Massachusetts Cannabis Control Commission

Marijuana Retailer

General Information:

License Number: MR281246

Original Issued Date: 12/10/2019

Issued Date: 01/14/2021

Expiration Date: 01/16/2022

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Apical, Inc.

Phone Number: 419-977-8757 **Email Address:** leakhenakasom@gmail.com

Business Address 1: 102 Northampton Street **Business Address 2:**

Business City: Easthampton **Business State:** MA **Business Zip Code:** 01027

Mailing Address 1: 102 Northampton Street **Mailing Address 2:**

Mailing City: Easthampton **Mailing State:** MA **Mailing Zip Code:** 01027

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Minority-Owned Business

PRIORITY APPLICANT

Priority Applicant: yes

Priority Applicant Type: RMD Priority

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number: RP201884

RMD INFORMATION

Name of RMD: APICAL, INC.

Department of Public Health RMD Registration Number:

Operational and Registration Status: Obtained Provisional Certificate of Registration only

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

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 45 **Percentage Of Control:** 40

Role: Executive / Officer **Other Role:**

First Name: Kot **Last Name:** Kasom **Suffix:**

Gender: Male **User Defined Gender:**

What is this person's race or ethnicity?: Asian (Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese)

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 4 **Percentage Of Control:** 1.5

Role: Board Member **Other Role:**

First Name: Leakhena **Last Name:** Som **Suffix:**

Gender: Female **User Defined Gender:**

What is this person's race or ethnicity?: Asian (Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese)

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 3

Percentage Of Ownership: **Percentage Of Control:** 1.5

Role: Board Member **Other Role:**

First Name: Monica **Last Name:** Keo **Suffix:**

Gender: Female **User Defined Gender:**

What is this person's race or ethnicity?: Asian (Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese)

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 4

Percentage Of Ownership: **Percentage Of Control:** 1.5

Role: Board Member **Other Role:**

First Name: Lar **Last Name:** Teng **Suffix:**

Gender: Female **User Defined Gender:**

What is this person's race or ethnicity?: Asian (Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese)

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 5

Percentage Of Ownership: **Percentage Of Control:** 1.5

Role: Director **Other Role:**

First Name: Tiffanie **Last Name:** Kim **Suffix:**

Gender: Female **User Defined Gender:**

What is this person's race or ethnicity?: Asian (Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese)

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 6

Percentage Of Ownership: **Percentage Of Control:** 1.5

Role: Board Member **Other Role:**

First Name: Anderson **Last Name:** Green **Suffix:**

Gender: Male **User Defined Gender:**

What is this person's race or ethnicity?: Black or African American (of African Descent, African American, Nigerian, Jamaican, Ethiopian, Haitian, Somali)

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

Percentage of Control: 51 **Percentage of Ownership:** 51

Entity Legal Name: Smartgreen, Inc. **Entity DBA:** **DBA City:**

Entity Description: Smartgreen Inc. is a Capital holding company for Apical, Inc.

Foreign Subsidiary Narrative:

Entity Phone: **Entity Email:** **Entity Website:**

Entity Address 1: **Entity Address 2:**

Entity City: **Entity State:** **Entity Zip Code:**

Entity Mailing Address 1: **Entity Mailing Address 2:**

Entity Mailing City: **Entity Mailing State:** **Entity Mailing Zip Code:**

Relationship Description: Smartgreen holds 51% of the equity in Apical, Inc. and is the sole capital contributor. Kot Kasom and his wife Leakhena are the managers of the Smartgreen and board members of Apical. Kot Kasom is also the CEO of Apical. As Smartgreen has ownership of Apical and is controlled by related parties (Kot and Leakhena), Smartgreen has direct control of Apical.

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

No records found

CAPITAL RESOURCES - ENTITIES

Entity Contributing Capital 1

Entity Legal Name: Smartgreen, Inc. **Entity DBA:**

Email: kotkasom@apicaldispensary.com **Phone:** 413-888-8120

Address 1: 15 College Highway **Address 2:**

City: Southampton **State:** MA **Zip Code:** 01073

Types of Capital: Monetary/Equity **Other Type of Capital:** **Total Value of Capital Provided:** $1000000 **Percentage of Initial Capital:** 100

Capital Attestation: Yes

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 102 Northampton Street

Establishment Address 2:

Establishment City: Easthampton **Establishment Zip Code:** 01027

Approximate square footage of the establishment: 2500 **How many abutters does this property have?:** 5

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

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload

				Date
Certification of Host Community Agreement	HCA Certification Form for Easthampton.PDF	pdf	5ca2b7cb635d511b34754a0b	04/01/2019
Plan to Remain Compliant with Local Zoning	Plan to Remain Compliant with Zoning.pdf	pdf	5ca2b9f79ff0081b4821f2c0	04/01/2019
Community Outreach Meeting Documentation	Easthampton Community Outreach Documentation.pdf	pdf	5d2bdc8cbc101905252e714e	07/14/2019

Total amount of financial benefits accruing to the municipality as a result of the host community agreement. If the total amount is zero, please enter zero and provide documentation explaining this number.: $1

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Apical Plan for Positive Impact_2.0.pdf	pdf	5d2b9aeb3e9601053bdb63ff	07/14/2019

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: **Other Role:**

First Name: Kot **Last Name:** Kasom **Suffix:**

RMD Association: RMD Owner

Background Question: no

Individual Background Information 2

Role: **Other Role:**

First Name: Leakhena **Last Name:** Som **Suffix:**

RMD Association: RMD Owner

Background Question: no

Individual Background Information 3

Role: **Other Role:**

First Name: Lar **Last Name:** Teng **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 4

Role: **Other Role:**

First Name: Monica **Last Name:** Keo **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 5

Role: **Other Role:**

First Name: Tiffanie **Last Name:** Kim **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 6

Role: **Other Role:**

First Name: Anderson **Last Name:** Green **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

Entity Background Check Information 1

Role: Investor/Contributor **Other Role:**

Entity Legal Name: Smart Green **Entity DBA:**

Entity Description: Capital Holding Company

Phone: 413-888-8120 **Email:** kotkasom@apicaldispensary.com

Primary Business Address 1: 15 College Highway **Primary Business Address 2:**

Primary Business City: Southampton **Primary Business State:** MA **Principal Business Zip Code:** 01073

Additional Information:

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Secretary of Commonwealth - Certificate of Good Standing	Apical Certif of good standing Dec 2018.pdf	pdf	5c6aed085fd63c1b24eb468b	02/18/2019
Department of Revenue - Certificate of Good standing	DOR certificate of Good standing.pdf	pdf	5c6da61b8d16491b5c0f7a4b	02/20/2019
Bylaws	APICAL BYLAWS.pdf	pdf	5c9826e9293a5312448ecfe2	03/24/2019
Articles of Organization	Articles of Conversion and Annual Report.pdf	pdf	5ccdeb1b0644270f9d87f197	05/04/2019

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Unemployment Assistance - Certificate of Good standing	DUA Attestation.pdf	pdf	5fac9b1708242707d4a78485	11/11/2020
Department of Revenue - Certificate of Good standing	DOR COGS 2020.pdf	pdf	5fac9b236e60eb07f57f2b83	11/11/2020
Secretary of Commonwealth - Certificate of Good Standing	SOS COGS 2020.pdf	pdf	5faecd324a2789086108e1c0	11/13/2020

Massachusetts Business Identification Number: 001287976

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Apical Liability Insurance Plan_Retail.pdf	pdf	5ca23c5eb411c1126cf0780c	04/01/2019
Proposed Timeline	Apical Timeline for EH.pdf	pdf	5faca03d0daeb60847faca02	11/11/2020
Business Plan	Apical Inc. Business Plan EH 2020.pdf	pdf	5faca398a75869080486c844	11/11/2020

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Qualifications and training	Apical Qualifications and Trainnig SOP_Retail.pdf	pdf	5ca292475fd63c1b24eb9faf	04/01/2019
Maintaining of financial records	Apical Maintenance of Financial Records SOP_Retail.pdf	pdf	5ca292729ff0081b4821f27b	04/01/2019
Record Keeping procedures	Apical Record Keeping Procedure_Retail.pdf	pdf	5ca29285b411c1126cf079d9	04/01/2019
Personnel policies including background checks	Apical Personnel Policies_Retail.pdf	pdf	5ca29296edbb73122a61b858	04/01/2019
Dispensing procedures	Apical Dispensing Procedure_Retail.pdf	pdf	5ca292a83d84de123a615fdf	04/01/2019
Quality control and testing	Apical Quality Control and Testing SOP_Retail.pdf	pdf	5ca292c2635d511b347549cd	04/01/2019
Inventory procedures	Apical Inventory and Tracking SOP_Retail.pdf	pdf	5ca292d39ff0081b4821f27f	04/01/2019
Transportation of marijuana	Apical Transportation of Marijuana SOP_Retail.pdf	pdf	5ca292e72724e81b5256023d	04/01/2019
Storage of marijuana	Apical Storage SOP_Retail.pdf	pdf	5ca292f68d16491b5c0fce0d	04/01/2019
Prevention of diversion	Apical Prevention of Diversion SOP_Retail.pdf	pdf	5ca29304eadf341230f6c6ff	04/01/2019
Security plan	Apical Security Plan_Retail.pdf	pdf	5ca293103d84de123a615fe3	04/01/2019
Restricting Access to age 21 and older	Apical Policy for Limiting Access to Age 21 and Older_Retail.pdf	pdf	5ca2932b293a5312448ee03b	04/01/2019
Separating recreational from medical operations, if applicable	Apical Plan for Separating Recreational from Medical Operations_Retail.pdf	pdf	5ca293375d4b0b1b3ebc4e41	04/01/2019
Plan for obtaining marijuana or marijuana products	Apical Plan to obtain marijuana _Retail.pdf	pdf	5ca293549ff0081b4821f283	04/01/2019
Diversity plan	Apical Diversity Plan.pdf	pdf	5d2bdf0bf29d1909b30c1635	07/14/2019

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

ATTESTATIONS

I certify that no additional entities or individuals meeting the requirement set forth in 935 CMR 500.101(1)(b)(1) or 935 CMR 500.101(2)(c)(1)

have been omitted by the applicant from any marijuana establishment application(s) for licensure submitted to the Cannabis Control Commission.: I Agree

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

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

Notification: I Understand

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

Progress or Success Goal 1

Description of Progress or Success: Goal #1: Create jobs for people from areas of disproportionate impact with a progressive compensation structure, employee benefits and growth opportunities that provide a living wage and encourage consumer spending. Specifically, our goal is to have 40% of our workforce to fall into one or more of the 5 populations identified as 1.Past or present residents of "areas of disproportionate impact," which have been defined by the Commission, specifically the communities of Holyoke, Springfield, and West Springfield 2. Commission-designated Economic Empowerment Priority applicants; 3. Commission-designated Social Equity Program participants; 4. Massachusetts residents who have past drug convictions; and 5. Massachusetts residents with parents or spouses who have drug convictions.

Progress: Apical is not yet operational and does not employ any employees at this time. We hope to become operational in Q1 of 2021. 20% of the present ownership and management team resides in an Area of Disproportionate Impact.

Progress or Success Goal 2

Description of Progress or Success: Goal #1. Create opportunities for individuals and businesses to participate in the industry by utilizing qualified contractors, suppliers and vendors who have been negatively impacted from marijuana prohibition. Our goal is to source 50% of our contractors, suppliers and vendors from the populations identified as 1.Past or present residents of "areas of disproportionate impact," which have been defined by the Commission, specifically the communities of Holyoke, Springfield, and West Springfield 2. Commission-designated Economic Empowerment Priority applicants; 3. Commission-designated Social Equity Program participants; 4. Massachusetts residents who have past drug convictions; and 5. Massachusetts residents with parents or spouses who have drug convictions.

Progress: Apical is not yet operational and has not hired contractors, suppliers and vendors at this time. We hope to become operational in Q1 of 2021.

COMPLIANCE WITH DIVERSITY PLAN

Diversity Progress or Success 1

Description of Progress or Success: Goal #1:Make Apical workplace and management team as diverse as possible to include attracting and retaining qualified employees with no regard to race, gender, disability, sexual orientation, or any other non-merit factor. Our goal is to have the following workforce demographic:

- 50% female
- 40% will be minorities, veterans, people with disabilities and people who are LBGTQ+

Progress: Present ownership and management team is 100% minority and 80% female.

Diversity Progress or Success 2

Description of Progress or Success: Goal 2: Make Apical workplace environment a safe, accepting, respectful, welcoming, comfortable and supportive place to work.

Progress: Apical is not yet operational and does not employ any employees at this time. We hope to become operational in Q1 of 2021.

Diversity Progress or Success 3

Description of Progress or Success: Goal 3. Include as our suppliers and contractors, businesses owned by minorities, women, veterans, people of all gender identities and sexual orientations, and by persons with disabilities. In addition, our goal is to also include as our wholesale partners Marijuana Establishments that have attained Social Justice Leader rating from the Commission or are owned by minorities, women, veterans, people of all gender identities and sexual orientations, service disabled veterans, and persons with disabilities or are Economic Empowerment Priority Applicants.

Progress: Apical is not yet operational and has not hired contractors, suppliers and vendors at this time. We hope to become operational in Q1 of 2021.

HOURS OF OPERATION

Monday From: 10:00 AM	**Monday To:** 9:00 PM
Tuesday From: 10:00 AM	**Tuesday To:** 9:00 PM
Wednesday From: 10:00 AM	**Wednesday To:** 9:00 PM
Thursday From: 10:00 AM	**Thursday To:** 9:00 PM
Friday From: 10:00 AM	**Friday To:** 9:00 PM
Saturday From: 10:00 AM	**Saturday To:** 9:00 PM
Sunday From: 10:00 AM	**Sunday To:** 6:00 PM

CITY OF EASTHAMPTON

Mayor Nicole LaChapelle

50 Payson Avenue, Suite 115, Easthampton, MA 01027- 2263
413-529-1470 Fax 413-529-1488
e-mail: mayor@easthampton.org

City of Easthampton - Host Community Agreement Certification Form

The applicant and contracting authority for the host community must complete each section of this form before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant and/or municipality appear in italics. Please note that submission of information that is "misleading, incorrect, false, or fraudulent" is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).

Applicant

I, Kot Kasom, certify as an authorized representative of Apical, Inc. that the applicant has executed a host community agreement with the City of Easthampton pursuant to G.L.c. 94G § 3(d) on April 19, 2018.

10/1/18

Signature of Authorized Representative of Applicant

Host Community

I, Mayor Nicole LaChapelle, certify that I am the contracting authority or have been duly authorized by the contracting authority for the City of Easthampton to certify that the applicant and the City of Easthampton has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on April 19, 2018.

Signature of Contracting Authority or
Authorized Representative of Host Community

Plan to Remain Compliant with Local Zoning

Retail Marijuana Establishment (Easthampton)

The purpose of this plan is to outline how Apical, Inc. will remain in compliance with local codes, ordinances, and bylaws for the physical address of our Marijuana Establishment at 19 Wemelco Way in Easthampton, which shall include, but not be limited to, the identification of any local licensing requirements for the adult use of marijuana

Background

On March 29, 2018 the City of Easthampton approved a zoning ordinance regulating the time place and manner of Marijuana Establishments. This ordinance, Section 10.10 allows a Cannabis Retailers in the Highway Business (HB), Downtown Business (DB), Mixed-Use / Mill Industrial (MI) and Industrial (I) zoning districts. 19 Wemelco Way is located in the Industrial (I) District. A Special Permit from the Easthampton Planning Board is also required. This ordinance also creates a 350-foot buffer zone from pre-existing public or private school providing education in kindergarten or any of grades 1 through 12 and a 200-foot buffer zone from another Cannabis Retailer. There are no buffer zone issues at this location.

Apical and its consultants have reviewed this ordinance in its entirety and have developed plans and strategies on compliance with all of the requirements and special permit conditions. We plan to apply for a Special Permit from the Easthampton Planning Board and will meet all of the special permit conditions. Once we receive Provisional Licensure from the Commission the Special Permit may be granted by the Planning Board.

Ongoing Compliance

Apical is committed to remaining in compliance with all with local codes, ordinances, and bylaws. We will engage the services of a compliance consultant who will make periodic assessments of our operation for compliance with all applicable local, state and federal laws and regulations, including zoning and special permit compliance.

The CEO will remain in contact with municipal officials including the Mayors Office, Planning Director, Building Inspector and other applicable officials to ensure that there is an open line of communications. We will remain up to date with all zoning ordinance changes and requirements to ensure that Apical, Inc. remains in compliance.

Cannabis Control Commission
COMMONWEALTH OF MASSACHUSETTS

Community Outreach Meeting Attestation Form

The applicant must complete each section of this form and initial each page before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant appear in italics. Please note that submission of information that is "misleading, incorrect, false, or fraudulent" is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).

I, Kot Kasom, (*insert name*) attest as an authorized representative of Apical, Inc. (*insert name of applicant*) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on 11-1-18 (*insert date*).

2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on 10-23-18 (*insert date*), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document).*

3. A copy of the meeting notice was also filed on 10-23-18 (*insert date*) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).

4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on 10-23-18 (*insert date*), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).

Initials of Attester: KK

5. Information was presented at the community outreach meeting including:
    a. The type(s) of Marijuana Establishment to be located at the proposed address;
    b. Information adequate to demonstrate that the location will be maintained securely;
    c. Steps to be taken by the Marijuana Establishment to prevent diversion to minors;
    d. A plan by the Marijuana Establishment to positively impact the community; and
    e. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.

6. Community members were permitted to ask questions and receive answers from representatives of the Marijuana Establishment.

Initials of Attester: KK

Daily Hampshire Gazette

DAILY HAMPSHIRE GAZETTE GAZETTENET.com

ATTACHMENT A

Publication Name:
Daily Hampshire Gazette

Publication URL:
www.gazettenet.com/

Publication City and State:
Northampton, MA

Publication County:
Hampshire

Notice Popular Keyword Category:

Notice Keywords:
Apical

Notice Authentication Number:
20181030192900694580 9
1239071861

Notice URL:

Back

Notice Publish Date:
Tuesday, October 23, 2018

Notice Content

COMMUNITY OUTREACH NOTICE Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment, Apical Inc. is scheduled for November 1, 2018 at 4 pm at 19 Wemelco Way Easthampton Ma, 01027 second floor conference room. The proposed Marijuana Cultivator, Marijuana Product Manufacturer and Marijuana Retailer Establishment is anticipated to be located at 19 Wemelco Way, Easthampton MA 01027. There will be an opportunity for the public to ask questions. October 23 20401

Back

ATTACHMENT B

Date 10-21-18

Dear Neighbors,

We are giving a notice that a community outreach meeting for a proposed Marijuana Establishment, Apical Inc. is scheduled for November !, 2018 at 4 pm at 19 Welmeco Way second floor conference room. The proposed marijuana cultivator, marijuana product manufacturer and marijuana retailer establishment is anticipated to be located at 19 Wemelco Way Easthampton Ma 01027. There will be an opportunity for the public to ask questions.

Sincerely,

Kot Kasom
Chief Executive Officer
Apical, Inc.

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
EASTHAMPTON, MA 01027
Certified Mail Fee $3.45
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy) $0.00
Return Receipt (electronic) $0.00
Certified Mail Restricted Delivery $0.00
Adult Signature Required $0.00
Adult Signature Restricted Delivery $
Postage $0.50
Total Postage and Fees $3.95
Sent To
Street and Apt. No., or PO Box No.
City, State, ZIP+4®
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions
Postmark Here
OFFICIAL USE
SOUTHAMPTON MA
OCT 23 2018
10/23/2018
USPS 01073
7018 0360 0001 5667 8891

SOUTHAMPTON
MA
01073-2098
2471240073
10/23/2018 (800)275-8777 4:35 PM

Product Description	Sale Qty	Final Price
First-Class Mail Letter (Domestic) (EASTHAMPTON, MA 01027) (Weight: 0 lb 0.30 oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (USPS Certified Mail #) (70180360000156678891)	1	$3.45

apical

19 Wemelco Way
Easthampton,
MA 01027

PHONE (413) 888-8120
EMAIL kkasom@apicaldispensary.com

ATTACHMENT B

TROPICAL STORM THREATENS GULF COAST. SEE IMPACTS TO USPS OPERATIONS IN YOUR ...

USPS Tracking®

FAQs > (https://www.usps.com/faqs/uspstracking-faqs.htm)

Track Another Package +

Remove ✕

Tracking Number: 70180360000156678891

Your item was delivered to the front desk, reception area, or mail room at 11:37 am on October 24, 2018 in EASTHAMPTON, MA 01027.

