire Eagle, Berkshire Record), as jobs become available but not less than annually. Residency or past residency in an ADI will be a positive factor in decisions to interview, but this does not prevent the Company from hiring the most qualified candidates and complying with all employment laws and other legal requirements.
- 2. Working collaboratively with 18 Degrees (https://18degreesma.org/), a Berkshires-based family services organization dedicated to promoting the well-being of children and youth and the strength of families, to build better communities in Western Massachusetts (which includes Pittsfield and North Adams). 18 Degrees provide education, parenting skills and support, prevention and intervention, advocacy, and life skills across a spectrum of programs serving children, young people, individuals and families in four areas: early education and care; foster care and adoption; child and family well-being; youth and community development. OBCC has already made a cash donation to 18 Degrees, and is starting discussion about more collaborations, including job placement. 18 Degrees maintains an active presence in both Pittsfield and North Adams, and OBCC will work with 18 Degrees to specifically direct OBCC's support towards past or present residents of Pittsfield and North Adams.
- 3. Organizing or hosting two industry-specific educational seminars, training, or skill development events, each with up to 15 individuals, on cannabis business management, manufacturing, retailing, and related skills annually. Event details will be communicated through use of local signage displayed in Pittsfield and North Adams (e.g., stores, community centers).

# **Measurements**

OBCC has outlined methods in which the goals and programs will be tracked and measured for success. Human Resources will administer the Positive Impact Plan and will be responsible for measuring and reporting outcomes to ensure OBCC continues to meet its commitments.

Measuring the success of these programs is critical in being able to accurately report to the CCC when applying to renew OBCC's license.

These measurable outcomes include:

- Tracking the number of employees hired and currently on staff from a Commission identified ADI through recording of home address and regular staffing audits using our HR Applicant Tracking System and Employee Onboarding System.
- 2. Documenting and reporting on donations, community service hours, in-store drives, and sponsorship activities. Accounting will track any financial support provided including dates, items donated, and individuals or entities to whom the donation or sponsorship was provided;
- 3. Measuring volunteer hours through OBCC's time reporting system, reviewed by the HR Department. OBCC will provide opportunities for employees to volunteer with organizations contributing to communities in Impact Areas, tracked by attendance. If employees feel strongly about an alternative organization, however, they may suggest it to OBCC. After ensuring the authenticity of the group to confirm time spent is positively impacting an appropriate area, OBCC will provide a time reporting form, listing hours, work done, and signature from an on-site volunteer manager. Annual recognition to employees choosing to volunteer will encourage participation.
- 4. Documenting and reporting on the number and topic of industry-specific educational seminars, trainings, or skill development events, including attendee lists, provided handouts, and amount of resources spent for each event.

OBCC will solicit company-wide feedback on existing programs and encourage employees to contribute suggestions on ways to continue to better address the needs of residents in Impact Areas.

In execution of its Positive Impact Plan, OBCC 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 OBCC will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

# OPERATING AGREEMENT

# OF

# OBCC LLC

a Massachusetts Limited Liability Company

March 23, 2021

The Units referenced in this document have not been registered under any securities laws and the transferability of such Units is restricted. A Unit may not be sold, assigned or transferred, nor will any assignee, vendee, transferee or endorsee thereof be recognized as having acquired any such Unit by the issuer for any purposes, unless (1) a registration statement under the Securities Act of 1933, as amended, with respect to such Unit will then be in effect and such transfer has been qualified under all applicable securities laws, or (2) the availability of an exemption from such registration and qualification will be established to the reasonable satisfaction of counsel of the Company.

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# OPERATING AGREEMENT OF OBCC LLC

This Operating Agreement of OBCC LLC (this "<u>Agreement</u>") is made and entered into as of March \_\_\_\_\_, 2021 (the "<u>Effective Date</u>") by and among the Persons listed on <u>Exhibit A</u> attached hereto and made a part hereof, as the same may be amended, from time to time, in accordance with the provisions of this Agreement (hereinafter sometimes referred to collectively as the "<u>Members</u>" and individually as a "<u>Member</u>").

# SECTION 1

# THE COMPANY

1.1 <u>Formation</u>. OBCC LLC (the "<u>Company</u>") is a limited liability company formed pursuant to the provisions of the Massachusetts General Laws, Chapter 156C, as it may be amended from time to time (or any corresponding provisions of succeeding law, the "<u>Act</u>"). The Amended and Restated Certificate of Formation of the Company (the "<u>Certificate of Formation</u>") was filed with the Secretary of the Commonwealth of Massachusetts on February 3, 2020 (the "<u>Commencement Date</u>"). The rights and liabilities of the Members will be as provided in the Act except as otherwise provided in this Agreement. The Members agree that all actions taken among the authorized representatives in connection with the organization of the Company are hereby ratified as acts of the Company.

1.2 <u>Company Name</u>. The name of the Company is OBCC LLC or such other name or names as may be designated by the Board of Managers; provided that the name shall always contain the words "limited liability company" or the abbreviation "LLC". The Board of Managers shall give prompt notice to the Members of any change to the name of the Company. The Company may conduct business under any assumed or fictitious name required by applicable law or otherwise deemed desirable by the Board of Managers.

1.3 <u>Purposes</u>. The nature of the business and of the purposes to be conducted and promoted by the Company is to engage solely in the following activities:to invest in operating companies that intend to apply for or have been granted) licenses to cultivate, process, and dispense marijuana in accordance with the laws of the Commonwealth of Massachusetts, and if awarded such licenses, conduct operations in accordance with the laws of the Commonwealth of Massachusetts (also referred to as the "<u>Marijuana Laws</u>");

(b) to pursue other opportunities and conduct other activities permitted under all applicable laws of the Commonwealth of Massachusetts;

(c) to manage and/or acquire real estate to conduct operations in accordance with the Marijuana Laws;

(d) to enter into, make and perform all contracts and other undertakings and engage in all activities and transactions as may be necessary and advisable for carrying out the purposes of the Company; and

(e) to exercise all powers, enumerated in the applicable law of the Commonwealth of Massachusetts necessary or convenient to the conduct, promotion or attainment of the business or purpose otherwise set forth herein.

1.4 <u>Principal Place of Business</u>. The principal place of business of the Company will be at such place as the Board of Managers may determine from time to time. The Company shall maintain, at its principal office, all records pertaining to the Company as required by the Act.

1.5 <u>Term</u>. The term (the "<u>Term</u>") of the Company commenced on the Commencement Date and will continue until the Company is dissolved in accordance with the provisions of this Agreement

1.6 <u>Filings; Statutory Agent for Service of Process</u>. The Certificate of Formation has been filed in the office of the Secretary of the Commonwealth of Massachusetts in accordance with the provisions of the Act.

(a) The Board of Managers will take any and all other actions reasonably necessary to perfect and maintain the status of the Company as a limited liability company under the laws of Massachusetts.

(b) The Board of Managers will take any and all other actions as may be reasonably necessary to perfect and maintain the status of the Company as a limited liability company or similar type of entity under the laws of any states or jurisdictions other than Massachusetts in which the Company engages in business.

(c) The registered office of the Company in Massachusetts shall be Corporation Service Center, 84 State Street, Boston, MA 02109. The Company's agent for service of process on the Company in Massachusetts shall be the Corporation Service Center. The Board of Managers may change, at any time and from time to time, such registered agent.

(d) Upon the dissolution of the Company, the Board of Managers will promptly execute and cause to be filed a certificate of cancellation in accordance with the Act and the law of any other states or jurisdictions in which the Company has qualified to conduct business.

1.7 <u>Defined Terms</u>. Unless the context otherwise requires or unless otherwise provided in this Agreement, capitalized terms used in this Agreement shall have the meanings ascribed to them as set forth in <u>Appendix A</u> to this Agreement

# SECTION 2

# MEMBERS, UNITS AND PERCENTAGE

2.1 <u>Names, Addresses, and Units of Members</u>. The names, addresses, Capital Contributions, and number and class of Units of the Members are set forth on Exhibit A hereto

(a) The Board of Managers shall promptly amend <u>Exhibit A</u> from time to time to reflect the admission or withdrawal of Members; a change in a Member's address; the sale, grant, issuance or redemption of Units; or the receipt of additional Capital Contributions; and any such amendment shall be effective as of the date of the event necessitating such amendment.

(b) A Member's interest in the Company, including any and all benefits to which the Member may be entitled as provided in this Agreement, together with all obligations of such Member to comply with the terms and provisions of this Agreement, shall be represented by one or more Units. The Company shall initially have three classes of Units: Class A Units ("<u>Class A Units</u>"), Class B Units ("<u>Class B Units</u>") and Class C Units ("<u>Class C Units</u>"). The Board of Managers, from time to time, may authorize the creation and issuance of additional classes of

Units as set forth in this Agreement. The Board of Managers, in its sole and absolute discretion, may adopt an equity incentive plan (the "<u>Equity Incentive Plan</u>") pursuant to which the Company may create and issue an additional class of Units under such Equity Incentive Plan. The Units under the Equity Incentive Plan shall be subject to the following conditions:

(i) the Units shall be issued from Class A Units (reducing the number of Class A Units); and

(ii) such Units shall be subject to such vesting, repurchase options and other restrictions as the Board of Managers may deem appropriate in connection therewith.

(c) <u>Fractional Units</u>: The Company may, but shall not be required to, issue fractions of a Unit.

(d) Class A Units shall have all the rights, restrictions and preferences of the Class A Units set forth herein. Class B Units shall have all the rights, restrictions and preferences of the Class B Units set forth herein. Class C Units shall have all the rights, restrictions and preferences of the Class C Units set forth herein.

2.2 <u>Certificates for Membership Units</u>. A Member's Units may, but need not, be represented by a Certificate of Membership. The exact contents of a Certificate of Membership, if any, will be determined by the Board of Managers.

2.3 <u>Additional Members</u>. Subject to the provisions of <u>Section 3.2</u> hereof, the Company may issue additional Units to any Person on terms and conditions as determined by the Board of Managers. The Board of Managers may create additional classes of Units having such relative rights, powers and preferences and duties from time to time established by the Board of Managers.

2.4 <u>Other Activities</u>.

(a) Except as otherwise provided for herein, including (without limitation) the exclusivity and non-competition provisions in Section 6.5 which apply to Class A Members, and the terms and provisions set forth in Sections 2.4(b) through (f), the Members and their Affiliates may engage in, possess interests in, own, operate or manage other businesses or investment ventures of every kind and description for their own account or jointly with others; provided that such business or investment venture is not directly competing with the business of the Company or any of the Company's subsidiaries. Except as otherwise provided herein, neither the Company nor any Insider shall have any right, by virtue of this Agreement, in or to such other business or investment venture or the revenue or profits derived therefrom.

(b) Each Member acknowledges that it, or, if such Member is a business entity, its equity holders that have a beneficial ownership of more than 9.99% of the Company's equity (or such lesser amount as required by applicable regulatory requirements) and such Member's directors, officers, general partner or managers (each a "<u>Background Party</u>"), may be required to submit to a background check in connection with the Company's or any of its subsidiaries' or Affiliates' efforts to obtain licensure or for any other business purpose of the Company. Each Member agrees that it and any and all Background Parties will cooperate with all reasonable requests from the Company in this regard including, but not limited to, executing authorizations to conduct any required background search.

(c) So long as each Member remains a Member of the Company hereunder, each such Member and its Affiliates or related entities shall not invest in any CRB Person that is competitive with the Company in the Commonwealth of Massachusetts, except that any Member may invest in a multi-state CRB Person with operations in the Commonwealth of Massachusetts that is directly competitive with the Company; provided that such Member does not have a beneficial ownership or other financial interest in such CRB Person that exceeds 9.99% (or such lesser amount as required by the applicable regulatory requirements), nor shall such Member or any Background Party become a Person or Entity Having Direct or Indirect Control with respect to any other CRB Person in the Commonwealth of Massachusetts.

(d) Each Member shall provide seven (7) days advance notice to the Company of an investment by any such Member in any CRB Person (the "<u>Opportunities</u>"). Each Member agrees that it will not invest in Opportunities in states that have limitations on the number of cannabis licenses that a company may own and/or the financial interests that an individual may retain in multiple cannabis licenses, but only to the extent that such investment(s) could reasonably be expected to preclude the Company or any of its subsidiaries or Affiliates from expanding its operations, obtaining cannabis licenses from, or investing in Opportunities, in the respective state.

(e) To the extent that (i) any Member or any Background Party acquires equity ownership or financial interest in a CRB Person in the Commonwealth of Massachusetts or any other state in which the Company or any of its subsidiaries or Affiliates possesses or is pursuing cannabis licensure and (ii) such ownership could reasonably be expected to jeopardize the Company's or any of its subsidiaries' or Affiliates' licensure (or pending license application), the Member agrees that it shall or shall cause such Background Party to divest itself of such ownership or financial interest.

(f) To the extent that (i) any Member or any Background Party becomes a Person or Entity Having Direct or Indirect Control in another CRB Person in the Commonwealth of Massachusetts or any equivalent of a Person or Entity Having Direct or Indirect Control in any other state in which the Company or any of its subsidiaries or Affiliates possesses or is pursuing cannabis licensure and (ii) such Person or Entity Having Direct or Indirect Control position could reasonably be expected to jeopardize the Company's or any of its subsidiaries' or Affiliates' licensure (or pending license application), the Member agrees that it shall or shall cause such Background Party to resign from such Person or Entity Having Direct or Indirect Control position.

(g) To the extent this <u>Section 2.4</u> conflicts with <u>Section 6.5</u>, <u>Section 6.5</u> controls.

2.5 <u>Place of Meetings</u>. Meetings of the Members may be held at such places and at such times as the Board of Managers or a Class A Member may from time to time determine Any meeting of the Members shall be held at the principal office of the Company or at such other place, within or without the Commonwealth of Massachusetts, as shall be designated by the Board of Managers or the Members calling such meeting, including without limitation telephonic meetings pursuant to <u>Section 2.9</u>.

2.6 <u>Notice of Member Meetings</u>. Meetings of all of the Members may be held without call or notice at such places and at such times as the Board of Managers may from time to time determine, provided, however, if the vote of the Class B Members is required at such meeting, then written notice of the meeting to all Members shall be given by, or at the direction of, the person or persons calling such meeting at least seven (7) days prior to the date of giving of such notice. Such notice shall specify the purpose of the meeting and be given by sending a copy thereof by email or facsimile transfer, by receipted hand delivery or by reputable overnight courier, or by certified mail return receipt requested to each Member. Such notice shall specify the place, day and hour of the meeting.

2.7 <u>Waiver of Notice</u>. A waiver of notice, in writing, signed by the person or persons entitled to such notice, whether before or after the date stated therein, shall be deemed equivalent to the giving of such notice. Notice of a meeting need not be given to a Member who provided a waiver of notice or consent to holding the meeting or an approval of the minutes thereof in writing, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that Member. Unless otherwise required by law, neither the business to be transacted nor the purpose of the meeting need be specified in the waiver of notice of such meeting.

2.8 <u>Quorum</u>. With respect to any meeting of Members, the presence in person or by proxy of the holders of a majority of the issued and outstanding Units of the Company entitled to vote at such meeting shall constitute a quorum with respect to matters that require that vote of the Members in accordance with this Agreement or the Act. Members present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of the holders of enough issued and outstanding Units entitled to vote to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, those Members present may adjourn the meeting to such time and place as they may determine.

2.9 <u>Telephonic Meetings</u>. One (1) or more Members may participate in any regular or special meeting of the Members by means of conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear each other.

2.10 <u>Voting Power and Rights</u>. Except as otherwise provided for herein, only the holders of Class A Units shall be entitled to vote on all matters required by law, the Certificate of Formation or this Agreement to be voted upon or approved by the Members. The Class A Members shall be entitled to vote at any regular or special meeting of the Members. To the extent a matter must be voted upon by all Members, all actions or votes with respect to such matter shall be a valid and effective act of the Company upon the consent of Members holding a majority of all the issued and outstanding Units. Except for the rights specifically set forth herein or as required by the Act, the Class B members shall have no voting rights hereunder.

2.11. <u>Qualifications of Members</u>. Each Member, to the extent required by applicable law, shall be an Accredited Investor, as defined in Regulation D promulgated under the Securities Act. Each Member shall be required to comply with and be in compliance with the regulations and rules promulgated, from time to time, by the CCC, and agrees to either cure any breach of those relegations and rules, or sell their Units, if notified by the Company of any non-compliance with current regulations or rules of the CCC.

# SECTION 3

# PREEMPTIVE RIGHTS

3.1 <u>Preemptive Rights</u>. The Company hereby grants to each of the Members holding Units (the "<u>Preemptive Rights Parties</u>"), excluding Units issued under any Equity Incentive Plan adopted by the Board of Managers, the rights set forth in this <u>Section 3.1</u> with respect to any and all proposed issuances or sales of Units or Additional Securities by the Company.

(b) The Company shall give the Preemptive Rights Parties written notice of the Company's intention to issue Additional Securities (the "<u>Issuance Notice</u>"), describing the material terms of such Additional Securities, the cash price at which such Additional Securities will be issued or sold and the material terms upon which the Company proposes to issue or sell such Additional Securities, including the anticipated date of such issuance or sale.

(c) Each Preemptive Rights Party shall have seven (7) calendar days from the later of the date the Issuance Notice is received and the date on which the Members receive all information

reasonably requested by them (which request, if any, shall be within three (3) calendar days of the date of the delivery of the Issuance Notice) in connection with such proposed issuance to agree to purchase all or any portion of its Pro Rata Share (as defined below in <u>Section 3.1(e)</u>) of such Additional Securities by giving written notice to the Company of its desire to purchase Additional Securities (the "<u>Response Notice</u>") and stating therein the quantity of Additional Securities to be purchased. Such Response Notice shall constitute the irrevocable agreement of such Preemptive Rights Party to purchase the quantity of Additional Securities indicated in the Response Notice at the price and upon the terms stated in the Issuance Notice. Any purchase of Additional Securities by any Preemptive Rights Party shall be consummated on the closing date specified in the Issuance Notice (or, if other Persons are also purchasing such Additional Securities, the date on which such Additional Securities described in the applicable Issuance Notice are first issued and sold to such other Persons).

(d) The Company shall have ninety (90) days from the date of the Issuance Notice to consummate the proposed issuance and sale of the Additional Securities that are not being purchased by the Preemptive Rights Parties at a price and upon terms that are not less favorable to the Company than those specified in the Issuance Notice. If the Company proposes to issue Additional Securities after such 90-day period or at a price or upon terms that are less favorable to the Company than those specified in the Issuance Notice, it must again comply with this Section 3.1.

(e) For purposes of this <u>Section 3.1</u>, the "<u>Pro Rata Share</u>" of any eligible Preemptive Rights Party, on the date of the Issuance Notice, shall be a fraction equal to: (i) the numerator of which shall be the total number of Units then held by the Preemptive Rights Party, excluding Units issued under any Equity Incentive Plan adopted by the Board of Managers, and (ii) the denominator of which shall be the total overall Units owned by all of the Preemptive Rights Parties, excluding Units issued under any Equity Incentive Plan adopted by the Board of Managers.

3.2 <u>Other Matters</u>. Except as otherwise provided in this Agreement, no Member may demand or receive a return of the Member's Capital Contribution. Under circumstances requiring a return of any Capital Contribution, no Member will have the right to receive property other than cash except as may be specifically provided in this Agreement.

(a) No Member will receive any salary or compensation solely due to his capacity as a Member. Managers and Officers may receive guaranteed payments or salaries for their duties performed in the active operations of the Company.

(b) No Member will be liable for the debts, liabilities, contracts or any other obligations of the Company, except as otherwise provided in the Act.

# SECTION 4

# CAPITAL ACCOUNTS AND ALLOCATIONS; CAPITAL CONTRIBUTIONS

4.1 <u>Capital Accounts</u>. A Capital Account shall be maintained for each Member in the manner set forth in the definition of Capital Account set forth in <u>Appendix A</u> to this Agreement.

4.2 <u>Profits, Losses and Tax Items</u>. The Profits and Losses and any tax items of the Company shall be allocated among the Members as follows:

(a) Profits and Losses.

(i) After giving effect to the special and curative allocation provisions set forth in <u>Sections 4.2(b)</u> and <u>4.2(c)</u>, the Profits and Losses for each taxable year (or portion thereof) shall be allocated to the Members in such amounts as are necessary to cause the positive balance in each Member's Adjusted Capital Account to equal, to the greatest extent possible, the amount that would be distributed to each Member were the Company to dissolve and terminate at the end of the taxable year in question, assuming for this purpose that the Company's assets are liquidated for their Gross Asset Value and that the net proceeds of such liquidation, after payment of all Company debts and liabilities, are distributed to the Members in accordance with <u>Section 5.1</u> of the Agreement.

(ii) Solely for purposes of <u>Section 4.2(a)</u>, (i) the balances in the Members' Adjusted Capital Accounts shall be determined after taking into account all distributions pursuant to <u>Section 5</u> of the Agreement for the fiscal year in question and (ii) if a Member owns more than one type of Unit, such Member shall be treated as having a separate Adjusted Capital Account with respect to each type of Unit owned by such Member (although such separate Adjusted Capital Accounts shall be accounted for as sub-accounts of such Member's overall Adjusted Capital Account).

(b) <u>Special Allocations</u>. The following special allocations will be made in the following order:

(i) <u>Minimum Gain Chargeback</u>. Notwithstanding any other provision of this <u>Section 4.2</u> and subject to the exceptions set forth in Sections 1.704-2(f)(2),(3),(4) and (5) of the Regulations, if there is a net decrease in Company Minimum Gain during any fiscal year, each Member will be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to the portion of such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Section 1.704-2(g) of the Regulations. Allocations pursuant to the previous sentence will be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated will be determined in accordance with Section 1.704-2(f) of the Regulations. This <u>Section 4.2(b)</u> is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and will be interpreted consistently therewith.

(ii) Partner Minimum Gain Chargeback. Notwithstanding any other provision of this Section 4.2 except Section 4.2(b)(i) and subject to the exception in Section 1.704-2(i)(4) of the Regulations, if there is a net decrease in Partner Minimum Gain attributable to Partner Nonrecourse Debt during any Company fiscal year, each Member who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5), will be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to the portion of such Member's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Regulations. Allocations pursuant to the previous sentence will be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated will be determined in accordance with Section 1.704-2(i)(4) of the Regulations. This Section 4.2(b)(ii) is intended to

comply with the minimum gain chargeback requirement in such Section of the Regulations and will be interpreted consistently therewith.

(iii) <u>Qualified Income Offset</u>. In the event any Member unexpectedly receives any adjustments, allocations or distributions described in Section 1.704 1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6) of the Regulations, items of Company income and gain will be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the deficit balance in such Member's Adjusted Capital Account as quickly as possible, provided that an allocation pursuant to this <u>Section 4.2(b)(iii)</u> will be made only if and to the extent that such Member would have a deficit balance in his Adjusted Capital Account after all other allocations provided for in this <u>Section 4.2(b)</u> have been tentatively made as if this <u>Section 4.2(b)(iii)</u> were not in this <u>Section 4.2</u>.

(iv) <u>Gross Income Allocation</u>. In the event any Member has a deficit balance in his Adjusted Capital Account at the end of any fiscal year, each such Member will be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this <u>Section 4.2(b)(iv)</u> will be made only if and to the extent that such Member would have a deficit balance in his Adjusted Capital Account after all other allocations provided for in this <u>Section 4.2(b)</u> have been made as if <u>Section 4.2(b)(iii)</u> hereof and this <u>Section 4.2(b)(iv)</u> were not in this <u>Section 4.2</u>.

(v) <u>Nonrecourse Deductions</u>. Nonrecourse Deductions for any fiscal year or other period will be specially allocated among the Members in accordance with the number of Units held by them.

(vi) <u>Partner Nonrecourse Deductions</u>. Any Partner Nonrecourse Deductions for any fiscal year or other period will be specially allocated to the Member who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Section 1.704-2(i) of the Regulations.

(vii) <u>Section 754 Adjustments</u>. To the extent the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Section 1.704-1(b)(2)(iv)(m) of the Regulations, to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts will be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss will be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

(viii) <u>Imputed Interest Income</u>. Any interest income imputed to the Company by reason of characterization of any payment of taxes by the Company as an advance to a Member pursuant to <u>Section 5.2</u> of this Agreement will be specifically allocated to the Member who is treated as having received such advance.

