



# June Monthly Public Meeting

Remote Via Teams

Packet 4 of 17



METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000102446</b>	<b>Date Created</b>	5/21/2020 3:58 PM
<b>Originating Entity</b>	SIRA NATURALS, INC.		<b>For Agency Use Only</b>
<b>Originating License Number</b>	MC281252		
<b>Address of Originating Entity</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Phone No. of Originating Entity</b>	508-422-0145		
<b>1. Destination</b>	Canna Provisions Inc	<b>Destination Phone No.</b>	303-981-2453
<b>Destination License Number</b>	MR281778	<b>Date and Approx. Time of Departure</b>	5/22/2020 8:00 AM
<b>Address of Destination</b>	380 Dwight Street Holyoke, MA 01040	<b>Date and Approx. Time of Arrival</b>	5/22/2020 5:00 PM
		<b>Date/Time Received</b>	5/22/2020 5:46 PM
<b>Route to be Traveled</b> 13 Commercial Way Milford > I-495 N > I-90 W > MA-116 N > 380 Dwight St Holyoke		<b>Notes:</b> details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
<b>1. Outbound Transporter</b>	SIRA NATURALS, INC.	<b>No Layover Scheduled</b>	
<b>Transporter License Number</b>	MC281252		
<b>Address of Transporter</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Contact Phone No. for Inquiries:</b> 508-422-0145			
<b>Name of Person Transporting</b>	Victor Juri	<b>Employee ID of Driver</b>	A39581
<b>State Driver's License No.</b>	S53178338	<b>Signature of Person Transporting</b>	
<b>Make, Model, License Plate No.</b>	Dodge - SB3 Ram Pro Master 1500 V57880		
<b>1. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000009534 Lab Test: TestPassed	DSD2003023-1	Sira Premium Dosido #22 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Dosido #22		
<b>Source Harvest(s)</b>	DSD2003023		
<b>Source Package(s)</b>	1A40A0300000259000008815		
<b>2. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000009537 Lab Test: TestPassed	DSD2003023-1	Sira Premium Dosido #22 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Dosido #22		
<b>Source Harvest(s)</b>	DSD2003023		
<b>Source Package(s)</b>	1A40A0300000259000008815		
<b>3. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013503 Lab Test: TestPassed	MAC2002246-3	Sira Top Shelf MAC1 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: MAC1		
<b>Source Harvest(s)</b>	MAC2002246		
<b>Source Package(s)</b>	1A40A0300000259000010761		





METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000102446</b>	<b>Date Created</b>	<b>5/21/2020 3:58 PM</b>
<b>4. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013504 Lab Test: TestPassed	MAC2002246-3	Sira Top Shelf MAC1 Flower 3.5g (Buds)	Shp: 584.5000 g Rcv: 584.5000 g
<b>Item Details</b>	Strain: MAC1		
<b>Source Harvest(s)</b>	MAC2002246		
<b>Source Package(s)</b>	1A40A0300000259000010761		
<b>5. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013516 Lab Test: TestPassed	RIN1912316-1	Sira Premium Ringo's Gift Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Ringo's Gift		
<b>Source Harvest(s)</b>	RIN1912316		
<b>Source Package(s)</b>	1A40A0300000259000010656		
<b>6. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013517 Lab Test: TestPassed	RIN1912316-1	Sira Premium Ringo's Gift Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Ringo's Gift		
<b>Source Harvest(s)</b>	RIN1912316		
<b>Source Package(s)</b>	1A40A0300000259000010656		
<b>7. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013574 Lab Test: TestPassed	TRK2003023-5	Sira Premium Triangle Kush Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Triangle Kush		
<b>Source Harvest(s)</b>	TRK2003023		
<b>Source Package(s)</b>	1A40A0300000259000008946		
<b>8. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013575 Lab Test: TestPassed	TRK2003023-5	Sira Premium Triangle Kush Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Triangle Kush		
<b>Source Harvest(s)</b>	TRK2003023		
<b>Source Package(s)</b>	1A40A0300000259000008946		
<b>9. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013577 Lab Test: TestPassed	TRK2003023-5	Sira Premium Triangle Kush Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Triangle Kush		
<b>Source Harvest(s)</b>	TRK2003023		
<b>Source Package(s)</b>	1A40A0300000259000008946		
<b>10. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013579 Lab Test: TestPassed	GG42003023-1	Sira Top Shelf GG4 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: GG4		
<b>Source Harvest(s)</b>	GG42003023		
<b>Source Package(s)</b>	1A40A0300000259000008948		
<b>11. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013589 Lab Test: TestPassed	SLH2002112-6	Sira Premium Super Lemon Haze Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Super Lemon Haze		
<b>Source Harvest(s)</b>	SLH2002112		
<b>Source Package(s)</b>	1A40A0300000259000008802		



METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000102446</b>	<b>Date Created</b>	<b>5/21/2020 3:58 PM</b>
<b>12. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013591 Lab Test: TestPassed	SLH2002112-6	Sira Premium Super Lemon Haze Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Super Lemon Haze		
<b>Source Harvest(s)</b>	SLH2002112		
<b>Source Package(s)</b>	1A40A0300000259000008802		
<b>13. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013595 Lab Test: TestPassed	TOG2003091-2	Sira Top Shelf Tahoe OG Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tahoe OG		
<b>Source Harvest(s)</b>	TOG2003091		
<b>Source Package(s)</b>	1A40A0300000259000008942		
<b>14. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013597 Lab Test: TestPassed	TOG2003091-2	Sira Top Shelf Tahoe OG Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tahoe OG		
<b>Source Harvest(s)</b>	TOG2003091		
<b>Source Package(s)</b>	1A40A0300000259000008942		
<b>15. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013601 Lab Test: TestPassed	3CH2003091-2	Sira Top Shelf 3 Chems Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: 3 Chems		
<b>Source Harvest(s)</b>	3CH2003091		
<b>Source Package(s)</b>	1A40A0300000259000015022		
<b>16. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013633 Lab Test: TestPassed	TNG2002246-2	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2002246		
<b>Source Package(s)</b>	1A40A0300000259000015326		
<b>17. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013676 Lab Test: TestPassed	CRI2003172	Sira Critical Kush Top Shelf Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Critical Kush		
<b>Source Harvest(s)</b>	CRI2003172		
<b>Source Package(s)</b>	1A40A0300000259000015534		
<b>18. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013677 Lab Test: TestPassed	CRI2003172	Sira Critical Kush Top Shelf Flower 3.5g (Buds)	Shp: 52.5000 g Rcv: 52.5000 g
<b>Item Details</b>	Strain: Critical Kush		
<b>Source Harvest(s)</b>	CRI2003172		
<b>Source Package(s)</b>	1A40A0300000259000015534		



METRC®

**MARIJUANA TRANSPORTATION MANIFEST**

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000102446</b>	<b>Date Created</b>	<b>5/21/2020 3:58 PM</b>
<b>PRODUCT REJECTION</b> <i>(if only a portion of shipment is rejected, circle that portion above)</i>			
<b>Name of Person Receiving or Rejecting Product</b>			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
<b>Signature</b>		<b>Date</b>	
<b>Signature of individual taking receipt of rejected portion of this shipment</b>			



METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000104120</b>	<b>Date Created</b>	5/26/2020 5:28 PM
<b>Originating Entity</b>	SIRA NATURALS, INC.	<b>For Agency Use Only</b>	
<b>Originating License Number</b>	MC281252		
<b>Address of Originating Entity</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Phone No. of Originating Entity</b>	508-422-0145		
<b>1. Destination</b>	Silver Therapeutics, Inc.	<b>Destination Phone No.</b>	518-570-9067
<b>Destination License Number</b>	MR281271	<b>Date and Approx. Time of Departure</b>	5/27/2020 8:00 AM
<b>Address of Destination</b>	238 Main Street Williamstown, MA 01267	<b>Date and Approx. Time of Arrival</b>	5/27/2020 6:30 PM
		<b>Date/Time Received</b>	5/27/2020 2:40 PM
<b>Route to be Traveled</b> 13 Commercial Way Milford > I-495 N > I-90 W > US-20 W > 238 Main St Williamstown		<b>Notes:</b> details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
<b>1. Outbound Transporter</b>	SIRA NATURALS, INC.	<b>No Layover Scheduled</b>	
<b>Transporter License Number</b>	MC281252		
<b>Address of Transporter</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Contact Phone No. for Inquiries:</b> 508-422-0145			
<b>Name of Person Transporting</b>	Victor Juri	<b>Employee ID of Driver</b>	A39581
<b>State Driver's License No.</b>	S53178338	<b>Signature of Person Transporting</b>	
<b>Make, Model, License Plate No.</b>	Dodge - SB3 Ram Pro Master 1500 V57880		
<b>1. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013636 Lab Test: TestPassed	TNG2002246-2	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 231.0000 g Rcv: 231.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2002246		
<b>Source Package(s)</b>	1A40A0300000259000015326		
<b>2. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013829 Lab Test: TestPassed	3CH2003165-2	Sira Premium 3 Chems Flower 3.5g (Buds)	Shp: 448.0000 g Rcv: 448.0000 g
<b>Item Details</b>	Strain: 3 Chems		
<b>Source Harvest(s)</b>	3CH2003165		
<b>Source Package(s)</b>	1A40A0300000259000015504		
<b>3. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013830 Lab Test: TestPassed	TOG2003091-1	Sira Premium Tahoe OG Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tahoe OG		
<b>Source Harvest(s)</b>	TOG2003091		
<b>Source Package(s)</b>	1A40A0300000259000008944		



METRC®

MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000104120</b>	<b>Date Created</b>	<b>5/26/2020 5:28 PM</b>
<b>4. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013833 Lab Test: TestPassed	TOG2003091-1	Sira Premium Tahoe OG Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tahoe OG		
<b>Source Harvest(s)</b>	TOG2003091		
<b>Source Package(s)</b>	1A40A0300000259000008944		
<b>5. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013843 Lab Test: TestPassed	TRK2002246-2	Sira Premium Triangle Kush Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Triangle Kush		
<b>Source Harvest(s)</b>	TRK2002246		
<b>Source Package(s)</b>	1A40A0300000259000008813		
<b>PRODUCT REJECTION</b> (if only a portion of shipment is rejected, circle that portion above)			
<b>Name of Person Receiving or Rejecting Product</b>			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
<b>Signature</b>		<b>Date</b>	
<b>Signature of individual taking receipt of rejected portion of this shipment</b>			



METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000106417</b>	<b>Date Created</b>	5/28/2020 3:28 PM
<b>Originating Entity</b>	SIRA NATURALS, INC.	<b>For Agency Use Only</b>	
<b>Originating License Number</b>	MC281252		
<b>Address of Originating Entity</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Phone No. of Originating Entity</b>	508-422-0145		
<b>1. Destination</b>	Central Ave Compassionate Care, Inc.	<b>Destination Phone No.</b>	978-772-2273
<b>Destination License Number</b>	RMD145-R	<b>Date and Approx. Time of Departure</b>	5/29/2020 8:00 AM
<b>Address of Destination</b>	31 Central Ave Ayer, MA 1432 County: Middlesex	<b>Date and Approx. Time of Arrival</b>	5/29/2020 5:00 PM
		<b>Date/Time Received</b>	5/29/2020 3:59 PM
<b>Route to be Traveled</b> Milford Sira Naturals > I-495 N > Route 2 W > CACCI		<b>Notes:</b> details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
<b>1. Outbound Transporter</b>	SIRA NATURALS, INC.	<b>No Layover Scheduled</b>	
<b>Transporter License Number</b>	MC281252		
<b>Address of Transporter</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Contact Phone No. for Inquiries:</b> 508-422-0145			
<b>Name of Person Transporting</b>	Victor Juri	<b>Employee ID of Driver</b>	A39581
<b>State Driver's License No.</b>	S53178338	<b>Signature of Person Transporting</b>	
<b>Make, Model, License Plate No.</b>	Dodge - SB3 Ram Pro Master 1500 V57880		
<b>1. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013009 Lab Test: TestPassed	88G2003172-1	Sira Premium 88 G13 Hashplant Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: 88 G13 Hashplant		
<b>Source Harvest(s)</b>	88G2003172		
<b>Source Package(s)</b>	1A40A0300000259000015734		
<b>2. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013847 Lab Test: TestPassed	TRK2003165-2	Sira Premium Triangle Kush Flower 3.5g (Buds)	Shp: 455.0000 g Rcv: 455.0000 g
<b>Item Details</b>	Strain: Triangle Kush		
<b>Source Harvest(s)</b>	TRK2003165		
<b>Source Package(s)</b>	1A40A0300000259000015491		
<b>PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)</b>			
<b>Name of Person Receiving or Rejecting Product</b>			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
<b>Signature</b>		<b>Date</b>	
<b>Signature of individual taking receipt of rejected portion of this shipment</b>			



METRC®

**MARIJUANA TRANSPORTATION MANIFEST**

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000106307</b>	<b>Date Created</b>	5/28/2020 12:58 PM
<b>Originating Entity</b>	SIRA NATURALS, INC.	<b>For Agency Use Only</b>	
<b>Originating License Number</b>	MC281252		
<b>Address of Originating Entity</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Phone No. of Originating Entity</b>	508-422-0145		
<b>1. Destination</b>	Pharmacannis Massachusetts Inc.	<b>Destination Phone No.</b>	508-649-9858
<b>Destination License Number</b>	MR281252	<b>Date and Approx. Time of Departure</b>	5/29/2020 8:00 AM
<b>Address of Destination</b>	112 Main Street Wareham, MA 02571	<b>Date and Approx. Time of Arrival</b>	5/29/2020 5:00 PM
		<b>Date/Time Received</b>	5/29/2020 2:17 PM
<b>Route to be Traveled</b> Milford Sira Naturals > I-495 S > I-25 S > Veralife		<b>Notes:</b> details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
<b>1. Outbound Transporter</b>	SIRA NATURALS, INC.	<b>No Layover Scheduled</b>	
<b>Transporter License Number</b>	MC281252		
<b>Address of Transporter</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Contact Phone No. for Inquiries:</b> 508-422-0145			
<b>Name of Person Transporting</b>	Victor Juri	<b>Employee ID of Driver</b>	A39581
<b>State Driver's License No.</b>	S53178338	<b>Signature of Person Transporting</b>	
<b>Make, Model, License Plate No.</b>	Dodge - SB3 Ram Pro Master 1500 V57880		
<b>1. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013653 Lab Test: TestPassed	TOG2003091-1	Sira Tahoe OG Preroll 1 g (Raw Pre-Rolls)	Shp: 200.0000 g Rcv: 200.0000 g
<b>Item Details</b>			
<b>Source Harvest(s)</b>	TOG2003091		
<b>Source Package(s)</b>	1A40A0300000259000008945		
<b>2. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013655 Lab Test: TestPassed	TOG2003091-1	Sira Tahoe OG Preroll 1 g (Raw Pre-Rolls)	Shp: 200.0000 g Rcv: 200.0000 g
<b>Item Details</b>			
<b>Source Harvest(s)</b>	TOG2003091		
<b>Source Package(s)</b>	1A40A0300000259000008945		
<b>3. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013658 Lab Test: TestPassed	LOJ2003165A-2	Sira Light of Jah Preroll 1g (Raw Pre-Rolls)	Shp: 150.0000 g Rcv: 150.0000 g
<b>Item Details</b>			
<b>Source Harvest(s)</b>	LOJ2003165A		
<b>Source Package(s)</b>	1A40A0300000259000015035		



METRC®

MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000106307</b>	<b>Date Created</b>	<b>5/28/2020 12:58 PM</b>
<b>4. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013662 Lab Test: TestPassed	LOJ2003165A-2	Sira Light of Jah Preroll 1g (Raw Pre-Rolls)	Shp: 200.0000 g Rcv: 200.0000 g
<b>Item Details</b>			
<b>Source Harvest(s)</b>			
LOJ2003165A			
<b>Source Package(s)</b>			
1A40A0300000259000015035			
<b>5. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013711 Lab Test: TestPassed	MAC2002246-4	Sira MAC1 Preroll 1g (Raw Pre-Rolls)	Shp: 200.0000 g Rcv: 200.0000 g
<b>Item Details</b>			
<b>Source Harvest(s)</b>			
MAC2002246			
<b>Source Package(s)</b>			
1A40A0300000259000008818			
<b>PRODUCT REJECTION</b> <i>(if only a portion of shipment is rejected, circle that portion above)</i>			
<b>Name of Person Receiving or Rejecting Product</b>			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
<b>Signature</b>		<b>Date</b>	
<b>Signature of individual taking receipt of rejected portion of this shipment</b>			





METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000123306</b>	<b>Date Created</b>	6/10/2020 8:37 AM
<b>Originating Entity</b>	SIRA NATURALS, INC.	<b>For Agency Use Only</b>	
<b>Originating License Number</b>	MC281252		
<b>Address of Originating Entity</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Phone No. of Originating Entity</b>	508-422-0145		
<b>1. Destination</b>	Canna Provisions Inc	<b>Destination Phone No.</b>	303-981-2453
<b>Destination License Number</b>	MR281796	<b>Date and Approx. Time of Departure</b>	6/10/2020 8:00 AM
<b>Address of Destination</b>	220 Housatonic Street Lee, MA 01238	<b>Date and Approx. Time of Arrival</b>	6/10/2020 5:00 PM
		<b>Date/Time Received</b>	6/10/2020 4:05 PM
<b>Route to be Traveled</b> Sira Naturals Milford > I-495 N I-90 W > Canna Provisions		<b>Notes:</b> details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
<b>1. Outbound Transporter</b>	SIRA NATURALS, INC.	<b>No Layover Scheduled</b>	
<b>Transporter License Number</b>	MC281252		
<b>Address of Transporter</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Contact Phone No. for Inquiries:</b> 508-422-0145			
<b>Name of Person Transporting</b>	Victor Juri	<b>Employee ID of Driver</b>	B125834
<b>State Driver's License No.</b>	S53178338	<b>Signature of Person Transporting</b>	
<b>Make, Model, License Plate No.</b>	Dodge SB3 Ram Pro Master 1500 V57880		
<b>1. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013030 Lab Test: TestPassed	AK42003172-2	Sira Premium AK-47 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: AK-47		
<b>Source Harvest(s)</b>	AK42003172		
<b>Source Package(s)</b>	1A40A0300000259000015613		
<b>2. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013031 Lab Test: TestPassed	AK42003172-2	Sira Premium AK-47 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: AK-47		
<b>Source Harvest(s)</b>	AK42003172		
<b>Source Package(s)</b>	1A40A0300000259000015613		
<b>3. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013074 Lab Test: TestPassed	BRY2003304-1	Sira Top Shelf Blueberry Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Blueberry		
<b>Source Harvest(s)</b>	BRY2003304		
<b>Source Package(s)</b>	1A40A0300001E7C000000362		



METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000123306</b>	<b>Date Created</b>	<b>6/10/2020 8:37 AM</b>
<b>4. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013076 Lab Test: TestPassed	BRY2003304-1	Sira Top Shelf Blueberry Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Blueberry		
<b>Source Harvest(s)</b>	BRY2003304		
<b>Source Package(s)</b>	1A40A0300001E7C000000362		
<b>5. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013077 Lab Test: TestPassed	BRY2003304-1	Sira Top Shelf Blueberry Flower 3.5g (Buds)	Shp: 441.0000 g Rcv: 441.0000 g
<b>Item Details</b>	Strain: Blueberry		
<b>Source Harvest(s)</b>	BRY2003304		
<b>Source Package(s)</b>	1A40A0300001E7C000000362		
<b>6. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013097 Lab Test: TestPassed	WDC2004062-2	Nantucket Nuggets Wedding Cake Flower 7g (Buds)	Shp: 784.0000 g Rcv: 784.0000 g
<b>Item Details</b>	Strain: Wedding Cake		
<b>Source Harvest(s)</b>	WDC2004062		
<b>Source Package(s)</b>	1A40A0300000259000015086		
<b>7. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013900 Lab Test: TestPassed	AK42003172-8	Sira Premium AK-47 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: AK-47		
<b>Source Harvest(s)</b>	AK42003172		
<b>Source Package(s)</b>	1A40A0300000259000015646		
<b>8. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013901 Lab Test: TestPassed	AK42003172-8	Sira Premium AK-47 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: AK-47		
<b>Source Harvest(s)</b>	AK42003172		
<b>Source Package(s)</b>	1A40A0300000259000015646		
<b>9. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013902 Lab Test: TestPassed	AK42003172-8	Sira Premium AK-47 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: AK-47		
<b>Source Harvest(s)</b>	AK42003172		
<b>Source Package(s)</b>	1A40A0300000259000015646		
<b>10. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013904 Lab Test: TestPassed	AK42003172-8	Sira Premium AK-47 Flower 3.5g (Buds)	Shp: 105.0000 g Rcv: 105.0000 g
<b>Item Details</b>	Strain: AK-47		
<b>Source Harvest(s)</b>	AK42003172		
<b>Source Package(s)</b>	1A40A0300000259000015646		
<b>11. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013906 Lab Test: TestPassed	88G2004011-3	Sira Top Shelf 88 G13 Hashplant Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: 88 G13 Hashplant		
<b>Source Harvest(s)</b>	88G2004011		
<b>Source Package(s)</b>	1A40A0300000259000015639		



METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000123306</b>	<b>Date Created</b>	<b>6/10/2020 8:37 AM</b>
<b>12. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013907 Lab Test: TestPassed	88G2004011-3	Sira Top Shelf 88 G13 Hashplant Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: 88 G13 Hashplant		
<b>Source Harvest(s)</b>	88G2004011		
<b>Source Package(s)</b>	1A40A0300000259000015639		
<b>13. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013908 Lab Test: TestPassed	88G2004011-3	Sira Top Shelf 88 G13 Hashplant Flower 3.5g (Buds)	Shp: 143.5000 g Rcv: 143.5000 g
<b>Item Details</b>	Strain: 88 G13 Hashplant		
<b>Source Harvest(s)</b>	88G2004011		
<b>Source Package(s)</b>	1A40A0300000259000015639		
<b>14. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013909 Lab Test: TestPassed	TNG2003172-4	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2003172		
<b>Source Package(s)</b>	1A40A0300000259000015630		
<b>15. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013911 Lab Test: TestPassed	TNG2003172-4	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 234.5000 g Rcv: 234.5000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2003172		
<b>Source Package(s)</b>	1A40A0300000259000015630		
<b>16. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013968 Lab Test: TestPassed	WDC2004062-3	Nantucket Nuggets Wedding Cake Flower 7g (Buds)	Shp: 490.0000 g Rcv: 490.0000 g
<b>Item Details</b>	Strain: Wedding Cake		
<b>Source Harvest(s)</b>	WDC2004062		
<b>Source Package(s)</b>	1A40A0300000259000015094		
<b>17. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013971 Lab Test: TestPassed	TNG2003172-1	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2003172		
<b>Source Package(s)</b>	1A40A0300000259000015655		
<b>18. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013972 Lab Test: TestPassed	TNG2003172-1	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2003172		
<b>Source Package(s)</b>	1A40A0300000259000015655		
<b>19. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013973 Lab Test: TestPassed	TNG2003172-1	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2003172		
<b>Source Package(s)</b>	1A40A0300000259000015655		



METRC®

**MARIJUANA TRANSPORTATION MANIFEST**

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000123306</b>	<b>Date Created</b>	<b>6/10/2020 8:37 AM</b>
<b>20. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013974 Lab Test: TestPassed	TNG2003172-1	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 364.0000 g Rcv: 364.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2003172		
<b>Source Package(s)</b>	1A40A0300000259000015655		
<b>PRODUCT REJECTION</b> (if only a portion of shipment is rejected, circle that portion above)			
<b>Name of Person Receiving or Rejecting Product</b>			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
<b>Signature</b>		<b>Date</b>	
<b>Signature of individual taking receipt of rejected portion of this shipment</b>			



METRC®

## MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000123205</b>	<b>Date Created</b>	6/10/2020 8:43 AM
<b>Originating Entity</b>	SIRA NATURALS, INC.	<b>For Agency Use Only</b>	
<b>Originating License Number</b>	MC281252		
<b>Address of Originating Entity</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Phone No. of Originating Entity</b>	508-422-0145		
<b>1. Destination</b>	The Verb is Herb, LLC.	<b>Destination Phone No.</b>	860-803-3675
<b>Destination License Number</b>	MR281637	<b>Date and Approx. Time of Departure</b>	6/10/2020 8:00 AM
<b>Address of Destination</b>	74 Cottage St Easthampton, MA 01027	<b>Date and Approx. Time of Arrival</b>	6/10/2020 5:00 PM
		<b>Date/Time Received</b>	6/10/2020 1:27 PM
<b>Route to be Traveled</b> Sira Naturals Milford > I-495 > I-90 W > Verb East Hampton		<b>Notes:</b> details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
<b>1. Outbound Transporter</b>	SIRA NATURALS, INC.	<b>No Layover Scheduled</b>	
<b>Transporter License Number</b>	MC281252		
<b>Address of Transporter</b>	13 COMMERCIAL WAY Milford, MA 01757		
<b>Contact Phone No. for Inquiries:</b> 508-422-0145			
<b>Name of Person Transporting</b>	Victor Juri	<b>Employee ID of Driver</b>	B125834
<b>State Driver's License No.</b>	S53178338	<b>Signature of Person Transporting</b>	
<b>Make, Model, License Plate No.</b>	Dodge - SB3 Ram Pro Master 1500 V57880		
<b>1. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013029 Lab Test: TestPassed	AK42003172-2	Sira Premium AK-47 Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: AK-47		
<b>Source Harvest(s)</b>	AK42003172		
<b>Source Package(s)</b>	1A40A0300000259000015613		
<b>2. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013073 Lab Test: TestPassed	BRY2003304-1	Sira Top Shelf Blueberry Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Blueberry		
<b>Source Harvest(s)</b>	BRY2003304		
<b>Source Package(s)</b>	1A40A0300001E7C000000362		
<b>3. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013098 Lab Test: TestPassed	WDC2004062-2	Nantucket Nuggets Wedding Cake Flower 7g (Buds)	Shp: 343.0000 g Rcv: 343.0000 g
<b>Item Details</b>	Strain: Wedding Cake		
<b>Source Harvest(s)</b>	WDC2004062		
<b>Source Package(s)</b>	1A40A0300000259000015086		



METRC®

MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

<b>Manifest No.</b>	<b>0000123205</b>	<b>Date Created</b>	<b>6/10/2020 8:43 AM</b>
<b>4. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013905 Lab Test: TestPassed	88G2004011-3	Sira Top Shelf 88 G13 Hashplant Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: 88 G13 Hashplant		
<b>Source Harvest(s)</b>	88G2004011		
<b>Source Package(s)</b>	1A40A0300000259000015639		
<b>5. Package   Accepted</b>	<b>Production Batch No.</b>	<b>Item Name</b>	<b>Quantity</b>
1A40A0300000259000013910 Lab Test: TestPassed	TNG2003172-4	Sira Premium Tangie Flower 3.5g (Buds)	Shp: 588.0000 g Rcv: 588.0000 g
<b>Item Details</b>	Strain: Tangie		
<b>Source Harvest(s)</b>	TNG2003172		
<b>Source Package(s)</b>	1A40A0300000259000015630		
<b>PRODUCT REJECTION</b> <i>(if only a portion of shipment is rejected, circle that portion above)</i>			
<b>Name of Person Receiving or Rejecting Product</b>			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
<b>Signature</b>		<b>Date</b>	
<b>Signature of individual taking receipt of rejected portion of this shipment</b>			

ESTABLISHMENT_LICE	ESTABLISHMENT_NAME	LICENSE_NUMBER
MC281504	Garden Remedies, Inc.	AR293199
MC281504	Garden Remedies, Inc.	AR293234
MP281381	Garden Remedies, Inc.	AR293197
MP281381	Garden Remedies, Inc.	AR293219
MR281495	Garden Remedies, Inc.	AR293201
MR281495	Garden Remedies, Inc.	AR293236
MR281942	Garden Remedies, Inc.	AR293200
MR281942	Garden Remedies, Inc.	AR293237
MR282471	Garden Remedies, Inc.	AR293202
MR282471	Garden Remedies, Inc.	AR293238
RMD205	Garden Remedies, Inc.	A28666
RMD205	Garden Remedies, Inc.	A39711
RMD1005	Garden Remedies-Melrose	A41939
RMD1005	Garden Remedies-Melrose	A41944
MP281303	Sira Naturals Inc	AR293064
MP281303	Sira Naturals Inc	AR292961
MP281303	Sira Naturals Inc	ARN291895
MX281310	Sira Naturals Inc	AR293069
MX281310	Sira Naturals Inc	AR292962
MX281310	Sira Naturals Inc.	ARN291896
RMD245	Sira Naturals, Inc.	A39581
RMD245	Sira Naturals, Inc.	A39521
RMD245	Sira Naturals, Inc.	A38489
MC281252	-No results	

AGENT_FIRST_NAME	AGENT_LAST_NAME	REGISTRATION_START_DATE
Victor	Juri	2/28/2020
Agustin	La Roza	2/28/2020
Victor	Juri	2/28/2020
Agustin	La Roza	2/27/2020
Victor	Juri	2/28/2020
Agustin	La Roza	2/28/2020
Victor	Juri	2/28/2020
Agustin	La Roza	2/28/2020
Victor	Juri	2/28/2020
Agustin	La Roza	2/28/2020
Victor	Juri	2/13/2020
Agustin	La Roza	3/4/2020
Victor	Juri	8/31/2020
Agustin	La Roza	9/30/2020
Victor	Juri	2/25/2020
Agustin	La Roza	2/20/2020
Cedric	Crawford	1/10/2020
Victor	Juri	2/25/2020
Agustin	La Roza	2/20/2020
Cedric	Crawford	1/10/2020
Victor	Juri	2/24/2020
Agustin	La Roza	2/20/2020
Cedric	Crawford	1/9/2020



REGISTRATION_EXPIRATION_[SURRENDERED_DATE	LICENSE_STATUS
2/28/2021	ACTIVE
2/28/2021	ACTIVE
2/28/2021	ACTIVE
2/27/2021	ACTIVE
2/28/2021	ACTIVE
2/28/2021	ACTIVE
2/28/2021	ACTIVE
2/28/2021	ACTIVE
2/28/2021	ACTIVE
2/28/2021	ACTIVE
2/13/2021	
3/4/2021	
8/31/2021	
9/30/2021	
2/25/2021	11/25/2020 3:00 SURRENDERED
2/20/2021	11/25/2020 3:00 SURRENDERED
1/10/2021	11/25/2020 SURRENDERED
2/25/2021	11/25/2020 3:00 SURRENDERED
2/20/2021	11/25/2020 3:00 SURRENDERED
1/10/2021	11/25/2020 SURRENDERED
3/2/2022	
2/20/2022	
1/13/2022	

SURRENDERED\_DATE

#### 4. Year-to-date employee and contractor staff rosters (January 1, 2020 – present).

#### 5. Agent status (Active and Inactive)

Last Name	First Name	Driver Status	Sira Agent Status	Agent Reg RMD	Agent Reg MP	Agent Reg MX	Active Employee	
<b>Sira Employees</b>								
Carter	Daniel	Full time driver	Active	A39393	AR292781	AR292784	Y	
Panaia	Matt	Full time driver	Active	A33683	AR287803	AR292391	Y	
Minaker	Kyle	Full time driver	Active	A39474	AR292600	AR292602	Y	
Downs	Corey	Full time driver	Active	A41316	AR296451	AR296452	Y	
Deborah	Laverie	As needed basis	Active	A17522	AR282601	No MX	Y	
Rice	Kevin	As needed basis	Active	A33489	AR287616	AR287617	Y	
Hicks	Charlie	As needed basis	Active	A26927	AR283100	AR285567	Y	
Tydryszewski	Scott	As needed basis	Active	A22741	AR282641	AR282642	Y	
Callahan	Amanda	As needed basis	Active	A37408	AR291249	AR291250	Y	
Kingdon	James	As needed basis	Active	A24500	AR282608	AR282599	Y	
Anderson	Joshua	Internal transfers only	Active	A35828	AR290112	AR290113	Y	
Nordstrom	Sarah	Internal transfers only	Active	A34374	AR288656	AR288657	Y	
Balchuinas	Kevin	Internal transfers only	Active	A16840	AR282557	AR282558	Y	
Hauglie	Mark	No longer driving	Active	A32263	AR286247	AR286248	Y	

Deleon	Jose	One trip, quit	Inactive	A41371	AR296586	AR296587	N	
--------	------	----------------	----------	--------	----------	----------	---	--

#### 4. Year-to-date employee and contractor staff rosters (January 1, 2020 – present)

#### 5. Agent status (Active and Inactive)

Last Name	First Name	Sira Agent Reg # RMD	Sira Agent Reg #MP	Sira Agent Reg #MX	Sira Agent Status			
<b>Stalk &amp; Beans - Contractors</b>								
Atehortua	Camilo	A40756	AR295392	AR295395	Active			
Cardone	Jaymeson	A40091	AR294078	AR294080	Active			
Crawford	Cedric	A38489	AR291895	AR291896	Active			
Foley	Kieran	A40094	AR294081	AR294082	Active			
Gore	Kenneth	A40050	AR294004	AR294005	Active			
Grant	Jonathan	A37285	AR291104	AR291106	Active			
Juri	Victor	A39581	AR293064	AR293069	Active			
La Roza	Agustin	A39521	AR292961	AR292962	Active			
Siciliano	Joseph	A36660	AR290767	AR290768	Active			
Strauss	Benjamin	A34392	AR288809	AR288811	Active			
Knox	Matthew	A34420	AR288704	AR288705	Inactive			
Knox	Wendell	A34421	AR288702	AR288703	Inactive			
Wolferseder	Scott	A36000	AR290122	AR290123	Inactive			

[illegible]

#### 4. Year-to-date employee and contractor staff rosters (January 1, 2020 –

## 5. Agent status (Active and Inactive)

[illegible]

[illegible]



## **Investigations and Enforcement Department Summary**

**Case No. ENF-2020-0000001057**

1. Name of Licensee and affected licenses
  - a. Commonwealth Alternative Care, Inc. (CAC)
    - i. MTC785; MTC Brockton; MTC Cambridge
2. Address of Licensee
  - a. 30 Mozzzone Blvd, Taunton, MA 02780
3. Date(s) of Informal Dispute Resolution Conference
  - a. May 17, 2021
4. Violation
  - a. No Person or Entity Having Direct or Indirect Control shall be granted, or hold, more than three licenses in a particular class, except as otherwise specified in 935 CMR 500.000 and/or 501.000.
    - i. 935 CMR 501.050(1)(b)(1)
5. Summary

The Commission, through its Investigations and Enforcement Department, recommends ratification of the proposed Final Order and Stipulated Agreement.

This matter is brought before the Commission on account that in light of the promulgation made by the November 1, 2019 regulations, the Commission could reasonably find that licensee's parent company (TILT Holdings, Inc.) should have known that it exercised direct or indirect control through management and services agreements of five licensed Medical Marijuana Treatment Center (MTC) entities, before final termination of the affiliate agreements. Specifically, two provisionally licensed CAC entities, one final licensed CAC entity, and one provisionally licensed affiliate entity and one final licensed affiliate entity.

Pursuant to the proposed Final Order and Stipulated Agreement, the licensee has accepted responsibility in this matter. Further, resolution of this matter is appropriate where the licensee cooperated with the Commission's investigation and took corrective action to resolve noncompliance.
6. Stipulated Resolution
  - a. Enforcement Remedy



- i. Licensee agrees to make a monetary payment in the amount of two-hundred and seventy-five thousand dollars (\$275,000).
- b. Affirmative Relief
  - i. The licensee shall submit to the Commission any documentation required under the regulations or as further requested by the Commission as it relates to the assignment of debt.
- c. Additional Conditions
  - i. none.

### **RECOMMENDATION**

The Investigations and Enforcement Department recommends ratification of the proposed Final Order and Stipulated Agreement. The proposed remedy recognizes that the licensee has accepted responsibility for the violations set forth in the Order and will take affirmative measures in furtherance of the public interest in order to restore good standing with the Commission.





June 9, 2021

Commonwealth Alternative Care, Inc.  
MTC 785; MTC Brockton; MTC Cambridge

**Case No. ENF-2020-0000001057**

### **FINAL ORDER AND STIPULATED AGREEMENT**

This Final Order and Stipulated Agreement (hereinafter, “Order”) between the Commonwealth of Massachusetts Cannabis Control Commission (“Commission”) and Commonwealth Alternative Care, Inc. (“CAC” or “Respondent”) and its parent company, TILT Holdings Inc. (“TILT”), offered for the purposes of settlement and to avoid the uncertainty and cost of future administrative action.

The Commission finds that resolution of this matter serves the purposes of 935 CMR 501.450 and 935 CMR 501.550 because Respondent has accepted responsibility for the violations set forth in this Order, has cooperated in the Commission’s investigation, and has taken initial corrective action to resolve the matter.

Accordingly, the Commission and Respondent submit to and agree as follows:

1. The Commission has jurisdiction over licensed marijuana establishments and licensed medical marijuana treatment centers and the subject matter herein pursuant to the provisions of the Commonwealth’s marijuana laws, M.G.L. Chapters 94G and 94I, and the Commission’s regulations, 935 CMR 500.000, *et seq.*, and 935 CMR 501.000, *et seq.*
2. Respondent has been subject to an investigation conducted by the Commission’s investigators. The Commission alleges violations of the Commission’s regulations, 935 CMR 501.000, *et seq.*;
3. Pursuant to 935 CMR 501.360, the Commission may issue an order to show cause as to why a fine or other financial penalty against Respondent should not be imposed upon determining that Respondent’s acts or omissions have violated the Commonwealth’s marijuana laws. 935 CMR 501.500 affords Respondent an opportunity to be heard and to show cause as to why a fine or other financial penalty should not be imposed;



4. Pursuant to 935 CMR 501.370, the Commission may also issue an order to show cause as to why the license or registration should not be suspended or revoked if, after an investigation, the Commission determines that such grounds exist. In accordance with 935 CMR 501.500, Respondent shall be afforded an opportunity to be heard and to show cause as to why the license or registration should not be suspended or revoked;
5. Respondent received a Provisional Certificate of Registration from the Department of Public Health (“DPH”) on July 29, 2016 for MTC Cambridge, and on August 29, 2016, for MTC Brockton.
6. Respondent received a Provisional Certificate of Registration from DPH for an entity now identified as MTC785 on April 21, 2017, and a Final Certificate of Registration on May 7, 2018. The MTC has commenced operations in Taunton.
7. Between 2017 and 2018, Respondent’s then-parent company, Sea Hunter Therapeutics, LLC through its subsidiaries (collectively “Sea Hunter”) entered into management and services agreements and/or loan agreements (in each instance, “Sea Hunter Agreements”) with Ermont, Inc. (“Ermont”), which holds a final MTC license and Verdant Medical, Inc. (“Verdant Medical” and, collectively with Ermont, the “Affiliates”), which holds a provisional MTC License.
8. Sea Hunter also entered into Sea Hunter Agreements with applicants Elev8 Cannabis, Inc. and Herbology Group, Inc.
9. Respondent has also submitted applications for adult-use retail (MRN282337) and (MRN282339) licensure.
10. The Sea Hunter Agreements with the Affiliates were drafted when DPH regulated the medical use of marijuana in the Commonwealth. At that time, the governing regulations provided that “No entity . . . may directly or indirectly control more than three RMDs.” 105 CMR 125.100(a)(2) (repealed). The term “directly or indirectly control” was not expressly defined under the DPH’s regulations.
11. In the Sea Hunter Agreement(s) between Ermont and Sea Hunter, Sea Hunter owned 100% of Ermont’s debt and had:
  - a. The authority to Control Ermont’s cash flow through the provisions in the Loan and Security Agreement;
  - b. The ability to influence the selection of Ermont’s CEO and sole director;
  - c. Ownership of the master service contract through its subsidiary, Cultivo, as a condition of the debt purchase; and
  - d. The ability to limit decisions through consent rights typically reserved for the Board of Directors.
  - e. Furthermore, for a limited period of time from late 2018 and early 2019, communications between Sea Hunter and Ermont reveal that Sea Hunter



consultants were involved with the day-to-day operations of Ermont pursuant to the management and services agreement.

12. In the Sea Hunter Agreement(s) between Verdant Medical and Sea Hunter, Sea Hunter owned 100% of Verdant Medical's debt and had authority to:
  - a. Control Verdant Medical's cash flow through the provisions in the Loan and Security Agreement;
  - b. Contract rights to undertake the buildout of the Provincetown location;
  - c. Own the rights to the master service contract through its subsidiary, Cultivo, as a condition of the loan; and
  - d. Limit decisions through consent rights typically reserved for a Board of Directors.
13. In November of 2018, Sea Hunter completed a merger, the result of which was TILT Holdings Inc., the present parent company of the Respondent.
14. On or around December 23, 2018, the Commission continued an investigation initiated by DPH regarding ownership and control upon the transfer of the Medical Use of Marijuana Program.
15. Beginning on May 10, 2019 TILT's Board of Directors began the process of replacing the executives from Sea Hunter with new management.
16. On May 16, 2019 the Commission issued a Request for Information ("RFI") to documents pertaining to the contractual arrangements involving Sea Hunter.
17. In July 2019, Respondent through their counsel attended an investigatory conference and provided copies of Sea Hunter Agreements to the Commission's Enforcement staff for its review.
18. Further, in July 2019, Respondent's counsel informed the Commission that TILT was making good faith efforts to unwind pre-existing Sea Hunter Agreements and that former Sea Hunter management were no longer in leadership roles.
19. On September 23, 2019, TILT executed a termination agreement with Elev8 Cannabis, Inc.
20. On November 1, 2019, the Commission amended its regulations to clarify the definition of direct or indirect control (among other things). Specifically, the revisions included a clarified definition of "Persons or Entities Having Direct Control."
21. On May 6, 2020, Enforcement staff and TILT's counsel held an investigatory conference. Counsel represented that TILT was still seeking to unwind all Agreements.
22. On May 22, 2020, TILT executed a termination agreement with Herbology Group, Inc.
23. On June 30, 2020, Enforcement staff and TILT's counsel held an investigatory conference, where TILT stated that new management wanted to unwind all Sea Hunter



affiliate relationships while maintaining the ability to collect monetary obligations for money previously lent.

24. In August of 2020, TILT provided the Commission with unilateral releases supporting its intention to unwind all Affiliate relationships.
25. On October 30, 2020, Enforcement staff sent an RFI to Respondent and TILT seeking communications with former Commission staff. Documentation was submitted by TILT and Respondent on November 2, 2020, and November 10, 2020.
26. In November 2020, Enforcement staff concluded its investigation with a finding that the active Sea Hunter Agreements with the Affiliates constituted a direct or indirect control relationship.
27. On February 19, 2021, a conference took place between Enforcement staff and representatives from TILT where TILT disclosed that its Board of Directors had approved an agreement with a third-party purchaser to buy Ermont's debt and, with respect to Verdant Medical, TILT would release Verdant Medical from its obligations under the loan and security agreement to which it was a party.
28. On February 23, 2021, TILT submitted documents evidencing the termination of its relationships with Ermont and Verdant Medical.
29. TILT provided the Assignment Agreement between TILT, as Assignor, and Teneo Capital Management, LLC ("Teneo"), as Assignee, for Ermont's debt. TILT agreed to sell, transfer, and assign rights, title, interests, claims and obligations under the Agreements to Teneo.
30. A former Sea Hunter executive, Robert Leidy, Jr. is a member with Teneo.
31. TILT provided a Lien Release and Release from Guaranty for Verdant Medical, discharging its obligations and released Verdant Medical's debt.
32. On March 10, 2021, an RFI was sent to TILT seeking clarification of the relationship between TILT, the assignee Teneo and Mr. Leidy. Documentation was provided by TILT, and Enforcement staff concluded, that Mr. Leidy owns a de minimis amount of publicly traded TILT stock. Enforcement staff found no other relationship between TILT, Teneo or Mr. Leidy.
33. Enforcement staff concluded TILT had successfully assigned the Sea Hunter Agreement(s) between TILT and Ermont. The Assignment Agreement serves as the termination of the last connection between TILT and Ermont.
34. Enforcement staff concluded TILT had successfully terminated its relationship with Verdant Medical that would be construed as direct or indirect control under 935 CMR 501.050.
35. TILT no longer has any control, indirect or direct, over Ermont as of February 22, 2021 under 935 CMR 501.050.