Delivered

October 24, 2018 at 11:37 am
Delivered, Front Desk/Reception/Mail Room
EASTHAMPTON, MA 01027

Feedback

See More

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs (https://www.usps.com/faqs/uspstracking-faqs.htm)

ATTACHMENT C

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

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee $3.45
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy) $0.00
Return Receipt (electronic) $0.00
Certified Mail Restricted Delivery $0.00
Adult Signature Required $0.00
Adult Signature Restricted Delivery $
Postage $0.50
Total Postage and Fees $3.95

Postmark Here
OCT 23 2018
10/23/2018

Sent To
Street and Apt. No., or PO Box No.
City, State, ZIP+4®

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

7018 0360 0001 5667 8891

ATTACHMENT C

Date 10-21-18

Dear Neighbors,

We are giving a notice that a community outreach meeting for a proposed Marijuana Establishment, Apical Inc. is scheduled for November !, 2018 at 4 pm at 19 Welmeco Way second floor conference room. The proposed marijuana cultivator, marijuana product manufacturer and marijuana retailer establishment is anticipated to be located at 19 Wemelco Way Easthampton Ma 01027. There will be an opportunity for the public to ask questions.

Sincerely,

Kot Kasom
Chief Executive Officer
Apical, Inc.

apical

19 Wemelco Way
Easthampton,
MA 01027

PHONE (413) 888-8120
EMAIL kkasom@apicaldispensary.com

ATTACHMENT C

7018 0360 0001 5667 8914

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
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For delivery information, visit our website at www.usps.com®.

EASTHAMPTON, MA 01027

OFFICIAL USE

Certified Mail Fee $ $3.45	
Extra Services & Fees (check box, add fee as appropriate)	
☐ Return Receipt (hardcopy) $ $0.00	
☐ Return Receipt (electronic) $ $0.00	
☐ Certified Mail Restricted Delivery $ $0.00	
☐ Adult Signature Required $ $0.00	
☐ Adult Signature Restricted Delivery $	
Postage $ $0.50	Postmark Here
Total Postage and Fees $ $3.95	10/23/2018

0073 10

OCT 23 2018 SOUTHAMPTON MA 01073

Sent To

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City, State, ZIP+4®

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Total $27.65

Debit Card Remit'd $27.65
(Card Name:VISA)
(Account #:XXXXXXXXXXXX9787)
(Approval #:)
(Transaction #:861)
(Receipt #:007840)
(Debit Card Purchase:$27.65)
(Cash Back:$0.00)
(AID:A0000000980840 Chip)
(AL:US DEBIT)
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Bill #: 840-50100043-2-1640816-2
Clerk: 10

SOUTHAMPTON
MA
01073-9998
2471230073
10/23/2018 (800)275-8777 4:35 PM

Product Description	Sale Qty	Final Price
First-Class Mail Letter (Domestic) (EASTHAMPTON, MA 01027) (Weight:0 Lb 0.30 Oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (@@USPS Certified Mail #) (70180360000156678891)	1	$3.45
First-Class Mail Letter (Domestic) (EASTHAMPTON, MA 01027) (Weight:0 Lb 0.30 Oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (@@USPS Certified Mail #) (70180360000156678907)	1	$3.45
First-Class Mail Letter (Domestic) (EASTHAMPTON, MA 01027) (Weight:0 Lb 0.30 Oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (@@USPS Certified Mail #) (70180360000156678914)	1	$3.45
First-Class Mail Letter (Domestic) (EAST LONGMEADOW, MA 01028) (Weight:0 Lb 0.30 Oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (@@USPS Certified Mail #) (70180360000156678921)	1	$3.45
First-Class Mail Letter (Domestic) (EASTHAMPTON, MA 01027) (Weight:0 Lb 0.30 Oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (@@USPS Certified Mail #) (70180360000156678938)	1	$3.45
First-Class Mail Letter (Domestic) (EASTHAMPTON, MA 01027) (Weight:0 Lb 0.30 Oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (@@USPS Certified Mail #) (70180360000156678945)	1	$3.45
First-Class Mail Letter (Domestic) (SOUTHAMPTON, MA 01073) (Weight:0 Lb 0.30 Oz) (Estimated Delivery Date) (Thursday 10/25/2018)	1	$0.50
Certified (@@USPS Certified Mail #) (70180360000156678952)	1	$3.45

ATTACHMENT C

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Certified Mail Fee $3.45
Extra Services & Fees *(check box, add fee as appropriate)*
- ☐ Return Receipt (hardcopy) $ $0.00
- ☐ Return Receipt (electronic) $ $0.00
- ☐ Certified Mail Restricted Delivery $ $0.00
- ☐ Adult Signature Required $ $0.00
- ☐ Adult Signature Restricted Delivery $

Postage $0.50
Total Postage and Fees $3.95

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Certified Mail Fee $3.45
Extra Services & Fees *(check box, add fee as appropriate)*
- ☐ Return Receipt (hardcopy) $ $0.00
- ☐ Return Receipt (electronic) $ $0.00
- ☐ Certified Mail Restricted Delivery $ $0.00
- ☐ Adult Signature Required $ $0.00
- ☐ Adult Signature Restricted Delivery $

Postage $0.50
Total Postage and Fees $3.95

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OFFICIAL USE

Certified Mail Fee $3.45
Extra Services & Fees *(check box, add fee as appropriate)*
- ☐ Return Receipt (hardcopy) $ $0.00
- ☐ Return Receipt (electronic) $ $0.00
- ☐ Certified Mail Restricted Delivery $ $0.00
- ☐ Adult Signature Required $ $0.00
- ☐ Adult Signature Restricted Delivery $

Postage $0.50
Total Postage and Fees $3.95

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Extra Services & Fees *(check box, add fee as appropriate)*
- ☐ Return Receipt (hardcopy) $ $0.00
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- ☐ Adult Signature Required $ $0.00
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Postage $0.50
Total Postage and Fees $3.95

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EASTHAMPTON, MA 01027

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Extra Services & Fees *(check box, add fee as appropriate)*
- ☐ Return Receipt (hardcopy) $ $0.00
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- ☐ Certified Mail Restricted Delivery $ $0.00
- ☐ Adult Signature Required $ $0.00
- ☐ Adult Signature Restricted Delivery $

Postage $0.50
Total Postage and Fees $3.95

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EAST LONGMEADOW, MA 01028

OFFICIAL USE

Certified Mail Fee $3.45
Extra Services & Fees *(check box, add fee as appropriate)*
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- ☐ Return Receipt (electronic) $ $0.00
- ☐ Certified Mail Restricted Delivery $ $0.00
- ☐ Adult Signature Required $ $0.00
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Remove ×

Your item was delivered to the front desk, reception area, or mail room at 11:37 am on October 24, 2018 in EASTHAMPTON, MA 01027.

Delivered

October 24, 2018 at 11:37 am
Delivered, Front Desk/Reception/Mail Room
EASTHAMPTON, MA 01027

Feedback

See More

Tracking Number: 70180360000156678907

Remove ×

Your item was delivered to an individual at the address at 11:11 am on October 24, 2018 in EASTHAMPTON, MA 01027.

Delivered

October 24, 2018 at 11:11 am
Delivered, Left with Individual
EASTHAMPTON, MA 01027

See More

Tracking Number: 70180360000156678914

Remove ✕

Your item was delivered to an individual at the address at 3:08 pm on October 24, 2018 in EASTHAMPTON, MA 01027.

Delivered

October 24, 2018 at 3:08 pm
Delivered, Left with Individual
EASTHAMPTON, MA 01027

See More

Tracking Number: 70180360000156678921

Remove ✕

Feedback

Expected Delivery by

THURSDAY
25 OCTOBER 2018 by **8:00pm**

Delivered

October 25, 2018 at 9:51 am
Delivered
EAST LONGMEADOW, MA 01028

See More

Tracking Number: 70180360000156678938

Remove ✕

Your item was delivered to an individual at the address at 11:20 am on October 24, 2018 in

EASTHAMPTON, MA 01027.

Delivered

October 24, 2018 at 11:20 am
Delivered, Left with Individual
EASTHAMPTON, MA 01027

See More

Remove ✕

Tracking Number: 70180360000156678945

Your item was delivered to an individual at the address at 11:51 am on October 24, 2018 in EASTHAMPTON, MA 01027.

Feedback

Delivered

October 24, 2018 at 11:51 am
Delivered, Left with Individual
EASTHAMPTON, MA 01027

See More

Remove ✕

Tracking Number: 70180360000156678952

Your item was delivered at 2:46 pm on October 30, 2018 in SOUTHAMPTON, MA 01073.

Delivered

October 30, 2018 at 2:46 pm
Delivered
SOUTHAMPTON, MA 01073

See More

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- See images* of incoming mail.
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Apical, Inc. is not yet operational and has not paid any financial benefit to the City of Easthampton as result of the Host Community Agreement.

Additionally, there has not been any cost to the city or town reasonably related to the operation of the establishment.

Plan For Positive Impact

Apical is committed to allowing people from areas of disproportionate impact experience a positive impact from the operation of our Marijuana Establishments. Our Marijuana Establishments are in or around several of the 29 communities designated as "areas of disproportionate impact" meaning these municipalities have been disproportionately affected by cannabis prohibition and enforcement. Marijuana prohibition and enforcement has produced profoundly unequal outcomes for these communities with higher arrest and incarceration rates.

Through its regulations the Commonwealth of Massachusetts and the Cannabis Control Commission has required the promotion and encouragement of full participation in the marijuana industry by people from communities that have been disproportionately harmed by marijuana prohibition and enforcement and to positively impact those communities. To this end, Apical is also committed to employing, partnering with, and providing programs that will help reverse the negative impacts that marijuana prohibition has had on populations of disproportionate impact.

In the geographic area of the Apical marijuana establishments there are several communities that have been determined to be "Areas of Disproportionate Impact" by the Commission. Holyoke, Springfield and West Springfield are the communities that Apical has identified as the communities we will engage with to implement our programs.

Apical will comply with the requirements of 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment

Any actions taken, or programs instituted, by Apical will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

Plan Populations:

The programs in this plan will be aimed to positively impact the following populations:

1. Past or present residents of "areas of disproportionate impact," which have been defined by the Commission, specifically the communities of Holyoke, Springfield, and West Springfield
2. Commission-designated Economic Empowerment Priority applicants;
3. Commission-designated Social Equity Program participants;
4. Massachusetts residents who have past drug convictions; and
5. Massachusetts residents with parents or spouses who have drug convictions.

I. GOALS

1. Create jobs for people from areas of disproportionate impact with a progressive compensation structure, employee benefits and growth opportunities that provide a living wage and encourage consumer spending. Specifically, our goal is

to have **40%** of our workforce to fall into one or more of the 5 populations identified in Section I.

2. Create opportunities for individuals and businesses to participate in the industry by utilizing qualified contractors, suppliers and vendors who have been negatively impacted from marijuana prohibition. Our goal is to source **50%** of our contractors, suppliers and vendors from the populations identified in Section I.

3. To donate money to a program whose goals are to improve disproportionately impacted areas. Apical will donate at least $10,000 annually to the Commissions Social Equity Training and Technical Assistance Fund.

II. PROGRAMS

Recruitment and Hiring Program

Expanding opportunities for gainful employment is a key driver in helping populations disproportionately affected by marijuana prohibition. Quality jobs that pay above minimum wage, offer benefits and encourage volunteerism assist individuals and families in breaking cycles of poverty and incarceration. Apical expects to positively impact employment in these areas as follows:

1. Hiring Preference will be given to individuals who meet the criteria of the Plan Populations that are outlined above.

2. Promote our Hiring policy on recruitment websites, our social media presence and other hiring platforms. We will engage the communities of Holyoke, Springfield, and West Springfield which are all designated as areas of disproportionate impact, with the goal of attracting and retaining a qualified workforce from these areas.

3. We will engage with MassHire Holyoke Career Center and MassHire Springfield Career Center. These organizations are One Stop Career Centers that serve Holyoke, Springfield, and West Springfield. Apical will post all job posing through these organizations and will engage in job fairs and other services that they offer.

    i. Our first job fail will be held approximately 60 days prior to our expected opening date.

    ii. Second and subsequent job fairs will be held as needed.

    iii. We will participate in additional job fairs in these communities as they become available.

4. All job postings will be advertised through the MassHire Holyoke Career Center, MassHire Springfield Career Center, Mass Live, the Chicopee Register and the Daily Hampshire Gazette.

    i. These posting will promote our hiring priorities and encourage individuals who fall into the Plan Populations to apply.

Supplier Contractor Program

To expand access to the marijuana industry for individuals and businesses who meet the Plan Populations, Apical will give preference to suppliers, contractors and Marijuana Establishments that meet these population criteria. Our goal is to have at least 35% of our suppliers, contractors and wholesale partners meet the criteria of the Program Populations that are outlined above.

1. Priority will be given to vendors and contractors whose owners or a majority of the employees meet the Plan Population criteria.
2. Apical will advertise opportunities for vendors, suppliers and contractors on our website and with local media outlets in Holyoke, Springfield and West Springfield along with the preferences outlined in this plan.
3. Wholesale Marijuana partners who are Commission-designated Economic Empowerment Priority applicants or Social Equity Program participants will be given priority in for wholesale contracts.

Donation Program

Apical will donate money to a program whose goals are to improve disproportionately impacted areas. Our minimum donation of at least $10,000 will assist the Social Equity Training and Technical Assistance Fund in providing training and technical assistance to residents interested in participating in the cannabis industry and to provide technical assistance for existing Social Equity Program licensees.

Once the company is stable in its finances and fiscal projections are more solid, the amounts of these donations will increase.

III. PLAN MEASUREMENT

Apical realizes that any plan needs to be evaluated once it is implemented. We will perform an ongoing and comprehensive evaluation of this plan to ensure that it accomplishes our 3 goals. We will produce a full report annually which outlines this policy, data collected, whether the goals have been met and if any changes are necessary.

This report will be made available to the Commonwealth of Massachusetts. Managers and appropriate community leaders will meet to discuss the report and make any necessary adjustments. This report, at a minimum will include:

1. The demographics of all employees and applicants;
2. Attempts to hire, actual hires, from where they came, their training, pay, benefits, and advancement;
3. The demographics, numbers, amounts and percentages of all third-party suppliers, contractors and Marijuana Industry Partners that Apical has engaged with and done business with;
4. The number and percentage of Commission-designated Economic Empowerment Priority applicants or Social Equity Program participants that we have contracted with as our wholesale partners; and

5. Documentation and reports of all donation made to the Social Equity Training and Technical Assistance Fund
6. Conclusions and recommendations.

60 days prior to License renewal, and annually thereafter Apical will produce a comprehensive report on our Goals and Programs which will outline the metrics for each program and whether we have met our goals. This report will be made available to the Commission.

Apical Managers and appropriate community stakeholders will meet to discuss the report and make any necessary adjustments.

The Commonwealth of Massachusetts

Secretary of the Commonwealth

State House, Boston, Massachusetts 02133

William Francis Galvin
Secretary of the
Commonwealth

Date: December 27, 2018

To Whom It May Concern :

I hereby certify that according to the records of this office,

APICAL, INC.

is a domestic corporation organized on **April 09, 2018** , under the General Laws of the Commonwealth of Massachusetts. I further certify that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156D section 14.21 for said corporation's dissolution; that articles of dissolution have not been filed by said corporation; that, said corporation has filed all annual reports, and paid all fees with respect to such reports, and so far as appears of record said corporation has legal existence and is in good standing with this office.

In testimony of which,
I have hereunto affixed the
Great Seal of the Commonwealth
on the date first above written.

Secretary of the Commonwealth

Certificate Number: 18120507260

Verify this Certificate at: http://corp.sec.state.ma.us/CorpWeb/Certificates/Verify.aspx

Processed by:

Commonwealth of Massachusetts
Department of Revenue
Christopher C. Harding, Commissioner

mass.gov/dor

Letter ID: L1304664448
Notice Date: February 1, 2019
Case ID: 0-000-435-565

CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE

000002

APICAL INC.
APICAL INC
19 WELMECO WAY
EASTHAMPTON MA 01027

Why did I receive this notice?

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

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

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

What if I have questions?

If you have questions, call us at (617) 887-6367 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 8:30 a.m. to 4:30 p.m..

Visit us online!

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

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

Edward W. Coyle, Jr., Chief
Collections Bureau

BY-LAWS

of

APICAL, INC.

ARTICLE I
Articles of Organization

The name and purposes of the Corporation shall be those powers and purposes which may be set forth in the Articles of Organization. These By-Laws, the powers of the Corporation and its Directors and Shareholders, and all matters concerning the conduct and regulation of the business of the Corporation, shall be subject to such provisions in regard thereto, if any, as are set forth in the Articles of Organization. All references in these By-Laws to the Articles of Organization shall be construed to mean the Articles of Organization of the Corporation as from time to time amended or restated.

ARTICLE II
Fiscal Year

Except as from time to time otherwise determined by the Director(s), the fiscal year of the Corporation shall end each year on December 31st.

ARTICLE III
Meetings of Shareholders

Section 1. Annual Meetings.

The annual meeting of the Shareholders shall be held on the second Monday in January each year (or if it be a legal holiday in the place where the meeting is to be held, on the next succeeding full business day) at 10:00 A.M. unless a different hour is fixed by the Board of Directors or the President. The purposes for which the annual meeting is to be held, in addition to those prescribed by law, by the Articles of Organization or by these By-Laws, may be specified by the Board of Directors or the President. If no annual meeting has been held on the date fixed above, a special meeting in lieu thereof may be held and such special meeting shall have for the purposes of these By-Laws or otherwise all the force effect of an annual meeting.

Section 2. Special Meetings.

A special meeting of the Shareholders may be called at any time by the Secretary, or in case of the death, absence, incapacity or refusal of the Secretary, by any other officer, upon written application of the President, one or more Shareholders who hold at least one-third part in interest of the stock entitled to vote at the meeting, or by a majority of the Directors acting by vote or by written instrument signed by them. Such call shall state the time, place, and purposes of the meeting. Special Meetings shall be limited to discussing and voting on the items identified in the notice of meeting.

Section 3. Place of Meetings.

All meetings of the Shareholders shall be held at the principal office of the Corporation in Massachusetts, unless a different place within Massachusetts as designated by the President, one or more Shareholders who hold at least one-third part in interest of the stock entitled to vote at the meeting, or by a majority of the Directors acting by vote or by written instrument signed by them. Any adjourned session of any meeting of the Shareholders shall be held at such place within Massachusetts as is designated in the vote of adjournment.

Section 4. Notice of Meetings.

A written notice of the place, date and hour of all meetings of Shareholders stating the purposes of the meeting shall be given at least seven days before the meeting to each Shareholder entitled to vote thereat and to each Shareholder who is otherwise entitled by law or by the Articles of Organization to such notice, by leaving such notice with him or at his residence or usual place of business, or by mailing it, postage prepaid, and addressed to such Shareholder at his address as it appears in the records of the Corporation. Such notice shall be given by the Secretary, or in case of the death, absence, incapacity or refusal of the Secretary, by any other officer or by a person designated either by the Secretary, by the person or persons calling the meeting or by the Board of Directors. Whenever notice of a meeting is required to be given a Shareholder under any provision of law, of the Articles of Organization, or of these By-Laws, a written waiver thereof, executed before or after the meeting by such Shareholder or his attorney thereunto authorized, and filed with the records of the meeting, shall be deemed equivalent to such notice. Additionally, attendance of any Shareholder at a meeting will constitute a waiver of notice for such Shareholder.

Section 5. Quorum.

At any meeting of the Shareholders, a quorum shall consist of a majority in interest of all stock issued and outstanding and entitled to vote at the meeting, except when a larger quorum is required by law, by the Articles of Organization or by these By-Laws. Stock owned directly or indirectly by the Corporation, if any, shall not be deemed outstanding for this purpose. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question,

whether or not a quorum is present, and the meeting may be held as adjourned without further notice, providing that a quorum is present at said adjourned time.

Section 6. Action by Vote.

When a quorum is present at any meeting, the affirmative vote of a majority of the shares of stock represented at the meeting shall be the act of the Shareholders unless the vote of a greater number of shares of stock is required by law or the articles of organization.

Section 7. Voting.

Shareholders entitled to vote shall have one vote for each share of stock entitled to vote held by them or recorded according to the records of the Corporation. The Corporation shall not, directly or indirectly, vote any share of its own stock.

Section 8. Remote Communication Meeting

Shareholders entitled to vote may participate in any Shareholder meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Section 9. Action by Consent.

Any action required or permitted to be taken at any meeting of the Shareholders may be taken without a meeting if all Shareholders entitled to vote on the matter consent to the action in writing and the written consents are filed with the records of the meetings of Shareholders. Such consents shall be treated for all purposes as a vote at a meeting.