(c) Curative Allocations.

(i) The "Regulatory Allocations" consist of the "Basic Regulatory Allocations," as defined in <u>Section 4.2(c)(ii)</u> hereof, the "<u>Nonrecourse Regulatory Allocations</u>," as defined in <u>Section 4.2(c)(iii)</u> hereof, and the "<u>Partner Nonrecourse Regulatory Allocations</u>," as defined in <u>Section 4.2(c)(iv)</u> hereof.

(ii) The <u>"Basic Regulatory Allocations</u>" consist of allocations pursuant to <u>Sections 4.2(b)(iii)</u>, <u>4.2(b)(iv)</u> and <u>4.2(b)(vi)</u> hereof and the last sentence of <u>Section 4.2(a)(ii)</u> hereof. Notwithstanding any other provision of this <u>Section 4.2</u>, other than the Regulatory Allocations, the Basic Regulatory Allocations will be taken into account in allocating items of income, gain, loss, and deduction among the Members so that, to the extent possible, the net amount of such allocations of other items and the Basic Regulatory Allocations to each Member will be equal to the net amount that would have been allocated to each such Member if the Basic Regulatory Allocations pursuant to this <u>Section 4.2</u> will only be made with respect to allocations pursuant to <u>Sections 4.2(b)(iii)</u>, <u>4.2(b)(iv)</u> or <u>4.2(b)(vi)</u> hereof to the extent the Board of Managers reasonably determines that such allocations will otherwise be inconsistent with the economic agreement among the parties to the Agreement.

(iii) The "Nonrecourse Regulatory Allocations" consist of all allocations pursuant to Sections 4.2(b)(i) and 4.2(b)(v) hereof. Notwithstanding any other provision of this Section 4.2, other than the Regulatory Allocations, the Nonrecourse Regulatory Allocations will be taken into account in allocating items of income, gain, loss, and deduction among the Members so that, to the extent possible, the net amount of such allocations of other items and the Nonrecourse Regulatory Allocations to each Member will be equal to the net amount that would have been allocated to each such Member if the Nonrecourse Regulatory Allocations had not occurred. For purposes of applying the foregoing sentence (i) no allocations pursuant to this Section 4.2(c)(iii) will be made prior to the fiscal year during which there is a net decrease in Company Minimum Gain, and then only to the extent necessary to avoid any potential economic distortions caused by such net decrease in Company Minimum Gain, and (ii) allocations pursuant to this Section 4.2(c)(iii) will be deferred with respect to allocations pursuant to Section 4.2(b)(v) hereof to the extent the Board of Managers reasonably determines that such allocations are likely to be offset by subsequent allocations pursuant to Section 4.2(b)(i) hereof.

(iv) The "Partner Nonrecourse Regulatory Allocations" consist of all allocations pursuant to Sections 4.2(b)(ii) and 4.2(b)(vi) hereof. Notwithstanding any other provision of this Section 4.2, other than the Regulatory Allocations, the Partner Nonrecourse Regulatory Allocations will be taken into account in allocating items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations of other items and the Partner Nonrecourse Regulatory Allocations to each Member will be equal to the net amount that would have been allocated to each such Member if the Partner Nonrecourse Regulatory Allocations had not occurred. For purposes of applying the foregoing sentence (i) no allocations pursuant to this Section 4.2(c)(iv) will be made with respect to allocations pursuant to Section 4.2(b)(vi) relating to a particular Partner Nonrecourse Debt prior to the fiscal year during which there is a net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, and then only to the extent necessary to avoid any potential economic distortions caused by such net decrease in Partner Minimum Gain, and (ii) allocations pursuant to this Section 4.2(c)(iv) will be

deferred with respect to allocations pursuant to <u>Section 4.2(b)(vi)</u> hereof relating to a particular Partner Nonrecourse Debt to the extent the Board of Managers reasonably determines that such allocations are likely to be offset by subsequent allocations pursuant to <u>Section 4.2(b)(ii)</u> hereof.

(v) The Board of Managers will have reasonable discretion, with respect to each taxable year, to (i) apply the provisions of <u>Sections 4.2(c)(ii)</u>, <u>4.2(c)(iii)</u>, and <u>4.2(c)(iv)</u> hereof in whatever order is likely to minimize the economic distortions that might otherwise result from the Regulatory Allocations, and (ii) divide all allocations pursuant to <u>Sections 4.2(c)(ii)</u>, <u>4.2(c)(iii)</u>, and <u>4.2(c)(iv)</u> hereof among the Members in a manner that is likely to minimize such economic distortions.

#### (d) Other Allocation Rules.

(i) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items will be determined on a daily, monthly, or other basis, as determined by the Board of Managers using any permissible method under Code Section 706 and the Regulations thereunder.

(ii) Except as otherwise provided in this <u>Section 4.2</u>, all items of Company income, gain, loss, deduction, and any other allocations (including allocations of credits) not otherwise provided for will be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the year.

(iii) The Members are aware of the income tax consequences of the allocations made by this <u>Section 4.2</u> and hereby agree to be bound by the provisions of this <u>Section 4.2</u> in reporting their shares of Company income and loss for income tax purposes.

(iv) To the extent permitted by Sections 1.704-2(h) and 1.704-2(i)(6) of the Regulations, the Members will endeavor to treat distributions as having been made from the proceeds of a Nonrecourse Liability or a Partner Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account deficit for any Member.

(e) Tax Allocations; Code Section 704(c).

(i) In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company will, solely for tax purposes, be allocated among the Members 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 initial Gross Asset Value.

(ii) In the event the Gross Asset Value of any Company asset is adjusted, subsequent allocations of income, gain, loss, and deduction with respect to such asset will take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

(iii) Any elections or other decisions relating to such allocations will be made by the Members in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this <u>Section 4.2(e)</u> are solely for purposes of federal, state, and local taxes and will not affect, or in any way be taken into account in computing any Member's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

4.3 <u>Capital Contributions.</u> The Capital Contributions made or required to be made by the Members in connection with the issuance of such Member's Units are set forth on <u>Exhibit A</u> to this Agreement, if applicable. No Member will be required to make any Capital Contributions other than the initial Capital Contributions. Except as otherwise provided herein, a Member is not entitled to the return of any part of its Capital Contributions or to be paid interest in respect of either its Capital Account or its Capital Contributions. An unreturned Capital Contribution is not a liability of the Company or of any Member. A Member is not required to contribute or to lend any cash or property to the Company to enable the Company to return any Member's Capital Contributions.

## SECTION 5

#### **DISTRIBUTIONS TO MEMBERS**

5.1 <u>Distributions</u>. Subject to <u>Section 5.2</u> and except as otherwise provided in <u>Section 10</u> of this Agreement with respect to distributions upon liquidation of the Company, distributions shall be made by the Company in the amounts and at the times determined by the Board of Managers (but no less frequently than annually) to all Members in the following order and priority:

(a) First, 100% to the Class B Members *pro rata* in accordance with the number of Units held by each Class B Member until each Class B Member has received distributions under this Section 5.1(a) in the aggregate equal to one (1) times his, her, or its of its outstanding Capital Contributions (such period, the "<u>Class B Preferred Amount</u>");

(b) Thereafter, to the holders of outstanding Class A Units, Class B Units and Class C Units in proportion to their relative Percentage Interests, subject to adjustment, if any, to any distributions pursuant to any Equity Incentive Plan adopted by the Board of Managers.

### 5.2 <u>Mandatory Tax Distributions.</u>

(a) Within ninety (90) days, or as soon thereafter as practicable, after the end of each taxable year of the Company (or, in the Board of Managers' discretion, such earlier date as individual taxpayers are required to make estimated tax payments), the Company shall calculate and distribute to each Member such Member's Mandatory Tax Distribution Amount; provided, however, that the distribution of any Mandatory Tax Distribution Amount shall be deferred, on a pro rata basis based on each Member's Mandatory Tax Distribution Amount, in the Board of Managers' discretion if the Company does not have sufficient cash on hand to fund such Mandatory Tax Distribution Amount or the payment of any Mandatory Tax Distribution Amount would cause a default under the terms of any funded indebtedness of the Company. The deferral shall continue until such time as the Board of Managers determines that sufficient cash to fund the Mandatory Tax Distribution Amount is available or the payment of such Mandatory Tax Distribution Amount would not cause a default under the terms of any funded indebtedness. The "Mandatory Tax Distribution Amount" for each Member for each taxable year means an amount equal to the excess of (i) the product of (A) the net taxable income of the Company allocated to (or reasonably estimated to be allocable to) such Member for the taxable year attributable to the items allocated to such Member under Section 4 to this Agreement multiplied by (B) the sum of the maximum federal

individual income tax rate and the maximum combined state and local individual income tax rate to which any Member (or, if any Member is a pass-through entity for federal income tax purposes, any owner of such pass-through entity) is subject (less the effect of the deduction of state and local income taxes on the federal return, assuming no limitation of such deduction under Section 68 of the Code), taking into account for this purpose the character of items allocated to such Member as ordinary income or capital gain, over (ii) the sum of the aggregate Mandatory Tax Distribution Amounts previously distributed to such Member pursuant to <u>Section 5.1</u> with respect to such taxable year.

(b) Solely for purposes of this Section 5.2, if a Member is allocated a net loss for federal income tax purposes under Section 4 to this Agreement for any taxable year or period of the Company (calculated under the principles described in clause (i) of Section 5.2(a)) beginning after the date of this Agreement, such net loss shall be offset against, and shall reduce the net income allocated (or reasonably estimated to be allocable, as provided under Section 5.2(a)) to such Member under Section 4 of this Agreement in subsequent taxable years of the Company (until such net loss is exhausted) for purposes of calculating the Mandatory Tax Distribution Amount for such Member for such subsequent fiscal quarters.

(c) Any distributions under this Section 5.2 shall offset the next distribution(s) due to the Member under Section 5.1 on a dollar-for-dollar basis and shall be deemed to have been made under the applicable provision(s) thereof. It is the intent of the Members that distributions made pursuant to this Section 5.2 are not intended to change the aggregate distribution amounts that each Member is entitled to receive pursuant to Section 5.1. Accordingly, notwithstanding anything to the contrary contained herein, the Board of Managers shall apply distributions made pursuant to this Section 5.2 in such manner as is necessary to produce such result.

(d) Any distributions under this <u>Section 5.2</u> shall not count toward <u>Class B Preferred</u> <u>Amounts</u>.

5.3 <u>Treatment of Taxes Withheld</u>. All amounts withheld or paid by the Company pursuant to the Code or any provision of any state, local or foreign tax law with respect to any payment, distribution or allocation to a Member, or any such amount that is paid by the Company solely by reason of the holding of Units by any Member, shall be treated as an advance from the Company to the Member with respect to whom such tax is required to be withheld. The Company shall have the right to apply any amounts otherwise distributable to a Member, or otherwise payable by the Company to such Member under any other provision of this Agreement, to pay the outstanding balance of such Member's advances described in the immediately preceding sentence. The obligation of a Member to pay the outstanding balance of such Member's advances under this <u>Section 5.3</u> shall continue after such Member transfers its Units in the Company and after a withdrawal by such Member. Each Member agrees to furnish the Company with any information, representations or forms as shall reasonably be requested by the Company to assist it in determining the extent of, or in fulfilling, any withholding obligations it may have.

# SECTION 6

### MANAGEMENT AND CONTROL

6.1 <u>Management</u>. The business and affairs of the Company shall be managed by the Board of Managers.

(a) Subject to the provisions of this <u>Section 6.1</u>, the full and entire management of the business and affairs of the Company shall be vested in the Board of Managers that shall have and may exercise all of the powers that may be exercised or performed by the Company in accordance with the terms of this Agreement. Unless the approval of the Members is specifically required by this Agreement or by non-waivable provisions of applicable law, the Board of Managers shall have full, complete, and plenary authority, power, and discretion to manage and control the business, affairs, and properties of the Company, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the management of the Company's business, in accordance with the terms hereof. Except for those powers expressly reserved to the Members in this Agreement or the Act, the Managers shall exercise all such powers in the manner set forth in this Agreement.

(b) The Board of Managers shall initially be comprised of no fewer than five (5) individuals (collectively, the "<u>Managers</u>" and individually a "<u>Manager</u>"). The initial Managers shall be: Jason Kabbes two (2) additional Class A Members, and two (2) Class B Members. The remaining Class A Managers will be appointed by the affirmative vote or written consent of a majority of the Class A Units. The two Class B Managers will be appointed based upon the affirmative vote or written consent of a majority of the Class B Units. The number of Managers constituting the Board may be increased or decreased upon a resolution passed by unanimous vote of the Board of Managers. The Class A Members may elect, remove, designate, fill vacancies on the Board of Managers, and or appoint the Managers, from time to time, as the Class A Members shall deem advisable and in the best interest of the Company.

Each Manager shall (i) be at least 21 years of age, (ii) be registered as a "Marijuana (c) Establishment Agent" (as defined in the Code of Massachusetts Regulations, 935 CMR 500.000 et seq.(as amended from time to time or any successor regulations), and (iii) not be a Person or Entity Having Direct or Indirect Control with respect to any other CRB in the Commonwealth of Massachusetts or other state in which the Company and/or any of its subsidiaries or Affiliates are pursuing licensure. Managers need not be residents of the Commonwealth of Massachusetts or Members of the Company. Each Manager shall serve until the earlier of his or her resignation, incapacity, removal, or death. A Manager may resign at any time by delivering written notice of resignation to the Board of Managers or to the Company. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. The Board of Managers or the Class A Members may remove one or more Managers with or without cause at any time with or without a meeting. A Manager shall serve on the Board of Managers until such Manager resigns or is removed in accordance with this Section 6.1(c). The resignation or removal of a Manager who is also a Member shall not affect his or her rights as a Member. Any vacancy on the Board of Managers from said resignation or removal shall be filled pursuant to Section 6.1(b).

(d) Notwithstanding anything herein to the contrary, the applicable Managers shall remove a Manager upon the occurrence of the following events:

(i) such Manager is no longer qualified or permitted to act as a manager of the Company under Marijuana Laws or based on a determination of the CCC and such Manager is unable to cure such situation by the earlier of (x) ninety (90) days after notice by the Company thereof or (y) the deadline set by Marijuana Laws or the CCC; or

(ii) such Manager fails to comply with Marijuana Laws or requests of the CCC and such failure results, or would likely result, in the reasonable discretion of the Board of Managers (excluding such Manager), in a material violation of

Marijuana Laws, the revocation, suspension or nonrenewal of a License, or would otherwise result in a material adverse effect on the Company and such Manager is unable to cure such failure by the earlier of (x) ninety (90) days after notice by the Company thereof or (y) the deadline set by Marijuana Laws or the CCC; or

(iii) the Company reasonably believes based on verifiable information received from the CCC that such Manager's continued involvement with the Company would result in a material adverse effect on the ability of the Company to operate a marijuana business or the Company's ability obtain, retain or renew a License.

(e) Regular meetings of the Board of Managers may be held without call or notice at such places and at such times as the Board of Managers may from time to time determine. The officers and other executives of the Company may attend meetings of the Board of Managers at the invitation of the Board of Managers.

(f) Meetings of the Managers may be conducted in person and/or by conference telephone or electronic meetings (such as GoToMeeting). Managers may participate in a meeting through use of conference telephone or similar communication equipment, so long as all Managers participating in such meeting can hear one another. Such participation constitutes presence in person at such meeting.

(g) Special meetings of the Board of Managers for any purpose may be called by any Manager as he, she or it may determine, to be designated in a written notice of such meeting.

(h) Each Manager shall receive notice of the date, time and place of all special meetings of the Board of Managers at least three business days (24 hours if given by electronic transmission, facsimile transmission, or telephone) before the special meeting. Such notice (i) shall be delivered in writing to each Manager; (ii) shall specify the purpose of the special meeting; and (iii) may be given by the person or persons who called the special meeting. Notice of any special meeting of the Board of Managers need not be given to any Manager who signs a waiver of notice of such special meeting or a consent to holding the special meeting, either before or after the special meeting, or who attends the special meeting without protesting prior to such special meeting or at the commencement thereof. All such waivers, consents and approvals shall be filed with the records of the Company.

(i) Special meeting of the Board of Managers may be held at any place that has been designated in the notice of the meeting.

(j) Any meeting of the Board of Managers, whether or not a quorum is present, may be adjourned to another time and place by the affirmative vote of at least a majority of the Managers present. If the meeting is adjourned for more than 24 hours, notice of such adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Managers who were not present at the time of the adjournment.

(k) Any action required or permitted to be taken by the Board of Managers may be taken without a meeting of the Board of Managers if a written consent setting forth the action to be taken is executed by the number of Managers that would be required to approve such action at a duly-convened meeting of Managers. Such written consent or consents shall be filed with the records of the Company. Such action by written consent shall have the same force and effect as a

vote of the Managers. Consents may be delivered in writing, by facsimile or PDF, or by email if a copy of the email is forwarded to another Manager.

(1) At all meetings of the Board of Managers, a simple majority of the Managers shall be necessary to constitute a quorum for the transaction of business. Managers who have a personal or financial interest in a contract or transaction that is before the Board of Managers, or who are common Managers or directors of the Company and another corporation or entity with respect to which a contract or transaction is before the Board of Managers, may be counted in determining the presence of a quorum at a meeting of the Board of Managers. If a quorum is not present at any meeting, the Managers present may adjourn the meeting from time to time without notice, other than announcement of the adjournment, until a quorum is present.

(m) Except as otherwise set forth in this Agreement, the affirmative vote of a majority of the Managers then in office shall constitute the act of the Board of Managers. Notwithstanding anything to the contrary contained herein, any of the following actions taken by or on behalf of the Company shall require the prior written consent or approval of a majority of the Managers, requiring an affirmative vote of at least one of the Class B Board Managers (such actions are "<u>Major Decisions</u>"):

(i) Authorizing the issuance of additional Class A Units, Class B Units, Class C Units or Equity Incentive Units;

(ii) Issuing any indebtedness, pledge, or grant liens on any assets of the Company or guarantee, assume, endorse, or otherwise become responsible for the obligations of any other Person in excess of \$500,000.00;

(iii) Making any loan, advance or capital contribution to or in any Person, except to the extent approved or authorized in the budget of Company;

(iv) Making any material change in the Company's accounting methods or policies (other than as required by generally accepted accounting principles or applicable law);

(v) Entering into or effecting any transaction or series of related transaction involving (x) a Sale of the Company as defined in <u>Section 8.5</u> or (y) the purchase, lease, license, exchange or other acquisition (including by merger, consolidation, acquisition of stock or acquisition of assets) of any assets and/or equity interests of a third party, in each case outside the ordinary course of business;

(vi) Entering into, amending, waiving or terminating any agreement, arrangement or understanding between Company and any Member or any Affiliate of a Member or any officer of Company;

(vii) Establishing a subsidiary that is not wholly owned by the Company or entering into any joint venture or similar business arrangement which may adversely affect the economic interests of any Member;

(viii) (aa) Settling any lawsuit, action, dispute or other proceeding with a value in excess of \$125,000.00, (bb) agreeing to the provision of any equitable relief that would require performance obligations personally by the Members holding Class A, Class B or Class C Unit(s) except as required by applicable law, or (cc) otherwise

agreeing to any litigation against any Member holding Class A, Class B or Class C Units;

(ix) Entering into or effecting any transaction or series of related transactions involving either a (x) Sale of the Company; or (y) the sale, lease, license, exchange or other disposition (including by merger, consolidation, sale of stock or sale of assets) of all or substantially all of the Company's assets;

(x) Making any investment (other than short term investments for cash management purposes) in excess of \$250,000.00;

(xi) Initiating or consummating an initial public offering;

(xii) Applying for, amending or terminating any of the Licenses, or any licenses subsequently obtained from the CCC;

(xiii) Dissolving, winding-up or liquidating the Company or initiating a bankruptcy proceeding;

(xiv) Requiring any Member holding Class A, Class B or Class C Units to make contributions or provide any cash advances or credit facilities to Company; and,

(xv) Approving exemptions to Section 6.5;

(xvi) Borrowing from any Member; or

(xvii) The approval of a Transfer in violation of <u>Section 8.2(f)</u>.

(n) The Company shall reimburse all Managers for all reasonable and documented out-of-pocket expenses incurred in connection with their service on behalf of the Company, including in respect of their attendance and participation at Manager meetings (and any committee meetings thereof).

### 6.2 <u>Officers</u>.

(a) The Board of Managers may appoint individuals as officers of the Company, which may include (a) a President; (b) one or more Vice Presidents; (c) a Secretary and/or one or more Assistant Secretaries; and (d) a Treasurer and/or one or more Assistant Treasurers. The Board of Managers may delegate a portion of its day-to-day management responsibilities to any such officer or officers, as determined by the Board of Managers from time to time, and such officers will have the authority to contract for, negotiate on behalf of and otherwise represent the interests of the Company as so authorized by the Board of Managers, provided that in no event will any officer have any rights, duties, powers or authority greater than that so delegated or that of the Board of Managers.

(b) No Officer need be a Member. Any individual may hold two or more offices of the Company. Each Officer shall hold office until his successor is designated by the Board of Managers or until his earlier death, resignation or removal. Any Officer may resign at any time upon written notice to the Board of Managers. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Board of Managers.

6.3 <u>Rights and Powers of the Members</u>. Except as otherwise expressly provided in this Agreement, no Member shall be entitled to participate in the control and management of the Company or any subsidiary of the Company, nor shall any Member have the right to sign for or bind the Company except when acting within the scope of powers properly delegated by the Board of Managers to a manager, officer, employee or agent of the Company.

(a) In order to secure the obligations of each Member who now or hereafter holds any voting securities to vote such Member's Units in accordance with the provisions of this Agreement, each Member hereby acknowledges and agrees to the grant of the power of attorney set forth in <u>Section 12.7</u>.

6.4 <u>Duties and Liability of the Board of Managers</u>. This Agreement is not intended to create or impose any fiduciary duty on any of the Managers or their respective Affiliates. Notwithstanding anything to the contrary contained in this Agreement or otherwise applicable provision of law or equity, to the maximum extent permitted by the Act and any other applicable law, a Manager and his, her, or its respective Affiliates, shall owe no duties (including fiduciary duties) to the Company or the other Members; provided, however that a Manager shall have the duty to act in accordance with the implied contractual covenant of good faith and fair dealing; and provided further that such exclusion or limitation of liability shall not extend to misappropriation of assets or funds of the Company.

(b) Each Manager and any officer of the Company in the performance of its, his or her duties shall be fully protected in relying in good faith on information, opinions, reports, or statements, including financial statements, books of account and other financial data, if prepared or presented other than by itself, himself or herself by: (i) one or more officers or employees of the Company or any subsidiary; or (ii) legal counsel, public accountants or other Persons that it, he or she reasonably believes to have professional or expert competence.

(c) No Covered Person shall be liable to the Company or any present or former Manager or Member with respect to claims relating to its, his or her conduct for or on behalf of the Company, except to the extent that there is a final judicial determination that (i) its, his or her actions as they related to the Company, were not taken in good faith or (ii) with respect to any criminal action, proceeding or investigation, it, he or she had reasonable cause to believe its, his or her conduct was unlawful.

### 6.5 <u>Exclusivity; Non-Compete</u>.

(a) Except as set forth in Sections 6.5(b) and 6.5(e) and in any other written agreement between the parties, the creation of the Company and the assumption by the Members or any Manager of their duties under this Agreement will be without prejudice to the rights of the Members or such Manager (or the rights of their affiliates) to pursue or participate in other interests and activities including, without limitation, investments in and devotion of time to other businesses, and to receive and enjoy profits or compensation therefrom

(b) In light of each Manager and each Class A Member's access to Confidential Information (defined below) and position of trust and confidence with the Company, each Manager and Class A Member hereby agrees that, during the time a Member is a Member of the Company or a Manager of the Company, and for a period of three (3) years thereafter (the "<u>Restricted Period</u>") such Manager or Class A Member shall not, within the Restricted Territory (defined below):

(i) enter into or engage in any medical or adult use, or recreational marijuana businesses in the Restricted Territory (other than in connection with the business of the Company);

(ii) except on behalf of the Company, solicit or divert or attempt to solicit or divert any customers of or business from the Company or its subsidiaries, whether for himself, herself or itself or for any other person, firm, corporation, other entity or Competitor;

(iii) promote or assist, financially or otherwise, any person, firm, corporation or other entity engaged or otherwise involved, directly or indirectly, with any Competitor; or

(iv) hire or induce, attempt to induce or assist others to induce or attempt to induce any partner, member, shareholder, employee, agent, representative, manager, consultant or other person associated with the Company or its subsidiaries to terminate his or her employment or association with the Company or its subsidiaries or their Affiliates, or in any manner interfere with the relationship between the Company or its subsidiaries and any such persons.