### **Applicable Law**

36. No Person or Entity Having Direct or Indirect Control shall be granted, or hold, more than three licenses in a particular class, except as otherwise specified in 935 CMR 500.000. See 935 CMR 500.050(1)(b)(1) and 501.050(1)(b)(1).
37. Persons or Entities Having Direct Control means any person or entity having direct control over the operations of a Marijuana Establishment, which satisfies one or more of the following criteria: (a) An Owner that possesses a financial interest in the form of equity of 10% or greater in a Marijuana Establishment; (b) A Person or Entity that possesses a voting interest of 10% or greater in a Marijuana Establishment or a right to veto significant events; (c) A Close Associate; (d) A Person or Entity that has the right to control or authority, through contract or otherwise including, but not limited to: 1. to make decisions regarding operations and strategic planning, capital allocations, acquisitions and divestments; 2. to appoint more than 50% of the directors; 3. to appoint or remove Corporate-level officers or their equivalent; 4. to make major marketing, production, and financial decisions; 5. to execute significant or exclusive contracts; or 6. to earn 10% or more of the profits or collect more than 10% of the dividends. See 935 CMR 500.002 and 501.002.
38. The Commission shall receive notice of any such interests as part of the application pursuant to 935 CMR 500.101. See 935 CMR 500.050(1)(b)(5) and 501.050(1)(b)(5).
39. It is full and adequate grounds for suspending or revoking a Marijuana Establishment's License or denying a renewal application for a Marijuana Establishment License . . . that [t]he Licensee failed to comply with the control limitations listed in 935 CMR 501.050(1)(b) or would likely fail to comply with such limitations if a renewal License were granted. See 935 CMR 501.450(6).

### **Stipulated Findings**

40. The Commission, through its Executive Director, and Respondent have come to mutual agreement and understanding, and jointly propose to the Commission a resolution of alleged violations in lieu of proceeding through an administrative hearing to determine the merits of such allegations. The terms and conditions of this Order and Stipulated Agreement are expressly subject to ratification of the Commission by majority vote of its Commissioners;
41. In lieu of proceeding with an administrative hearing and subsequent proceedings, Respondent further agrees to the stipulated findings set forth in Paragraphs 40 - 43, inclusive of all subparagraphs.
42. In light of the promulgation made by the November 1, 2019 regulations, the Commission could reasonably find that Respondent's parent company should have known that it exercised direct or indirect control of five licensed MTC entities before final termination of the affiliate Agreements: two provisionally licensed CAC entities, one final licensed



CAC entity, and one provisionally licensed affiliate entity and one final licensed affiliate entity.

43. Notwithstanding the foregoing, the Commission recognizes relevant material mitigating factors to consider when weighing Respondent's conduct, including the following:
- a. Respondent fully cooperated with the Commission's investigation into ownership and control interests and engaged in good-faith efforts to comply with the regulations.
  - b. The Sea Hunter Agreements were drafted when DPH regulated the medical use of marijuana in the Commonwealth and the concept of "direct or indirect control" was not further defined in the regulations.
  - c. Respondent under new management immediately conveyed its intention to terminate its relationships with the Affiliates.
  - d. Respondent's parent company in fact terminated all the relationships with Ermont and Verdant Medical as of February 2021.

**Stipulated Remedy**

44. In lieu of proceeding with an administrative hearing and subsequent proceedings, Respondent further agrees to the stipulated remedies and terms set forth in Paragraphs 44 - 67, inclusive of all subparagraphs.
45. Respondent agrees to make a monetary payment in the amount of two-hundred and seventy-five thousand dollars (\$275,000.00) made payable by check or money order, payable to the order of the Cannabis Control Commission Marijuana Regulation Fund;
46. Payment shall be postmarked on or made on or before 60 days after the ratification of this Order and forwarded to the following address:
- Cannabis Control Commission  
2 Washington Square  
Worcester, MA 01604
47. Respondent shall submit to the Commission any documentation required under the regulations or as further requested by the Commission as it relates to the assignment of Ermont's debt to Teneo.
48. This Order may be admissible as evidence in any future hearing before the Commission or used in connection with any future licensure or administrative actions by the Commission;
49. Any issues relating to the underlying complaint and investigation that formed the basis for this Order against Respondent (and any defenses that Respondent may have to such complaint or investigation) shall not be at issue in a proceeding against Respondent for failing to comply with the terms of this Order;
50. Respondent agrees that the Commission may consider the Order, Respondent's acceptance of responsibility, and the facts and circumstances described therein, in





connection with review of an application for licensure, renewal of licensure, or suitability review. The Commission agrees that the Order by itself shall not be a reason to find the Respondent unsuitable or to deny its adult or medical-use license or to fail to renew its adult or medical-use license;

51. Respondent acknowledges advisement of hearing rights and process of the proceedings and wishes to resolve all issues which were the subject of the investigation;
52. If approved by the Commission and upon execution of all parties, this Order shall have the same force and effect as an order entered after formal hearing pursuant to 935 CMR 935 CMR 501.500(12), except that it may not be appealed. Failure to comply with the terms of this Order, including but not limited to failure to make a timely payment, may constitute the basis for further administrative action against Respondent;
53. Respondent acknowledges that the Commission advised Respondent of its opportunity to consult with an attorney of their choosing and Respondent represents that they have had an opportunity to do so prior to signing the Agreement. Respondent acknowledges that they have been given a reasonable period of time in which to consider the terms of this Agreement before signing it. Respondent acknowledges and confirms that they have entered into this Agreement voluntarily and of their own free will, without duress or coercion, and that they are competent to enter into this Agreement. Respondent acknowledges that they have carefully read and fully understand the meaning and intent of this Agreement;
54. Respondent further understands and knowingly and voluntarily waives the following rights:
  - a. The right to hearing and Respondent's opportunity to request a hearing;
  - b. The right to cross-examine witnesses, subpoena witnesses, present evidence and testify on Respondent's own behalf;
  - c. The right to engage in pre-hearing discovery of the Commission's evidence; and
  - d. The right to appeal this order.
55. Respondent consents to the terms and conditions described herein and agrees to waive its right to judicial review of this Order pursuant to M.G.L. C. 30A, § 14;
56. Upon execution by all parties, this Order shall represent the entire and final agreement of the parties. In the event that any provision of this Order is deemed unenforceable by a court of competent jurisdiction, such provision shall be severed, and the remainder of the Order shall be given full force and effect;
57. This Order shall be binding upon Respondent and shall inure to the benefit of the parties to this Order and their respective successors and assignees and shall be construed in accordance with and governed by the laws of the Commonwealth of Massachusetts;



58. Upon majority vote of the Commission, this Order shall become a permanent part of Licensee's record and shall be open to public inspection and disclosure pursuant to the Commission's standard policies and procedures or applicable law;
59. The Commission may reject the terms of this Order or otherwise deny ratification and entry of the Order. In such event, the terms of the Order shall be null and void including but not limited to Respondent's admissions and waiver of opportunity for hearing upon subsequent issuance of an Order to Show Cause issued upon the Commission's approval;
60. This Order may be executed by e-mail and any signature delivered by either method shall be deemed to be as valid as an original signature;
61. All costs and expenses incurred by Respondent to comply with this Order shall be the sole responsibility of Respondent and shall not in any way be the obligation of the Commission; and
62. For purposes of addressing any future violations of the Order, the Cannabis Control Commission regulations, 935 CMR 500.000, *et seq.*, and 935 CMR 501.000, *et seq.*, shall include all later adopted regulations that are in effect at the time of the subsequent violation.

Failure to comply with the above conditions may result in administrative action against Respondent up to and including suspension and/or revocation of registration.

**Commonwealth of Massachusetts Cannabis Control Commission**

---

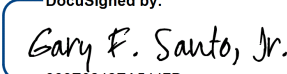
Shawn Collins, Executive Director

---

Date Signed

Ratified by Commission vote ( \_\_\_ yes, \_\_\_ no, \_\_\_ abstain) on June \_\_\_, 2021.

**Respondent Commonwealth Alternative Care, Inc.**

DocuSigned by:  
  
866E0242FA5447D

---

Gary F. Santo, Jr.

6/9/2021

---

Date Signed



---

## Memorandum of Investigation

---

**To:** Yaw Gyebi, Jr., Chief of Investigations and Enforcement  
**Cc:** Nomxolisi Khumalo, Director of Investigations  
Kyle Potvin, Director of Licensing  
Rebecca Lopez, Acting Enforcement Counsel  
Andrew Carter, Associate Enforcement Counsel  
**From:** Eduardo Guardiola, Investigations Manager  
**Date:** November 12, 2020  
**Subject:** TILT holdings / Sea Hunter Therapeutics, Commonwealth Alternative Care, Ermont, Inc., Verdant Medical, Inc., control and non-disclosure violations

---

### **I. BACKGROUND**

- a. Purpose of Memorandum
- b. Regulations
- c. TILT Holdings (“TILT”)/Sea Hunter Therapeutics (“Sea Hunter”) and Commonwealth Alternative Care (“CAC”)
- d. Ermont, Inc. (“Ermont”)
- e. Verdant Medical, LLC. (“Verdant”)
- f. Elev8 Cannabis, Inc. (“Elev8”)
- g. Herbology Group (“Herbology”)

### **II. AGREEMENTS**

- a. TILT and Ermont
- b. TILT and Verdant
- c. TILT and Elev8
- d. TILT and Herbology

### **III. COMMUNICATIONS WITH PARTIES INVOLVED**

### **IV. RELEASE AGREEMENTS**

- a. TILT and Ermont
- b. TILT and Verdant
- c. TILT and Herbology
- d. TILT and Elev8

### **V. CONCLUSION**

- a. TILT/CAC Violations
- b. Ermont Violations
- c. Verdant Violations

### **VI. EXHIBITS**



## **I. BACKGROUND**

### **A. Purpose of Memorandum**

This investigative memorandum serves three purposes. First, as notice that Commonwealth Alternative Care, and its parent company Sea Hunter Therapeutics, later TILT Holdings, violated Massachusetts General Laws, Chapter 94G, Section 16. In addition, Commonwealth Alternative Care violated its disclosure obligations under 935 CMR 501.100 to the Department of Public Health and Cannabis Control Commission in 2018; and in 2019 violated their disclosure obligations to the Commission under 935 CMR 501.104.

Second, as notice that Ermont, Inc. violated 935 CMR 501.100(2)(c)(5) when entering into agreements with TILT in 2018 by not disclosing the “all persons or entities having direct or indirect control” in their Management and Operations Profile; 935 CMR 501.100(5)(b), Ermont did not update as needed, and ensure the accuracy of, all information that they submitted on their initial application for a certificate of registration; 935 CMR 501.100(6)(d), Ermont did not report any changes in or additions to the content of the information contained in any document to the Commission within five business days after such change or addition. Furthermore, when the new regulations were promulgated in November 2019, Ermont did not disclose or seek approval for a control change under 935 CMR 501.104(1)(b)(2).

Third, as notice that Verdant Medical, Inc. violated 935 CMR 501.100(2)(c)(5) when entering into agreements with TILT in 2017 by not disclosing the “all persons or entities having direct or indirect control” in their Management and Operations Profile. 935 CMR 501.100(5)(b), Verdant did not update as needed, and ensure the accuracy of, all information that it submitted on its initial application for a certificate of registration; 935 CMR 501.100(6)(d), Verdant did not report any changes in or additions to the content of the information contained in any document to the Commission within five business days after such change or addition. Furthermore, when the new regulations were promulgated in November 2019, Verdant did not disclose or seek approval for a control change under 935 CMR 501.104(1)(b)(2).

### **B. Regulations**

Medical Marijuana was regulated by the Massachusetts Department of Public Health (“DPH”) until the absorption by the Cannabis Control Commission in December 2018. Prior to the absorption, the Medical Marijuana Industry in Massachusetts was regulated under 105 CMR 725.000. In December 2018, the regulations changed to 935 CMR 501.000. Although the assignments of a new CMR changed, the language remained the same for some regulations. The following regulations apply to this memorandum:

*105 CMR 725.100(A)(2) / 935 CMR 501.100(1)(b) – Registration of Registered Marijuana Dispensaries – General Requirements*

No executive, member, or any entity owned or controlled by such executive or member, may directly or indirectly control more than three RMDs.

*105 CMR 725.004 / 935 CMR 501.003 - Definitions*

Executive is defined as the chair of a board of directors, chief executive officer, executive director, president, senior director, other officers, and any other executive leader of an RMD.

935 CMR 501.100(2)(c)(5) – Management and Operations Profile

(c) Within forty-five (45) days after receipt of an invitation to submit an application...each applicant that proceeds to the Management and Operations Profile shall submit...

(5) A list of all persons or entities having direct or indirect authority over the management or policies of the RMD, including members of the entity, if any, and a list of all persons or entities contributing 5% or more of the initial capital to operate an RMD, including capital that is in the form of land or buildings.

935 CMR 501.100(5)(b) – Expiration and renewal of Registration

The RMD's certificate of registration...may be renewed as follows unless an action has been taken based upon the grounds set forth in 935 CMR 501.405:

(b) The RMD shall update as needed, and ensure the accuracy of, all information that it submitted on its initial application for a certificate of registration.

935 CMR 501.100(6)(d) – Notification to the Commission and Commission Approval of Changes

(d) The RMD shall keep current all information required by 935 CMR 501.000 or otherwise required by the Commission. The RMD shall report any changes in or additions to the content of the information contained in any document to the Commission within five business days after such change or addition.

After the promulgated regulations in November 2019.

935 CMR 501.050(b)(1) – Control Limitations

No person or Entity with direct or indirect control shall be granted, or hold, more than three MTC Licenses.

935 CMR 501.104(1)(b)(2) – Notification and Approval Changes

(1) Prior to making the following changes, an MTC shall submit a request for such change to the Commission and pay the appropriate fee. No such change shall be permitted until approved by the Commission. Failure to obtain approval of such changes may result in a License being suspended, revoked, or deemed void.

(b) Ownership or Control

(2) Control Change. Prior to any change in control, where a new Person or Entity having direct or indirect control should be added to the license, the MTC shall submit a request for such change to the Commission prior to effectuating such a change. An individual, corporation, or entity shall be determined to be in a position to control the decision-making of an MTC if the individual, corporation, or entity falls within the definition of person or Entity having direct or indirect control.

935 CMR 501.002 – Definitions

Persons or Entities having direct control means any person or entity having direct control over the operations of an MTC, which satisfies one or more of the following criteria:

- (a) An Owner that possesses a financial interest in the form of equity of 10% or greater in an MTC,
- (b) A Person or Entity that possesses a voting interest of 10% or greater in an MTC or a right to veto significant events,
- (c) A Close Associate,
- (d) A Person or Entity that has the right to control, or authority through contract, or otherwise including, but not limited to:
  - 1. make decisions regarding operations and strategic planning, capital allocations, acquisitions and divestments,
  - 2. appoint more than 50% of the directors,
  - 3. appoint or remove Corporate-level officers or their equivalent,
  - 4. make major marketing, production, and financial decisions,
  - 5. execute significant or exclusive contracts, or
  - 6. earn 10% or more of the profits or collect more than 10% of the dividends.

Persons or Entities having indirect control means any person or entity having indirect control over operations of MTC. It specifically includes any person with a controlling interest in an indirect holding or parent company of the applicant, and the chief executive officer and executive director of those companies, or any person or entity in a position indirectly to control the decision-making of MTC.

Close Associate means a Person who holds a relevant managerial, operational or financial interest in the business of an applicant or Licensee and, by virtue of that interest or power, is able to exercise a significant influence over the management, operations or finances of a Marijuana Establishment, an MTC or Independent Testing Laboratory licensed under 935 CMR 501.000. A person who is a close associate is deemed to be a Person or Entity having direct or indirect control.

**C. TILT Holdings, Commonwealth Alternative Care**

On November 22, 2018, TILT Holdings (“TILT”) was formed through a merger of Sea Hunter Therapeutics, Brideside Holdings, Baker Technologies, and Santé Veritas with each entity holding the following equity stake:

COMPANY NAME	EQUITY STAKE IN TILT HOLDINGS
Sea Hunter Therapeutics	44.98%
Brideside Holdings	24.43%
Baker Technologies	15.59%
Santé Veritas	15%

Historically, TILT was governed by Sea Hunter Co-Founders Alexander Coleman and Robert Leidy, along with Kevin McCluskey. Coleman, Leidy, and McCluskey are no longer affiliated

with TILT and it is governed by Interim CEO and Chairman of the Board Mark Scatterday, COO Tim Conder, and CFO David Caloia. The change in management occurred June 2019.

According to their website, “TILT Holdings Inc. is a vertically integrated technology, and infrastructure platform delivering the most comprehensive range of products and services across the cannabis industry. TILT strives to deliver the highest quality products and services through knowledge-based technology systems for both businesses and consumers. TILT technologies has a presence in more than 1,000 dispensaries across the U.S., Canada, Puerto Rico and Jamaica.”<sup>1</sup> TILT is a publicly traded company in the Canadian Stock Exchange (“CSE”) under the name “TILT” and in the OTCQB as “TLLTF.”

Commonwealth Alternative Care (“CAC”) is a wholly owned subsidiary of TILT and in its most recent license applications, Sea Hunter, and TILT are listed as entities with 100% Ownership and Control. CAC’s licensure status is as follows:

LICENSE NUMBER	CURRENT STATUS
MRN282339	Application completed
MRN282337	Application completed
MTC 785	Commence operations
MTC Brockton	Provisional Certificate of Registration
MTC Cambridge	Provisional Certificate of Registration

#### **D. Ermont, Inc.**

According to the articles of organization from the Massachusetts Secretary of the Commonwealth (“SOC”), Ermont was founded on August 13, 2013,<sup>2</sup> by John D. Hudson, James Hagearty III, and Michael Perry. On June 1, 2018, John Gates (“Gates”) submitted a Change of Directors or Officers and was named the President, Treasurer, Clerk and Director of Ermont.<sup>3</sup>

On July 19, 2018, another Change of Directors or Officers was submitted by Gates<sup>4</sup>. This submission added Richard Jeffery Lyman (“Lyman”) as the Clerk and a new Director. Gates and Lyman remain the current Executives and Directors listed on the SOC.<sup>5</sup>

Ermont was issued its Final Certificate of Registration (MTC225) on May 5, 2016, and was approved for medical marijuana sales on September 28, 2016, in Quincy, MA. This is their only operational license now. There are no other applications currently open.

#### **E. Verdant Medical, Inc.**

According to the articles of organization from the SOC, Verdant was founded on March 3, 2016, as a non-profit corporation.<sup>6</sup> The registered agent at the time was Brandon Kurtzman, Esq. from

<sup>1</sup> <https://www.tiltholdings.com/>

<sup>2</sup> See Exhibit A – Articles of Organization, Ermont, Inc 8.13.13

<sup>3</sup> See Exhibit B – Change of Directors – Ermont, Inc 6.1.18

<sup>4</sup> See Exhibit C – Change of Directors – Ermont, Inc 7.19.18

<sup>5</sup> See Exhibit D – 2019 Annual report – Ermont, Inc

<sup>6</sup> See Exhibit E – Articles of Organization – Verdant Medical, Inc 3.3.16

Vicente Sederberg, LLC. There were five directors listed, along with a President, Treasurer, and Clerk. None of these directors or officers had any affiliation with TILT or its subsidiaries at the time of organization.

On November 17, 2017, there was a change of directors and executives. All former Executives and Directors were removed and Alexia Varga (“Varga”), from West Palm Beach, FL was added as the President, Treasurer, Clerk, and sole Director.<sup>7</sup>

On April 18, 2018, Varga submitted a Change of Directors or Officers to remove herself as an executive or director, and added Anne Nagle as the President, Treasurer, Clerk and a Director with a Hanover, MA address. Also, Todd Peter from Palm Beach, FL was added as the Director, and Kendall Cheatham from West Palm Beach FL. This is the last submission made by Varga on behalf of Verdant Medical, Inc.<sup>8</sup>

On July 18, 2019, a change of Directors or Officers was submitted to the SOC by Tito Jackson (“Jackson”). Jackson’s submission changed all the former executives, and directors to Jackson being the President, Treasurer, Clerk and sole Director of Verdant Medical, Inc. Ultimately, Jackson changed the principal office to 37 Schuyler St., Dorchester, MA.<sup>9</sup>

Verdant currently holds a Provisional Certificate of Licensure awarded by the Department of Public Health on March 31, 2017.

#### **F. Elev8 Cannabis, Inc.**

According to the SOC, Elev8 was founded by Oluwaseun Adedeji (“Seun”) on August 7, 2018, in Athol, MA. Seun was listed as the Manager, Resident Agent, and Real Property.<sup>10</sup> On October 4, 2019, Elev8 Cannabis Inc. was converted to Elev8 Cannabis LLC. Seun remains in the same positions as listed originally.<sup>11</sup>

Elev8 submitted applications to the Commission for three Adult-Use retail dispensaries.

- MRN281383 – submitted on 3/6/2019 – Provisional License stage
- MRN282630 – submitted on 4/24/2019 – Provisional License stage
- MRN281810 – submitted on 8/22/2018 – Final License stage.

#### **G. Herbology Group, Inc.**

According to the SOC, Herbology Group, Inc. was founded as a non-profit corporation by Jane and April Hawman on July 7, 2015. Jane Hawman held the positions of President, Treasurer, CEO, and Director. April Hawman held the positions of COO, Vice President, Clerk, and Director.<sup>12</sup>

---

<sup>7</sup> See Exhibit F – Change of Directors – Verdant Medical, Inc 11.17.17

<sup>8</sup> See Exhibit G – Change of Directors – Verdant Medical, Inc 4.18.18

<sup>9</sup> See Exhibit H – Change of Directors – Verdant Medical, Inc 7.18.19

<sup>10</sup> See Exhibit I – Articles of Organization – Elev8, LLC 8.7.18

<sup>11</sup> See Exhibit J – Entity Conversion – Elev8, Inc 10.4.19

<sup>12</sup> See Exhibit K – Articles of Organization – Herbology Group, Inc 7.7.15



As of Herbology’s last annual report submitted to the SOC on December 2, 2019, Jane Hawman remains the President, Clerk and Director, while new additions, Michael Duku, and Steve Gotwald are listed as Treasurer/Director and Director, respectively.<sup>13</sup> There were no ties to TILT discovered in the SOC documents.

Herbology is currently provisionally licensed for two Adult-Use retail dispensaries.

- MRN281679- submitted 8/14/2018 – Provisional License Stage – renewed 12/23/19
- MR281814 – submitted 12/17/2019 – Provisional License Stage – renewed 1/16/20.

## II. AGREEMENTS

### A. TILT and Ermont

TILT and Ermont entered three (3) notable agreements and one Memorandum of Understanding (“MOU”). An amended and restated MOU was sent to Ermont from TILT. It was not executed.

- Debt Purchase and Sale Agreement – executed May 31, 2018<sup>14</sup>
- Assignment Agreement – executed May 31, 2018<sup>15</sup>
- Loan and Security Agreement – executed June 1, 2018<sup>16</sup>
- Memorandum of Understanding – executed September 2018<sup>17</sup>
- Amended and Restated MOU – not executed – sent to Ermont December 17, 2018.<sup>18</sup>

The Debt Purchase and Sale Agreement between Ermont and Sea Hunter executed on May 31, 2018 details the process of closing and obligations of both parties. Pursuant to the agreement, all Ermont’s debtholders<sup>19</sup> agreed to sell the right, title, and interest of their promissory notes to Sea Hunter for \$12,250,000. At closing, Ermont was required to deliver, among other things:

- a resolution of the Company’s Board of Directors (excluding any Debtholder or Affiliate thereof or of Zolly, all of whom shall have a resigned prior to the date hereof) appointing Jonathon Gates as a director of the Company
- a fully executed copy of that assignment agreement between Cultivo, LLC. (“Cultivo”) and Zolly LLC (“Zolly”) in the form attached hereto as Exhibit D.

<sup>13</sup> See Exhibit L - Annual Report - Herbology group, Inc 12.2.19

<sup>14</sup> See Exhibit M – Debt purchase and Sales agreement – Ermont, Inc 5.31.18

<sup>15</sup> See Exhibit N – Assignment Agreement – Zolly, Cultivo – Ermont, Inc 5.31.18

<sup>16</sup> See Exhibit O – Loan and Security Agreement – Ermont, Inc – 6.1.18

<sup>17</sup> See Exhibit P – Memorandum of Understanding – Ermont, Inc 9.18

<sup>18</sup> See Exhibit Q – Amended and Restated MOU – Ermont, Inc 12.17.18

<sup>19</sup> Debtholder’s with over 5% total outstanding principal and interest as of May 25, 2018 included:

John D. Hudson	\$2,552,735.24	28.99%
B Wing LLC	\$950,151.76	10.79%
New Quincy Ventures LLC	\$897,943.30	10.20%
Megan Patrick	\$750,710.02	8.53%
Zachary Harvey	\$459,103.83	5.21%

According to the SOC, Zolly, was a cannabis consulting firm that was formed on April 24, 2015, to “provide products and services to Not-For-Profit Corporations in the Commonwealth of Massachusetts...”<sup>20</sup> Zolly, LLC was dissolved on November 29, 2018.<sup>21</sup> Zolly had a previous consulting agreement with Ermont. As part of the Debt Purchase and Sales agreement, all consulting services that Zolly were providing needed to be re-assigned to Cultivo, a wholly owned subsidiary of TILT.<sup>22</sup>

On June 1, 2018, Sea Hunter and Ermont executed a Loan and Security Agreement. The agreement extended credit, to Ermont, of up to \$7,725,000 at an 18% interest rate with 100% cash flow sweeps for the preceding calendar quarter. In addition to a requirement that the management service agreement with Cultivo remain in force, Ermont was required to agree to the following covenants:

- Section 9.2 New Collateral Locations Borrower may only open a new location or bank account within Massachusetts provided such party (a) gives Lender ten (10) days prior written notice of the intended opening of any such new location or account and (b) executes and delivers, or causes to be executed and delivered, to Lender such agreements, documents, and instruments as Lender may deem reasonably necessary or desirable to protect its interests in the collateral at such location.
- Section 9.7 Sale of Assets, Consolidation, Merger, Dissolution, Other Prohibited Activities. Borrower shall not, directly or indirectly, without Lender’s consent:
  - merge into or with or consolidate with any other Person or permit any other Person to merge into or with or consolidate with it,
  - sell, issue, assign, lease, license, transfer, abandon or otherwise dispose of any Capital Stock to any other Person or any of its assets to any other Person, except for sales of Inventory in the ordinary course of business. For the avoidance of doubt, Borrower may not transfer any License,
  - issue, deliver, sell, pledge or otherwise encumber or subject to any Lien (i) any shares of its capital stock, (ii) any other voting securities, (iii) any securities convertible into, or any rights, warrants or options to acquire, any such shares, voting securities or convertible securities or (iv) any “phantom” stock or stock rights, SARs or stock-based performance units,
  - amend its certificate of incorporation, bylaws or other comparable organizational documents,
  - make any loans, advances or capital contributions to, or investments in, any other Person, other than the Borrower,
  - make or agree to make any new capital expenditures other than those approved by Lender,
  - except with respect to directors and officers whose compensation may not be increased, (i) other than increases made in the ordinary course of business consistent with past practices, increase the compensation, bonus or other benefits of any current or former consultant, independent contractor or employee, (ii) grant

---

<sup>20</sup> See Exhibit R – Zolly Articles of Organization – Ermont, Inc 4.24.15

<sup>21</sup> See Exhibit S – Zolly Certificate of Cancellation – Ermont, Inc 11.29.18

<sup>22</sup> See Exhibit N – Assignment Agreement – Zolly, Cultivo – Ermont, Inc 5.31.18

- any Person any increase in severance or termination pay, or (iii) pay any benefit or amount not required by an agreement, plan, or arrangement as in effect on the date of this Agreement to any such person,
- sell, lease, license, encumber or dispose of any Real Estate,
- enter any line of business other than the business; or
- terminate or breach the Management Agreement.
- Section 9.12 Board of Directors. Borrower shall add one Person designated by Lender to Borrower's Board of Directors who shall serve for so long as any amount is outstanding hereunder or until the Term expires. Subject to approval by the Massachusetts Department of Public Health or the Cannabis Control Commission, as applicable, the Company's by-laws shall provide that certain major decisions cannot be made with the approval of such director.

At the time of the agreement, the only Director of Ermont's Board of Directors was Sea Hunter's designee, Jonathan Gates. In the last section of the agreement, Ermont and Sea Hunter acknowledged that the agreement "may be subject to regulatory review and approval by the Massachusetts Department of Public Health, and the Cannabis Control Commission." If the Commission determined that the agreement constituted control or issued guidance indicating that determination would be likely that the parties would work in good faith to maintain the intent of the agreements.

In September of 2018, Ermont and Sea Hunter executed a MOU.<sup>23</sup> Sea Hunter's stated intent was "seeking partnerships with entities that have obtained or will obtain licenses to operate adult-use marijuana." Sea Hunter would provide operational support, expertise, and capital to Ermont in exchange for certain obligations. Those obligations included, but were not limited to:

- 14% interest with a 70% cash flow sweep on the \$1,500,000 secured loan,
- a requirement that 85% of Ermont's inventory to be purchased from Commonwealth Alternative Care subject to terms of a Mutual Supply Agreement in addition to a \$3.00 SKU per product sold; and
- Right of First Refusal for any sale of equity.

On December 17, 2018, Sea Hunter sent Ermont an amended and restated MOU<sup>24</sup> reciting that Sea Hunter purchased \$8,804,757.84 of outstanding principal and interest from Ermont's previous debtholders, and that Zolly had assigned all its rights, title, interest in, and obligations between Zolly and Ermont to Sea Hunter's subsidiary, Cultivo. The amended obligations included all obligations from the September 2018 memorandum in addition to SH Realty, a subsidiary of Sea Hunter, assuming the rights to Ermont's current lease:

- Section 2.d Lease. The Parties agree to put into effect the assumption by SH Realty Holdings, a wholly owned subsidiary of Sea Hunter ("**SH Realty**"), of the current lease entered between Ermont, as lessee, and ELDEB, LLC as lessor, which will result in SH Realty becoming the primary lessee under the lease. SH Realty shall then enter into a sublease, with SH Realty as sublessor and Ermont as sublessee, which lease shall

---

<sup>23</sup> See Exhibit P – Memorandum of Understanding – Ermont, Inc 9.18

<sup>24</sup> See Exhibit Q – Amended and Restated MOU – Ermont, Inc 12.17.18

provide for the following terms: (i) a term of [five (5) one-year terms, with an option for one-year renewals thereafter upon mutual agreement of the Parties]; (ii) monthly lease payments due to SH Realty, which payments shall equal the monthly lease payments owed by SH Realty as primary lessee for such property plus (ii) 14% of such amount. The Definitive Agreement for such lease shall also have commercially reasonable terms relating to, among other things, lease payments, covenants, renegotiation of rental payments owed (including in the case of changes to applicable law that would lower the market rental rate of such real property), and termination provisions, to be determined with reference to lease terms customary for cannabis establishments engaged in similar business activities in the Commonwealth of Massachusetts for the thirty (30) day period immediately preceding the entry into such lease agreement.

The amended and restated MOU was never executed.

### **B. TILT and Verdant**

Tilt and Verdant Medical entered into one notable agreement, and one notable MOU.

- Loan and Security agreement – executed September 19, 2017<sup>25</sup>
- Memorandum of Understanding – September 2018.<sup>26</sup>

The Loan and Security agreement was executed on September 19, 2017, with Verdant Holdings, LLC as the secured lender, Verdant Management Group, LLC as the Borrower and Verdant Medical as the Guarantor.<sup>27</sup> Verdant Holdings, and Verdant Management are subsidiaries of Cultivo, which is wholly owned by TILT.

The agreement stated that Verdant Holdings would make a secured loan available to Verdant Management of up to \$15 million with a 10% per annum interest rate. The agreement also outlines the duties of the guarantor, Verdant Medical, if the borrower, Verdant Management, cannot make payments to the lender, Verdant Holdings in section 3.5 of the loan and service agreement.

- Section 3.5 Guaranty. Guarantor acknowledges that lender's extension of credit to Borrower is essential to the growth and viability of Guarantor. Guarantor hereby guarantees to Lender the due and punctual payment in full of all sums which may at any time be due, and payable by Borrower hereunder and the prompt performance of all Obligations of Borrower hereunder. If Borrower shall fail duly and punctually to pay any of the sums or to perform any of such obligation under this Loan Agreement, Guarantor shall perform or forthwith pay or cause such sums to be paid to Lender.

---

<sup>25</sup> See Exhibit T – Loan and Security Agreement – Verdant Medical, Inc 9.19.17

<sup>26</sup> See Exhibit U – Memorandum of Understanding – Verdant Medical, Inc - 9.18

<sup>27</sup> A guarantor is a financial term describing an individual who promises to pay a borrower's debt in the event that the borrower defaults on their loan obligation. Guarantors pledge their own assets as collateral against the loans.

It is stated in section 4.1(f) of the agreement that the lender, Verdant Holdings will get class B membership interests in the borrower, Verdant Management.

- Section 4.1(f) Lender shall have received Class B Membership Interests in borrower which represents 70% of the issued and outstanding units in Borrower, and all members of Borrower shall have executed and amended and rested operating Agreement of Borrower in form and substance acceptable to lender.

Similar to what Ermont had to do with Cultivo, Verdant Medical had to have a management agreement with Verdant Management. Furthermore, the management agreement had to be “acceptable to Lender in its sole discretion.”

- Section 4.1 (l) Borrower and Guarantor shall have entered into a management agreement (the “Management Agreement”) in form and substance acceptable to Lender in its sole discretion. Such Management Agreement shall be and shall remain in full force and effect and shall be enforceable in accordance with its terms.

Under section 5.3, the lender, Verdant Holdings, specifies that they will have no lien that will allow them to have anything to do with the sale or possession of any type of Marijuana or Marijuana products.

- Section 5.3 Limitation of Security Interest. Notwithstanding any provision of this Section 5 to the contrary, to the extent prohibited by applicable law or regulation, lender shall have no lien upon or right of possession of sale, either set forth expressly in this Agreement or arising as a matter of law, with respect to any marijuana, marijuana plant, marijuana flower, edible marijuana-infused product, marijuana extract or any other marijuana product or by-product. Lender hereby agrees and acknowledges that any such marijuana located on or within any facility owned or operated by Borrower or Guarantor shall be controlled in accordance with 105 CMR 725.000 et seq., and if provided by law, under the supervisions of the Massachusetts Department of Public Health.

Section 9 of the agreement speaks to the “Affirmative and Negative Covenants.’ This outlines what Verdant Management or Verdant Medical can do or not do.

- 9 .1 Maintenance of Existence. Each Loan Party shall at all times preserve, renew and keep in full force and effect its corporate existence and rights and franchises with respect thereto and maintain in full force and effect all licenses, trademarks, tradenames, approvals, authorizations, leases, contracts and Permits necessary to carry on the business as presently or proposed to be conducted.
  - No Loan Party shall change its name unless each of the following conditions is satisfied: (i) Lender shall have received not less than fifteen (15) days prior written notice from Borrower of such proposed change in its corporate name, which notice shall accurately set forth the new name; and (ii) Lender shall have received a copy of the amendment to the Certificate of Incorporation of such Loan Party providing for the name change certified by the Secretary of State of the jurisdiction of incorporation or organization of such Loan Party as soon as it is available.

- No Loan Party shall change its chief executive office or its mailing address or organizational identification number ( or if it does not have one, shall not acquire one) unless Lender shall have received not less than fifteen (15) days' prior written notice from Borrower of such proposed change, which notice shall set forth such information with respect thereto as Lender may require and Lender shall have received such agreements as Lender may reasonably require in connection therewith.
- Section 9.2 New Collateral Locations. Each Loan Party may only open a new location or bank account within Massachusetts provided such party (a) gives Lender ten (10) day prior written notice of the intended opening of any such new location or account and (b) executes and delivers, or causes to be executed and delivered, to Lender such agreements, documents, and instruments as Lender may deem reasonably necessary or desirable to protect its interests in the Collateral at such location.
- Section 9.7 Sales of Assets, Consolidation, Merger, Dissolution, Etc. Borrower and Guarantor shall not, directly or indirectly:
  - Merge into or consolidate with any other Person or permit any other Person to merge so long as at least eighty percent (80%) of the equity interest in the surviving entity is owned by Lender and Lender shall have the right to designate a majority of the member of such surviving entity's governing body,
  - Sell, issue, assign, lease, license, transfer, abandon or otherwise dispose of any Capital Stock to any other Person or any of its assets to any other Person, except for sales of Inventory in the ordinary course of business. For the avoidance of doubt, neither Loan Party may transfer any License; nor
  - Wind up, liquidate or dissolve except that Guarantor may transfer all of its assets to Borrower for such consideration as Lender shall approve in its sole discretion.
- Section 9.11 Limitation of Restricted Payments
  - The Borrower will not directly or indirectly make, or set apart any sum for or to make (i) any dividend or other distribution, direct or indirect, on account of any equity interests of the Borrower now or hereafter outstanding (ii) any repurchase, redemption, retirement or similar payment , purchase or other acquisition for value, direct or indirect, of any Equity Interests of the Borrower now or hereafter outstanding, (iii) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights for the purchase or acquisition of any Equity interest of the Borrower now or hereafter outstanding, or (iv) any return of capital to any holders of Equity Interests in the Borrower, or any other distribution of property, assets, shares of Equity Interests as such (collectively "Restricted Payments"), except for:
    - (A) payments on the Loan; and
    - (B) distributions by the Borrower of Free Cash Flow to holders of Interests to pay income taxes in accordance with (and not in excess of the amounts contemplated by Section [6.9] of Borrower's Operating Agreement.
  - Guarantor shall not pay compensation (whether in the form of salary or consulting fees or other forms of remuneration) in excess of \$100,000 in any year, nor shall it incur any expenses (other than those due and payable to Borrower) in excess of \$50,000 in any year, without prior written consent of Lender.
- Section 9.13 Guarantor's Board of Directors. At the request of Lender at any time, Guarantor at Lender's sole accost and expense, shall take all steps necessary to add one

or more persons designated by Lender to Guarantor's board of directors even if such designees constitute most of the Board.

Section 12.3 states that all notices, requests and demands will be sent to the addresses listed below. It leaves an area for the borrower and guarantor, as well as for the lender. The only person who will be receiving any requests or demands is Robert Leidy who represents Verdant Holdings and Verdant Management.

The last page of the Loan and Services Agreement is the signature page. Robert Leidy signs on behalf of the Lender, Verdant Holdings, LLC as well as the Borrower, Verdant Management Group, LLC. Robert Leidy's title is "managing partner" of Sea Hunter Therapeutics. Alexia Varga signs on behalf of the Guarantor, Verdant Medical, Inc, and lists herself as the "Director."

At the time of the agreement, Verdant Holdings LLC, a Florida Limited Liability company, registered agent was Alexia Varga<sup>28</sup> ("Varga"). Varga was also listed as the manager of Verdant Management after the agreement was signed, according to the SOC 2018 public filings.<sup>29</sup> Varga signed the Loan and Security agreement on behalf of the guarantor, Verdant Medical LLC. Varga was also the registered agent for Sea Hunter Therapeutics, SH Therapeutics, SH Finance, and SH Realty Holdings, LLC located in Florida at the time of the transaction.

In September of 2018, Verdant Medical and Sea Hunter executed a Memorandum of Understanding. Sea Hunter's stated intent was "seeking partnerships with entities that have obtained or will obtain licenses to operate adult-use marijuana businesses" Sea Hunter would provide operational support, expertise, and capital to Verdant in exchange for certain obligations. Those obligations included, but were not limited to:

- 14% interest with a 70% cash flow sweep<sup>30</sup> on the \$1,500,000 Secured Loan;
- a requirement that 85% of Verdant's inventory to be purchased from Commonwealth Alternative Care subject to terms of a Mutual Supply Agreement in addition to a \$3.00 SKU per product sold; and
- Right of First Refusal for any sale of equity.

Alexander Coleman, managing partner of Sea Hunter Therapeutics, LLC signed the MOU. Tito Jackson signed the MOU as the CEO for Verdant Medical, Inc.

### **C. TILT and Elev8**

TILT and Elev8 had one notable MOU. In September 2018, Sea Hunter Therapeutics and Elev8 executed an MOU.<sup>31</sup> Sea Hunter Therapeutics stated that they were "currently seeking to partner with entities that have obtained or will obtain licenses to operate adult-use marijuana cultivation, processing, and retailing businesses in the Commonwealth of Massachusetts, and currently has

---

<sup>28</sup> See Exhibit V – Verdant Holdings, LLC – FL - Alexia Varga 6.22.17

<sup>29</sup> See Exhibit W – Verdant Management Group, LLC – MA SOC - 2018

<sup>30</sup> Cash Flow Sweep is the mandatory use of excess free cash flows to pay down outstanding debt rather than distribute it to shareholders.

<sup>31</sup> See Exhibit X - Memorandum of Understanding - Elev8 - 9.18

interest in partnering with adult-use marijuana retailing businesses, including those certified as Economic Empowerment Applicants, as a product vendor.”

Sea Hunter would aid with “procuring marijuana and marijuana products in order to maintain a substantial stock of products for retail sales.” as well as:

- 8% interest with a 70% cash flow sweep on the \$1,000,000 Secured Loan;
- a requirement that 70% of Elev8’s inventory to be purchased from Commonwealth Alternative Care subject to terms of a Mutual Supply Agreement
- Right of First Refusal for any sale of equity.
- Accounting Services
- Baker Technology and in-store technology and certain limited HR services, including payroll management
- Elev8 must also enter into a consulting agreement with Cultivo, LLC

The MOU was signed by Robert Leidy, a managing partner at Sea Hunter Therapeutics, LLC., and Oluwuseun Adedeli, the owner of Elev8 on September 7, 2018.

#### **D. TILT and Herbology Group, Inc.**

TILT and The Herbology Group had entered in a notable agreement through a MOU and an amended and restated MOU.

In September 2018, Sea Hunter Therapeutics and The Herbology Group executed an MOU.<sup>32</sup> Sea Hunter Therapeutics stated that they were “currently seeking to partner with entities that have obtained or will obtain licenses to operate adult-use marijuana cultivation, processing, and retailing business in the Commonwealth of Massachusetts; and currently has interest in a partnering with adult-use marijuana retailing businesses, including those certified as Economic Empowerment Applicants, as a product vendor.”

Sea Hunter would help with “procuring marijuana and marijuana products in order to maintain a substantial stock of products for retail sales.” as well as:

- 14% interest with a 70% cash flow sweep on the \$1,500,000 Secured Loan;
- a requirement that 85% of Herbology’s inventory to be purchased from Commonwealth Alternative Care subject to terms of a Mutual Supply Agreement in addition to a \$3.00 SKU per product sold;
- Right of First Refusal for any sale of equity.