Section 10. Proxies.

Shareholders entitled to vote may vote either in person or by proxy in writing dated not more than six months before the meeting named therein, which proxies shall be filed with the Secretary or other person responsible to record the proceedings of the meeting before being voted. Unless otherwise specifically limited by their terms, such proxies shall entitle the holders thereof to vote at any adjournment of such meeting but shall not be valid after the final adjournment of such meeting. A proxy with respect to stock held in the name of two or more persons shall be valid if executed by any one of them unless at or prior to exercise of the proxy the Corporation receives a specific written notice to the contrary from any one of them. A proxy purporting to be executed by or on behalf of a Shareholder shall be deemed valid unless challenged at or prior to its exercise and the burden of proving invalidity shall rest on the challenger.

ARTICLE IV
Directors

Section 1. Powers.

The business of the Corporation shall be managed by a Board of Directors who may exercise all the powers of the Corporation except as otherwise provided by law, by the Articles of Organization by these By-Laws or by a Shareholder Agreement executed by all the Shareholders.

Section 2. Enumeration, Election and Term of Office.

The number of the Directors shall be as determined from time to time by the Shareholders and may be enlarged or reduced by vote of a majority of the Shareholders. The Directors shall be chosen at the annual meeting of the Shareholders by such Shareholders as have the right to vote thereon, and each shall hold office until the next annual election of Directors and until his/her successor is chosen and qualified or until he/she sooner dies, resigns, is removed by the Shareholders, or becomes disqualified. Directors need not be residents of the Commonwealth of Massachusetts nor Shareholders of the Corporation.

Section 3. Director Vacancies

A vacancy or vacancies on the Board of Directors shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) the declaration by resolution of the Shareholders of a vacancy in the office of a Director who has been declared of unsound mind by an order of court; or (iii) whenever the number of authorized Directors is increased.

(a) Removal. Directors may be removed without cause by a vote of the majority of Shareholders.

(b) Resignations. Any Director may resign, which resignation shall be effective on giving written notice to the President or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. No Director may resign if the Corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General.

(c) Appointment to Fill Vacancies. If a vacancy is created by any event, a new Director may be appointed by a vote of the majority of the Shareholders to serve until the next annual meeting of the Shareholders.

(d) No Vacancy on Reduction of Number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the power of the full board until the vacancy is filled.

Section 4. Regular Meetings.

Regular meetings of the Board of Directors may be held at such times and places within or without the Commonwealth of Massachusetts as the Board of Directors may fix from time to time and, when so fixed, no notice thereof need be given, provided that any Director who is absent when such times and places are fixed shall be given notice of the fixing of such times and places. The first meeting of the Board of Directors following the annual meeting of the Shareholders may be held without notice immediately after and at the same place as the annual meeting of the Shareholders or the special meeting held in lieu thereof. If in any year a meeting of the Board of Directors is not held at such time and place, any action to be taken may be taken at any later meeting of the Board of Directors with the same force and effect as if held or transacted at such meeting.

Section 5. Special Meetings.

Special meetings of the Directors may be held at any time and at any place designated in the call of the meeting, when called by the President or by two (2) or more Directors, reasonable notice thereof being given to each Director by the Secretary or an Assistant Secretary, or, if there be none by the Secretary or an Assistant Secretary, or by the officer or one of the Directors calling the meeting.

Section 6. Notice.

It shall be reasonable and sufficient notice to a Director to send notice by mail at least forty-eight hours or by telegram at least twenty-four hours before the meeting addressed to him/her at his/her usual or last known business or residence address or to give notice to him/her in person or by telephone at least twenty-four hours before the meeting. Notice of a meeting need not be given to any Director if a written waiver of notice, executed by him/her before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting prior thereto or at its commencement the lack of notice to him/her. Neither notice of a meeting nor a waiver of a notice need specify the purposes of the meeting.

Section 7. Quorum.

At any meeting of the Directors, a quorum shall consist of a majority of the Directors then in office. When a quorum is present at any meeting, the votes of a majority of the Directors present shall be requisite and sufficient for election to any office and shall decide any question brought before such meeting, except in any case where a larger vote is required by law, by the Articles of Organization or by these By-Laws.

Section 8. Voting

Each Director shall have one vote unless otherwise provided by the Articles of Organization.

Section 9. Remote Communication Meeting

Directors entitled to vote may participate in any meeting of the Directors by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Section 10. Action by Consent.

Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all the Directors consent to the action in writing and the written consents are filed with the records of the meetings of the Directors. Such consent shall be treated for all purposes as a vote of the Directors at a meeting.

Section 11. Committees.

The Board of Directors, by vote of a majority of the Directors then in office, may elect from its number an Executive Committee or other committees and may delegate thereto some or all of its powers except those which by law, by the Articles of Organization, by these By-Laws, or by a Shareholder Agreement executed by all Shareholders, may not be delegated. Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Board of Directors or in such rules, its business shall be conducted so far as possible in the same manner as is provided by these By-Laws for the Board of Directors. All members of such committees shall hold such offices at the pleasure of the Board of Directors. The Board of Directors may abolish any such committee at any time. Any committee to which the Board of Directors delegates any of its powers or duties shall keep records of its meetings and shall upon request report its action to the Board of Directors. The Board of Directors shall have power to rescind any action of any committee, but no such rescission shall have retroactive effect.

Section 12. Non-Liability of Directors.

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

ARTICLE V
Officers and Agents

Section 1. Enumeration; Qualification.

The officers of the Corporation shall be a President, a Treasurer, a Secretary, and such other officers, if any, as the incorporators at their initial meeting, or the Directors from time to time, may in their discretion elect or appoint. The Corporation may also have such agents, if any, as the incorporators at their initial meeting, or the Directors from time to time, may in their discretion appoint. Any officer may be, but none need be a Director or Shareholder. The Secretary shall be a resident of Massachusetts unless the Corporation has a resident agent appointed for the purpose of service of process. Any two or more offices may be held by the same person.

Section 2. Powers.

Subject to law, to the Articles of Organization and to the other provisions of these By-Laws, each officer shall have, in addition to the duties and powers herein set forth, such duties and powers as are commonly incident to his office and such duties and powers as the Directors or Shareholders may from time to time designate.

Section 3. Election.

The President, the Treasurer and the Secretary shall be elected annually by the Directors at their first meeting following the annual meeting of the Shareholders. Other officers, if any, may be elected or appointed by the Board of Directors at said meeting or at any other time.

Section 4. Tenure.

Except as otherwise provided by law or by the Articles of Organization or by these By-Laws, the President, the Treasurer and the Secretary shall hold office until the first meeting of the Directors following the next annual meeting of the Shareholders and until their respective successors are chosen and qualified, and each other officer shall hold office until the first meeting of the Directors following the next annual meeting of the Shareholders and until their respective successors are chosen and qualified, unless a different period shall have been specified by the terms of his election or appointment, or in each case until he sooner dies, resigns, is removed or becomes disqualified. Each agent shall retain his authority at the pleasure of the Directors.

Section 5. Officer Vacancies

An officer vacancy or vacancies shall be deemed to exist on the occurrence of the following (i) the death, resignation, or removal of any officer; (ii) the declaration by resolution of the Board of Directors of a vacancy in the office of an officer who has been declared of unsound mind by an order of court.

(e) Removal. Officers may be removed without cause at any time by a unanimous vote of all of the Directors or a majority vote of the Shareholders.

(f) Resignations. Any officer may resign, which resignation shall be effective on giving written notice to the President or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. No resignation of the President shall be effective prior to the election of a replacement President, except upon notice to the Attorney General.

(g) Appointment to Fill Vacancies. If the office of any officer becomes vacant, the Directors may elect or appoint a successor by majority vote. Each such successor shall hold office for the unexpired term of his predecessor and until his successor shall be elected or appointed and qualified, or until he sooner dies, resigns, is removed or becomes disqualified.

Section 6. Compensation

At the annual meeting of the Board of Directors, or such other time agreed to by the Directors, the Directors shall determine reasonable compensation for all officers, taking into account, but not limited to, such factors as an officer's duties and performance and the gross annual profits of the Corporation, subject only to the approval of the Shareholders. Any officer compensation fixed by the Board of Directors may be modified by a vote of the Shareholders.

Section 7. President and Vice-Presidents.

The President shall be the chief executive officer of the Corporation and shall have general supervision and control of its business. He/she shall preside, when present, at all meetings of the Board of Directors.

Any Vice-President shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

Section 8. Treasurer and Assistant Treasurer.

The Treasurer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. He/She shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Board of Directors may otherwise provide.

Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may from time to time designate.

Section 9. Secretary and Assistant Secretaries.

The Secretary shall keep a record of the meetings of Shareholders and Directors. In the absence of the Secretary from any meeting of Shareholders or Directors, an Assistant Secretary designated by the person presiding at the meeting, shall perform the duties of the Secretary.

ARTICLE VI
Stock

Section 1. Stock Authorized.

The total number of shares and the par value, if any, which the Corporation is authorized to issue shall be as stated in the Articles of Organization.

Section 2. Issue of Authorized Unissued Capital Stock.

Any unissued capital stock from time to time authorized under the Articles of Organization may be issued by vote of the Directors. No such stock shall be issued unless the cash, so far as due, or the property, services or expenses for which it was authorized to be issued, has been actually received or incurred by, or conveyed or rendered to, the Corporation, or is in its possession as surplus.

Section 3. Certificates of Stock.

Each Shareholder shall be entitled to a certificate in form selected by the Board of Directors stating the number of the shares held by him or her. Such signatures may be facsimiles if the certificate is signed by a transfer agent, or by a registrar, other than a Director, officer or employee of the Corporation.

Every certificate for shares of stock subject to any restriction or transfer pursuant to the Articles of Organization, these By-Laws, or any Shareholder Agreement signed by all of the

Shareholders shall have the restriction noted conspicuously on the certificate and shall also set forth on the face or back either the full text of the restriction or a statement of the existence of such restriction and a statement that the Corporation will furnish a copy to the holder of such certificate upon written request and without charge. Every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall set forth on its face or back either the full text or the preferences, voting powers, qualifications and rights, and a statement that the Corporation will furnish a copy thereof to the holder of such certificate upon written request and without charge.

Section 4. Transfers.

Subject to the restrictions, if any, imposed by the Articles of Organization, these By-Laws, a Stock Repurchase Agreement or any other agreement to which the Corporation is a party, shares of stock shall be transferred on the books of the Corporation only by the surrender to the Corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment of such shares or by a written power of attorney to sell, assign, or transfer such shares, properly executed, with necessary transfer stamps affixed, and with such proof that the endorsement, assignment or power of attorney is genuine and effective as the Corporation or its transfer agent may reasonably require. Except as may be otherwise required by law, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these By-Laws. It shall be the duty of each Shareholder to notify the Corporation of his post office address.

Section 5. Lost, Mutilated, or Destroyed Certificates.

Except as otherwise provided by law, the Board of Directors may determine the conditions upon which a new certificate of stock may be issued in place of any certificate alleged to have been lost, mutilated or destroyed. It may, in its discretion, require the owner of a lost, mutilated or destroyed certificate, or his legal representative, to give a bond, sufficient in its opinion, with or without surety, to indemnify the Corporation against any loss or claim which may arise by reason of the issue of a certificate in place of such lost, mutilated or destroyed stock certificate.

Section 6. Transfer Agent and Registrar.

The Board of Directors may appoint a transfer agent or a registrar or both for its capital stock or any class or series thereof and require all certificates for such stock to bear the signature or facsimile thereof of any such transfer agent or registrar.

Section 7. Setting Record Date and Closing Transfer Records.

The Board of Directors may fix in advance a time not more than sixty days before (i) the date of any meeting of the Shareholders or (ii) the date for the payment of any dividend or the making of any distribution to Shareholders or (iii) the last day on which the consent or dissent of Shareholders may be effectively expressed for any purpose, as the record date for determining the Shareholders having the right to notice and to vote at such meeting, or the right to receive such dividend or distribution, or the right to give such consent or dissent. If a record date is set, only Shareholders of record on the date shall have such right notwithstanding any transfer of stock on the records of the Corporation after the record date. Without fixing such record date, the Board of Directors may close the transfer records of the Corporation for all or any part of such sixty day period.

If no record date is fixed and the transfer books are not closed, then the record date for determining Shareholders having the right to notice of or to vote at a meeting of Shareholders shall be at the close of business on the day next preceding the day on which notice is given, and the record date for determining Shareholders for any other purpose shall be at the close of business on the day on which the Board of Directors acts with respect thereto.

ARTICLE VII
Miscellaneous Provisions

Section 1. Execution of Papers.

All deeds, leases, transfers, contracts, bonds, notes, releases, checks, drafts and other obligations authorized to be executed on behalf of the Corporation shall be signed by the President or the Treasurer except as the Directors may generally or in particular cases otherwise determine.

Section 2. Voting of Securities.

Except as the Directors may generally or in particular cases otherwise specify, the President or the Treasurer may on behalf of the Corporation vote or take any other action with respect to shares of stock or beneficial interest of any other corporation, or of any association, trust or firm, of which any securities are held by this corporation, and may appoint any person or persons to act as proxy or attorney-in-fact for the Corporation, with or without power of substitution, at any meeting thereof.

Section 3. Corporate Seal.

The seal of the Corporation shall be a circular die with the name of the Corporation, the word "Massachusetts" and the year of its incorporation cut or engraved thereon, or shall be in such other form as the Board of Directors may from time to time determine.

Section 4. Corporate Records.

The original, or attested copies, of the Articles of Organization, By-Laws and records of all meetings of the Incorporators and Shareholders, and the stock and transfer records, which shall contain the names of all Shareholders and the record address and the amount of stock held by each, shall be kept in Massachusetts at the principal office of the Corporation, or at an office of its transfer agent or of its Secretary or of its Resident Agent. Said copies and records need not all be kept in the same office. They shall be available at all reasonable times to the inspection of any Shareholder for any proper purpose but not to secure a list of Shareholders for the purpose of selling said list or copies thereto or of using the same for a purpose other than in the interest of the applicant, as a Shareholder, relative to the affairs of the Corporation.

Section 5. Evidence of Authority.

A certificate by the Secretary or Secretary or an Assistant or Temporary Secretary or Secretary as to any matter relative to he Articles of Organization, By-Laws, records, Board of Directors, or any committee of the Board of Directors, or stock and transfer records or as to any action taken by any person or persons as an officer or agent of the Corporation, shall as to all persons who rely thereon in good faith be conclusive evidence of the matters so certified.

ARTICLE VIII
Amendments

These By-Laws may be amended or repealed in whole or in part by the majority vote of the Shareholders at any time. If authorized by the Articles of Organization, the Directors by unanimous vote 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 requires action by the Shareholders. Not later than the time of giving notice of the meeting of Shareholders next following the making, amending or repealing by the Directors of any By-Law, notice thereof stating the substance of such change shall be given to all Shareholders entitled to vote on amending the By-Laws. No change in the date fixed in these By-Laws for the annual meeting of Shareholders may be made within sixty days before the date fixed in these By-Laws, and in case of any change in such date, notice thereof shall be given to each Shareholder in person or by letter mailed to his last known post office address at least twenty days before the new date fixed for such meeting. Any By-Law adopted, amended or repealed by the Directors may be repealed, amended or reinstated by the Shareholders entitled to vote on amending the By-Laws.

ARTICLE IX
Repayment Arrangement

Any payment paid to an officer of the Corporation such as a salary, commission, bonus, interest, or rent, for entertainment expense incurred by him, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer to the Corporation to the full extent of such disallowance. It shall be the duty of the Directors, as a Board, to enforce payment of each such amount disallowed. In lieu of payment by the officer, subject to the determination of the Directors, proportionate amounts may be withheld from his or her future compensation payments, until the amount owed to the Corporation has been recovered.

I, Kot Kasom, the President of the Corporation, hereby certify that these By-Laws were agreed to and adopted by resolution of the Shareholders ~~on the~~ _____ day of _____ 2018.

_____
Kot Kasom, President

D

The Commonwealth of Massachusetts

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

Articles of Entity Conversion of a Domestic Non-Profit with a Pending Provisional or Final Certification to Dispense Medical Use Marijuana to a Domestic Business Corporation

(General Laws Chapter 156D, Section 9.53; 950 CMR 113.30)

Green Life Dispensary, Inc. is a registrant with the Department of Public Health in accordance with 105 CMR 725.100(C) as of March 27, 2018.

Bryan Harter
Director
Medical Use of Marijuana Program
Bureau of Healthcare Safety and Quality
Massachusetts Department of Public Health

(1) Exact name of the non-profit: Green Life Dispensary, Inc.

(2) A corporate name that satisfies the requirements of G.L. Chapter 156D, Section 4.01:

Apical, Inc.

(3) The plan of entity conversion was duly approved in accordance with the law.

(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:

Apical, 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:

In addition to engaging in any lawful business, the purpose of the corporation shall be to own and operate one or more licensed marijuana establishments pursuant to General Laws, Chapter 94G.

P.C.

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
STK	275,000			

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.

None

ARTICLE V

The restrictions, if any, imposed by the articles or organization upon the transfer of shares of any class or series of stock are:

All stock transfers must be approved by the Board of Directors.

ARTICLE VI

Other lawful provisions, and if there are no such provisions, this article may be left blank.

None

Note: The preceding six (6) articles are considered to be permanent and may be changed only by filing appropriate articles of amendment.

ARTICLE VII

The effective date of organization of the corporation is the date and time the articles were received for filing if the articles are not rejected within the time prescribed by law. If a later effective date is desired, specify such date, which may not be later than the 90th day after the articles are received for filing:

ARTICLE VIII

The information contained in this article is not a permanent part of the articles of organization.

a. The street address of the initial registered office of the corporation in the commonwealth:
19 Wemelco Way, Easthampton, Massachusetts 01027

b. The name of its initial registered agent at its registered office:
Kot Kasom

c. The names and addresses of the individuals who will serve as the initial directors, president, treasurer and secretary of the corporation (an address need not be specified if the business address of the officer or director is the same as the principal office location):

President: Kot Kasom, 170 Pomeroy Meadow Rd, Southampton, Mass. 01073

Treasurer: Leakhena Som, 170 Pomeroy Meadow Rd, Southampton, Mass. 01073

Secretary: Anderson Green, 114 Logtown Road, Amherst, Massachusetts 01002

Director(s): See continuation sheet

d. The fiscal year end of the corporation:
January 31

e. A brief description of the type of business in which the corporation intends to engage:
Operation of a licensed marijuana establishment under Chapter 94G of the General Laws

f. The street address of the principal office of the corporation:
19 Welmelco Way, Easthampton, Massachusetts 01027

g. The street address where the records of the corporation required to be kept in the commonwealth are located is:

19 Wemelco Way, Easthampton, Massachusetts 01027, which is
(number, street, city or town, state, zip code)

- ☑ its principal office;
- ☐ an office of its transfer agent;
- ☐ an office of its secretary/assistant secretary;
- ☐ its registered office.

Signed by: _____,
(signature of authorized individual)

- ☐ Chairman of the board of directors,
- ☑ President,
- ☐ Other officer,
- ☐ Court-appointed fiduciary,

on this 27th day of March, 2018

Apical, Inc .

CONTINUATION SHEET

Article VIII (c)

Names and addresses of the initial Board of Directors

KOT KASOM	170 POMEROY MEADOW RD SOUTHAMPTON, MA 01073 USA
LAR TENG	114 LOGTOWN RD AMHERST, MA 01002 USA
ANDERSON GREEN	114 LOGTOWN RD AMHERST, MA 01002 USA
LEAKHENA SOM	170 POMEROY MEADOW RD SOUTHAMPTON, MA 01073 USA
MONICA KEO	64 SHARON ST. PROVIDENCE, RI 02908 USA
TIFFANIE KIM	10309 CROCUS ST COON RAPIDS, MN 55433 USA

21753

COMMONWEALTH OF MASSACHUSETTS

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

1308795

Articles of Entity Conversion of a Domestic Non-Profit with a Pending Provisional or Final Certification to Dispense Medical Use Marijuana to a Domestic Business Corporation

(General Laws Chapter 156D, Section 9.53; 950 CMR 113.30)

I hereby certify that upon examination of these articles of conversion, duly submitted to me, it appears that the provisions of the General Laws relative thereto have been complied with, and I hereby approve said articles; and the filing fee in the amount of $475 having been paid, said articles are deemed to have been filed with me this 9th day of April, 20 18, at _____ a.m./p.m.
time

Effective date: _____
(must be within 90 days of date submitted)

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

Filing fee: Minimum $250

SECRETARY OF THE COMMONWEALTH
2018 APR -9 AM 9:33
CORPORATIONS DIVISION

Examiner

Name approval

C

M

TO BE FILLED IN BY CORPORATION
Contact Information:

Richard M. Evans, Attorney

90 Conz Street

Northampton, Mass. 01060

Telephone: 413-586-1349

Email: evans@evanscutler.com

Upon filing, a copy of this filing will be available at www.sec.state.ma.us/cor. If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.