(c) For the purposes of this <u>Section 6.5</u>, the term "<u>Restricted Territory</u>" shall mean the Commonwealth of Massachusetts. For purposes of this <u>Section 6.5</u>, the term "<u>Competitor</u>" shall mean any Person engaged, directly or indirectly, in whole or in part, in the same or similar business as the Company, including those engaged in the business of investing in operating companies that intend to apply for (or have been granted) licenses to cultivate, process, and dispense marijuana in accordance with the laws of the Commonwealth of Massachusetts.

Provided that the Members or Managers are in compliance with the terms of (d) Section 6.5, the assumption by such Member or Manager of his, her, or its duties under this Agreement will be without prejudice to the rights of such Persons (or the rights of their Affiliates) to pursue or participate in other interests and activities including, without limitation, investments in and devotion of time to other businesses, and to receive and enjoy profits or compensation therefrom. In the event of any breach of this Section 6.5 or any provision of any other agreement incorporating any of the provisions of this Section 6.5 by reference, the parties agree that the nonbreaching party will suffer irreparable harm and the total amount of monetary damages for any injury to the non-breaching parties from any violation of this Section will be impossible to calculate and will therefore be an inadequate remedy. Accordingly, the parties agree that the non-breaching parties shall be entitled to temporary and permanent injunctive relief against the breaching party, its Affiliates, employees, officers, directors, managers agents, representatives or independent contractors, and the other rights and remedies to which the non-breaching parties may be entitled to at law, in equity and under this Agreement for any violation of this Section 6.5. The parties hereto acknowledge and agree that the non-competition and non-solicitation restrictions set forth herein are reasonable in scope, duration and area and are reasonably necessary to protect the legitimate business interests of the Company and its subsidiaries. If any provision is held to be unenforceable due to scope, duration or area of its application, the parties intend and agree that the court making such determination may modify such scope, duration or area, or all of them to what the court considers reasonable, and such provision shall be enforced in such modified form.

(e) Notwithstanding the foregoing, during the period beginning on the date hereof and ending on date of the dissolution of the Company, Jason Kabbes, directly or indirectly, whether as an individual, corporation or other entity, on his, her or its own account or that of his, her or its

controlled Affiliates or as a shareholder, partner, member, manager, joint venturer, employee, agent, consultant, officer and/or director of any person, firm, corporation or other entity or otherwise, shall not: (i) enter into or engage in any medical, adult use, or recreational marijuana businesses in Massachusetts (other than in connection with the business of the Company); (ii) except on behalf of the Company, solicit or divert or attempt to solicit or divert any customers of or business from the Company or its subsidiaries, whether for himself, herself or itself or for any other person, firm, corporation or other entity; (iii) promote or assist, financially or otherwise, any person, firm, corporation or other entity engaged or otherwise involved, directly or indirectly, in competition with the Company or its subsidiaries in Massachusetts; or (iv) hire or induce, attempt to induce or assist others to induce or attempt to induce any partner, member, shareholder, employee, agent, representative, manager, consultant or other person associated with the Company or its subsidiaries to terminate his or her employment or association with the Company or its subsidiaries or their Affiliates, or in any manner interfere with the relationship between the Company or its subsidiaries and any such persons. Provided that Jason Kabbes is in compliance with the terms of this Section 6.5(e), the assumption by Jason Kabbes of his duties under this Agreement will be without prejudice to the rights of such Persons (or the rights of their Affiliates) to pursue or participate in other interests and activities including, without limitation, investments in and devotion of time to other businesses, and to receive and enjoy profits or compensation therefrom. In the event of any breach of this <u>Section 6.5(e)</u> or any provision of any other agreement incorporating any of the provisions of this Section 6.5 by reference, the parties agree that the nonbreaching party will suffer irreparable harm and the total amount of monetary damages for any injury to the non-breaching parties from any violation of this Section will be impossible to calculate and will therefore be an inadequate remedy. Accordingly, the parties agree that the non-breaching parties shall be entitled to temporary and permanent injunctive relief against the breaching party, its Affiliates, employees, officers, directors, managers agents, representatives or independent contractors, and the other rights and remedies to which the non-breaching parties may be entitled to at law, in equity and under this Agreement for any violation of this Section 6.5. The parties hereto acknowledge and agree that the non-competition and non-solicitation restrictions set forth herein are reasonable in scope, duration and area and are reasonably necessary to protect the legitimate business interests of the Company and its subsidiaries. If any provision is held to be unenforceable due to scope, duration or area of its application, the parties intend and agree that the court making such determination may modify such scope, duration or area, or all of them to what the court considers reasonable, and such provision shall be enforced in such modified form.

(f) Upon a Change of Control, each Manager acknowledges and agrees that such Manager shall provide and confirm to the Company such obligations and restrictions that may be reasonably necessary in connection with such Change of Control.

6.6 <u>Indemnification</u>. To the fullest extent permitted by law, the Company will indemnify a Covered Person who was or is a party, or who is threatened to be made a party, to any threatened, pending or completed civil, criminal, administrative or investigative action, suit or proceeding, other than an action by or in the right of the Company, that is in any way related to or arising out of this Agreement, the Company or its subsidiaries or the management or administration of the Company or its subsidiaries or in connection with the business or affairs of the Company or its subsidiaries or activities of such Covered Person on behalf of the Company or its subsidiaries. The Company will indemnify a Covered Person against expenses, including attorney's fees, judgments, fines and amounts paid in settlement that actually and reasonably were incurred by it, him or her in connection with the action, suit or proceeding if it, he or she acted in good faith and in a manner it, he or she reasonably believed to be in or not opposed to the best interests of the Company or its subsidiaries or permitted by this Agreement and, in connection with any criminal action or proceeding, had no reasonable cause to believe its, his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement or conviction or upon a plea of nolo

contendere or its equivalent does not create of itself a presumption that the person did not act in good faith and in a manner it, he or she reasonably believed to be in or not opposed to the best interests of the Company or its subsidiaries and, in connection with any criminal action or proceeding, a presumption that it, he or she had reasonable cause to believe that his conduct was unlawful.

Promptly after receipt by a Covered Person of notice of the commencement of any (a) proceeding against such Covered Person, such Covered Person shall, if a claim for indemnification in respect thereof is to be made against the Company, give written notice to the Board of Managers of the commencement of such proceeding, provided that the failure of a Covered Person to give notice as provided herein shall not relieve the Company of its obligations under Sections 6.6(a) and 6.6(e), except to the extent that the Company is prejudiced by such failure to give notice. In case any such proceeding is brought against a Covered Person (other than a proceeding by or in the right of the Company), after the Company has acknowledged in writing its obligation to indemnify and hold harmless the Covered Person, the Company will be entitled to assume the defense of such proceeding; provided, that (i) the Covered Person shall be entitled to participate in such proceeding and to retain its own counsel at its own expense and (ii) if the Covered Person shall give notice to the Company that in its good faith judgment certain claims made against it in such proceeding could have a material adverse effect on the Covered Person or its Affiliates other than as a result of monetary damages, the Covered Person shall have the right to control (at its own expense and with counsel reasonably satisfactory to the Company) the defense of such specific claims with respect to the Covered Person (but not with respect to the Company or any other Member); and provided further, however, that if a Covered Person elects to control the defense of a specific claim with respect to such Covered Person, such Covered Person shall not consent to the entry of a judgment or enter into a settlement that would require the Company to pay any amounts under Section 6.6(a) without the prior written consent of the Company, such consent not to be unreasonably withheld. After notice from the Company to such Covered Person acknowledging the Company's obligation to indemnify and hold harmless the Covered Person and electing to assume the defense of such proceeding, the Company will not be liable for expenses subsequently incurred by such Covered Person in connection with the defense thereof. Without the consent of such Covered Person, the Company will not consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Covered Person of a release from all liability arising out of the proceeding and claims asserted therein. Any decision that is required to be made by the Company pursuant to Section 6.6(a) or 6.6(e) or this Section 6.6(b) shall be made on behalf of the Company by the Board of Managers as long as there are disinterested Managers in the outcome of the decision, or if there are no disinterested Managers, by the consent of the Members holding a majority of outstanding Units.

(b) The indemnification authorized by this <u>Section 6.6</u> is not exclusive of and will be in addition to any other rights that a Covered Person may have or acquire under any law or provision of this Agreement and shall continue as to a Person who has ceased to be a Manager, officer, employee, counsel or agent of the Company and shall inure to the benefit of their heirs, executors and administrators of such Person.

(c) The Company may purchase and maintain insurance or furnish similar protection, including, but not limited to, trust funds, letters of credit or self-insurance, for or on behalf of a Covered Person and such other Persons as the Board of Managers shall determine. The insurance or similar protection purchased or maintained for those persons may be for any liability asserted against them and incurred by them in any capacity described in this <u>Section 6.6</u> or for any liability arising out of their status as described in this <u>Section 6.6</u>, whether or not the Company would have the power to indemnify them against that liability under this <u>Section 6.6</u>.

(d) To the fullest extent permitted by applicable law, the Company shall pay the expenses (including reasonable legal fees and expenses and costs of investigation) incurred by a Covered Person in defending any claim, demand, action, suit or proceeding in any way related to or arising out of this Agreement, the Company or the management or administration of the Company or in connection with the business or affairs of the Company or the activities of such Covered Person on behalf of the Company (other than a claim, demand, action, suit or proceeding brought by the Company against any Manager or a Member for such Manager's or Member's breach or violation of this Agreement) as such expenses are incurred by such Covered Person and in advance of the final disposition of such matter, provided that such Covered Person undertakes to repay such expenses if it is determined by agreement between such Covered Person and the Company or, in the absence of such an agreement, by a final judgment of a court of competent jurisdiction that such Covered Person is not entitled to be indemnified pursuant to <u>Section 6.6(a)</u>. Any claim for advancement of expenses shall set forth in reasonable detail the basis for the claim.

6.7 <u>Reliance on Acts of the Board of Managers</u>. No financial institution or any other person, firm or corporation dealing with the Board of Managers shall be required to ascertain whether the Board of Managers is acting in accordance with this Agreement, but such financial institution or such other person, firm or corporation shall be protected in relying solely upon the deed, transfer or assurance of, and the execution of such instrument or instruments by the Board of Managers or by any officer granted such authority, in writing, by the Board of Managers.

### SECTION 7

#### BOOKS AND RECORDS

7.1 <u>Books and Records</u>. The Company shall keep adequate books and records at its principal place of business, setting forth a true and accurate account of all transactions and other matters arising out of and in connection with the conduct of the Company's business, which books and records will be otherwise kept in accordance with the provisions of the Act. No more than one time during each fiscal year, any Member or his designated representative will have the right, during ordinary business hours, to have access to and to inspect and copy the contents of such books or records, at that Member's expense, with three (3) business days advance notice. Upon request, the Company will make available to each of its Members:

(a) current list of the full name and last known address of each member and manager;

(b) a copy of the certificate of organization and all certificates of amendment thereto, together with executed copies of any powers of attorney pursuant to which any certificate has been executed;

(c) copies of the limited liability company's federal, state, and local income tax returns and reports, if any, for the three most recent years;

(d) copies of any then effective written operating agreements and of any financial statements of the limited liability company for the three most recent years; and

(e) unless otherwise contained in any then effective written operating agreement, a writing setting out:

(i) the amount of cash and a description and statement of the agreed value of the other property or services contributed by each member and which each member has agreed to contribute; (ii) the times at which or events on the happening of which any additional contributions agreed to be made by each member are to be made;

(iii) any right of a member to receive, or of a manager to make, distributions to a member; and

(iv) any events upon the happening of which the limited liability company is to be dissolved and its affairs wound up.

7.2 <u>Fiscal Year</u>. The accounting period and fiscal year of the Company will end on December 31 of each year.

7.3 <u>Accounts</u>. All funds received by the Company shall be deposited in the name of the Company in such bank account or accounts as the Board of Managers may designate from time to time, and withdrawals therefrom shall be made upon the signature of the authorized signatory on behalf of the Company as the Board of Managers may designate from time to time. All deposits and other funds not needed in the operation of the Company's business may, in the discretion of the Board of Managers, be invested as determined to be appropriate by the Board of Managers.

7.4 <u>Company Funds; Reserves</u>. The Company may not commingle the Company's funds with the funds of any Member or the funds of any affiliate of any Member. Reasonable cash reserves may be established from time to time by the Board of Managers.

#### 7.5 Federal Tax Proceedings.

(a) Jason Kabbes will be the initial partnership representative pursuant to Section 6223 of the New Partnership Audit Procedures (the "Company Representative"); provided that the Company Representative may be changed from time to time by the Board of Managers by designating in writing a new Company Representative. The Company Representative is authorized and required to represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by tax authorities and to expend Company funds for professional services and costs associated therewith. The Company Representative shall provide all notices and perform all acts required in such Person's role as the Company Representative. The Company Representative is authorized to take any action that such Person determines to be necessary to comply with the requirements of Sections 1441, 1442, 1445 or 1446 of the Code with respect to withholding certain amounts with respect to payments or distributions to a Member that is not a United States person (as defined in Section 7701 of the Code) or withholding certain amounts with respect to the sale of a United States real property interest (as defined in Section 897 of the Code). Notwithstanding anything herein to the contrary, the Company Representative shall not enter into a settlement with the Internal Revenue Service with respect to a reviewed taxable year without written consent of Members holding a majority of outstanding Units at all times during the reviewed taxable year.

(b) For any tax year that the Company is potentially subject to the New Partnership Audit Procedures, the Company Representative is hereby authorized, in its discretion, to make the election described in new Section 6226 of the Code to elect out of the New Partnership Audit Procedures, to take any and all actions needed in order to effect such election, and/or to take such other actions and make such other elections as the Company Representative, in its discretion, determines are reasonably necessary or appropriate in order that the allocation among the Members (including Persons who are former Members) of responsibility for taxes (including interest and penalties, if any, with respect to such taxes) imposed with respect to the income of the Company is reasonably consistent with what it would have been if the Company had been eligible to elect, and had elected, out of the New Partnership Audit Procedures. In the event that the Company does not elect out of, or is not eligible to elect out of, the New Partnership Audit Procedures, and the Company is required to pay any imputed underpayment pursuant to the New Partnership Audit Procedures, then each Person that was a Member in the applicable reviewed year, within the meaning of Section 6225(d)(1) of the New Partnership Audit Procedures, shall make a payment to the Company in an amount equal to the portion of the imputed underpayment allocable to such Member, taking into account any modifications of the imputed underpayment under Section 6225(c) of the New Partnership Audit Procedures; provided, however, that if such Person is also a Member at the time the Company pays such imputed underpayment, the Company may instead withhold from amounts due to such Member from the Company such Member's allocable share of the imputed underpayment and any such amount withheld shall be treated as having been distributed by the Company to such Member and then paid by such Member to the Company; and provided further that no payment by or withholding from a Person shall be required if such Person complied with the provisions of Section 6225(c)(2) of the New Partnership Audit Procedures. For the avoidance of doubt, no payment made to the Company pursuant to this Section 7.5(b) shall be treated as a Capital Contribution. In the event that the Company receives a tax refund or tax benefit pursuant to the New Partnership Audit Procedures, then each Person that was a Member in the applicable reviewed year shall receive a payment from the Company in an amount equal to the portion of the tax refund or tax benefit allocable to such Member, taking into account any modifications of the tax refund or tax benefit under Section 6225(c) of the New Partnership Audit Procedures. Any dispute regarding the portion of any tax liability, tax refund or tax benefit allocable to a Member shall be determined by such independent accounting firm agreed to by the applicable Persons. Each Member shall provide such information to the Company as the Company Representative may reasonably request to reduce the amount of any imputed underpayment and shall take such actions as the Company Representative may reasonably request (including the filing of an amended tax return) in order to assist the Company in complying with the New Partnership Audit Procedure. Notwithstanding anything in this Agreement to the contrary, all rights and obligations of a Member under this Section 7.5(b) shall survive both the Member's ceasing to be a partner of the Company for federal income tax purposes and the dissolution of the Company.

(c) The Company Representative shall not be liable to the Company or the Members for any action such Person takes or fails to take in connection with any judicial or administrative proceeding, including, without limitation, the agreement to or failure to agree to a settlement or the extension of or failure to extend the relevant statutes of limitations, unless such action or failure constitutes willful misconduct, fraud, or gross negligence.

7.6 <u>Tax Reports</u>. Within 90 days after the end of each taxable year of the Company, the Company will use commercially reasonable efforts to provide to each Member a Form 1065 (Schedule K-1) reflecting the Member's share of income, loss, credit and deductions for such taxable year. In the event tax filings have been properly extended, Company will make best efforts to issue to each Member a Form 1065 (Schedule K-1) in a timely fashion.

# **SECTION 8**

### TRANSFERS OF UNITS

8.1 <u>Permitted Transfers of Units</u>. Subject to the exceptions below, no Member may Transfer any portion of any Units to any other Person without the prior consent of the Board of Managers, which consent may be granted or withheld for any or no reason. Subject to the exceptions and provisions in this <u>Section</u>

<u>8</u>, the Units of any Member may be Transferred (a "<u>Permitted Transfer</u>") without the consent of the Board of Managers solely in accordance with any of the following: A Member who is a natural person may Transfer all or any portion of such Member's Units by gift, sale, will, intestacy or otherwise, to one or more members of such Member's family, to a trust substantially for the benefit of such Member and/or one or more members of such Member's family, to one or more beneficiaries of any trust that is or was a Member, to a corporation of which such Member and/or such Member's family and/or family trust are the majority shareholders or to a partnership or limited liability company in which such Member and/or such Member's family holds the controlling interest.

(b) A Member that is a partnership, corporation, limited liability company, trust or similar entity (each, an "<u>Entity Member</u>") may Transfer all or any portion of such Entity Member's Units to (i) one or more partners, shareholders, members, beneficiaries or similar owners of or investors in such Entity Member that held the status of a partner, shareholder, member, beneficiary or similar owner of or investor in such Entity Member Owner"), (ii) any member of an affiliated group of corporations within the meaning of Section 1504 of the Code that includes such Entity Member, or (iii) a trust substantially for the benefit of (x) one or more Entity Member Owners or (y) one or more members of the family of the Entity Member Owner.

- (c) A Member may Transfer all or any portion of its Units to the Company.
- (d) A Member may Transfer all or any portion of its Units to another Member.

(e) Jason Kabbes may Transfer all or any portion of his Units to any Person that is not a Competitor or an entity that Jason Kabbes control and manage. Notwithstanding the foregoing, Jason Kabbes may transfer all or any portion of his Units to other Persons, subject to the following restrictions: (i) he remains as a Manager of the Company, (ii) he remains subject to the exclusivity and non-competition provisions in <u>Section 6.5</u> and (iii) the Transfer is either: (x) to an employee of officer of the Company as an incentive, or (y) to an immediate family member, a trust for the benefit of an immediate family member or company owned by immediate family members.

As used in this Agreement, "<u>family</u>" and "<u>immediate family</u>" shall mean and include only the spouse, issue (whether natural or adopted), sibling or parent of a Member. Notwithstanding any provision of this <u>Section 8.2</u> to the contrary, no Transfer shall be permitted under this <u>Section 8.2</u> to or for the benefit of a separated or divorced spouse by agreement, court order or otherwise. Any transfer or disposition of Units made pursuant to this Section shall be made only in such manner as to provide control of such Units by a competent legal entity or adult, and so as not to vest control of any Units in any minor or other legally incompetent person.

8.2 <u>Conditions to Permitted Transfers</u>. A Transfer will not be treated as a Permitted Transfer unless and until the following conditions are satisfied: The transferor and transferee shall execute and deliver to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Company to effect such Transfer and to confirm the agreement of the transferee to be bound by the provisions of this Agreement.

(b) The transferor and transferee will furnish the Company with the transferee's taxpayer identification number, and any other information necessary to permit the Company to file all required federal and state tax returns and other legally required information statements or returns. Without limiting the generality of the foregoing, the Company will not be required to make any distribution otherwise provided for in this Agreement with respect to any transferred Units until it has received such information.

(c) Either (i) such Units will be registered under the Securities Act of 1933, as amended, and any applicable state securities laws, or (ii) the transferor will provide, upon the Company's reasonable request, an opinion of counsel, which opinion and counsel will be reasonably satisfactory to the Company, to the effect that such Transfer will be exempt from all applicable registration requirements and that such Transfer will not violate any applicable laws regulating the transfer of securities.

(d) The transferor may grant to any transferee of Units pursuant to a Permitted Transfer the right to become a substitute Member, with respect to the Units transferred; provided, however, that such assignee or transferee will not become a substitute Member unless and until the admission of such assignee or transferee is consented to in writing by the Board of Managers, whose consent may be withheld by the Board of Managers in its sole and unreviewable discretion, with or without cause.

(e) All transferees hereunder shall be bound by the terms of this Agreement in the same manner as the transferors, and any Units so transferred shall continue to be subject to the restrictions, liabilities and benefits associated therewith.

(f) Notwithstanding anything to the contrary contained herein, no Transfer may be made under <u>Section 8.2</u> to a Person who is a Competitor, or an Affiliate of a Competitor, of the Company without the prior written consent of the Board of Managers as a Major Decision.

8.3 <u>Prohibited Transfers</u>. Except as otherwise permitted by this Agreement, no Member may transfer all or any portion of its, his or her Units without the simple majority consent of the Board of Managers.

(b) Any purported Transfer of a Unit that is not made pursuant to this Section 8, will be null and void and of no effect whatsoever; provided that, if the Company is required to recognize a Transfer that is not made pursuant to this Section 8, the Units transferred will be strictly limited to the transferor's rights to allocations and distributions as provided by this Agreement with respect to the transferred Units, which allocations and distributions may be applied (without limiting any other legal or equitable rights of the Company) to satisfy any debts, obligations or liabilities for damages that the transferror or transferee of such Units may have to the Company and neither the transferee nor the transferor will have any rights as to the management of the Company with respect to such transferred Units; provided, however, that the Company shall have the option to purchase such transferred or purportedly transferred Units from the transferee by delivering written notice of its intention to purchase such Units to the transferee at any time within one year after the Company has knowledge of a Transfer that was not made pursuant to this Section 8, to the extent permitted by law. The Company may assign all or part of its right to purchase such transferee's Units as provided in the foregoing sentence to the nontransferring Members on a pro rata basis or such other basis as such Members agree, provided that all of the Units of such transferee is purchased by the Company or its Member assignees. The purchase price shall be an amount equal to the book value of such Units as determined in accordance with generally accepted accounting principles, and the terms of sale for such Units shall be determined by the Board of Managers.

(c) In the case of a Transfer or attempted Transfer of a Unit that is not made pursuant to this <u>Section 8</u>, the parties engaging or attempting to engage in such Transfer will be liable to indemnify and hold harmless the Company and the other Members from all costs, liability, and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and reasonable attorneys' fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

### 8.4 <u>Right of First Refusal</u>.

(a) Grant. Except as otherwise permitted in this Section 8, each Member hereby unconditionally and irrevocably grants to the Company a right of first refusal ("Right of First Refusal") to purchase all or any portion of such Member's Units that such Member may propose to Transfer, at the same price and on the same terms and conditions as those offered to any Person to whom a Member proposes to Transfer any portion of such Member's Units ("Proposed Member Transfer").Notice. Each Member proposing to make a Proposed Member Transfer must deliver a written notice setting forth the terms and conditions of a Proposed Member Transfer ("Proposed Transfer Notice") to the Company and each Member not proposing to make a Proposed Member Transfer (the "Other Holders") not later than forty-five (45) days prior to the consummation of such Proposed Member Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Member Transfer, the amount of each class or series of Units to be Transferred by such Member, the identity of the prospective transferee and the intended date of the Proposed Member Transfer. To exercise its Right of First Refusal under this Section 8.4, the Company must deliver a written notice to the transferring Member within fifteen (15) days after delivery of the Proposed Transfer Notice. In the event of a conflict between this Agreement and any other agreement that may have been entered into by a Member with the Company that contains a preexisting right of first refusal, the Company and the Member acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Section 8. Grant of Secondary Refusal Right to Other Holders. Except as otherwise permitted in this Section 8, each Member hereby unconditionally and irrevocably grants to the Other Holders a secondary Right of First Refusal ("Secondary Refusal Right") to purchase all or any portion of the Units not purchased by the Company pursuant to the Right of First Refusal, as provided in this Section 8.4(c). If the Company does not intend to exercise its Right of First Refusal with respect to all Units subject to a Proposed Member Transfer, the Company must deliver a written notice to the transferring Member and to each Other Holder to that effect no later than fifteen (15) days after the transferring Member delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Other Holder must deliver a written notice to the transferring Member and the Company within ten (10) days after the Company's deadline for its delivery of the written notice as provided in the preceding sentence.