This MOU was signed by Alexander Coleman, a managing partner of Sea Hunter Therapeutics and by Jane Hawman, the CEO of Herbology.

---

<sup>32</sup> See exhibit Y – Memorandum of Understanding – Herbology Group – 9.18



On December 19, 2018, Sea Hunter Therapeutics, and Herbology entered an “Amended and Restated Memorandum of Understanding.”<sup>33</sup>

The amended MOU states that the purpose of this new agreement is to set forth “the basic terms of a business relationship between the Parties as to be further set forth in definitive agreements between the Parties effectuating the terms...[it] is intended to be binding on the Parties in all respects, until terminated.”

The amended MOU goes on to state that the “Parties desire to enter into a mutually beneficial arrangement in connection with their respective business pursuits and to revise the terms of the Original MOU,” which was entered on September 2018.

The major differences between the agreements that were signed are:

- 1) Rather than having a secured loan of \$1.5million previously stated in the original MOU, now both parties have agreed upon a “credit line” of up to \$15mil without an interest rate but maintains the 70% Cash flow sweep.
- 2) The language used for the \$3.00 SKU charge per product sold changed from “per every marijuana product unit sold at [Herbology’s] retail establishment” to “\$3.00 per every CAC marijuana product sold at any Herbology retail establishment.”
- 3) Herbology now must enter into a consulting agreement with Cultivo for services, where before they were voluntary. The services include, without limitation:
  - a. Human resources services
  - b. Technology services
  - c. Accounting services
  - d. Intellectual property and branding
  - e. Product processing and industry expertise
  - f. Cultivation related services
  - g. “[O]ther” business consulting services

The amended and restated MOU was signed by Robert Leidy, managing partner of Sea Hunter, and Jane Hawman, CEO of Herbology.

### **III. COMMUNICATIONS WITH PARTIES INVOLVED**

#### *Investigative Conference – July 25, 2019*

On July 25, 2019, Enforcement Staff held an investigative conference with Attorney Adam Fine (“Fine”) and his paralegal Madison Taylor, representatives of TILT Holdings. Commission staff included, Chief of Investigations and Enforcement Gyebi Jr., Director of Investigations Patrick Beyea, Enforcement Counsel Paul Payer, Investigators Eduardo Guardiola, Michael Yee and

---

<sup>33</sup> See Exhibit Z - Amended and Restated MOU - Herbology Group - 12.19.18

Armond Enos. This conference was to discuss the future of TILT and its relationships with Verdant Medical, Ermont, Herbology and Elev8 (“The Licensees”).

Fine explained to Enforcement Staff that there have been “major changes” since the reverse merger in Canada. The former management team of Sea Hunter, and eventually TILT, Robert Leidy and Alexander Coleman, were replaced by Tim Conder (“Conder”). Fine said that Conder is a ‘regulatory guy’ and that Conder believed that TILT would not be able to provide the services as they promised in the various agreements. Their major concern was the negative effect it would have on the forward movement, and future of Commonwealth Alternative Care (“CAC”).

Originally, the agreements were made as a “Management Services Model” which was common in 2012-2013 in the medical industry, specifically, non-profits. This “model” was to raise capital and return investments to investors. While Conder understood the agreements in place with the Licensees, he realized that they would not be meeting the company’s and the board’s goals, and ultimately, “not work out.” Fine admitted that the model was “flawed” and that they wanted to consolidate the revenue through the agreements on the Canadian Stock Exchange without owning the company.

Fine said that Sea Hunter’s goal was to run a retail store while also providing services to other cannabis companies who needed assistance. He elaborated, saying they wanted to help licensees with issues like seed to sale tracking and understanding, opening business and building the growth of the licensees’ companies. When TILT went public, the company made it clear they probably would not be able to provide those services moving forward.

Fine reiterated that the model was flawed because of the “cap limitation” in Massachusetts. Their goal was to increase their presence in the State while staying compliant with the “three cap rule.” Fine admitted that TILT intended to take revenue from the licensees. He added that the problem was that they could not consolidate revenue because it would be shown that TILT controlled the entities.

At the time of the investigative conference, Fine said that TILT was not in a great financial position and was not doing well in the capital market. Fine added that the interest rates on the loan agreements were on the “high side” and were willing to take a “haircut” by lowering the rates to “8-10%.” Ultimately, TILT would like to be paid back with no exclusivity or obligations from the licensees.

Fine discussed a potential amended loan and security abstract which would lower the interest rate, and be for a five-year term for payment, which would begin when the licensees open and begin sales. The loans would be secured against bank accounts, intellectual property, goods and inventory (specifically NOT cannabis inventory), equipment, commercial paper, cash, real property and personal property. All the prior agreements would be superseded by the new Loan and Security Agreement.

Fine indicated that the only property that TILT owns in relation to the licensees was the Provincetown property for Verdant Medical. The Provincetown property was owned by SH

Realty and leased to Verdant. TILT had a Purchase and Sale Agreement for one of Herbology's properties in Amherst. Sea Hunter had an option to purchase but they did not exercise that option. Another Herbology property in Easthampton was going to be purchased by TILT and leased back to them, but ultimately a third-party bought the property and leased it to Herbology. There was an "interest" in Elev8's property because the property is owned by Elev8 and the loan note was secured by said property.

Fine said that there is no overlap with any of The Licensees board members or executives and those of TILT.

With the termination and release Agreements that Fine said would be put in place, TILT would look to get their money back, which would not be based on services performed, but money loaned directly to the licensees. At the time of the conference, Fine did not have a specific amount that each licensee owed, but that they would work together to agree on what the numbers were.

Fine concluded by saying that TILT is "hibernating" and will seize all activities until the Federal or State regulations change. Fine was alluding to the Federal legalization of Cannabis and the license limitations regulation. TILT wanted to unwind the agreements, including the exclusivity of the supply agreements. He added that TILT, through CAC, would enter into agreements in the future, but without any exclusivity clauses.

*Email sent to Chief of Investigations & Enforcement Yaw Gyebi, Jr. and Enforcement Counsel Paul Payer from Adam Fine on August 16, 2019*

On August 16, 2019, Attorney Adam Fine, outside counsel for TILT Holdings, sent an email Enforcement Staff in response to an upcoming phone conversation and the investigative conference held on July 25, 2019.<sup>34</sup>

The purpose of the email was to inform the Commission that TILT is making good faith efforts to distance themselves from the pre-existing agreements. Adam Fine expressed four points:

- Update CAC's Board of Directors to reflect new company leadership,
- Demonstrate the termination of all existing or prior agreements (proposed management services, supply agreements, etc.) between the parties and dissolution of defunct subsidiaries,
- Provide updated Loan & Security Agreements,
- Provide updated property interest documentation.

Fine stated that former management, Robert Leidy and Alex Coleman, are no longer in leadership roles. He added that they will update their CAC status of this change with The Commission. Fine said that TILT has created a Termination, Release, and Settlement Agreement, intended to separate TILT, and CAC, from relationships with other Massachusetts licensees. Fine wanted the Commission to know that TILT was in the process of negotiating terms to settle any

---

<sup>34</sup> See Exhibit AA – Email from Adam Fine – TILT 8.16.19

debts through unsecured loan agreements. This would make the relationships a lender/borrower type. Finally, Fine wanted to ensure the Commission that they are working to release any property interest that they had with Massachusetts licensees.

*Investigative Conferences – April 28, 2020 and May 1, 2020*  
*Ermont, Inc. and Verdant Medical, Inc*

On April 28, 2020 and May 1, 2020, Enforcement Staff, Investigations Manager Eduardo Guardiola and Investigator Katherine Binkoski, held investigative conferences with Attorney Jerry Meade (“Meade”), outside counsel for both Verdant and Ermont. The purpose of the conference was to discuss the past and current relationship between Verdant and TILT; and Ermont and TILT. Meade also wanted to relay some of the behavior that TILT has displayed and whether their behavior is within the confines of the regulations.

Meade began with the relationship between Sea Hunter and Verdant. Meade alleged that Tito Jackson (“Jackson”), the CEO of Verdant, was intentionally left out of decision making for what he was told would be the Provincetown location that Verdant would operate. Meade explained the background of the Provincetown location.

Jackson was approached by Sea Hunter to lease space at a property that would be owned by SH Realty. SH Realty would be the owner of the property and Verdant would lease the property from them. Jackson went through the process of obtaining a Host Community Agreement in Provincetown and a Letter of Intent (“LOI”) from SH Realty to lease the property. According to Meade, a provisional proposal was sent to Jackson by Sea Hunter which would set Jackson up with a dispensary property and would be built out with unused modular units that CAC had sitting around at their cultivation site in Taunton. He added that the surplus of cultivation product would supply the dispensary.

Meade provided a lawsuit filed in Pennsylvania<sup>35</sup> on December 31, 2019. The lawsuit named Sea hunter Holdings, LLC, Sea Hunter Therapeutics, LLC, Verdant Holdings, LLC, and Verdant Medical, Inc. as defendants. The plaintiff was Modlogiq f/k/a NRB (USA), Inc (“Modlogiq”). Meade went on to explain the lawsuit.

Modlogiq is a business that constructs modular units. Meade said that Sam Perry (“Perry”), Director of Project Management for Sea Hunter Holdings, LLC. gave Modlogiq the approval to build out a second floor at the Provincetown property. Perry emailed Modlogiq on May 13, 2019, saying that they can proceed with construction and to provide a final price for the services. On May 22, 2019, Modlogiq sent Perry a proposal on the pricing and buildout of the property. Modlogiq did not receive any objections.

---

<sup>35</sup> See Exhibit BB- Modlogiq Lawsuit – Verdant Medical, Inc – 12.31.19

In June 2019, Perry tells Modlogiq to disassemble the units at the Provincetown location and to move them to outside storage. Jackson was never informed SH Realty no longer intended to do business with Verdant Medical or honor the letter of intent. In addition, Jackson was wholly unaware that Sam Perry put the contract with Modlogiq and the Provincetown property under the name of Verdant Medical (listed as the contractee) even though Verdant Holdings was the landlord and was paying for the buildout. Furthermore, Jackson was not informed that the property was put up for sale in April 2020. An abutter emailed Jackson to ask him what was going on with the property.

Meade explained that when TILT went public, they merged with a modular building company, Briteside Holdings. Jackson believed that TILT had the capacity to build the units “in house.” Meade added that all the construction was done through and by TILT, but they entered into the contract under Verdant Medical’s name. TILT designated Perry as the company representative.

A Pre-Construction agreement was made on March 1, 2019, between Verdant Medical and NRB, later to be known as Modlogiq. The agreement identifies the client as Verdant Medical using TILT’s address in Cambridge, MA and Perry as the contact person.

The agreement was signed by Chris Frost (“Frost”) who was also not an authorized officer, employee, or representative of Verdant Medical.

Due to the lawsuit being filed, Jackson reached out to Timothy Conder (“Conder”) of TILT to tell him that he thought this amounted to a crime. Conder replied that Jackson was trying to extort TILT. Meade said that Conder would not discuss the matter with him and that his client, Jackson, felt that by using Verdant Medical’s name, it could damage his reputation. Meade added that Jackson told Conder that Verdant Medical and Jackson should be entitled to compensation for this.

Meade said that there was no expectation from Jackson that TILT would be entering into contracts on behalf of Verdant Medical. Meade added that TILT never engaged Jackson in any discussion pertaining to “any of this.” Jackson expected to be the lessee of the property as he did not own it. TILT owned the property and the LOI that was agreed upon said that Verdant Medical had seven years to pay TILT for the buildout and rent. Meade added that Jackson had no expectation of Verdant Medical being the signer for liabilities on property he did not own.

Meade then changed the subject and began to talk about the relationship between Ermont and TILT. Meade said that after the “spotlight” series published in the Boston Globe by Dan Adams, the Commission announced its investigation into TILT and the relationships with Massachusetts based Marijuana Establishments/Medical treatment Centers.

In May 2019, an inquiry was sent out to various establishments who were thought to have a relationship with TILT. Meade said that after this inquiry was sent out, the relationship between TILT and Ermont changed. An example that Meade gave was a conversation that Alex Coleman

of Sea Hunter and the CEO/President of Ermont, John Gates had in May 2019, after the inquiry was sent out. Coleman told Gates to show their “data” to parties who were interested in buying the license. Coleman recommended to Gates that they should sell. Email communication<sup>36</sup> shows that TILT was actively shopping Ermont and its licenses and potential licenses to various buyers. Meade did not say that CEO John Gates was unaware of these types of proposals but said that Gates felt that he had no control over them. Meade added that all the money from the sale would go to “payment to founders,” in this case, to Robert Leidy and Alex Coleman, partners of Sea Hunter Therapeutics.

Meade provided Enforcement Staff with a memorandum created by Vicente Sederberg of Boston with the subject line “*Massachusetts regulatory considerations in connection with potential sale of Ermont, Inc. debt and change of control of Ermont, Inc. in connection with the same*”<sup>37</sup> This memo was written on June 24, 2019 and was “TO” Sea Hunter Therapeutics.

When this memo was written, Vicente Sederberg was citing regulations prior to the promulgated November 2019 regulations.

This memo describes what Vicente Sederberg’s interpretation of the existing Medical Marijuana regulations were at that time. The interpretation does not affect Ermont because Ermont has not converted to a for-profit entity. This memo displays the understanding of the regulations and the recommendations made by Vicente Sederberg, specifically that even though they have had informal discussions in the past with the Commission’s Executive Director, Vicente Sederberg does not actually say to submit a change of ownership.

Meade added that when the directors of Ermont were approached to sell the license to prospective buyers, they felt that because the proceeds of the sale would go to TILT, and it was more than 10% of the proceeds, it would be construed by the CCC that it demonstrated ownership, and therefore be in violation of the regulations.

Meade confirmed that CAC was supplying product to Ermont in accordance with the MOU. Ermont was making monthly payments of \$2,500 against a \$40k balance that they had. In February or April of 2020, TILT had stopped asking for payments and Ermont was no longer receiving product from CAC.

*Investigative Conference – May 6, 2020*  
*TILT Holdings*

---

<sup>36</sup> See Exhibit CC- email Communication – Sale of License – Ermont, Inc – 5.19

<sup>37</sup> See Exhibit DD - Vicente Sederberg Memo RE sale - 6.24.19

On May 6, 2020, Enforcement staff, Chief of Investigations and Enforcement Yaw Gyebi Jr., Enforcement Counsel Paul Payer and Associate Enforcement Counsel Andrew Carter, held a conference call with Attorney Adam Fine (“Fine”) and Mark Higgins (“Higgins”), representatives of TILT Holdings. This conference was to discuss the status of the agreements that were entered into with Verdant Medical, Ermont, Inc., The Herbology Group, and Elev8 (“The Licensees”) as well as the status of the Commonwealth Alternative Care licenses.

Fine explained that they are still seeking to unwind all the agreements. He said that the challenge has been with the affiliates in seeking to unwind the agreements. Higgins said that their goal is to continue clearing the issue of unwinding. He added that they have been reaching out to The Licensees in order to release and terminate the agreements.

Fine said that Elev8 has a straight release and both parties have agreed that there is no relationship between TILT and Elev8.

He added that they have terminated all agreements with Herbology and that Herbology will be applying for a change of control. Investigation staff confirmed that Herbology is seeking a change of control and ownership through the proper channels, with no assistance from TILT. He added that any monies involved will be converted into a simple promissory note.

The entities with stalled progress are Verdant and Ermont.

Verdant has an outstanding loan balance of \$2.2mil. Fine said that they are willing to forgive the money owed. Higgins said that representatives of TILT had a negotiating session with Verdant’s counsel in February 2020 with no progress. He added that representatives of TILT reached out to Verdant for a follow up with no effect.

Ermont has an outstanding loan of \$17.6mil with \$2.6mil being delinquent. Higgins added that there has been no progress with this negotiation, but there has been more contact with Ermont than Verdant.

*Investigative Conference – June 12, 2020*  
*Ermont, Inc.*

Prior to the conference, Jerry Meade provided more documents for Enforcement Staff to review.

On June 12, 2020, Investigations Manager Eduardo Guardiola and Investigator Jacob Nielson interviewed Jonathan Gates, the CEO of Ermont, via conference call. Also present on the conference call was R.J Lyman, Gates’ partner at Ermont, and Jerry Meade, acting as outside counsel.

In April of 2018, Gates learned about the opportunity with Ermont from one of the founders of Sea Hunter and older brother to a former college roommate, Alex Coleman. Coleman told him that Sea Hunter had raised a significant amount of money and was looking for partners in a cannabis related venture that would involve owning and operating cultivation facilities and dispensaries in Massachusetts. They wanted to bring him in to act as a separate license holder and would assist with the capital necessary to build out Ermont and make it shine. Gates’ understanding was that Sea Hunter was offering him the license after purchasing the debt from

Ermont's previous holders and in return they would exact a heavy price. That price being that they would take all the money until their original investment was paid back and that afterwards he would be able to make future profits.

Gates stated that he had no conversations with any of the previous owners and was not involved with Sea Hunter's Debt Purchase and Sale Agreement of Ermont. The only time he met anyone previously affiliated with Ermont was on June 1, 2018 when he met with Scott Gordon, the former CEO of Ermont. All directors had resigned after he was appointed.

When asked if he held any equity in Ermont, Gates said that as a "technical matter when discussing a not-for-profit organization, you talk about control and not equity." His understanding from Sea Hunter was that he would have 100% control. When discussing his anticipated compensation Coleman suggested that Gates take a salary somewhere around \$16,000 - \$18,000 per month. He said that they also offered him an employment contract, but he questioned why he would need to sign an employment contract and after speaking with their attorneys they agreed that one would not be necessary.

When asked about the Loan and Security Agreement between Ermont and Sea Hunter, Gates said the only two things that were "critically important" to him were that what was being proposed was "blessed by the regulations and that Ermont receive indemnity in the agreement." Gates said that he received "verbal confirmation" from Seahunter representatives that this was approved by the regulators. He reiterated that the requirements from Sea Hunter would be heavy and they would be capturing all Ermont's excess cash flow, but his understanding was that he was the ultimate decision maker at Ermont.

When asked about the original Memorandum of Understanding, Gates stated that the circumstances under which this was executed was peculiar. Gates said that one night in September 2018 he received a phone call from Coleman who told him that he would receive a Memorandum of Understanding and it needed to be signed that night. Gates said that he read it and ended up signing it that night as requested. Looking back in hindsight, he would have had his partner R.J. Lyman review the document before signing. Lyman said that they would have still probably signed it at the time because they did not expect Sea Hunter to wield as much control as they learned.

When asked about the Amended and Restated Memorandum of Understanding, Gates said that he did not receive this one at night and had Lyman review the memorandum before signing it. Lyman responded with some changes because he was concerned that the memorandum made it seem that Ermont was controlled by Sea Hunter. He wanted to "keep the economics of the deal the same but underscore the independence of Ermont in the agreement." Gates said that after he sent the changes, he received an "uncomfortable" phone call from Coleman and said the conversation went like this:

Coleman: "What the fuck are you doing?"

Gates: "Alex, the intention was to make the document one we would all feel good about and what I don't understand is that you have all the authority to take out the cash from this operation, what else are you looking for?"



Coleman: “We don’t just want payments on a note. We want income to show up as a public company to add to our earnings. Listen, do you like your salary?”

Gates: “Well okay, fine what are you thinking? How else can you extract cash?”

Coleman: “Don’t worry about it we will figure that out.”

Lyman provided an example of why they responded to the proposed memorandum. He said that Ermont’s current lease is with the owner of the property ELDEB LLC. In the memorandum, it would have required them to assign the lease to Sea Hunter who would then in turn sublease it to them with interest. In his mind, this was not in the best interest of Ermont.

When asked if additional money was ever added to the line of credit, Gates said “Honestly, I have no idea.” Gates said that he asked repeatedly for a loan statement but never got a response. He said that they did have one data point that they were able to obtain from an outside auditor. At the time, the auditor noticed that there was a balance on the loan \$660,000 more than what was originally attributable. Gates said that, if requested, they can provide the four additions by Sea Hunter employees to their ledger that the auditor discovered.

Emails provided to ES detail Justin Junda’s (“Junda”) interactions with Ermont. Junda was the CEO and founder of Brideside, a TILT subsidiary. When asked about Junda’s emails<sup>38</sup> regarding Ermont’s Head of Security, Gates said that Coleman called him and told him that he “cannot save this guy anymore, you have to fire him” and he ended up firing his Head of Security even though it was not what he wanted. Gates provided some background to Coleman’s personality saying that, “Alex is a master of the universe personality and when he wants something, there is this feeling that his way will ultimately prevail.” He knew that the economic power behind Ermont was Coleman and TILT. While he owned the license, he did not want to make an enemy of Coleman. TILT was their only source of funds and per the agreement they could not seek outside loans. He felt that if he went against Coleman that it was not a fight he could win and that he had to work with them because they were the guys helping “build the dream.” Gates was asked specifically what he felt the retaliation would be. He responded that he felt that since they brought him in, they would also figure out a way to get rid of him. Gates also said that there was some significance – in the broad sense – of what Junda imposed and that the issue with Ermont’s Head of Security was not even the most egregious thing that occurred with an employee. He said that there was another instance where they had a manager that they caught involved in a transaction of a PSA [Patient Service Associate] and a Patient where he was going to override the patient limit. Gates wanted to fire him, but Junda overrode that decision because “he liked the guy.” In hindsight, Junda would come in to Ermont and had authority over Ermont because he could not go against the guys who held the purse strings.

When asked about attendance policy<sup>39</sup> and who Matthew Harrison was, Gates said that Harrison was deeply involved at CAC and all of TILT worldwide. He was Sea Hunter’s Head of Cultivation and Operations. As a result of the “draconian” attendance policy, Ermont did discipline some employees and may have fired some employees. Gates felt that the policy was ridiculously strict and demoralizing and was very clear that all of TILT’s C-suite and Matt

---

<sup>38</sup> See Exhibit EE – Email communication regarding employee firing – Ermont, Inc – 8.30.18

<sup>39</sup> See Exhibit FF - Email Communication regarding Attendance Policies -9.28.18

Harrison felt it was non-negotiable. Gates said that when there were interactions or disruptions with Sea Hunter, he would tell employees that he must go along with their requirements because this is where our dreams are being funded. That without them, this is not happening. He again reiterated that the agreement prohibited them from seeking funds elsewhere. Gates acknowledged that while he would have done things differently, he understood the need to shift the culture at Ermont.

When asked about the circumstances surrounding his employees request for a raise<sup>40</sup>, Gates said that Chris Yang was hired by Commonwealth Alternative Care as an assistant manager. When a position opened at Ermont, they brought Chris in on an interim basis and Gates decided that he liked him and wanted to keep him. About a month into his employment, it was clear to Gates that he wanted Chris to be the dispensary manager. Gates said that Chris was persistent with his request for a raise so he told him to give him a little bit of time so that he could discuss with Sea Hunter but that his “intention is to give you a raise.” Gates spoke with Chris Hoban the director of Human Resources at Sea Hunter and he agreed that Chris was the right fit for the position. At the time, Junda required that all increases or raises for employees go by him and if he disagreed, then it meant that the raise was not authorized. For Chris, Junda vehemently disagreed with the raise and sent a mocking email. Eventually, Gates was able to authorize a raise for Chris but that was only after Junda’s position at TILT was reduced. Gates went on to say that he was told there was a fight at a TILT board meeting over Junda’s childhood friend, Steven, who he wanted hired as an employee at Ermont. After a background check into Steven was conducted, something came up and it sparked an internal conversation at TILT. After the fight at the board meeting, Junda was removed from the Board. Ermont was originally required to hire Junda’s friend but retracted the offer after Junda was removed.

When asked why he felt that he needed to come forward now, Gates said that around May 15, 2019 he received a phone call from Coleman who told him that things were not turning out the way we planned, that they cannot continue to fund Ermont, that they are going to list Ermont for sale, and TILT will need his cooperation. In return they would give him \$1,000,000 or more out of the sale. Gates said the tone of the conversation was, “Hey, we are going to sell so, because you have been a good boy, we will give you a bonus.” Gates also said that he was included on an email chain where TILT’s investment bank AGP was asking for input on an offer letter. He ended up signing the brokerage agreement but never met with any representatives. Gates then found out that Coleman voluntarily resigned as CEO for TILT and was subsequently removed as Chairman of the board. He said that the principals all changed the board and in June 2019 they spoke with the new COO of TILT, Tim Conder. He said that Conder told him that they would dissolve the agreements and replace them with simple loan agreements that reflect a commercially reasonable value for the loan. Gates and Lyman thought that this was great because they have been trying to come to a reasonable agreement and felt that they would finally do what was needed to settle the relationship so that it could track the Commission’s regulations. They submitted an offer, and the response was that the money was lent to you and we need you to pay it back. Gates said they went through numerous conversations with, but TILT refused to have something written down. The number for which they were willing to settle shifted a dozen times and they were never able to get past the verbal only conversations on how to best align the agreement with the Commission’s regulations. Since those conversations are at an impasse, they

---

<sup>40</sup> See Exhibit GG - Email Communication regarding Employee Compensation - Ermont 10.17.18

came to the Commission so that hopefully both parties will come forward and negotiate in good faith.

At the conclusion of the interview, Gates said that they have a lot more information on Sea Hunter/TILT and can provide it to the Commission upon request.

Investigation Conference – June 30, 2020  
TILT Holdings

On June 30, 2020, Investigations Manager Eduardo Guardiola and Investigator Jacob Nielson interviewed TILT's COO Tim Conder and Senior Corporate Counsel Mark Higgins. Also present on the conference call was outside counsel to TILT, Adam Fine a Partner at Vincente Sederberg.

After introductions, Fine started by speaking to the historical context of why they are here today. He explained that since the Boston Globe article on March 21, 2019, they have been seeking guidance from the Commission on their arrangements with Herbology, Elev8, Verdant, and Ermont in order to figure out a structure that would make the most sense in winding down these agreements. The agreements were initially contemplated by former management of TILT as lending and service agreements in order to build partnerships within the Massachusetts marijuana industry. Now that TILT has new management, they want to unwind these relationships with the purpose of recouping the money that has already been loaned. They have had partial success in unwinding the relationship and pointed to the releases of Elev8 and recently Herbology. Fine stated that they have had difficulty with Verdant and Ermont coming to the table and negotiating in good faith.

Conder said that when he became the COO at TILT he took a look at the affiliate agreements and that regardless of whether they "are regulatory hiccups, they do not jive with TILT's new philosophy specifically, as it relates to social equity." He hopes to move them from supply and services agreements to unsecured loans and is doing what he can to unwind the relationships. He said that they were successful with Elev8 and Herbology. Conder went on to say that they have tried to negotiate with Tito Jackson but understand that Jackson was left in a position where he feels that he was wronged by TILT and previous management. He explained that originally Jackson was leading the equity inclusion effort at TILT but was phased out. TILT ultimately loaned Jackson upwards of \$2.2 million and while TILT wants to have the loan repaid, they may ultimately walk away from it.

Conder stated that the other holdup is Ermont and TILT views the resolution of this relationship differently. First, there is no social equity component. Second, they have loaned them a little under \$20 million. And third, they are an operational medical dispensary. Conder acknowledged that their relationship is not a good one. TILT has not only provided them with capital but has loaned them product from CAC which has not been repaid. TILT is willing to negotiate with Ermont, but they believe that Ermont is attempting to leverage the Commission in order to bolster their position at the negotiating table and extort better terms on the loan.

Conder ended by saying that their goal is to reach an outcome that everyone is happy with so that all parties can move forward with licensing. They want to earn the Commission's recommendations for CAC and want the Commission to see that they are acting in good faith to try and unwind these agreements.

Fine said that one option he has discussed with TILT is executing unilateral releases on everything except for the loans. Adam went on to say that while money has been loaned to these affiliates little to no money has been paid back. Ermont owes CAC \$2.6 million just on wholesale purchases of product from CAC to stock their medical dispensary. Fine stated that the remaining \$17.2 million owed to TILT by Ermont is from the Sea Hunter's debt purchase on May 31, 2018 and the extended line of credit.

Fine, Conder and Higgins fielded questions by Enforcement Staff regarding both Verdant and Ermont.

Fine said that SH Realty purchased the property in Provincetown for Verdant to eventually lease. This was because Verdant had signed an HCA with the town. The goal was to lease the property to Verdant. The selection of the site (44 Captain Bertie's Way) predates Jackson's relationship with Verdant. Jackson knew about the property and proposed use because of the HCA that was signed and his involvement in the special permit. Current TILT management were not involved with the purchase of the property and rely on past agreements for understanding.

Fine indicated that Alex Erickson ran Verdant prior to the debts being purchased by Sea Hunter. This was done because Verdant was in financial trouble and they needed capital. Once the debt was sold, similar to what happened with Ermont, management changed and Alexia Varga stepped in as the sole director and officer. She stayed until April 2018. She works at Nowlen, Holt & Miner, a CPA firm out of West Palm Beach, FL. Fine stressed that Varga was never an employee of CAC nor Sea Hunter. She was, for a brief time, a temporary director of Verdant. She had a good relationship with former partners, Robert Leidy and Alex Coleman. She has always been an outside vendor for Sea Hunter.

Fine said that once new management came in and Robert Leidy and Alex Coleman departed, neither of them were employed any longer by TILT.

Fine explained the difference between the Verdant entities. There were three separate Verdant business names, Verdant Medical, Inc ("VMI"), Verdant Management Group ("VMG"), and Verdant Holdings, LLC ("VHL").

Fine described it as "the dream" that former Sea Hunter management had. They wanted to work with license holders to provide classic consulting services – real estate, capital, dispensary buildouts, technology (point-of-sale systems), and training. VMI is the operating entity. The management and services agreement were supposed to flow through VMG. Fine said that they "tried to silo every relationship through different entities." VHL would have been the entity that would hold any equity issuance. Fine said that there was never any issuance and VHL was just the lender. He added that, functionally, these entities did not do anything. Currently, VMG and VHL are still under Cultivo, therefore, TILT.

Fine said that one reason that “previous management,” is in fact, “previous management” is because they entered into loan agreement that contemplated large sums of money being lent out to numerous entities. He added that that pot of money ran dry. They cannot continue to loan out money and they want to draw that money back. Fine said that since Conder started, TILT has not allocated any additional funds to Verdant. He added that they had loaned more money to Elev8 in order to finalize that agreement.

Enforcement Staff shifted back to the Provincetown location. Fine said that when they were served the lawsuit<sup>41</sup> by Modlogiq f/k/a NRB (“Modlogiq”), Jackson was concerned. TILT reached out to Jackson and said, “you don’t have to worry about this, we will take care of it.” Fine said that Jackson was aware of the contract with Modlogiq. The contract was to build modular structures. The lawsuit is for Modlogiq to collect what is owed on the contract. Fine said that they reached out to Modlogiq and came to a settlement agreement. The agreement releases and forever discharges all parties. TILT said they are making payments on this.

Enforcement Staff inquired about Sam Perry, the person who signed the contracts. According to Fine, Perry was the former head of construction for TILT holdings. Briteside holdings, LLC was one of the companies that helped form TILT in the merger of November 2018. Briteside was the construction arm of TILT that essentially outsourced the actual fabrication of the units but oversaw the design process. Briteside was the seller and designer of the units, but not the builder. Perry had the ability to engage in contracts on TILT’s behalf. Fine added that any decisions to engage in any construction would have been made by VMI. Also mentioned in the lawsuit was Chris Frost. Frost was the Director of Procurement for TILT, but now he is the VP of Procurement.

The founder and CEO of Briteside was a man name Justin Junda. Fine said that Junda was not a part of the Modlogiq contract. He went on to explain that Junda had a lot of positions at TILT but never had an employment agreement. Junda did not want to have a non-compete because he wanted to continue to consult with other companies. Since he was a founder of one of the companies that merged to make TILT, he could do whatever he wanted. Junda “referred to himself as the Chief Strategy Officer.” Currently, Junda does not work with the organization and only owns stock in TILT. The only individual who was with the organization at the time of the previous management and is currently employed is Frost, the VP of Procurement. Fine said that Junda was not legally affiliated with the company, but practically was affiliated.

Fine continued by saying that Junda did have a seat on the board at TILT, but it was short-lived. Fine described the role of Junda as a “consigliere” to Coleman, a managing partner. Junda was a trusted advisor to Coleman and a catalyst for the business combination and a “visionary.” He did whatever he wanted, but specifically made sure that someone was acting on his behalf.

Fine said that even though the instruction to start construction in Provincetown began, it ultimately stopped because the previous management ran out of money and some projects had to stop.

Enforcement Staff asked if TILT has contemplated breaching the agreements. Fine said, “what’s there to breach? We’ve already given the money out or performed the services, we have no

---

<sup>41</sup> See Exhibit BB - Modlogiq Lawsuit - Verdant Medical, Inc - 12.31.19

further obligations to these entities.” Fine added that TILT would like to release any agreements and rather than continue to negotiate, they will state that they have no affiliation with VMI and that they just want the monies owed. Fine said that they can enter a formal affidavit.

After Enforcement Staff was finished asking questions about Verdant, TILT was asked to explain their relationship with Ermont in more detail. Conder reiterated that they feel differently about the loan to Ermont than they do about the loan to Verdant. They want to see Jackson successful. In contrast, Ermont has been a problem from the outset. They are already operational and have borrowed a significant amount of money while not paying any of it back. Conder feels that Ermont is trying to leverage the Commission in order to bolster their position at the negotiating table. Conder stated that they do not have control over the entity and are adverse parties at this point. Fine added that Ermont has taken advantage of what went on with the press and because Ermont believes the relationship violated regulations, they do not have to pay back what is owed. Fine stated that the negotiations and their tactics feel like extortion.

When asked how the \$20 million in debt came to be, Higgins explained that on May 31, 2018, Sea Hunter purchased the debt held by a variety of entities and individuals, including former CEO John Hudson III, who owned and controlled Ermont. Higgins said that in conjunction with and after the debt purchase, Sea Hunter and Ermont executed the following agreements: Assignment Agreement for the consulting and management services of Zolly LLC to Cultivo<sup>42</sup> on May 31, 2018; Loan and Security Agreement extended a line of credit of up to \$8.8 million with \$3.1 allocated to accounts payable on June 1, 2018;<sup>43</sup> Supply Agreement in July 2018, because Ermont would often run out of product; and two MOU in September and November 2018. In November 2018, Sea Hunter merged with other entities becoming TILT. Higgins said that after May 2019, when disputes arose no further services were provided by TILT to Ermont.

When asked how John Gates became to be the CEO and Director at Ermont, Higgins said that at the closing of the debt purchase (May 31, 2018) the former board resigned, and Gates was appointed. He went on to say that at the time Ermont was in financial trouble and a lot of the board members wanted out which is why Sea Hunter came in and purchased the debt. While they own the debt, they do not have any equity or board seat at Ermont. The idea was to form partnerships. Conder added that Gates was a friend or acquaintance of TILT’s former CEO Coleman. Since TILT could not have any equity because of the statutory limits they brought in Gates. The former debtholders of Ermont did not want to run the company anymore so after Gates was introduced to them, they appointed him, but they could have refused. The idea was that Gates would build the company so that Sea Hunter could be paid back on its debt and that this relationship would expand the Sea Hunter footprint in Massachusetts.

When asked what Ermont’s obligations were in the agreements, Higgins explained the two important aspects of an agreement are the terms, what each party agrees to do, and affirmative/negative covenants, which protect the lender. Higgins said that under the Loan and Security Agreement, TILT rolled up all the debt from the purchase and sale agreement and extended a line of credit to Ermont. The covenants included, but are not limited to: power of attorney; access to premises; notification provisions for new locations; access to financial records; provisions that require the lenders consent for merger, loans, and capital expenditures;

---

<sup>42</sup> See Exhibit N – Assignment Agreement – Zolly, Cultivo – Ermont, Inc 5.31.18

<sup>43</sup> See Exhibit O – Loan and Security Agreement – Ermont, Inc – 6.1.18

and a provision where the lender will designate one person to the borrower's Board of Directors. Higgins said that TILT has not exercised the provision related to the Board of Directors and acknowledged that provision may be an issue. He went on to say that the relationship has been particularly one sided. TILT has provided capital, consulting services, and product required under the agreements while Ermont has failed to make adequate payments on the loans. Instead, they are using a perceived regulatory issue to strongarm TILT into agreeing to release them from the loan for pennies on the dollar. At the time of the Dan Adams article, Higgins said that they had a couple of conversations with the Commission because the regulations were unclear. After the most recent changes they feel that they better understanding of the Commission's position.

When asked about the Management Service agreement they inherited from Zolly LLC, Higgins said that the agreement was intended to assist Ermont. When they first became involved with Ermont the management was incompetent. Gates decided to exercise the option under the management agreement for Sea Hunter to assist with the business. From August 2018 through November 2018, Junda took it upon himself to make Ermont his project. He and several other Sea Hunter employees provided advice and direction for Ermont. Higgins was asked several pointed questions on Sea Hunter's influence over various aspects of day-to-day operations and responded accordingly with respect to:

- Higgins said that Sea Hunter's Head of Cultivation Matt Harrison was brought in to assist with cultivation because Ermont's cultivation had a lot of problems,
- Equipment and capital expenditures, Higgins said that they provided suggestions and Gates made the final decisions. He said that there are journal entries for Ermont capital expenditures for 2018,<sup>44</sup>
- Hiring and firing, Higgins said that only recommendations were made. On one occasion there was an issue with John Belsan the Head of Security at Ermont. Junda recommended that Gates fire him. Gates resisted but eventually decided to fire him,
- Higgins said that Junda made several suggestions to terminate certain employees and Gates had the power to say yes or no. One manager Junda suggested being fired left Ermont recently,
- Employee raises, Higgins said that Junda would provide suggestions to Gates,
- Point of Sale technology, Higgins said that Ermont was using a different POS but switched over to Blackbird. The decision to switch over was made by Gates.
- Security, cash handling, design of Ermont, and products sold at the store, Higgins said that Ermont handled those decisions on their own.

<sup>44</sup> TILT provided a transaction report for Ermont, Inc for 2018 and there is a total of seven journal entries with a total balance of **\$12,919,847.04**:

Date	Transaction Type	Description	Amount
5/30	Journal Entry	Proceeds Receipt	\$12,250,000.00
5/30	Journal Entry	Additional 25K expense	\$25,000.00
9/17	Deposit	Deposit	\$350,000.00
9/30	Journal Entry	Payment to Vertical Air for Cultivation	\$22,752.40
9/30	Journal Entry	Payment to Pipp for Horticulture	\$77,313.64
9/30	Journal Entry	Payment to Fluence Bioengineering	\$192,731.00
9/30	Journal Entry	Payment to Fluence Bioengineering	\$2,050.00

Higgins said that Junda was specifically interested in the dispensary itself, and ways to increase productivity but that all final decisions were made by Gates. Unfortunately, time spent consulting Ermont was not tracked and no payments on this agreement were ever received from Ermont. Services under the agreement ceased around the same time as the Dan Adams article.

When asked about the Supply Agreement, Higgins said that they entered into this agreement in July 2018, because Ermont was running out of product to sell and needed assistance with processing. They entered into another agreement in November 2018, where Ermont would purchase product 50% off retail and regular pricing for wholesale. In total, the outstanding balance Ermont owes to Commonwealth Alternative Care for product is \$2.6 million and have made little effort to reduce that balance.

When asked to explain the MOU, Higgins said that it was an attempt to restate the relationship between Ermont and Sea Hunter in anticipation of the TILT merger. In order to go public, industry practice is to get an underwriter that marks up the shares who then takes the margin. The company provides the underwriter with financial models so that when the underwriter goes to investors, they have data to support projections. In this case, the underwriter asked for documents to support the arrangements between Sea Hunter and Ermont. The MOU was the solution Sea Hunter landed on so that Ermont could be included in investor presentations. Practically, the Memorandum allows the underwriter to support financial projections but there is no legal effect of the memorandum particularly in Massachusetts where they are deemed non-binding. Higgins went on to say that the Memorandum are “cookie-cutter” and they are technically letters of intent that never came to fruition because the parties never had a meeting of the minds. Higgins said that the goal of these agreements with Ermont, Verdant, Herbology, and Elev8 were an attempt to replicate the “shelf-space” model from the beverage industry.

When asked who Junda was and what his relationship was with TILT, Conder stated that Junda was the CEO of Brideside, one of the four companies that merged to form TILT. Both Conder and Higgins described him as “a bull in a china shop.” He said that Junda was never technically an employee of TILT and did not sign an employment agreement by design. Conder stated that Junda anointed himself the Chief Strategy Officer and while he did have a seat on the Board of Directors it was short-lived. Junda has a felony on his record so instead of maintaining his board seat he was given appointment rights. Essentially, Junda acted as a trusted advisor to Coleman and made sure that someone else acted on his behalf whenever decisions were made.

When asked what TILT's plan is for Ermont moving forward, Conder said that the plan is to recoup the debt owed by Ermont to TILT and then sever ties. They attempted to reach an agreement in February 2020 but have had no further conversations since. They have discussed unilateral releases and providing the Commission with any affidavits required.

At the end of the call Higgins and Fine stated that TILT would like to resolve these relationships and want to show the Commission that they are acting in good faith towards that end. They reiterated that TILT does not have any control over these entities and hope that a swift resolution will earn the Commission's approval for adult-use licensing in August 2020. They reiterated that TILT does not control any of these entities and is averse to Ermont.

Communication between Ermont Inc. and TILT/Sea Hunter  
August 7, 2018



On August 7, 2018, Alexia Varga, a Partner at an accounting firm working for Sea Hunter, sent an email to Brandon Van Asten, a Principal in the accounting firm Bridgwest that worked with Ermont, asking for Ermont's financial statements.<sup>45</sup> Van Asten sent an email back saying, "I can give you the TB as of 5/31 and 6/30 ... Also, since Ermont is [an] NFP that you don't technically control, I'm not sure you should be rolling it up..." The conversation ultimately ends with Varga stating that the auditors have determined [TILT's] control via the management agreement.

#### *Request for Information (RFI) – TILT and CAC*

On October 30, 2020, Enforcement Staff sent an RFI for e-mail communications between, Commissioners and former Director of Investigations and TILT and CAC, to TILT and CAC management.<sup>46</sup> Documentation pertaining to the Commission's request were submitted by TILT and CAC on November 2, 2020<sup>50</sup> and November 10, 2020, respectively.<sup>51</sup>

On November 6, 2020, Enforcement Staff sent an RFI for e-mail communications between, the Executive Director and TILT and CAC, to TILT and CAC management.<sup>47</sup> On November 9, 2020, TILT and CAC responded that "No responsive records were identified."<sup>52</sup>

## **IV. RELEASE AGREEMENTS**

### **A. TILT and Elev8, Inc.**

On September 23, 2019, TILT and Elev8 executed a release agreement<sup>48</sup>. This agreement terminates all past management, service and supply agreements that TILT and Elev8 had together. The parties agreed to restructure the debt agreement they had previously to a lender/borrower relationship. The Commission accepted these terms and allowed Elev8 to move forward through the licensing process.

### **B. TILT and Herbology Group, Inc.**

On May 22, 2020, TILT and Herbology Group, Inc. executed a termination agreement.<sup>49</sup> This agreement terminates all past management, service, supply, and property agreements. The remaining balance of Herbology's debt was agreed to be purchased by a third party, thus severing all ties with TILT. The Commission accepted these terms and allowed Herbology to move forward through the licensing process.