The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: $100.00

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

Annual Report
(General Laws, Chapter 156D, Section 16.22; 950 CMR 113.57)

Identification Number: 001321929

1. Exact name of the corporation: APICAL, INC.

2. Jurisdiction of Incorporation: State: MA Country:

3,4. Street address of the corporation registered office in the commonwealth and the name of the registered agent at that office:

Name: KOT KASOM
No. and Street: 19 WEMELCO WAY
City or Town: EASTHAMPTON State: MA Zip: 01027 Country: USA

5. Street address of the corporation's principal office:

No. and Street: 19 WEMELCO WAY
City or Town: EASTHAMPTON State: MA Zip: 01027 Country: USA

6. Provide the name and addresses of the corporation's board of directors and its president, treasurer, secretary, and if different, its chief executive officer and chief financial officer.

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
PRESIDENT	KOT KASOM	170 POMEROY MEADOW RD. SOUTHAMPTON, MA 01073 USA
TREASURER	LEAKHENA SOM	170 POMEROY MEADOW RD. SOUTHAMPTON, MA 01073 USA
SECRETARY	LEAKHENA SOM	170 POMEROY MEADOW RD. SOUTHAMPTON, MA 01073 USA
DIRECTOR	TIFFANIE KIM	10309 CROCUS ST. COON RAPIDS, MN 55433 USA
DIRECTOR	LEAKHENA SOM	170 POMEROY MEADOW RD. SOUTHAMPTON, MA 01073 USA
DIRECTOR	KOT KASOM	170 POMEROY MEADOW RD. SOUTHAMPTON, MA 01073 USA
DIRECTOR	LAR TENG	114 LOGTOWN RD. AMHERST, MA 01002 USA
DIRECTOR	MONICA KEO	64 SHARON ST. PROVIDENCE, RI 02908 USA

7. Briefly describe the business of the corporation:

OPERATION OF A LICENSED MARIJUANA ESTABLISHMENT

8. Capital stock of each class and series:

Class of Stock	Par Value Per Share Enter **0** if no Par	Total Authorized by Articles of Organization or Amendments		Total Issued and Outstanding
		Num of Shares	*Total Par Value*	*Num of Shares*
CNP	$0.00000	275,000	$0.00	189,750

9. Check here if the stock of the corporation is publicly traded: __

10. Report is filed for fiscal year ending: 01/31/ 2019

Signed by KOT KASOM , its PRESIDENT
on this 30 Day of April, 2019

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Plan for Obtaining Liability Insurance

Retail Marijuana Establishment (Easthampton)

Apical, Inc. ("Apical") is planning to operate a co-located (Cultivation, Processing and Retail) Registered Marijuana Dispensary ("RMD"). Apical will be in compliance with the Cannabis Control Commissions requirement under 935 CMR 500.105(10).

Purpose

The purpose of this plan is to outline how Apical has and will maintain the required General Liability and Product Liability insurance coverage as required pursuant to 935 CMR 500.105(10), or otherwise comply with this requirement.

Plan

1. Apical will obtain and will maintain an insurance policy in place that satisfies the requirement under 935 CMR 500.105(10).
    a. Apical will obtain and maintain general liability insurance coverage for no less than $1,000,000 per occurrence and $2,000,000 in aggregate, annually, and product liability insurance coverage for no less than $1,000,000 per occurrence and $2,000,000 in aggregate, annually.
    b. The deductible for each policy is not higher than $5,000 per occurrence.
2. Apical will maintain reports documenting compliance with 935 CMR 500.105(10) in a manner and form determined by the Commission and make these reports available to the Commission up request.

Apical, Inc. Business Plan

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Executive Summary

Apical, Incorporated hereinafter referred to as Apical, will open as a community adult-use recreational marijuana store. Our Establishment will comply with all rules and regulations in Massachusetts, while providing customers a best-in-class service and retail experience. Apical will locate its establishment at 102 Northampton Street in Easthampton, MA. The Company has already secured a lease for the property extending 5 years with multiple renewal options. The location is ideally located in the community, offers substantially adequate parking, while safe egress and ingress are designed to mitigate disruption. The storefront design will be in keeping with the ascetics of the neighborhood. Further, our Founders reside in the surrounding area and have close ties to Easthampton. Our intimate knowledge and passion for the community will enhance our customer engagement as a locally owned and operated establishment. This site is one of two currently planned with the other in process in the adjacent town of Easthampton. Operating hours will be 10 hours per day from 9:00 AM to 8:00 PM, 7 days a week. Our employees will be well-versed in state rules and regulations regarding adult use. They will be trained and qualified to handle the wide range of customers that we intend to serve. Apical's workforce will reflect our corporate mindset, geared to ensure patrons earn our trust through knowledgeable associates providing the highest level of service available. While Apical is independently owned, it has retained wide consulting guidance. Specifically, not only the service of AC3, with Massachusetts compliance expertise, but also a west coast firm with deep actual operating experience and proficiency in this rapidly emerging sector of the Cannabis industry. The aggregate talent provides Apical security to help even the playing field with some of the larger multi-state operators in the area for sustainability. Our CRM software will enable us to compliantly and securely manage one-on-one relationships with our customers, regardless how large our customer base grows. Apical will be owned and managed by its board, investors and executives.

Our Vision Statement

Our vision is to offer a wide variety of products supported by excellent service and a best-in-class retail experience to engage our customers. Apical's operations are based on three pillars: efficient, compliant delivery of service, high customer satisfaction and wide selection of products. Customers will choose our dispensary based on trust, loyalty and product integrity.

Our Mission Statement

Our mission is to stay competitive amongst other dispensaries within the region. We strive to provide high-quality products that meet all customer needs.

Market Details

Dispensary Location Details

The dispensary is located at 102 Northampton Street in Easthampton, MA. It is approximately 4,000 square feet, of which 60% will be the selling floor area while the remainder supports security, storage and back-office needs. The Establishment provides adequate store front parking which provides patrons safe, easy access to the store. Further, the stores proposed traffic entry and exit pattern is designed to mitigate additional traffic through the surrounding area. Apical has a long-term lease with the property owner. The lease will commence following Landlord build to suite for Apical. Initial lease term is 5 years with four 5-year renewal option periods. Apical is tentatively targeting a Q1 ’21 opening of the store and will be named Fyre Ants.

Our Target Market

Apical intends to cater to a wide range of customers by offering an array of products designed to meet both common and unique preferences. We will deploy a highly rigorous screening, entry and sales process to ensure full compliance with Massachusetts state law when dispensing cannabis to customers.

Our Competitive Advantage

In this industry, most of the competitive dynamics center around the quality of cannabis dispensed, the services offered, location of the dispensary, discounts offered for products, local engagement with the community and to some extent, the branding of the business. Further, there are a number of large-scale entities that are highly competitive. For security, sustainability and help even the playing field against those bigger multi-state operators, Apical has retained consulting guidance from a successful and proven operator with more than 6 years of experience in an established market. We believe this in combination with our positioning as locally owned and operated will provide for a successful competitive point of difference. Our well positioned and visible store is designed to be in keeping with the neighborhood with an inviting interior décor. Ample parking is convenient, and security will ensure a safe environment. Our management staff and all our employees will be trained in all aspects to provide unmatched customer service. We will be open 11 hours a day and 7 days a week.

Organization & Management

The following positions will be available at Apical:

- Executive Team consisting of the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Director of Retail Operations.
- Security Operational Team led by Director of Security who will oversee security staff of about 12 team members
- Retail Team led by Retail Manager and 8-12 bud tenders
- Director of Education
- Compliance Officer

Products

As an Adult Use Recreational retail entity authorized to sell marijuana products to consumers 21 years of age or older, Apical plans to offer the following products: Marijuana Flower, Pre-rolls, Concentrates-rosin, wax, Vaporizer cartridges, Edibles, and accessories. All products offered will be compliant with the standards of the Cannabis Control Commission.

Marketing

The marketing and sales strategy of Apical will be based on generating long-term personalized relationships with customers. In order to achieve that, we have hired a Director of Sales and Marketing who will execute our marketing, branding and advertising strategies for long-term success. Additionally, the Director of Sales and Marketing will work closely with the Director of Education and Director of Retail Operations to provide a wide range of high-quality products from other companies.

Community Engagement – Positive Impact

As a Locally owned and operated business, Apical intends to ensure they earn their customers trust through knowledgeable associates offering service customers want from people they like at the heart of the community. Apical will further work to support causes relevant and beneficial to the area. Specifically, they will remain engaged with the community and neighbors in an effort to be a valuable and positive influence in the community.

Payment Options

Below are the payment options that will be available in all our outlets:

- Cash
- Debit/Credit Card via Point of Sale (POS) machine
- Online bank transfers (online payment portal)
- Mobile money
- Check (accepted only from loyal customers)

Financial Projections – Executive Summary

Five Year Projection

	2021	2022	2023	2024	2025
Revenue	**$7,400,000**	**$8,880,000**	**$9,768,000**	**$10,744,800**	**$11,819,280**
COGS	**$4,070,000**	**$4,440,000**	**$4,884,000**	**$5,372,400**	**$5,909,640**
Gross Profit	**$3,330,000**	**$4,440,000**	**$4,884,000**	**$5,372,400**	**$5,909,640**

Payroll	592,000	710,400	781,440	859,584	945,542
Rent	50,000	50,000	50,000	50,000	50,000
Other SG&A	740,000	888,000	976,800	1,074,480	1,181,928
Total SG&A	**1,382,000**	**1,648,400**	**1,808,240**	**1,984,064**	**2,177,470**
HCA - Northampton	222,000	266,400	293,040	322,344	354,578

EBITDA	**$1,726,000**	**$2,525,200**	**$2,782,720**	**$3,065,992**	**$3,377,591**
	23.3%	28.4%	28.5%	28.5%	28.6%

Apical is a privately held business that is solely owned and financed by its investors.

Qualifications and Training Policy and Procedure

Retail Marijuana Establishment (Easthampton)

Apical, Inc. ("Apical") is planning to operate a Cultivation, and Product Manufacturing Marijuana Establishment in Chicopee and a Retail Marijuana Establishment in Easthampton. This policy and procedure summarizes our Qualifications and Training SOP for all of our facilities, including our retail facility in Easthampton. This plan is compliant with 935 CMR 500, 935 CMR 501 and 935 CMR 502 ("the Regulations").

Intent

Apical is committed to being compliant with all regulations outlined in 935 CMR 500.000 et. seq. ("the Regulations") and any other requirements or sub-regulatory guidance issued by the Massachusetts Cannabis Control Commission ("CNB") or any other regulatory agency.

To provide clear and concise instructions for Apical employees regarding the qualifications for employment and agent training that are in compliance with the Regulations.

Purpose

The purpose of this policy is to outline the responsibilities of the Company, the Company's management team and Agents to ensure specific, methodical, and consistent compliance of the Regulations and to ensure that we only hire qualified Marijuana Establishment Agents and that our training process and curriculum are in compliance with all regulations and laws.

Qualifications for an Apical Marijuana Establishment Agent

The minimum requirements to become a Apical Marijuana Establishment Agent ("Apical Agent") are outlined below. All Apical board members, directors, employees, executives, managers or volunteers will register with the Commission as an Apical Marijuana Establishment Agent. For clarity an employee means, any consultant or contractor who provides on-site services to a Marijuana Establishment related to the cultivation, harvesting, preparation, packaging, storage, testing, or dispensing of marijuana.

All Apical Agents must;

1. Be 21 years of age or older;
2. Not been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority; and
3. Be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 935 CMR 500.802.

Apical will develop a job description for all positions with the company. While all Apical Agents must meet the qualifications listed above, many of our positions will require additional qualifications depending on the required duties.

Required Training for Apical Agents

Pursuant to 935 CMR 500.105(2)(a) Apical will ensure all Apical Agents complete training prior to preforming job functions. Training will be tailored to the role and responsibilities of the job function.

1. As a CMOs, Apical will train all agents who are both an RMD agent and a marijuana establishment in both 935 CMR 500.105(2)(a) and (b), and 935 CMR 501.105(8): RMD Agent Training, including training regarding privacy and confidentiality requirements for patients. Agents responsible for tracking and entering product into the Seed-to-sale SOR must receive training in a form and manner determined by the Commission.
2. Our initial training begins during employee orientation where all new employees will be issued their employee handbook. Classroom or online training on this day will include, but not be limited to;
    a. Code of Conduct;
    b. Marijuana Regulations;
    c. Security and Safety;
    d. Emergency Procedures/Disaster Plan;
    e. Diversion of Marijuana;
    f. Terminatable Offences;
    g. Confidential Information;
    h. Employee Policies (all employee policies from the handbook will be covered) including but not limited to;
        i. Alcohol, smoke and drug-free workplace;
        ii. Equal Employment Policy;
        iii. Anti-Harassment and Sexual Harassment Policy;
        iv. Americans with Disability Act;
        v. Employee Assistance Policy; and
        vi. Diversity Plan
3. After the initial training is complete agents will be trained on job specific areas depending on their duties. This training can be done in a classroom setting, online or computerized or by means of on the job training ("OJT").
4. All Apical Agents will receive a minimum of 8 hours of training annually.

5. Apical will record, maintain and store documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters. These records will be stored in the Agents Personnel File. Training records will be retained by Apical for at least one year after agents' termination.
6. When implemented and available, Apical will require all of its Agents to attend and complete a Responsible Vendor Training Program to become designated as a "responsible vendor".
    a. After the responsible vendor designation is applied each Apical owner, manager, and employee involved in the handling and sale of marijuana for adult use will successfully complete the program once every year thereafter to maintain designation as a "responsible vendor."
    b. Although administrative employees who do not handle or sell marijuana are not required to take the responsible vendor program, Apical will allow and encourage them to attend on a voluntary basis.
    c. Apical will maintain records of responsible vendor training program compliance for four years and make them available to inspection by the Commission and any other applicable licensing authority upon request during normal business hours.

Maintaining Financial Records Policy and Procedure

Retail Marijuana Establishment (Easthampton)

Intent

Apical, Inc. ("Apical") is planning to operate a Cultivation, and Product Manufacturing Marijuana Establishment in Chicopee and a Retail Marijuana Establishment in Easthampton. Apical, Inc. is committed to being compliant with all regulations outlined in 935 CMR 500.000 and 935 CMR 502.000 et. seq. ("the Regulations") and any other requirements or sub-regulatory guidance issued by the Massachusetts Cannabis Control Commission ("CNB" or "the Commission") or any other regulatory agency.

To provide clear and concise instructions for Apical employees regarding the Maintenance of Financial Records that are in compliance with the Regulations.

Purpose

The purpose of this policy is to outline the responsibilities of the Company, the Company's management team and Agents to ensure specific, methodical, and consistent compliance of the Regulations and to ensure that our financial records are maintained in a compliant manner in compliance with all regulations and laws.

Policy

All Apical financial records will be kept and maintained according to generally accepted accounting principles. Our CFO is responsible for all accounting responsibilities and will engage the services of external Accountants and Tax Professionals to ensure proper accounting compliance. We will also hire or engage as a contractor a bookkeeper with experience in business accounting to assist in the maintaining of these records.

1. All Apical financial/business records will be available for inspection to the Commission upon request.
2. Apical will maintain all business records in manual and electronic (computerized) form. These records include, but are not limited to;
    a. Assets and liabilities;
    b. Monetary transactions;
    c. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
    d. Sales records including the quantity, form, and cost of marijuana products; and
    e. Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment, including members of the nonprofit corporation, if any.

In relation to the maintenance of financial records Apical will incorporate the following into our business operations;

1. Apical will engage the services of a professional payroll and human resources company to assist in Human resources management and payroll services for our employees
2. Apical has and will maintain a banking relationship with Century Bank to provide banking services for our company.
3. Apical will use up to date financial software programs for all financial transactions.
4. Apical does not plan to make cash transactions with other Marijuana Establishments. All transactions will be done through traditional banking transactions including checks, wire transfers or credit cards.
5. On an annual basis, Apical will engage the services of an independent certified public accountant who is preferably experienced in the legal marijuana industry, to conduct a financial audit of Apical's finances.
6. Apical will engage the services of an industry experienced tax professional for the filing of all required state and federal tax documents.
7. At the end of each business day a reconciliation audit will be done on each POS station by the Facility Manager or designee.
8. Comprehensive financial audits will be done at the end of every day by the CFO or designee. At the discretion of the CFO the frequency of these audits may be changed to weekly and then monthly
9. At a minimum, a comprehensive audit by the CFO or designee of all sales transactions will be completed every month.
10. For the first year of operation the CFO will conduct a comprehensive audit of all of the facility's financial records every 3 months and report their findings to the CEO and COO.

Access to the Commission

Apical electronic and hard copy (written) records will be available to the Commission upon request pursuant to 935 CMR 500.105(9). The records will be maintained in accordance with generally accepted accounting principles. All written records required in any section of 935 CMR 500.000 are subject to inspection.

Access to the Massachusetts Department of Revenue ("DOR")

Apical books, records, papers and other data will be made available upon request by the DOR. Accounting records and information in electronic format will be provided in a searchable electronic format if requested by the Commission of the DOR. Any additional reports and schedules relating to the preparation of tax returns will be maintained and made available upon request. Inventory system data as well as any additional purchase reports, schedules or documentation that reconcile to other books and

records, such as purchase journals or a general ledger, will also be maintained and made available upon request.

These records will be kept so long as their contents are material in the administration of Massachusetts tax laws. At a minimum, unless the DOR Commissioner consents in writing to an earlier destruction, the records will be preserved until the statute of limitations for making additional assessments for the period for which the return was due has expired. The DOR may require a longer retention period, such as when the records are the subject of an audit, court case, or other proceeding.

Additionally, Apical will comply with all records retention requirements outlined in the DOR Regulations including but limited to 830 CMR 62C.25.1: Record Retention.

Point of Sale (POS) Systems

Apical will utilize a POS system that complies with the requirements in G.L. c. 62C, § 25; 830 CMR 62C.25.1 (the Records Retention Regulation); and the Massachusetts Department of Revenue ("DOR") Directive 16-1 "*Recordkeeping Requirements for Sales and Use Tax Vendors Utilizing Point of Sale (POS) Systems".* The POS System will be approved by the Commission

1. Our POS system will record all transactions in a manner that will allow the DOR to verify what was sold and whether the appropriate amount of tax was collected. Along with the data in the POS system, Apical will maintain the following records:
    a. A journal or its equivalent, which records daily all non-cash transactions affecting accounts payable;
    b. A cash journal or its equivalent, which records daily all cash receipts and cash disbursements, including any check transactions;
    c. A sales slip, invoice, cash register tape, or other document evidencing the original transaction, which substantiates each entry in the journal or cash journal;
    d. Memorandum accounts, records or lists concerning inventories, fixed assets or prepaid items, except in cases where the accounting system clearly records such information; and
    e. A ledger to which totals from the journal, cash journal and other records have been periodically posted. The ledger must clearly classify the individual accounts receivable and payable and the capital account.
2. Each POS transaction record will provide enough detail to independently determine the taxability of each sale and the amount of tax due and collected. Information on each sales transaction will include, but is not limited to the:
    a. individual item(s) sold,
    b. selling price,
    c. tax due,
    d. invoice number,
    e. date of sale,
    f. method of payment, and

g. POS terminal number and POS transaction number.