(d) Undersubscription of Transfer Units. If options to purchase have been exercised by the Company and the Other Holders with respect to some but not all of the Units by the end of the ten (10) day period specified in the last sentence of Section 8.4(c) (the "Other Holder Notice Period"), then the Company shall, immediately after the expiration of the Other Holder Notice Period, send written notice (the "Company Undersubscription Notice") to those Other Holders who fully exercised their Secondary Refusal Right within the Other Holder Notice Period (the "Exercising Other Holders"). Each Exercising Other Holder shall, subject to the provisions of this Section 8.4(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed Units on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Other Holder must deliver a written notice to the transferring Member and the Company within ten (10) days after the expiration of the Other Holder Notice Period. In the event there are two or more such Exercising Other Holders that choose to exercise the last-mentioned option for a total number of remaining Units in excess of the number available, the remaining Units available for purchase under this Section 8.4(d) shall be allocated to such Exercising Other Holders pro rata based on the number of Units such Exercising Other Holders have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any Units that any such Exercising Other Holder has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining

Units are exercised in full by the Exercising Other Holders, the Company shall immediately notify all of the Exercising Other Holders and the transferring Member of that fact. <u>Consideration</u>; <u>Closing</u>. Consideration shall match the material terms and conditions in the Proposed Transfer Notice. The closing of the Transfer of Units by the Company and the Other Holders shall take place, and all payments from the Company and the Other Holders shall have been delivered to the transferring Member, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Member Transfer; and (ii) sixty (60) days after delivery of the Proposed Transfer Notice. <u>Waiver</u>. The secondary rights of first refusal in this <u>Section 8.4</u> may be waived by a vote or consent of a majority of the Members on behalf of all Members. <u>Drag-Along</u>.

(a) For purposes of this <u>Section 8.5</u>, a "<u>Sale of the Company</u>" shall mean either: (i) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from the holders of Units representing more than fifty percent (50%) of the outstanding voting power of the Company (a "<u>Unit Sale</u>"); or (b) a transaction that qualifies as a Deemed Liquidation Event.

(b) <u>Actions to be Taken</u>. In the event that the Board of Managers approve a Sale of the Company in writing, specifying that this <u>Section 8.5(b)</u> shall apply to such transaction, then each Member and the Company hereby agree:

(i) if such transaction requires Member approval, with respect to all Units that such Member owns or over which such Member otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Units in favor of, and adopt, such Sale of the Company (together with any related amendment to this Agreement required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company;

(ii) if such transaction is a Unit Sale, to sell the same proportion of Units beneficially held by such Member as is being sold by the selling Members to the Person to whom the selling Members propose to sell their Units, and, except as permitted in <u>Section 8.5(b)(iii)</u> below, on the same terms and conditions as the selling Members;

(iii) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this <u>Section 8.5(b)(iii)</u>, including executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, and any similar or related documents;

(iv) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Units owned by such party or Affiliate in a voting trust or subject any Units to any arrangement or agreement with respect to the voting of such Units, unless specifically requested to do so by the acquiror in connection with the Sale of the Company; (v) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company;

(vi) if the consideration to be paid in exchange for the Units pursuant to this <u>Section 8.5(b)</u> includes any securities and due receipt thereof by any Member would require under applicable law (A) the registration or qualification of such securities or of any Person as a broker or dealer or agent with respect to such securities; or (B) the provision to any Member of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Member in lieu thereof, against surrender of the Units which would have otherwise been sold by such Member, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Member would otherwise receive as of the date of the issuance of such securities in exchange for the Units; and

(vii) in the event that the selling Members, in connection with such Sale of the Company, appoint a Member representative (the "<u>Member Representative</u>") with respect to matters affecting the Members under the applicable definitive transaction agreements following consummation of such Sale of the Company, (A) to consent to (1) the appointment of such Member Representative, (2) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (3) the payment of such Member's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Member Representative in connection with such Member Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Members, and (B) not to assert any claim or commence any suit against the Member Representative or any other Member with respect to any action or inaction taken or failed to be taken by the Member Representative in connection with such Sale of the Member Representative in connection with such Sale of the Member Representative in connection with respect to any action or inaction taken or failed to be taken by the Member Representative in connection with its service as the Member Representative, absent fraud or willful misconduct.

(c) <u>Exceptions</u>. In addition to the foregoing, a Member will not be required to comply with <u>Section 8.5(a)</u> above in connection with any proposed Sale of the Company (the "<u>Proposed Sale</u>"), unless:

(i) any representations and warranties to be made by such Member in connection with the Proposed Sale made in respect of such Member and such Member's ownership of Units are limited to those representations and warranties also provided by all other Members related to authority, ownership and the ability to convey title to such Units, including representations and warranties that (A) the Member holds all right, title and interest in and to the Units such Member purports to hold, free and clear of all liens and encumbrances; (B) the obligations of the Member in connection with the transaction have been duly authorized, if applicable; (C) the documents to be entered into by the Member have been duly executed by the Member and delivered to the acquirer and are enforceable against the Member in accordance with their respective terms; and (D) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Member's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;

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

(iii) the liability for indemnification, if any, of such Member in the Proposed Sale and for the inaccuracy of any representations and warranties made by the Company or its Members in connection with such Proposed Sale made in respect of the Company, whether several or joint and several with any other Person (and with any funds to be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Member of any of identical representations, warranties and covenants provided by all Members), and subject to the provisions of this Agreement related to the allocation of the escrow, does not exceed the amount of consideration paid to the Members in connection with such Proposed Sale;

(iv) upon the consummation of the Proposed Sale (A) each holder of each class or series of Units will receive the same form of consideration for their Units of such class or series as is received by other holders in respect of their Units of such same class or series; (B) each holder of Class A Units will receive the same amount of consideration per Class A Unit as is received by other holders in respect of their Class A Units; (C) each holder of Class B Units will receive the same amount of consideration per Class B Unit as is received by other holders in respect of their Class B Units; and (D) the aggregate consideration receivable by all holders of the Class A Units and Class B Units shall be allocated among the holders of Class A Units and Class B Units on the basis of the relative liquidation preferences to which the holders of the Class A Units and Class B Units are entitled in a Deemed Liquidation Event (assuming for this purpose that the Proposed Sale is a Deemed Liquidation Event); provided, however, that, notwithstanding the foregoing, if the consideration to be paid in exchange for any Units pursuant to this Section 8.5(c)(iv) includes any securities and due receipt thereof by any Member would require under applicable law (1) the registration or qualification of such securities or of any Person as a broker or dealer or agent with respect to such securities; or (2) the provision to any Member of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Member in lieu thereof, against surrender of the Units which would have otherwise been sold by such Member, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Member would otherwise receive as of the date of the issuance of such securities in exchange for the Units; and

(v) subject to clause (iii) above, requiring the same form of consideration to be available to the holders of any single class or series of Units, if any holders of any Units are given an option as to the form and amount of consideration to be received as a result of the Proposed Sale, all holders of such Units will be given the same option; provided, however, that nothing in this <u>Section 8.5(c)</u> shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder's failure to satisfy any condition, requirement or limitation that is generally applicable to the Members.

8.6 Roll-up Drag Along. The Board of Managers and Class A Members have disclosed to all Members that the Company is considering, but is not obligated, to participate in a potential sale of the Company to a holding company ("HoldCo") formed by the Class A Members that would acquire other such similar companies in the cannabis space in order to "roll them up" into HoldCo to create a multistate operator (the "Roll-up"). If at any time the Board of Managers decides to pursue the Roll-up and approves the Transfer of all of the Units of the Company to HoldCo in exchange for the shares, units or such other equity interests or equity securities equivalents of HoldCo, the Board of Managers shall have the right to require that each Member (each, a "Roll-up Member") in the Roll-up in the manner set forth in this Section 8.6 and each Roll-up Member shall be required to Roll-up its respective interests at the price and upon the terms as determined in good faith by the Board of Managers, provided, however, that each Member shall be offered either cash consideration for their interests or an exchange of shares, units or such other equity interests or equity securities equivalents in Holdco. In connection with, and prior to the closing of, the Roll-up, the Board of Managers shall conduct an Appraisal for the purposes of determining the value of the Company with which the Board of Managers and the Affiliate will agree upon in connection with an acquisition of the Company's Units by way of an exchange of shares, units or such other equity interests or equity securities equivalents. For purposes of this Section 8.6, "Appraisal" shall mean the determination of the value to be allocated from the Roll-up determined by an independent appraiser (any such appraiser must be recognized as an expert in valuing the type of business involved) selected by the Board of Managers (the "Appraiser"). The Appraiser shall calculate the fair market value of the Company according to commonly used valuation practices for valuing similar companies in the industry, taking into account the metrics used for the Roll-up of the Company. Both the Members and the Company shall be bound by the results of the Appraisal. The cost of such Appraisal shall be borne by the Company. Notwithstanding anything to the contrary in this Agreement, each Roll-up Member shall vote in favor of the transaction and take all actions to waive any dissenters, appraisal or other similar rights. Any consideration paid as result of a Roll-up pursuant to this Section 8.6 must be distributed in the order set forth in Section 10.2.

8.7 Distributions and Allocations with Respect to Transferred Units. If any Unit is transferred during any accounting period in compliance with the provisions of this Section 8, Profits, Losses, each item thereof, and all other items attributable to the transferred Unit for such period will be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Board of Managers. All distributions on or before the date of such Transfer will be made to the transferor, and all distributions thereafter will be made to the transferee. Solely for purposes of making such allocations and distributions, the Company shall recognize such Transfer not later than the end of the calendar month during which it is given notice of such Transfer, provided that if the Company does not receive a notice stating the date such Unit was Transferred and such other information as the Company may reasonably require within thirty (30) days after the end of the accounting period during which the Transfer occurs, then all of such items will be allocated, and all distributions will be made, to the Member who, according to the books and records of the Company, on the last day of the accounting period during which the transfer occurs, was the owner of the Unit. Neither the Company, nor any Member will incur any liability for making allocations and distributions in accordance with the provisions of this Section 8.5, whether or not the Company has knowledge of any Transfer of ownership of any Unit.

## SECTION 9

### WITHDRAWAL OF A MEMBER

9.1 <u>Withdrawal of a Member</u>. Unless otherwise provided in this Agreement, a Member shall cease to be a Member upon the happening of any of the following events of "<u>Withdrawal</u>":In the case of a Member who is acting as a Member by virtue of being trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee);

(b) In the case of a Member that is an entity, the dissolution and commencement of the winding-up of such entity or the filing of a certificate of dissolution or its equivalent, as applicable to the extent such transfer or assignment does not result in a Permitted Transfer;

(c) In the case of a Member that is an estate, the distribution by the fiduciary of all of the estate's Units to the extent such transfer or assignment does not result in a Permitted Transfer;

(d) In the case of a Member that is an individual, the death of the Member or the entry of an order by a Court of competent jurisdiction adjudicating the Member incompetent to manage the Member's personal estate to the extent such transfer or assignment does not result in a Permitted Transfer;

(e) Upon the Bankruptcy of a Member;

(f) A Member assigns or transfers all of such Member's Units to the extent such transfer or assignment does not result in a Permitted Transfer; or

(g) The redemption of all of a Member's Units by the Company.

9.2 Rights of a Withdrawing Member. In the event of a Withdrawal (other than pursuant to Section 9.1(f) or 9.1(g)) by any Member from the Company prior to the expiration of the Company's Term: The Company shall have the option to purchase all of the Units of the withdrawing Member for an amount equal to the Fair Market Value of such Units; provided, however, that the foregoing option to purchase shall not apply to any Withdrawal resulting from, or which result in, Transfers pursuant to Section 8.2 hereof or pursuant to a written agreement between the Company and one or more Members. For purposes of this Section 9.2, "Fair Market Value" of a Member's Units shall be equal to the amount the Member would receive with respect to his, her or its Units if the Company were to sell all of its assets as a going concern for their fair market value and after payment and discharge of its debts and liabilities (including estimated costs of such sale) distribute the net proceeds in accordance with Section 10.2 of this Agreement. The Board of Managers shall make all the determinations necessary to calculate Fair Market Value in good faith, taking into consideration discounts for a minority ownership position, lack of marketability, lack of control, market blockage, security law or other transfer restriction. The Company shall exercise said option to purchase by giving notice thereof to the withdrawing Member within ninety (90) days after (i) the Company receives notice of Withdrawal of the Member, or (ii) if applicable and later, the appointment of the legal representative of the deceased, bankrupt, insane or incompetent Member. The closing of such purchase shall occur within ninety (90) days after the date of notice. Until such option is exercised and/or payment made thereunder, the withdrawing Member will be entitled to receive distributions applicable to the withdrawing Member's Units but will not otherwise be entitled to participate in the Company as a Member.

(b) The purchase price shall be paid in four (4) equal annual installments commencing on the first anniversary of the date of closing. The Company's obligations to make these

installment payments shall be evidenced by a promissory note which shall bear interest at the minimum rate necessary to avoid imputed interest under the Code, and shall be payable in full at any time without prepayment penalty. Any prepayment shall be applied first to accrued interest and then to installments in the reverse order in which they are due.

(c) If the Company does not elect to purchase the Units of such withdrawing Member in accordance with this Section, then the successor in interest to such withdrawing Member ("<u>Successor in Interest</u>") will be an assignee of the Units of the withdrawing Member that the Company did not elect to purchase. In such event, the Successor in Interest will not become a Member unless and until the admission of the Successor in Interest as a Member is consented to in writing by the Board of Managers, whose consent may be withheld by the Board of Managers in its sole and unreviewable discretion, with or without cause, and provided further that the Successor in Interest executes and delivers such documents as the remaining Members may reasonably require to make the Successor in Interest a party to this Agreement.

(d) If a Member withdraws from the Company in contravention of this Agreement, in addition to any other remedies available to the Company under applicable law, the Company may recover from the withdrawing Member damages for breach of this Agreement and may offset the damages against the amount otherwise distributable to such member on account of his Units.

9.3 <u>Company to Continue Upon Withdrawal</u>. The Company shall not dissolve upon the withdrawal of a Member but shall continue until dissolved in accordance with <u>Section 10</u>.

9.4 <u>No Right to Receive Distributions Upon Withdrawal</u>. No Member will have the right under the Act to receive any distribution, other than pursuant to the express terms of this Agreement, prior to the Company's dissolution pursuant to <u>Section 10</u> of this Agreement.

# SECTION 10

### DISSOLUTION OF THE COMPANY

10.1 <u>Dissolution Events</u>. The Company shall dissolve and commence winding up and liquidation upon the first to occur of any of the following (each, a "<u>Dissolution Event</u>"):The sale or other transfer of all or substantially all of the Company's assets;

(b) A merger or consolidation of the Company with one or more other entities in which the Company is not the surviving entity;

(c) The happening of any other event that makes it unlawful, impossible or impractical to carry on the business of the Company;

(d) The decision of the Board of Managers to dissolve the Company as a Major Decision; or

(e) Upon entry of an order of the superior court department of the trial court dissolving the Company as provided under Section 44 of the Act.

The Members hereby agree that, notwithstanding any provision of the Act, the Company will not dissolve prior to the occurrence of a Dissolution Event.

Notwithstanding the foregoing, the bankruptcy, death, dissolution, liquidation, termination or adjudication of incompetency of a Member shall not cause the termination or dissolution of the Company and the business of the Company shall continue. Upon any such occurrence, the trustee, receiver, executor, administrator, committee, guardian or conservator of such Member (an "<u>assignee</u>") shall have all the rights of such Member for the purpose of settling or managing its estate or property, subject to satisfying conditions precedent to the admission of such assignee as a substitute Member. The transfer by such trustee, receiver, executor, administrator, committee, guardian or conservator of any Units shall be subject to all of the restrictions, hereunder to which such transfer would have been subject if such transfer had been made by such bankrupt, deceased, dissolved, liquidated, terminated or incompetent Member.

Each Member waives any right it might have to agree in writing to dissolve the Company upon the bankruptcy of the Member or any other Member, or the occurrence of an event that causes the Member or any other Member to cease to be a Member of the Company.

10.2 <u>Winding Up</u>. Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members. No Manager will take any action that is inconsistent with, or not necessary to or appropriate for the winding up of the Company's business and affairs. The Company's assets will be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom, to the extent sufficient therefor, will be applied and distributed in the following order: First, to the payment and discharge of all of the Company's debts and liabilities to creditors other than Members;

(b) Second, to the payment and discharge of all of the Company's debts and liabilities to Members (which have been approved as "Major Decisions" in accordance with <u>Section 6.1(m)</u>); and

(c) Thereafter, to the Members in accordance with <u>Section 5.1</u> of this Agreement. It is the intent of the Members, after giving effect to all allocations of Profits and Losses, pursuant to <u>Section 4</u> for the current and all prior Taxable Years of the Company, that the positive Capital Account balances of the Members shall be in proportion to the amounts to be distributed pursuant to this <u>Section 10.2(c)</u>. In furtherance thereof, notwithstanding the provisions of <u>Section 4</u>, items of income, gain, deduction and loss for the final Taxable Year of the Company (or, if necessary, any prior open Taxable Year) shall be allocated among the Members in such amounts that the positive Capital Account balances shall be, immediately prior to the distributed pursuant to this <u>Section 10.2(c)</u>, as nearly as possible in proportion to the amounts to be distributed pursuant to this <u>Section 10.2(c)</u>. The parties intend that the allocation provisions contained in <u>Section 4</u> shall produce final Capital Account balances of the Members that will permit liquidating distributors that are made in accordance with final Capital Account balances pursuant to this <u>Section 10.2(c)</u> to be made in a manner identical to the order and priorities contained in <u>Section 5.1</u> hereof.

Any distribution to a Member pursuant to clauses  $\underline{10.2(b)}$  or  $\underline{(c)}$  above will be net of any amounts owed to the Company by such Member. No Member will receive any additional compensation for any services performed pursuant to this <u>Section 10</u>.

10.3 <u>Compliance With Timing Requirements of the Regulations</u>. In the event the Company is "liquidated" within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations, distributions will be made pursuant to this <u>Section 10.3</u> to the Members who have positive Capital Accounts in compliance with Section 1.704-1(b)(2)(ii)(b)(2) of the Regulations. If any Member has a deficit balance in his Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including the year during which such liquidation occurs), such Member will have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit will not be

considered a debt owed to the Company or to any other Person for any purpose whatsoever. In the discretion of the Board of Managers, a pro rata portion of the distributions that would otherwise be made to the Members pursuant to this <u>Section 10.3</u> may be: distributed to a trust established for the benefit of the Members for the purposes of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent or unforeseen liabilities or obligations of the Company or of the Members arising out of or in connection with the Company. The assets of any such trust shall be distributed to the Members from time to time, in the discretion of the Members, in the same proportion as the amount distributed to such trust by the Company would otherwise have been distributed to the Members pursuant to this Agreement; or

(b) withheld to provide a reserve for Company liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Company, provided that such withheld amounts shall be distributed to the Members as soon as reasonably practicable.

10.4 <u>Deemed Contribution and Distribution</u>. Notwithstanding any other provision of this <u>Section 10</u>, in the event the Company is liquidated within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations but no Dissolution Event has occurred, the Company's assets will not be liquidated, the Company's liabilities will not be paid or discharged, and the Company's affairs will not be wound up. Instead, except as otherwise provided in applicable Regulations, the Company will be deemed to have contributed all of its assets and liabilities to a new limited liability company and immediately thereafter to have distributed the interest in such new limited liability company to the Members in proportion to their respective Units in the Company.

10.5 <u>Rights of Members</u>. Except as otherwise provided in this Agreement, (a) each Member will look solely to the assets of the Company for the return of the Member's Capital Contribution and will have no right or power to demand or receive property other than cash from the Company, and (b) no Member will have priority over any other Member as to the return of the Member's Capital Contribution, distributions or allocations.

10.6 <u>Prohibition on Withdrawal</u>. Except as otherwise provided in <u>Sections 8</u> or <u>9</u> of this Agreement or another written agreement between the Company and one or more Members, no Member is entitled to withdraw from the Company prior to the Company's dissolution pursuant to this <u>Section 10</u>.

# SECTION 11

# AMENDMENTS

11.1 <u>Authority to Amend</u>. Except to the extent specifically set forth herein, this Agreement may be altered or amended only by the vote of the Board of Managers. Any amendment to this Agreement approved in accordance with the terms of this <u>Section 11.1</u> shall be binding upon all Members, whether or not they consented to or joined in such amendment, and the Board of Managers shall have the right to execute and deliver any amendment to this Agreement approved in accordance with the terms hereof, in the name and on behalf of any such Member pursuant to the power of attorney set forth in <u>Section 12.7</u> of this Agreement. Any amendment so approved shall for all purposes, including, without limitation, the purposes of the Act, have the same force and effect as an amendment manually signed and delivered by all of the Members. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, except as may be prohibited by applicable law, (a) any amendment that would alter the rights or obligations of any Member in a manner adverse and disproportionate to other Members shall require the prior written consent of such Member and (b) any amendment to this Agreement that materially affects the rights, preferences, or privileges of any Class of Units that are authorized and added to the Company pursuant to the terms hereof, from time to time following the date hereof, shall also require the vote of the Members

holding at least a majority of the then issued and outstanding Units of such Class, as applicable; provided, however, that for purposes of clarity the issuance of new Units pursuant to the terms and conditions of this Agreement shall not be subject to this <u>Section 11.1</u>.

# SECTION 12 MISCELLANEOUS

12.1 <u>Notices</u>. All notices, requests, demands and other communications under this Agreement must be in writing and will be deemed duly given, unless otherwise expressly indicated to the contrary in this Agreement, (a) when personally delivered, (b) three (3) postal days after having been deposited in the United States mail, certified or registered, return receipt requested, postage prepaid, (c) by electronic transmission, with confirmation back, or (d) one (1) business day after having been dispatched by a nationally recognized overnight courier service, addressed to the parties or their permitted assigns with an acknowledgment of receipt requested at the following addresses:

(a) If to the Company, to the Company at the principal place of business of the Company, and

(b) If to a Member or Manager, to the address set forth on <u>Exhibit A</u> to this Agreement.

Any Person may from time to time specify a different address by written notice to the Company.

12.2 Confidentiality Acknowledgment. Each Member hereby acknowledges and agrees that his, her, or its ownership interest in the Company affords it access to Confidential Information (as defined below) regarding the Company, subsidiaries of the Company, and their businesses, and the dissemination or use of Confidential Information in any manner inconsistent with protecting and the Company, subsidiaries of the Company, their businesses, and their prospects would cause the Company great loss and irreparable harm, and one of the duties of ownership in the Company is to prevent the dissemination or use of Confidential Information in any manner inconsistent with protecting and furthering the Company, subsidiaries of the Company, their businesses, and their prospects. Each Member agrees that such Member shall not for himself, herself, itself or on behalf of any other Person (whether as an individual, agent, servant, employee, employer, officer, director, shareholder, investor, principal, consultant or in any other capacity) directly or indirectly use or disclose to any Person any Confidential Information, unless required by applicable laws or judicial or regulatory process. For purposes of this Agreement, "Confidential Information" means information considered confidential by the Company and subsidiaries of the Company, including but not limited to: trade secrets, proprietary information, know-how, marketing and advertising plans and techniques, the existence or terms of contracts or potential contracts with, or other information identifying or relating to past, existing or potential customers or vendors, cost data, pricing policies, financial and accounting information, and any information that the Company or subsidiaries of the Company obtains from another Person and that the Company or subsidiaries of the Company treats or has agreed to treat as confidential. Confidential Information shall not include information that (i) was already in the possession of such Member prior to receipt from the Company; or (ii) was or becomes generally available to the public unless resulting from the breach of this Section 12.2 or any confidentiality or similar agreement between the Member and the Company.