### **C. TILT and Verdant Medical, Inc.**

---

<sup>45</sup> See Exhibit HH - Email communication regarding control - Varga- Ermont, Inc - 8.7.18

<sup>46</sup> See Exhibit PP – RFI-Commonwealth Alternative Care – TILT 10302020

<sup>47</sup> See Exhibit QQ – RFI-Commonwealth Alternative Care – TILT 11062020

<sup>48</sup> See Exhibit II - Termination, Release and Settlement Agreement - Elev8 - 9.23.19

<sup>49</sup> See Exhibit JJ - Termination Agreement - Herbology Group - 5.22.20

<sup>49</sup> See Exhibit MM – RFI response – TILT\_CAC – 11.03.20

<sup>50</sup> See Exhibit NN – RFI response – TILT\_CAC – 11.10.20 (folder)

<sup>51</sup> See Exhibit OO – RFI response – TILT\_CAC – 11.09.20

According to TILT's representatives, TILT had been trying to release agreements with Verdant since Conder and new TILT management came on board. Because the agreements, specifically the loan agreement involved over two million dollars, negotiations were difficult to agree upon. Fine said in 2019, that they "may have to take a haircut" on the debt owed from Verdant. Fine added that because Jackson and Verdant are Social Equity applicants and are not yet operational, they would feel comfortable waiving the debt owed and terminating all agreements.

On August 21, 2020, TILT created a Termination and Release agreement for Verdant Medical.<sup>50</sup> The agreement terminates all agreements that TILT and Verdant had entered throughout time. This includes management, service, supply, property, and finance agreements. The debt owed through their loan agreement has been waived through the termination agreement. The property in Provincetown is still under SH Realty ownership and both parties may agree to a lessee/lessor relationship or SH Realty may sell the property to someone else. The agreement was signed by Conder for termination of all agreements.

#### **D. TILT and Ermont, Inc.**

On August 21, 2020, TILT created a Notice of Termination and Waiver of Covenants<sup>51</sup> document in favor of Ermont. Within this document, TILT severs ties with Ermont regarding the management and consulting services that Cultivo, LLC was providing. The notice identifies that the loan and service agreement dated June 1, 2018 is still in effect but has waived compliance to certain sections of it. Specifically, section 9.7 – Sale of Assets, Consolidation, Merger, Dissolution, other prohibited Activities and section 9.12. The following have been waived

"Borrower shall not, directly or indirectly, without lender's consent:"

- Subsection 9.7(e) – make any loans, advances or capital contributions to or investments in, any other Person, other than the borrower;
- Subsection 9.7(f) – make or agree to make any new capital expenditures other than those approved by Lender;
- Subsection 9.7(g) – except with respect to directors and officers whose compensation may not be increased, (i) other than increases made in the ordinary course of business consistent with past practices, increase the compensation, bonus or other benefits of any current or former consultant, independent contractor or employee, (ii) grant any Person any increase in severance or termination pay, or (iii) pay any benefit or amount not required by an agreement, plan, or arrangement as in effect on the date of this Agreement to any such person;
- Subsection 9.7(j) – terminate or breach the Management Agreement
- Section 9.12 – Board of Directors. Borrower shall add one Person designated by Lender to borrower's Board of Directors who shall serve for so long as any amount is outstanding hereunder or until the Term expires. Subject to approval by the Massachusetts Department of Public Health or the Cannabis Control Commission, as applicable, the Company's by-laws shall provide certain major decisions cannot be made with the approval of such director.

---

<sup>50</sup> See Exhibit KK - Termination and Release Agreement - Verdant Medical, Inc - 8.21.20

<sup>51</sup> See Exhibit LL – Notice of Termination and Waiver Covenants

Ermont does not believe that they should be subject to loan repayment because the terms of that agreement may have given TILT with some sort of control over Ermont. TILT believes that the loan has been made. Ermont has accepted and used the money (including debt earned through product supply) and they have the means to pay it back (Ermont is operational). TILT said the difference between Ermont and Verdant is that Ermont is operational and has been making profits, whereas Verdant is non-operational. The two parties have recently begun discussing the terms of the loan repayment, but they are on different ends of the negotiating spectrum.

## V. CONCLUSION

### TILT/CAC violations

The multiple agreements, memoranda, and correspondence between Sea Hunter and Ermont demonstrate that TILT indirectly, if not directly, controlled Ermont starting May 31, 2018. As a result, TILT and its subsidiary, Commonwealth Alternative Care, violated Section 16 of M.G.L. c. 94G, 105 CMR 725.100 of the Department of Public Health, and 935 CMR 501.100 when adopted by the Commission.

Pursuant to Section 16 of M.G.L. c. 94G, “No licensee shall be granted more than [...] three medical marijuana treatment center licenses [...]” At the time of Sea Hunter’s Debt Purchase of Ermont, 105 CMR 725.100(1)(b) stated that “no executive, member or any entity owned or controlled by such executive or member, may directly or indirectly control more than three RMDs.” While control and ownership was not specifically defined under 105 CMR 725, 935 CMR 500 defined a controlling person as “an officer, board member or other individual who has a financial or voting interest of 10% or greater in a Marijuana Establishment” and that “an individual, corporation or entity shall be determined to be in a position to control the decision-making of a Marijuana Establishment if the individual or entity possesses: 1. actual control of more than 50% of the voting equity or has the power to appoint more than 50% of the directors; 2. contract rights to control; or 3. right to veto significant events.”

As demonstrated above, not only did Sea Hunter and later TILT own 100% of Ermont’s debt it also: 1) controlled Ermont’s cash flow through the provisions in the Debt and Security Agreement; 2) appointed Ermont’s current CEO and sole director as a requirement of the Debt Purchase and Sale Agreement; 3) owned the rights to the master service contract through its subsidiary, Cultivo, as a condition of the loan; and 4) prohibited many decisions typically reserved for a Board of Directors without its consent. In addition, the emails between TILT and Ermont reveal that Junda was highly involved with the day-to-day operations of Ermont. While TILT now claims that Junda was “technically not an employee”, the former CEO of TILT Coleman did little to curb his involvement and at times appeared to encourage Junda’s oversight of Ermont. In one email between representatives from Ermont and Varga, an “outside CPA,” Varga explicitly said that auditors deemed the relationship as controlling due to the agreements.

Similarly, the multiple agreements, memoranda, and correspondence between Sea Hunter and Verdant demonstrate that TILT indirectly, if not directly, controlled Verdant starting September 19, 2017. As a result, TILT and its subsidiary, Commonwealth Alternative Care, violated Section 16 of M.G.L. c. 94G, 105 CMR 725.100 of the Department of Public Health, and 935 CMR 501.100 when adopted by the Commission.

As demonstrated above, not only did Sea Hunter and later TILT own 100% of Verdant's debt it also: 1) controlled Verdant's cash flow through the provisions in the Loan and Security Agreement; 2) had contract rights as shown through the buildout of the Provincetown location without the CEO's approval 3) owned the rights to the master service contract through its subsidiary, Cultivo, as a condition of the loan; and 4) prohibited many decisions typically reserved for a Board of Directors without its consent. In addition, the role that Varga played to establish the relationship between Verdant and Sea Hunter was integral to the execution of the documents, specifically the loan document. Although, she was never "employed" by Sea Hunter, she played a large role as various resident agents for Sea Hunter and its affiliates.

The MOU that both Verdant and Ermont signed into execution in September 2018 were boiler plate agreements that were purely to flaunt the affiliates and potential revenue for the TILT merger. The TILT merger was executed two months later. The MOUs had provisions in it that clearly demonstrated control. Three provisions established control for both executed MOUs.

First, 14% interest with a 70% cash flow sweep on a Secured Loan.

- Verdant and Ermont had to annually prepay 70% of any excess cash flow to TILT in repayment of their respective loan.

Second, a requirement that 85% of inventory to be purchased from Commonwealth Alternative Care subject to terms of a Mutual Supply Agreement in addition to a \$3.00 SKU per product sold.

- Verdant and Ermont had to purchase at least 85% of its marijuana inventory from CAC. In addition, both entities had to pay a per-item fee of \$3.00 for all purchased inventory. The per-item fee was in consideration of key services including "certain marketing, advertising and promotional services, including branding currently used by Supplier for store names, buildouts and store formats, uniforms and merchandising, IT tech support and in-store technology, human resources services such as training and recruitment, general oversight and business consulting."

Third, Right of First Refusal for any sale of equity.

- Verdant and Ermont needed to present TILT with an offer on the same terms as any bona fide offer tendered to them to purchase an interest constituting a change in control. The agreement recognizes that the ROFR Option may only be exercised if the Massachusetts state marijuana laws and regulations are amended to remove existing ownership limits.

*Verdant Medical, Inc. and Ermont, Inc.*  
*Violations*

935 CMR 501.100(5)(b) – Expiration and renewal of Registration. The RMD's certificate of registration...may be renewed as follows unless an action has been taken based upon the grounds set forth in 935 CMR 501.405

(b) The RMD shall update as needed, and ensure the accuracy of, all information that it submitted on its initial application for a certificate of registration.

Neither Verdant nor Ermont ever notified The Commission or disclosed the relationship with TILT. The agreements that they had signed clearly demonstrate indirect, and perhaps direct, control beginning with their Loan and Security Agreements. Both entities had the opportunity to disclose information during the license renewal stage at least twice since the execution of their respective agreements.

935 CMR 501.100(6)(d) – Notification to the Commission and Commission Approval of Changes. (d) The RMD shall keep current all information required by 935 CMR 501.000 or otherwise required by the Commission. The RMD shall report any changes in or additions to the content of the information contained in any document to the Commission within five business days after such change or addition.

And after the November 2019 regulation change

935 CMR 501.104(1)(b)(2) – Notification and Approval Changes (1) Prior to making the following changes, an MTC shall submit a request for such change to the Commission and pay the appropriate fee. No such change shall be permitted until approved by the Commission. Failure to obtain approval of such changes may result in a License being suspended, revoked, or deemed void. (b) Ownership or Control (2) Control Change. Prior to any change in control, where a new Person or Entity Having Direct or Indirect Control should be added to the License, the MTC shall submit a request for such change to the Commission prior to effectuating such a change. An individual, corporation, or entity shall be determined to be in a position to control the decision-making of an MTC if the individual, corporation, or entity falls within the definition of Person or Entity Having Direct or Indirect Control

Once Verdant and Ermont signed their Loan and Security Agreements, they were required to keep current all information required by 935 CMR 501.000, which includes disclosing any persons or entities that had direct or indirect control. According to current and historical licensing documentation, neither MTC/RMD reported any changes regarding TILT or its affiliates.

An argument may be made that Verdant and Ermont may not have been aware of any control issues, but, the emails that were provided to Enforcement Staff from the time period of 2018-2019 that have been entered into this report were provided by their counsel to demonstrate control.

### Mitigating Factors

#### **Good Faith Efforts**

##### Verdant Medical, Inc and Ermont Inc.

Enforcement Staff does not believe that there were any good faith efforts made to mitigate this situation. It was not until TILT wanted to unwind the relationships after new management began in the summer of 2019 and were looking for full repayment of the loans that Verdant and Ermont began to communicate with The Commission. TILT and the two MTCs have indicated to Enforcement Staff that negotiations of repayment began in the late summer/early fall of 2019 when TILT stopped putting money into each credit line. Verdant was faced with an out-of-state

lawsuit which toppled negotiations. Shortly afterwards, Verdant's counsel reached out to the Commission to discuss possible control issues. Ermont's counsel was the same as Verdant's at that time and was not having any movement on re-negotiating their loan terms.

### TILT Holdings, LLC

During the Investigative conference on July 25, 2019, Adam Fine said that management had turned over at TILT. He alluded to the fact that the new interim-CEO, Timothy Conder, did not like the agreements and wanted to sever them and get their money back. He said to Enforcement Staff that their goal was to release all agreements and restate the loan agreements. They drafted termination and release agreements shortly after that meeting for good faith efforts. TILT successfully terminated and released Elev8 of their agreements on September 23, 2019. Around the same time, TILT said that they were working on terms with Herbology, Verdant, and Ermont. The Modlogiq lawsuit set back negotiations with Verdant. Once TILT assured Verdant that TILT would make the settlement payments, Verdant got back to the negotiation table. Meanwhile, TILT released and terminated another agreement with Herbology on May 22, 2020. Ultimately, TILT and Verdant could not come to an agreement and TILT outright released them of all agreements and debts on August 21, 2020. As indicated from both parties, TILT and Ermont are not really "negotiating" because they cannot come to an agreement of monies owed for repayment. TILT did not want to continue to be perceived as having control, so they released Ermont from their agreements on August 21, 2020. The Loan and Service Agreement is still in effect, minus a couple provisions that could be construed as having control.

## **VI. EXHIBITS**

Enclosures



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

Minimum Fee: \$35.00

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

Special Filing Instructions

**Articles of Organization**

(General Laws, Chapter 180)

**Federal Employer Identification Number:** 001113840 (must be 9 digits)

**ARTICLE I**

The exact name of the corporation is:

ERMONT, INC.

**ARTICLE II**

The purpose of the corporation is to engage in the following business activities:

TO ENGAGE IN CIVIC, EDUCATIONAL, AND BENEVOLENT ACTIVITIES PER MGL CH. 180 §4.

**ARTICLE III**

A corporation may have one or more classes of members. If it does, the designation of such classes, the manner of election or appointments, the duration of membership and the qualifications and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

**ARTICLE IV**

Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

(If there are no provisions state "NONE")

1. MEETINGS OF DIRECTORS AND OFFICERS ARE AUTHORIZED TO TAKE PLACE ANYWHERE WITHIN THE UNITED STATES. 2. THE DIRECTORS MAY MAKE, AMEND, OR REPEAL THE BY-LAWS IN WHOLE OR IN PART, EXCEPT WITH RESPECT TO ANY PROVISION THEREOF WHICH BY LAW, THE ARTICLES OF ORGANIZATION, OR THE BY-LAWS REQUIRE ACTION BY THE DIRECTORS. 3. NO DIRECTOR SHALL BE PERSONALLY LIABLE TO THE CORPORATION FOR MONETARY DAMAGES FOR BREACH OF FIDUCIARY DUTY AS DIRECTOR NOTWITHSTANDING ANY PROVISION OF LAW IMPOSING SUCH LIABILITY, PROVIDED HOWEVER THAT THIS PROVISION SHALL NOT ELIMINATE THE LIABILITY OF A DIRECTOR, TO THE EXTENT THAT SUCH LIABILITY IS IMPOSED BY APPLICABLE LAW; A. FOR ANY BREACH OF THE DIRECTORS DUTY OF LOYALTY TO THE CORPORATION. B. FOR ACTS OR OMISSIONS NOT IN GOOD FAITH OR WHICH INVOLVE INTENTIONAL MISCONDUCT OR KNOWING VIOLATION OF LAW; AND C. FOR ANY TRANSACTION FROM WHICH THE DIRECTOR DERIVED AN IMPROPER PERSONAL BENEFIT.

Notes: The preceding four (4) articles are considered to be permanent and may only be changed by filing appropriate Articles of Amendment.

## ARTICLE V

The by-laws of the corporation have been duly adopted and the initial directors, president, treasurer and clerk or other presiding, financial or recording officers, whose names are set out on the following page, have been duly elected.

## ARTICLE VI

The effective date of organization of the corporation shall be the date approved and filed by the Secretary of the Commonwealth. If a *later* effective date is desired, specify such date which shall not be more than *thirty days* after the date of filing.

## ARTICLE VII

The information contained in Article VII is not a permanent part of the Articles of Organization.

**a. The street address (*post office boxes are not acceptable*) of the principal office of the corporation in *Massachusetts* is:**

No. and Street: 4 MEADOW ROAD

#3

City or Town: PROVINCETOWN

State: MA

Zip: 02657

Country: USA

**b. The name, residential street address and post office address of each director and officer of the corporation is as follows:**

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code	Expiration of Term
PRESIDENT	JOHN D. HUDSON	4 MEADOW ROAD #3 PROVINCETOWN, MA 02657 USA 4 MEADOW ROAD #3 PROVINCETOWN, MA 02657 USA	n/a
TREASURER	JAMES C. HAGEARTY III	4848 N SHERIDAN RD, UNIT 803 CHICAGO, IL 60640 USA 4848 N SHERIDAN RD, UNIT 803 CHICAGO, IL 60640 USA	n/a
CLERK	MICHAEL J. PERRY	19 COURT STREET PROVINCETOWN, MA 02657 USA 19 COURT STREET PROVINCETOWN, MA 02657 USA	n/a
DIRECTOR	JOHN D. HUDSON	4 MEADOW ROAD #3 PROVINCETOWN, MA 02657 USA 4 MEADOW ROAD #3 PROVINCETOWN, MA 02657 USA	n/a
DIRECTOR	JAMES C. HAGEARTY III	4848 N SHERIDAN RD, UNIT 803 CHICAGO, IL 60640 USA 4848 N SHERIDAN RD, UNIT 803 CHICAGO, IL 60640 USA	n/a
DIRECTOR	MICHAEL J. PERRY	19 COURT STREET PROVINCETOWN, MA 02657 USA 19 COURT STREET PROVINCETOWN, MA 02657 USA	n/a

**c. The fiscal year (i.e., tax year) of the business entity shall end on the last day of the month of:**  
December

**d. The name and business address of the resident agent, if any, of the business entity is:**

Name:

No. and Street:



City or Town:

State:

Zip:

Country:

**I/We, the below signed incorporator(s), do hereby certify under the pains and penalties of perjury that I/we have not been convicted of any crimes relating to alcohol or gaming within the past ten years. I/We do hereby further certify that to the best of my/our knowledge the above-named officers have not been similarly convicted. If so convicted, explain:**

JOHN D. HUDSON

**IN WITNESS WHEREOF AND UNDER THE PAINS AND PENALTIES OF PERJURY, I/we, whose signature(s) appear below as incorporator(s) and whose name(s) and business or residential address (es) beneath each signature do hereby associate with the intention of forming this business entity under the provisions of General Law, Chapter 180 and do hereby sign these Articles of Organization as incorporator(s) this 13 Day of August, 2013. (If an existing corporation is acting as incorporator, type in the exact name of the business entity, the state or other jurisdiction where it was incorporated, the name of the person signing on behalf of said business entity and the title he/she holds or other authority by which such action is taken.)**

JOHN D. HUDSON

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:

August 13, 2013 09:00 AM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, stylized 'G' at the end.

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*

**From:** Adam Fine <[adam@vicentesederberg.com](mailto:adam@vicentesederberg.com)>  
**Sent:** Friday, August 16, 2019 2:34 PM  
**To:** Payer, Paul (CNB) <[Paul.Payer@mass.gov](mailto:Paul.Payer@mass.gov)>  
**Cc:** Gyebi, Yaw (CNB) <[Yaw.Gyebi@mass.gov](mailto:Yaw.Gyebi@mass.gov)>  
**Subject:** CAC Updates

Paul,

In anticipation of your vacation and following our phone conversation earlier this week and the July 25, 2019 meeting with Commission staff, please find the below update relative to Commonwealth Alternative Care, Inc. ("CAC") and TILT Holdings, Inc. ("TILT")'s efforts to date to address the Commission's feedback relative to ownership and control.

**Action Item 1: Update CAC's Board of Directors to reflect new company leadership.**

As we discussed, Timothy Conder will serve on the Board of Directors of CAC and Sea Hunter Therapeutics to replace Robert Leidy and Alexander Coleman. CAC also intends to update the Commission relative to numerous staffing changes. Corporate documents are currently being executed to update the Board of Directors. Once the changes are effectuated with the Secretary of the Commonwealth, CAC will reopen its adult use applications to inform the Commission of such changes and formally notify RMD Compliance. CAC will submit all required documentation to demonstrate the suitability of all new team members.

**Action Item 2: Demonstrate the termination of all existing or prior agreements (proposed management services, supply agreements, etc.) between the parties and dissolution of defunct subsidiaries.**

Please see the attached draft of a Termination, Release, and Settlement Agreement, intended for execution by and between all affiliate parties in the presence of a notary public. Additionally, once new management changes are effectuated with the Secretary of the Commonwealth, TILT will dissolve all defunct subsidiaries. Documentation of the dissolution and an updated organizational chart will be provided to the Commission.

**Action Item 3: Provide updated Loan & Security Agreements.**

Please see the attached updated drafts of amended and restated Loan & Security Agreements. We are in the process of negotiating the final terms with counsel for the various affiliates. As discussed, with the exception of the Ermont debt that was previously purchased by SH Finance (a subsidiary of TILT), we made all of the other loan agreements unsecured. All documentation will be signed in the presence of a notary public and provided to the Commission. Below are the amounts currently owed to TILT for money loaned to the various affiliate entities.

Herbology Group, Inc. - \$1,656,386  
Verdant Medical, Inc. – \$2,179,689  
Elev8 Cannabis, LLC - \$764,113  
Ermont, Inc. - \$15,835,264

**Action Item 4: Provide updated property interest documentation.**

Several properties that were previously under the control of SH Realty Holdings are already under the control of independent third parties. TILT will provide a signed affidavit indicating it no longer maintains control of such properties and, when possible, provide updated property interest information demonstrating the same.

In the instance that TILT maintains control of properties intended for use by the affiliated parties, TILT will provide a plan to release full control to the affiliated party.

**Action Item 5: Provide additional information as requested by the Commission.**

TILT will provide written responses to any remaining additional questions outlined by the Commission..

If I can provide any additional information, please don't hesitate to reach out to me directly.

Best,

Adam

**Adam Fine**

*Partner*

**Vicente Sederberg LLP**

2 Seaport Ln., 11th Floor

Boston, MA 02210

Main: 617-934-2121

[Adam@vicesederberg.com](mailto:Adam@vicesederberg.com)

[VicenteSederberg.com](http://VicenteSederberg.com)

[Confidentiality Notice](#)



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

No Fee

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

**Certificate of Change of Directors or Officers of Non-Profit Corporations**

(General Laws, Chapter 180, Section 6D)

**Identification Number:** 463403588

I, JOHN DAVIS GATES ☒ **Clerk** ☐ **Assistant Clerk**,

of ERMONT, INC.

having a principal office at: 216 RICCIUTI DRIVE QUINCY, MA 02169 USA

certify that pursuant to General Laws, Chapter 180, Section 6D, a change in the directors and/or the president, treasurer and/or clerk of said corporation has been made and that the name, residential street address, and expiration of term of the president, treasurer, clerk and each director are as follows: *(Please provide the name and residential street address of the assistant clerk if he/she is executing this certificate of change. Also, include the names of any additional officers of the corporation.)*

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code	<b>Expiration of Term</b>
PRESIDENT	JOHN DAVIS GATES	216 RICCIUTI DRIVE QUINCY, MA 02169 USA	Until successors are duly elected and qualified
TREASURER	JOHN DAVIS GATES	216 RICCIUTI DRIVE QUINCY, MA 02169 USA	Until successors are duly elected and qualified
CLERK	JOHN DAVIS GATES	216 RICCIUTI DRIVE QUINCY, MA 02169 USA	Until successors are duly elected and qualified
DIRECTOR	JOHN DAVIS GATES	216 RICCIUTI DRIVE QUINCY, MA 02169 USA	Until successors are duly elected and qualified

**SIGNED UNDER THE PENALTIES OF PERJURY, this 1 Day of June, 2018,**  
JOHN DAVIS GATES, **Signature of Applicant.**



December 31, 2019

**VIA CERTIFIED MAIL/  
RETURN RECEIPT REQUESTED**

Verdant Medical, Inc.  
c/o Tito Jackson  
37 Schuyler Street  
Dorchester, MA 02121

**RE: *Modlogiq, Inc. f/k/a NRB (USA), Inc. v. Verdant Medical, Inc., et al.***  
**Court of Common Pleas of Lancaster County, Pennsylvania**  
**Civil Action No. CI-19-12194**

Dear Mr. Jackson,

Enclosed is a copy of a Complaint filed against Verdant Medical, Inc. in the Court of Common Pleas of Lancaster County, Pennsylvania. This Complaint is being served on you as the Resident Agent for Verdant Medical, Inc.

Sincerely yours,

WOOLFORD KANFER LAW, P.C.



Francis A. Camarota

FAC/

Enclosure

cc: Modlogiq, Inc. (via email only)



# Supreme Court of Pennsylvania

## Court of Common Pleas Civil Cover Sheet

LANCASTER

County

ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA

For Prothonotary Use Only: \*\*\*Electronically Filed\*\*\*  
Dec 31 2019 09:04AM

Docket No:

Ricci Dehl

The information collected on this form is used solely for court administration purposes. This form does not supplement or replace the filing and service of pleadings or other papers as required by law or rules of court.

SECTION A

### Commencement of Action:

- ☒ Complaint ☐ Writ of Summons ☐ Petition  
☐ Transfer from Another Jurisdiction ☐ Declaration of Taking

Lead Plaintiff's Name:

MODLOGIQ, INC. f/k/a NRB (USA), INC.

Lead Defendant's Name:

VERDANT MEDICAL, INC.

CI-19-12194

Are money damages requested? ☒ Yes ☐ No

Dollar Amount Requested: ☐ within arbitration limits  
☒ outside arbitration limits

Is this a Class Action Suit? ☐ Yes ☒ No

Is this an MDJ Appeal? ☐ Yes ☒ No

Name of Plaintiff/Appellant's Attorney: Timothy J. Woolford, Esquire

☐ Check here if you have no attorney (are a Self-Represented [Pro Se] Litigant)

**Nature of the Case:** Place an "X" to the left of the ONE case category that most accurately describes your **PRIMARY CASE**. If you are making more than one type of claim, check the one that you consider most important.

### TORT (do not include Mass Tort)

- ☐ Intentional  
☐ Malicious Prosecution  
☐ Motor Vehicle  
☐ Nuisance  
☐ Premises Liability  
☐ Product Liability (does not include mass tort)  
☐ Slander/Libel/ Defamation  
☐ Other:  
\_\_\_\_\_

### CONTRACT (do not include Judgments)

- ☐ Buyer Plaintiff  
☐ Debt Collection: Credit Card  
☒ Debt Collection: Other  
Breach of construction contract  
\_\_\_\_\_  
☐ Employment Dispute: Discrimination  
☐ Employment Dispute: Other  
\_\_\_\_\_  
☐ Other:  
\_\_\_\_\_

### CIVIL APPEALS

- Administrative Agencies  
☐ Board of Assessment  
☐ Board of Elections  
☐ Dept. of Transportation  
☐ Statutory Appeal: Other  
\_\_\_\_\_  
\_\_\_\_\_

☐ Zoning Board

☐ Other:  
\_\_\_\_\_  
\_\_\_\_\_

### MASS TORT

- ☐ Asbestos  
☐ Tobacco  
☐ Toxic Tort - DES  
☐ Toxic Tort - Implant  
☐ Toxic Waste  
☐ Other:  
\_\_\_\_\_  
\_\_\_\_\_

### REAL PROPERTY

- ☐ Ejectment  
☐ Eminent Domain/Condemnation  
☐ Ground Rent  
☐ Landlord/Tenant Dispute  
☐ Mortgage Foreclosure: Residential  
☐ Mortgage Foreclosure: Commercial  
☐ Partition  
☐ Quiet Title  
☐ Other:  
\_\_\_\_\_  
\_\_\_\_\_

### MISCELLANEOUS

- ☐ Common Law/Statutory Arbitration  
☐ Declaratory Judgment  
☐ Mandamus  
☐ Non-Domestic Relations  
Restraining Order  
☐ Quo Warranto  
☐ Replevin  
☐ Other:  
\_\_\_\_\_  
\_\_\_\_\_

### PROFESSIONAL LIABILITY

- ☐ Dental  
☐ Legal  
☐ Medical  
☐ Other Professional:  
\_\_\_\_\_  
\_\_\_\_\_

SECTION B

IN THE COURT OF COMMON PLEAS OF LANCASTER COUNTY, PENNSYLVANIA

**PROTHONOTARY  
CIVIL COVER SHEET**

ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA  
\*\*\*Electronically Filed\*\*\*  
Dec 31 2019 09:04AM  
Ricci Dehl

PLEASE LIST NAMES AND ADDRESSES OF ADDITIONAL PARTIES ON A SEPARATE SHEET.

ALL PARTY INFORMATION IS REQUIRED INCLUDING ZIP CODES. ALL PARTY INFORMATION MUST MATCH THE PLEADING. PLEASE DO NOT STAPLE THE COVER SHEET TO THE PLEADING. IF AN EVENT NEEDS TO BE SCHEDULED, A CAO SCHEDULING COVER SHEET MUST ALSO BE ATTACHED.

TYPE OF ACTION: BREACH OF CONTRACT

For Prothonotary Use Only:

DOCKET No: CI -

**PARTY INFORMATION**

PLAINTIFF'S NAME: MODLOGIQ, INC. f/k/a NRB (USA), INC.

DEFENDANT'S NAME: VERDANT MEDICAL, INC.

ADDRESS: 191 Quality Circle  
New Holland, PA 17557  
*If confidential,  
use 2<sup>nd</sup> sheet*

ADDRESS: 1385 Cambridge Street  
Cambridge, MA 02139

**CI-19-12194**

MUNICIPALITY:

MUNICIPALITY: City of Cambridge, MA

TWP/BOROUGH: Township of Earl, PA

TWP/BOROUGH:

DOB: TELEPHONE #:

(mm/dd/yyyy)

(#####)

DOB:

TELEPHONE #:

(mm/dd/yyyy)

(#####)

**FILING ATTORNEY / FILING PARTY INFORMATION**

FIRM/OFFICE: Woolford Kanfer Law, P.C.

FILING ATTORNEY/PARTY: Francis A. Camarota, Esquire

AOPC: (Attorney ID) #: 308144

ADDRESS: 101 North Pointe Blvd., Suite 200

CITY: Lancaster

STATE: PA

ZIP CODE: 17601

TELEPHONE #: (717) 290-1190

EMAIL: fcamarota@woolfordlaw.com

(#####)

**TAX LIEN INFORMATION**

MUNICIPALITY:

MAP REFERENCE:

DEED BOOK:

DEED PAGE:

DEED DATE:

SALE PRICE:

TAX YEAR:

TAX LIEN AMOUNT:

PROPERTY DESCRIPTION:

**PFA/SVPO/PFI INFORMATION**

HEARING DATE:

SOCIAL SECURITY #: (Defendant – Last 4 digits)

POLICE DEPARTMENT:

PREVIOUS PETITIONS:

YES ☐

NO ☐

If 'YES', File Date:



WOOLFORD KANFER LAW, P.C.  
By: Timothy J. Woolford, Esquire  
Attorney I.D. 78941  
By: Francis A. Camarota, Esquire  
Attorney I.D. 308144  
101 North Pointe Boulevard, Suite 200  
Lancaster, PA 17601

*Attorneys for Plaintiff,  
Modlogiq, Inc. f/k/a NRB (USA), Inc.*

MODLOGIQ, INC., f/k/a  
NRB (USA), Inc.  
Plaintiff,

v.

SEA HUNTER HOLDINGS, LLC,  
SEA HUNTER THERAPEUTICS, LLC  
VERDANT HOLDINGS, LLC, and  
VERDANT MEDICAL, INC.  
Defendants.

: IN THE COURT OF COMMON PLEAS OF  
: LANCASTER COUNTY, PENNSYLVANIA  
: CIVIL ACTION – LAW

**CI-19-12194**

: NO.

#### NOTICE TO DEFEND

YOU HAVE BEEN SUED IN COURT. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

Lancaster County Bar Association  
Lawyer Referral Service  
28 East Orange Street  
Lancaster, PA 17602  
(717) 393-0737

WOOLFORD KANFER LAW, P.C.  
By: Timothy J. Woolford, Esquire  
Attorney I.D. 78941  
By: Francis A. Camarota, Esquire  
Attorney I.D. 308144  
101 North Pointe Boulevard, Suite 200  
Lancaster, PA 17601

*Attorneys for Plaintiff,  
Modlogiq, Inc. f/k/a NRB (USA), Inc.*

MODLOGIQ, INC., f/k/a  
NRB (USA), Inc.  
Plaintiff,

v.

SEA HUNTER HOLDINGS, LLC,  
SEA HUNTER THERAPEUTICS, LLC  
VERDANT HOLDINGS, LLC, and  
VERDANT MEDICAL, INC.  
Defendants.

: IN THE COURT OF COMMON PLEAS OF  
: LANCASTER COUNTY, PENNSYLVANIA  
: CIVIL ACTION – LAW

**CI-19-12194**

: NO.

### COMPLAINT

Plaintiff Modlogiq, Inc. f/k/a NRB (USA), Inc. (“Modlogiq”), by and through its undersigned counsel, Woolford Kanfer Law, P.C., hereby files this Complaint against Sea Hunter Holdings, LLC, Sea Hunter Therapeutics, LLC, Verdant Holdings, LLC, and Verdant Medical, Inc., and in support thereof, avers the following:

### PARTIES

1. Modlogiq is a Delaware business corporation with its principal place of business located at 191 Quality Circle, New Holland, Pennsylvania 17557.
2. Sea Hunter Holdings, LLC is a Delaware limited liability company with a business address located at 1385 Cambridge Street, Cambridge, Massachusetts 02139.
3. Sea Hunter Therapeutics, LLC is a Delaware limited liability company with a business address located at 1385 Cambridge Street, Cambridge, Massachusetts 02139.

4. Verdant Holdings, LLC is a Florida limited liability company with a business address located at 515 North Flagler Drive, Suite 1700, West Palm Beach, Florida 33401.

5. Verdant Medical, Inc. is a Massachusetts business corporation with a business address located at 1385 Cambridge Street, Cambridge, Massachusetts 02139.

#### JURISDICTION AND VENUE

6. As set forth in greater detail below, the Defendants through their ~~attorneys~~ **CI-19-12194** agents, representatives, and/or employees have sufficient minimum contacts to the Commonwealth and have transacted business in the Commonwealth by:

- a. Initiating contact with Modlogiq in Pennsylvania for the purpose of hiring Modlogiq to construct modular units at Modlogiq's facility in New Holland, Pennsylvania;
- b. Traveling to Modlogiq's facility in New Holland, Pennsylvania the purpose of entering into a contract with Modlogiq to construct modular units at Modlogiq's facility in New Holland, Pennsylvania;
- c. Entering into a contract with Modlogiq whereby Modlogiq agreed to construct modular units at Modlogiq's facility in New Holland, Pennsylvania in exchange for payment from the Defendants;
- d. Making a partial payment for Modlogiq's construction services; and
- e. Leaving the unfinished modular units at Modlogiq's facility in New Holland, Pennsylvania, where they remain as of the filing of this Complaint.

7. This Court thus has jurisdiction over the Defendants pursuant to 42 Pa.C.S.A. § 5308 and 42 Pa.C.S.A. § 5322(a) because the Defendants have sufficient minimum contacts



with the Commonwealth and transacted business in the Commonwealth as set forth in greater detail herein.

8. Venue is proper in Lancaster County because it is the county where the cause of action arose.

#### FACTUAL BACKGROUND

9. In December 2018, Chris Jenkins of Brightside Holdings, Inc. initiated contact with Modlogiq at Modlogiq's facility in New Holland, Pennsylvania to discuss constructing a modular structure that would become a medicinal and recreational marijuana retail location in Massachusetts (the "Project").

10. Shortly after that initial contact, Chris Jenkins introduced Modlogiq to Sam Perry, who held himself out as the Director of Project Management for Sea Hunter Therapeutics.

11. On or around December 13, 2018, Sam Perry and Bruce Hunt, another employee, agent, or representative of Sea Hunter Therapeutics, traveled to Modlogiq's facility in New Holland, Pennsylvania to meet with Modlogiq representatives to discuss the Project.

12. After the December 13, 2018 meeting at Modlogiq's facility, Sam Perry sent a Non-Disclosure Agreement to Modlogiq and asked Modlogiq to sign it.

13. The Non-Disclosure Agreement was between Sea Hunter Holdings "and its affiliates" on the one hand, and Modlogiq on the other. (A copy of the Non-Disclosure Agreement is attached as Exhibit "A").

14. The Non-Disclosure Agreement was executed by Modlogiq on December 17, 2018 and was executed by Sam Perry on behalf of Sea Hunter Holdings on January 2, 2019.

15. On March 1, 2019, Sam Perry directed Modlogiq to use Verdant Medical as the company name on proposals, contracts, and other documents related to the Project and further that Sam Perry was to be named the company representative on all Project related documents.

16. Modlogiq provided a Pre-Construction Agreement dated March 1, 2019 to Sam Perry. (A copy of the Pre-Construction Agreement is attached as Exhibit "B").

17. Pursuant to Sam Perry's direction, the Pre-Construction Agreement named Verdant Medical as the client, Sam Perry as the contact person, and listed Mr. Perry's Sea Hunter Therapeutics email address for his contact information. (See Exhibit "B").

18. In the Pre-Construction Agreement, Modlogiq agreed to provide design and estimating services to construct a modular two-story retail store at its facility in New Holland, Pennsylvania for the Project in exchange for the lump sum price of \$16,000.

19. Chris Frost executed the Pre-Construction Agreement on behalf of Verdant Medical on March 1, 2019. (*Id.* at p. 2).

20. Upon information and belief, Chris Frost is the Director of Procurement at Sea Hunter Therapeutics.

21. Modlogiq provided the design and estimating services required under the Pre-Construction Agreement.

22. In or around March 2019, Sam Perry asked Modlogiq to proceed with construction of the modular building for the Project.

23. Construction of the Project was to occur at Modlogiq's facility in New Holland, Pennsylvania.

24. After construction was complete at Modlogiq's facility, the modular units were intended to be shipped to a location in Provincetown, Massachusetts where Verdant Medical held

a license to operate a retail marijuana dispensary and would be assembled at the Provincetown site into the two-story retail store.

25. At the direction of Sam Perry, Modlogiq began fabrication and erection of structural steel for the Project's modular units on or around March 2019.

26. At the time construction began, the parties understood that Modlogiq was beginning fabrication and erection of structural steel to accommodate the Defendants' expected timeline and need for the Project and that the terms and price of the construction project would be finalized after construction began.

27. On March 15, 2019, Modlogiq sent Invoice Number J001120 to Sam Perry in the amount of \$114,500.

28. Invoice Number J001120 billed for the amount due under the Pre-Construction Agreement, plus amounts due for the initial phases of construction work performed by Modlogiq for the Project.

29. Verdant Holdings paid the invoice on March 26, 2019.

30. On April 16, 2019, Modlogiq sent a Manufacturing Agreement to Sam Perry. (A copy of the Manufacturing Agreement is attached as Exhibit "C").

31. The Manufacturing Agreement contemplated an ongoing relationship between Modlogiq and the Defendants whereby Modlogiq would construct different retail store buildings for the Defendants for various locations and an individual purchase order would be issued for each new project.

32. There was no objection or otherwise a response to the Manufacturing Agreement by Sam Perry or any of the Defendants.



33. The Manufacturing Agreement was never returned to Modlogiq and to the extent there is a signed copy of the Manufacturing Agreement exists, it is in the possession of the Defendants.

34. In May 2019, the design of the Project was not complete and was still being worked on.

35. Modlogiq therefore put construction on hold until the design was complete. **CL-19-12194**

36. On May 13, 2019 Sam Perry asked Modlogiq to resume with construction and asked Modlogiq to provide a final price and scope of work for the Project.

37. On May 14, 2019 Sam Perry directed Modlogiq to proceed with construction of the second floor of the Project and Modlogiq did so as a result.

38. On May 22, 2019, although construction was already underway, Modlogiq sent Proposal Number E190016 to Sam Perry which described the work that Modlogiq would perform and the price for that work, \$1,060,000 (the "Proposal"). (A copy of Proposal Number E190016 is attached as Exhibit "D").

39. There was no objection to Proposal Number E190016 by Sam Perry or any of the Defendants nor was there any rejection of the Proposal and to the extent there is a signed copy of Proposal Number E190016 it is in the possession of the Defendants.

40. After the Proposal was sent, Sam Perry asked Modlogiq to put construction on hold.

41. Upon information and belief, Verdant Medical was experiencing financial difficulty at the time and decided to temporarily pause the Project.

42. On June 26, 2019, Modlogiq contacted Sam Perry to inquire about the status of the Project and to explain that Modlogiq could no longer store the modular units in its

warehouse because Modlogiq needed the space for other projects and that the units needed to be retrieved by one of the entities for which he was working.

43. Sam Perry responded on June 26, 2019 and instructed Modlogiq to disassemble the already constructed and assembled modular units and move the units to outside storage at Modlogiq's facility.

44. Modlogiq disassembled the modular units, wrapped the units in shrink-wrap to protect them from the elements, and moved them to its yard. **CI-19-12194**

45. Modlogiq submitted invoices addressed to Verdant Medical and to the attention of Sam Perry requesting payment in the amount of \$94,542.20 for the construction work that it had completed at the Sam Perry's direction.

46. Verdant Medical failed and refused to pay the invoices.

47. In addition to the actual work in constructing modular units, Modlogiq incurred costs to disassemble, store, and weatherproof the modular units at its facility and Modlogiq will continue to incur costs to store and maintain the modular units at its facility.

48. Modlogiq assessed Verdant Medical \$150 per month to store the modular units at its facility.

49. In addition, Modlogiq assessed Verdant Medical \$1,044 in costs to maintain the modular units.

50. Modlogiq submitted an invoice to Verdant Medical requesting payment in the amount of \$2,094.00 for the storage and maintenance fees, which has not been paid.

51. In addition, Proposal Number E190016 provided that a plant stoppage cost of \$23,400 would be assessed against Verdant Medical if the Project did not move forward within seven days of May 22, 2019.



52. The Project did not move forward within seven days of the date of Proposal Number E190016 so Verdant Medical was assessed the plant stoppage cost.

53. Modlogiq submitted an invoice to Verdant Medical for the plant stoppage cost of \$23,400, which has not been paid.

54. Despite being entitled to payment under the Subcontract and Amendment, the Defendants have failed and refused to pay all sums to which Modlogiq is entitled **CI-19-12194**

55. All conditions precedent to bringing this action have occurred or been satisfied.

**COUNT I**  
**BREACH OF CONTRACT**  
**MODLOGIQ v. VERDANT MEDICAL**

56. Modlogiq hereby incorporates the foregoing paragraphs of this Complaint as if fully set forth herein.

57. There was a valid and binding contract between Modlogiq and Verdant Medical.

58. The parties agreed that Modlogiq would construct the modular units for the Project in exchange for payment by Verdant Medical.

59. Verdant Medical agreed to pay Modlogiq for all work and services described herein.

60. Modlogiq fully performed under the contract.

61. Verdant Medical materially breached the contract by failing and refusing to pay Modlogiq.

62. As a direct and proximate result of Verdant Medical's material breach, Modlogiq has incurred damages in excess of \$50,000.

WHEREFORE, Plaintiff Modlogiq, Inc. f/k/a NRB (USA), Inc. respectfully requests that this Honorable Court enter judgment in its favor and against Defendant Verdant Medical, Inc., in

an amount in excess of \$50,000 and costs provided for under the law, together with such other relief which the Court deems just and proper.

**COUNT II**  
**UNJUST ENRICHMENT (IN THE ALTERNATIVE)**  
**MODLOGIQ v. VERDANT MEDICAL**

63. Modlogiq hereby incorporates the foregoing paragraphs of this Complaint as if fully set forth herein.

**CI-19-12194**

64. Modlogiq constructed the modular units for Verdant Medical's benefit and fully expected to be paid for the modular units.

65. The modular units were constructed at the direction of Verdant Medical and the steps taken to disassemble the units, weather-protect them and relocate them to its storage yard were all taken at Modlogiq's facility.

66. The modular units have been stored at Modlogiq's facility at the direction of Verdant Medical.

67. The amount charged by Modlogiq for the construction of the modular units is fair and reasonable.

68. The amount charged by Modlogiq for storage of the modular units at its facility, for disassembling, protection and relocating them is fair and reasonable.