3. Apical will maintain auditable internal controls to ensure the accuracy and completeness of the transactions recorded in the POS system. The audit trail details include, but are not limited to:
    a. Internal sequential transaction numbers;
    b. Records of all POS terminal activity; and
    c. Procedures to account for voids, cancellations, or other discrepancies in sequential numbering.
    d. The POS audit trail or logging functionality must be activated and operational at all times, and it must record:
    e. Any and all activity related to other operating modes available in the system, such as a training mode; and
    f. Any and all changes in the setup of the system.
4. Apical will comply with the provisions of 935 CMR 500.140(6): Recording Sales.
    a. Apical will only utilize a point-of-sale (POS) system approved by the Commission, in consultation with the DOR.
    b. Apical may utilize a sales recording module approved by the DOR.
    c. Apical will not utilize software or other methods to manipulate or alter sales data.
    d. Apical will conduct a monthly analysis of our equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate or alter sales data. Apical will maintain records that it has performed the monthly analysis and produce it upon request to the Commission. If Apical determines that software has been installed for the purpose of manipulation or alteration of sales data or other methods have been utilized to manipulate or alter sales data:
        i. We will immediately disclose the information to the Commission;
        ii. We will cooperate with the Commission in any investigation regarding manipulation or alteration of sales data; and
        iii. We will take such other action directed by the Commission to comply with 935 CMR 500.105.
    e. Apical will comply with 830 CMR 62C.25.1: Record Retention and DOR Directive 16-1 regarding recordkeeping requirements.
    f. Apical will adopt separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales.
    g. Apical will allow the Commission and the DOR may audit and examine our point-of-sale system in order to ensure compliance with Massachusetts tax laws and 935 CMR 500.000;
    h. As a Colocated Marijuana Operations ("CMO"), Apical will maintain and provide to the Commission on a biannual basis accurate sales data collected by the licensee during the six months immediately preceding this application for the purpose of ensuring an adequate supply of marijuana and marijuana products under 935 CMR 500.140(10): Patient Supply.

Virtual Separation

As a Colocated Marijuana Operations ("CMO"), Apical will implement procedures for virtual, i.e., electronic, separation of medical-use and adult-use marijuana, MIPs, and marijuana products subject to Commission approval. We will utilize plant or package tags in the Seed-to-sale SOR to fulfil this requirement.

Record Keeping Policy and Procedure Manual

Retail Marijuana Establishment (Easthampton)

Apical, Inc. ("Apical") is planning to operate a Cultivation, and Product Manufacturing Marijuana Establishment in Chicopee and a Retail Marijuana Establishment in Easthampton. This policy and procedure is compliant with 935 CMR 500.000, 935 CMR 501 and 935 CMR 502 ("the Regulations").

Intent

Apical is committed to being compliant with the regulations and any other requirements or sub-regulatory guidance issued by the Massachusetts Cannabis Control Commission ("CNB" or "the Commission"). To provide clear and concise instructions for Apical employees regarding Record Keeping that are in compliance with the Regulations.

Purpose

The purpose of this policy is to outline the responsibilities of the Company, the Company's management team and Agents to ensure specific, methodical, and consistent compliance of the Regulations and to ensure that our Record Keeping Procedures are compliant will all regulations and laws.

Access to the Commission

Apical's electronic and hard copy (written) records will be available to the Commission upon request pursuant to 935 CMR 500.105(9), 935 CMR 502.105(9) and 935 CMR 501.105(9). The records will be maintained in accordance with generally accepted accounting principles. All written records required in any section of the Regulations are subject to inspection.

Types of Records (Adult Use)

The following records will be maintained and stored by Apical and available to the Commission upon request:

1. Operating procedures as required by 935 CMR 500.105(1)
    a. Security measures in compliance with 935 CMR 500.110;
    b. Employee security policies, including personal safety and crime prevention techniques;
    c. A description of the Marijuana Establishment's hours of operation and after-hours contact information, which shall be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000.
    d. Storage of marijuana in compliance with 935 CMR 500.105(11);
    e. Description of the various strains of marijuana to be cultivated, processed or sold, as applicable, and the form(s) in which marijuana will be sold;
    f. Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.105(8) and (9);

g. Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;

h. A staffing plan and staffing records in compliance with 935 CMR 500.105(9);

i. Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;

j. Alcohol, smoke, and drug-free workplace policies;

k. A plan describing how confidential information will be maintained;

l. A policy for the immediate dismissal of any marijuana establishment agent who has:

    i. Diverted marijuana, which shall be reported to law enforcement officials and to the Commission;

    ii. Engaged in unsafe practices with regard to operation of the Marijuana Establishment, which shall be reported to the Commission; or

    iii. Been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.

m. A list of all board members and executives of a Marijuana Establishment, and members, if any, of the licensee must be made available upon request by any individual. 935 CMR This requirement may be fulfilled by placing this information on the Marijuana Establishment's website.

n. Policies and procedures for the handling of cash on Marijuana Establishment premises including but not limited to storage, collection frequency, and transport to financial institution(s).

o. Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.

p. Policies and procedures for energy efficiency and conservation that shall include:

    i. Identification of potential energy use reduction opportunities (including but not limited to natural lighting, heat recovery ventilation and energy efficiency measures), and a plan for implementation of such opportunities;

    ii. Consideration of opportunities for renewable energy generation, including, where applicable, submission of building plans showing where energy generators could be placed on the site, and an explanation of why the identified opportunities were not pursued, if applicable;

    iii. Strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and

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

2. Operating procedures as required by 935 CMR 500.130(5)
    a. Methods for identifying, recording, and reporting diversion, theft, or loss, and for correcting all errors and inaccuracies in inventories. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(8);
    b. Policies and procedures for handling voluntary and mandatory recalls of marijuana products. Such procedures shall be adequate to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by a Marijuana Establishment to remove defective or potentially defective marijuana products from the market, as well as any action undertaken to promote public health and safety;
    c. Policies and procedures for ensuring that any outdated, damaged, deteriorated, mislabeled, or contaminated marijuana products is segregated from other product and destroyed. Such procedures shall provide for written documentation of the disposition of the marijuana products. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(12);
    d. Policies and procedures for transportation. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(13);
    e. Policies and procedures to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts. The policies and procedures, at a minimum, must be in compliance with 935 CMR 500.105(15); and
    f. Policies and procedures for the transfer, acquisition, or sale of marijuana products
    g. between Marijuana Establishments.
3. Inventory records as required by 935 CMR 500.105(8); and
4. Seed-to-sale tracking records for all marijuana products are required by 935 CMR 500.105(8)(e).
5. Personnel records required by 935 CMR 500.105(9)(d), including but not limited to;
    a. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
    b. A personnel record for each marijuana establishment agent. Such records shall be

       maintained for at least 12 months after termination of the individual's affiliation with the Marijuana Establishment and shall include, at a minimum, the following:

        i. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
        ii. Documentation of verification of references;

iii. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision

iv. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;

v. Documentation of periodic performance evaluations;

vi. A record of any disciplinary action taken; and

vii. Notice of completed responsible vendor and eight-hour related duty training.

c. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;

d. Personnel policies and procedures; and

e. All background check reports obtained in accordance with 935 CMR 500.030

6. Business records, which shall include manual or computerized records of:

   a. Assets and liabilities;

   b. Monetary transactions;

   c. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;

   d. Sales records including the quantity, form, and cost of marijuana products; and

   e. Salary and wages paid to each employee, stipend paid to each board member, and an executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment, including members of the nonprofit corporation, if any.

7. Waste disposal records as required under 935 CMR 500.105(12); and

8. Following closure of a Marijuana Establishment, all records must be kept for at least two years at the expense of the Marijuana Establishment and in a form and location acceptable to the Commission.

9. Responsible vendor training program compliance records.

10. Vehicle registration, inspection and insurance records.

All records kept and maintained by Apical will be securely held. Access to these records will only be accessible to those Apical Agents who require access as a part of their job duties.

Types of Records (Medical Use)

Apical records will be available for inspection by the Commission upon request. Written records that are required and are subject to inspection include, but are not limited to, all records required in any section of 935 CMR 501.000, in addition to the following

1. Security measures in compliance with 935 CMR 501.110;
2. Employee security policies, including personal safety and crime prevention techniques;
3. A description of the RMD's:
    a. Hours of operation and after-hours contact information, which shall be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 501.100(6)(d); and
    b. Price list for marijuana, MIPs, and any other available products, and alternate price lists for patients with documented verified financial hardship as required by 935 CMR 501.100(1)(f);
4. Storage of marijuana in compliance with 935 CMR 501.105(4);
5. Description of the various strains of marijuana to be cultivated and dispensed, and the form(s) in which marijuana will be dispensed;
6. Procedures to ensure accurate recordkeeping, including inventory protocols and procedures for integrating a secondary electronic system with the Seed-to-sale SOR;
7. Plans for quality control, including product testing for contaminants in compliance with 935 CMR 501.105(3)(b);
8. A staffing plan and staffing records in compliance with 935 CMR 501.105(9)(d)3.;
9. Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
10. Alcohol, smoke, and drug-free workplace policies;
11. A plan describing how confidential information will be maintained in accordance with 935 CMR 501.200;
12. A description of the RMD's patient education activities in accordance with 935 CMR 501.105(11);
13. The standards and procedures by which the RMD determines the price it charges for marijuana, and a record of the prices charged, including the RMD's policies and procedures for the provision of marijuana to registered qualifying patients with verified financial hardship without charge or at less than the market price, as required by 935 CMR 501.100(1)(f);
14. Written policies and procedures for the production and distribution of marijuana, which shall include, but not be limited to:
    a. Methods for identifying, recording, and reporting diversion, theft, or loss, and for correcting all errors and inaccuracies in inventories;
    b. A procedure for handling voluntary and mandatory recalls of marijuana. Such procedure shall be adequate to deal with recalls due to any action initiated at the requestor order of the Commission, and any voluntary action by an RMD to remove defective or potentially defective marijuana from the market, as well as any action undertaken to promote public health and safety;

   c. A procedure for ensuring that any outdated, damaged, deteriorated, mislabeled, or contaminated marijuana is segregated from other marijuana and destroyed. This procedure shall provide for written documentation of the disposition of the marijuana;
   d. Policies and procedures for patient or personal caregiver home-delivery; and
   e. Policies and procedures for the transfer, acquisition, or sale of marijuana between RMDs, and if applicable, Marijuana Establishments and CMOs.
15. A policy for the immediate dismissal of any RMD agent who has:
   a. Diverted marijuana, which shall be reported to law enforcement officials and to the Commission; or
   b. Engaged in unsafe practices with regard to operation of the RMD, which shall be reported to the Commission; and 935 CMR: CANNABIS CONTROL COMMISSION
16. A list of all board members and executives of an RMD, and members, if any, of the entity, must be made available upon request by any individual. This requirement may be fulfilled by placing this information on the RMD's website.
17. Policy and procedure for the handling of cash on RMD premises including, but not limited to, storage, collection frequency, and transport to financial institution(s).
18. Operating procedures as required by 935 CMR 501.105(1);
19. Inventory records as required by 935 CMR 501.105(7);
20. Seed-to-sale tracking records for all marijuana and MIPs as required by 501.105(7)(e);
21. The following personnel records:
   a. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
   b. A personnel record for each RMD agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with the RMD and shall include, at a minimum, the following:
      i. All materials submitted to the Commission pursuant to 935 CMR 501.030(2);
      ii. Documentation of verification of references;
      iii. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
      iv. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
      v. A copy of the application that the RMD submitted to the Commission on behalf of any prospective RMD agent;
      vi. Documentation of periodic performance evaluations; and
      vii. A record of any disciplinary action taken.
   c. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
   d. Personnel policies and procedures; and
   e. All CORI reports obtained in accordance with M.G.L. c. 6, § 172, 935 CMR 501.030(3), and 803 CMR 2.00: Criminal Offender Record Information (CORI);

22. Business records, which shall include manual or computerized records of:
    a. Assets and liabilities;
    b. Monetary transactions;
    c. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
    d. Sales records that indicate the name of the registered qualifying patient or personal caregiver to whom marijuana has been dispensed, including the quantity, form, and cost; and salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with an RMD, including members of the nonprofit corporation, if any.
    e. Waste disposal records as required under 935 CMR 501.105(10)(b); and
    f. Following closure of an RMD, all records must be kept for at least two years at the expense of the RMD and in a form and location acceptable to the Commission.

Additional Records for Colocated Marijuana Operations (CMO)

Apical will maintain the following records as required in 935 CMR 502.000

1. A plan for maintaining records, including plans for separating financial records for adult-use products to ensure compliance with the applicable tax laws;
2. On a quarterly basis, Apical will submit to the Commission an inventory plan to reserve a sufficient quantity and variety of medical-use products for registered patients, based on reasonably anticipated patient needs as documented by sales records over the preceding six months.
    a. On each occasion that the supply of any product within the reserved patient supply is exhausted and a reasonable substitution cannot be made, Apical will submit a report to the Commission in a form determined by the Commission.
    b. Apical will perform audits of patient supply available on a weekly basis and retain these records for a period of six months.

Patient Records

A patient record will be established and maintained for each qualifying patient who obtains marijuana from the dispensary. All entries made to the qualifying patient record will be dated (date and time) and signed (electronically) by the authorized dispensary agent making the entry and will include the dispensary agent identification number. An entry within the patient record will be made to reflect each purchase, denial of sale, and educational materials provided. This data will also be analyzed to monitor the performance of the dispensary and improve the variety of services offered.

All systems accessed by dispensary agents will be password protected. A record will be kept of all logins and records created or edited during that login time. Any paper documents that require retention will be stored in a locked cabinet with access limited to the Dispensary Manger and Executive Management Team. Any hard-copy information not stored will be shredded and disposed of in a secure receptacle.

Incident Reporting

Apical will immediately notify appropriate law enforcement authorities and the Commission within 24 hours after discovering any loss or unauthorized alteration of records related to marijuana, registered qualifying patients, personal caregivers, or RMD agents.

Personnel Manual (Including Background Checks) Policy and Procedure Manual

Retail Marijuana Establishment (Easthampton)

Apical, Inc. ("Apical") is planning to operate a Cultivation, and Product Manufacturing Marijuana Establishment in Chicopee and a Retail Marijuana Establishment in Easthampton. This policy and procedure summarizes our Personnel Manual (Including Background Checks) for all of our Marijuana Establishments, including our retail facility in Easthampton. This plan is compliant with both 935 CMR 500, 935 CMR 501 and 935 CMR 502 ("the Regulations").

Intent

Apical is committed to being compliant with the Regulations and any other requirements or sub-regulatory guidance issued by the Massachusetts Cannabis Control Commission ("CNB" or "the Commission") or any other regulatory agency.

To provide clear and concise instructions for Apical employees regarding Personnel Policies that are in compliance with the Regulations.

Purpose

The purpose of this policy is to outline the responsibilities of the Company, the Company's management team and Agents to ensure specific, methodical, and consistent compliance of the Regulations and to ensure that our personnel policies are compliant will all regulations and laws.

Personnel Records

Apical will Maintain the following Personnel Records:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
2. A personnel record for each Apical Agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with Apical and shall include, at a minimum, the following:
    a. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
    b. Documentation of verification of references;
    c. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
    d. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;

e. Documentation of periodic performance evaluations;

f. A record of any disciplinary action taken; and

g. Notice of completed responsible vendor and eight-hour related duty training.

3. A staffing plan that will demonstrate accessible business hours and safe manufacturing & processing conditions;
4. Personnel policies and procedures; and
5. All background check reports obtained in accordance with 935 CMR 500.030.

These Personnel Records will be held electronically and in hard copy. The electronic records will be stored in a secure server with encryption software that protects against unauthorized access to the files. Access to the electronic records will only be allowed to Apical Management Agents who require access. as part of their job duties. Hard Copy (written records) will be stored in a secure, locked cabinet in a locked room accessible to only Apical Management Agents who require access. These records will be made available for inspection by the Commission upon request.

I. Apical Agents

All Apical board members, directors, employees, executives, managers and volunteers will register with the Commission as an Apical Marijuana Establishment Agent ("Apical Agent"). For clarity an employee means, any consultant or contractor who provides on-site services to a Marijuana Establishment related to the cultivation, harvesting, preparation, packaging, storage, testing, or dispensing of marijuana.

All Apical Agents will be registered agents for Adult-Use pursuant to 935 CMR 500:000 and Medical-Use Pursuant to 935 CMR 501.000

All Apical Agents shall;

1. Be 21 years of age or older;
2. Not been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority; and
3. Be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 500.802.

Apical will submit to the Commission an application for every Apical Agent, this application will include;

1. The full name, date of birth, and address of the individual;
2. All aliases used previously or currently in use by the individual, including maiden name, if any;
3. A copy of the applicant's driver's license, government-issued identification card, liquor purchase identification card issued pursuant to M.G.L. c. 138, § 34B, or other verifiable identity document acceptable to the Commission;
4. An attestation that the individual will not engage in the diversion of marijuana products;

5. Written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport, and dispense marijuana in the Commonwealth;
6. Background information, including, as applicable:
    a. A description and the relevant dates of any criminal action under the laws of the Commonwealth, or another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, whether for a felony or misdemeanor and which resulted in conviction, or guilty plea, or plea of nolo contendere, or admission of sufficient facts;
    b. A description and the relevant dates of any civil or administrative action under the laws of the Commonwealth, another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority relating to any professional or occupational or fraudulent practices;
    c. A description and relevant dates of any past or pending denial, suspension, or revocation of a license or registration, or the denial of a renewal of a license or registration, for any type of business or profession, by any federal, state, or local government, or any foreign jurisdiction;
    d. A description and relevant dates of any past discipline by, or a pending disciplinary action or unresolved complaint by, the Commonwealth, or a like action or complaint by another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority with regard to any professional license or registration held by the applicant; and
7. A nonrefundable application fee paid by the Marijuana Establishment with which the marijuana establishment agent will be associated; and
8. Any other information required by the Commission.

The Apical CEO is registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration and will submit to the Commission a Criminal Offender Record Information (CORI) report and any other background check information required by the Commission for each individual for whom Apical seeks a marijuana establishment agent registration, obtained within 30 days prior to submission.

Apical will notify the Commission no more than one business day after an Apical Agent ceases to be associated with the establishment. The registration shall be immediately void when the agent is no longer associated with the establishment.

The Agent registration card(s) is valid for one year from the date of issue, Apical will renew each Apical Agent Registration Card(s) on an annual basis upon a determination by the Commission that the applicant for renewal continues to be suitable for registration.

After obtaining a registration card(s) for an Apical Agent registration card(s), Apical will notify the Commission, in a form and manner determined by the Commission, as soon as possible, but in any event, within five business days of any changes to the information that the establishment was previously required to submit to the Commission or after discovery that a registration card(s) has been lost or stolen.

All Apical Agents will carry the registration card(s) at all times while in possession of marijuana products, including at all times while at the establishment or while transporting marijuana products.

Background Checks

Apical will comply with all Background Check requirements in the regulations and any other sub-regulatory guidance issued by the Commission.

Application Process- During the application process Apical will complete the Background Check Packet as outlined in 935 CMR 500.101(1)(b) which includes;

1. The list of individuals and entities in 935 CMR 500.101(1)(a)1. (all executives, managers, persons or entities having direct or indirect authority over the management, policies, security operations or cultivation operations of the Marijuana Establishment; close associates and members of the applicant, if any; and a list of all persons or entities contributing 10% or more of the initial capital to operate the Marijuana Establishment including capital that is in the form of land or buildings);
2. Information for each individual identified in 935 CMR 500.101(1)(a)1., which shall include:
    a. The individual's full legal name and any aliases;
    b. The individual's address;
    c. The individual's date of birth;
    d. A photocopy of the individual's driver's license or other government-issued identification card;
    e. A CORI Acknowledgment Form, pursuant to 803 CMR 2.09: Requirements for Requestors to Request CORI, provided by the Commission, signed by the individual and notarized;
    f. Authorization to obtain a full set of fingerprints, in accordance with M.G.L. c. 94G, § 21, submitted in a form and manner as determined by the Commission;
3. Relevant Background Check Information. Applicants for licensure will also be required to information detailing involvement in any criminal or civil or administrative matters:
    a. A description and the relevant dates of any criminal action under the laws of the Commonwealth, or another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, whether for a felony or misdemeanor including, but not limited to, action against any health care facility or facility for providing marijuana for medical or recreational purposes, in which those individuals either owned shares of stock or served as board member, executive, officer, director or member, and which resulted in conviction, or guilty plea, or plea of nolo contendere, or admission of sufficient facts;

b. A description and the relevant dates of any civil action under the laws of the Commonwealth, another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, including, but not limited to a complaint relating to any professional or occupational or fraudulent practices;

c. A description and relevant dates of any past or pending legal or enforcement actions in any other state against any board member, executive, officer, director or member, or against any entity owned or controlled in whole or in part by them, related to the cultivation, processing, distribution, or sale of marijuana for medical or recreational purposes;

d. A description and the relevant dates of any administrative action, including any complaint, order or disciplinary action, by the Commonwealth, or like action by another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, including, but not limited to any complaint or issuance of an order relating to the denial, suspension, or revocation of a license, registration, or certification;

e. A description and relevant dates of any administrative action, including any complaint, order or disciplinary action, by the Commonwealth, or a like action by another state, the United States or foreign jurisdiction, or a military, territorial, Native American tribal authority or foreign jurisdiction, with regard to any professional license, registration, or certification, held by any board member, executive, officer, director, or member that is part of the applicant's application, if any;

f. A description and relevant dates of actions against a license to prescribe or distribute controlled substances or legend drugs held by any board member, executive, officer, director or member that is part of the applicant's application, if any; and

g. Any other information required by the Commission.