12.3 <u>Restrictions on Use of Likeness</u>. The Company may not use the name, image, likeness, endorsement, voice, picture, signature, biographical data or statements of any of the equity holders of the Members holding Class B Units, Class C Units or Class A Units without such Person's express written consent, which such Person may withhold in his, her, or its sole and absolute discretion; provided that the Company may use such name and biographical (i) in the pitch deck and during private meetings for targeted

fund raising and marketing; (ii) in connection with the applications for the Licenses; and (iii) as required by law, rule, regulation, judicial process, or order of a court or CCC.

12.4 <u>Binding Effect</u>. Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement will be binding upon and inure to the benefit of the Members and their respective heirs, legatees, legal representatives, successors, transferees and assigns.

12.5 <u>Construction</u>. Every covenant, term and provision of this Agreement will be construed simply according to its fair meaning and not strictly for or against any Member.

12.6 <u>Waiver of Appraisal</u>. Notwithstanding any provision which may be contained in the Last Will and Testament of a deceased Member, there shall be no inventory and appraisement of the Company assets or a sale of a deceased Member's Units therein as a result of the death of a Member, and the Units of a deceased Member shall be settled and disposed of exclusively in accordance with the terms of this Agreement.

12.7 Power of Attorney. Each Member hereby constitutes and appoints the Board of Managers of the Company, and each of them from time to time in office, such Member's true and lawful attorney in fact for such Member and in such Member's name, place and stead to (a) secure the obligations of each Member who now or hereafter holds any voting securities to vote such Member's Units in accordance with the provisions of Section 6.1; (b) make, execute, sign, acknowledge, file for recording, and publish, such documents and instruments as may be necessary from time to time to carry out the provisions of this Agreement; (c) effect the transfer of Units in the Company; (d) appoint a successor Company Representative as provided hereunder; (e) effectuate the issuance of Units in the Company and the admission of new Members, all in accordance with the terms of this Agreement; and (f) execute and deliver any certificate or instrument required to amend this Agreement pursuant to its terms, or otherwise to conform the terms of this Agreement to the provisions of the Act, the Code, and any Treasury Regulations promulgated thereunder, as these may change from time to time. The foregoing grant of authority is hereby declared to be irrevocable and a power coupled with an interest, and shall survive the bankruptcy, death or incapacity or termination of legal existence of a Member, and the assignment by any Member of his interest in the Company; provided, that in the event of such an assignment, the foregoing power of attorney of the assignor Member shall survive such assignment only until such time as the assignee is admitted as a Member of the Company, and all required documents and instruments have been duly executed, filed and recorded to effect such substitution. No Member shall grant any proxy or become party to any voting trust or other agreement which is inconsistent with, conflicts with, or violates any provision of this Agreement.

12.8 <u>Entire Agreement</u>. This Agreement, together with the Certificate of Formation as each of the foregoing may be amended in writing from time to time (the "<u>Organizational Documents</u>") contain the entire understanding among the parties and supersede any prior understandings and agreements among them respecting the subject matter of this Agreement. There are no representations, agreements, arrangements or undertakings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed in the Organizational Documents.

12.9 <u>Headings</u>. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope or extent of this Agreement or any provision hereof.

12.10 <u>Incorporation by Reference</u>. Every appendix, exhibit, schedule, and other document attached to this Agreement and referred to herein is hereby incorporated into this Agreement by reference.

12.11 <u>Further Action</u>. Each Member agrees to perform all further acts and execute, acknowledge, and deliver any documents which may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

12.12 <u>Variation of Pronouns</u>. All pronouns and any variations will be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.

#### 12.13 Governing Law; Consent to Jurisdiction; Severability.

(a) The laws of the Commonwealth of Massachusetts will govern the validity of this Agreement, the construction of its terms, without regard to the conflicts of laws principals of such state.

(b) The parties hereto hereby irrevocably submit to the exclusive jurisdiction of any federal court of the United States in the District of Massachusetts or any Massachusetts state court, and appropriate appellate courts therefrom, over any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby (except as otherwise expressly provided in any Employment Agreement, non-competition and confidentiality agreement or Equity Grant Agreement), and each party hereby irrevocably agrees that all claims in respect of such dispute may be heard and determined in such courts. The parties hereby irrevocably waive, to the fullest extent permitted by applicable Law, any objection which they may now or hereafter have to the laying of venue of any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby brought in such courts or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. This consent to jurisdiction is being given solely for purposes of this Agreement and is not intended to, and shall not, confer consent to jurisdiction with respect to any other dispute in which a party to this Agreement may become involved. Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action, proceeding or counterclaim of the nature specified in this subsection (b) by the mailing of a copy thereof in the manner specified by the provisions of Section 12.1. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY AND VOLUNTARILY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

(c) In the event of a direct conflict between the provisions of this Agreement and (i) any provision of the Certificate or (ii) any mandatory, non-waivable provision of the Act, such provision of the Certificate or the Act shall control. If any provision of the Act provides that it may be varied or superseded in the agreement of a limited liability company (or otherwise by agreement of the members or managers of a limited liability company), such provision shall be deemed superseded and waived in its entirety if this Agreement contains a provision addressing the same issue or subject matter.

(d) If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future Laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of each such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

12.14 <u>Specific Performance</u>. The parties acknowledge that it is impossible to measure, in money, the damages that shall accrue to a party or to the personal representative of a decedent from a failure of a party to perform any of the obligations under this Agreement. Therefore, if any party or the personal representative or executor of any party enters into any action or proceeding to enforce the provisions of this Agreement, any Person (including the Company) against whom the action or proceeding is brought waives the claim or defense that the moving party or representative has or shall have an adequate remedy at law, and the Person shall not urge in the action or proceeding the claim or defense that an adequate remedy at law exists.

12.15 <u>Counterpart Execution</u>. This Agreement may be executed in any number of counterparts, including facsimiles, with the same effect as if all of the Members had signed the same document. All counterparts will be construed together and will constitute one agreement.

12.16 <u>Regulatory Acknowledgment</u>. Each Member hereby acknowledges and agrees that:

(a) The Company and its subsidiaries expects to enter into business relationships with entities engaged in the growth, cultivation, extraction, production, processing, distribution, sale and/or purchase of cannabis or cannabis related products, as well as other business endeavors that may have involvement with cannabis. United States federal law and the laws of certain states make illegal the possession, use, cultivation, and transfer of cannabis. As such, the Company and its affiliates and subsidiaries and its and their directors, managers (including the Managers), shareholders, members (including the Members), equity holders, officers, employees, and agents may be at risk of federal and state civil actions and criminal prosecution, including under the Racketeer Influenced and Corrupt Organizations Act and other criminal statutes, which may result in severe fines and penalties (including, without limitation, life in prison).

(b) The federal government can force the closure of Persons in cannabis and cannabis related businesses and seize and seek the civil forfeiture of the real or personal property used to facilitate the growth, cultivation, extraction, production, processing, distribution, sale and purchase of cannabis or cannabis related products, as well as the proceeds related thereto. If any such closures or seizures occur in connection with the business of the Company, any of the Company's affiliates or subsidiaries, its or their directors, managers (including the Managers), shareholders, members (including the Members), equity holders, officers, employees, or agents, or any other of the Company's business relationships (including vendors and customers), it would likely have a material adverse effect on the Company's business and financial performance.

(c) To the extent that Section 280E of the Regulations is applicable to the Company and its subsidiaries, the Company and its subsidiaries may not be able to deduct certain expenses in connection with its business. As a result, the Members may have an increased tax burden with respect to their interests in the Company than they would absent Section 280E of the Regulations.

[Signature page follows]

[Counterpart signature page for the Operating Agreement of OBCC LLC]

IN WITNESS WHEREOF, the parties have entered into this Operating Agreement of OBCC LLC as of the date first above written.

# OBCC LLC:

By: \_\_\_\_\_\_

Name: Jason Kabbes

Title: CEO

#### APPENDIX A

#### DEFINITIONS

"<u>Accredited Investor</u>" means "accredited investor" as such term is defined in Regulation D promulgated under the Securities Act.

"Additional Securities" means all Securities which are issued by the Company at any time, other than (i) Securities issued to managers, officers, employees, or other service providers of the Company, (ii) any Securities that are issued in connection with the acquisition by the Company or a subsidiary of the Company of any business (whether by acquisition of membership interests or assets) or any assets (whether such Securities are issued as consideration or to raise funds to finance any such acquisition), (iii) any Securities issued to any lender or other person providing debt financing to the Company in a bona fide financing transaction approved by the Board of Managers, (iv) any Securities issued upon exercise, conversion or exchange of any other Securities, and (v) any Securities issued to a person who is not a Member or an Affiliate of a Member and whose participation in the Company the Board of Managers determines in good faith based on factors particular to the identity, nature or domicile of such person, would be an asset or benefit to the Company.

"<u>Adjusted Capital Account</u>" means, with respect to any Member, the 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:

(i) Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Regulations; and

(ii) Debit to such Capital Account the items described in Sections 1.704-1 (b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6) of the Regulations.

The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Regulations and will be interpreted consistently therewith.

"<u>Affiliate</u>" means, with respect to any Person: (i) any Person directly or indirectly controlling, controlled by, or under common control with such Person; (ii) any Person owning or controlling five percent (5%) or more of the outstanding voting securities of such Person; (iii) any officer, director, manager, trustee or general partner of such Person; or (iv) any Person who is an officer, director, manager, trustee or general partner or holder of five percent (5%) or more of the voting securities of any Person described in clauses (i) through (ii).

"<u>Bankruptcy</u>" means (i) the entry of a decree or order for relief against the Member by a Court of competent jurisdiction in any involuntary case brought against the Member under any bankruptcy, insolvency or other similar law ("<u>Debtor Relief Laws</u>") generally affecting the rights of creditors and relief of debtors now or hereafter in effect, (ii) the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar agent under applicable Debtor Relief Laws for the Member or for any substantial part of his assets or property, (iii) the ordering of the winding up or liquidation of the Member's affairs, (iv) the filing of the petition in any such involuntary bankruptcy case, which petition remains undismissed for a period of 180 days or which is not dismissed or suspended pursuant to Section 305 of the United States Bankruptcy Code (or any corresponding provision of any future United States bankruptcy

law), (v) the commencement by the Member of a voluntary case under any applicable Debtor Relief Law now or hereafter in effect, (vi) the consent by the Member to the entry of an order for relief in an involuntary case under any such law or to the appointment of or the taking of possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar agent under any applicable Debtor Relief Law for the Member or for any substantial part of his assets or property, or (vii) the making by a Member of any general assignment for the benefit of his creditors.

"<u>Book Value</u>" means, (i) with respect to property contributed by any Member, the fair market value of such property at the time of contribution, or (ii) with respect to property purchased or otherwise acquired by the Company, the Company's initial basis for federal income tax purposes, decreased in either case by book depreciation allocable thereto and increased or decreased in either case from time to time to reflect the adjustments required or permitted by Regulations Section 1.704-1(b)(2)(iv)(f).

"<u>Capital Account</u>" means, with respect to any Member, the Capital Account maintained for such Member in accordance with the following provisions:

(i) To each Member's Capital Account there will be credited such Member's Capital Contributions, such Member's distributive shares of Profits and any items in the nature of income or gain which are specially allocated pursuant to <u>Section 4.2(b)</u> or <u>Section 4.2(c)</u>, and the amount of any Company liabilities assumed by such Member or which are secured by assets distributed to such Member.

(ii) To each Member's Capital Account there will be debited the amount of cash and the Gross Asset Value of any assets distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to <u>Section 4.2(b)</u> or <u>Section 4.2(c)</u>, and 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.

(iii) In the event all or a portion of a Member's Units are transferred in accordance with the terms of this Agreement, the transferee will succeed to the Capital Account of the transferor to the extent it relates to the transferred Units.

(iv) In determining the amount of any liability for purposes of clauses (i) and (ii) above, there will be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b), and will be interpreted and applied in a manner consistent with such Regulations. In the event the Board of Managers determines that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed assets or which are assumed by the Company or Members), are computed in order to comply with such Regulations, the Board of Managers shall make such modification, provided that it is not likely to have a material effect on the amounts distributable to any Person pursuant to Section 10 of the Agreement upon the dissolution of the Company. The Board of Managers also will (i) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Members and the amount of the Company's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b)(2)(iv)(q), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause the Agreement not to comply with Regulations Section 1.704-1(b).

"<u>Capital Contributions</u>" means, with respect to any Member, the amount of money and the initial Gross Asset Value of any assets (other than money) contributed to the Company with respect to the Units held by such Person.

"<u>CCC</u>" means the Commonwealth of Massachusetts' Cannabis Control Commission (or such successor or replacement governing body).

"<u>Change of Control</u>" means a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from Members' Units representing more than fifty percent (50%) of the outstanding voting power of the Company.

"Class A Member(s)" means the holder or holders of issued and outstanding Class A Units.

"Class B Member(s)" means the holder or holders of issued and outstanding Class B Units.

"Class C Member(s)" means the holder or holders of issued and outstanding Class C Units.

"<u>Code</u>" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"<u>Company Minimum Gain</u>" has the meaning set forth in Section 1.704-2(b)(2) of the Regulations.

"<u>Competitor</u>" shall mean any Person engaged, directly or indirectly, in whole or in part, in the same or similar business as the Company, including those engaged in the business of investing in operating companies that intend to apply for (or have been granted) licenses to cultivate, process, and dispense marijuana in accordance with the laws of the Commonwealth of Massachusetts, and if awarded such licenses, conduct operations in accordance with the laws of the Commonwealth of Massachusetts.

"<u>Covered Person</u>" means (i) any Manager, a Member, Company Representative or a liquidating trustee, in each case in his or its capacity as such; (ii) an officer or employee of the Company; or (iii) any Manager, Member, officer or employee of the Company serving as an officer, director, shareholder, partner, member, employee, representative or agent of another Person at the request of the Board of Managers or a Member.

"<u>CRB Person</u>" means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, or other entity of whatever nature with a cannabis (marijuana) related business that is operating in or providing services or products to the cannabis (marijuana) industry

"Deemed Liquidation Event" means:

- (i) a merger or consolidation in which:
  - (A) the Company is a constituent party or
  - (B) a subsidiary of the Company is a constituent party and the Company issues Units pursuant to such merger or consolidation.
- (ii) 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 or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of the Company if substantially all of the assets 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.

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

"<u>Gross Asset Value</u>" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company will be the gross fair market value of such asset, as determined by the contributing Member and the Board of Managers;

(ii) The Gross Asset Values of all Company assets will be adjusted to equal their respective gross fair market values, as determined by the Board of Managers, as of the following times: (a) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (b) the distribution by the Company to a Member of more than a de minimis amount of assets as consideration for an interest in the Company; (c) the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting as a Member or by a new Member acting as a Member or in anticipation of being a Member pursuant to Regulations Section 1.704 1(b)(2)(iv)(f)(iii), and (d) the liquidation of the Company within the meaning of Regulations Section 1.704 1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (a) and (b) above will be made only if the Board of Managers reasonably determines that such adjustments are necessary to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any Company asset distributed to any Member will be the gross fair market value of such asset on the date of distribution; and

(iv) The Gross Asset Values of Company assets will be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets 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 Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) and Section 4.2(b)(vii); provided, however, that Gross Asset Values will not be adjusted pursuant to this clause (iv) to the extent the Board of Managers determines that an adjustment pursuant to clause (ii) above is necessary or

appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this clause (iv).

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

"Insiders" means one or more of the Company's Members, officers, Managers, subsidiaries or Affiliates.

"<u>New Partnership Audit Procedures</u>" means Subchapter C of Chapter 63 of Subtitle F of the Code, as modified by Section 1101 of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, any successor statutes thereto and any Regulations promulgated or orifical guidance issued thereunder.

"<u>Nonrecourse Deductions</u>" has the meaning set forth in Section 1.704-2(b)(1) of the Regulations. The amount of Nonrecourse Deductions for any fiscal year equals the excess, if any, of the net increase, if any, in the amount of Company Minimum Gain during that fiscal year over the aggregate amount of any distributions during that fiscal year of proceeds of a Nonrecourse Liability that are allocable to an increase in Company Minimum Gain, determined according to the provisions of Sections 1.704-2(c) and (d) of the Regulations.

"<u>Nonrecourse Liability</u>" has the meaning set forth in Section 1.704-2(b)(3) of the Regulations.

"<u>Partner Minimum Gain</u>" means an amount, with respect to each Partner Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Regulations.

"Partner Nonrecourse Debt" has the meaning set forth in Section 1.704-2(b)(4) of the Regulations.

"Partner Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(i)(1) of the Regulations. The amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for any fiscal year equals the excess, if any, of the net increase, if any, in the amount of Partner Minimum Gain attributable to such Partner Nonrecourse Debt during that fiscal year over the aggregate amount of any distributions during that fiscal year to the Member that bears the economic risk of loss for such Partner Nonrecourse Debt and are allocable to an increase in Partner Minimum Gain attributed to such Partner Nonrecourse Debt, determined in accordance with Sections 1.704-2(i)(2) and (3) of the Regulations.

"<u>Percentage Interest</u>" means, at the time of determination, an amount (expressed as a percentage) equal to the number of Units held by such holder divided by the total number of Units outstanding.

"Permitted Transferee" means any Person who receives Units pursuant to Section 8.2 of this Agreement.

"Person" means any individual, partnership, corporation, trust, limited liability company, or other entity.

"Person or Entity Having Direct or Indirect Control" shall mean collectively, "Persons or Entities Having Direct Control" and/or "Persons or Entities Having Indirect Control," each as defined the Code of Massachusetts Regulations, 935 CMR 500.000 *et seq.* (as amended from time to time or any successor regulations), or any equivalent definition in any other state in which the Company possesses or is pursuing cannabis licensure. "<u>Profits and Losses</u>" mean, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) will be included in taxable income or loss), with the following adjustments:

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses will be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1 (b)(2)(iv)(1), and not otherwise taken into account in computing Profits or Losses will be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Company asset is adjusted, the amount of such adjustment will be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(iv) Gain or loss resulting from any disposition of assets with respect to which gain or loss is recognized for federal income tax purposes will be computed by reference to the Gross Asset Value of the assets disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing taxable income or loss, there will be taken into account Depreciation for such fiscal year or other period; and

(vi) Notwithstanding any other provision of this definition, any items which are specially allocated pursuant to Section 4.2(b) or 4.2(c) will not be taken into account in computing Profits or Losses.

"<u>Regulations</u>" means the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Security" or "Securities" means securities of every kind, nature and description, including, but not limited to, capital stock, partnership interests, limited partnership interests, membership interests, certificates of interest and subscriptions, warrants, bonds, notes, bills, debentures, money market funds, investment contracts, commercial paper and other evidences of indebtedness, and rights and options relating thereto, including put and call options, and any property real or personal, tangible or intangible which is distributed in respect of the ownership of a security.

"Securities Act" means the Securities Act of 1933, as amended.

"<u>Transfer</u>" (whether or not such term is capitalized) means, as a noun, any voluntary or involuntary transfer, sale, pledge, hypothecation, assignment or other disposition by a Member and, as a verb, voluntarily or involuntarily to transfer, sell, pledge, hypothecate, assign or otherwise dispose of a Member's Units.

"<u>Unit</u>" means a unit of ownership interest in the Company and shall represent an undivided interest in the holder's Capital Account balance. "<u>Units</u>" includes Class A Units, Class B Units, Class C Units and any and all other units created and issued pursuant to the terms of this Agreement. "<u>Unreturned Capital Contribution</u>" means, with respect to a Member holding Class A Units, such Member's aggregate Capital Contributions with respect to such Member's Class A Units, less the aggregate amount of distributions made to such Member with respect to such Member's Class A Units pursuant to Section 5.1(a) or 5.1(b), as applicable (including distributions treated as made under Section 5.1(a) or 5.1(b) through the application of Section 5.2(c) or 10.2(c)).

## EXHIBIT A

#### MEMBERS' NAMES, ADDRESSES, CAPITAL CONTRIBUTIONS, AND NUMBER OF CLASS A, CLASS B AND CLASS C UNITS

## CLASS A UNITS

Name and Address of Members	Capital <u>Contributions</u>	Number of Units
Jason Kabbes	(0)	1,455
[]	(0)	XXX
[]	(0)	XXX
[xx]	(0)	XXX
TOTALS	(0)	6,000

#### CLASS B UNITS

Name and Address of Members	Capital Contributions	Number <u>of Units</u>
[]	(\$)	XX
[]	(\$)	XX
[]	(\$)	XX
TOTALS	(\$)	1,500

## CLASS C UNITS<sup>1</sup>

Name and Address of Members	Capital Contributions	Number of Units
[]	(\$)	XX
[]	(\$)	XX
[]	(\$)	XX
TOTALS	(\$)	[2,500]

4826-0405-2449.2

<sup>&</sup>lt;sup>1</sup> Authorized but no valuation assigned.

AND A LAND		monwealth of Villiam Francis	Massachusetts Galvin	Minimum Fee: \$500.0
	O	he Commonwealth, ( ne Ashburton Place, Boston, MA 02108 Telephone: (617) 72	8-1512	1
Certificate of Organ General Laws, Chapter				
Identification Number				
1. The exact name of	the limited liability	company is: <u>OBC</u>	<u>CLLC</u>	
2a. Location of its pri	-			
No. and Street: City or Town:	22443 ROCKY SCAPPOOSE	<u>YPOINT ROAD</u> State: <u>OR</u>	Zip: <u>97056</u>	Country: <u>USA</u>
2b. Street address of	the office in the Co	ommonwealth at wh	ich the records will	be maintained:
No. and Street:	<u>84 STATE ST</u> BOSTON	<u>REET</u> State: <u>MA</u>	Zip: <u>02109</u>	Country: <u>USA</u>
3. The general charac service, the service to	be rendered:		lity company is orga	anized to render professiona
City or Town: 3. The general charac service, the service to <u>REAL ESTATE HOL</u> 4. The latest date of d 5. Name and address Name:	b be rendered: <u>LDING COMPANY</u> lissolution, if specific of the Resident Ag	<u>r</u> fied: ent:		anized to render professiona
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Title	Individual Name	Address (no PO Box)
	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code
REAL PROPERTY	JASON KABBES	22443 ROCKY POINT ROAD SCAPPOOSE, OR 97056 USA
<u>TH R. TIPTON, ESQUI</u> (The	<u>RE</u> certificate must be signed by the p	erson forming the LLC.)

## THE COMMONWEALTH OF MASSACHUSETTS

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

eenied to have been med with me on.

February 03, 2020 04:18 PM

Heterian Frainfalies

#### WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



William Francis Galvin Secretary of the Commonwealth

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

### January 11, 2022

#### TO WHOM IT MAY CONCERN:

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

#### **OBCC LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on February 3, 2020.

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

I also certify that the names of all managers listed in the most recent filing are: JASON KABBES

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: JASON KABBES, JEREMY BROMBERG

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



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

William Thening Galecin

Secretary of the Commonwealth

Processed By:BOD



THE COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT DEPARTMENT OF UNEMPLOYMENT ASSISTANCE Charles D. Baker



383888227

Rosalin Acosta SECRETARY

Richard A. Jeffers DIRECTOR

OBCC LLC PO Box 2189 Pittsfield, MA 01202-2189

GOVERNOR

Karyn E. Polito

LT. GOVERNOR

EAN: 22204432 January 11, 2022

Certificate Id:54928

The Department of Unemployment Assistance certifies that as of 1/11/2022 ,OBCC LLC is current in all its obligations relating to contributions, payments in lieu of contributions, and the employer medical assistance contribution established in G.L.c.149,§189.