69. Verdant Medical accepted and retained the benefits conferred upon it by Modlogiq.

70. Verdant Medical wrongfully received the benefits of the modular units by not paying for them.

71. If Verdant Medical does not compensate Modlogiq for the construction of the modular units, disassembling, protecting, relocating and storing them, Verdant Medical will be unjustly enriched.

72. Verdant Medical led Modlogiq to believe that it would be paid for all of Modlogiq's work.

73. As of the filing of this Complaint, the reasonable value of the construction and storage of the modular units by Modlogiq is \$120,036.20. **CI-19-12194**

74. Modlogiq will continue to incur reasonable costs to maintain the modular units.

75. Storage fees for the modular units will continue to accrue at the rate of \$150 per month until Modlogiq is paid by Verdant Medical.

WHEREFORE, Plaintiff Modlogiq, Inc. f/k/a NRB (USA), Inc. respectfully requests that this Honorable Court enter judgment in its favor and against Defendant Verdant Medical, Inc. and award Modlogiq, Inc. damages in excess of \$50,000.00, plus any interest, penalties, and costs provided for under the law, together with such other relief which the Court deems just and proper.

**COUNT III**  
**UNJUST ENRICHMENT (IN THE ALTERNATIVE)**  
**MODLOGIQ v. SEA HUNTER HOLDINGS, SEA HUNTER THERAPEUTICS,**  
**AND VERDANT HOLDINGS**

76. Modlogiq hereby incorporates the foregoing paragraphs of this Complaint as if fully set forth herein.

77. Sea Hunter Therapeutics "was formed to provide cultivation, retail, operational and capital support to state cannabis licensees" and it "and its subsidiaries apply for licenses



Ricci Dehl

and/or manage licensees' cannabis cultivation, processing, and dispensary operations in states in which they operate." TILT Holdings, Inc., Listing Statement (Form 2A), at 60 (Nov. 22, 2018)<sup>1</sup>.

78. Sea Hunter Holdings is the sole member of Sea Hunter Therapeutics. Id. at 10.

79. Verdant Holdings is a subsidiary of Sea Hunter Therapeutics, and the holding company for Verdant Management Group, LLC. Id. at 62.

80. Verdant Medical is a not-for-profit licensed marijuana dispensary in the Commonwealth of Massachusetts. Id. **CI 19-12194**

81. Non-party Verdant Management Group provides services to Verdant Medical. Id.

82. Upon information and belief, the sole purpose of Verdant Medical is to allow Sea Hunter Therapeutics and its member Sea Hunter Holdings to comply with Massachusetts law which limits a company to holding and controlling the number of marijuana dispensary licenses to three per company.

83. Upon information and belief, Sea Hunter Therapeutics has significant financial and managerial control over its affiliates and represented in public disclosures that it has the power to direct activities at its affiliates, including Verdant Medical.

84. Upon information and belief, Sea Hunter Therapeutics controls, directs, and manages all operations of Verdant Holdings and Verdant Medical.

85. Upon information and belief, Sea Hunter Therapeutics provides the only financial support to Verdant Holdings and Verdant Medical.

86. As of June 30, 2018, Sea Hunter Therapeutics reported a net liability position in Verdant Medical of \$500,413. TILT Holdings, Inc., Listing Statement (Form 2A), at Sea Hunter

---

<sup>1</sup> The Form 2A Listing Statement was filed with the Canadian Securities Exchange. A copy of the Form 2A Listing Statement is publicly available at <http://thecse.com/en/listings/life-sciences/tild-holdings-inc>.

Therapeutics, LLC and Subsidiaries Condensed Interim Consolidated Financial Statements p. 20  
(Nov. 22, 2018).

87. Sea Hunter Therapeutics, Sea Hunter Holdings, Verdant Holdings, and Verdant Medical all operate under the umbrella of TILT, a foreign corporation based in Vancouver, British Columbia that is publicly traded on the Canadian Securities Exchange.

88. At all times relevant hereto, Sam Perry was acting as the agent, employee and authorized representative of Sea Hunter Holdings, Sea Hunter Therapeutics, Verdant Holdings, and Verdant Medical. **CI-19-12194**

89. At all times relevant hereto, the Defendants acted in concert together to induce Modlogiq to construct the modular units for the Project in exchange for payment from the Defendants collectively.

90. Modlogiq constructed the modular units and performed all the other work and services outlined herein for the Defendants' collective benefit and fully expected to be paid for the modular units.

91. The modular units were constructed, then disassembled, protected, relocated and stored at the direction of the Defendants, individuals acting on their behalf with apparent authority to act on their behalf.

92. The amount charged by Modlogiq for the construction of the modular units and the other work and services described herein is fair and reasonable.

93. The amount charged by Modlogiq for storage of the modular units at its facility is fair and reasonable as is the amount charged for disassembling, protecting, relocating and storing the units.

94. The Defendants accepted and retained the benefits conferred upon it by Modlogiq.

95. The Defendants wrongfully received the benefits of the work performed by Modlogic by not paying for them.

96. If the Defendants do not compensate Modlogiq for the construction of the modular units, their storage, protection, disassembly and relocation, the Defendants will be unjustly enriched.

97. Defendants jointly led Modlogiq to believe that it would be paid for all of Modlogiq's work. **01-19-12194**

98. As of the filing of this Complaint, the reasonable value of the construction and storage of the modular units by Modlogiq is \$120,036.20.

99. Modlogiq will continue to incur reasonable costs to maintain the modular units.

100. Storage fees for the modular units will continue to accrue at the rate of \$150 per month until Modlogiq is paid by Defendants.

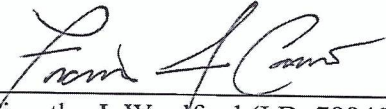
WHEREFORE, Plaintiff Modlogiq, Inc. f/k/a NRB (USA), Inc. respectfully requests that this Honorable Court enter judgment in its favor and against Defendants Sea Hunter Holdings, LLC, Sea Hunter Therapeutics, LLC, and Verdant Holdings, LLC, and award Modlogiq, Inc. damages in excess of \$50,000.00, plus any interest, penalties, and costs provided for under the law, together with such other relief which the Court deems just and proper.

**JURY DEMAND**

Plaintiff demands a trial by a jury of 12 people on all issues so triable.

Respectfully submitted,

WOOLFORD KANFER LAW, P.C.

By:   
Timothy J. Woolford (I.D. 7894) **CI-19-12194**  
Francis A. Camarota (I.D. 308144)  
101 North Pointe Boulevard, Suite 200  
Lancaster, PA 17601  
T: 717-290-1190 / F: 717-290-1196  
twoolford@woolfordlaw.com  
fcamarota@woolfordlaw.com  
*Attorneys for Plaintiff,*  
*Modlogiq, Inc. f/k/a NRB (USA), Inc.*

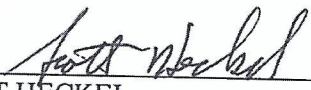
Dated: December 31, 2019



VERIFICATION

I, Scott Heckel, hereby verify that I am Director of Operations of Modlogiq, Inc. (f/k/a NRB (USA), Inc.) and, as such, I am authorized to execute this Verification on behalf of Modlogiq, Inc. (f/k/a NRB (USA), Inc.). I verify that the language of the foregoing Complaint is that of counsel, and not my own, and that the facts set forth therein are true and correct to the best of my knowledge, information and belief. I understand the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

CI-19-12194

  
SCOTT HECKEL

Date: 12-30-19



**CERTIFICATE OF COMPLIANCE**

I certify that this filing complies with the provisions of the *Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts* that require filing confidential information and documents differently than non-confidential information and documents.

Submitted by: Modlogiq, Inc. f/k/a NRB (USA), Inc. **CP-19-12194**

Signature: \_\_\_\_\_

Name: Francis A. Camarota, Esquire

Attorney No. (if applicable): 308144

ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA  
\*\*\*Electronically Filed\*\*\*  
Dec 31 2019 09:04AM  
Ricci Dehl

CI-19-12194

# EXHIBIT "A"

MUTUAL NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement (the "Agreement") dated as of Dec 17, 2018 (the "Effective Date") is made and entered into between Sea Hunter Holdings, LLC, and its affiliates, a Delaware limited liability company (the "Disclosing Party") and NRS USA, INC., a DELAWARE [NEW HOLLAND, PA] (the "Recipient"). Disclosing Party and Recipient sometimes are referred to collectively as the "Parties" and individually as a "Party".

WHEREAS, each Party hereto is interested in reviewing various proprietary information of the other Party in contemplation of a potential business relationship; and

WHEREAS, each Party hereto acknowledges and agrees that all such proprietary information pertaining to the respective businesses shall be kept confidential in accordance with this Agreement; and

WHEREAS, each Party agrees that in any event, each Party shall be bound by the covenants terms and conditions of this Agreement.

**CI-19-12194**

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, the Parties hereto agree as follows:

1. DEFINITIONS. For purposes of this Agreement, the terms shall have the meanings indicated.

"Affiliate" is defined as another entity or individual which is (i) controlled by a party hereto, or (ii) is in control of a party hereto, or (iii) a party hereto and such entity is commonly controlled by another.

"Confidential Information" shall mean nonpublic, confidential, or proprietary information of a Party and its Affiliates, disclosed before, on, or after the Effective Date, by a Party ("Disclosing Party") to the other Party or its Affiliates ("Recipient"), or to any of such Recipient's or his/her/its Affiliates' employees, officers, directors, partners, shareholders, attorneys, or accountants, and only upon prior approval of Disclosing Party, any of Recipient's or its Affiliate's investment bankers, finance advisors, and/or debt financing sources in connection with the possible transaction involving the Company (collectively, "Representatives"), whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential," including, without limitation, (a) all forms and types of financial, business, scientific, technical, economic, product or engineering information including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs or codes, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing; (b) unpatented inventions, ideas, methods, and discoveries, trade secrets, know-how unpublished patent-applications and other proprietary information recognized as proprietary trade secrets or intellectual property; (c) third-party confidential information (including, without limitation, any Personal Information (defined below)) included with, or incorporated in, any information provided by Disclosing Party to Recipient or his/her/its Representatives; (d) information concerning the business affairs, accounts, financial standing or projections, investment holdings and other financial data compiled by Disclosing Party; and (e) all copies of any of the foregoing or any notes, analyses, compilations, studies, interpretations, reports or other documents that contain, are based on, or reflect any of the foregoing prepared by or for Recipient or his/her/its Representatives that contain, are based on, or otherwise reflect or are derived, in whole or in part, from any of the foregoing.

"Control" and variations thereof the right to (i) appoint a majority of the members of the Board of Directors, executive committee, general managers, managing member or other executive body or position of the corporation, or (ii) have the right to vote forty percent (40%) or more of the capital stock of the corporation or voting rights of the corporation or successor entity.

2. EXCLUSIONS FROM CONFIDENTIAL INFORMATION. The term "Confidential Information" as used in this Agreement shall not include information that: (a) at the time of disclosure is, or thereafter becomes, generally available to and known by the public other than as a result of, directly or indirectly, any act or omission by Recipient or any of his/her/its Representatives; (b) at the time of disclosure is, or thereafter becomes, available to Recipient on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information to Recipient by any legal, fiduciary, or contractual obligation; (c) was known by or in the possession of Recipient, as established by documentary evidence, prior to being disclosed by or on behalf of Disclosing Party pursuant to this Agreement; or (d) was or is independently



developed by Recipient, as established by documentary evidence, without reference to or use of, in the Confidential Information.

3. **RECIPIENT OBLIGATIONS.** Recipient shall (a) protect and safeguard the confidentiality of all Confidential Information; (b) not use Confidential Information, or permit it to be accessed or used, for (i) any purpose other than the Purpose, or (ii) in any manner to Disclosing Party's detriment, including without limitation, to reverse engineer, disassemble, decompile, or design around Disclosing Party's proprietary services, products, and/or intellectual property; (c) not disclose any Confidential Information to any person or entity, except to Recipient's Representatives who: (i) need to know the Confidential Information to assist Recipient, or act on his/her/its behalf, in relation to the Purpose; (ii) are informed in writing by Recipient of the confidential nature of the Confidential Information; and (iii) are subject to confidentiality duties or obligations to Recipient that are no less restrictive than the terms and conditions of this Agreement; (d) comply with all applicable on-site access, remote access, and related security rules and procedures of Disclosing Party; (e) immediately notify Disclosing Party of any unauthorized disclosure of Confidential Information or other breaches of this Agreement by Recipient or his/her/its Representatives of which Recipient has knowledge or reason to suspect; (f) fully cooperate with Disclosing Party in any effort undertaken by Disclosing Party to enforce its rights related to any such unauthorized disclosure; and (g) be responsible for any breach of this Agreement caused by any of his/her/its Representatives.
4. **ADDITIONAL CONFIDENTIALITY OBLIGATIONS.** Except as required by applicable federal, state, or local law or regulation, or otherwise as mutually agreed in writing by the Parties, Recipient shall not, and shall not permit his/her/its Representatives to, disclose to any person: (a) that the Confidential Information has been made available to Recipient or his/her/its Representatives, or that Recipient has inspected any portion of the Confidential Information; (b) that discussions or negotiations may be or are underway between the Parties regarding the Confidential Information or the Purpose, including the status thereof; or (c) any terms, conditions, or other arrangements that are being discussed or negotiated in relation to the Confidential Information or the Purpose.
5. **RECIPIENT REPRESENTATIONS AND WARRANTIES.** The Recipient represents and warrants that: (a) he/she/it will comply and will require his/her/its Representatives to comply, with all applicable federal, state, and local data protection laws and regulations in the maintenance, disclosure, and use of all "Personal Information," as defined hereafter, contained in any Confidential Information that is disclosed to Recipient or his/her/its Representatives hereunder. For purposes of this Agreement, "Personal Information" means information that: (i) relates to an individual person; and (ii) identifies or can be used to identify, locate, or contact that individual alone or when combined with other personal or identifying information that is or can be associated with that specific individual; (b) the performance of Recipient's obligations herein does not and will not violate any other contract or obligation to which Recipient is a party, including covenants not to compete and confidentiality agreements; (c) Recipient is not legally or contractually prohibited from: (i) discussing a potential relationship with Disclosing Party; (ii) receiving information about a potential relationship with Disclosing Party; or (iii) entering into a principal agreement with Disclosing Party; and (d) Recipient has implemented and will continue to maintain sufficient information security protocols to secure and protect the confidentiality of all Confidential Information in Recipient's or his/her/its Representatives' possession or control.
6. **CONFIDENTIAL PERIOD.** The period of confidentiality shall be from the Effective Date until such time as the information no longer qualifies as Confidential Information pursuant to Section 2; however, with respect to those items of Confidential Information which constitute trade secrets under applicable law, intellectual property in general, and/or Personal Information, the confidentiality obligations shall survive to the greatest extent permitted by applicable law.
7. **REQUIRED DISCLOSURE.** Any disclosure by Recipient or his/her/its Representatives of any Confidential Information pursuant to a valid order issued by a court or governmental agency of competent jurisdiction (a "Legal Order") shall be subject to the terms of this Section. Prior to making any such disclosure, Recipient shall provide Disclosing Party with: (a) prompt written notice of such requirement so that Disclosing Party may obtain a protective order or other remedy; and (b) reasonable assistance in opposing such disclosure or seeking a protective order or other limitations on disclosure. If, after providing such notice and assistance as required herein, Recipient remains subject to a Legal Order to disclose any Confidential Information, Recipient shall disclose, and, if applicable, shall require its Representatives or other persons to whom such Legal Order is directed to disclose, no more than that portion of the Confidential Information which, on the advice of Recipient's legal counsel, such Legal Order specifically requires and shall use commercially reasonable efforts to obtain assurances from the



Dec 31 2019 09:04AM

Ricci Dehl

applicable court or agency that such Confidential Information will be afforded confidential treatment

8. RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION. Upon Disclosing Party's request at any time during the term of this Agreement, Recipient and his/her/its Representatives shall promptly return to Disclosing Party all copies, whether in written, electronic or other form or media, of Disclosing Party's Confidential Information, or destroy all such copies and certify in writing to Disclosing Party that such Confidential Information has been destroyed. In addition, Recipient shall also destroy all copies of any notes or analysis created by Recipient or his/her/its Representatives and certify in writing to Disclosing Party that such copies have been destroyed.

9. INDEMNIFICATION. Recipient shall defend, indemnify, and hold harmless Disclosing Party, its Affiliates, and their respective shareholders, members, managers, officers, directors, employees, agents, successors, and permitted assigns from and against all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, in connection with any third party claim, suit, action, or proceeding arising out of or resulting from a breach of any representation, warranty, or obligation set forth in this Agreement by Recipient or any of his/her/its Representatives.

CI-19-12194

10. NO DISCLOSING PARTY REPRESENTATIONS OR WARRANTIES. Neither Disclosing Party nor any of its Representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of the Confidential Information disclosed to Recipient hereunder. Neither Disclosing Party nor any of its Representatives shall be liable to Recipient or any of his/her/its Representatives relating to or resulting from Recipient's use of any of the Confidential Information or any errors therein or omissions therefrom.

11. NO TRANSFER OF RIGHTS, TITLE, OR INTEREST. The Disclosing Party hereby retains its entire right, title, and interest, including all intellectual property rights, in and to all Confidential Information. Any disclosure of such Confidential Information hereunder shall not be construed as an assignment, grant, option, license, or other transfer of any such right, title, or interest whatsoever to Recipient or any of his/her/its Representatives.

12. NO OTHER OBLIGATION. The Parties agree that: (a) this Agreement does not require or compel Disclosing Party to disclose any Confidential Information to Recipient; (b) neither Party shall be under any legal obligation of any kind whatsoever, or otherwise be obligated to enter into any business or contractual relationship, investment, or transaction, by virtue of this Agreement, except for the matters specifically agreed to herein; and (c) either Party may at any time, at its sole discretion with or without cause, terminate discussions and negotiations with the other Party, in connection with the Purpose or otherwise.

13. REMEDIES. The Recipient acknowledges that money damages might not be a sufficient remedy for any breach or threatened breach of this Agreement by Recipient or his/her/its Representatives. Therefore, in addition to all other remedies available at law (which Disclosing Party does not waive by the exercise of any rights hereunder), Disclosing Party shall be entitled to obtain specific performance and injunctive and other equitable relief as a remedy for any such breach or threatened breach, and Recipient hereby waives any requirement for the securing or posting of any bond or the showing of actual monetary damages in connection with such claim. In the event that either Party institutes any legal suit, action, or proceeding against the other Party arising out of or relating to this Agreement, the prevailing Party in the suit, action, or proceeding shall be entitled to receive in addition to all other damages to which it may be entitled, the costs incurred by such Party in conducting the suit, action, or proceeding, including reasonable attorneys' fees and expenses and court costs.

14. MISCELLANEOUS.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida of the United States of America without regard to principles of the conflicts of law. Further, each of the Parties hereby irrevocably consents that any legal actions or proceedings against it with respect to this Agreement shall be brought exclusively in the courts of the State of Florida in the County of Palm Beach, Florida, USA or the United States District Court in and for the Southern District of Florida, and by execution and delivery of this Agreement each Party hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts. Each of the Parties hereby irrevocably waives, to the fullest extent permitted by the laws of the State of Florida, any objection which it may now or thereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement brought in the courts described above in this Section 14(a) and hereby further irrevocably waives any claim that any such suit, action or proceeding has been brought in an inconvenient forum.



Dec 31 2019 09:04AM

RICT DEN

(b) If a court of competent jurisdiction holds any provision unenforceable, it is the intent of the Parties that such provisions be enforced as modified by such court and all other provisions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(c) Neither Party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other Party, provided that Disclosing Party may assign any of its rights and delegate any of its obligations hereunder to any person or entity that acquires substantially all of Disclosing Party's assets or to any person or entity that is otherwise an Affiliate of Disclosing Party. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating Party of any of its obligations hereunder. This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

(d) The Parties further agree that this Agreement contains the entire understanding of the Parties relating to the subject matter of this Agreement and is the complete and exclusive statement of the agreement between them, and that they understand and agree to be bound by its terms and conditions. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party hereto.

(e) This Agreement may be may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument. This Agreement shall be considered properly executed by a Party if (i) executed by that Party and transmitted by facsimile or other electronic means including, without limitation, Tagged Image Format Files (TIFF) or Portable Document Format (PDF), or (ii) accepted, executed or agreed to through the use of an electronic signature in accordance with the Electronic Signatures in Global and National Commerce Act ("E-Sign Act"), Title 15, United States Code, Sections 7001 et seq., the Uniform Electronic Transaction Act ("UETA") and any applicable state law; any document accepted, executed or agreed to in conformity with such laws will be binding on each party as if it were physically executed.

(f) No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective as of the Effective Date.

Sea Hunter Holdings, LLC

By: Samuel M. Perry Digitally signed by Samuel M. Perry  
Date: 2019.01.02 15:24:03 -05'00'

Name: Samuel M. Perry

Title: Director of Project Management

Date: January 2, 2019

NRB(USA), INC.  
By: [Signature]

Name: B M L NEIL

Title: PRESIDENT

Date: DEC 17, 2018

ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA  
\*\*\*Electronically Filed\*\*\*  
Dec 31 2019 09:04AM  
Ricci Dehl

CI-19-12194

# EXHIBIT "B"



March 1, 2019

## Pre-Construction Agreement

This pre-construction agreement ("the Agreement"), by and between NRB (USA), Inc., whose address is 191 Quality Circle, New Holland Pennsylvania 17557 and the "Client" identified herein, provides for the professional services described under Section 2 of this Agreement (the "Services").

**CI-19-12194**

Client: Verdant Medical, Inc.  
Address: 1385 Cambridge Street, Cambridge, MA 02139  
Contact Person: Samuel Perry  
Phone Number: (423) 718-2134  
Title or Project: Provincetown  
Email: [sperry@shthera.com](mailto:sperry@shthera.com)

The "Contact Person" designated above shall have the complete authority to act on behalf of the Client, including, by way of illustration and not by way of limitation, to define scope, transmit instructions, receive information, and authorize changes in Services, and to negotiate fees and other changes under this Agreement.

### Section 1. General Description of Project and Project Area

This contract authorizes NRB (USA), Inc. to perform design/estimating services as requested by the Client. The Client's project is described as follows:

New 2 Story Retail location approximately 4,458 SF

The location for this Project is described as follows (including the city, township, or county and state):

44 Captain Bertie's Way, Provincetown, MA

### Section 2. General Description of Services

The Services to be provided by NRB (USA), Inc. are identified below and are more fully described in **Attachment A: Scope of Services**. Services excluded from this agreement are listed in **Attachment C: Exclusions**.

Any services beyond those identified in this Agreement shall be considered Additional Services, as set forth in 9.0 of **Attachment E: Standard Terms and Conditions**, and shall be authorized in writing by an addendum ("Addendum") to this Agreement executed by both parties.





**Section 3. Compensation to be Paid to NRB (USA), Inc**

Compensation to be paid to NRB (USA), Inc. for providing the requested Services shall be in accordance with **Attachment D: Compensation/Rate Fee Schedule** of this Agreement.

Fees and reimbursable expenses do not include use tax or sales tax, which may be imposed by law. Taxes that may be imposed on Services shall be additional to the invoiced amount.

**Section 4. Date of Commencement and Duration**

**CI-19-12194**

The Date of Commencement for Services provided pursuant to this Agreement shall be expected to be no later 3/3/19, with a completion date of no later than 3/12/19. NRB (USA), Inc. shall perform its services with due and reasonable diligence consistent with sound professional practice. This Agreement shall remain in effect until the services are completed, unless terminated as provided herein, or extended by mutual agreement in writing.

**Section 5. Terms and Conditions**

See the following attachments:

- Attachment A – Scope of Services
- Attachment B – Compensation
- Attachment C – Exclusions
- Attachment D – Schedule of Services
- Attachment E – Standard Terms and Conditions

**IN WITNESS WHEREOF**, this Agreement, which is subject to the terms and conditions of Sections 1 through 5 and Attachment(s), is accepted as of the date first written above.

**NRB(USA) Inc.**

Signed: \_\_\_\_\_

Typed Name: SCOTT HECKBL

Title: DIRECTOR OF OPERATIONS

Date: 3-5-19

**Verdant Medical, Inc.**

Signed: \_\_\_\_\_

Typed Name: Chris Frost

Title: Dir of Procurement

Date: 3/1/18



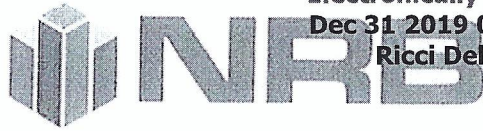
**Attachment A: Scope of Services**

(A specific scope of services can be defined on a project specific basis as needed.)

**Scope of Services of this Contract includes:**

1. NRB to complete the full structural design of the modular portion of the building and Roof Design in Revit that will allow the Owners project Design Team to develop their architectural and MEP models in one combined model to 100% Construction Documents set to allow NRB to create the project pricing.
2. It is assumed that clash detections and coordination will be performed by others. NRB to Assist
3. NRB drafting fees associated with above.
4. NRB participation in conference calls during this process.
5. NRB Building pricing (timeline 2 – 3 weeks after 100% Construction Documents; It is expected that all finishes be approved by this time and no changes will occur.

**CI-19-12194**



Attachment B: Compensation

Service Costs:

Total Cost: \$ 16,000.00

**CI-19-12194**

Payment terms Due at execution of this agreement.



**Attachment C: Exclusions**

Services can be coordinated by this office through a sub-consultant if authorized by Client.

Exclusions: (as listed below)

**CI-19-12194**

1. Foundation Design
2. All Architectural, MEP, Fire Protection, Fire Safety and Civil Design
3. Conformance to local buildings codes (County, City, Township, etc.)



**Attachment D: Schedule of Services**

- a. 3/4/19 - Structural Steel Design Begins
- b. 3/6/19 – NRB to Invoice for Structural Steel based on preliminary design. NRB to provide a current drawing as well. A 75% Deposit will be due upon receipt of Invoice. Anticipated cost for Structural Steel and Fabrication to be \$130,000.00
- c. 3/12/19 – Structural Steel Designed and Approved
- d. 3/13/19 – Order Structural Steel and begin the production process on 3/25/19
- e. 4/3/19 – Structural Steel Fabrication to be complete

**CF-19-12194**





**Attachment E: Standard Terms and Conditions**

- 1.0 **DELAYED SERVICES** - NRB (USA), Inc.'s fees are calculated in anticipation of orderly and continuous progress of its services. NRB (USA), Inc. shall not be responsible for delays at any time in the progress of its services or related activity when the delay is due to any cause beyond the reasonable control of NRB such as actions of third parties with design revisions, delay in approvals of shop drawings, delay in approval of changes orders, delay in responses to RFI's, or other unforeseen conditions. The parties agree that the time for completion of all work and the termination date provided for in Section 4 above shall be extended for a period of time equal to any delay caused by such circumstances.

**CI-19-12194**

- 2.0 **INVOICE PROCEDURES AND PAYMENT** - NRB shall submit invoices to the Client for Services rendered not more frequently than on a monthly basis. Payment is due no later than 15 days after presentation of the invoice. NRB will invoice Client each month or periodically as the work progresses. For Services provided on a Fixed Fee basis, the amount of each invoice shall be determined on the "percentage of completion method" whereby NRB will estimate the percentage of the Fixed Fee Services accomplished during the invoicing period. For services provided on a Time/Material Cost basis, invoices shall include, separately listed, any fees for Services for which time charges and/or material cost apply for the invoicing period. Such invoices shall also separately list reimbursable expenses, if applicable.

The Client hereby acknowledges and agrees that unpaid invoices shall accrue interest at 1.5 percent per month after such invoices have been outstanding for any time over 30 days. If payment is not made as provided herein, the Client agrees to pay all costs of collection, including reasonable attorney's fees, regardless of whether legal action is initiated. If an invoice remains unpaid 30 days after the date of the invoice, NRB may, immediately upon giving notice of intent to do so, suspend services or terminate this Agreement and pursue the within remedies for collection. NRB may also immediately suspend its services or terminate its agreement on this and any other project with the Client or an entity affiliated, related or otherwise partially controlled by the Client, an/or apply funds from one such project to this Project or any other project on which payment to NRB is overdue. NRB shall not be liable to owner for any damages, direct or indirect, which result from or are related to the cessation of the Services as a result of Client's failure to pay any invoice, within the required time.

- 3.0 **ASSIGNMENT/THIRD PARTIES** - Neither the Client nor NRB will assign or transfer its interest in this agreement without the express written consent of the other. NRB, however, does reserve the right to subcontract any portion of the Services and to employ or retain independent consultants, associates and subcontractors to assist it in providing the Services. Nothing in this Agreement shall be construed as creating any rights, benefits, or causes of actions for any third party against either NRB or the Client.
- 4.0 **SUSPENSION, TERMINATION, CANCELLATION OR ABANDONMENT** - In the event the Project identified in this Agreement is suspended, canceled, or abandoned by the Client thereby suspending, delaying or terminating the services called for herein, NRB shall be given 15 days prior written notice of such action and shall be compensated for the Services provided and reimbursable expenses incurred up to the date of suspension, cancellation, or abandonment including necessary and reasonable costs incurred thereafter. If the Client delays or suspends NRB's services for more than 90 days, then NRB may terminate this Agreement upon giving seven days written notice. Either party may upon thirty (30) days written notice terminate this agreement without cause. NRB shall be compensated for all Services up to the termination date as provided above.





- 5.0 **STANDARD OF CARE** – NRB agrees to perform services in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. NRB makes no other warranties, expressed or implied, under this Agreement or otherwise, in connection with these Services.
- 6.0 **WAIVER** – Any failure by NRB to require strict compliance with any provision of this Agreement shall not be construed as a waiver of such provision, and NRB subsequently may require strict compliance at any time, notwithstanding any prior failure to do so.
- 7.0 **RELATIONSHIP** – NRB is an independent contractor to the Client in performing its Services under this Agreement and is not an employee, agent, joint-venture, or partner of the Client. **CI-19-12194**
- 8.0 **CLIENT RESPONSIBILITIES** – The Client shall provide NRB in a timely manner all pertinent data, criteria, and information, including but not limited to design objectives and constraints, space and use requirements, operational information, budgetary limits, flexibility and expandability requirements, any other available project data such as sketches, reports, prior designs, soil tests, surveys, plans, or other information known to the Client or in possession of the Client, or as otherwise requested by NRB. NRB shall be entitled to rely on any and all information provided pursuant to this provision. The Client shall review NRB's work thoroughly and promptly and provide direction as necessary. If the Client at any time becomes aware of any deficit in the work or services provided, Client shall give notice of such defect. The Client shall, 14 days after receiving notice of any defect in work or service, notify NRB in writing of the defect and provide any costs associated with such defect. The Client waives any right to set-off or recovery of costs associated with any defective work or service unless the Client strictly complies with this provision and provides written notice as required herein. The Client shall be responsible for payment of any governmental or other similar fees associated with permits or plan review. Client shall provide access to the site where the Project is located at no cost to NRB at all reasonable times to enable NRB to complete the Services. Client shall also permit NRB to erect, at a prominent location on the site of the project, at NRB's cost and expense, such signs as NRB shall provide, identifying NRB as providing Services to the Client for the Project.
- 9.0 **OWNERSHIP/REUSE OF DOCUMENTS** – All plans, drawings, and other documents prepared by NRB as part of this Agreement are the property of NRB and are intended for only use on the Project, and as such NRB does not authorize or release documents for any other use whatsoever. Reuse of documents for extensions of the Project or different projects will be at the Client's sole risk and without any liability to NRB. The Client shall have the right to retain copies, including reproducible copies, of documents for information and references regarding use and occupancy of Project. NRB may, but shall not be obligated to, provide Client with electronic copies of any documents, subject to the terms and conditions of this Agreement, and on such other terms and conditions as NRB shall deem applicable. NRB is the author and owner of the documents prepared for the Project and shall retain all common law, statutory and other reserved rights, including the copyright. NRB will grant a limited use license to use said documents for the Project to the Client upon the Client's payment in full of all invoices rendered by NRB. The Client may not transfer this license. The failure to obtain formal copyright registration shall not affect or impair NRB's ownership of these documents. The Client shall indemnify and hold NRB, its officers, partners, employees, agents and lower-tier consultants harmless from all claims, damages, losses, and expenses including reasonable attorney's fees and costs of defense arising out of or resulting from this Paragraph 13.0 or Paragraph 14.0.
- 10.0 **ELECTRONIC/CADD DOCUMENTS** – NRB shall not be required to provide or deliver electronic or computer-aided design and drafting (CADD) files, unless specifically required by the Scope of Services described in Section 2, or Attachment A of this Agreement. Any electronic or CADD file





delivered by NRB shall be considered a "convenience" to the Client and in the case of any discrepancy or difference between electronic files and hard copies of drawings or files, hard copies shall control. Due to the easily alterable nature of electronic files, NRB makes no warranties, either express or implied, with respect to the accuracy, completeness, merchantability, or fitness for any particular purpose, including, but not limited to, performance of electronic files in cost estimating, quantity calculating, survey layout, or other software used by the Client or any other consultant or contractor. If electronic or CADD files are provided or delivered, such files shall be developed based on NRB's standard formatting, layering, drafting and design practice, unless specifically directed otherwise by the Client prior to execution of this Agreement. The Client shall not make or permit to be made any copies or any modification to electronic media, plans and specifications without the prior written authorization of NRB. NRB shall not be liable in the event that erroneous information is supplied by the Client or a third party, and NRB subsequently relies upon and incorporates that misinformation into an electronic file, plans, specifications, or other documents.

CL-19-12194

- 11.0 **ADDENDUMS/ADDITIONAL SERVICES** - Services resulting from changes in the specific scope, extent, or character of the work or in the Client's needs, including but not limited to changes in size, complexity, or schedule; delays or demands by the Client, its agents, or contractors or revision or rework of previously performed services when such services are due to causes beyond the control of NRB, shall be considered Additional Services, and NRB shall be entitled to additional compensation. Unless otherwise agreed, such Additional Services shall be performed on a unit cost/hourly fee basis. NRB shall not be obligated to make revisions or perform Additional Services until NRB's receipt of a mutually executed Addendum, as defined in Section 2.
- 12.0 **CONFIDENTIALITY** - Each party shall hold as confidential any processes, methods, ideas, inventions, or computer information which is designated in writing by either party as confidential. These confidential item(s) shall not be disclosed to a third party without the prior written consent of the other party except where disclosure is required to complete the Services. NRB will not conduct patent searches or claims as to proprietary processes or information, and makes no representations that processes, materials, information, or equipment are free of such claims.
- 13.0 **INDEMNIFICATION** - The Client shall defend, indemnify and hold harmless NRB, its owners, agents, employees, officers, directors, successors and permitted assigns from any and all claims, losses, damages, liability, and costs, including legal fees, incurred by or claimed by or against NRB, regarding any claim that is attributable to bodily injury, sickness, disease or death, or destruction or damage to tangible property, including loss of use, and/or liability caused by Client's wrongful and/or negligent acts.
- 14.0 **CONSEQUENTIAL DAMAGES** - NRB shall not be liable for any damages, compensation or claim of any kind whatsoever for inconvenience, loss of business or profits, or annoyance, or any other claim for direct, indirect or consequential damages arising from NRB's performance or lack of performance of the Services under the Project Agreement whether caused by NRB's errors, omissions, negligence, strict liability, breach of warranty or contract, or performance of Services.
- 15.0 **LIMITATION OF LIABILITY** - The Client's exclusive remedy for any cause of action against NRB shall be limited to compensation received by NRB from Client for the Services. All claims, including negligence shall be deemed waived unless made in writing within one (1) year after completion of Services, which one (1) year period shall commence upon the issuance of a final NRB invoice for the Services to the Client. If Services are furnished for construction of an installation, all claims, including negligence shall be deemed waived unless made in writing within two (2) years after the issuance of a final NRB invoice for the Services to the Client. Neither NRB, nor its principals, agents, subcontractors, or employees, make any express or implied warranties with regard to any of the





Services, nor shall any of the foregoing have any personal liability for any damages arising out of or relating to this Agreement.

16.0 **NOTICES** – Any notice required hereunder shall be sufficiently given when sent to the signatories hereunder or to the above-named contact person via United States certified mail, return receipt requested, or via overnight courier with receipt verification to the address set forth herein, or by personally delivering such notice to the party to be in receipt thereof.

17.0 **SEVERABILITY** – Any provision of this Agreement later held to be unenforceable for any reason shall be deemed void, and all remaining provisions shall continue in full force and effect.

18.0 **ENTIRETY OF AGREEMENT** – These terms and conditions, any drawings, plans, plats, and/or exhibits attached hereto, and the Project Agreement to which these items are attached, set forth the entire understanding and agreement between the parties with respect to the Project and shall be binding upon inure (except as otherwise provided herein) to the benefit of the parties and their respective successors and permitted assigns. This agreement supersedes all prior documents, agreements, and understandings between the parties with respect to the terms and conditions set forth herein. This Agreement shall be governed by the laws of the state where the services are performed. This Agreement includes this document and, by this reference, incorporates the following as if fully set forth herein:

Attachment A: Scope of Services

Attachment B: Compensation

Attachment C: Exclusions

Attachment D: Compensation/Rate Fee Schedule

Attachment E: Terms and Conditions

CI-19-12194

ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA  
\*\*\*Electronically Filed\*\*\*  
Dec 31 2019 09:04AM  
Ricci Dehl

CI-19-12194

# EXHIBIT "C"



## MASTER MANUFACTURING AND PURCHASING AGREEMENT

This Agreement is made between NRB USA Inc., hereinafter referred to as "MFG" and or "Seller", a manufacturer of modular buildings, and Verdant Medical, Inc. located at 1385 Cambridge Street, Cambridge MA 02139 a Massachusetts based company a buyer of such buildings, hereinafter referred to as "Verdant Medical" "Purchaser" and or "Buyer". NRB USA Inc. and Verdant Medical wish to enter into an Agreement for the Purchase and Sale of Modular Buildings and related components. The buildings systems and components of each purchase will be described and set forth on individual orders, each order will be by separate attachment to this Agreement, and will be referred to herein as "the Order". For the sake of clarity will also be named an Exhibit to this Agreement. Every order placed with NRB USA Inc. by Verdant Medical is subject to the Terms and Conditions of Sale Including Limitations of Warranty as stated below. NRB USA Inc. acceptance is expressly conditioned upon these terms and conditions. Term: This Agreement shall be in place for one year from the date of execution. The Agreement will renew if both parties agree to a renewal on the same terms. Either party may terminate this agreement with 90 days notification, however such notice of cancellation shall have no impact on any Order that is already in place between the parties. This agreement supersedes any and all agreements between "Buyer" and their client.

**2. CANCELLATION.** Buyer may cancel the order, in whole or in part, by written notice at any time, provided the Buyer pays NRB USA Inc. within thirty (30) days: (a) the cost, including installation and removal costs, of any equipment, supplies or products purchased by NRB USA Inc. prior to cancellation for the purpose of filling Buyer's order and not usable by NRB USA Inc. for making other products it then manufactures and/or sells, that NRB USA Inc. may have incurred in the performance of the order. Notice of cancellation is not effective until received by NRB USA Inc. at the following address: 191 Quality Circle, New Holland, PA 17557.

**3. PRICE; DELIVERY; DELAY.** Unless otherwise provided by NRB USA Inc. written quotation or agreed by NRB USA Inc. in writing, price and delivery terms shall be F.O.B. 191 Quality Circle, New Holland, PA 17557. Prices for products shall be those indicated on the Order and are only good for the quantities indicated, unless otherwise agreed to in writing by NRB USA Inc. Prices do not include any Federal, State, or local taxes, nor do they include any duty. Unless otherwise agreed in writing, Buyer shall be responsible for arranging for pick-up and delivery of all products from NRB USA Inc. manufacturing facility. NRB USA Inc. shall issue a Certificate of Origin for the products to Buyer on payment in full of the price for the products. Title and all risk of loss or damage shall pass to Buyer upon issuance of the Certificate of Origin by NRB USA Inc. or, if earlier, upon shipment of the products. Buyer shall then be responsible for obtaining and paying for insurance to cover any loss to Buyer and shall reimburse the Seller for the contract price in the event of loss of the products.

Dates for Completion of Purchased items: Any shipment or delivery date stated by NRB USA Inc. is an estimated date, which is contingent upon receipt of necessary documentation from Buyer and is subject to reasonable production scheduling changes made after the date of the Order, unless NRB USA Inc. accepts a schedule for the completion of purchased items is agreed to by NRB USA Inc. on a particular Order.





**Change Order.** Change Orders may be initiated by either "Buyer" or Manufacturer in accordance with the agreed upon process as outlined below. The Work, Contracted Price, Contract Completion Dates, and any other obligation under this Agreement shall only be adjusted as allowed under this Agreement and any adjustment shall be documented by an executed Change Order. It is the desire of both Parties to keep changes in the Work, the Contract Completion Date and the contracted price at a minimum, but the Parties recognize that such changes may become necessary and agree that they shall be handled as follows:

**Change order notices:** As time is generally of the essence for most projects and the ability to assess cost and schedule implications in a timely manner are not always practical, all change orders shall be preceded by a "Change Order Notice" to alert all parties to the potential for a change in cost and scope by the party initiating the change. 01-19-112194

**Change orders prior to production** – It is understood that changes in the contracted work may have both a cost and schedule impact and major change order requests, all change orders shall reflect either or both as applicable.

**Change orders in production** – As is typical in an "Off-Site" production process, changes will impact schedule as well as cost and may also require work stoppages. All change orders shall reflect either or both as applicable. Notices of work stoppages shall be made immediately in the form of a "Change Order Notice".

**Change orders on-site** - (non – critical) – Change orders for work onsite for any reason will require the buyer to provide multiple (2-3) price quotes for the work to be performed and shall accompany the change order request.

**Change orders on-site** (critical) – As time is of the essence on certain scope items such as damage, missed, or miscommunicated scopes, both parties understand that the work to be performed may need to commence before cost information is available. In these cases, conditions necessitating the work will need to be photo documented for reference and evaluation. An "estimated" range for the cost of labor and materials will be required and conveyed in the form of a "change order notice" immediately upon discovery. It is understood that under these circumstances every effort will be undertaken to provide a reasonable resolution while minimizing cost and time impact on the overall schedule.

**Storage Fees:** If Buyer fails to pick-up the products according to the agreed upon delivery schedule, NRB USA Inc. may begin to assess reasonable storage charges which in no case will exceed \$200.00 per modular unit per month. If shipment shall be delayed on account of Buyer, NRB USA Inc. is entitled to payment as if shipment had been made. All products must be picked-up by Buyer within sixty (60) days after NRB USA Inc. issues a Certificate of Origin with respect to the products. NRB USA Inc. shall not be liable for any direct, indirect, consequential, special, or incidental losses or damages to Buyer or to any third parties resulting from a delay in pick-up or shipment, subject only to a specific term agreed to by NRB USA Inc. in an applicable Order.

#### **4. INSPECTION AND ACCEPTANCE and the Factory:**

- (a) As an "off-site" construction project it is encouraged that the "Buyer" provides "in-plant" project management as necessary to provide clear communication to on-site subs on applicable scopes, identify potential issues, circumvent on-site challenges, verify "ship loose" items and avoid "unknown" conditions that can cause delays and unexpected costs.
- (b) Verdant Medical has the right to inspect the units currently in production from time to time. NRB USA Inc. shall not unreasonably delay access to the units and will make the units accessible and available for inspection at a mutual convenient time for both parties.