Apical will not present any individual in our application whose background check will result in a Mandatory Disqualification or Presumptive Negative Suitability Determination as outlined in Table A of 935 CMR 500.801.

Background Checks Post Application Process- For all Marijuana Establishment Agent Registrations not included in the application process Apical will submit Marijuana Establishment Agent applications and any required documentation to the Commission for all required individuals. Apical will perform is own due diligence and background checks, which will include an iCORI check, in the hiring of employees and contractors and will not knowingly submit an employee or contractors' application if the background check would result in a Mandatory Disqualification or Presumptive Negative Suitability Determination as outlined in Table B, C and D of 935 CMR 500.802.

Equal Employment Policy

It is the policy of Apical to provide equal employment opportunities to all employees and employment applicants without regard to unlawful considerations of race, religion, creed, color, national origin, sex, pregnancy, sexual orientation, gender identity, age, ancestry, physical or mental disability, genetic information, marital status or any other classification protected by applicable local, state or federal laws. This policy prohibits unlawful discrimination based on the perception that anyone has any of those characteristics or is associated with a person who has or is perceived as having any of those characteristics. This policy applies to all aspects of employment, including, but not limited to, hiring, job assignment, working conditions, compensation, promotion, benefits, scheduling, training, discipline and termination.

Apical expects all employees to support our equal employment opportunity policy, and to take all steps necessary to maintain a workplace free from unlawful discrimination and harassment and to accommodate others in line with this policy to the fullest extent required by law. For example, Apical will make reasonable accommodations for employees' observance of religious holidays and practices unless the accommodation would cause an undue hardship on Apical operations. If you desire a religious accommodation, you are required to make the request in writing to your manager as far in advance as possible. You are expected to strive to find co-workers who can assist in the accommodation (e.g. trade shifts) and cooperate with Apical in seeking and evaluating alternatives.

Moreover, in compliance with the Americans with Disabilities Act (ADA), Apical provides reasonable accommodations to qualified individuals with disabilities to the fullest extent required by law. Apical may require medical certification of both the disability and the need for accommodation. Keep in mind that Apical can only seek to accommodate the known physical or mental limitations of an otherwise qualified individual. Therefore, it is your responsibility to come forward if you are in need of an accommodation. Apical will engage in an interactive process with the employee to identify possible accommodations, if any will help the applicant or employee perform the job.

Anti-Harassment and Sexual Harassment Policy

Apical seeks to promote a workplace that is free from discrimination and harassment, whether based on race, color, gender, age, religion, creed, national origin, ancestry, sexual orientation, marital status or disability. Inappropriate interference with the ability of Apical ’s employees to perform their expected job duties is not tolerated.

It is illegal and against Apical policy for any employee, male or female, to harass another employee. Examples of such harassment include making sexual advances or favors or other verbal or physical conduct of a sexual nature a condition of any employee’s employment; using an employee’s submission to or rejection of such conduct as the basis for, or as a factor in, any employment decision affecting the individual; or otherwise creating an intimidating, hostile, or offensive working environment by such conduct.

The creation of an intimidating, hostile, or offensive working environment may include but is not limited to such actions as persistent comments on an employee's sexual preferences, the display of obscene or sexually oriented photographs or drawings, or the telling of sexual jokes. Conduct or actions that arise out of a personal or social relationship and that are not intended to have a discriminatory employment effect may not be viewed as harassment. Apical will determine whether such conduct constitutes sexual harassment, based on a review of the facts and circumstances of each situation.

Apical will not condone any sexual harassment of its employees. All employees, including supervisors and managers, will be subject to severe discipline, up to and including discharge, for any act of sexual harassment they commit.

Apical will not condone sexual harassment of its employees by non-employees, and instances of such harassment should be reported as indicated below for harassment by employees.

If you feel victimized by sexual harassment you should report the harassment to your manager immediately. If your immediate manager is the source of the alleged harassment, you should report the problem to the Human Resources Department.

Managers who receive a sexual harassment complaint should carefully investigate the matter, questioning all employees who may have knowledge of either the incident in question or similar problems. The complaint, the investigative steps and findings, and disciplinary actions (if any) should be documented as thoroughly as possible.

Any employee who makes a complaint, or who cooperates in any way in the investigation of same, will not be subjected to any retaliation or discipline of any kind.

In addition to the above, if you believe you have been subjected to sexual harassment, you may file a formal complaint with either or both of the government agencies set forth below. Using our complaint process does not prohibit you from filing a complaint with these agencies. Each of the agencies has a short time period for filing a claim (EEOC - 300 days; MCAD - 300 days).

The United States Equal Employment Opportunity Commission ("EEOC") One Congress Street, 10th Floor Boston, MA 02114, (617) 565-3200.

The Massachusetts Commission Against Discrimination ("MCAD") One Ashburton Place, Rm. 601, Boston, MA 02108, (617) 994-6000.

Americans with Disability Act

Apical strongly supports the policies of the Americans with Disabilities Act and is completely committed to treating all applicants and employees with disabilities in accordance with the requirements of that act. Apical judge's individuals by their abilities, not their disabilities, and seeks to give full and equal employment opportunities to all persons capable of performing successfully in the company's positions. Apical will provide reasonable accommodations to any persons with disabilities who require them, who advise Apical of their particular needs. Information concerning individuals' disabilities and their need for accommodation will of course be handled with the utmost discretion.

Drug/Alcohol Free Workplace

Apical is committed to providing its employees with a safe and productive work environment. In keeping with this commitment, it maintains a strict policy against the use of alcohol and the unlawful use of drugs in the workplace. Consequently, no employee may consume or possess alcohol, or use, possess, sell, purchase or transfer illegal drugs at any time while on Apical premises or while using Apical vehicles or equipment, or at any location during work time. No employee may report to work with illegal drugs (or their metabolites) or alcohol in his or her bodily system. The only exception to this rule is that employees may engage in moderate consumption of alcohol that may be served and/or consumed as part of an authorized Company social or business event. "Illegal drug" means any drug that is not legally obtainable or that is legally obtainable but has not been legally obtained. It includes prescription drugs not being used for prescribed purposes or by the person to whom it is prescribed or in prescribed amounts. It also includes any substance a person holds out to another as an illegal drug.

Any violation of this policy will result in disciplinary action, up to and including termination.

Any employee who feels he or she has developed an addiction to, dependence upon, or problem with alcohol or drugs, legal or illegal, is strongly encouraged to seek assistance before a violation of this policy occurs. Any employee who requests time off to participate in a rehabilitation program will be reasonably accommodated. However, employees may not avoid disciplinary action, up to and including termination, by entering a rehabilitation program after a violation of this policy is suspected or discovered.

Smoke Free Workplace

Smoking is prohibited throughout the workplace. This policy applies equally to all employees, clients, partners, and visitors.

Employee Assistance Policy

To help employees in circumstances where counseling services would be helpful, Apical will make an Employee Assistance Program (EAP) counseling service available to employees, when needed, at no personal cost.

Employee Diversion of Marijuana

If an Apical Agent is found to have diverted marijuana, that agent will immediately be dismissed and have their Marijuana Establishment Registration Card(s) confiscated. Apical will immediately be notified. The Chief Security Officer will make a detailed report of the event and report it to local law enforcement and the Commission within 24 hours.

Employee Handbook

Apical will provide a comprehensive employee handbook to all employees that will outline all the information pertinent to their employment with Apical. These subjects will include, but not me limited to;

1. Apical's Mission and Vision
2. Organizational Structure
3. General Employment Policies
4. Employee Categories
5. Conflicts of Interest
6. Access to Personnel Files
7. Performance Evaluations
8. Confidentiality
9. Hours of Work
10. Compensation
11. Benefits
12. Code of Conduct
13. Discipline
14. Training

Quality Control and Testing of Marijuana Products

Policy and Procedure Manual

Retail Marijuana Establishment (Easthampton)

Apical, Inc. ("Apical") is planning to operate a Cultivation, and Product Manufacturing Marijuana Establishment in Chicopee and a Retail Marijuana Establishment in Easthampton. This policy and procedure is compliant with 935 CMR 500, 935 CMR 501 and 935 CMR 502 ("the Regulations").

Intent

To provide clear and concise instructions for Apical employees who will be involved with product sampling or testing that are in compliance with The Regulations set forth by the State of Massachusetts.

Superb quality control and the testing of marijuana products are essential for the operation of all Apical marijuana establishments. Apical uses best industry practices when it comes to quality control and product testing, furthermore Apical will not produce any marijuana product that is a potentially hazardous food (PHF) or time/temperature control for safety food (TCS food).

General Requirements

Quality Control- Quality Control will be maintained through the strict adherence to Good Manufacturing Practices and compliance with the Regulations, 105 CMR 590.000: *Minimum Sanitation Standards for Food Establishments,* the sanitation requirement in 105 CMR 500.000: *Good Manufacturing Practices for Food*, and with the requirements for food handlers specified in 105 CMR 300.000*: Reportable Diseases, Surveillance, and Isolation and Quarantine.*

Apical will test all of our marijuana products in accordance with the Regulations. All untested final marijuana products will be segregated from tested product that will be used for retail sales or whole product that will be sold to other Marijuana Establishments.

All non-marijuana ingredients will be obtained from sources and/or companies that are in full compliance with all state and federal regulations.

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

Any testing results indicating noncompliance with M.G.L. c.132B and the regulations at 333 CMR 2.00 through 333 CMR 14.00 will be immediately reported to the Commission, who may refer any such result to the Massachusetts Department of Agricultural Resources.

Apical will not prepare, sell or otherwise transfer an edible marijuana product with potency levels exceeding the following, as tested by an independent marijuana testing facility licensed in accordance with M.G.L. c. 94G, § 15:

1. For a single serving of an edible marijuana product, five milligrams of active tetrahydrocannabinol (THC); and
2. In a single package of multiple edible marijuana product to be eaten, swallowed, or otherwise ingested, not more than 20 servings or 100 milligrams of active THC.
3. The THC content must be homogenous, or evenly distributed throughout the edible marijuana product.

Apical will satisfy minimum energy efficiency and equipment standards established by the Commission and meet all applicable environmental laws, regulations, permits and other applicable approvals, including those related to water quality and solid waste disposal, and to use additional best management practices as determined by the Commission in consultation with the working group established under St. 2017, c. 55, § 78(b) to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts.

As the standards or best management practices are not established at this time, Apical will satisfy such standards or best management practices as a condition of license renewal, in addition to any the terms and conditions of any environmental permit regulating the licensed activity.

Prior to being transferred to the Point of Sales secure storage, all marijuana and marijuana products will be inspected for signs of contamination, expiration date and damage. Any products found to have signs of contamination, are expired or if the product or packaging is damaged will be considered waste products and returned to the Apical cultivation facility for destruction and disposal.

Testing of Marijuana Products- Apical will test all marijuana products, environmental media and cultivation water as required by the Regulations. Our policy and procedure for sampling and testing are compliant with 935 CMR 500.000 and 105 CMR 725.000 and more specifically with the testing requirements outlined in 935 CMR 725.160, 105 CMR 725.105(C) and the "*Protocol for sampling and analysis of finished medical marijuana products and marijuana-infused products for Massachusetts Registered Medical Marijuana Dispensaries"* and *"Protocol for sampling and analysis of environmental media for Massachusetts Registered Medical Marijuana Dispensaries."*

Apical will not sell or otherwise market for adult use any marijuana product that is not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. Testing of marijuana products shall be performed by an Independent Testing Laboratory in compliance with the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products*, as amended in November 2016, published by the DPH. *Testing of environmental media (e.g., soils, solid growing media, and water) shall be performed in compliance with the Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the DPH.

Marijuana or marijuana products may be sold to adult-use consumers if it has been tested by an Independent Testing Laboratory that is licensed at the time of sale to test adult use marijuana in compliance with M.G.L. c. 94G, and 935 CMR 500.000: Adult Use of Marijuana.

At the point of initial production, all Apical marijuana or MIPs that are tracked for medical use in the Seed to-sale SOR must comply with 935 CMR 501.105(3): Requirements for Handling and Testing Marijuana and for Production of MIPs.

Apical will not sell any marijuana, MIPs, or marijuana products that have not already been tested by an Independent Testing Laboratory, in compliance with the testing protocols established by 935 CMR 500.160: Testing of Marijuana and Marijuana Products or 935 CMR 501.105(3): Requirements for Handling and Testing Marijuana and for Production of MIPs.

1. Medical-use marijuana or MIPs may be sold to Qualifying Patients or caregivers if it has been tested by an Independent Testing Laboratory registered at the time of sale to test medical use marijuana in compliance with M.G.L. c. 94I, and 935 CMR 501.000: Medical Use of Marijuana.
2. Marijuana or marijuana products may be sold to consumers if it has been tested by an Independent Testing Laboratory that is licensed at the time of sale to test adult use marijuana in compliance with 935 CMR 500.000: Adult Use of Marijuana.

The testing of all marijuana, or MIPs marijuana products will be tracked in the Seed-to-sale SOR.

No marijuana or marijuana products will be transferred to or accepted by any Apical Retail Marijuana Establishment ("RME") unless it has passed all required laboratory testing and the testing results are on file with the RME has the testing on file and in the case of adult use marijuana, the results are tracked in the Seed-to-sale SOR.

Laboratory Testing

Apical has retained a Licensed Independent Testing Laboratory to test all marijuana batches and final marijuana products prior to packaging to ensure contaminant-free purity and correct dosage and potency. This lab, CDX Analytics is Accredited to International Organization for Standardization (ISO) 17025 by Perry Johnson Laboratory Accreditation, Inc. (PJLA), 755 W. Big Beaver, Suite 1325 Troy, Michigan 48084, a third-party accrediting body that is a signatory to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement and is licensed by the Commission.

Required testing includes:

1. Cannabinoid Profile
2. Contaminants as specified by the Department including, but not limited to:
    a. Mold
    b. Mildew
    c. Heavy metals
    d. Plant-Growth Regulators and Pesticides

e. Bacteria

f. Fungi

g. Mycotoxins.

Apical has also retained an independent environmental lab that tests our environmental media and water. This policy and procedure requires that:

1. Apical maintains these results of all testing for no less than one year.
2. All Marijuana products will be transported to and from the lab, by the lab in accordance with the Apical Transportation SOP and the Regulations, specifically 935 CMR 500.105(13).
3. Apical will ensure that the storage of all marijuana products at the laboratory complies with 935 CMR 500.105(11).
4. Apical will arrange for testing to be conducted in accordance with the frequency required by the Regulations and sub-regulatory guidance.
5. Any and all excess marijuana product samples used in testing will be disposed of in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to our facility for disposal or by the Independent Testing Laboratory disposing of it directly

Policy for Responding to Laboratory Results that Indicate Contaminant Levels are Above Acceptable Limits

If a laboratory test result indicates that an Apical marijuana product sample has contaminant levels above the acceptable limits established in the DPH protocols identified in 935 CMR 500.160(1) Apical will:

1. Immediately segregate the production batch and evaluate next steps.
    a. Using the flowchart below *(Actions in Response to Laboratory Analytical Results),* the CEO or designee will determine whether to:
        i. Retest the Production Batch
        ii. Remediate the Production Batch
        iii. Dispose of Production Batch
2. If the test result indicates has a contaminant level for Pesticides that are above the acceptable limits the Production Batch will be immediately disposed of.
3. If it is determined that the Production Batch cannot be remediated, it will be disposed of.
4. In the case of disposal under 1 and 2 above the Apical CEO will:
    a. Notify the Commission within 72 hours of the laboratory testing results indicating that the contamination cannot be remediated.

b. The notification to the Commission will describe the proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.

5. In the case of any test result that indicates that an Apical marijuana product sample has contaminant levels above the acceptable limits, the CEO and COO will conduct an assessment of the source of the contamination.

    a. This extensive assessment will include investigating all possible sources of contamination including source products and ingredients, environmental conditions and employee factors.

    b. The assessment should include a corrective action plan and be shared as a training tool with all production and processing agents.

Quality Control- Sanitation Standard Operating Procedure (SSOP)

Facility

The Apical co-located Cultivation, Product Manufacturing and Retail facility ("the facility") is designed and constructed with safe food handling and sanitation in mind. All equipment in the facility will comply with the design and construction standards of appropriate nationally recognized standards and/or code requirements and bear the certification mark of an ANSI accredited organization (e.g. NSF, UL, ETL).

1. All product or food contact surfaces will be smooth, durable and easily cleanable.
2. The walls, ceiling and floors of all cultivation, processing, production and storage areas will be constructed of materials that are smooth, durable and can be adequately kept clean and in good repair.

    a. There is coving at base junctures that is compatible with both wall and floor coverings. The coving has a 1/4-inch radius and is at least 4" in height.

3. The facility provides sufficient space for the placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations and the production of safe marijuana products.
4. Floor drains and floors are effectively sloped and designed prevent pooling water. Drains have proper grating to prevent blockage and stopping of drains.
5. Overhead fixtures, ducts and pipes are designed as to prevent drips or condensate from potential contamination of infused or marijuana products, infused or marijuana products-contact surfaces or infused or marijuana products-packaging materials. Piping and conduit are at least 25 mm (2.5 cm) from the walls and ceilings.
6. Aisles or working spaces are provided between equipment and walls and are adequately unobstructed and of adequate width to permit employees to perform their duties and to protect against contaminating marijuana products with clothing or personal contact.

7. Lighting and Light Fittings - Shatter-proof or safety-type light bulbs, fixtures, or other glass is used where lighting is suspended over production, processing or storage areas or otherwise protect against marijuana product contamination in case of glass breakage.
    a. Suspended lighting is constructed from non- corrodible and cleanable assemblies.
    b. Adequate lighting is installed in hand-washing areas, dressing and locker rooms, and toilet rooms and in all areas where infused or marijuana products is examined, processed, or stored and where equipment or utensils are cleaned.
    c. All light bulbs used in the production, processing and storage areas are shatterproof and/or protected with plastic covers.
    d. Adequate safety lighting in all production, processing and storage areas, as well as areas where equipment or utensils are cleaned
8. Buildings, fixtures, and other physical facilities are constructed in such a manner that allow them to be maintained in a sanitary condition
9. Ventilation - Adequate ventilation or control equipment to minimize odors and vapors (including steam and noxious fumes) is installed in areas where they may contaminate marijuana products.
    a. Fans and other air-blowing equipment is operated in a manner that minimizes the potential for contaminating infused or marijuana products, infused or marijuana products-packaging materials, and infused or marijuana products-contact surfaces.
10. Hand-washing facilities are adequate and convenient and are furnished with running water at a suitable temperature.
    a. Located in all production and processing areas and where good sanitary practices require employees to wash and sanitize their hands
    b. Provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices
11. The facility water supply comes from an onsite well and is sufficient for necessary operations.
    a. Testing has been completed showing sufficient flow and pressure and has been tested in accordance with the Regulations
12. The facilities plumbing is of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the facility.
    a. Plumbing properly conveys sewage and liquid disposable waste from the facility.
    b. There is no cross-connections between the potable and wastewater lines;
13. The facility provided its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair.

14. All storage areas are constructed in a manner that will protect its contents against physical, chemical, and microbial contamination as well as against deterioration of marijuana products or their containers.

Contamination Control

1. All entrance and exit doors to the facility are self-closing and rodent proof;
    a. Our mantrap doors help prevent insects and microbial contaminants from entering the building when doors are in use;
    b. Insect screening, HEPA, and carbon filters will prevent pest and microbial contaminants from entering through vents and exhaust from the outside; and
    c. Foot baths and sticky mats are strategically placed throughout the facility to collect pest and contaminants from footwear
2. Employee and visitor gowning
    a. Employees are required to change out of their street clothes and footwear into uniforms and footwear dedicated to the facility; and
    b. Visitors are required to secure personal belongings and don jumpsuits and disposable boot covers
3. Training
    a. All cultivation and product manufacturing employees are trained on pest prevention, pest management, pest detection, and pest treatments.
4. Traps for monitoring
    a. Small sticky traps for monitoring of flying or airborne pest are posted, mapped and levels of any pest monitored/documented.
5. Handling and storage of marijuana product or marijuana plant waste
    a. All marijuana plant waste will be placed in the “Marijuana Waste” container located in each cultivation and product manufacturing area.
        i. This container is impervious and covered
    b. At the end of every day the “Marijuana Waste” container must be emptied, and the contents transferred to the Marijuana Waste Room
    c. All plant waste will be stored in the waste room in sealed containers until disposal
6. Handling and storage of non-marijuana waste.
    a. All non-marijuana waste will be placed into the appropriate impervious covered waste receptacles
        i. Recyclable

ii. Organic

iii. Solid waste

b. At the end of every day these containers will be emptied, and the contents removed from the building and placed in the appropriate containers to await pickup

7. All toxic materials including cleaning compounds, pesticides, sanitizers, etc. are stored in an area away from production, processing and storage areas.