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

Richard A. Jeffers, Director

Department of Unemployment Assistance





### **CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE**

74 DOWNING INDUSTRIAL PARKWAY PITTSFIELD MA 01202

#### Why did I receive this notice?

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

dund W. Cylor

Edward W. Coyle, Jr., Chief Collections Bureau

## OBCC, LLC Business Plan

## **Executive Summary**

### **Mission Statement**

OBCC, LLC ("OBCC") is a Marijuana Establishment Licensee in the Commonwealth committed to creating a safe, clean, and supportive community environment, providing consistent, highquality cannabis to Marijuana Retailers for sale to consumers who are 21 years of age or older.

#### License Types

OBCC holds a Marijuana Cultivator license from the Massachusetts Cannabis Control Commission ("CCC") and is in the process of applying for a Marijuana Product Manufacturer license and a Change of Control for a Retail Dispensary license.

### What Drives Us

OBCC's goals include:

- 1. Providing customers 21 years of age or older with a wide variety of high quality, consistent, laboratory-tested cannabis and derivatives;
- 2. Hiring employees and contractors from within the communities served;
- 3. Hiring employees and contractors from communities that have been disproportionately impacted by the war on drugs (note: our facility is in Pittsfield, an area of disproportionate impact per the MA CCC);
- 4. Having a diverse and socially representative pool of employees;
- 5. Empowering the next generation of entrepreneurs and leaders through hiring, training, and teaching; and
- 6. Running an environmentally friendly Marijuana Establishment.

## Team

#### General

OBCC has put together a team to implement the operations of the Marijuana Establishment and intends to create [80 - 100] full-time staff positions within the first three years of operation. Both the Managing Director and the Chief of Staff have built two MA medical marijuana companies since 2016 and are extremely well qualified to establish superior quality operational execution throughout the business. Future hiring (only two employees as of this writing) will be selected based on experience, maturity, abilities, and an understanding or at least appreciation of either business practices or cannabis culture and products. No Person or Entity Having Direct or Indirect Control over OBCC team is or will be a controlling person with over more than three licenses in a particular class of license.

### Founders

Jason Kabbes, M.S., is a founder of several cannabis companies across the Midwest and East Coast, focusing on foundational business strategy in supply limited, merit-based markets. His background in politics, physics, and chemistry has allowed Jason to pursue lucrative opportunities creating businesses, products, and brands that are unique to the cannabis space. Jason is presently CEO or COO of seven different cannabis businesses. He has a Masters of Science degree in Earth Sciences from Ohio State University, and is 2 years into pursuit of a Ph.D. in Earth Sciences.

## **Company Description**

### **Structure**

OBCC, LLC is a Massachusetts domestic for-profit limited liability company that is applying for Licenses from the Commission to operate Marijuana Establishments in the Commonwealth.

## **Operations**

OBCC will establish inventory controls and procedures for the conduct of inventory reviews and comprehensive inventories of marijuana products in the process of cultivation and finished, stored marijuana; conduct a monthly inventory of marijuana in the process of cultivation and finished, stored marijuana; conduct a comprehensive annual inventory at least once every year after the date of the previous comprehensive inventory; and promptly transcribe inventories if taken by use of an oral recording device.

OBCC will tag and track all marijuana seeds, clones, plants, and marijuana products using Metrc and in a form and manner approved by the Commission.

No marijuana product, including marijuana, will be sold or otherwise marketed for adult use that has not first been tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000.

OBCC will maintain records which will be available for inspection by the Commission upon request. The records will be maintained in accordance with generally accepted accounting principles and maintained for at least 12 months or as specified and required by 935 CMR 500.000.

OBCC will obtain and maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, and product liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, except as provided in 935 CMR 500.105(10)(b) or otherwise approved by the Commission. The deductible for each policy will be no higher than \$5,000 per occurrence. If adequate coverage is unavailable at a reasonable rate, OBCC 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. OBCC will keep reports documenting compliance with 935 CMR 500.105(10) in a manner and form determined by the Commission pursuant to 935 CMR 500.000.

OBCC will provide adequate lighting, ventilation, temperature, humidity, space, and equipment, in accordance with applicable provisions of 935 CMR 500.105 and 500.110.

All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Organic material, recyclable material, solid waste, and liquid waste containing marijuana or by-products of marijuana processing will be disposed of in compliance with all applicable state and federal requirements.

OBCC will demonstrate consideration of the factors for Energy Efficiency and Conservation outlined in 935 CMR 500.105(15) as part of its operating plan and application for licensure.

Prior to commencing operations, OBCC will provide proof of having obtained a surety bond in an amount equal to its licensure fee payable to the Marijuana Regulation Fund. The bond will ensure payment of the cost incurred for the destruction of cannabis goods necessitated by a violation of St. 2016, c. 334, as amended by St. 2017, c. 55 or 935 CMR 500.000 or the cessation of operation of OBCC. If OBCC is unable to secure a surety bond, it will place in escrow a sum of no less than \$5,000 or such other amount approved by the Commission, to be expended for coverage of liabilities. The escrow account will be replenished within ten business days of any expenditure required under 935 CMR 500.105: *General Operational Requirements for Marijuana Establishments* unless OBCC has ceased operations. Documentation of the replenishment will be promptly sent to the Commission.

OBCC and OBCC agents will comply with all local rules, regulations, ordinances, and bylaws.

#### **Security**

OBCC will contract with a professional security and alarm company to design, implement, and monitor a comprehensive security plan to ensure that the facility is a safe and secure environment for employees and the local community.

OBCC's state-of-the-art security system will consist of perimeter windows, as well as duress, panic, and holdup alarms connected to local law enforcement for efficient notification and response in the event of a security threat. The system will also include a failure notification system that will immediately alert the executive management team if a system failure occurs. A redundant alarm system will be installed to ensure that active alarms remain operational if the primary system is compromised.

Interior and exterior HD video surveillance of all areas that contain marijuana, entrances, exits, and parking lots will be operational 24/7 and available to the Police Department. These surveillance cameras will remain operational even in the event of a power outage. The exterior of the dispensary and surrounding area will be sufficiently lit, and foliage will be minimized to always ensure clear visibility of the area.

Only OBCC's registered agents and other authorized visitors (e.g., contractors, vendors) will be allowed access to the facility, and a visitor log will be maintained in perpetuity. All agents and visitors will be required to visibly display an ID badge, and OBCC will maintain a current list of individuals with access. OBCC will have security personnel on-site during business hours.

On-site consumption of marijuana by OBCC's employees and visitors will be prohibited.

#### **Benefits to Host Communities**

OBCC looks forward to working cooperatively with its host communities to ensure that OBCC operates as a responsible, contributing member of those host communities. OBCC has established a mutually beneficial relationship with its host communities in exchange for permitting OBCC to site and operate.

OBCC's host communities stand to benefit in various ways, including but not limited to the following:

- 1. <u>Jobs</u>: A Marijuana Establishment facility will add dozens of full-time jobs, in addition to hiring qualified, local contractors and vendors.
- 2. <u>Monetary Benefits</u>: A Host Community Agreement with monetary donations will provide the host community with additional financial benefits beyond local property taxes.
- 3. <u>Access to Quality Product</u>: OBCC will allow qualified consumers in the Commonwealth to have access to high quality marijuana and marijuana products that are tested for cannabinoid content and contaminants.
- 4. <u>Control</u>: In addition to the Commission, the Police Department and other municipal departments will have oversight over OBCC's security systems and processes.
- 5. <u>Responsibility</u>: OBCC comprises experienced professionals who will be thoroughly background checked and scrutinized by the Commission.

6. <u>Economic Development</u>: OBCC's operation of its facilities will help to revitalize its host communities and contribute to the overall economic development of the local community.

## **Market Research**

### Customers

OBCC will only sell marijuana and marijuana products to other licensed Marijuana Establishments in the Commonwealth of Massachusetts until such time as we have our own Marijuana Establishments operational. At that time we will provide products both to our own and external Marijuana Establishments.

### **Competitive Advantage**

OBCC's competitive advantages over their competition include 10 years of operational experience in Oregon (home base for our emerging multi-state operation) with both cultivation and retail, plus other operations in Missouri and Ohio. Massachusetts team leadership have already built two MA medical marijuana companies since 2016 and are well recognized for their business and management expertise. Products will be different from many cannabis suppliers in MA as we will apply long-established, high-quality cultivation techniques to product cannabis more familiar to West Coast consumers than East Coast.

OBCC possesses several strengths that separate OBCC from the competition. The industry is rapidly growing, and customers are scrutinizing the quality of cannabis dispensed, the services offered, the location of the dispensary, the prices offered for the products, and the branding of the business. We intend to apply our experience and insight to build a customer and quality focused brand.

## **Regulations**

OBCC is a Massachusetts domestic for-profit limited liability company. OBCC will maintain the corporation in good standing with the Massachusetts Secretary of the Commonwealth, the Department of Revenue, and the Department of Unemployment Assistance. OBCC will apply for all state and local permits and approvals required to build out and operate the facility.

OBCC will also work cooperatively with various municipal departments to ensure that the proposed facility complies with all state and local codes, rules and regulations with respect to design, renovation, operation, and security.

## **Products & Services**

In addition to traditional sativa, indica, and hybrid cannabis flower, OBCC will offer a wide range of products that will allow OBCC to serve customers with a wide variety of needs. Products OBCC intends to offer include, but will not be limited to:

- 1. Concentrates
- 2. Topical Salves
- 3. Creams and Lotions
- 4. Patches
- 5. Oral Mucosal and Sublingual Dissolving Tablets
- 6. Tinctures
- 7. Sprays
- 8. Inhalation Ready to Use CO2 Extracted Hash Oils
- 9. Pre-Dosed Oil Vaporizers
- 10. Ingestion Capsules
- 11. Infused Food and Beverages

#### **Pricing Structure**

OBCC's pricing structure will vary based on market conditions. OBCC plans to provide products of superior quality and will price accordingly.

## **Marketing & Sales**

#### **Growth Strategy**

OBCC's plan to grow the company includes:

- 1. Distinctive, high-quality products;
- 2. Strong and consistent branding;
- 3. Intelligent, targeted, and compliant marketing programs;
- 4. Exemplary customer in-store experience;
- 5. Enthusiastic, caring, and thoughtful staff.

OBCC plans to seek additional, appropriate locations in the surrounding area to expand business and reach an increased number of customers in the future.

#### **Communication**

OBCC will engage in reasonable marketing, advertising, and branding practices that do not jeopardize the public health, welfare, or safety of the general public, or promote the diversion of marijuana or marijuana use in individuals younger than 21 years old. Any such marketing, advertising, and branding created for viewing by the public will include the statement: "Please Consume Responsibly," in a conspicuous manner on the face of the advertisement and will

include a minimum of two of the warnings, located at 935 CMR 500.105(4)(a), in their entirety in a conspicuous manner on the face of the advertisement.

All marketing, advertising, and branding produced by or on behalf of OBCC will include the following warning, including capitalization, in accordance with M.G.L. c. 94G, § 4(a½)(xxvi): "This product has not been analyzed or approved by the Food and Drug Administration (FDA). There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN. There may be health risks associated with consumption of this product. Marijuana can impair concentration, coordination, and judgment. The impairment effects of edible marijuana may be delayed by two hours or more. In case of accidental ingestion, contact poison control hotline 1-800-222-1222 or 9-1-1. This product may be illegal outside of MA."

OBCC will seek events where 85% or more of the audience is reasonably expected to be 21 years of age or older, as determined by reliable, current audience composition data. At these events, OBCC will market its products and services to reach a wide range of qualified consumers.

OBCC will communicate with customers through:

- 1. A company run website;
- 2. A company blog;
- 3. Popular cannabis discovery networks such as WeedMaps and Leafly;
- 4. Popular social media platforms such as Instagram, Facebook, Twitter, and SnapChat; and
- 5. Opt-in direct communications.

#### <u>Sales</u>

OBCC will sell its products and services by engaging customers with knowledgeable personnel, appropriate and informative promotion, and distinctive products.

OBCC will ensure that all marijuana products that are provided for sale to consumers are sold in tamper or child-resistant packaging. Packaging for marijuana products sold or displayed for consumers, including any label or imprint affixed to any packaging containing marijuana products or any exit packages, will not be attractive to minors.

Packaging for marijuana products sold or displayed for consumers in multiple servings will allow a consumer to easily perform the division into single servings and include the following statement on the exterior of the package in a printed font that is no smaller than ten-point Times New Roman, Helvetica, or Arial, including capitalization: "INCLUDES MULTIPLE SERVINGS." OBCC will not sell multiple serving beverages and each single serving of an edible marijuana product contained in a multiple-serving package will be marked, stamped, or otherwise imprinted with the symbol issued by the Commission under 935 CMR 500.105(5) that indicates that the single serving is a marijuana product. In no instance will an individual serving size of any marijuana product contain more than five (5) milligrams of delta-nine tetrahydrocannabinol.

#### Logo

OBCC will develop a logo to be used in labeling, signage, and other materials such as letterhead and distributed materials.

The logo will be discreet, unassuming, and will not use marijuana symbols, images of marijuana, related paraphernalia, or colloquial references to cannabis or marijuana.

## **Final Remarks**

OBCC has the experience and know-how to safely and efficiently provide high-quality, consistent, laboratory-tested cannabis and derivatives. OBCC hopes to bring its high-quality standards to adult-use consumers to provide them with a safe, clean, and supportive community environment. OBCC's security systems and comprehensive security measures will also help ensure a safe and secure environment that will help deter and prevent diversion.

In Massachusetts, adult-use sales eclipsed \$2 billion in September 2021, less than three years after adult-use sales began in the Commonwealth. As more Marijuana Establishments become operational, the sales growth rate continues to expand month after month. OBCC has positioned itself well in this market and will contribute to this growth through a highly experienced team of successful operators working under an established framework of high quality standard operating procedures and growth strategies. In doing so, OBCC looks forward to working cooperatively with all the municipalities in which it is operating to help spread the benefits that this market will yield.



To Whom It May Concern,

OBCC LLC currently has a liability policy with AFS&V Insurance written through USLI for 74 Downing Industrial Parkway Pittsfield MA 01201 and 82 Railroad St Great Barrington MA 01230. Before the final CCC licenses are granted AFS&V Insurance will be providing all necessary Property, Liability (including product liability), Umbrella, Cyber and Crime insurance policies to meet all local and state guidelines.

Sincerely Brian Vincent

VP of Sales

AFS&V Insurance Inc

## OBCC, LLC Diversity Plan

OBCC, LLC ("OBCC") is committed to promoting equity in its operations for diverse populations, which the Cannabis Control Commission ("CCC") has defined as the following demographics:

- 1. Minorities
- 2. Women
- 3. Veterans
- 4. People with Disabilities
- 5. People who identify as LGBTQ+.

To support such populations, OBCC has created the following Diversity Plan. This Diversity Plan will outline the Goals, Programs, and Measurements to promote equity at OBCC.

#### <u>Goals</u>

In order for OBCC to promote equity for the aforementioned demographics in its operations, OBCC has established the following goals:

- Recruit and hire a diverse workforce. We plan to retain a workforce where 40% of our employees identify as one of the aforementioned demographics (Minorities, Women, Veterans, People with disabilities, and/or people who identify as LBGTQ+). We aim to retain a workforce with the following demographics which are not mutually exclusive, however, we also respect individuals' choices not to self-identify:
  - a. Minorities 5%
  - b. Women 30%
  - c. Veterans 8%
  - d. People with Disabilities 2%
  - e. People who identify as LGBTQ+ 10%
- 2. Providing twice-annual training sessions for individuals falling into the above-listed demographics, looking to achieve their goal of entering or progressing in the marijuana industry.

## **Programs**

OBCC has developed specific programs to reach its stated goals to promote diversity and equity in its operations. These programs will include:

- Advertising employment opportunities in diverse publications or other mediums as positions become available. More specifically, job postings on diversityjobs.com, veteranjoblistings.com, vetjobs.com, allgbtjobs.com, and pink-jobs.com;
- 2. Distributing a quarterly internal memo that encourages current employees to

recommend individuals falling into the above-listed demographics for employment at OBCC, as well as maintaining reminders on internal bulletin boards;

- 3. Annually attending or hosting a job fair or hiring event specifically targeted to diverse applicants (e.g., RecruitMilitary, Diversityx.net)
- 4. Providing semi-annual training for employees falling into the above-listed demographics to promote their advancement within the marijuana industry; trainings will cover topics such as building customer service skills and developing coaching and management techniques. All-company diversity seminars will also be offered, advised by employees from the above-listed demographics.
- 5. Providing semi-annual trainings for up to 15 individuals at each session falling in to the above-listed demographics to promote entry into the marijuana industry and advancement. Trainings will include topics such as skills for dispensary employment, resume and cover letter writing, interviewing, and management skills. Trainings will be advertised via <u>MassachusettsDiversity.com</u>.

## **Measurements**

OBCC has outlined methods in which the goals and programs will be tracked and measured for success. Human Resources will administer this Diversity Plan and will be responsible for measuring and reporting outcomes to ensure OBCC continues to meet its commitments. Measuring the success of the program is critical to ensure OBCC continues to meet its commitments and reports accurately to the CCC.

Measurable outcomes include:

- Recording and tracking the percentages of OBCC's employees falling into the abovelisted demographics (opt-in) and regularly reviewing the percentages against the adult population demographic percentages in Massachusetts and specifically, Pittsfield and North Adams, the closest areas of disproportionate impact;
- Documenting the number of postings in diverse mediums and career centers and demographic information related to those mediums, as available;
- Documenting the number of internal communications sent toward recruiting diverse candidates;

- Recording the number of job fairs or hiring events attended or hosted, specifically targeted to diverse candidates;
- Documenting the subject matter of trainings and information sessions held and the number of individuals falling into the above listed demographics in attendance; and
- Recording and reviewing the amount of money spent on advertising, events, and training.

Human Resources and Accounting will review and evaluate OBCC's measurable outcomes no less than bi-annually to ensure that OBCC is meeting its stated commitments. OBCC will submit the outcomes of this Plan's progress and success to the CCC upon yearly renewal of the license.

In the event that OBCC is not meeting its stated commitments, OBCC will solicit company-wide input on the Plan and diversity related initiatives.

In execution of its Diversity Plan, OBCC 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 OBCC will not violate the CCC's regulations with respect to limitations on ownership or control or other applicable state laws.

## OBCC, LLC Energy Compliance Plan

OBCC, LLC ("OBCC") has developed the following Energy Compliance Plan to ensure that its proposed Cultivation facility remains in compliance with the energy efficiency and conservation regulations codified in 935 CMR 500.103(1)(b), 500.105(1)(q), 500.105(15) and 500.120(11). OBCC will update this plan as necessary and will further provide relevant documentation to the Cannabis Control Commission ("CCC") during Architectural Review and during inspections processes.

## Energy Efficiency and Equipment Standards

OBCC will always maintain compliance with the CCC's minimum energy efficiency and equipment standards and meet all applicable environmental laws, regulations, permits and other applicable approvals including, but not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management, and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7.00: Air Pollution Control. OBCC will adopt and use additional best management practices as determined by the CCC to reduce energy.

## **Building Envelope**

The building envelope for OBCC's cultivation facility will meet minimum Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: State Building Code), International Energy Conservation Code (IECC) Section C402 or The American OBCC of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) Chapters 5.4 and 5.5 as applied or incorporated by reference in 780 CMR: State Building Code.

## Lighting

OBCC's lighting at the facility will meet the following compliance requirements:

- Horticulture Lighting Power Density will not exceed 50 watts per square foot; or
- All horticultural lighting used in the facility will be listed on the current Design Lights Consortium Solid-state Horticultural Lighting Qualified Products List ("Horticultural QPL") or other similar list approved by the CCC and lighting Photosynthetic Photon Efficacy (PPE) is at least 15% above the minimum Horticultural QPL threshold rounded up to the nearest 0.1 µmol/J (micromoles per joule).

In the event that OBCC seeks to use horticultural lighting not included on the Horticultural QPL or other similar list approved by the CCC, OBCC will seek a waiver pursuant to 935 CMR 500.850 and provide documentation of third-party certification of the energy efficiency features of the proposed lighting.

OBCC will establish and document safety protocols to protect workers (e.g., eye protection near operating Horticultural Lighting Equipment).

### **Strategies to Reduce Electric Demand**

OBCC is pursuing the following strategies to reduce electric demand. OBCC will work with contractors to create an energy efficient lighting plan and plans on implementing low amperage/wattage LED lighting wherever possible. Programs may include lighting schedules, active load management, and energy storage programs.

As the need and opportunity for facility upgrades and maintenance arise in the future, OBCC will continue to evaluate strategies to reduce electric demand.

### **Opportunities for Engagement with Energy Efficiency Programs**

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

#### **HVAC and Dehumidification**

OBCC's Heating Ventilation and Air Condition (HVAC) and dehumidification systems will meet Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR State Building Code), IECC Section C403 or ASHRAE Chapter 6 as applied or incorporated by reference in (780 CMR: State Building Code). As part of the documentation required under 935 CMR5 00.120(11)(b), OBCC will provide a certification from a Massachusetts Licensed Mechanical Engineer that the HVAC and dehumidification systems meet Massachusetts building code as specified in 935 CMR 500.120(11)(c) and that such systems have been evaluated and sized for the anticipated loads of the facility.

## OBCC, LLC

## Maintaining of Financial Records Policies and Procedures

OBCC, LLC ("OBCC") maintains operating policies and procedures that ensure financial records are accurate and maintained in compliance with state regulations. Financial information is maintained on the accrual basis in accordance with Generally Accepted Accounting Principles ("GAAP").

OBCC ensures that both OBCC's and personal confidential financial information are secure and accurate. Financial information is maintained in a secure location and will not be disclosed without authorization or unless required by law or regulations or pursuant to a court order. To ensure accuracy, security, and data integrity, OBCC utilizes several procedures:

- Recordkeeping: OBCC will maintain business records compliant with the regulations set forth in 935 CMR 500. These records along with any other records outlined in 935 CMR 500 will be immediately available to the Cannabis Control Commission ("CCC") upon request. Business and financial records will be maintained in accordance with Generally Accepted Accounting Principles (GAAP), and in an audit friendly format. Manual or computerized financial records maintained by OBCC include but are not limited to:
  - Assets and liabilities;
  - Monetary transactions;
  - Books of accounts which include journals, ledgers, and supporting documents, agreements, checks, invoices and vouchers;
  - Sales records including the quantity, form and cost of marijuana products; and
  - Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with OBCC.

OBCC maintains accounting records in Xero. This system supports detailed transaction data for Company purchases, inventory valuation, revenue, and payroll. Xero is securely hosted. System access is limited to users with need and each user has security settings specific to their role. Every transaction the company makes will go through the accounting software thus guaranteeing complete reporting. Bank accounts will be reconciled monthly and month-end financials are reviewed by management each month.

2. **Accounting Review:** OBCC will engage with a third-party accounting firm to review annual financial reports for compliance with GAAP.

3. **Tax:** OBCC will engage with a third-party tax service to prepare and file federal, state, and other tax returns to ensure compliance.

Per the closure of the OBCC cultivation facility, all records including business and financial records, will be maintained securely and paid for by OBCC.

OBCC will comply with all sales recording requirements, including:

- Using a point-of-sale (POS) system approved by the CCC, in consultation with the Massachusetts Department of Revenue (the "DOR"), and a sales recording module approved by the DOR;
- Conducting monthly analyses of its equipment and sales data, and maintaining records, available to the CCC upon request, that the monthly analysis has been performed;
- Complying with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements;
- Separate accounting practices at the point-of-sale for marijuana and non-marijuana sales;
- Maintaining such records that would allow for the CCC and the DOR to audit and examine the point-of-sale system used to ensure compliance with Massachusetts tax laws and state regulations; and
- Maintaining and providing the CCC on a biannual basis accurate retail sales data collected during the preceding six (6) months to ensure an adequate supply of medical marijuana and marijuana products.

Not in limitation of the foregoing, we will not utilize software or other methods to manipulate or alter any sales data. We shall conduct a monthly analysis of our equipment and sales daily to determine that no software has been installed that could be used to manipulate or alter sales data and that no other methodology has been employed to manipulate or alter sales data. We shall maintain records that we have performed the monthly analysis and we will produce it upon request by the CCC. If we determine 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, we shall: immediately disclose the information to the CCC; cooperate with the CCC in any investigation regarding manipulation or alteration of sales data; and we shall take other action, directed by the CCC, to comply with 935 CMR 500.105.