- (c) Verdant Medical shall provide to NRB USA Inc. reasonable notice, not less than three business days to arrange a plant inspection
- (d) If, during the inspection, Verdant Medical points out deficiencies in the production of the units, the parties shall review the plans and specifications and NRB USA Inc. will make a good faith effort to address and remedy the concern of the buyer. Verdant Medical may create a list of exceptions identifying where it believes the units are not built according to the plans and specifications, which will be addressed by NRB USA Inc. in good faith.
- (e) Verdant Medical shall not bear any costs, associated with the modification, repairing, and/or rebuilding of units which have been identified and mutually agreed by both parties to be in need of repair or improvement.
- (f) NRB USA Inc. will assure the modular units are prepared properly for transportation to the intended delivery site. Should the running gear, axles or tires fail on a NRB USA Inc. built modular building, barring no evidence of improper operation by the trucking company, NRB USA Inc. will cover the expense of repairing any NRB USA Inc. assembled part in order that the modular building can be hauled over the road to its destination. Failure of Verdant Medical to inspect running parts prior to transport will not void this obligation of NRB USA Inc.

CE-19-12194

5. **SPECIFICATIONS.** All drawings, specifications, designs, data and any other engineering and/or manufacturing information and other descriptive matter, of any nature, furnished, directly or indirectly, by NRB USA Inc. to Buyer with respect to the products and services ("drawings") shall remain the property of NRB USA Inc., until the Purchaser has paid in full for the applicable Order. No part of the specifications shall be reproduced, except as may be reasonably required by Buyer in the normal course of installation or maintenance of the products or except as may be further authorized in writing by NRB USA Inc. Upon full payment for all drawings, specifications and building components, NRB USA Inc. will transfer a non-exclusive license to the drawings to the Buyer. As progress payments are made by Purchaser, Purchaser shall retain rights, title and interest in any portion of the Purchased building paid for.

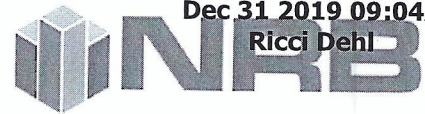
6. **PAYMENT.** All orders received are subject to credit approval. Buyer agrees to submit from time to time to NRB USA Inc. those items reasonably requested in order to establish or update Buyer's credit. NRB

USA Inc. shall be entitled to charge interest for payments not made in accordance with the stated or agreed upon terms of payment at 10% per year. Unless otherwise changed by Exhibit A, the payment terms will be as follows:

- 20% down payment, balance as dictated by payment terms identified in each project proposal
- Balance due net 15 (each unit invoiced at completion of production).

7. **LIMITED WARRANTY; INSPECTION AFTER DELIVERY; REMEDY.** NRB USA Inc. warrants that all products sold by NRB USA Inc. will be of the kind and quantity specified in the Order





and shall be free from defects in workmanship or material as of the date of completion by NRB USA Inc. This warranty is extended to the original purchaser of the products for a period of twelve (12) months (unless limited further below) from NRB USA Inc. invoice date. If, within the applicable warranty period any good or part within the scope of this warranty proves to be defective in workmanship, NRB USA Inc. shall, repair, authorize repair or replace the defective part. In order to obtain performance of the obligations under this warranty, Buyer must promptly (in no event later than thirty (30) days after discovery of the defect) give written notice of the defect to NRB USA Inc. at the appropriate manufacturing facility indicated on the Order, together with a description and, if applicable, the serial number of the allegedly defective product or part, and, if practicable to do so, return the defective product or part to NRB USA Inc. NRB USA Inc. does not assume any expense or responsibility for the costs of repairs if NRB USA Inc. is not notified in advance of the need for such repairs or if NRB USA Inc. is not given the opportunity to perform such repairs. Should such repairs become necessary, Verdant Medical shall ensure that NRB USA Inc. has access to the location where such repairs need to be made. NRB USA Inc. agrees that it will use good faith in sending materials and adequate labor to the project site to remedy any deficiencies in product or building specifications and will use this good faith in advance of final determination of cause.

CU-19-12194

NRB USA Inc. and Verdant Medical agree that causation relative to repairs of defective workmanship of the supplied modular buildings after they arrive at the project site will be agreed to by the following process: The parties will share statements of fault with each other in writing, the parties shall send representatives to the building site and if after doing so the parties cannot reach agreement the parties shall, by mutually agreement hire an industry expert to informally help the parties conclude issues of fault and expense.

Coverage under warranty by NRB USA Inc. may not extend to: (a) material provided by, or defects in any design specified by the Buyer; unless clearly defective or (b) any defect or problem caused by the negligence, misuse, unauthorized repairs, lack of maintenance, improper set-up, excessive loading, failure to properly install, operate or maintain the products in accordance with the installation, operating and/or maintenance instructions furnished with such products, unreasonable use, accidents, alterations, ordinary wear and tear and/or or other acts of Buyer or others.

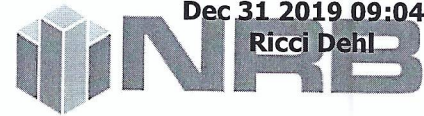
In no case, regardless of fault will NRB USA Inc. **BE LIABLE OR OTHERWISE RESPONSIBLE FOR INDIRECT, SPECIAL, CONSEQUENTIAL OR LIQUIDATED DAMAGES OR PENALTIES OF**

**ANY KIND**, including but not limited to use of any products, loss of time, inconvenience, lost profits or other damages with respect to persons, business or property, whether as a result of breach of warranty, negligence or otherwise. Notwithstanding anything to the contrary contained herein, **BUYER'S SOLE REMEDY AGAINST NRB USA Inc. FOR PRODUCTS SUPPLIED OR FOR NON-DELIVERY OR FAILURE TO FURNISH PRODUCTS, WHETHER OR NOT BASED ON NEGLIGENCE, STRICT LIABILITY OR BREACH OF EXPRESS OR IMPLIED WARRANTY, IS LIMITED SOLELY, TO REPLACEMENT OR CURE OF SUCH NONCONFORMING, DEFICIENT, OR**

**NON-DELIVERED PRODUCTS AND IN NO EVENT SHALL EXCEED THE PRICE OR CHARGE FOR CURING DEFICIENCIES OF SUCH PRODUCTS.**

Appliances, equipment and other components included in the products are covered by individual





warranties issued by the respective manufacturers of such appliance and components and are not warranted by NRB USA Inc. NRB USA Inc. will supply Buyer with copies of available warranties from the component manufacturer upon request. This warranty may be altered only in a writing signed by an officer of NRB USA Inc. It may not be altered or extended orally or in writing by any other person.

**8. DISPUTES:** Except for the process set forth in the preceding Section 8 above, in the event a controversy or claim arises between the parties to this Agreement, they will attempt in good faith to negotiate a solution to their differences by elevating the issue to the "authorized representatives" for resolution and, if negotiation does not result in a resolution within 30 days, they agree to participate in good faith mediation as administered by the American Arbitration Association. Any controversy or claim between the parties to this Agreement, whether based on contract, tort, statute, or other legal theory (including but not limited to any claim of infringement, fraud or misrepresentation), which cannot be resolved by negotiation or mediation will be resolved by arbitration pursuant to this section and the then- current Commercial Rules and supervision of the American Arbitration Association. The duty to arbitrate will extend to any employee, officer, shareholder, agent, or affiliate of a party hereto making or defending a claim that would be subject to arbitration if brought by a party hereto. If any part of this section is held to be unenforceable, it will be severed and will not affect either the duty to arbitrate hereunder or any other part of this section. **CL-19-12194**

The arbitration will be held in the US headquarters city of the party initiating the claim before a sole arbitrator who is knowledgeable in the manufacture of modular buildings and general construction. Arbitrator's award will be final and binding and may be entered in any court having jurisdiction thereof. The arbitrator will not have the power to award any damages excluded by, or in excess of, any damage limitations expressed in this Agreement. Issues of arbitrability will be determined in accordance solely with the federal substantive and procedural laws relating to arbitration; in all other respects, the arbitrator will be obligated to apply and follow the substantive law of the state specified in this Agreement. Each party will bear its own attorney's fees associated with the arbitration and other costs and expenses of the arbitration will be borne as provided by the rules of the American Arbitration Association.

**9. SITE PREPARATION AND INSTALLATION:** Buyer is responsible for all site preparation, installation and maintenance of the buildings, including, but not limited to, removal of protective material and packaging, general clean-up of the exterior and interior, adjustment to doors, windows, cabinets, moldings, drywall cracking, ceramic tile grout cracks, etc., which may have worked loose or become out of square due to in-transit racking, re-caulking of windows, hook-up, test and start of electrical, oil, gas or plumbing, appliance services, antifreeze of plumbing while in storage, application of aluminized roof coating on seams on steel roofs, and servicing appliances and components in accordance with the applicable manufacturer's instructions. NRB USA Inc. shall not be responsible or liable in any manner for any damages or loss caused by or relating to site preparation, installation or maintenance of the buildings,

**10. INSURANCE:** At the Sellers sole cost and expense, during the performance and term of this



Agreement, Seller agrees to obtain and maintain insurance coverage and limits as set forth below.

**Waiver of Subrogation** - a waiver of subrogation in favor of Buyer, its employees and agents, and the required certificate of insurance shall indicate such waiver of subrogation. Seller shall make such arrangements as are necessary to insure that no reduction, cancellation or expiration of any policy of insurance providing the coverage's agreed to shall become effective until thirty (30) days from the date written notice is actually mailed to the person designated in this agreement as the recipient of notices to Buyer.

CI-19-12194

**Commercial General Liability** – Seller's general liability insurance shall (i) be provided on an "occurrence" form of policy, (ii) Additional Insured – Vendors coverage, and (iii) to include coverage for all of Sellers contractual liability, independent contractors, and broad form property. Coverage limits shall be no less than as follows:

\$1,000,000 Per Occurrence/\$2,000,000 General Aggregate  
\$2,000,000 Products/Completed Operations Aggregate  
\$1,000,000 Personal and Advertising Injury

Coverage shall be underwritten by an insurance carrier with an "A" rating or better by the A.M. Best Company.

**11. INDEMNIFICATION:** Verdant Medical agrees to defend, indemnify and hold harmless NRB USA Inc. and its officers, directors, direct and indirect employees and representatives from claims for bodily injury and property damage, but only to the extent that such injury or damage is attributed to acts or omissions by Verdant Medical or its subcontractors, or any of their respective employees, agents or representatives (collectively, "**Representatives**"). Anything to the contrary notwithstanding, NRB USA Inc. shall have no liability for any acts, omissions or negligence of Verdant Medical, its affiliates, contractors or their respective employees, agents or representatives. NRB USA Inc. agrees to defend, indemnify and hold harmless Verdant Medical and its officers, directors and representatives or anyone employed directly or indirectly by any of them, from claims for bodily injury and property damage caused by negligence attributed to acts or omissions by NRB USA Inc. or its affiliates or contractors, or anyone employed by any of them or by anyone for whose acts any of them may be liable. Anything to the contrary notwithstanding, Verdant Medical shall have no liability for any acts, omissions or negligence of NRB USA Inc. or its affiliates or contractors, or their respective employees, agents or representatives.

**12. FORCE MAJEURE:** NRB USA Inc. will not be liable for any delay in the performance of its obligations or for any damages suffered by the Buyer by reason of such delay, when such delay is directly or indirectly caused by or in any manner arises from: fires; floods; accidents; riots; acts of God; governmental interference; embargoes; strikes; labor difficulties; shortages of labor, fuel, power,





materials or supplies; transportation delays; any existing or future laws or acts of the Federal or any State government (including specifically, but not exclusively, any orders, rules or regulations issued by any official or agency of any such government) affecting the conduct of NRB USA Inc. business; or any other cause or causes (whether or not similar in nature to any of those specified above) beyond NRB USA Inc. reasonable control. NRB USA Inc. shall not pay and shall not be liable for express mailing, telephone, telecopy, telegraph, traveling expenses or similar charges occasioned by non-delivery of products covered by this provision.

**CI-19-12194**

**13. NO WAIVER:** The failure of Seller or Buyer to knowledge of any default or violation by Buyer or Seller of any terms of the Order or any agreement entered into hereafter, to enforce its rights or remedies shall not be construed as a waiver of such default or violation, or of any provision hereof, or of any of either parties rights or remedies.

**14. ENTIRE AGREEMENT:** Except as otherwise agreed in writing, this Agreement, the Order and any quotations issued by Seller, constitute the entire agreement between Buyer and Seller,

**15. ASSIGNMENT:** The rights and obligations under this Agreement may not be assigned by either party without prior written consent of the other party; provided, that NRB USA Inc. shall have the right to assign its rights without the consent of Buyer to any person or entity which purchases all of the assets of NRB USA Inc.

**16. NOTICES:**

To Buyer:  
Verdant Medical Modular, Inc.  
1385 Cambridge Street, Cambridge MA 02139

To Seller:  
NRB USA Inc.  
191 Quality Circle, New Holland, PA 17557

The parties have caused this Agreement to be executed by their duly authorized representatives, as of the Effective Date.

For "Buyer"  
Verdant Medical, Inc.

For "Seller"  
NRB USA Inc.

\_\_\_\_\_  
Authorized Party

\_\_\_\_\_  
Authorized Party

Effective Date: \_\_\_\_\_

Effective Date: \_\_\_\_\_

ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA  
\*\*\*Electronically Filed\*\*\*  
Dec 31 2019 09:04AM  
Ricci Dehl

CI-19-12194

# EXHIBIT "D"

ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA  
\*\*\*Electronically Filed\*\*\*  
Dec 31 2019 09:04AM  
Ricci Dehl



May 22, 2019

**CI-19-12194**

**QUOTE # E190016**

**Proposal for:**

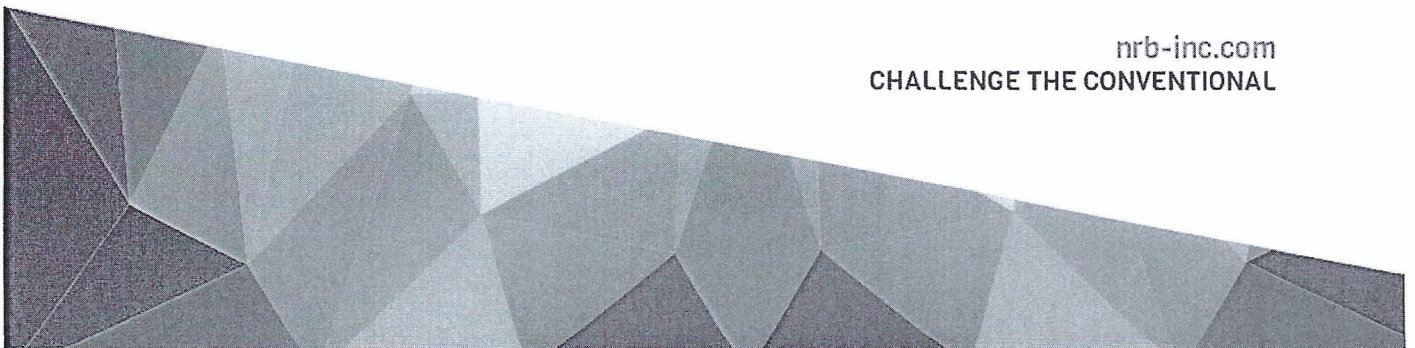
**P-TOWN, Verdant Medical, Inc.**

**44 Captain Berties Way, Provincetown, MA 02657**

NRB (USA), INC.  
191 QUALITY CIRCLE  
NEW HOLLAND, PA 17557

e. [inquiries@nrb-inc.com](mailto:inquiries@nrb-inc.com)  
t. 717.354.7770  
tf. 877.455.2160

[nrb-inc.com](http://nrb-inc.com)  
**CHALLENGE THE CONVENTIONAL**





1

Verdant Medical, Inc.  
1385 Cambridge Street  
Cambridge, MA 02139

ATTENTION: Samuel Perry

[sperry@shthera.com](mailto:sperry@shthera.com)

**CI-19-12194**

RE: P-TOWN, Verdant Medical, Inc., 44 Captain Berties Way, Provincetown, MA 02657

Dear Sam,

We are pleased to submit our proposal to manufacture and deliver modules for the above referenced project.

**BASIS OF OUR PROPOSAL:**

This proposal is based up the following document created by NRB and attached for reference.

- NRB Scope of Work and Specifications – dated 5/21/19
- Lincoln Architects Preliminary 3<sup>rd</sup> Party Review Drawings – dated 5/1/19

**Assumptions:**

- Approximate square footage of modular – 4,500
- MODULES - 12

**PRICING:**

FOB NRB

**\$ 1,060,000.00**

*Sales Tax Not Included*

**Additional Cost**

Breakdown Modules/Shrink Wrap and Move Outside	\$18,500.00
Reassembly Modules	\$11,500.00

Additional charges will apply for storage, if project is on hold for more then 7 days form the date of this proposal.

NRB has calculated a plant stoppage cost of \$23,400 for the weeks of May 20 and May 27, 2019.

NRB will not invoice for this cost if project moves forward in 7 days from the date of this proposal.





2

**Bid Notes:**

1. Please note that the proposal is based on the details described above and attached, it is subject to change based on finalization of architectural and engineering details and any agency having jurisdiction over the design, construction, and occupancy of this facility for its intended use. Any changes that may be required due to our final engineering and certification, any changes requested the owner or by the State or local municipality, will affect cost or schedule.

**CI-19-12194**

**STANDARD PAYMENT TERMS:**

- 20% Deposit, Balance will be requisitioned monthly based on percentage of work completed (Net 15 Days)

**SCHEDULE:**

- Detailed schedule will be submitted after final design and a fully executed agreement of sale of contract.

Please carefully review all information in this proposal. Please do not hesitate to contact me with any questions. I look forward to us talking soon.

Sincerely,

NRB (USA), Inc.

A handwritten signature in blue ink, appearing to read "Daniel Gelatt", is written over a horizontal line.

Daniel Gelatt

Technical Sales Representative



May 21, 2019

# SPECIFICATION

P-Town, Two Story

Provincetown, Massachusetts

**CI-19-12194**

---

## **BUILDING DESIGN:**

- These specifications assume this building to be considered "free standing", without impact or implication from any other facilities on the existing or adjacent properties or from insufficient fire lanes or improper setbacks.

## **Building Code Design Criteria:**

### **1. SUBJECT BUILDING:**

- Module(s): 12

### **2. CODE CLASSIFICATION:**

- Building Area: Approx. 4450 Square feet
- Number of Stories: 2
- Occupancy:
  - First Floor: Group M (Mercantile)
  - Second Floor: Group B (Business)
- Construction Type: Type V-B

### **3. DESIGN LOADS:**

- Floor Live Occupancy Load:
  - First Floor: Mercantile, Total Occupancy Load = 36 Person
  - Second Floor: Business, Total Occupancy Load = 22 Person
- Roof Load: N/A

## **General Notes:**

- For the purposes of these Specifications:
  - "by others" is defined as "not by NRB, its suppliers or subcontractors".
  - "factory" is defined as "NRB, its suppliers or subcontractors".
  - State Seals are included
  - 3<sup>rd</sup> Party build to plan inspections are included
  - Stamped Structural Drawings are included
  - Pricing and Schedule subject to change based on final specs and drawings



**Foundation:**

- Foundation designs or calculations as required by Local or State Codes are by others.
- NRB will provide KIP loads, load points, and a recommended description of attachment method of building to foundation only.

**CI-19-12194**

**1<sup>st</sup> Floor Modular Construction:**

- Steel Perimeter Frame (Prime Painted)
- Steel Cross Members
- R30 FSK Faced Insulation
- 1-1/2" Metal Deck
- 3" Concrete Floor
- 12"x12"x1/8" VCT and LVT with Rubber Cove Base Per Specs and Finish Schedule on Drawing A1.1 Dated 5.15.19

**2<sup>nd</sup> Floor Modular Construction:**

- Steel Perimeter Frame (Prime Painted)
- Steel Cross Members
- 1-1/2" Metal Deck
- 3/4" TG Plywood Sub Floor
- 12"x12"x1/8" VCT, LVT and Carpet Tile with Rubber Cove Per Specs and Finish Schedule on Drawing A1.2 Dated 5.15.19

**Wood Stairs:**

- Wood Stairs and Wood Landing with Painted Wood Railings- Stair Coverings by Others on Site

**Exterior Wall Assembly:**

- Tyvek Building Wrap
- 7/16" Exterior Grade Plywood
- 2X6 Wood Studs, 16" O.C.
- HHS Columns
- R-21 Faced Batt Insulation
- 5/8" Type X Gypsum Board

**Interior Wall Construction:**

- 5/8" Type X Gypsum Board
- 2X6 Wood Studs
- 2X4 Wood Studs
- 3-1/2" Sound Batt Insulation





3

- HHS Columns
- Security Walls- 3/4" Expanded Wire Mesh with Clark Dietrich BM Clips on 2 sides of wall per A0.1 Dated 5.15.19
- Wood Wall Covering up to 350 SF per prints and specs dated 5.15.19

**Roof/Ceiling Construction:**

**CI-19-12194**

- .045 Black EPDM Temporary Roofing System
- Metal Lifting Lugs
- 1/4" Roof Sheathing
- 1-1/2" Metal Deck (acoustical painted on sales floor, B Deck painted on 2<sup>nd</sup> Floor Exposed)
- Structural Steel Perimeter Beam
- 2x2 ACT Ceilings Throughout and Exposed Ceilings @ Sales Floor 106 and 2<sup>nd</sup> Floor- See RCP Dated 5.15.19

**Doors:**

- Doors/Frames/Hardware, see Door and Frame Schedule – Drawing A0.1 Dated 5.15.19
  - Glass only in 2 exterior Marvin doors
  - Roll Up Door in fulfillment area

**Window:**

- Marvin Ultimate Coastal Windows Per Prints Dated 5.15.19- 140 MPH rating for Providence Town Location 130MPH for Greenfield and Rowley
- 2 Transaction Windows at check in
- 1 HM Borrowed Lite Frame at Security

**Painting:**

- 5/8" GYP Walls and Ceilings – Primed and 1 Finish Coat
- Metal Decking where Exposed per RCP date 5.15.19
- Hollow Metal Doors and HM Frames shall have 2 finish coats
- Wood Doors (Factory Stained) and HM Frames shall have 2 finish coats
- Hand Railings Primed Painted
- Structural Steel Primed Painted

**Casework- Allowance:**

- Per Plans and Specs Dated 5.15.19
- Security Room 102- P-LAM Counter with Brackets Only





**HVAC/Ventilation:**

- Based on drawing(s) H1.1, H1.2, H2.1 (dated 5/15/19)
- Does not include oval duct at this time
- All Mateline connections or connections outside or below modules by others on site

**Plumbing:**

**CI-19-12194**

- Based on drawing(s) P-1.1, P1.2, P2.1 (dated 5/15/19)
- All Mateline connections or connections outside or below modules by others on site

**Electrical/ Fire Alarm :**

- Based on drawing(s) E0.1, E1.1, E1.2, E2.1, E2.2, E3.1, E3.2, E4.1, FA1, FA2 (dated 5/15/19)
- All Mateline connections and connections outside or below modules on site by others.
- Final on site testing by others
- FA, Security, Data and Low Voltage- Conduit and Boxes only. All wiring and devices on site by others



Lighting:

1. Provide and install the following fixtures.
  - a. (11) Type A recessed down lights.
  - b. (6) Type AE recessed down lights with emergency ballast.
  - c. (29) Type B 2x2 lay in fixtures.
  - d. (10) Type BE 2x2 lay in fixtures with emergency ballast.
  - e. (5) Type C6 6' tracks.
  - f. (9) Type C8 8' tracks.
  - g. (2) Type C10 10' track.
  - h. (79) Type C track heads.
  - i. (7) Type D pendant fixtures.
  - j. (10) Type F strip fixtures.
  - k. (5) Type FE strip fixtures with emergency ballasts.
  - l. (5) Emergency battery fixtures.
  - m. (7) Type EX exit signs.
2. Provide the following fixtures shipped loose for installation by others on site:
  - a. (12) Type F strip fixtures in crawl space.
  - b. (11) Type AA exterior fixtures.
3. Install the following fixtures provided by others:
  - a. (2) Type G LED tape light in display case.
  - b. (3) Type H fixtures.
4. Provide and install the following lighting controls.
  - a. (11) Ceiling occupancy sensors.
  - b. (7) Wall mounted occupancy sensors.
  - c. (10) Dimmer switches.
  - d. (4) Occupancy/dimmer switches.
  - e. (4) Single pole switches.
  - f. (1) Single pole switch with pilot light.

**CI-19-12194**

Power:

1. Provide and install (1) 400-amp 120/208v main breaker 3 phase panel P1.
2. Provide and install (1) 4" conduit from panel P1 through first floor to crawl space.
  - a. Feeder wires and terminations by others.



3. Provide and install (1) 1 ¼" conduit and (1) ¾" from transfer switch through first floor to crawl space.
  - a. Transfer switch to be provided and installed by others.
  - b. Conduit, wiring and terminations from transfer switch to generator to be by others.
4. Provide (1) 1 ¼" conduit from first floor to crawl space below for remote annunciator.
  - a. Remote annunciator to be provided and installed by others.
  - b. No location is shown on drawings for annunciator. Price is based on straight drop from annunciator through floor.
5. Provide and install (1) 50-amp 120/208 3 phase main lug panel EP.
6. Provide and install (1) ¾" conduit from panel EP through first floor to crawl space for strip heater.
7. Provide and install (56) duplex receptacles.
8. Provide and install (24) quad duplex receptacles.
9. Provide and install (5) interior GFI receptacles.
10. Provide and install (2) interior quad GFI receptacles.
11. Provide and install (2) exterior GFI receptacles with weatherproof in use covers.
12. Provide and install (1) 20-amp circuit for electric water heater.
13. Provide and install (1) 20-amp circuit for recirculating pump.
14. Provide and install (1) 20-amp circuit to J box in crawl space for EUH-1.
  - a. Disconnect to be provided and shipped loose for installation on site by others.
  - b. Heater to be provided and installed by others.
15. Provide and install (1) empty 1 ¼ conduit for FC-1.
  - a. Price includes fused disconnect and fuses.
  - b. Conductors to be provided and installed by others on site.
16. Provide and install (1) 35-amp circuit, (1) 25-amp circuit and (1) 45-amp circuit for condenser units HP-1, HP-2 and HP-3.
  - a. Price includes NEMA 3R weatherproof fusible disconnects and fuses for each unit.
17. Provide and install (1) 20-amp circuit for CU-1 and ACCU-1.
  - a. Price includes NEMA 3R weatherproof fusible disconnect and fuses for CU-1.
  - b. Price includes wiring between CU-1 and ACCU-1.
18. Provide and install (2) 20-amp circuits for (7) WT units.
  - a. Price includes motor rated switch with thermal overloads for each unit.
19. Provide and install 20-amp circuit for (3) motorized dampers.
  - a. Price includes motor rated switch with thermal overloads for each unit.
20. Provide and install wiring for (3) cabinet heaters.
21. Provide and install wiring for (6) electric baseboard heaters.
22. Provide and install (1) 20-amp circuit for fire alarm panel.

**CI-19-12194**





1. Provide and install back box and conduit stubs to accessible ceiling for the following low voltage devices:
  - a. (29) tel/data jacks.
  - b. (14) card readers.
  - c. (39) interior cameras.
  - d. (14) exterior cameras
  - e. (2) intercoms
  - f. (11) panic buttons.
  - g. (2) Buzz in devices.
  - h. (1) volume control.
2. Provide and install EMT conduit for complete fire alarm system per specs for the following devices:
  - a. (3) Card Readers.
  - b. (14) Horn and/or horn strobe devices.
  - c. (4) Smoke detectors
    - i. (3) detectors with remote LED.
  - d. Remote fire alarm beacon
  - e. Fire fighters' key box.
3. All low voltage wiring, devices, terminations and testing to be by others.

**CI-19-12194**

Excluded:

The price below excludes the following:

1. Electrical permits and inspections.
2. Rooftop penetrations if needed.
3. Anything not listed as included above.
4. Fire Alarm wiring, devices, and programming.
5. Security wiring, devices, and programming.

END OF DOCUMENT



## Scope of Work Check List

**Project:** P-Town - Two Story, Provincetown, Ma

**Date:** 5/21/2019

**NOTE:** Permanent Modular Construction inherently has key scopes of work which must be properly sourced, managed, controlled and intricately completed utilizing an experienced and approved delivery, crane, set and weather-in crew. Failure to properly schedule and execute these timely tasks with sufficient manpower can cause considerable delays, irreparable harm to the structure and materials, and create additional off-site costs to the contract from the factory.

**NOTE:** The intent of this Scope of Work is to provide a global description of the scopes of work, in general, for the modular portion of the project. There may be special and specific circumstances that will be detailed on the Modular Shop Drawings.

LEGEND - S = SUPPLY OR SHIPPED LOOSE I = INSTALL/FINISH C = COMPLETE/SUPPLY/INSTALL O = OBSERVATION ONLY

Revision	Description	NRB at Factory	NRB at Site	By client	Notes
	<b>DIVISION 1 - GENERAL CONDITIONS</b>				
	Approvals and Permits				
	Development Fees			C	
	Building Permit, Plan Submission and Associated Fees			C	
	Foundation Permit			C	
	Submittals To City, State, Local Authorities Having Jurisdiction			C	
	Utility Permits or Fees			C	
	Design and Shop Drawings				
	Zoning Review			C	
	All Code Review			C	
	General Design Concept and Layout			C	
	Design Assist	C			
	Architectural Design Stamped and Sealed for the Entire Project			C	
	Structural Steel Design/Calculations Stamped and Sealed for Modular Portion of the Project	C			
	Locations and Reactions for Connection to the Foundation	C			
	Structural Steel Design/Calculations Stamped and Sealed for Site Built Portion of the Project	C			
	Mechanical and Electrical Design/Calculations Stamped and Sealed for the Entire Project			C	
	Energy Code Analysis	C			
	Fire Protection Design/Calculations Stamped and Sealed			C	
	Civil Design and Geotechnical Data			C	
	Modular Architectural and MEP Shop Drawings (Coordination Drawings)			C	
	"As Builts" for the Modular Portion of the Building	C			Red Lines Only
	<b>Testing and Inspections</b>				
	Modular Third Party Inspections	C			
	Modular Mechanical and Electrical Testing (At NRB Facility) - air test plumbing and sprinkler, circuit test electricity	C			
	Final Testing / Inspections / Commissioning of All Systems			C	
	On Site Inspections of Modular Connections (Structural, Mechanical, and Electrical)			C	
	<b>Insurance and Taxes</b>				
	Sales Tax			C	
	<b>Operating and Maintenance and Warranties</b>				
	Operating and Maintenance Manuals	C			
	Warranties - NRB's standard 1 year warranty	C			
	<b>General</b>				
	Modular Building Manufacturing	C			
	Onsite Temporary Power			C	
	<b>Modular Delivery</b>				
	Route Survey As Needed		C		
	Delivery to the Project or the Initial Staging Area (whichever is first)		C		
	OnSite Preparation to Safely and Properly Support Equipment (including crane(s), lifts and transporters)			C	
	Project OnSite Logistics for Material Handling and Control as Well as to Allow Transporters/ Modules to Enter the Project Site From Public Thoroughfares and Transverse the Project Site			C	
	OnSite Traffic Control, Barriers, Including Road Closures			C	
	OnSite Lay Down Area for Modular Units (In the event that Purchaser provides NRB with a paved lay down area, then Purchaser shall hold NRB harmless for damage caused to paved areas)			C	
	OnSite Security			C	
	OnSite Modular Shuttling from an Offsite Staging Area to the Project Site			C	
	OnSite Inspect Building Modules on Arrival			C	
	<b>Modular Erection</b>				
	Complete Erection and Crane, as well as Weather Protection			C	
	<b>Trash and Cleaning</b>				
	OnSite Dumpsters			C	
	OnSite Place Trash From the Shipping Material in to Dumpsters			C	
	OnSite Trash Removal			C	
	<b>DIVISION 2 - SITE WORK</b>				
	Backfill and Grading			C	
	Landscape			C	
	Erosion Control and Drainage			C	
	Construction Fencing			C	
	<b>DIVISION 3 - CONCRETE</b>				
	Foundation			C	
	Concrete Equipment Pads Outside of Modules			C	
	Concrete Floors	C			1ST FLOOR ONLY
	Scarified Concrete at Mate Line	C			
	Leveling Compound at Mate Line			C	
	Concrete Floor Paint Coatings			C	
	Recess In Concrete for Entrance Floor Mat			C	
	<b>DIVISION 4 - MASONRY</b>				
	All			C	
	<b>DIVISION 5 - METALS</b>				
	Foundation Embed Plates			C	
	Shim Plates as Needed at Set			C	
	Structural Steel Framing in Modules	C			
	Structural Light Gauge Metal Framing/Strapping in Modules	C			
	Steel Decking - Floor And Ceiling in Modules	C			
	Install Welded or Bolted Braces / Temporary Steel	C			
	Remove Welded or Bolted Braces / Temporary Steel			C	
	Bolts / Nuts For Units	S		I	
	Expansion Joints			C	
	Structural Steel Supports in the Roof Framing	C			
	Security Perforated Metal Screen and Over Head Rollup Grill	C			
	<b>DIVISION 6 - WOODS/PLASTICS</b>				

CI-19-12194



Revision	Description	NRB at Factory	NRB at Site	By client	***Electronically Filed***
	Interior Wood Stairs and Landing	C			Dec 31 2019 09:04AM
	Blocking In Walls	C			Ricci Dehl
	Plastic Laminate Casework Cabinets	C			
	Plastic Laminate Casework Cabinets at Mate Lines	C			
	Hexagon Ceramic Tile on Plastic Laminate Cabinets	S		I	
	Hexagon Ceramic Tile on Plastic Laminate Cabinets at Matelines	C			
	Plastic Laminate Countertops	S		I	
	Plastic Laminated Countertops at Mate Lines	C			
	Solid Surface Countertops and Transaction Tops	S		I	
	Solid Surface Countertops and Transaction Tops at Mate Lines	C			
	Painted Wood Window Sills and Trim	S		I	
	DIVISION 7 - THERMAL/MOISTURE PROTECTION	C			
	Temporary EPDM Black .045 Roof System	C			
	Temporary EPDM Black .045 Roofing Material for Seaming Mate Lines OnSite	S		I	
	Roof Seams at Module Lift Points	C			
	Final Roof Framing and Final Roof System	C			
	Final Exterior Overhangs and Soffits	C			
	Roof Warranty	C			
	Roof Penetrations Flashed	C			
	Fire Caulk / Draft Stop In Modules	C			
	Fire Caulk / Draft Stop at Mate Lines	C			
	Window Caulking against the Final Siding	C			
	Install Vertical Compression Seals at Mate Lines	S		I	
	Insulation in Floor in Modules 1st floor only	C			
	Insulation in Floor at Mate Lines	C			
	Insulation in Exterior Walls	C			
	Insulation in Interior Walls Shown on Wall Type Schedule, Drawing A10.0.2	C			
	Insulation at Mate Lines	S		I	
	Exterior Building Wrap on Exterior Walls	C			
	Exterior Building Wrap on Modules Mate Lines	S		I	
	Exterior Building Siding/Skin on Module Exterior Walls	C			
	Fire Rated Assemblies Below the Modular Structure	C			
	DIVISION 8 - OPENINGS				
	Interior Doors/Frame	C			
	Interior Doors/Frames at Mate Lines	S		I	
	Door Hardware	C			
	Electronic Card Readers and Door Hardware Rough-Ins Only	C			Rough-Ins Only. Final Connections Onsite By Others
	Construction Keying for Doors	C			
	Master Keying and Cores for Doors			C	
	Final Door Adjustments			C	
	Windows	C			
	DIVISION 9 - FINISHES				
	Gypsum at Walls	C			
	Gypsum at Wall Mate Lines	C			
	Level 4 Gypsum Wall Finish	C			
	Level 4 Gypsum Wall Finish at Mate Lines	C			
	Gypsum At Ceilings	C			
	Metal Ceiling Lockable Access Panels	C			
	Level 4 Gypsum Ceiling Finish	C			
	HM Doors and HM Frames, Prime and Paint One Coat	C			
	HM Doors and HM Frames, Final Painting	C			
	Wood Doors, Factory Stain	C			
	Caulking - within the modules	C			
	Prime and First Finish Coat Painting - on Gypsum	C			
	Final Coat Paint on Gypsum	C			
	Vinyl Wall Coverings	C			
	Vinyl Wall Coverings at Mate Lines	C			
	Wood Plank Accent Walls	C			
	Wood Plank Accent Walls at Mate Lines	C			
	Painting Handrails	C			
	Painting Touch Up			C	Touch up paint provided By Others as part of the final painting
	Acoustic Ceiling Grid	C			
	Acoustic Ceiling Grid at Mate Lines	S		I	
	Acoustic Ceiling Tile	C			
	Acoustic Ceiling Tile at Mate Lines	S		I	
	Floor Coverings and Base Trim as defined on Drawing A1.1.4 Dated 11/28/2019 Addendum #1	C			
	Floor Coverings and Base Trim at Mate Lines	S		I	Adhesives are to be provided By Others for any Flooring/Cove Base shipped loose BY NRB or provided BY OTHERS
	Floor Finish, Waxing			C	
	Exterior Finishes			C	
	Exterior Finishes Final Touch-up Painting			C	
	DIVISION 10 - SPECIALTIES				
	Toilet Grab Bars	C			
	Wall Hung Toilet Room Mirrors	C			
	Signage - ALL			C	
	Fire Extinguishers			C	
	Wall Hung Fire Extinguisher Cabinets	C			
	DIVISION 11 - EQUIPMENT				
	DIVISION 12 - FURNISHINGS				
	Furnishings and Window Treatments			C	
	DIVISION 13 - SPECIAL CONSTRUCTION				
	DIVISION 14 - CONVEYANCES				
	N/A				
	DIVISION 21 - SPRINKLER				
	DIVISION 22 - PLUMBING				
	DWV Piping	C			All plumbing at the first floor is stubbed through the floor and the horizontal runs are supplied and installed on site BY OTHERS
	DWV Piping at Mate Lines	S		I	
	Plumbing Fixtures	C			
	Plumbing Fixtures - that sit on or cross a mate line	S		I	
	Gas Piping				N/A
	Vent Piping (To 3" Below Tempory Roof)	C			
	Vent Piping Caps			C	
	All Piping Vent Extensions Through Temporary Roof			C	
	Final Flashing of Piping Through Finished Roof			C	



ENTERED AND FILED  
PROTHONOTARY'S OFFICE  
LANCASTER, PA

Revision	Description	NRE at Factory	NRE at Site	By client	*** Electronically Filed *** Dec 31 2019 09:04AM Ricci Dehl
	Final Testing Of Completed System			C	
	Final Clean/Sanitize Supply Water Lines			C	
	Clean-Out Sink Aerators			C	
	Identification Tags/Labels	C			
	Painting			C	
	Services and service Connections at site			C	
	Heat Trace			C	
	Exterior Frost-Free Hose Bibs	S		I	
	<b>DIVISION 23 - HVAC</b>				
	HVAC And Ventilation Equipment	C			Excluding (4) Outdoor Condensing Units to be Installed By Others Onsite
	Start Up, Commissioning and Balancing			C	
	Thermostats	C			Location TBD
	Final Testing, Adjusting, Or Balancing			C	
	Painting			C	
	All HVAC Systems Outside of or Below Modules			C	
	Ducted Exhaust Fans	C			
	Exterior Wall Grills and Louvers	S		I	
	Interior Defusers, Registers, and Grills	C			
	Duct Work	C			
	Duct Work At Mate Lines	S		I	
	<b>DIVISION 26 - ELECTRICAL</b>				
	Panel To Panel Connection Wiring	C			
	Main Distribution Panel and Wiring	C			
	Lightning Protection			C	
	Final Grounding And Bonding Of Modular Work To Site			C	
	Interior Lighting Fixtures	C			
	Interior Lighting Fixtures At Mate Lines	S		I	
	Exterior Or Site Lighting			C	
	Exterior Wall-Mounted Lights	S		I	
	Small Circuit Electrical Wiring	C			
	Conduit For Large Circuit Electrical Wiring In Modular (To Within 5' Of Equipment)	C			
	HVAC Electrical Disconnects and Wiring for Exterior CU-1, CU-2, CU-3, and CU-4			C	Furnished and Installed Onsite By Others
	HVAC Electrical GFCI for Exterior CU-1, CU-2, CU-3, and CU-4			C	Furnished and Installed Onsite By Others
	Large Circuit Electrical Wiring (Home Runs)			C	
	Small Circuit Connections From Module To Module	S		I	Wiring will be run to J Boxes a the mate lines. The module to module connection will be By Others
	Panel Boxes	C			Location TBD
	Identification For Electrical Systems	C			
	Hook-Up Of Emergency Light Battery Packs			C	
	Wiring And Devices For All Types Of Low Voltage Systems (Alarm, Data, CCTV, Audio, Phone, ATC, Etc.)			C	
	Rough-In Boxes And Conduit Only For All Types Of Low Voltage Systems (Alarm, Data, CCTV, Audio, Phone, ATC, Etc.)	C			Note: the fire alarm may require that the wiring be run full length in conduit.
	Services and service Connections at site			C	
	Final Testing			C	

CI-19-12194



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

No Fee

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

**Certificate of Change of Directors or Officers of Non-Profit Corporations**

(General Laws, Chapter 180, Section 6D)

**Identification Number:** 463403588

I, JOHN DAVIS GATES ☒ **Clerk** ☐ **Assistant Clerk**,

of ERMONT, INC.

having a principal office at: 216 RICCIUTI DRIVE QUINCY, MA 02169 USA

certify that pursuant to General Laws, Chapter 180, Section 6D, a change in the directors and/or the president, treasurer and/or clerk of said corporation has been made and that the name, residential street address, and expiration of term of the president, treasurer, clerk and each director are as follows: *(Please provide the name and residential street address of the assistant clerk if he/she is executing this certificate of change. Also, include the names of any additional officers of the corporation.)*

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code	<b>Expiration of Term</b>
PRESIDENT	JOHN DAVIS GATES	216 RICCIUTI DRIVE QUINCY, MA 02169 USA	Until successors are duly elected and qualified
TREASURER	JOHN DAVIS GATES	216 RICCIUTI DRIVE QUINCY, MA 02169 USA	Until successors are duly elected and qualified
CLERK	RICHARD JEFFREY LYMAN	852 HALE STREET BEVERLY, MA 01915 USA	Until successors are duly elected and qualified
DIRECTOR	RICHARD JEFFREY LYMAN	852 HALE STREET BEVERLY, MA 01915 USA	Until successors are duly elected and qualified
DIRECTOR	JOHN DAVIS GATES	216 RICCIUTI DRIVE QUINCY, MA 02169 USA	Until successors are duly elected and qualified

**SIGNED UNDER THE PENALTIES OF PERJURY, this 19 Day of July, 2018,**  
JOHN DAVIS GATES, **Signature of Applicant.**

**From:** Alex Coleman  
**Sent:** Tuesday, May 15, 2019 6:32 PM  
**To:** Jim Kirsch  
**Cc:** Adam Kinzer; Robert Leidy; Austin Flinn; Martina Barry; John Gates  
**Subject:** Re: Please Proof and Reply ASAP

Adam

Adding Mike Aldo from our office who will be leading the day-to-day process for TILT and Johnny Gates, CEO of Ermont. This constitutes the working group and I would suggest a call when possible

Alex

On May 15, 2019, at 16:27, Adam Kinzer wrote:

Alex,

Please let us know when the Massachusetts Ermont data room will be available. Bobby said you have someone who will be the point person on setting up and answering questions from interested acquirors. Can you setup a call for Austin and I with the person setting up?