Sanitation

All marijuana products will be prepared, handled, and stored in compliance with;

- The sanitation requirements in 105 CMR 500.000: *Good Manufacturing Practices for Food;*
- The sanitation requirements in 105 CMR 590.000: *Minimum Sanitation Standards for Food Establishments;* and
- The requirements for food handlers specified in 105 CMR 300.000*: Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*

1. Storage- Separate dry and refrigerated storage facilities shall be utilized for raw ingredients and finished marijuana products.
2. Hand Washing- The facility will have a separate handwashing sink; hand drying device, or disposable towels; supply of hand cleaning agent; and waste receptacle for each processing, production, utensil washing area, and toilet room.
    a. Sinks used for food/product preparation or for washing equipment or utensils will not be used for handwashing.
    b. Each handwashing sink provides hot and cold water tempered by means of a mixing valve or a combination faucet to provide water at a temperature of at least 110 degrees Fahrenheit.
    c. Handwashing sinks are of sufficient number and conveniently located for use by all employees in the production, processing and utensil washing areas. Handwashing sinks will be easily accessible and may not be used for purposes other than hand washing
3. Toilet Room- A toilet room is available for use by all workers. Ventilation is provided by mechanical means. A soap dispenser and disposable towels are provided for hand washing in toilet rooms.
4. Manual Cleaning and Sanitizing- For manual cleaning and sanitizing of equipment and utensils, a stainless steel three-compartment sink will be used.
    a. The sink compartments shall be large enough to hold the largest pot, pan or piece of equipment.
    b. Each compartment will be supplied with adequate hot and cold potable running water

c. Integral drainboards of adequate size shall be provided on both sides of the sink for cleaned and soiled utensils

d. A floor drain will be located in the immediate vicinity of the sink in areas where wet pots, utensils and equipment are air-drying.

e. Stainless Steel racks, shelves or dish tables are to be provided adjacent to the ware wash sink.

f. An approved chemical test kit for determining sanitizer strength will be available and used.

g. Manual Ware washing Procedure

    i. Rinse, scrape, or soak all items before washing.

    ii. Record the date, sanitizer water temperature or test strip results, and initial record on Manual Ware washing Monitoring Form

    iii. Wash items in the first sink in a detergent solution. Water temperature should be at least 110°F. Use a brush, cloth, or scrubber to loosen remaining soil. Replace detergent solution when suds are gone, or water is dirty.

    iv. Immerse or spray-rinse items in second sink. Water temperature should be at least 110°F. Remove all traces of food and detergent. If using immersion method, replace water when it becomes cloudy, dirty, or sudsy.

    v. Immerse items in third sink filled with hot water or a chemical-sanitizing solution.

        1. If hot water immersion is used, the water temperature must be at least 180°F. Items must be immersed for 30 seconds. Proper personal protective equipment should be worn.

        2. If chemical sanitizing is used, the sanitizer must be mixed at the proper concentration. (Check at regular intervals with a test kit.) Water must be correct temperature for the sanitizer used.

            a. The strength of the sanitizer must be measured in accordance with manufacturer's instructions.

    vi. To avoid recontamination of clean and sanitary items:

        1. Air dry all items on a drainboard.

        2. Wash hands prior to returning to storage.

Ware washing Sink Setup

WASH	RINSE	SANITIZE
110°F	110°F	180°F or
Soapy Water	Clear Water	Chemical Sanitizer

Chemical Solution	Concentration Level	Minimum Temperature	Minimum Immersion Time
Chlorine Solution	25mg/l minimum	120°F	10 seconds
	50mg/l minimum	100°F	10 seconds
	100mg/l minimum	55°F	10 seconds
Iodine Solution	12.5-25.0mg/l	75°F	30 seconds
Quaternary Ammonium Solution	200 ppm maximum	75°F	30 seconds

h. Equipment Cleaning and Sanitizing Procedure

   i. Disassemble removable parts from equipment

   ii. Use the three-sink method to wash, rinse, and sanitize all parts. Verify sanitizer concentration for each meal period and as necessary per policy.

      1. Quaternary ammonia –200 ppm and immerse for 30 seconds
      2. Iodine –12.5-25.0 ppm and immerse for 30 seconds
      3. Chlorine –50-99 ppm and immerse for 7 seconds

   iii. Wash, rinse, and sanitize all food contact surfaces of the equipment that are stationary.

   iv. Allow all parts of the equipment to air dry.

   v. After being rinsed and sanitized, equipment and utensils should not be rinsed before air-drying, unless the rinse is applied directly from a ware washing Machine or the sanitizing solution calls for rinsing off the sanitizer after it has been applied in a commercial ware washing Machine.

   vi. Reassemble the equipment.

i. Food/Product Preparation Surfaces- These surfaces will be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions.

    i. Pre-scrape surface to remove gross soils.

    ii. Wash surface with recommended strength solution of pot & pan detergent.

    iii. Rinse with water and wipe dry.

    iv. Using trigger sprayer bottle and a different wiping cloth, apply sanitizing solution of sanitizer.

        1. Per label directions, use appropriate test papers to determine correct concentration of the sanitizer solution. Surfaces must remain wet for 60 seconds

    v. Allow to air dry.

5. Mechanical Cleaning and Sanitizing- For mechanical cleaning and sanitizing of equipment and utensils, a commercial dishwasher using a sanitizing agent will be used.

    a. The dishwasher must effectively remove physical soil from all surfaces of dishes, equipment, and utensils.

    b. The dishwasher will be installed and operated according to the manufacturer's instructions

    c. There will be sufficient area or facilities such as portable dish tubs and drain boards for the proper handling of soiled utensils prior to washing and of cleaned utensils after sanitization, so as not to interfere with safe food handling, hand washing, and the proper use of ware washing facilities. Equipment, utensils, and tableware shall be heat-dried or air-dried.

    d. Mechanical Ware washing Procedure

        i. Fill dish Machine tanks prior to use, using the automatic filler.

        ii. Run dish Machine after being filled, but prior to being used, until it reaches 110°F

        iii. Check that soap and chemical sanitizer dispensers have enough products for the day's use.

        iv. Scrape and rinse all items before placing them in the Machine.

        v. Load the dishwasher racks. Avoid overloading or improper loading.

        vi. Place rack in Machine and close door. Check that the wash cycle is maintaining at least 120°F and runs for a minimum of 2 minutes.

vii. Record the temperatures for the wash and rinse cycles and the water pressure on the Chemical Dish Machine Monitoring Form

viii. Temperatures and pressure should be at least:

1. Wash -120°F and runs for a minimum of 2 minutes
2. Rinse -75-120°F
3. Minimum water pressure for final rinse should be at 15-25 psi

ix. Check sanitizer concentration using appropriate test strips.

x. Record the date, temperatures, water pressure, and sanitizer concentration and initial the entry on the Chemical Dish Machine Monitoring Form.

xi. Run racks of trays, equipment, dishes and utensils through the dish Machine.

xii. Use clean hands, remove items from Machine, and allow to air dry.

Personnel

1. Any employee or contractor who, by medical examination or supervisory observation, is shown to have, or appears to have, any disease transmissible through food, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination by which there is a reasonable possibility of marijuana products, production or processing surfaces, or packaging materials becoming contaminated, shall be excluded from any operations which may be expected to result in such contamination until the condition is corrected. Personnel shall be instructed to report such health conditions to their supervisors.

    a. Any manager, when he or she knows or has reason to believe that an employee has contracted any disease transmissible through food or has become a carrier of such disease, or any disease listed in 105 CMR 300.200(A) will report the same immediately by email to the Easthampton Board of Health.

    b. Apical will voluntarily comply with any and all isolation and/or quarantine orders issued by the Easthampton Board of Health or the Department of Public Health.

    c. Apical Agents must report any flu-like symptoms, diarrhea, and/or vomiting to their supervisor. Employees with these symptoms will be sent home with the exception of symptoms from a noninfectious condition.

        i. Agents may be re-assigned to activities so that there is no risk of transmitting a disease through food/product.

2. All Apical Agents shall conform to sanitary practices while on duty, including

    a. Maintain adequate personal cleanliness:

Grooming:

i. Arrive at work clean – clean hair, teeth brushed, bathed and used deodorant daily.

ii. Maintain short, clean, and polish-free fingernails. No artificial nails are permitted in the food/product production or processing area.

   a. Fingernails should be trimmed, filed, and maintained so edges and surfaces are cleanable and not rough.

iii. Wash hands (including under fingernails) and up to forearms vigorously and thoroughly with soap and warm water for a period of 20 seconds:

   - When entering the facility before work begins.
   - Immediately before preparing or processing food/products or handling equipment.
   - As often as necessary during food/product preparation when contamination occurs.
   - In the restroom after toilet use and when you return to your work station.
   - When switching between working with raw foods/products and working with ready-to-eat or cooked foods/products.
   - After touching face, nose, hair, or any other body part, and after sneezing or coughing.
   - After cleaning duties.
   - Between each task performed and before wearing disposable gloves.
   - After eating or drinking.
   - Any other time an unsanitary task has been performed – i.e. taking out garbage, handling cleaning chemicals, wiping tables, picking up a dropped item, etc.

   a. Wash hands only in hand sinks designated for that purpose.

   b. Dry hands with single use towels. Turn off faucets using a paper towel, in order to prevent recontamination of clean hands.

Proper Attire:

i. Wear appropriate clothing – clean uniform with sleeves and clean non-skid close-toed work shoes (or leather tennis shoes) that are comfortable for standing and working on floors that can be slippery.

ii. Wear apron or lab coat on site, as appropriate.

   - Do not wear apron or lab coat to and from work.

- Take off apron or lab coat before using the restroom.
    - Remove apron or lab coat when leaving the production or processing area.
- Change apron or lab coat if it becomes soiled or stained.

iii. Wear disposable gloves with any cuts, sores, rashes, or lesions.

iv. Wear gloves when packaging products

v. Change disposable gloves as often as handwashing is required. Wash hands before donning and after discarding gloves.

Hair Restraints and Jewelry:

i. Wear a hair net or bonnet in any food/product production or processing area so that all hair is completely covered.

ii. Keep beards and mustaches neat and trimmed. Beard restraints are required in any food/product production or processing area.

iii. Refrain from wearing jewelry in the food/product production and processing area.

- Only a plain wedding band.
- No necklaces, bracelets, or dangling jewelry are permitted.
- No earrings or piercings that can be removed are permitted.

Cuts, Abrasions, and Burns:

i. Bandage any cut, abrasion, or burn that has broken the skin.

ii. Cover bandages on hands with gloves and finger cots and change as appropriate.

iii. Inform supervisor of all wounds.

Smoking, eating, and gum chewing:

i. The Apical facility is a smoke free facility. No smoking or chewing tobacco shall occur on the premises.

ii. Eat and drink in designated areas only. A closed beverage container may be used in the production area if the container is handled to prevent contamination of 1) the employee's hands, 2) the container, and 3) exposed food, clean equipment, utensils, linens, and unwrapped single-service and single-use articles.

iii. Refrain from chewing gum or eating candy during work in a food/product production or processing area.

HACCP- Hazard Analysis and Critical Control Point

Apical will implement a HACCP plan in accordance with *the HACCP Principles & Application Guidelines* issued by the FDA. This HACCP plan will address the cultivation, processing, production and packaging of all marijuana products that Apical will manufacture. Apical will:

1. Assemble the HACCP team
2. Describe the food/product and its distribution
3. Describe the intended use and consumers of the food/product
4. Develop a flow diagram which describes each process
5. Verify the flow diagram
6. Conduct a hazard analysis for each product (Principle 1)
7. Determine critical control points (CCPs) for each product (Principle 2)
8. Establish critical limits (Principle 3)
9. Establish monitoring procedures (Principle 4)
10. Establish corrective actions (Principle 5)
11. Establish verification procedures (Principle 6)
12. Establish record-keeping and documentation procedures (Principle 7)

Training

Apical will provide training and training opportunities to all of its employees. In addition to required training, Apical will encourage advanced training to all employees in the areas of Food Safety, Good Manufacturing and Agricultural Practices, Safe Marijuana Extraction Processes and HACCP.

1. All cultivation and product manufacturing employees will be trained on basic food safety prior to or during the first day of employment.
    a. Include basic food safety training as part of new employee orientation.
    b. The sanitation requirements in 105 CMR 500.000: Good Manufacturing Practices for Food;
    c. The sanitation requirements in 105 CMR 590.000: Minimum Sanitation Standards for Food Establishments; and
    d. The requirements for food handlers specified in 105 CMR 300.000: Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements
2. All employees engaging in the production and processing of any food/product will be trained and certified in;

a. SERVSAFE Massachusetts Allergen Training Program

b. SERVSAFE Food Handler Program

3. All cultivation employees will be trained in;

    a. Good Agricultural Practices

4. Provide staff with at least bi-annual training on food safety, including food allergy awareness and HACCP.
5. Monthly in-service training.
6. Require all managers to be Certified Food Protection Manager (CFPM) by completing a SERVSAFE or similar nationally accredited food safety certification course.
7. Use outside resources, such as Extension specialists, vendors, health department inspectors, or qualified trainers to provide food safety and HACCP training.
8. Observe staff to ensure they demonstrate food safety knowledge each day in the workplace.
9. Document the content of all training sessions and attendance.
10. File documentation in HACCP records.

Sampling of Marijuana Products for Testing

This procedure applies to all Finished Marijuana Products and Cultivation Batches and Production Batches that is required to be tested in accordance with the Regulations. Quality assurance is responsible for all product sampling to meet the compliance criteria. Apical has contracted with CDX Analytics for the purposes of testing all of our marijuana products.

Frequency of Environmental Media Testing

1. All source soils and solids shall be sampled and analyzed prior to use in cultivation.
2. All source soils and solids shall be sampled and analyzed whenever a new source material is utilized (e.g., different source soil location or different source solid manufacturer).
3. All source soils and solids for initial use must be sampled at the rate of one (1) sample per cubic yard of solid environmental media/soil.
4. Source soils and solids passing initial testing requirements may be stockpiled for later use without requiring re-analysis unless

    a. The stockpile has been contaminated or altered while stored.

5. Situations for re-analysis may include but are not limited to soils that have been;

    a. Amended;

    b. Mixed with other source soils/solids;

    c. Subject to pesticide application;

    d. Used for other purposes; or

e. Inundated by flood waters.

Supplies Needed: Sample Form, Chain of Custody, Pen. Marker and Sample Container (provided by CDX)

1. Label
    a. Label each Sample Container with the Production Batch ID, date and time of sampling, and sampler's initials
2. Fill out the Chain of Custody (see sample below)
    a. List the same info on the chain of custody
    b. One sample ID goes on one line
    c. Check the appropriate boxes
        i. Make sure date and time stamp are filled in
3. Sampling
    a. Heaping an adequately mixed and homogenized ground product into a square shape
    b. Divide the heap into four equal quarters
    c. Select samples from two of the opposite quarters, which are mixed and sampled
        i. The remaining quarters will then be combined and mixed and used for microbiological and contaminant testing
        ii. Repeat the quartering process until the required quantity is obtained (CDX will inform Apical of the required sample size needed for each test.)
4. Storing Sample
    a. Store samples in a cool, dry location until samples are picked up by a CDX Analytics courier
5. Quality Assurance will perform routine audits and analysis of report from the testing lab.
6. All Testing samples will be recorded in the Metrc and BioTrack THC systems.

Sampling of Media for Testing

This procedure applies to all environmental media that is required to be tested in accordance with the Regulations.

Water will be sampled and analyzed prior to use for cultivation of medical marijuana and quarterly thereafter.

Quality assurance is responsible for all product sampling to meet the compliance criteria. Apical has contracted with NET Labs for the purposes of testing all of our environmental media and water. Follow the process outlined in the *"Sampling Instructions for Massachusetts DPH Medical Marijuana Program"* form below from NET Labs.

Supplies Needed: Sample Form, Chain of Custody, Pen. Marker, Ziploc bag

1. Label
    a. Label each Ziploc bag with the sample ID, date and time of sampling, and sampler's initials
2. Fill out the Chain of Custody
    a. List the same info on the chain of custody
    b. One sample ID goes on one line
    c. Check the appropriate boxes
    d. Make sure date and time stamp are filled in
3. Sampling
    a. Fill the Ziploc sample bag with 8 oz. of soil/media
    b. Tightly seal the sample bag
4. Storing Sample
    a. Store samples in a cool, dry location until samples are picked up by a NET Lab courier
5. Quality Assurance will perform routine audits and analysis of report from the testing lab.

Sampling of Water for Testing

This procedure applies to all water that is required to be tested in accordance with the Regulations.

The Quality Assurance Manager is responsible for all water sampling to meet the compliance criteria. Apical has contracted with NE Labs for the purposes of testing all of our water. In compliance with the Regulations and the *"Protocol for sampling and analysis of environmental media for Massachusetts Registered Medical Marijuana Dispensaries"* Apical will sample and test its water supply prior to use for cultivation of marijuana and quarterly thereafter. Follow the process outlined in the "Sampling Instructions for Marijuana Testing" form below from NET Labs.

Samples will be taken at the location closest to cultivation area prior to any water treatment and immediately following any treatment systems.

We will test our water for the following contaminants;

1. Metals;
2. Pesticides; and
3. Bacteriological

Collecting Water Samples

1. Samples should not be collected during any periods of unusual activity such as draining of water lines, immediately after changing treatment cartridges or replenishing of hydroponic nutrient solutions.
2. Prior to Sample Collection. The QA Manager or designee will assemble all equipment and information needed before beginning.
    a. Items to assemble before sampling include, but are not limited to, the following:
        i. Sample collection plan or diagram of locations to ensure representative sample collection
        ii. Logbook or sample collection forms
        iii. Chain-of-custody forms (COCs) (See below)
        iv. Disposable gloves
        v. Clean, decontaminated plastic sheeting or other clean, non-porous surface for sample processing;
        vi. Sample containers appropriate for the analyses required;
            1. These will be supplied by the lab.
        vii. Container labels and pen with indelible ink; and
        viii. Supplies to thoroughly clean, decontaminate and dry sampling equipment between samples;
    b. Sample collection personnel will create a new entry for each sampling event in the sample collection logbook.
    c. Sample collection documentation should identify the sample collection date and start time, participating personnel and locations sampled, relevant environmental conditions, a description of the sampling procedures and equipment decontamination/cleaning used.
    d. Sample collection personnel shall identify or determine the number and location of water samples to be collected
        i. Sample locations must be recorded in the sample collection logbook. Record the sample location identifier (location ID) for each sample so that it can be utilized to identify the physical location of the sample location within the facility.
        ii. Location identifiers should be consistent across sampling events to allow tracking of repeated sample locations. The location IDs will be included on sample labels (unless the grab samples are used in a composite sample).

iii. In addition to the location ID, create a unique sample ID for each sample. Sample identifiers should be unique for a given sample event. Record the location and sample IDs in the sample collection logbook or forms as well as the volume of the sample, preservation, and associated sample containers.

e. Any tools that contact the samples should be made of stainless steel or other inert material to avoid potential contamination of the sample. In addition, all tools that come in contact with the sample media should be rinsed with deionized water between samples to reduce potential cross contamination.

f. Preparing sample labels and affixing them to sample containers immediately before sampling.

i. Information to include on the label includes at a minimum the location and sample ID and date/time of collection. Additional information that must be recorded in documentation if not on the label includes sample collector's name, environmental media type, collection method, whether the sample is a grab or composite sample, and preservation (if applicable).

3. Sample Collection. Collect the planned samples from each sample location one at a time:

a. Don gloves to mitigate potential for contamination of samples.

b. Spread clean, decontaminated plastic sheeting or other nonporous surface near the sample location and lay out any tools and equipment needed.

c. Prepare the sample location by removing faucet aerators if connected. Note the location of any water treatment systems and remove if required to represent pre-treatment location.

d. For sample collection of water lines, purge the lines of standing water and note purge time in sample collection documentation. Generally, for frequently used water 15 minutes run time is considered sufficient but actual time for purge depends on pipe volume and frequency of use.

e. Open the pre-labeled sample containers appropriate for the analyses taking care to not allow errant drips or splashes off other surfaces to enter the caps or containers.

f. Samples for all analyses may be collected directly into sample containers or into a larger, inert vessel then poured into containers. During sample collection, make sure than the tap or spigot does not contact the sample container.

g. Record the time each sample was collected and record any difficulties, inconsistencies with the sampling plan, or other remarks (e.g., environmental conditions) that might be relevant to data analysis or quality assurance.

h. Samples should be refrigerated or maintained on ice until shipped to the analytical laboratory.

i. Chain-of-custody paperwork should be completed immediately prior to shipment.