OBCC will also securely maintain written financial records of: (1) compliance with liability insurance coverage or maintenance of escrow requirements and all bond or escrow requirements and (2) all fees, fines, and penalties paid under state regulations and other applicable sections of the regulations.

## OBCC, LLC

## Personnel Policies Including Background Checks Policies & Procedures

## **Overview**

OBCC, LLC ("OBCC") will apply for registration of all its board members, directors, employees, executives, managers, and volunteers who are associated with OBCC as Marijuana Establishment Agents. Applications will comply with 935 CMR 500.030. All OBCC individuals applying for registration will have signed and notarized CORI Acknowledgement Form, pursuant to 935 CMR 500. Applicants will also give authorization to obtain a full set of fingerprints in accordance with M.G.L. c. 94G, § 21. For extensive details on OBCC personnel initially registering to be Marijuana Establishment Agents, see the Background Check packet.

Once a licensed Marijuana Establishment, personnel in Human Resources are held responsible for the proper registration of new agents.

## **Immediate Termination**

OBCC has an immediate termination policy that applies to agents who have diverted marijuana, engaged in unsafe practices in the operation of the cultivation facility, or been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving the distribution to a minor. For incidents related to diversion or unsafe practices, OBCC will investigate and report findings to the Cannabis Control Commission ("CCC") and/or law enforcement official when appropriate.

## <u>Hiring Plan</u>

The Managing Director and Chief of Staff in conjunction with the Chief Executive Officer will evaluate hiring needs on an on-going basis. Hiring procedures include internal and external posting of the position, candidate interviews, reference checks, and background checks. OBCC is dedicated to hiring Pittsfield and North Adams residents, when possible.

Applicants will be required to submit a written application for employment to ensure all applicants are evaluated equally in the initial stages of hiring. All offers will be contingent upon the successful completion of all required background investigations, including an iCORI, agent registration, and proof of employment eligibility in the U.S.

As a condition of employment, new agents must participate in new hire orientation, security and diversion prevention training, and training specific to their job function from their manager. Training shall be tailored to the roles and responsibilities of the job function of each agent, and other topics as specified by the CCC. At a minimum, staff will also receive 8 hours of on-going training annually. OBCC will comply with EEOC guidelines and will not discriminate based on race, color, religion, sex, sexual orientation, national origin, age, disability or genetic information, and will not discriminate against a candidate who has participated in an employment discrimination investigation or lawsuit.

OBCC is committed to building a professional environment for all our agents. OBCC is committed to complying with all laws and CCC regulations, maintaining high standards of ethical conduct in dealings with OBCC customers, vendors, and the community at large. OBCC seeks to hire individuals who are dedicated and motivated, resulting in advancement whenever possible. To promote job satisfaction and employee retention, we will deliver regular and relevant performance reviews, communicate clear performance expectations, link performance to compensation, and deliver incentives in a fair and consistent manner across the company.

OBCC will strictly adhere to behavior and harassment policies set forth in the Agent Handbook and will take prompt action to address questions, concerns, or complaints regarding work conditions, discrimination, or any other matter. Agents are expected to be present during department meetings as well as company-wide meetings.

### Agent Background Checks

- In addition to completing the CCC agent registration process, all agents hired to work for OBCC will undergo a detailed background investigation prior to being granted access to OBCC or beginning work duties.
- Background checks will be performed to screen for the following, among others:
  - Past criminal convictions;
  - Past drug-related offenses;
  - Concealed weapon permits;
  - DEA controlled substance registrations;
  - Professional licenses;
  - Driver's license information;
  - Docket search of state and federal criminal & civil actions;
  - Credit check;
  - o Bankruptcies, liens & judgments; and
  - Healthcare licenses & sanctions.
- Verification of references provided by the agent at the time of hire
- As deemed necessary, individuals in key positions with unique and sensitive access (e.g., members of the executive management team) will undergo additional screening, which may include interviews with prior employers or colleagues.

• As a condition of their continued employment, agents are required to renew their agent registration cards and submit to other background screening as may be required by OBCC or the CCC.

## Agent Training

Prior to being granted access to secure areas, including all areas containing marijuana products, agents will receive the following training prior to performing job functions:

- New hire orientation overview of OBCC and employment policies and procedures as outlined in the Agent Handbook;
- General security procedures relevant to all OBCC agents;
- Detailed security procedures relevant to the agents' job function;
- Confidentiality including customer confidentiality and confidentiality as related to OBCC's policies and procedures such as security;
- Recordkeeping requirements; and
- Customized training related to the agent's job function at the time of hire by the Manager or Supervisor the agent will report to.

## **Reports & Recordkeeping**

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 records will include, at minimum, the following security-related information:

- Results of initial background investigation, including CORI reports;
- Documentation that references were checked prior to agent being hired;
- Offer letter from OBCC to the new agent, including job title and supervision;
- Materials submitted to the CCC for agent registration purposes;
- Documentation of annual performance reviews;
- Dates of completion of all required initial and recurrent training; including a signed statement by the agent attending the training with the date/time/place the training was received, topics discussed, and the name/title of the presenter(s).
- Documentation of all security related events (including violations) and the results of any investigations and description of remedial actions, restrictions, or additional training required due to an incident.

## OBCC, LLC

## **Quality Control and Testing Policies & Procedures**

## **Quality Control**

OBCC, LLC ("OBCC") will set and maintain the highest standards of quality control and testing through the implementation of strict operational procedures, establishment of a sanitary and controlled environment, and adherence to both testing requirements and best practices.

OBCC will ensure that the OBCC facility is always maintained in a sanitary fashion and will comply with all applicable sanitary requirements. OBCC sanitizes all designated, applicable areas of the facility, including utensils, equipment, and infrastructure, with Cannabis Control Commission ("CCC") approved cleaning agents as part of daily end-of-day procedures.

Our standard operating procedures for equipment sanitation will include a multipart cleaning process with respect to equipment or instruments that come in contact with marijuana. First, separation of any dried or scrap products that might be around the equipment and surfaces will occur in an ongoing manner throughout the day to avoid buildup from the scrap products. Second, equipment and instruments that come into contact with marijuana will be broken down into component parts with any open equipment panels to be inspected. Third, all equipment and environmental surfaces will be then cleaned with detergent and hot water (between 130 and 160°F, depending on the cleaning chemicals used), and will involve additional steps and multiple cleaning compounds which might contain several ingredients depending on (a) the contamination to be removed, (b) water hardness, and (c) the prevention of scale formation on the exposed surfaces. Fourth, detailed documentation / reporting will occur with respect to any failure of not cleaning adequately, product shelf life and quality issues, microbiological problems, regulatory noncompliance, and even closures and other sanctions. Finally, sanitizer application will occur with respect to all cleaned and rinsed surfaces to destroy hidden microorganisms to further advance marijuana safety and product stability.

Although cleaning and sterilization are ongoing efforts by staff to virtually eliminate risk of internal and external contaminants, our employees understand that sanitizing does not replace the need for mitigation of external factors or the need for thorough handwashing or equipment and facility cleaning – all of which will be implemented by OBCC. Staff dress in sanitary apparel provided by OBCC at the start of each shift, reducing the threat of external environmental factors. Staff also are required to wash their hands before the start of each shift as they change into work attire in the employee locker rooms. Staff may also wash their hands in any restroom or one of the multiple hand washing stations in the facility. OBCC agents working at the cultivation facility are subject to the requirements specified in 105 CMR 300.000. Any and all

toxic items will be identified, labelled and stored in preventative matter to ensure there is no contamination with marijuana. OBCC will comply with the following sanitary requirements:

- Any marijuana establishment agent whose job includes contact with marijuana or nonedible marijuana products, including cultivation, production, or packaging, 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 500.000, and with the requirements for food handlers specified in 105 CMR 300.000.
- 2. Any OBCC agent working in direct contact with preparation of marijuana or nonedible marijuana products shall 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. OBCC'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 OBCC'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. OBCC's facility will have sufficient space for placement of equipment and storage of materials as is necessary to maintain sanitary operations;
- OBCC will ensure litter and waste are properly removed, disposed of so as to minimize the development of odor, and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal shall be maintained in an adequate manner pursuant to 935 CMR 500.105 (12);
- 6. OBCC's floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair;
- 7. OBCC's facility will have adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
- 8. OBCC's buildings, fixtures, and other physical facilities will be maintained in a sanitary condition;
- 9. OBCC 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;
- 11. OBCC will ensure that its water supply is sufficient for necessary operations, and that such water supply is safe and potable;
- 12. OBCC'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 facility. Plumbing will properly convey sewage and liquid disposable waste from the facility. There will be no cross-connections between the potable and waste water lines;
- 13. OBCC will provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair;
- 14. OBCC will ensure that any products that can support the rapid growth of undesirable microorganisms are stored or maintained in a manner that prevents the growth of these microorganisms; and
- 15. OBCC will store and transport finished products under conditions that will protect them against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers.

For OBCC, quality control also extends to ensuring rooms housing marijuana exist as sealed systems with clean room properties, and feature air curtains / showers, quarantine rooms with respect to diseased or contaminated products, and the like. All storage areas for marijuana and marijuana products will be outfitted with split ventilation and humid control systems specific to the climate needed in such area to maximize product quality and longevity; subject to clean room standards (air changes, pressurization, and use of HEPA Filters and modular clean room wall panels) to safeguard against pests, mold, chemical agents and the like; and outfitted with carbon / MERV filters.

OBCC's 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).

OBCC 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 CCC, and any voluntary action by OBCC 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.

OBCC will process marijuana in a safe and sanitary manner. OBCC will process the leaves and flowers of the female marijuana plant only, which will be:

- Well cured and generally free of seeds and stems;
- Free of dirt, sand, debris, and other foreign matter;
- Free of contamination by mold, rot, other fungus, and bacterial diseases;
- Prepared and handled on food-grade stainless steel tables; and
- Packaged in a secure area.

All edible products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: Minimum Sanitation Standards for Food Establishments.

#### **Testing and Sampling**

OBCC 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. Testing of OBCC's marijuana products will be performed by an Independent Testing Laboratory in compliance with the Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products, as amended in November, 2016, published by the DPH. Testing of OBCC's environmental media will be performed in compliance with the Protocol for Sampling and Analysis of for Massachusetts Registered Medical Marijuana Dispensaries published by the DPH.

OBCC's policy of responding to laboratory results that indicate contaminant levels are above acceptable limits established in the DPH protocols identified in 935 CMR 500.160(1) include notifying the CCC within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch. Such notification will describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.

OBCC will maintain testing results in compliance with 935 CMR 500.000 *et seq* and the recordkeeping policies described herein and will maintain the results of all testing for no less than one year.

All transportation of marijuana to and from Independent Testing Laboratories providing marijuana testing services will comply with 935 CMR 500.105(13). Extended procedures may be found in the Transportation of Marijuana document. All storage of OBCC's marijuana at a laboratory providing marijuana testing services will comply with 935 CMR 500.105 (11). All excess marijuana will be disposed of in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to OBCC for disposal or by the Independent Testing Laboratory disposing of it directly.

# OBCC, LLC Qualifications and Training Policies & Procedures

## **Training**

OBCC will hire all employees on a probationary basis at first. During this probationary period, employees will complete a comprehensive training program and will be evaluated for suitability in a restricted-access environment. Training will be customized based on the role of the employee and will include, at minimum, a Responsible Vendor Program.

Prior to performing any job functions, employees will learn the responsibilities of their position and how the position operates on a daily basis. A component of this part of training is done in a shadowing context. New hires will spend time following around their supervisor and current agents working the same role. New hires will be able to visually experience a regular day in this position and will be able to ask questions.

OBCC ensures that all hired staff will complete training prior to performing job functions. Training will be held on-site and will cover the following:

- Health and Sanitation;
- Legal Compliance;
- Safety and Security;
- Inventory Monitoring and Reporting / Recordkeeping;
- Marijuana Product Education; and
- Job Specific Roles.

## **Annual Training**

Pursuant 935 CMR 500.105(2)(a), OBCC maintains that all its agents receive at least eight hours of on-going training annually. This training could cover a variety of topics ranging from updated laws and regulations to cannabis education. The Managing Director and Chief of Staff are ultimately responsible for the topics covered in annual on-going training and are assisted by the Human Resources Manager – who is ultimately responsible for ensuring all OBCC agents complete annual training. OBCC will utilize both internal and external experts and professionals, and online courses, for delivering on-going training. On-going training will be recorded and stored along with an individual's personnel records.

## **Responsible Vendor Training**

Before commencing operations, all current owners, managers, and employees with OBCC will have attended and successfully completed a responsible vendor program. Once all agents have

successfully attended and completed a responsible vendor program, OBCC will be designated as "responsible vendor", a status OBCC will maintain so long as operations continue. All new employees of OBCC will also participate in a Responsible Vendor Training program within their first 90 days of service to maintain OBCC's status as a responsible vendor. Once an agent has completed a Responsible Vendor Training program, they must complete the program annually to ensure OBCC maintains status as a responsible vendor. OBCC will maintain records of Responsible Vendor Training compliance for at least 4 years. Administrative employees who do not handle or sell marijuana may take the Responsible Vendor program voluntarily.

## Health and Sanitation

OBCC will provide thorough training to all facility employees to mitigate potential sanitation or safety risks. An emphasis will be placed on the regular cleaning and sanitation of all areas where products may be present.

Health and sanitation training will focus primarily on contamination prevention, and employees will learn best practices for preventing contamination of marijuana products from biological contaminants (e.g., parasites, mold, bacteria), physical contaminants (e.g., dirt, dust, glass) and chemical contaminants (e.g., cleaning compounds, sanitizing agents, solvents). Training will primarily focus on the below topics:

- Inventory inspections Procedure for inspecting marijuana products for signs of damage (e.g., water damage), pests, and expiration dates;
- Cleaning and sanitizing Procedures for regular cleaning of equipment, utensils, and surfaces to protect against contamination; and
- Storage of chemicals Procedures for identifying and storing chemicals, including cleaning compounds, sanitizing agents and solvents;
- Handling of marijuana products Protocol for proper sanitation and personal hygiene prior to handling any marijuana product.

Health and sanitation training will also include the protocol for handling, storing, and disposing of marijuana waste. Additional details related to health and sanitation may be found in the Quality Control and Testing document.

## Legal Compliance

Legal compliance training will educate employees on Applicable Law, particularly as Applicable Law informs the day-to-day operations of the Center. Training will cover:

- Inventory tracking compliance;
- Required labeling and packaging of marijuana products;

- Recordkeeping and confidentiality;
- Prevention of illegal diversion of marijuana; and
- Disposal of marijuana waste.

Employees will complete initial legal compliance training at new employee orientation and will receive additional training from time-to-time as necessary to track any relevant changes to Applicable Law.

#### **Security**

Each successful employee applicant shall undergo safety and security training before beginning work. As a part of the employee orientation process, all employees will be provided with a copy of the final security plan, as well as security and safety training. Security and safety training shall consist of examination and discussion of the security plan, premises orientation, emergency training, and situational training.

Initial employee safety and security training shall include:

- Building orientation and access authority which shall include:
  - The proper use of employee's access badge for entry into the premises and main building entrance;
  - The proper use of employee's access badge for entry into employee's authorized access areas;
  - Facility standard business hours and protocol for entry and exit outside standard business hours;
  - The proper use of employee's agent card;
  - Employee's authorized entry and exit points;
  - Employee's locker; and
  - Restroom and sink facilities.
- Measures and controls for the prevention of diversion, theft or loss of marijuana which shall include:
  - Necessity of keeping all limited access areas always locked and secured;
  - Prohibited activities such as entrance into unauthorized access areas;
  - o Awareness of video monitoring; and
  - Requirement to report any unusual activity, security concern, or loitering.
- Procedures and instructions for responding to an emergency that will include:

- Accident prevention training;
- How to respond to an emergency;
- Emergency service provider location;
- Emergency service contact information;
- o Emergency first aid kit locations; and
- Emergency exits and panic button locations.

## **Inventory Monitoring and Reporting**

Inventory Monitoring and Reporting / Recordkeeping training will focus on making all employees proficient in OBCC's inventory tracking system and protocols for recordkeeping. OBCC will utilize the seed-to-sale system training resources to provide hands-on, situational training to employees on the protocols and procedures required by the Inventory and Recordkeeping Plan.

## Product Education

The Company will provide comprehensive training of employees regarding various aspects of marijuana use. Such training will aim to provide all employees with a thorough understanding of the following:

- The various marijuana strains, and the benefits and drawbacks of each;
- The various marijuana products and consumption methods, and the benefits and drawbacks of each;
- The various cannabinoids (including THC and CBD) found in marijuana and the benefits and drawbacks of each;
- Dosage information, cannabinoid content and serving size for different marijuana products.
- Warnings for different marijuana products. Marijuana product education training sessions will be held periodically to keep employees informed on new marijuana products and information on marijuana strains.

## OBCC, LLC

## **Record Keeping Procedures Policies & Procedures**

## **General Overview**

OBCC, LLC ("OBCC") has established policies regarding record-keeping and record-retention to ensure the maintenance, safekeeping, and accessibility of critical documents. Electronic and wet signatures are accepted forms of execution of OBCC documents. Records will be stored at OBCC in a locked room designated for record retention. All applicable records will be available for inspection by the Cannabis Control Commission ("CCC") upon request pursuant to 935 CMR 500.

## **Record-Keeping**

To ensure that OBCC 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 will occur as part of OBCC's quarter-end closing procedures. In addition, operating procedures will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis. OBCC will maintain records in accordance with generally accepted accounting principles per 935 CMR 500.105(9).

- Corporate Records are\_defined as those records that require, at a minimum, annual reviews, updates, and renewals, including:
  - o Insurance Coverage
    - Directors & Officers Policy
    - Product Liability Policy
    - General Liability Policy
    - Umbrella Policy
    - Workers Compensation Policy
    - Employer Professional Liability Policy
  - o Third-Party Laboratory Contracts
  - o CCC Requirements:
    - Annual Agent Registration
    - Annual Marijuana Establishment Registration
  - o Local Compliance
    - Certificate of Occupancy
    - Special Permits

- Variances
- Site Plan Approvals
- As-Built Drawings
- Corporate Governance:
  - Annual Report
  - Secretary of State Filings
- Business Records are defined as those which require ongoing maintenance and updates. OBCC's Chief Executive Officer, Managing Director, and Chief of Staff maintain access to all business records. OBCC maintains records in accordance with generally accepted accounting principles per 935 CMR 500.105(9). These records can be electronic or hard copy although preferably electronic copy 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;
  - $\circ$  Sales records including the quantity, form, and cost of marijuana products; and
  - Salary and wages paid to each agent, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with OBCC, including members, if any.
  - List of all board members and executives of OBCC, and members, if any, must be made available upon request by any individual.
- Personnel Records are maintained as a separate category considering the importance of the background checks on agents and well as agent registration status and at a minimum will include:
  - Job descriptions for each agent and volunteer, 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 OBCC and will include, at a minimum, the following:
    - All materials submitted to the CCC 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;
- A copy of the application that OBCC submitted to the CCC on behalf of any prospective OBCC agent;
- 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 cultivation conditions;
- Personnel policies and procedures; and
- All background check reports obtained in accordance with 935 CMR 500.030.
- Handling and Testing of Marijuana Records
  - OBCC will maintain the results of all testing for a minimum of (1) year;
- Inventory Records
  - Inventory records will be pursuant to 935 CMR 500.105(8). Comprehensive inventories of marijuana in process of cultivation, finished, and stored marijuana will occur at least monthly. 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 for all marijuana as required by 935 CMR 500.105(8)(e) and 935 CMR 500.105(9)
- OBCC will use Metrc as their primary seed-to-sale tracking software to maintain realtime inventory. Strimo and FlowHub will be utilized as secondary systems. Inventory reporting will meet the requirements specified by the CCC and 935 CMR 500.105(9)(c). Inventory reporting will meet the requirements specified by the CCC and 935 CMR 500.105(8)(c) and (d), including, at a minimum, an inventory of marijuana ready for dispensing; all marijuana products; and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal.
- Incident Reporting Records
  - Within ten (10) calendar days, OBCC will provide written notice to the CCC of any incident described in 935 CMR 500.110(7)(a) by submitting an incident report, detailing the incident, the investigation, the findings, resolution (if any),

confirmation that the Pittsfield Police Department and CCC were notified within twenty-four (24) hours of discovering the breach, and any other relevant information. Reports, and supporting documents, including photos and surveillance video related to a reportable incident will be maintained by OBCC for no less than one year or the duration of an open investigation, whichever is longer, and made available to the CCC and to law enforcement authorities acting within their lawful jurisdiction upon request.

- Visitor Records
  - A visitor sign-in and sign-out record will be maintained at the security office. The record will include the visitor's name, address, organization or firm, date, time in and out, and the name of the authorized agent who will be escorting the visitor.
- Waste Disposal Records
  - When marijuana or marijuana products are disposed of, OBCC will create and maintain a written record of the date, the type and quantity disposed of or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two OBCC agents present during the disposal or handling, with their signatures.
  - OBCC 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 CCC.
- Security Records
  - A current list of authorized agents and service personnel that have access to the surveillance room will be available to the CCC upon request.
  - Twenty-four (24) hour recordings from all video cameras that are available for immediate viewing by the CCC upon request and that are retained for at least ninety (90) calendar days.
- Transportation Records
  - OBCC will retain all shipping manifests for a minimum of one (1) year and make them available to the CCC upon request.
- Agent Training Records
  - Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement from the agent indicating the date, time, and place he or she received the training, the topics discussed and the name and title of the presenter(s).
- Closure

- In the event OBCC closes, all records will be kept for at least two (2) years at OBCC's expense in a form (electronic, hard copies, etc.) and location acceptable to the CCC. In addition, OBCC will communicate with the CCC during the closure process and accommodate any additional requests the CCC or other agencies may have.
- Written Operating Policies and Procedures: Policies and Procedures related to OBCC'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 include the following:
  - Security measures in compliance with 935 CMR 500.110;
  - Agent security policies, including personal safety and crime prevention techniques;
  - A description of OBCC's hours of operation and after-hours contact information, which will be provided to the CCC, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500;
  - Storage of marijuana in compliance with 935 CMR 500.105(11);
  - Description of the various strains of marijuana to be cultivated, processed or sold, as applicable, and the form(s) in which marijuana will be dispensed;
  - Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.160;
  - 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);
  - 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 marijuana establishment agent who has:
    - Diverted marijuana, which shall be reported to law enforcement officials and to the CCC;
    - Engaged in unsafe practices with regard to OBCC's operations, which shall be reported to the CCC; 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 foreign jurisdiction, or a military, territorial, or Native American tribal authority.

- A list of all executives of OBCC to be available upon request by any individual. 935
   CMR 500.105(I)(m) requirement may be fulfilled by placing this information on
   OBCC's website.
- Policies and procedures for the handling of cash on OBCC's premises including but not limited to storage, collection frequency and transport to financial institution(s).
- 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 b placed on the site, and an explanation of why the identified opportunities were not pursued, if applicable
  - Strategies to reduce electric demand (such as lighting schedules, active load
  - management and energy storage); and
  - Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21 or through municipal lighting plants

## **Record-Retention**

OBCC will meet CCC recordkeeping requirements and retain a copy of all records for two (2) years, unless otherwise specified in the regulations. All digital records will be backed up, thereby ensuring the integrity of our records in the event of a technological failure. Paper documentation will be stored in fireproof file cabinets located in a limited access area and available only to authorized personnel.

## <u>Audits</u>

OBCC audits will be documented to include the date, time, and agent(s) responsible for the audit. At a minimum, the following audits will be conducted.

- Inventory
  - Inventory audits to be conducted on a daily basis at the retail licensed establishments to ensure any reconciliation and investigations are completed the same day.

- A full inventory audit to be conducted, at a minimum, every 30 days.
- Security
  - On an annual basis, OBCC will obtain, at its own expense, a security system audit.
    - This report will be submitted to the CCC, no later than 30 days after the audit is conducted.
  - All security equipment will be in good working order and will be inspected and tested at regular intervals, not to exceed 30 calendar days from the previous inspection and test.
    - This includes generators used to ensure the security system remains operational in the event of a power outage

## OBCC, LLC

## Product Manufacturing Safety Plan Policies & Procedures

In accordance with 935 CMR 500.105(3)(c), OBCC LLC ("OBCC") will ensure that all edibles will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: *State sanitary code chapter X: Minimum Sanitation Standards for Food Establishments*.