Regards,  
Adam

**Adam Kinzer**  
**Senior Vice President**  
A.G.P. / Alliance Global Partners  
590 Madison Ave. 36th Flr  
New York, NY 10022  
D: 212.624.2114  
C: 954.551.1435  
Email: [akinzer@allianceg.com](mailto:akinzer@allianceg.com)

**From:** Alex Coleman  
**Sent:** Tuesday, May 14, 2019 2:46 PM  
**To:** Jim Kirsch  
**Cc:** Robert Leidy; Austin Flinn; Adam Kinzer  
**Subject:** Re: Please Proof and Reply ASAP

Thank you Jim. That looks good.  
Alex

On May 14, 2019, at 12:38 PM, Jim Kirsch wrote:

***Hi Alex and Bobby,***

***Please proof the below announcement letter. If anything has been mischaracterized or you want to edit in any way please let me know. We want to get to market ASAP. Getting this out today buys us the rest of the week to do our diligence without wasting time.***

***I appreciate your input, it is important that my note is accurate and clear.***

***Thank you,***

***Jim***

Dear Derek,

In the last 90 days our team has entered into LOI's totaling over \$600,000,000 on various, licenses, operations and business units. We are pleased to announce today that we have been exclusively retained to sell a Massachusetts package consisting of the following.

- License to grow, process and sell
- Dispensary
  - 3 medical
  - 3 recreational
    - One medical dispensary is operational with over \$900K in monthly sales
- 45,000 Retail, Grow and Processing Facility

This is a rare and unique opportunity to enter into the highly desired Massachusetts Market. These assets will be sold as a package only. Interest in this offering is anticipated to be very high and we encourage your timely engagement. There is no minimum bid and we anticipate one round of bids, maybe two at the most.

Our process for this sale will be the same as our last ones. Once under NDA bidders will receive bid instructions and receive access to the data room. You will have about two weeks to do your diligence, including a call with management, site visits and support from the AGP team.

If you have an interest in learning more about this opportunity please reply to this email or call me directly and we will send you an NDA for consideration and execution. Once we have the NDA fully executed by both the prospective buyer and the company we will send you out our sale process memo and provide you with access to the data room.



Feel free to call Austin, Adam or me with any questions you may have.

Thank you for your consideration and we look forward to supporting your due diligence on any of these items.

Regards,

James Kirsch

Senior Managing Director Investment Banking: TMT and China  
A.G.P./Alliance Global Partners

300 West Adams Street Suite 840  
Chicago, Illinois 60606  
(D) (312) 392.4256  
(C) (773) 787.7900  
[jk@allianceg.com](mailto:jk@allianceg.com)

# The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

One Ashburton Place, Room 1717, Boston, Massachusetts 02108-1512

Telephone: (617) 727-9640

## ANNUAL REPORT

Filing Fee: \$15.00

M.G.L. Ch.180  
Corporation  
Annual Report

190006290

### IDENTIFICATION

NO. 463403588

Filing for November 1, 20 19

In compliance with the requirements of Section 26A of Chapter one hundred and eighty (180) of the General Laws:

1. NAME: Ermont Inc

2. ADDRESS: 216 Ricciuti Dr

Quincy, MA 02169

(city or town)

(state)

(zip)

3. DATE OF THE LAST ANNUAL MEETING: April 9, 2019

4. If the corporation is a cemetery corporation, it must hold perpetual care funds in trust and attach a copy of the written agreement establishing the trust. (check appropriate box)

☐ The cemetery corporation certifies that perpetual care funds are held in trust and a copy of the written agreement establishing the trust is attached.

OR

☒ The cemetery corporation hereby certifies that it does not hold perpetual care funds in trust.

5. State the names and addresses of the president, treasurer, clerk, at least one director of the corporation, and the date on which the term of office of each expires: (PLEASE TYPE OR PRINT).

NAME OF OFFICE	NAME	ADDRESSES Number, Street, City or Town, State and Zip Code	EXPIRATION OF TERM OF OFFICE
President:	John Gates	216 Ricciuti Drive Quincy, MA 02169	n/a
Treasurer:	John Gates	216 Ricciuti Drive Quincy, MA 02169	n/a
Clerk: (or Secretary)	Robert Lyman	216 Ricciuti Drive Quincy, MA 02169	n/a
Directors: (or Officers having the powers of Directors)	John Gates Robert Lyman	216 Ricciuti Drive Quincy, MA 02169	n/a

I, the undersigned Lysal Sullivan being the Dir of Admin/Ermont of the above-named corporation, in compliance with General Laws, Chapter 180, hereby certify that the information above is true and correct as of the dates shown.

IN WITNESS WHEREOF AND UNDER PENALTIES OF PERJURY, I hereto sign my name on this 29 day of October, 20 19.

Signature:

Title:

Contact Person:

Contact Person Telephone #:



2 SEAPORT LANE, 11<sup>TH</sup> FLOOR  
BOSTON, MA 02210  
TEL: 617.934.2121

TO: Sea Hunter Therapeutics, LLC  
FROM: Vicente Sederberg LLP  
DATE: June 24, 2019  
RE: Massachusetts regulatory considerations in connection with potential sale of Ermont, Inc. debt and change of control of Ermont, Inc. in connection with the same

---

This memorandum is intended to describe the regulatory processes and requirements that would be applicable in the event of (1) a sale of the Ermont, Inc. ("Ermont") debt held by Sea Hunter Therapeutics, LLC to a third-party investor and (2) a change of control and ownership of Ermont to be held by the same third-party investor.

The following does not address any of the tax impacts of any of these transactions, and tax counsel should be consulted in connection with the structuring of any such transactions. Also, the below analysis is only based on our current understanding of the applicable Cannabis Control Commission (the "Commission") regulations and the method by which those regulations are currently enforced. The Commission's interpretation of their own regulations can be inconsistent and can change without notice, which may impact the analysis below. Furthermore, the applicable regulations are currently in the process of revision, and may change before the transactions discussed below occur, impacting the analysis below.

### **Debt Sale – Regulatory Process**

There are limited cannabis regulatory requirements applicable to the sale of debt of the debt of a Medical Marijuana Treatment Center such as Ermont. The only requirement directly applicable to a change in lender to Ermont would be a notice requirement to the Commission providing notice of the new lender.<sup>1</sup>

That said, if the surviving debt documents implicate control of Ermont, then the process for a change of ownership or control (which is described below) may apply.

---

<sup>1</sup> This requirement comes from the provisions of 935 CMR 501.000 *et seq* that require in the initial application process to identify "all persons or entities contributing 5% or more of the initial capital to operate an RMD", and the ongoing obligation to notify the Commission, within five business days, "a change in the registration information contained in the application or required by the Commission to have been submitted in connection therewith." 935 CMR 501.425(1)(g). Arguably, the capital being provided under the subject debt agreement is not "initial capital", given that it was provided subsequent to Ermont beginning operations, so an argument could be made that no such notice is required. That said, conservatively we advise providing the Commission with such notice.

## **Change of Ownership/Control of Ermont, Inc.**

The change of ownership of Ermont can occur in a number of ways, all of which will include the for-profit conversion process described below, which is necessary to create an equity structure. The two primary ways for a change of ownership to occur are:

- (1) the Board of Directors of Ermont cause the conversion of Ermont to a for-profit corporation, and then the investor purchases all of those outstanding shares from the person or entity that received those shares upon the conversion; and
- (2) the Board of Directors of Ermont cause the conversion of Ermont to a for-profit corporation and, in conjunction with that conversion, issue all of the shares of Ermont to the investor.

In either case, notice of any changes to the Board of Directors, Officers, and other key roles would need to be provided to the Cannabis Control Commission.

It should also be noted that the Executive Director of the Cannabis Control Commission, through informal discussions, has requested that Medical Marijuana Treatment Centers whose ownership or control are changing submit Change of Control Applications to the Cannabis Control Commission prior to effecting such a change. This is not strictly a regulatory requirement, but our conservative advice would be to submit such an application, despite the lack of a formal requirement. The Massachusetts medical marijuana regulations provide that “[a] provisional or final certificate of registration may not be assigned or transferred without prior Commission approval.” 925 CMR 501.100(3)(c). The failure to file a Change of Control Application in connection with a change of ownership or control runs the risk of the Commission deeming such a transaction as an unauthorized assignment or transfer. That said, the processing of Change of Control Applications can cause significant delays to the closing of such a transaction.

## **For-Profit Conversion Process**

Ermont may convert from a non-profit corporation organized under M.G.L. c. 180 to a business corporation organized under M.G.L. c. 156D pursuant to the procedures described in Section 72 of Chapter 55 of the Acts of 2017 (“Section 72”). Pursuant to Section 72, a Chapter 180 non-profit may convert to a business corporation by adopting a plan of entity conversion in accordance with M.G.L. c. 156D, § 9.51. The plan of entity conversion will include the following information:

- (1) a statement that the surviving entity will be a domestic business corporation organized under M.G.L. c. 156D;
- (2) the terms and conditions of the conversion;
- (3) a description of the issuance of shares pursuant to the conversion, and any other information relating to such issuance, such as the conversion of a lending interest into shares, etc.; and
- (4) the full text of the organic documents (the Bylaws and Articles of Entity Conversion) of the surviving entity, as they will be in effect immediately after consummation of the conversion.

Once the plan of entity conversion is approved by the Ermont Board of Directors, the conversion documents are submitted to the Cannabis Control Commission for their certification. Once certified, the Articles of Entity Conversion (which acts as the charter of the surviving entity) is filed with the Secretary of the Commonwealth. Subsequently, a certificate of good standing of the surviving entity is submitted to the Cannabis Control Commission as evidence that the conversion was effected.



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

Minimum Fee: \$35.00

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

**Articles of Organization**

(General Laws, Chapter 180)

**Identification Number:** 001212654

**ARTICLE I**

The exact name of the corporation is:

VERDANT MEDICAL, INC.

**ARTICLE II**

The purpose of the corporation is to engage in the following business activities:

THE CORPORATION IS ORGANIZED AND AT ALL TIMES SHALL BE OPERATED EXCLUSIVELY FOR CHARITABLE, SCIENTIFIC, CIVIC, RELIGIOUS, LITERARY, OR EDUCATIONAL PURPOSES PURSUANT TO MGL CHAPTER 180 § 4.

**ARTICLE III**

A corporation may have one or more classes of members. If it does, the designation of such classes, the manner of election or appointments, the duration of membership and the qualifications and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

MAY BE SET FORTH IN THE BYLAWS.

**ARTICLE IV**

Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

*(If there are no provisions state "NONE")*

THE CORPORATION IS ORGANIZED SOLELY FOR THE FURTHERANCE OF ITS NONPROFIT PURPOSES. THE NET EARNINGS OF THE NONPROFIT SHALL NOT INURE TO THE BENEFIT OF ITS DIRECTORS, OFFICERS, OR OTHER PRIVATE PERSON OR BE DISTRIBUTABLE THERETO; HOWEVER, REASONABLE COMPENSATION MAY BE PAID, AT THE AUTHORITY OF THE CORPORATION, FOR SERVICES RENDERED AND PAYMENTS AND DISTRIBUTIONS MAY BE EXECUTED IN FURTHERANCE OF THE NONPROFIT PURPOSES OF THE CORPORATION. IN ACCORDANCE WITH THE STATUTES OF THE COMMONWEALTH OF MASSACHUSETTS, THE BOARD OF DIRECTORS SHALL DISPOSE OF ALL THE ASSETS OF THE CORPORATION EXCLUSIVELY FOR THE PURPOSE OF THE CORPORATION, AFTER PAYING OR MAKING PROVISIONS FOR THE PAYMENT OF ALL OF THE LIABILITIES OF THE CORPORATION, IN THE EVENT OF THE DISSOLUTION OF THE CORPORATION, AS THE BOARD OF DIRECTORS SHALL DETERMINE. THE CORPORATION'S OFFICERS AND DIRECTORS SHALL NOT BE PERSONALLY LIABLE TO THE CORPORATION FOR MONETARY DAMAGES FOR A BREACH OF FIDUCIARY DUTY, OR ARISING



NG THEREOF, AS AN OFFICER OR DIRECTOR NOTWITHSTANDING ANY PROVISION OF LAW IMPOSING SUCH LIABILITY. HOWEVER, TO THE EXTENT THAT APPLICABLE LAW IMPOSES LIABILITY, THE FOREGOING SHALL NOT ELIMINATE OR LIMIT THE LIABILITY OF AN OFFICER OR DIRECTOR (I) FOR A BREACH OF THE OFFICER'S OR DIRECTOR'S DUTY OF LOYALTY TO THE CORPORATION OR ITS MEMBERS, (II) FOR ACTS OR OMISSIONS NOT IN GOOD FAITH OR WHICH INVOLVE INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF THE LAW, OR (III) FOR ANY TRANSACTION FROM WHICH THE OFFICER OR DIRECTOR DERIVED AN IMPROPER PERSONAL BENEFIT. TO THE EXTENT LEGALLY PERMISSIBLE, THE CORPORATION SHALL INDEMNIFY EACH PERSON WHO MAY SERVE OR WHO HAS SERVED—AT ANY TIME—AS AN OFFICER OR DIRECTOR OF THE CORPORATION AGAINST ALL EXPENSES AND LIABILITIES WITHOUT LIMITATION, WHICH SHALL INCLUDE, INTER ALIA, COUNSEL FEES, JUDGMENTS, FINES, EXCISE TAXES, PENALTIES AND SETTLEMENT PAYMENTS, REASONABLY INCURRED BY OR IMPOSED UPON SUCH PERSON IN CONNECTION WITH ANY THREATENED, PENDING OR COMPLETED ACTION, SUIT OR PROCEEDING IN WHICH HE OR SHE MAY BECOME INVOLVED BY REASON OF HIS OR HER SERVICE IN SUCH CAPACITY. HOWEVER, NO INDEMNIFICATION WILL BE PROVIDED FOR ANY SUCH PERSON WITH RESPECT TO ANY MATTER IN WHICH THE INDIVIDUAL SHALL HAVE BEEN FINALLY ADJUDICATED TO HAVE NOT ACTED IN GOOD FAITH WITH THE REASONABLE BELIEF THAT SUCH ACTION WAS IN THE BEST INTERESTS OF THE CORPORATION IN ANY PROCEEDING. FURTHER, A MAJORITY VOTE OF A QUORUM OF DIRECTORS WHO ARE NOT AT THAT TIME PARTIES TO THE PROCEEDING SHALL APPROVE ANY COMPROMISE OR SETTLEMENT PAYMENT THERETO. THE INDEMNIFICATION HEREUNDER PROVIDED WILL INURE TO THE BENEFIT OF THE HEIRS, EXECUTORS, AND ADMINISTRATORS OR OTHER INDIVIDUALS ENTITLED TO INDEMNIFICATION. UNDER THE AUTHORITY OF THIS ARTICLE, THE RIGHT OF INDEMNIFICATION SHALL BE IN ADDITION TO—NOT EXCLUSIVE OF—ALL OTHER RIGHTS TO WHICH ANY INDIVIDUAL MAY BE ENTITLED. AS BETWEEN THE CORPORATION AND ITS INDEMNIFIED OFFICERS AND DIRECTORS, THIS ARTICLE CONSTITUTES A CONTRACT. AMENDMENTS TO OR REPEALS OF THE PROVISIONS OF THIS ARTICLE THAT ADVERSELY AFFECT THE RIGHTS OF AN INDEMNIFIED OFFICER OR DIRECTOR SHALL NOT APPLY TO ANY SUCH OFFICER OR DIRECTOR WITH RESPECT TO THOSE ACTS OR OMISSIONS THAT OCCURRED AT ANY TIME PRIOR TO SUCH AMENDMENT OR REPEAL.

*Notes: The preceding four (4) articles are considered to be permanent and may only be changed by filing appropriate Articles of Amendment.*

**ARTICLE V**

The by-laws of the corporation have been duly adopted and the initial directors, president, treasurer and clerk or other presiding, financial or recording officers, whose names are set out on the following page, have been duly elected.

**ARTICLE VI**

The effective date of organization of the corporation shall be the date approved and filed by the Secretary of the Commonwealth. If a *later* effective date is desired, specify such date which shall not be more than *thirty days* after the date of filing.

**ARTICLE VII**

The information contained in Article VII is not a permanent part of the Articles of Organization.

**a. The street address (*post office boxes are not acceptable*) of the principal office of the corporation in Massachusetts is:**

No. and Street:	<u>109 STATE STREET</u>		
	<u>SUITE 404</u>		
City or Town:	<u>BOSTON</u>	State: <u>MA</u>	Zip: <u>02109</u>
			Country: <u>USA</u>

**b. The name, residential street address and post office address of each director and officer of the corporation is as follows:**

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code	<b>Expiration of Term</b>
PRESIDENT	ALEXANDER ERIKSEN	17915 FOSTER ROAD LOS GATOS, CA 95030 USA 17915 FOSTER ROAD LOS GATOS, CA 95030 USA	Until successors are duly elected and qualified
TREASURER	PATRICK GAHAN	67 RIVERDALE ROAD CONCORD, MA 01742 USA 67 RIVERDALE ROAD CONCORD, MA 01742 USA	Until successors are duly elected and qualified
CLERK	RON HIGH	1146 TREMONT STREET DUXBURY, MA 02332 USA 1146 TREMONT STREET DUXBURY, MA 02332 USA	Until successors are duly elected and qualified
DIRECTOR	ALEXANDER ERIKSEN	17915 FOSTER ROAD LOS GATOS, CA 95030 USA 17915 FOSTER ROAD LOS GATOS, CA 95030 USA	Until successors are duly elected and qualified
DIRECTOR	PATRICK GAHAN	67 RIVERDALE ROAD CONCORD, MA 01742 USA 67 RIVERDALE ROAD CONCORD, MA 01742 USA	Until successors are duly elected and qualified
DIRECTOR	STEVE WOOLFSON	65 EAST INDIA ROW, 40E BOSTON, MA 02110 USA 65 EAST INDIA ROW, 40E BOSTON, MA 02110 USA	Until successors are duly elected and qualified
DIRECTOR	RON HIGH	1146 TREMONT STREET DUXBURY, MA 02332 USA 1146 TREMONT STREET DUXBURY, MA 02332 USA	Until successors are duly elected and qualified
DIRECTOR	SHAHRAM GHOLAMI	16096 GREENWOOD ROAD MONTE SERENO, CA 95030 USA 16096 GREENWOOD ROAD MONTE SERENO, CA 95030 USA	Until successors are duly elected and qualified

**c. The fiscal year (i.e., tax year) of the business entity shall end on the last day of the month of:**  
January

**d. The name and business address of the resident agent, if any, of the business entity is:**

Name: BRANDON KURTZMAN, ESQ.

No. and Street: 109 STATE STREET

SUITE 404

City or Town: BOSTON

State: MA

Zip: 02109

Country: USA

**I/We, the below signed incorporator(s), do hereby certify under the pains and penalties of perjury that I/we have not been convicted of any crimes relating to alcohol or gaming within the past ten years. I/We do hereby further certify that to the best of my/our knowledge the above-named officers have not been similarly convicted. If so convicted, explain:**

**IN WITNESS WHEREOF AND UNDER THE PAINS AND PENALTIES OF PERJURY, I/we, whose signature(s) appear below as incorporator(s) and whose name(s) and business or residential address (es) beneath each signature do hereby associate with the intention of forming this business entity under the provisions of General Law, Chapter 180 and do hereby sign these Articles of Organization as**

**incorporator(s) this 3 Day of March, 2016.** *(If an existing corporation is acting as incorporator, type in the exact name of the business entity, the state or other jurisdiction where it was incorporated, the name of the person signing on behalf of said business entity and the title he/she holds or other authority by which such action is taken.)*

BRANDON KURTZMAN, ESQ. VICENTE SEDERBERG, LLC 109 STATE STREET, SUITE 404 BOSTON, MA 02109 ATTORNEY FOR VERDANT MEDICAL, INC.

THE COMMONWEALTH OF MASSACHUSETTS


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

March 03, 2016 04:21 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*

**From:** R.J. Lyman [rjlyman@icloud.com](mailto:rjlyman@icloud.com)   
**Subject:** Email 5 of 12 [FW: !!! Please tell me I'm dreaming !!!]  
**Date:** April 30, 2020 at 7:50 PM  
**To:** Gerald Mead [gmead@ask4law.com](mailto:gmead@ask4law.com)  
**Cc:** John Gates [jgates@ermontinc.org](mailto:jgates@ermontinc.org)

---

In this long thread about problems with Ermont's Head of Security, Justin Junda (of Brightside, one of the company's rolled-up with Sea Hunter to form TILT; he was TILT's Chief Strategy Officer) says several things indicative of TILT's intent to control Ermont:

- "John B[elsan, Ermont's Head of Security] should have chimed In taken responsibility and reach out to us as to make sure it didn't happen again, NOT the CEO." Note the presumption that Ermont's Security Head should report not to Ermont's CEO but directly to TILT personnel.
- "My recommendation is termination, pls talk to Alex. However I'm recommending John B as an immediate termination. I would terminate with cause from all the examples above. We need to change all locks immediately. If John goes peacefully like Scottie and signs all waivers and agrees to helps us transition all material assets. We would let it be a resignation with severence honored." Note the recommendation appears not to go to John Gates from Justin as a consultant, but to Alex Coleman, Sea Hunter's CEO. Note also Justin's proposal, which presumes the outcome without John Gates' direction "[i]f John goes peacefully .... [w]e would let it be a resignation with severence [sic] honored."
- The next three paragraphs clearly setting forth how John Gates is supposed to be "[w]orking together [with TILT], going forward."
  - "I appreciate you're willingness to accept [t]he changes I'm bringing forward as mentioned when we talk. If I'm going to be successful at turning ermont around, I need myself to be your point of contact not Bobby or Alex."
  - Alex is slam busy with markets and doesn't have the time to manage John B or others. Bobby is up to his ears with other projects."
  - "I've been brought in because this is a special case, that requires extreme unfeathered [sic] access and attention. Of course Alex will always field calls but if there's and [sic] issue we don't need to drag others in, please call me direct as the line of communication is open and should always be crystal clear. If I make a recommendation, I trust that you will help me expedite those request through."
- Note the last sentence, which again presumes John Gates is just an implementer "If I make a recommendation, I trust that you will help me expedite those request through."
- Earlier in this thread, Alex Coleman directs John Belsan's termination, and involves Sea Hunter's outside counsel at Vicente Sederberg.
- Note that the decision to terminate is not shared by John Gates.

R.J. Lyman  
[rjlyman@icloud.com](mailto:rjlyman@icloud.com)  
+1 617 688 1987



----- Forwarded message -----

From: **Justin Junda** <[jundaj@brtside.com](mailto:jundaj@brtside.com)>

Date: Thu, Aug 30, 2018 at 12:47 AM

Subject: Re: !!! Please tell me I'm dreaming !!!

To: John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>

Cc: Adam Fine <[adam@vicentesederberg.com](mailto:adam@vicentesederberg.com)>, Alex Coleman <[acoleman@shthera.com](mailto:acoleman@shthera.com)>, John Gates <[jgates@slowrise.com](mailto:jgates@slowrise.com)>, Robert Leidy <[rleidy@shthera.com](mailto:rleidy@shthera.com)>

Thanks John.

I have a two hour drive so I figured I'd write it up, and my experience so far. This way it can already be understood when we chat tomorrow.

My first day really diving in, I met with multiple individuals to gauge where things were. Since Matt and Leif were discussed in the previous email, I'll just tell you their point of view they told me, "something serious wrong with John B" -Leif. "He's a strong fire, id get rid of him ASAP" -Matt. So not sure where the disconnect is but we will discuss with them as well.

Also SMI and Curt specifically deemed John B the highest company risk. To be clear I told them I'd assess and make a opinion as I wanted an objective view.

Problem one. When I working for the government I learned the ones who usually resisted change are the ones usually most guilty. John may tell you he's on board but, through my through assessment and others Jesse and Steve he's not.

Reason one, not proactive. The simple task like lighting and fencing have been ignored since June with zero follow up to Curt. When this is an should have been a priority. It wasn't till I forced it action was taken. He's the facilities manager this should be routine for him.

Reason two, he continues to tell me, and told me that the facility is secure. To be clear, he never put one secure protocol in place as facilities manager. Jack Hudson and many other disgruntled employees still had access to cameras, keycards and most likely the locks (more on the locks in a minute). That's the definition of not secure. Need I remind us, this is his job and the reason for his being a facilities manager first and foremost. We are also paying him well to do this job.

Reason three, I find it actually bizarre that the facilities manager is hanging out in cultivation in full on scrubs, doing nothing related to construction. I asked Matt Harrison if there was a reason for this. The response was, "he knows you're here and doesn't want to deal with you. He does the same to me, so he hides out". He has now done this every time I'm there. He doesn't offer to help, or do anything to make this transition easier.

Reason four, locks. This was even more bizarre. Both Jesse and Steve were privy to this. I told John B, that I was calling a lock smith to change all the locks. He said no problem. Disappears into cultivation and says no more. The lock smith begins to explain the process and the cost etc... the locksmith said these locks have a Skelton control key

somewhere. So I called John out of cultivation in his scrubs. I asked the locksmith to explain to John B what was needed to change the locks as I'm no expert. After the locksmith explained it, John then chimes up after the locksmith calls it out, and says "oh I have the control key it's right here in my pocket". I was baffled. He didn't attempt to help me, when he knew clearly the procedure the locksmith described and furthermore it's his job. Furthermore he let me pay for a locksmith to come down there, to essentially say, "oh I knew this and I have the master control".

Then he leaves back to cultivation. We're all looking at ourselves like what just happened. So the keys to the external building have been used by all former employees and John has done nothing to help secure the keys. That's security 101 and inexcusable.

Reason five, the incident that happened today. There's approx 500k to 1mm dollars worth of equipment that's secured with a lock from Walmart. When I saw it, there was no lock on it. It had be unattended for at least an hour before I locked it back up. Equipment of huge value easily could have been stolen.

Reason six, the straw for me. When you have a major incident like this, and the facilities manager doesn't answer the phone or respond to an urgent email, is the worst example of someone claiming they're actually trying to work with you. John B should have chimed In taken responsibility and reach out to us as to make sure it didn't happen again, NOT the CEO. No communication from him has been received. By the way, this has only been a handful of days for a total of less than two weeks, that's I've been there and all this is happening.

I believe the groups assestment is spot on. I'm also close to potentially linking back missing product from bio track data as well.

My recommendation is termination, pls talk to Alex. However I'm recommending John B as an immediate termination. I would terminate with cause from all the examples above. We need to change all locks immediately. If John goes peacefully like Scottie and signs all waivers and agrees to helps us transition all material assets. We would let it be a resignation with serverence honored.

Working together, going forward.

I appreciate you're willingness to accept he changes I'm bringing forward as mentioned when we talk. If I'm going to be successful at turning ermont around, I need myself to be your point of contact not Bobby or Alex.

Alex is slam busy with markets and doesn't have the time to manage John B or others. Bobby is up to his ears with other projects. I've been brought in because this is a special case, that requires extreme unfeathered access and attention. Of course Alex will always field calls but if there's and issue we don't need to drag others in, please call me direct as the line of communication is open and should always be crystal clear. If I make a recommendation, I trust that you will help me expedite those request through.

Let's all get on a call tomorrow to make sure we're on the same page.

Justin

On Wed, Aug 29, 2018 at 11:45 PM John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)> wrote:

Understood. Thanks for your reply Justin and sorry I missed your call. I will make sure the incident with the lights is the subject of a formal write up, and I'll call you tomorrow.

-JG

On Wed, Aug 29, 2018 at 11:35 PM Justin Junda <[jundaj@brtside.com](mailto:jundaj@brtside.com)> wrote:

John let's all discuss tomorrow, I tried you today to discuss. I'm all for multiple chances but I think you should be aware of the other things we are encountering with him. Then we can collectively decide. However this should be a formal write up. We need this to legally protect ourselves hence why Adam fine was brought in by Alex to formalize it.

Justin

On Wed, Aug 29, 2018 at 10:34 PM John Gates <[jgates@slowrise.com](mailto:jgates@slowrise.com)> wrote:

Thanks Adam, Alex and Justin:

Sorry for the slow reply...

First of all: definitely dramatically serious and very concerning. It will not happen again.

I spoke to Alex and plan to sit down with John B tomorrow. I will make it clear to him that his attitude towards security of the facility, equipment, products, plants - all inventory - has to change dramatically and that Justin's recommendations on that score are to be implemented immediately (improvements to financial security and cyber security are also being implemented and planned on a priority basis). He will be put on notice and given a chance to get more fully on the bus. I am willing to give him the chance to get this right because: (a) he has been valuable in securing sub-contractor services and equipment purchases at favorable pricing, (b) he has been very helpful in identifying negative legacy employee behavior, (c) he has demonstrated clearly to me and others that he is fully bought in to the improvement of Ermont in line with the advice of all the good people from Sea Hunter who have been helping us turn this little business around since I arrived in early June (as I said to Alex, both Matthew Harrison and Leif Christopherson - among others - have given me positive feedback on their work with him), and (d) I think he deserves a warning despite how egregious this misstep is.

Even as we continue to confront the mess created by dramatically bad management historically, I am excited about the professionalization of Ermont that your teams are facilitating with their expert granular advice and infusion of capital

your teams are facilitating with their expert guidance advice and instruction of Captain. I remain convinced of our future success.

Happy to talk through this thinking on John B further with any of you tomorrow.

Best,  
John

On Wed, Aug 29, 2018 at 5:49 PM Adam Fine <[adam@vicentesederberg.com](mailto:adam@vicentesederberg.com)> wrote:

Hi Alex,

We are happy to assist with getting the severance documents prepared.

John- Is Ermont seeking to terminate Belson for cause or just pay the severance pursuant to the contract?

**Adam Fine**

*Partner*

**Vicente Sederberg LLC**

[2 Seaport Ln., 11th Floor](#)

[Boston, MA 02210](#)

Main: 617-934-2121

[Adam@vicentesederberg.com](mailto:Adam@vicentesederberg.com)

[VicenteSederberg.com](http://VicenteSederberg.com)

[Confidentiality Notice](#)

On Wed, Aug 29, 2018 at 3:49 PM, Alex Coleman <[acoleman@shthera.com](mailto:acoleman@shthera.com)> wrote:(among others)

Adam

We are having some significant issues with the facilities manager at Ermont, John Belson (see below - which is just part of it). We would like to move forward to release him and, like Scottie, he has a contract and we will need to consider severance with releases/NDA in the same way Scottie signed. This will be handled by Johnny Gates

Thanks

Begin forwarded message:

**From:** Justin Junda <[jundaj@gmail.com](mailto:jundaj@gmail.com)>

**Subject:** !!! Please tell me I'm dreaming !!!

**Date:** August 29, 2018 at 3:38:54 PM EDT

**To:** John Belsan <[john@ermontinc.org](mailto:john@ermontinc.org)>, John Gates  
<[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>

**Cc:** Alexander Coleman <[acoleman@shthera.com](mailto:acoleman@shthera.com)>, Curt Powell  
<[cpowell@smiconsultancy.com](mailto:cpowell@smiconsultancy.com)>, Robert Leidy  
<[rleidy@shthera.com](mailto:rleidy@shthera.com)>

Guys this is a VERY serious issue. I've have told John B ermont is not secure at all, and he disagrees but amendable to fixing it. I hope there is some wild misunderstanding on this level and John is right that it is secure.

I walked up on his scene pictures attached. I Waited to make sure that someone just didn't run inside. Waited and waited finally got security and no one knows who opened it. This is facility secure 101 and unless I'm dreaming, is unacceptable to put 500k to 1mn dollars of lights at risk. I had ample time to back up a truck throw some amount lights in and go. Furthermore it's secured by a pad lock that my dog could bite off.

We need to have a immediate call around facilities at ermont with all parties. This will not happen again.

Justin





CO-1003474

ERMONT

24-SPYDRxPLUS Consoles













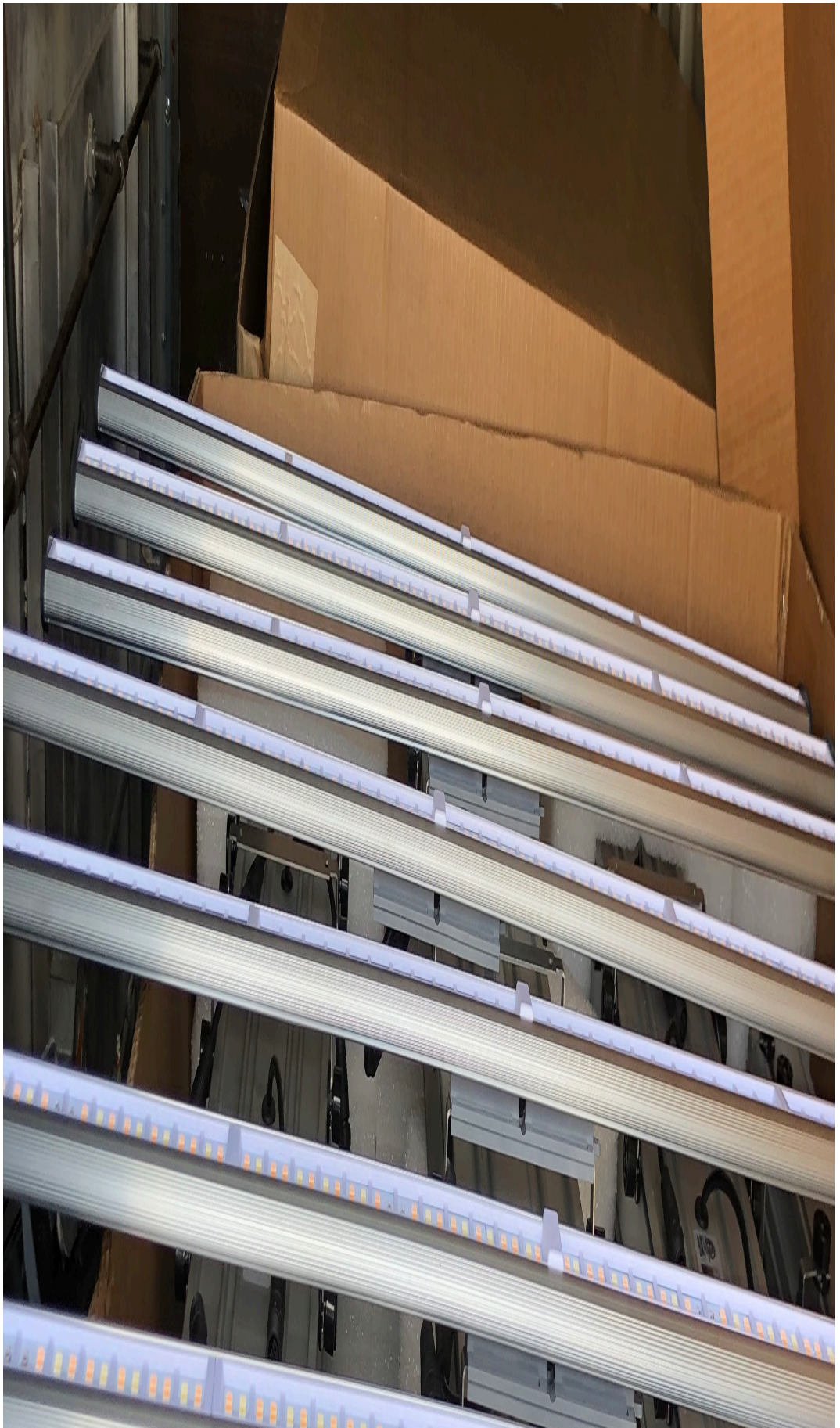






























--  
All the best,  
Justin Junda

757.202.9627  
[jundaj@gmail.com](mailto:jundaj@gmail.com)

--

John Gates, CEO and co-founder



[www.slowrise.com](http://www.slowrise.com)

Cell: 617 851 5623

--

John Gates, CEO  
Ermont Inc.  
(617) 851-5623

--

John Gates, CEO  
Ermont Inc.  
(617) 851-5623

---

EMAIL DISCLAIMER

This communication is for its intended recipient only, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. This communication constitutes an electronic communication within the meaning of the Electronic Communications Privacy Act, 18 U.S.C. 2510, and its disclosure is strictly limited to the recipient intended by the sender of the message. This communication may contain confidential information and privileged material that is for the sole use of the intended recipient and receipt by anyone other than the intended recipient does not constitute a loss of the confidential or privileged nature of the communication. If you are not the intended recipient or the employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any unauthorized use, dissemination, distribution or copying of this communication is strictly prohibited and may subject you to criminal or civil penalty. If you have received this communication in error, please notify the sender immediately and delete the message from your system, and destroy any hard copy you may have printed.





IDENTIFICATION  
NO. 001212654  
No Fee

**The Commonwealth of Massachusetts**  
William Francis Galvin  
Secretary of the Commonwealth  
One Ashburton Place, Room 1717, Boston, Massachusetts 02108-1512

**CERTIFICATE OF CHANGE OF DIRECTORS OR  
OFFICERS OF NON-PROFIT CORPORATIONS**  
(General Laws, Chapter 180, Section 6D)

I, Alexia Varga, ~~\*Clerk / \*Assistant Clerk~~

of Verdant Medical, Inc.  
(Exact name of corporation)

having a principal office at 1400 Hancock Street, Third Floor, Quincy, MA 02169  
(Street address of corporation in Massachusetts)

certify that pursuant to General Laws, Chapter 180, Section 6D, a change in the directors and/or the president, treasurer and/or clerk of said corporation has been made and that the name, residential address, and expiration of term of each director and the president, treasurer and clerk are as follows:

NAME	RESIDENTIAL ADDRESS	EXPIRATION OF TERM OF OFFICE
President: <u>Alexia Varga</u>	<u>515 N Flagler Dr, Ste 1700, W Palm Beach, FL 33401</u>	<u>12/31/2020</u>
Treasurer: <u>Alexia Varga</u>	<u>515 N Flagler Dr, Ste 1700, W Palm Beach, FL 33401</u>	<u>12/31/2020</u>
Clerk: <u>Alexia Varga</u>	<u>515 N Flagler Dr, Ste 1700, W Palm Beach, FL 33401</u>	<u>12/31/2020</u>
**Assistant Clerk:		
Directors: <u>Alexia Varga</u>	<u>515 N Flagler Dr, Ste 1700, W Palm Beach, FL 33401</u>	<u>12/31/2020</u>

SIGNED UNDER THE PENALTIES OF PERJURY, this 17th day of November, 2017

Alexia Varga, ~~\*Clerk / \*Assistant Clerk~~

\*Delete the inapplicable words.  
\*\*Please provide the name and residential address of the assistant clerk if he/she is executing this certificate of change.

**From:** R.J. Lyman [rjlyman@icloud.com](mailto:rjlyman@icloud.com)  
**Subject:** Email 7 of 12 [FW: Ermont Late Tally Sheet - Invitation to edit]  
**Date:** April 30, 2020 at 7:50 PM  
**To:** Gerald Mead [gmead@ask4law.com](mailto:gmead@ask4law.com)  
**Cc:** John Gates [jgates@ermontinc.org](mailto:jgates@ermontinc.org)

---

This thread shows TILT's CEO Alex Coleman and Chief Strategy Officer Justin Junda dictating that Ermont employees (at the risk of their pay being withheld or their being terminated) adhere to certain unwritten attendance and timeclock policies. Note the observation that these employees are disrespecting management (which seems to mean TILT management, not John Gates)

R.J. Lyman  
[rjlyman@icloud.com](mailto:rjlyman@icloud.com)  
+1 617 688 1987

----- Forwarded message -----

**From:** Alexander Coleman <[acoleman@shthera.com](mailto:acoleman@shthera.com)>  
**Date:** Fri, Sep 28, 2018 at 4:10 PM  
**Subject:** Re: Ermont Late Tally Sheet - Invitation to edit  
**To:** Justin Junda <[jundaj@gmail.com](mailto:jundaj@gmail.com)>  
**Cc:** Chris Hoban <[choban@commonwealthaltcare.org](mailto:choban@commonwealthaltcare.org)>, John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>, Matthew Harrison <[mharrison@shthera.com](mailto:mharrison@shthera.com)>, Robert Leidy <[rleidy@shthera.com](mailto:rleidy@shthera.com)>, Tyler Goff (<[tgoft@shthera.com](mailto:tgoft@shthera.com)>) <[tgoft@shthera.com](mailto:tgoft@shthera.com)>

Agreed - pls make sure basic requirements for employees are adhered to. It's a simple policy for collecting a paycheck

On Sep 28, 2018, at 15:57, Justin Junda <[jundaj@gmail.com](mailto:jundaj@gmail.com)> wrote:

Guys enough is enough. This is blatant and I agree with Hoban. I'll come back with a plan and we will execute it with precision.

Justin

On Fri, Sep 28, 2018 at 12:54 PM Chris Hoban <[choban@commonwealthaltcare.org](mailto:choban@commonwealthaltcare.org)> wrote:

John & Tyler,

I understand the importance of a larger attendance policy discussion but I'm reticent to confuse things further when we're struggling so badly with the simple act of mispunches, so I've listed just the mispunch offenses in yellow below that haven't been addressed. I'm not one to overreact or be prone to hyperbole but I'm actually stunned at our inability to even execute a simple policy and hold a conversation with violators. I don't have to tell anyone that this is an alarming lack leadership and will have consequences on everything we do moving forward.

If these mispunches continue unaddressed next week, we need to execute performance documentation starting with Blake and Carlyssa and then

proceeding down as you see fit. I'll assist with whatever is needed including both drafting and administering the documentation if needed. This isn't about mispunches anymore and can not go unaddressed. Please let me know your thoughts whenever is convenient.

<image001.jpg>

**From:** Matthew Harrison <[mharrison@shthera.com](mailto:mharrison@shthera.com)>  
**Sent:** Friday, September 28, 2018 2:53 PM  
**To:** Lysah Bell-Hebron <[lysah@ermontinc.org](mailto:lysah@ermontinc.org)>  
**Cc:** John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>; Blake Williams <[bwilliams@ermontinc.org](mailto:bwilliams@ermontinc.org)>; Carlyssa Scanlon <[cscanlon@shthera.com](mailto:cscanlon@shthera.com)>; Christopher Yang <[cyang@ermontinc.org](mailto:cyang@ermontinc.org)>; Chris Hoban <[choban@commonwealthaltcare.org](mailto:choban@commonwealthaltcare.org)>; Chris Yang <[cyang@commonwealthaltcare.org](mailto:cyang@commonwealthaltcare.org)>  
**Subject:** Re: Ermont Late Tally Sheet - Invitation to edit

Thank you for this Lysah, I am adding Chris Yang to this thread.

This is an illuminating illustration of the current lack of respect for management. Why are several of the employees with multiple and flagrant offenses (over 10 min late) still only down as having a verbal warning? We have made the position very clear that first offense is verbal, second is written and the third is the end of the road. I am confused that several people have 3 offenses and are registered as having received only a verbal warning. Please follow up and make sure that these repeat offenders have a written violation on file. If we don't enforce the rules people won't follow them. Managers who can not enforce the rules are not doing their jobs and if that is the case moving forward then we need to find someone who can manage this better. The good cop bad cop strategy works. We need a bulldog in there. Fair and strict.

The following employees are not demonstrating any respect for the management team: Elizabeth Howe, Olivia Pina, Brian Halpin, Rachel Varitimos, Thomas Shahood, Amber Ferguson, Jacqueline Frasier. Does Amber Ferguson have a no call no show? Moving forward if someone misses a shift without calling in that is grounds for immediate termination.

Notice that the people who have one offense generally have multiple offenses, while those who respect the position show up to work on time every single day.

I just spoke with Carlyssa and she brought me up to speed. This spreadsheet should have one or two offenses on it moving forward, or we are otherwise doing something very wrong. Once this is taken care of you will notice the dramatic increase in the quality of employee and a tantamount decrease in unnecessary stress associated with these troubled employees. I look forward to next week's report and every subsequent report moving on. We will clean this up together.