## Agent Hygiene Practices

OBCC agents will follow thorough hygienic practices and will maintain adequate personal cleanliness. All OBCC agents will wash their hands thoroughly before starting work, and at any other time when hands may have become soiled or contaminated. Hand-washing facilities will be placed conveniently within the OBCC facility and will be equipped with running water, effective hand-cleaning and sanitizing preparations, suitable drying devices, and sufficient storage for all cleaning and sanitation materials. All OBCC agents will also wear food grade disposable gloves when handling marijuana and in the creation of marijuana products.

Any agent who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion (e.g., boils, sores, infected wounds), or any other abnormal source of microbial contamination for which there is a reasonable possibility of contact with cannabis shall be excluded from any operations that may be expected to result in microbial contamination until the condition is corrected.

## **Food Material Practices**

Food material used in the preparation of marijuana products will be acquired from an approved source. All materials used in the production of marijuana products that can support the rapid growth of undesirable microorganisms will be stored in a manner that prevents the growth of such microorganisms, such as proper refrigeration or other appropriate storage. All thermometers used in the storage and preparation of marijuana products will be tested regularly to ensure accuracy. All food products will be properly stored in their original containers and will be properly labeled. Only approved food additives will be used. Marijuana products and food products used in the production of marijuana products will be maintained in good condition and will be unadulterated.

## Food Contact Surface Sanitation Practices

The Company recognizes the importance of properly washing, rinsing, and sanitizing food preparation equipment, utensils, and all surfaces that come in contact with food to reduce the

number of bacteria, prevent the spread of bacteria, and eliminate the possibility of crosscontamination. OBCC will institute the following sanitation procedures in its commercial kitchen:

- Sanitizing solution should be used in the kitchen and other areas to sanitize food contact surfaces and utensils prior to use.
- All surfaces that come into contact with food will be washed, rinsed, and sanitized after each use, when an agent begins working with another type of food, anytime an agent is interrupted during a task and the tools or items they have been working with may have become contaminated, or at four-hour intervals if the areas or items are in constant use.
- Sanitizing solution will be stored in buckets or other containers such as a spray bottle and used with wiping cloths to sanitize prep tables, prep sinks, dining room tables, bar area, and working utensils; in the third compartment of a 3-compartment sink to sanitize all dishes that are washed; and use the final rinse in the dish machine to sanitize all dishes that are washed.
  - The chlorine-based solution will be prepared each morning, using the following recipe:

Minimum concentration: 50ppm Range recommended: 50-	Amount needed per unit of water		
<b>100ppm</b> . Do not exceed 200 ppm.	per 2 quarts	per gallon	per 12 gallons
<b>Use provided test strips.</b> Check the temperature of the water for recommend temperature of 75-120 degrees Fahrenheit.	½ tsp.	1 tsp.	1/4 cup

- The sanitizing solution will be measured, tested, and placed into red sanitization bins and used to wipe down surfaces that will then air-dry.
- The third bay in the bay sinks will be filled with the solution to soak utensils, cookware, and labware, for a minimum of one (1) minute, and will air-dry.
- Agents will ensure that all wiping cloths are soaked with sanitizer when cleaning food contact surfaces (e.g., cutting boards, prep tables, slicers, etc.) and stored in sanitizer when not in use.

- Sanitizer buckets will be set up at all times in areas where food is being handled. Agents will check sanitizer solutions frequently to ensure that they are at the correct concentration, using the proper test strips for the type of sanitizing chemical that they are using.
- Sanitizer solutions will be changed as needed to properly sanitize food contact surfaces.
- Cleaning of all equipment, work surfaces, laboratory glassware and kitchen cookware can be challenging given the non-aqueous nature of cannabis concentrate. Often, strong solvents such as acetone must be used to chemically dissolve hard-to-clean cannabis concentrate. When acetone is used to clean surfaces, a solvent respirator must be worn to prevent inhalation of fumes. When acetone is used to clean lab glass and utensils, soaking must be done at all times under the fume hood located in the OBCC facility. Used solvent will be disposed of in the provided solvent-waste bin, which is only to be removed by a chemical waste disposal professional.
- Equipment and utensils utilized in the OBCC facility will be so designed and of such material and workmanship as to be adequately cleanable.

## **Training**

All agents will complete mandatory safety training sessions. OBCC agents and OBCC management will have the following responsibilities when it comes to health and safety:

- OBCC Management:
  - Ensure the health and safety of all agents.
  - Correct any workplace conditions that are hazardous to the health and safety of agents.
  - Inform agents about any remaining hazards.
  - Make copies of the OSHA Regulations and any workers compensation requirements available by posting throughout the facility.
  - Ensure agents know their rights and responsibilities under OSHA Regulations and the Commission's requirements and that they comply with them.
  - Provide and maintain protective devices, equipment, and clothing, and ensure that agents use them.
  - Provide agents with education, supervision, and training specific to equipment.
  - Perform ongoing reviews and updates to policies and procedures as needed.
- OBCC Agents:
  - Take care to protect health and safety and the health and safety of others who may be affected by individual actions.
  - Comply with all regulations and other legal requirements.
  - Follow established safe work procedures.

- Use the required personal protective equipment.
- Refrain from horseplay or similar conduct that may endanger others.
- Ensure individual ability to work safely is not impaired by drugs or alcohol.
- Report accidents and other incidents (including near misses) to the manager on duty.
- Report the following to the manager on duty:
  - A hazard that might endanger OBCC agents;
  - A problem with personal protective equipment or clothing; or
  - Any suggestions to improve workplace safety.

## Cleanliness & Sanitation Training:

OBCC will combine its existing successful agent training program, supplemented with Commission rules and cannabis specific training, to provide exhaustive training curricula to all agents. OBCC's training will include USDA Good Handling Practices and Quality Systems, FDA Current Good Manufacturing Practices, and sickness or illness policies. Agents who handle cannabis will receive hygiene training with specific attention to preventing microbial contamination. All employees will receive, at a minimum, the following quality assurance and contamination prevention training:

- USDA Good Handling Practices and Quality Systems, including but not limited to 21 CFR part 110.
- Product care, inspection, and maintenance techniques.
- Company policies which prohibit employees showing signs of illness, open wounds, sores, or skin infections from handling cannabis or materials that come into contact with cannabis.
- Hygiene training for employees who handle cannabis with specific attention to preventing microbial contamination.
- Handwashing requirements, including washing hands with soap and hot water before beginning work, after using the bathroom, and after meal breaks.
- Quality assurance procedures and consequences of failing to follow the company's established processes; and
- ServSafe certification training.

## OBCC Lab and Production Agent Health and Safety Program

OBCC has identified eight basic components which have been identified to help prevent accidents and injuries from happening in the OBCC facility, as well as to help deal effectively with any incidents that do occur. These components are:

- Hazard Identification & Risk Control—determine which hazards are present in the workplace and take steps to eliminate or minimize such hazard.
- Safe Work Procedures:
  - Dealing with wet surfaces;
  - Wearing proper personal protective equipment and clothing;
  - Handling solvents with use of protective gloves and proper ventilation; and
  - Using proper body mechanics when lifting heavy objects.
- Orientation, Education, Training & Supervision—properly prepare agents for job duties and ensure policies and procedures are consistently followed.
- Safety Inspections—regular safety inspections throughout the OBCC facility, which will help identify workplace hazards so that they can be eliminated or controlled.
- Incident Investigation—determine cause of accident or injury and implement preventive measures.
- Health and Safety Meetings—regular meetings to provide an opportunity for agents and managers to communicate any concerns about health and safety.
- First Aid—determine what level of first aid is necessary on-site.
- Records & Statistics—maintain documentation to help identify recurring problems and ensure that hazardous conditions are corrected.

An annual Health and Safety Program review will be carried out to address current concerns.

When selling or otherwise transferring marijuana to another marijuana establishment OBCC will provide documentation of its compliance with the testing requirements of 935 CMR 500.160: *Testing of Marijuana and Marijuana Products*, and standards established by the Commission for the conditions, including time and temperature controls, necessary to protect marijuana products against physical, chemical, and microbial contamination as well as against deterioration of finished products during storage and transportation.

## Workplace Safety Procedures

OBCC has developed 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

Each employee must comply with occupational safety and health standards and all rules, regulations, and orders issued pursuant to 29 U.S.C. § 651, et seq., which are applicable to the employee's own actions and conduct. All current and updated regulations and references at 29 CFR Parts 1903, 1904, 1910, 1915, 1917, 1918, 1926, 1928 and 1977 are incorporated by reference, and applicable to all places of employment covered by 935 CMR 500.000. All current

and updated regulations and references at 29 CFR Parts 1903, 1904, 1910, 1915, 1917, 1918, 1926, 1928, and 1977 are incorporated by reference.

- 1. OSHA Standards that may be applicable are:
  - a. 1904 Recording and reporting occupational injuries and illnesses
  - b. 1910.36 Design and construction requirements for exit routes
  - c. 1910.38 Emergency action plans
  - d. 1910.39 Fire prevention plans
  - e. 1910.94 Ventilation
  - f. 1910.95 Occupational noise exposure
  - g. 1910.101 Compressed gases
  - h. 1910.106 Flammable Liquids
  - i. 1910.120 Hazardous waste operations and emergency response
  - j. 1910.132 Personal protective equipment: general requirements
  - k. 1910.133 Eye and face protection
  - I. 1910.134 Respiratory protection
  - m. 1910.135 Head protection
  - n. 1910.136 Foot protection
  - o. 1910.137 Electrical protective equipment
  - p. 1910.138 Hand protection
  - q. 1910.141 Sanitation
  - r. 1910.147 The control of hazardous energy (lockout/tagout)
  - s. 1910.151 Medical services and first aid
  - t. 1910.157 Portable fire extinguishers
  - u. 1910.159 Automatic sprinkler systems
  - v. 1910.165 Employee alarm systems
  - w. 1910.212 Machinery and machine guarding
  - x. 1910.242 Hand and portable powered tools and equipment
  - y. 1910.263 Bakery equipment
  - z. 1910.303 General design standards for electrical systems
  - aa. 1910.335 Safeguards for personnel protection and electrical systems
  - bb. 1910.1000 Table Z-1 Table Z-1 Limits for Air Contaminants
  - cc. 1910.1200 Hazard communication

## Hazard Communications Plan

1. OBCC's Hazard Communication policies and procedures shall ensure OBCC is compliant with applicable OSHA requirements and all applicable state and local laws, regulations, ordinances, and other requirements.

- 2. All levels of supervision will be held accountable for the safety of those employees under their direction.
- 3. Copies of OBCC's Hazard Communication policies and procedures shall be given to all employees and be available for all to review, upon request.
- 4. OBCC's Hazard Communication policies and procedures shall, at a minimum, address the following:
  - a. Informing employees of hazardous chemicals used at OBCC.
  - b. Use of labels and other forms of warning. Use of Material Safety Data Sheets (MSDS).
  - c. Procedure with respect to hazardous non-routine tasks.
  - d. Maintaining a list of known hazardous chemicals used by employees and independent contractors.
  - e. Communication of hazards.
  - f. Training of employees and independent contractors.
- 5. OBCC Security Manager will maintain, review, and update the Hazard Communication policies and procedures and be responsible for:
  - a. Implementation of OBCC'S Hazard Communication policies and procedures.
  - b. Ensure that OSHA records are maintained at all times.
  - c. Train all OBCC employees and visiting independent contractors.
  - d. Provide documentation of all training and communications to the Human Resources Manager.

## Personal Protective Equipment (PPE)

- 1. OBCC's personal protective equipment (PPE) policies and procedures have been developed to identify work situations that require the use of PPE and to determine the proper selection and use of PPE.
- 2. PPE will be selected and used to protect employees from the hazards and potential hazards that they are likely to encounter.
- 3. Employees will wear appropriate PPE at all times.
- 4. All managers, will implement all aspects of OBCC'S PPE policies and procedures, including:
  - a. Understanding of the applicable federal, state and local laws, regulations, ordinances, and other requirements, as well as best practice safety standards.
  - b. Reviewing hazard assessments to determine the need for PPE.
  - c. Acquiring the correct PPE.
  - d. Training employees on the use of PPE.
  - e. In coordination with the Human Resources Manager, documenting and maintaining employee PPE training.

- f. Ensuring PPE is available, provided and documented.
- g. Conducting hazard specific training for the use of PPE.
- h. Establishing inspections, maintenance and replacement procedures to make sure damaged PPE is not used.

All Managers will:

- 1. Ensure all employees wear the appropriate PPE.
- 2. Ensure that all employees have completed PPE training.
- 3. Contact the Managing Director or Chief of Staff when a hazard or process has changed which may render previously used PPE ineffective.
- 4. Comply with PPE policies as required and support the PPE program as necessary.
- 5. Participate in quarterly training for the use and maintenance of PPE.
- 6. Replace all damaged PPE.

Employees will:

- 1. Inspect PPE before use and ensure proper maintenance.
- 2. Wear all assigned PPE and conduct assigned tasks in a safe manner.
- 3. Notify a manager when PPE is damaged and needs to be replaced.
- 4. Participate in quarterly training for the use and maintenance of PPE.
- 5. Comply with PPE policies as required and support the PPE program as necessary.

#### <u>Assessment</u>

- 1. For each hazard identified during the hazard assessment, PPE will be selected to protect the employee by creating a barrier against the workplace hazard.
- 2. PPE will be selected to protect against any hazard that is present or likely to be present.
- PPE selections will be compliant with all applicable federal (excepting federal laws related to marijuana), state and local laws, regulations, ordinances, and other requirements.
- 4. All managers will choose PPE based on characteristics such as design, reliability, and suitability for the hazardous task.
- 5. Managers will ensure the PPE selected offers a level of protection greater than the minimum required to protect employees from the identified hazards.
- 6. Upgraded PPE will be immediately provided if any change in facility status results in dangerous exposures to employees.

#### Fire Protection Plan

1. All OBCC employees, supervisors, and managers are expected to follow the procedures outlined in this plan to ensure that employees and consumers are protected.

- 2. The Facility Manager is responsible for the control of accumulation of flammable or combustible waste materials.
- 3. In addition, the Facility Manager is responsible for maintenance of equipment and systems installed to prevent or control ignitions of fires (e.g., Fire Extinguishers, fire hoses, etc.)
- 4. All OBCC agents will be trained on and are responsible for understanding the following Safe Code of Work Practices:
  - a. Flammables, including datasheets, books, rags, clothing, flammable liquids or trash shall not be placed or stored near heaters or their vents, any electrical appliance, or other potential sources of ignition.
  - b. Sources of actual or potential heat such as hot plates or electric coffee pots shall not be placed near flammable materials. Portable space heaters and candles are prohibited.
  - c. Care must be taken not to block potential escape routes, particularly with flammable materials.
  - d. Each individual is personally responsible for assuring that extension cords and multiple plugs are in good condition. Cords that are missing the grounding prong, are spliced together, or that are missing their protective sheath shall not be used.
- 5. Additionally, fire control measures installed or available in work areas include installed and monitored sprinkler systems, fire extinguishers and fire alarms systems.
- 6. The Facility will have Fire Extinguishers throughout the facility.

## **Emergency Action Plan**

- 1. OBCC's emergency action plan serves to outline procedures for handling of emergency situations.
- 2. These protocols ensure the safety of all personnel in an emergency situation.
- 3. The Compliance Manager will oversee policy compliance for personnel under his or her supervision. Facility managers are responsible for oversight of all the employees and all emergency procedures.
- 4. All OBCC employees will adhere to the policies and SOPs in this manual.
- 5. All employees will have proper training in emergency preparedness as a condition of employment.

## Response to a Medical Emergency

Medical problems may range from minor, isolated events such as a fall down the stairs to the significant events involving many people. All employees will be trained in the following responses to medical emergencies:

- They should assess the situation.
- If the person is conscious, Agents should ask him or her to tell them if anything hurts. If unconscious, Agents should gently inspect the person for obvious signs of injury.
- Agents should not move the person (especially if he or she indicates any pain) unless Agents are in imminent danger of further injury, e.g., an approaching fire.
- Agents should ask someone else to call 911 if Agents are helping an injured person.
- Agents should also call the manager if he or she is not present and inform them of the situation, the location, etc.
- Agents may render first aid if Agents are knowledgeable and willing, but if possible should wait for qualified personnel to deliver medical attention.
- Agents should ask someone else to recover the first aid kit to utilize during the emergency and avoid coming in contact with blood, vomit, or other bodily fluids without the use of rubber gloves.
- Agents should not provide or administer any medicines and defer to emergency personnel once those personnel arrive.
- Agents should limit their conversation with the person to reassurances and not discuss their injury, the accident, or what circumstances might have contributed to its cause, if possible.
- After the person has been given first aid and the incident is over, Agents should provide police or other emergency personnel with any details that Agents know.
- After the medical emergency is over, the injured person, witness, and/or supervisor should formally document the incident and maintain a record of it.

## Response to a Fire Emergency

- Activate nearest fire alarm (if installed)
- Notify the local fire department by calling 911
- If no fire alarm is available notify on-site personnel via:
  - Voice communication
  - Phone paging
  - o Radio
- Fight the fire ONLY if:
  - The fire department has been notified
  - The fire is small and not spreading to other areas

- Escaping the area is possible by backing up to the nearest exit
- The fire extinguisher is in working condition and personnel are trained to use it
- Upon being notified of a fire emergency, occupants must:
  - Leave the building using designated escape routes
  - Assemble in the designated area
  - Remain outside until the competent authority (Designated Official or designee) announces that it is safe to re-enter.
- The Compliance manager shall designate employees as emergency responders who shall:
  - Disconnect utilities and equipment unless doing so jeopardizes his/her safety
  - Coordinate an orderly evacuation of personnel
  - o Perform an accurate headcount of personnel reported to the designated area
  - Determine a rescue method to locate missing personnel
  - Provide fire department personnel with the necessary information about the facility

## Extended Power Loss

In the event of an extended power loss to this facility, precautionary measures should be taken including but not limited to:

• Unnecessary electrical equipment and instruments should be turned off if power restoration causes a surge that could damage electronics and sensitive equipment.

If the power loss causes freezing temperatures within the building the following measures should be taken:

- Emergency eyewash station should be drained of water to avoid freezing and cracking of pipes.
- Equipment that contains fluids that can freeze due to long-term exposure should be drained of all such fluids.
- Propylene-glycol may be added to drains to prevent traps from freezing.

Upon restoration of power (and heat):

- Electronic equipment should be brought up to ambient temperatures before energizing to prevent condensate from forming in circuitry.
- Water pipes should be checked for leaks after heat has been restored to prevent flooding.

#### Bomb Threat

In the event of a bomb threat made in person or over the phone:

- Be calm and listen,
- Do not interrupt the caller,
- Record your name, time, and date,
- Record the following about the caller's identity:
  - Sex (Male or female)
  - Adult or juvenile
  - Origin of call (local, long distance, telephone booth):
  - Voice characteristics: loud/soft, high pitch/deep, raspy/pleasant, intoxicated, other
  - Accent: local/not local, foreign/regional, race
  - Speech: fast/slow, distinct/distorted, stutter/slurred/nasal
  - Manner: calm/angry, rational/irrational, coherent/incoherent, deliberate/emotional, righteous/laughing
  - Language: excellent, good, fair, poor, foul
  - Background noises: factory, trains, machines, animals, music, quiet, office, voices, airplanes, street, party, traffic, atmosphere
- If told, record all the following facts:
  - When will it go off
  - Where is it located
  - What kind of bomb
  - $\circ~$  What kind of package
- While on the phone or handling the person deploy the silent alarm button nearest your position.
- If the threat is made by phone, signal personnel to evacuate the facility immediately.
- As soon as possible call 911 and all company emergency contacts.

## <u>Flood</u>

- Stay calm and await instructions from designated emergency personnel or first responders.
- Shut down all utilities and equipment if it is safe to do so.
- Follow the recommended primary or secondary evacuation routes.

## <u>Blizzard</u>

- Stay calm and await instructions from designate emergency personnel or first responders.
- Stay indoors.

- If there is no heat:
  - Close off unneeded rooms or areas
  - Stuff towels or rags in cracks under doors
  - Cover windows
  - Eat and drink. Food provides the body with energy and heat. Fluids prevent dehydration.
  - Wear layers of loose-fitting, lightweight warm clothing, if available.

## Armed Robbery

All employees will be trained on how to respond to an armed robbery. Agents will receive initial training as a component of onboarding, re-fresher training annually, and as needed throughout the year:

- 1) If a firearm is displayed, Agents should assume it is real and loaded.
- 2) Agents should not do anything that would jeopardize their safety or the safety of others.
- 3) Agents should remain calm and not make any sudden moves. If Agents must put their hands into a pocket or make any other moves, explain the action before doing it. If the robber(s) have a weapon, they will likely use it if provoked.
- 4) Agents should activate alarms ONLY if Agents can do so safely and without detection.
- 5) Agents should follow the directions of the robber(s), but not volunteer to anything more than asked.
- 6) If the robber hands them a note, Agents should drop it on the floor or place it out of sight to retain as evidence.
- 7) Agents should study the robber(s) as carefully as possible without being obvious, noting height, weight, race, age, clothing, jewelry, sex, speech characteristics, scars, tattoos, physical characteristics, gait, and method of operation.
- 8) Agents should note the number of accomplices and where they stood, paying special attention to the way the robbers address each other because under stress, they may use real names.
- 9) Agents should note the type of weapon used by the robber and where he or she carried it.
- 10) Agents should note the direction in which the robber(s) departed and how they carried the money or cannabis away (sack, bank bag, etc.).
- 11) Agents should try to remember exactly what the robber(s) said.
- 12) Agents should prioritize their safety and the safety of others because money or cannabis can be recovered or replaced but a life cannot.

After an armed robbery, any employee can call 911 to report the robbery and provide their name and location. Agents should not leave the phone until they have answered all the

operator's questions. If injury occurred, Agents should advise the police if an ambulance is needed. The person who actually dealt with the robber(s) should be near the person designated to telephone the police to assist in answering any questions.

As soon as the robbery has been reported to the police, the employees should lock all doors, ask all witnesses to remain, and allow no one to enter until officers arrive. Agents should not touch anything. All persons who dealt with the robber or were present during the robbery should immediately begin writing all they can remember of the incident but not discuss the robbery with anyone until after Agents have given their information to the police.

## Active Shooter

The U.S. Department of Homeland Security defines an active shooter as "an individual actively engaged in shooting or attempting to shoot people in a confined and populated area." OBCC will teach all employees the DHS-recommended procedures of Run.Hide.Fight. if they find themselves in an area with an active shooter:

- 1) Evacuate (RUN): If employees are in the building where an active shooter is present, they should look and listen for indications of where the threat is. If they see people fleeing from a particular area, they know that the threat is in that area and could be coming toward them. They can try to evacuate the building if the nearest route is away from the active shooter or move to a room that can be locked (safe room). If they cannot evacuate or move to a safe room, they should move away from the threat and away from the noise and commotion.
- 2) Lockdown and Shelter-in-Place (HIDE): If they cannot safely evacuate the area, the best option is for the employees to find a room with a door that locks from the inside. If the door does not lock, they should barricade it with large heavy objects such as desks, tables, file cabinets, furniture, and books to make entry as difficult as possible. They should locate an area with ballistic cover, not just visual concealment, because cover stops and slows bullets while concealment does not. If for some reason the employees are caught in an open area such as a hallway or reception area, they can try to hide, remain as quiet and calm as possible, or "play dead" to avoid detection. Employees should also:
  - Cover windows and draw blinds
  - Turn off radios and computer monitors
  - Keep out of sight
  - Silence cell phones and remain as quiet as possible
- 3) **Confront the Shooter (FIGHT):** If the employees come face to face with the assailant, as a last resort and because no single procedure can be recommended in this situation,

they should attempt to quickly overpower the individual with force in the most violent manner possible. If the employees are with other people they should work as a collective group to overcome the shooter by yelling "Gun!", throwing items at the shooter's head to distract him or her, grabbing the weapon, or holding the shooter for police. They should remember that in most cases, the attacker will continue to shoot victims unless he or she is stopped.