SEA HUNTER THERAPEUTICS



SEA HUNTER THERAPEUTICS  
Matthew James Harrison  
Head of Cultivation and Operations  
mobile: 303.956.1010

On Fri, Sep 28, 2018 at 1:57 PM, Lysah Bell-Hebron (via Google Sheets) <[drive-shares-noreply@google.com](mailto:drive-shares-noreply@google.com)> wrote:

[lysah@ermontinc.org](mailto:lysah@ermontinc.org) has invited you to **edit** the following spreadsheet:

<~WRD000.jpg>

[Ermont Late Tally Sheet](#)

<image004.jpg> Ermont's attendance/missed punch warnings as of 9/26/2018.

[Open in Sheets](#)

[lysah@ermontinc.org](mailto:lysah@ermontinc.org) is outside your organization.

Google Sheets: Create and edit spreadsheets online.

Google LLC, [1600 Amphitheatre Parkway, Mountain View, CA 94043, USA](#)

<~WRD000.jpg>

You have received this email because someone shared a spreadsheet with you from Google Sheets.

--

All the best,

Justin Junda  
757.202.9627  
[jundaj@gmail.com](mailto:jundaj@gmail.com)

--

John Gates, CEO  
Ermont Inc.  
(617) 851-5623

---

EMAIL DISCLAIMER

This communication is for its intended recipient only, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. This communication constitutes an electronic communication within the meaning of the Electronic Communications Privacy Act, 18 U.S.C. 2510, and its disclosure is strictly limited to the recipient intended by the sender of the message. This communication may contain confidential information and privileged material that is for the sole use of the intended recipient and receipt by anyone other than the intended recipient does not constitute a loss of the confidential or privileged nature of the communication. If you are not the intended recipient or the employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any unauthorized use, dissemination, distribution or copying of this communication is strictly prohibited and may subject you to criminal or civil penalty. If you have received this communication in error, please notify the sender immediately and delete the message from your system, and destroy any hard copy you may have printed.





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

No Fee

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

**Certificate of Change of Directors or Officers of Non-Profit Corporations**

(General Laws, Chapter 180, Section 6D)

**Identification Number:** 001212654

I, ALEXIA VARGA ☒ **Clerk** ☐ **Assistant Clerk**,

of VERDANT MEDICAL, INC.

having a principal office at: 31 BROADWAY HANOVER, MA 02339 USA

certify that pursuant to General Laws, Chapter 180, Section 6D, a change in the directors and/or the president, treasurer and/or clerk of said corporation has been made and that the name, residential street address, and expiration of term of the president, treasurer, clerk and each director are as follows: *(Please provide the name and residential street address of the assistant clerk if he/she is executing this certificate of change. Also, include the names of any additional officers of the corporation.)*

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code	<b>Expiration of Term</b>
PRESIDENT	ANNE NAGLE	31 BROADWAY HANOVER, MA 02339 USA	Until successors are duly elected and qualified
TREASURER	ANNE NAGLE	31 BROADWAY HANOVER, MA 02339 USA	Until successors are duly elected and qualified
CLERK	ANNE NAGLE	31 BROADWAY HANOVER, MA 02339 USA	Until successors are duly elected and qualified
DIRECTOR	ANNE NAGLE	31 BROADWAY HANOVER, MA 02339 USA	Until successors are duly elected and qualified
DIRECTOR	TODD PETER	236 FAIRVIEW ROAD PALM BEACH, FL 33480 USA	Until successors are duly elected and qualified
DIRECTOR	KENDALL CHEATHAM	7405 S FLAGLER DRIVE WEST PALM BEACH, FL 33405 USA	Until successors are duly elected and qualified

**SIGNED UNDER THE PENALTIES OF PERJURY, this 18 Day of April, 2018,**  
**ALEXIA VARGA , Signature of Applicant.**

**From:** R.J. Lyman [rjlyman@icloud.com](mailto:rjlyman@icloud.com)  
**Subject:** Email 8 of 12 [FW: Compensation]  
**Date:** April 30, 2020 at 7:50 PM  
**To:** Gerald Mead [gmead@ask4law.com](mailto:gmead@ask4law.com)  
**Cc:** John Gates [jgates@ermontinc.org](mailto:jgates@ermontinc.org)

---

Here is TILT's Chief Strategy Officer Justin Junda sharply contradicting John Gates on a pay adjustment for the Head of Retail for Ermont. Note all the TILT management team members copied on the contradicting email.

R.J. Lyman  
[rjlyman@icloud.com](mailto:rjlyman@icloud.com)  
+1 617 688 1987

----- Forwarded message -----

**From:** Justin Junda <[jundaj@brtside.com](mailto:jundaj@brtside.com)>  
**Date:** Wed, Oct 17, 2018 at 3:37 PM  
**Subject:** Re: Compensation  
**To:** John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>  
**Cc:** Alexander Coleman <[acoleman@shthera.com](mailto:acoleman@shthera.com)>, Chris Hoban <[choban@commonwealthaltcare.org](mailto:choban@commonwealthaltcare.org)>, Chris Jenkins <[jenkinsc@brtside.com](mailto:jenkinsc@brtside.com)>, Lars Vaule <[lars@vaule.org](mailto:lars@vaule.org)>

Again, I've stressed this before without a process in place this doesn't work.

Where has anyone EVER seen a relationship of employment in the real world that functions like this???

For example he's been there 4 weeks and get a 10k raise. Where does this happen??? I want that job! There should be quarterly reviews where he's upgraded on a 3%-8% base of performance.

Respectfully Jon, and happy to discuss via phone we are LOSING money at ermont overall.

So yes it may seem like we're making 10mm but if you run the numbers and most employees at ermont are currently overpaid. You'll find we are actually losing money and tilt won't get it original investment back for years at this point.

These are all points to think about. I can't and highly advise against raises without a process in place.

The picking a number out of thin air approach days need to end asap. Please provide a structure in which all employees are incentivized over time, on a quarterly, bi annual and or year basis. Get the process right then enact the change. Please call when free.

Justin



On Wed, Oct 17, 2018 at 3:27 PM John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)> wrote:

Thanks Chris and Justin:

Chris Y has been here since Zack left. We have been relying on him for general management of the retail 1/2 of the business. Below is an email he put together discussing what he has done since he has been here, which Carlyssa forwarded to me a few days ago. I am not sure what you were asking exactly in terms of "METRICS he has added value to", but I will say that he has had a positive effect on the sales effort, as described in his email below. From a value add perspective, he has energized sales efforts by spearheading sales contests, motivating staff, and organizing the way the retail unit operates. Chris has an extensive background in aspirational brand sales - Cartier most recently, where he was apparently in their top 5 in the country.

I don't have your business management chops Justin, but I do know that Chris has added value and I would like to make him an offer, as he has been here as acting general manager for weeks without clarity around his pay. For a roughly +/- \$10 million / yr dispensary, I think we can justify offering him \$75k /yr based on experience and our existing revenue base with a clear path to a higher gross based on incentives and future salary increases if he is as successful as I think he will be. Respectfully, I think the question we should be focused on is how we structure those incentives.

I'll call you to discuss.

-JG

Since arriving at Ermont I have implemented changes in scheduling on the sales floor. We are trying to maximize the 7 registers to have 6 to 7 PSA's on at all times.

We have promoted Brian Dawson officially to be our second-sales floor lead. I have taken both SFL's Nikki and Brian off the registers unless they are needed to cover breaks and or rushes, they now can focus their energy on the clients, issues on the floor and spot coaching the sales team in addition to helping with management assigned projects.

In addition to having the SFL's off the registers and help streamlining client experiences we have assigned two PSA's daily to one be in the booth for check in and a second to be on the sales floor as a greeter. They also will assist in creating new client profiles with the launch of Blackbird.

This past week I have scheduled touch bases and sat down with many of the OF team and Retail to properly coach individuals and assist in their development and career path in hopes to retain our talent we have invested in. I have created a coaching and development forum that will carry over each month to ensure consistent feedback, coaching and follow up. I have gone and attached this with an example of Rachel. Moving forward next month we will dive deeper into he numbers. I started everyone with a clean slate to see where their true opportunities are.

We have also linked all retail staff and OF to one-point contact and communication. The reason behind this is to be able to deliver information to the entire team and not miss one person even on their days off. We are using the Crew APP in which Rachel implement down in CAC and has worked greatly. PSA's and OF can now share what products we need to sell through, promo's and any news that needs to be shared.

Sales goals have been established and SFL have been posting daily and hourly to share with the team where we are at for the month and how the day is going.

We rolled out our first sales contest last week. We had over 165 expiring CBD chocolate bars which are expiring on the 18<sup>th</sup> of this month and as of today 10/12 we have only 9 left. The team has done a great job in selling these bars through proper coaching on how to execute sales.

We also just received our first wholesale order of accessories and staff have been reading up on the product offerings as well as suggesting these accessories to clients. Our team has started to even push sales for items such as the PAX 3. We sold our first accessory just a few days on the sale floor for a value of \$250 dollars.

I also have put up communication boards for schedule lunches, sales contest, communication as well as a board that communicates sale from last year versus this year, our targets and ATPS.

We currently are at \$239,162 versus last year at \$296,658 however our ATP is at \$109 versus \$105. Last year they also have many seasonal edibles that helped with the sales such as turkey gravy, October themed edibles such as pumpkin spice and cinnamon based edibles and so fourth that helped drives sales. As seen in the client feedback log many patients are very upset we no longer do these specialty edibles.

On Wed, Oct 17, 2018 at 1:46 PM Justin Junda <[jundaj@brtside.com](mailto:jundaj@brtside.com)> wrote:

How long has he been there and what METRICS has he added value to. We need metrics otherwise we would be making an error move considering the very short stint.

On Wed, Oct 17, 2018 at 12:44 PM Chris Hoban <[choban@commonwealthaltcare.org](mailto:choban@commonwealthaltcare.org)> wrote:

Hi Justin,

Please see below regarding Chris Yang. Both Carlyssa and John have been very impressed with Chris thus far and feel he is a great fit. Per my request they gave him an evaluation period and are comfortable with what they've seen.

Accordingly, they would like to move his compensation up to \$75k which would bring him in line with where Rachel is and Zach was.

Regarding the person, I can't speak to his performance but stand by the judgement of the people who are in a position to make that evaluation.

Regarding the pay that level of base compensation isn't out of line for the right leader at this volume, in the retail space.

Please let us know your thoughts and if an increase can move forward at your convenience.

Chris Hoban  
HRD  
Commonwealth Alternative Care  
6176314530

---

**From:** John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>  
**Sent:** Wednesday, October 17, 2018 10:59 AM  
**To:** Chris Hoban

**Subject:** Fwd: Compensation

Hi Chris:

See below. Do you have a timeline I can share with Chris about what to expect in terms of making him an offer?

As we discussed, he has been patient and he is really adding value. I feel strongly that we would be penny wise and \$ foolish if we did not offer him a starting salary of \$75,000/ year and give him a strong indication that he can grow from that base with incentives tied to Ermont retail performance. I do understand the investors' desire to drive efficiency and improve margins, but - IMHO - we should not crimp on paying the top three managers (Director of Cultivation,, General Manager of Retail and Director of Administration) at any dispensary (Ermont included obviously). BTW, I have coached him to think of this as an opportunity to get in on the ground floor with Tilt and that the future is bright for a guy like him and not to be put off by a lower starting offer.

Let me know what I can tell him to expect in terms of when he can expect an offer.

Thanks Chris. Hope all is well.

Talk soon,  
John

----- Forwarded message -----

From: **Christopher Yang** <[cyang@ermontinc.org](mailto:cyang@ermontinc.org)>

Date: Tue, Oct 16, 2018 at 5:20 PM

Subject: Compensation

To: John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>

Dear John,

Thank you for your time today. I wanted to follow up and see when I can expect a change in compensation in regards to the new role I have taken on.

I believe I have been very patient in the process and hope to have a date in which I can expect the change.

Thank you for everything.

Best regards,  
Chris

--

Chris Yang  
m.508-380-2568  
[216 Ricciuti Drive](#)  
[Quincy, MA 02169](#)

[Quincy, MA 02109](#)

--

John Gates, CEO  
Ermont Inc.  
(617) 851-5623

--

John Gates, CEO  
Ermont Inc.  
(617) 851-5623

--

John Gates, CEO  
Ermont Inc.  
(617) 851-5623

---

EMAIL DISCLAIMER

This communication is for its intended recipient only, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. This communication constitutes an electronic communication within the meaning of the Electronic Communications Privacy Act, 18 U.S.C. 2510, and its disclosure is strictly limited to the recipient intended by the sender of the message. This communication may contain confidential information and privileged material that is for the sole use of the intended recipient and receipt by anyone other than the intended recipient does not constitute a loss of the confidential or privileged nature of the communication. If you are not the intended recipient or the employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any unauthorized use, dissemination, distribution or copying of this communication is strictly prohibited and may subject you to criminal or civil penalty. If you have received this communication in error, please notify the sender immediately and delete the message from your system, and destroy any hard copy you may have printed.



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

No Fee

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

**Certificate of Change of Directors or Officers of Non-Profit Corporations**

(General Laws, Chapter 180, Section 6D)

**Identification Number:** 001212654

I, TITO JACKSON ☒ **Clerk** ☐ **Assistant Clerk**,

of VERDANT MEDICAL, INC.


having a principal office at: 711 ATLANTIC AVE, LOWER LEVEL BOSTON, MA 02111 USA

certify that pursuant to General Laws, Chapter 180, Section 6D, a change in the directors and/or the president, treasurer and/or clerk of said corporation has been made and that the name, residential street address, and expiration of term of the president, treasurer, clerk and each director are as follows: *(Please provide the name and residential street address of the assistant clerk if he/she is executing this certificate of change. Also, include the names of any additional officers of the corporation.)*

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code	<b>Expiration of Term</b>
PRESIDENT	TITO H. JACKSON	711 ATLANTIC AVE, LOWER LEVEL BOSTON, MA 02111 USA	Until successors are duly elected and qualified
TREASURER	TITO H. JACKSON	711 ATLANTIC AVE, LOWER LEVEL BOSTON, MA 02111 USA	Until successors are duly elected and qualified
CLERK	TITO H. JACKSON	711 ATLANTIC AVE, LOWER LEVEL BOSTON, MA 02111 USA	Until successors are duly elected and qualified
DIRECTOR	TITO H. JACKSON	711 ATLANTIC AVE, LOWER LEVEL BOSTON, MA 02111 USA	Until successors are duly elected and qualified

**SIGNED UNDER THE PENALTIES OF PERJURY, this 18 Day of July, 2019,**  
TITO JACKSON, Signature of Applicant.



**From:** R.J. Lyman [rjlyman@icloud.com](mailto:rjlyman@icloud.com)   
**Subject:** Email 3 of 12 [FW: Ermont TBs]  
**Date:** April 30, 2020 at 7:49 PM  
**To:** Gerald Mead [gmead@ask4law.com](mailto:gmead@ask4law.com)  
**Cc:** John Gates [jgates@ermontinc.org](mailto:jgates@ermontinc.org)

---

In this exchange, Alexia Varga (Sea Hunter's de facto controller) is asking for monthly compilations of Ermont's financials from Bridgewest (Ermont's accounts for the limited purpose of monthly compilations and inventory calculations). After Bridgewest questions rolling up Ermont's financials into Sea Hunter's, Alexia notes that the auditors have determined control through management agreements with other NFP (not-for-profits); in response Ermont's COO Scottie Gordon asks whether Adam Fine (Massachusetts regulatory counsel for Sea Hunter) should be consulted on the issue of Sea Hunter control of Ermont, to which Alexia replies "[n]o we are all set on that."

R.J. Lyman  
[rjlyman@icloud.com](mailto:rjlyman@icloud.com)  
+1 617 688 1987

----- Forwarded message -----

**From:** Alexia Varga <[AGV@nhmcpa.com](mailto:AGV@nhmcpa.com)>  
**Date:** Tue, Aug 7, 2018 at 6:12 PM  
**Subject:** Re: Ermont TBs  
**To:** Scottie Gordon <[scottie@ermontinc.org](mailto:scottie@ermontinc.org)>  
**Cc:** Brandon Van Asten <[bvanasten@bridgewestcpas.com](mailto:bvanasten@bridgewestcpas.com)>, Lysah Bell-Hebron <[lysah@ermontinc.org](mailto:lysah@ermontinc.org)>, John Gates <[jgates@ermontinc.org](mailto:jgates@ermontinc.org)>

No we are all set on that. The auditors handle that

Alexia Varga

On Aug 7, 2018, at 5:36 PM, Scottie Gordon <[scottie@ermontinc.org](mailto:scottie@ermontinc.org)> wrote:

Hi Brandon,

What needs to be reviewed/confirmed? I'm happy to help if I can.

John/Alexia - Also, re: NFP control - do you want me to loop Adam Fine in on this?

On Tue, Aug 7, 2018 at 3:40 PM, Brandon Van Asten <[bvanasten@bridgewestcpas.com](mailto:bvanasten@bridgewestcpas.com)> wrote:

Hi Alexia,

Attached prelim trial balances YTD May, YTD June, June stand alone.  
As I mentioned, there are a few entries for Ermont to review before I can say it's final.

Brandon Van Asten, CPA  
Bridge West CPAs and Consultants, LLC  
332 Minnesota St Suite W 000

332 Minnesota St Suite 11-300  
Saint Paul, MN 55101  
[www.bridgewestcpas.com](http://www.bridgewestcpas.com)

Office: 651-287-6313  
Cell: 920-249-0622

<image001.png>

*This e-mail, including any attachment(s), is intended for receipt and use by the intended addressee(s), and may contain confidential and privileged information. If you are not an intended recipient of this e-mail, you are hereby notified that any unauthorized use or distribution of this e-mail is strictly prohibited. Nothing contained in this e-mail is intended as a signature or intended to bind the addressor or any person represented by the addressor to the terms of any agreement that may be the subject of this e-mail or its attachment(s), except where such intent is expressly indicated.*

*The drafter of this document's written tax advice did not intend nor write the advice to be used to avoid any penalty imposed by a taxing authority, nor may the user/recipient of this document use this document's written tax advice for that purpose.*

---

**From:** Alexia Varga [mailto:[AGV@nhmcpa.com](mailto:AGV@nhmcpa.com)]  
**Sent:** Tuesday, August 7, 2018 2:09 PM  
**To:** Brandon Van Asten <[bvanasten@bridgewestcpas.com](mailto:bvanasten@bridgewestcpas.com)>  
**Subject:** RE: Ermony

Technically but the auditors have determined its control via the management agreement on all the other NFPs.

Alexia Varga

The information contained in this transmission is privileged and confidential. It is intended only for the use of the person(s) named above. If you are not the intended recipient, do not review or distribute this communication. Please contact the sender by reply email and delete the original message.

---

**From:** Brandon Van Asten [mailto:[bvanasten@bridgewestcpas.com](mailto:bvanasten@bridgewestcpas.com)]  
**Sent:** Tuesday, August 07, 2018 3:06 PM  
**To:** Alexia Varga  
**Subject:** RE: Ermony

I can give you the TB as of 5/31 and 6/30. Just waiting on Scottie's team to approve a few of the entries we made.

Is that all you're looking for?

is that all you're looking for?

Also, since Ermont is a NFP that you don't technically control, I'm not sure you should be rolling it up, but that's a better question for a tax accountant. Let me know if you want me to loop someone in.

Brandon Van Asten, CPA  
Bridge West CPAs and Consultants, LLC  
332 Minnesota St Suite W-900  
Saint Paul, MN 55101  
[www.bridgewestcpas.com](http://www.bridgewestcpas.com)

Office: 651-287-6313  
Cell: 920-249-0622

<image001.png>

*This e-mail, including any attachment(s), is intended for receipt and use by the intended addressee(s), and may contain confidential and privileged information. If you are not an intended recipient of this e-mail, you are hereby notified that any unauthorized use or distribution of this e-mail is strictly prohibited. Nothing contained in this e-mail is intended as a signature or intended to bind the addressor or any person represented by the addressor to the terms of any agreement that may be the subject of this e-mail or its attachment(s), except where such intent is expressly indicated.*

*The drafter of this document's written tax advice did not intend nor write the advice to be used to avoid any penalty imposed by a taxing authority, nor may the user/recipient of this document use this document's written tax advice for that purpose.*

---

**From:** Alexia Varga [<mailto:AGV@nhmcpa.com>]  
**Sent:** Tuesday, August 7, 2018 1:59 PM  
**To:** Brandon Van Asten <[bvanasten@bridgewestcpas.com](mailto:bvanasten@bridgewestcpas.com)>  
**Subject:** Ermony

Hi Brandon –

I need to get the Ermont numbers. How close are you?

Thank you

Alexia G. Varga, CPA, CFE  
[agv@nhmcpa.com](mailto:agv@nhmcpa.com)  
Nowlen, Holt & Miner, P.A.  
515 N. Flagler Drive, Suite 1700  
West Palm Beach, FL 33401  
Ph (561)659-3060  
Fx (561)835-0628

The information contained in this transmission is privileged and confidential. It is intended only for the use of the person(s) named above. If you are not the intended recipient do not review or distribute this

If you are not the intended recipient, do not review or disseminate this communication. Please contact the sender by reply email and delete the original message.

--

Lesley Scott Gordon, Esq.  
Chief Operating Officer  
Ermont, Inc.

--

John Gates, CEO  
Ermont Inc.  
(617) 851-5623

---

EMAIL DISCLAIMER

This communication is for its intended recipient only, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. This communication constitutes an electronic communication within the meaning of the Electronic Communications Privacy Act, 18 U.S.C. 2510, and its disclosure is strictly limited to the recipient intended by the sender of the message. This communication may contain confidential information and privileged material that is for the sole use of the intended recipient and receipt by anyone other than the intended recipient does not constitute a loss of the confidential or privileged nature of the communication. If you are not the intended recipient or the employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any unauthorized use, dissemination, distribution or copying of this communication is strictly prohibited and may subject you to criminal or civil penalty. If you have received this communication in error, please notify the sender immediately and delete the message from your system, and destroy any hard copy you may have printed.





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

Minimum Fee: \$500.00

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

Special Filing Instructions

**Certificate of Organization**

(General Laws, Chapter )

Identification Number: 001337824

1. The exact name of the limited liability company is: ELEV8 CANNABIS LLC

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

No. and Street: 243 MAIN ST  
 City or Town: ATHOL State: MA Zip: 01331 Country: USA

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

No. and Street: 243 MAIN ST  
 City or Town: ATHOL State: MA Zip: 01331 Country: USA

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

THE GENERAL CHARACTER OF THE BUSINESS OF THE COMPANY IS TO OBTAIN A LICENSE TO BE ABLE TO (I) OWN, OPERATE, AND MANAGE, AN ADULT USE MARIJUANA DISPENSARY; AND (II) TO CONDUCT ANY OTHER LAWFUL BUSINESS, TRADE, PURPOSE OR ACTIVITY RELATED THERETO OR USEFUL IN CONNECTION THEREWITH OR OTHERWISE PERMITTED UNDER THE MASSACHUSETTS LIMITED LIABILITY COMPANY ACT. DISCLAIMER: THE COMPANY WILL NOT ENGAGE IN THE SALE OR CULTIVATION OF MARIJUANA OR ANY OF THE RELATED REGULATED PRODUCTS UNTIL SUCH TIME AS IT RECEIVES AUTHORITY TO DO SO AND FILES AN AMENDMENT TO THIS CERTIFICATE APPROVED BY THE APPLICABLE GOVERNMENTAL AUTHORITY CHANGING THE PURPOSE FROM SIMPLY OBTAINING A LICENCE TO BEING ABLE TO CONDUCT THE BUSINESS AND DELETING THIS DISCLAIMER.

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

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

Name: OLUWASEUN ADEDEJI  
 No. and Street: 243 MAIN ST  
 City or Town: ATHOL State: MA Zip: 01331 Country: USA

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	OLUWASEUN ADEDEJI	243 MAIN ST ATHOL, MA 01331 USA



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

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

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	OLUWASEUN ADEDEJI	243 MAIN ST ATHOL, MA 01331 USA

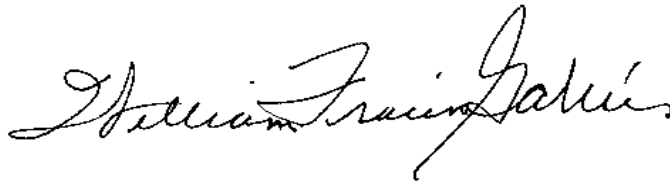
**9. Additional matters:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 7 Day of August, 2018,**  
**OLUWASEUN ADEDEJI**  
*(The certificate must be signed by the person forming the LLC.)*

THE COMMONWEALTH OF MASSACHUSETTS

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

August 07, 2018 01:44 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*

## EXECUTION VERSION

**TERMINATION, RELEASE AND  
SETTLEMENT AGREEMENT**

This Termination, Release and Settlement Agreement (this "Agreement"), effective as of ~~Sept. 23~~, 2019 (the "Effective Date"), between Elev8 Cannabis LLC, a Massachusetts limited liability company ("Operating Entity"), and Tilt Holdings Inc., a British Columbia corporation, on behalf of itself and its subsidiaries and affiliates, which do not include the Operating Entity (collectively, the "TILT Group", and together with Operating Entity, the "Parties", and each, a "Party"). Without limiting the foregoing, the following entities are deemed members of the TILT Group: Commonwealth Alternative Care, Inc., a Massachusetts corporation, Sea Hunter Therapeutics, LLC, a Delaware limited liability company, SH Finance Comapny, LLC, a Delaware limited liability company, and SH Realty Holdings, LLC, a Delaware limited liability company.

WHEREAS, Operating Entity has previously entered into a Loan and Security Agreement with certain members of the TILT Group, on or about January 11, 2019 (the "Prior Loan Agreement");

WHEREAS, Operating Entity and members of the TILT Group have previously entered into agreements, including without limitation supply agreements and management agreements (as amended, amended and restated, supplemented or otherwise modified from time to time, collectively the "TILT Agreements");

WHEREAS, Operating Entity is indebted to the TILT Group pursuant to the Prior Loan Agreement and from the TILT Agreements and as of the date hereof owes the principal amount of SEVEN HUNDRED SIXTY-FOUR THOUSAND ONE HUNDRED AND THIRTEEN UNITED STATES DOLLARS (\$764,113.00 USD) to the TILT Group (the "Outstanding Debt Amount");

WHEREAS, the Parties wish to terminate the TILT Agreements and deliver mutual releases on the terms and conditions set out herein;

WHEREAS, as consideration of the covenants, agreements and undertakings of the Parties under this Agreement, the Parties shall consolidated the Outstanding Debt Amount into one loan agreement between Operating Entity, as the borrower thereunder, and SH Finance Company, LLC, as the lender thereunder, to be executed concurrently herewith (the "Loan Agreement"); and

WHEREAS, the Parties desire that after the Effective Date the only Claims (as defined herein) between the Operating Entity and the TILT Group shall be only those Claims relating to rights and obligations created by or otherwise arising out of this Agreement and the Loan Agreement.

NOW, THEREFORE, in consideration of the premises set out above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Acknowledgement of Outstanding Debt Amount; Assignment.

(a) Notwithstanding anything to the contrary in the Prior Loan Agreement, the TILT Agreements or otherwise, Operating Entity acknowledges that it (i) has received the monetary proceeds of the Prior Loan Agreement and has benefited from the use thereof, (ii) has assumed all obligations and liabilities of the borrower under the Prior Loan Agreement and (iii) owes the TILT Group the Outstanding Debt Amount pursuant to the Prior Loan Agreement and the TILT Agreements.

(b) The TILT Group hereby assigns all of its rights and obligations under the Outstanding Debt Amount to SH Finance Company, LLC and Operating Entity hereby agrees and consents to such assignment.

2. Condition to Effectiveness. As material consideration for the covenants, agreements, and undertakings of the Parties under this Agreement and a condition to the effectiveness hereof the Parties shall concurrently execute and deliver the Loan Agreement.

3. Termination of Agreements. All of the TILT Agreements are hereby terminated as of the Effective Date. Each Party waives, releases, and/or agrees to the amendment of the applicable provisions of each of the TILT Agreements to effectuate the termination thereof pursuant to this Agreement. From and after the Effective Date, each of the TILT Agreements will be of no further force or effect, and the rights and obligations of each of the Parties thereunder shall forever terminate without any further action from any Party. For the avoidance of doubt, the TILT Agreements do not include the Loan Agreement.

4. Mutual Release.

(a) In consideration of the covenants, agreements and undertakings of the Parties under this Agreement, each Party, on behalf of itself and its respective present and former parents, subsidiaries, affiliates, and each of their respective directors, managers, officers, shareholders, members, partners, employees, advisors, agents, representatives, successors, and assigns (collectively, "Releasors") hereby releases, waives, and forever discharges the other Party and its respective present and former, direct and indirect, parents, subsidiaries, affiliates, and each of their respective directors, managers, officers, shareholders, members, partners, employees, advisors, agents, representatives, successors, and assigns (collectively, "Releasees") of and from any and all actions, causes of action, suits, losses, liabilities, rights, debts, dues, sums of money, accounts, reckonings, obligations, costs, expenses, liens, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands, of every kind and nature whatsoever, whether now known or unknown, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, in law, admiralty, or equity (collectively, "Claims"), which any of such Releasors ever had, now have, or hereafter can, shall, or may have against any of such Releasees for, upon, or by reason of any matter, cause, or thing whatsoever from the beginning of time through the Effective Date arising out of or relating to the Prior Loan Agreement, the TILT Agreements, and any other matter between the Parties except for any Claims relating to rights and obligations created by or otherwise arising out of this Agreement and the Loan Agreement.

(b) Each Releasor understands that it may later discover Claims or facts that may be different from, or in addition to, those that it or any other Releasor now knows or believes to exist regarding the subject matter of the release contained in this Section 4, and which, if known at the time of execution of this Agreement, may have materially affected this Agreement and such Party's decision to enter into it and grant the release contained in this Section 4. Nevertheless, the Releasors intend to fully, finally and forever release and settle all Claims that now exist, may exist, or previously existed, as set out in the release contained in this Section 4, whether now known or unknown, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, and the release given herein is and will remain in effect as a complete release and settlement, notwithstanding the discovery or existence of such additional or different facts. The Releasors hereby waive any right or Claim that might arise as a result of such different or additional Claims or facts.

5. Acknowledgement of Settlement. Each Party acknowledges that (a) the consideration set forth in this Agreement, which includes, but is not limited to, the Loan Agreement, is in full release and settlement of all Claims contained in Section 4, and (b) by executing this Agreement, and accepting the consideration provided herein and the benefits of it, such Party is giving up forever any right to seek further monetary or other relief from the other Party, as broadly described in Section 4, for, upon, or by reason of any matter, cause, or thing whatsoever from the beginning of time through the Effective Date except for any Claims relating to rights and obligations created by or otherwise arising out of this Agreement and the Loan Agreement.

6. No Admission of Liability. Each Party acknowledges that the consideration set forth in this Agreement, which includes, but is not limited to, the Loan Agreement, was agreed upon to release and settle all Claims and that the consideration hereunder is not, and may not be construed as, an admission of liability by either Party and is not to be construed as an admission that either Party engaged in any wrongful or unlawful act or omission.

7. Post- Effective Date Acknowledgement. Each Party acknowledges that after the Effective Date the only Claims between the Operating Entity and the TILT Group shall be only those Claims relating to rights and obligations created by or otherwise arising out of this Agreement and the Loan Agreement.

8. Representations and Warranties. Each Party hereby represents and warrants to the other Party that:

(a) It has the full right, corporate power and authority to enter into this Agreement, to grant the terminations, releases and settlements contained herein and to perform its obligations hereunder.

(b) The execution and delivery of this Agreement by such Party have been duly authorized by all necessary corporate action on the part of such Party.

(c) This Agreement (assuming due authorization, execution and delivery by the other Party hereto) constitutes the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms.



(d) It (i) knows of no Claims against the other Party relating to or arising out of the Prior Loan Agreement, the TILT Agreements or any other matter between the Parties that are not covered by the release contained in Section 4, (ii) has neither assigned nor transferred any of the Claims released herein to any person or entity and no person or entity has subrogated to or has any interest or rights in any Claims and (iii) has not filed with any governmental agency or court any type of action or report against the other Party.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS SECTION 8, (A) NEITHER PARTY HERETO NOR ANY PERSON OR ENTITY ON SUCH PARTY'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED, AND (B) EACH PARTY HERETO ACKNOWLEDGES THAT, IN ENTERING INTO THIS AGREEMENT, IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE OTHER PARTY, OR ANY OTHER PERSON OR ENTITY ON SUCH OTHER PARTY'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 8.

9. Indemnification.

(a) Each Party (as "Indemnifying Party") shall defend, indemnify and hold harmless the other Party and its respective present and former parents, subsidiaries, affiliates, and each of their respective directors, managers, officers, shareholders, members, partners, employees, advisors, agents, representatives, successors, and assigns (collectively, "Indemnified Party"), against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, fees and the costs of enforcing any right to indemnification under this Agreement, and the cost of pursuing any insurance providers, incurred by an Indemnified Party (collectively, "Losses"), arising out or resulting from any claim of a third party or an Indemnified Party alleging breach by Indemnifying Party or its directors, managers, officers, shareholders, members, partners, employees, advisors, agents, or representatives, of any representation, warranty, covenant or other obligations set out in this Agreement.

(b) Notwithstanding anything to the contrary in this Agreement, the Indemnifying Party is not obligated to indemnify, defend, or hold harmless the other Indemnified Parties against any Losses arising out of or resulting, in whole or in part, from an Indemnified Party's: (i) willful, reckless or negligent acts or omissions; or (ii) bad faith failure to comply with any of its obligations set out in this Agreement.

(c) An Indemnified Party seeking indemnification under this Section 7 shall give the Indemnifying Party: (i) prompt Notice (as defined below) of the relevant claim; provided, however, that failure to provide such notice shall not relieve the Indemnifying Party from its liability or obligation hereunder except to the extent of any material prejudice directly resulting from such failure; and (ii) reasonable cooperation, at the Indemnifying

Party's expense, in the defense of such claim. The Indemnifying Party shall have the right to control the defense and settlement of any such claim; provided, however, that the Indemnifying Party shall not, without the prior written approval of the Indemnified Party, settle or dispose of any claims in a manner that affects the Indemnified Party's rights or interests. The Indemnified Party shall have the right to participate in the defense at its own expense.

(d) THIS SECTION 9 SETS FORTH THE ENTIRE LIABILITY AND OBLIGATION OF EACH INDEMNIFYING PARTY AND THE SOLE AND EXCLUSIVE REMEDY OF EACH INDEMNIFIED PARTY FOR ANY DAMAGES COVERED BY THIS SECTION 9.

10. Miscellaneous.

(a) Any notices, requests, consents, claims, demands, waivers, summons, or other legal process, or similar types of communications hereunder (each, a "Notice") must be in writing and addressed to the relevant Party at the address set out on the signature page of this Agreement (or to such other address that may be designated by the receiving Party from time to time in accordance with this Section 10(a)). All Notices must be delivered by electronic mail, personal delivery, nationally recognized overnight courier (with all fees pre-paid), or certified or registered mail (in each case, return receipt requested, postage prepaid). A Notice is effective upon delivery by electronic mail or receipt by the receiving Party and if the Party giving the Notice has complied with the requirements of this Section 10(a).

(b) This Agreement and all matters arising out of or relating to this Agreement are governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts, without regard to the conflict of laws provisions thereof. Any legal suit, action, or proceeding arising out of or relating to this Agreement must be instituted in the federal courts of the United States of America or the courts of the Commonwealth of Massachusetts, in each case located in the City of Boston and County of Suffolk, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

(c) This Agreement, and each of the terms and provisions hereof, may only be amended, modified, waived, or supplemented by an agreement in writing signed by each Party.

(d) Neither Party may assign, transfer, or delegate any or all of its rights or obligations under this Agreement without the prior written consent of the other Party; provided, however, that either Party may assign this Agreement to a successor-in-interest by consolidation, merger or operation of law or to a purchaser of all or substantially all of the Party's assets. No assignment will relieve the assigning Party of any of its obligations hereunder. Any attempted assignment, transfer, or other conveyance in violation of the foregoing will be null and void. This Agreement will inure to the benefit of and be binding on each of the Parties and each of their respective permitted successors and permitted assigns.

(e) This Agreement may be executed in counterparts, each of which is deemed an original, but all of which constitute one and the same agreement. Delivery of an executed counterpart of this Agreement electronically shall be effective as delivery of an original executed counterpart of this Agreement.

(f) For purposes of this Agreement, (i) the words “include,” “includes” and “including” are deemed to be followed by the words “without limitation”; (ii) the word “or” is not exclusive; (iii) the words “herein,” “hereof,” “hereby,” “hereto,” and “hereunder” refer to this Agreement as a whole; (iv) words denoting the singular have a comparable meaning when used in the plural, and vice-versa; and (v) words denoting any gender include all genders. The Parties drafted this Agreement without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted.

(g) The headings in this Agreement are for reference only and do not affect the interpretation of this Agreement.

(h) If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

(i) Each of the Parties shall, and shall cause its respective subsidiaries and affiliates to, from time to time at the request of the other Party, without any additional consideration, furnish the other Party such further information or assurances, execute and deliver such additional documents, instruments and conveyances, and take such other actions and do such other things, as may be reasonably necessary or desirable to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

(j) This Agreement is the sole and entire agreement of the Parties regarding the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, regarding such subject matter.

(k) Each Party shall pay its own costs and expenses in connection with the drafting, negotiation and execution of this Agreement (including the fees and expenses of its advisors, accounts and legal counsel).

(l) Except as expressly set out in the second sentence of this Section 10(l), this Agreement benefits solely the Parties and their respective permitted successors and permitted assigns, and nothing in this Agreement, express or implied, confers on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement. The Parties hereby designate all Releasees and

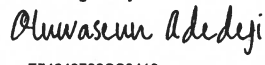
Indemnified Parties as third-party beneficiaries of Section 4 and Section 9, respectively, having the right to enforce such Sections.

[Signature page follows]

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

Elev8 Cannabis LLC

DocuSigned by:

By   
Name: Oluwaseun Adediji

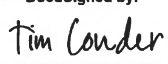
Title: Owner

Address: 12606 w 4th ae airway heights wa 99001

Email: seun@elev8cannabis.com

Tilt Holdings Inc. on behalf of itself and its subsidiaries and affiliates

DocuSigned by:

By   
Name: Tim Conder

Title: Chief Operating Officer

Address: 316 California Avenue #30 Reno, NV 89509

Email: tconder@tiltholdings.com



**D  
PC**

# The Commonwealth of Massachusetts

William Francis Galvin  
Secretary of the Commonwealth  
One Ashburton Place, Boston, Massachusetts 02108-1512

FORM MUST BE TYPED

## Articles of Entity Conversion of a Domestic Other Entity to a Domestic Business Corporation (General Laws Chapter 156D, Section 9.53; 950 CMR 113.30)

FORM MUST BE TYPED

- (1) Exact name of other entity: Elev8 Cannabis LLC
- (2) A corporate name that satisfies the requirements of G.L. Chapter 156D, Section 4.01:  
Elev8 Cannabis Inc.
- (3) The plan of entity conversion was duly approved in accordance with the organic law of the other entity.
- (4) The following information is required to be included in the articles of organization pursuant to G.L. Chapter 156D, Section 2.02(a) or permitted to be included in the articles pursuant to G.L. Chapter 156D, Section 2.02(b):

### ARTICLE I

The exact name of the corporation upon conversion is:

Elev8 Cannabis Inc.

### ARTICLE II

Unless the articles of organization otherwise provide, all corporations formed pursuant to G.L. Chapter 156D have the purpose of engaging in any lawful business. Please specify if you want a more limited purpose.\*

The general character of the business of the Company is to obtain a license to be able to (I) own, operate and manage, an adult use marijuana dispensary; and (II) to conduct any other lawful business, trade, purpose or activity related thereto or useful in connection therewith or otherwise permitted under the Massachusetts Business Corporation Act. Disclaimer: The company will not engage in the sale or cultivation of marijuana or any of the related regulated products until such time as it receives authority to do so and files an amendment to this certificate approved by the applicable governmental authority changing the purpose from simply obtaining a license to being able to conduct the business and deleting this disclaimer.

\* Professional corporations governed by G.L. Chapter 156A must specify the professional activities of the corporation.

**ARTICLE III**

State the total number of shares and par value, \* if any, of each class of stock that the corporation is authorized to issue. All corporations must authorize stock. If only one class or series is authorized, it is not necessary to specify any particular designation.

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
		Common	1,000,000	.001

**ARTICLE IV**

Prior to the issuance of shares of any class or series, the articles of organization must set forth the preferences, limitations and relative rights of that class or series. The articles may also limit the type or specify the minimum amount of consideration for which shares of any class or series may be issued. Please set forth the preferences, limitations and relative rights of each class or series and, if desired, the required type and minimum amount of consideration to be received.

**ARTICLE V**

The restrictions, if any, imposed by the articles of organization upon the transfer of shares of any class or series of stock are:

**ARTICLE VI**

Other lawful provisions, and if there are no such provisions, this article may be left blank.

Please see attached Continuation Sheet 6A

*Note: The preceding six (6) articles are considered to be permanent and may be changed only by filing appropriate articles of amendment.*

*\*G.L. Chapter 156D eliminates the concept of par value, however a corporation may specify par value in Article III. See G.L. Chapter 156D, Section 6.21, and the comments relative thereto.*

**CONTINUATION SHEET 6A****ARTICLE VI****Special Provisions**

ONE: All corporate powers of the Corporation shall be exercised by the Board of Directors except as otherwise provided by law. The Board of Directors may consist of one or more individuals notwithstanding the number of shareholders. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, amend or repeal the Bylaws of the Corporation in whole or in part, except with respect to any provision thereof which by law or the Bylaws requires action by the shareholders, and subject to the power of the shareholders to amend or repeal any Bylaw adopted by the Board of Directors.

TWO: The Corporation shall, to the extent legally permissible, indemnify each person (and his heirs, executors, administrators, or other legal representatives) who is, or shall have been, a director or officer of the Corporation or any person who is serving, or shall have served, at the request of the Corporation as a director or officer of another corporation, against all liabilities and expenses (including judgments, fines, penalties and attorneys' fees and all amounts paid in compromise or settlement) reasonably incurred by any such director, officer or person in connection with, or arising out of, any action, suit or proceeding in which any such director, officer or person may be a party defendant or with which he may be threatened or otherwise involved, directly or indirectly, by reason of his being or having been a director or officer of the Corporation or such other corporation, except in relation to matters as to which any such director, officer or person shall be finally adjudged, other than by consent, in such action, suit or proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation; provided, however, that indemnity shall not be made with respect to such amounts paid in compromise or settlement, unless:

(a) such compromise or settlement shall have been approved as in the best interests of the corporation, after notice that it involves such indemnification by:

(i) The Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding, or by

(ii) The shareholders of the Corporation by a majority vote of a quorum consisting of shareholders who were not parties to such action, suit or proceeding, or

(b) in the absence of action by disinterested directors or shareholders as above provided, there has been obtained at the request of a majority of the Board of Directors then in office a written opinion of independent legal counsel to the effect that the director or officer to be indemnified appears to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation.

Upon request therefor by any director, officer, or person enumerated in the preceding paragraph of this Article, the Corporation may from time to time, if authorized by the Board of Directors, prior to final adjudication or compromise or settlement of the matter or matters as to which indemnification is claimed, advance to such director, officer or person all expenses incurred by him to date of such request. Any advance made pursuant to this provision shall be made on the