4. Sample Handling
    a. After samples are properly collected and labeled, they should be delivered for analysis as soon as possible. This section describes how to handle, securely store, package, and ship the samples to the laboratory.
    b. Sample containers both empty and once containing samples shall be stored in a contaminant-free environment to the degree possible. Sample containers should not be stored for more than one (1) year.
    c. All samples should be collected and stored in containers of the appropriate materials based on the analysis method being performed.
    d. Until the samples are analyzed, they should be preserved to minimize chemical or physical changes according to the analytical method references.
5. Sample Storage
    a. Samples should be refrigerated or maintained on ice (4 ºC +/-2ºC) until they are shipped to the analytical laboratory.
    b. Placing the samples in airtight containers with minimal headspace preserves samples by minimizing moisture loss and chemical exchange between the sample medium and air.
    c. In addition, protect the samples from excessive light exposure to minimize photochemical degradation. Samples can be protected from light by using an amber sample container, storing the samples in a closed box or other amber container, or in a dark storage location.
    d. To be considered valid, all samples must be analyzed prior to expiration of the technical holding time as defined in each analytical method. Note that the holding time for some biological components is very short; 24 to 48 hours from the time of collection.

Quality Control (QC)

1. Field duplicate samples shall be collected at least annually and one (1) for every twenty (20) field samples of the solid samples collected.
2. Field duplicate samples shall be collected and analyzed for each analytical method performed on the samples.
3. Field duplicate samples will not be identified to the laboratory (blind QC).

Sampling Instructions for Marijuana Testing

For a full suite of analyses on a water sample:

At each sample point, label one of each of the following bottles with the sample ID, date and time of sampling and sampler's initials:

1. One 1-L amber glass jar with no preservative
2. One 16-oz plastic bottle with no preservative
3. One 16-oz plastic jar, pre-preserved with HNO_3. Note: HNO_3 is nitric acid. Use caution when filling bottle.
4. Three sterile cups. Make sure each label has the sample ID and one of the three bacteria tests (TC, HPC, and FC). Each of these tests require an individual bottle.

Fill out the Chain of Custody with the same information as on the bottle labels. Note: One sample ID goes on one line. Each individual bottle does not require its own line. Simply check the appropriate boxes, makes sure date and time sampled is filled in, that the sample ID is correct.

At each sampling point, fill all six bottles ***completely***. Do not touch the inside of the sterile cups or their caps or put the caps down on a dirty counter. Make sure all bottles are tightly capped and store inside a refrigerator at 4°C until samples are picked up by a NETLab courier.

For a full suite of analyses on a soil sample:

At each sample point, label one sandwich sized Ziploc or 8-oz glass jar with the sample ID, date and time of sampling and sampler's initials

Fill out the Chain of Custody with the same information as on the labels. Note: One sample ID goes on one line. Simply check the appropriate boxes, makes sure date and time sampled is filled in, that the sample ID is correct.

At each sampling point, fill one container completely. Makes sure containers are tightly sealed and store inside a refrigerator at 4°C until samples are picked up by a NETLab courier.

Please make sure you have scheduled your pickup to be on the same day as the sampling. Certain analyses MUST be completed within 8 hours of sampling time. Samples sitting for more than 8 hours cannot be analyzed.

If you have questions or concerns, please call Gretchen, Allie, or Mike during normal business hours at NETLab. 401-353-3420

NEW ENGLAND TESTING LABORATORY, INC. 59 Greenhill St., West Warwick, RI 02893 (401) 353-3420

Sample Chain of Custody form for Media/Soil Sampling

New England Testing Laboratory
59 Greenhill Street West Warwick, RI 02893
(401) 353-3420

Chain of Custody Record

Client :							Tests								
Contact Person: Phone: Email:			Grab or Composite	Matrix Code	No. of Containers & Types	Preservative Codes	Pesticide/PCB's	Metals	Hexavalent Chromium						
Date	Time	Sample ID	G/C	Matrix	No. & Type	Preservative									
mm-dd-yy	xx:xx	Example 1	G	S	1G *or* 1 ziploc	NP	X	X	X						
				S		NP									
				S		NP									
				S		NP									
				S		NP									
				S		NP									
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				S		NP									
				S		NP									

Sample Information	
Container Type:	P=Poly, G= Glass, AG= Amber Glass, V= Vial, ST= Sterile
Preservation Code:	NP= None, N= NHO3, H= HCL, S=H2SO4, SH= NaOH, M= MeOH, T=Na2S2O3
Matrix Codes:	W= Water, S= Soil

Special Instructions: Metals to include Sb, As, Cd, Cu, Pb, Hg, Ni, Zn

Laboratory Remarks: Please check requested analysis. One 8 oz jar or full sandwich sized ziploc is all that is required.

Reliquished By:	Date/Time	Received By	Date/Time	Comments	Temp Received:

Turnaround Time= 5 Business Days

Sample Chain of Custody form for Water Sampling

New England Testing Laboratory
59 Greenhill Street West Warwick, RI 02893
(401) 353-3420

Chain of Custody Record

Client :							Tests								
Contact Person: Phone: Email:			Grab or Composite	Matrix Code	No. of Containers & Types	Preservative Codes	(1L Pesticides Amber NP)	Metals (16oz Plastic HNO3)	Heterotrophic Plate Count (100mL Sterile Cup)	Fecal Coliform (100mL Sterile Cup)	E. Coli (100mL Sterile Cup)	Hexavalent Chromium (16oz plastic NP)			
Date	Time	Sample ID	G/C	Matrix	No. & Type	Preservative									
mm-dd-yy	xx:xx	Example 1	G	W	1AG, 2P, 3ST	NP, HNO3	X	X	X	X	X	X			
				W											
				W											
				W											
				W											
				W											
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Sample Information	
Container Type:	P=Poly, G= Glass, AG= Amber Glass, V= Vial, ST= Sterile
Preservation Code:	NP= None, N= NHO3, H= HCL, S=H2SO4, SH= NaOH, M= MeOH, T=Na2S2O3
Matrix Codes:	W= Water, S= Soil

Special Instructions:

Laboratory Remarks: Please check requested analysis. Please provide appropriate bottles for each analysis. *All sample bottle must be full* .

Reliquished By:	Date/Time	Received By	Date/Time	Comments	Temp Received:

Turnaround Time= 5 Business Days

Policy for Restricting Access to Age 21 and Older

Retail Marijuana Establishment (Easthampton)

Intent

Apical, Inc. ("Apical") is planning to operate a Cultivation, and Product Manufacturing Marijuana Establishment in Chicopee and a Retail Marijuana Establishment in Easthampton. Apical's Retail Marijuana Establishment operations will be compliant with all regulations outlined in 935 CMR 500.000 and 935 CMR 502.000 et. seq. ("the Regulations") and any other requirements or sub-regulatory guidance issued by the Massachusetts Cannabis Control Commission ("CNB") or any other regulatory agency.

Purpose

The purpose of this policy is to outline the responsibilities of the Company, the Company's management team and Agents to ensure specific, methodical, and consistent compliance of the Regulations and to ensure that access to our facility is restricted to only persons who are 21 years of age or older and Medical use of Marijuana patients and caregivers registered with the Commission.

Definitions

Adult-use Cannabis or Marijuana means Marijuana that is cultivated, processed, transferred, tested or sold to adults 21 years of age or older in compliance with 935 CMR 500.000.

Adult-use Cannabis or Marijuana Products means Marijuana Products that are processed, manufactured, transferred, tested or sold to adults 21 years of age or older in compliance with 935 CMR 500.000.

Consumer means a person who is 21 years of age or older.

Law Enforcement Authorities means local law enforcement unless otherwise indicated.

Marijuana Establishment Agent means a board member, director, employee, executive, manager, or volunteer of a Marijuana Establishment, who is **21 years of age or older**. Employee includes a consultant or contractor who provides on-site services to a Marijuana Establishment related to the cultivation, harvesting, preparation, packaging, storage, testing, or dispensing of marijuana.

Patient Registration Card means an identification card formerly and validly issued by the Department or currently and validly issued by the Commission, to a registered Qualifying Patient, personal caregiver, institutional caregiver, RMD agent or laboratory agent. The medical registration card allows access into Commission-supported databases. The medical registration card facilitates verification of an individual registrant's status including, but not limited to, identification by the Commission and law enforcement authorities of those individuals who are exempt from Massachusetts criminal and civil penalties under M.G.L. c. 94I, and 935 CMR 501.000:

Proof of Identification means a government issued photograph that contains the name, date of birth, physical description and signature of the individual and is currently valid (in other words, not expired).

Apical will only accept the following forms of proof of identification that include all of the above criteria;

1. Massachusetts driver's license
2. Massachusetts Issued ID card
3. Out-of-state driver's license or ID card
4. Government issued Passport
5. U.S. Military ID

Personal Caregiver means a person, registered by the Commission, who is 21 years of age or older, who has agreed to assist with a registered qualifying patient's medical use of marijuana, and is not the registered qualifying patient's certifying healthcare provider. A visiting nurse, personal care attendant, or home health aide providing care to a registered qualifying patient may serve as a personal caregiver, including to patients younger than 18 years old as a second caregiver.

Qualifying Patient means a Massachusetts resident 18 years of age or older who has been diagnosed by a Massachusetts licensed healthcare provider as having a debilitating medical condition, or a Massachusetts resident younger than 18 years old who has been diagnosed by two Massachusetts licensed certifying physicians, at least one of whom is a board-certified pediatrician or board-certified pediatric subspecialist, as having a debilitating medical condition that is also a life-limiting illness, subject to 935 CMR 501.010(10).

Registered Qualifying Patient means a Qualifying Patient who was formerly and validly issued a registration card by the Department or is currently and validly issued a registration card by the Commission.

Visitor means an individual, other than a Marijuana Establishment Agent authorized by the Marijuana Establishment, on the premises of an establishment for a purpose related to its operations and consistent with the objectives of St. 2016, c. 334, as amended by St. 2017, c. 55 and 935 CMR 500.000, provided, however, that **no such individual shall be younger than 21 years old**.

Responsibilities

Apical's management team is responsible for ensuring that all persons who enter the facility are otherwise associated with the operations of Apical are 21 years of age or older, except in the case of a Registered Qualifying Patient with the Massachusetts Medical Use of Marijuana Program in possession of a valid Program ID from the Department of Public Health or the Commission.

Apical will positively identify all individuals seeking access to the facility to limit access solely to individuals 21 years of age or older, or registered Qualifying Patients or personal caregivers;

Access to the Facility

For the purposes of this Policy the term "Establishment" also refers to any vehicle owned, leased, rented or otherwise used by Apical for the transportation of Marijuana.

Upon entry into the facility by an individual, an Apical Agent will immediately inspect the individual's proof of identification and determine that the individual is 21 years of age or older. A patient registration card is not sufficient proof of age. Apical will only allow the following individuals into our Retail Marijuana Facility.

1. If the individual is between 18 and 21 years of age, he or she shall not be admitted unless they produce an active patient registration card issued by the DPH or the Commission.
2. If the individual is younger than 18 years old, he or she shall not be admitted without an active patient registration card and a personal caregiver with an active patient registration card.
3. In addition to the patient registration card, registered Qualifying Patients 18 years of age and older and personal caregivers must also produce proof of identification.

Other individuals who can access the facility include:

1. Apical Agents (including board members, directors, employees, executives, managers, or volunteers)
    a. While at the facility or transporting marijuana for the facility all Apical Agents must carry their valid Agent Registration Card issued by the Commission.
    b. All Apical Agents are verified to be 21 years of age or older prior to being issued a Marijuana Establishment Agent card.
2. Visitors (including outside vendors and contractors)
    a. Prior to being allowed access to the facility or any Limited Access Area, the visitor must produce a Government issued Identification Card to a member of the management team and have their age verified to be 21 years of age of older.
        i. If there is any question as to the visitors age, or of the visitor cannot produce a Government Issued Identification Card, they will not be granted access.
    b. After the age of the visitor is verified they will be given a Visitor Identification Badge;
    c. Visitors will be escorted at all times by a marijuana establishment agent authorized to enter the limited access area.
    d. Visitors will be logged in and out of the facility and must return the Visitor Identification Badge upon exit.
        i. The visitor log will be available for inspection by the Commission at all times.
3. Representatives of the Commission, Emergency Responders and Law Enforcement.
    a. The following individuals shall have access to a Marijuana Establishment or Marijuana Establishment transportation vehicle:

i. Representatives of the Commission in the course of responsibilities authorized by St. 2016, c. 334, as amended by St. 2017, c. 55 or 935 CMR 500.000;

ii. Representatives of other state agencies of the Commonwealth; and

iii. Emergency responders in the course of responding to an emergency.

iv. Law enforcement personnel or local public health, inspectional services, or other permit-granting agents acting within their lawful jurisdiction.

b. Individuals described above in this policy will be granted immediate access to the facility.

Age Verification

To verify an individual is 21 or older an Apical Agent must receive and examine from the individual one of the following authorized government issued ID Cards;

i. Massachusetts Issued driver's license

ii. Massachusetts Issued ID card

iii. Out-of-state driver's license or ID card (with photo)

iv. Passport

v. U.S. Military I.D.

a. To verify the age of the individual the Agent will use an Age Verification Smart ID Scanner that will be supplied by Apical.

b. In the event that the ID is not a scannable ID, or if for any reason the scanner is not operational or available of if the ID is questionable the Agent must use the **FLAG** methodology of ID verification.

F. Feel

- Have the customer remove the ID from their wallet or plastic holder (never accept a laminated document)
- Feel for information cut-out or pasted on (especially near photo and birth date areas)
- Feel the texture – most driver's license should feel smooth, or (depending on your State) they will have an identifying texture

L. Look

- Look for the State seals or water marks; these seals are highly visible without any special light.
- Look at the photograph. Hairstyles, eye makeup and eye color can be altered, so focus your attention on the person's nose and chin as these features don't

change. When encountering people with beards or facial hair, cover the facial hair portion of the photo and concentrate on the nose or ears.

- Look at the height and weight. They should reasonably match the person.
- Look at the date of birth and do the math!
- Compare the age on the ID with the person's apparent age.
- Look at the expiration date. If the ID has expired, it is not acceptable.
- If needed, compare the ID to the book of Government Issued ID's

A. Ask

- Ask questions of the person, such as their middle name, zodiac sign, or year of high school graduation. Ask them the month they were born. If they respond with a number, they may be lying. If the person is with a companion, ask the companion to quickly tell you the person's name.
- If you have questions as to their identity, ask the person to sign their name, and then compare signatures.

G. Give Back

- If the ID looks genuine, give the ID back to the customer and allow entry.

c. If for any reason the identity of the customer or the validity of the ID is in question, the individual will not be granted access to the facility.

Training

Apical will train all Retail and Security Agents on the verification and identification of individuals. This training will be done prior to Agents performing age verification duties. Management will supply Age Verification Smart ID Scanners and hardcover books to assist Agents in age verification.

All Apical Agents will enroll and complete the Responsible Vendor Training Program when it is available. This curriculum will include:

a. Diversion prevention and prevention of sales to minors;

b. Acceptable forms of identification, including:

vi. How to check identification;

vii. Spotting false identification;

viii. Medical registration cards issued by the DPH;

ix. Provisions for confiscating fraudulent identifications; and

x. Common mistakes made in verification.

Plan for Separating Recreational from Medical Operations

Retail Marijuana Establishment (Easthampton)

Apical, Inc. ("Apical") is planning to operate a Cultivation, and Product Manufacturing Marijuana Establishment in Chicopee and a Retail Marijuana Establishment in Easthampton. This Plan summarizes how Apical will Separate Recreational from medical Operations for our retail facility in Easthampton. This plan is compliant with both 935 CMR 500.000, 935 CMR 501.000 and 935 CMR 502.000 ("the Regulations").

To provide clarity, the Apical Retail Marijuana Establishment in Easthampton will not open prior to April 1, 2019.

Intent

Apical is committed to being compliant with all regulations and any other requirements or sub-regulatory guidance issued by the Massachusetts Cannabis Control Commission ("CNB" or "the Commission") and any other requirements or sub-regulatory guidance issued by any other regulatory agency.

To clearly and concisely outline our plan to continue to dispense marijuana and marijuana products to qualifying patients and their caregivers and once licensed, to consumers in the recreational market as a Licensed Marijuana Retailer.

Purpose

The purpose of this plan is to outline the responsibilities of the Company, the Company's management team and Agents to ensure specific, methodical, and consistent compliance of the Regulations and to ensure that there is separation between medical use of marijuana operations and recreational marijuana operations are in compliance with all regulations and laws.

General Requirements

As a Colocated Marijuana Operations ("CMO") Apical will comply with the requirements for physical and virtual separation of medical-use and adult use marijuana and marijuana products

Apical will implement procedures for virtual, i.e., electronic, separation of medical-use and adult-use marijuana, MIPs, and marijuana products subject to Commission approval. Apical will use of plant or package tags in the Seed-to-sale SOR (METRC System) for this separation.

Prior to April 1, 2019 or opening, Apical will attach plant tags to all marijuana clones and plants and attach package tags to all finished marijuana, MIPs and marijuana products and enter any remaining inventory, including seeds, into the Seed-to-sale SOR.

Apical will also continue to use the BioTrack THC Seed to Sales System. We plan on integrating BioTrack THC with the Seed-to-sale SOR is approved by the Commission.

Apical will only transfer product pursuant to 935 CMR 502.105(8)(b) from our Marijuana Establishment in Chicopee. Transfers of marijuana product will not occur from our retail establishment in Easthampton.

Inventory

Pursuant to 935 CMR 500.105(8)(g), as a Marijuana Establishment that is cultivating, processing and selling marijuana products for medical use as well as marijuana products for adult use will create virtual separation of the products. Using the BioTrack THC seed to sale software system, Apical will designate and track all marijuana and marijuana products as medical and adult use through the use of package tags in the Seed-to-sale SOR ("METRC")

Pursuant to 935 CMR 500.140(10) Apical will ensure that medical use of marijuana patients registered under 105 CMR 725.000 have access to the quantity and variety of marijuana products.

1. Marijuana products reserved by Apical for patient supply will be maintained on site at our collocated facility.
2. For the first 6 months of operation, Apical will reserve 35% of our inventory for medical use of marijuana patients. This will include 35% of each type and strain of marijuana and each type of marijuana products including oils, tinctures and edibles.
    a. On a weekly basis Apical will conduct an audit of patient supply to access if a larger percentage of inventory should be held for patients.
        i. This audit will be retained for no less than 6 months.
3. After Apical has been open and dispensing for a period of six months an analysis of sales data will be conducted of all products sold to patients over the preceding 6 months.
    a. Using this analysis Apical will determine the amounts sufficient to meet the patient demand for marijuana products.

Marijuana products reserved for patient supply will, unless unreasonably impracticable, reflect the actual types and strains of marijuana products documented during the previous six months. If a substitution must be made, the substitution shall reflect as closely as possible the type and strain no longer available.

On a quarterly basis, Apical will submit to the Commission an inventory plan to reserve a sufficient quantity and variety of medical-use products for registered patients, based on reasonably anticipated patient needs as documented by sales records over the preceding six months. On each occasion that the supply of any product within the reserved patient supply is exhausted and a reasonable substitution cannot be made, Apical will submit a report to the Commission in a form determined by the Commission.

Marijuana products reserved for patient supply will be maintained on-site at the retail establishment. If our on-site supply of medical-use marijuana becomes low, we will immediately transfer product from our Cultivation/Product Manufacturing Establishment in Chicopee

Apical will perform audits of patient supply available on a weekly basis and retain these records for a period of six months. If necessary, Apical will transfer marijuana products reserved for medical use to adult use within a reasonable period of time prior to the date of expiration provided that the product does not pose a risk to health or safety. If this situation occurs, Apical will immediately replenish the medical-use marijuana from our Cultivation/Product Manufacturing facility inventory.

Reporting

Apical will maintain and provide to the Commission on a biannual basis accurate sales data collected during the six months immediately preceding this application for the purpose of ensuring an adequate supply of marijuana and marijuana products under 935 CMR 500.140(10).

Point of Sale

As a Colocated Marijuana Operations (CMO) Apical will use best efforts to prioritize patient and caregiver identification verification and physical entry into its retail area.

1. Apical will have one or more separate Point of Sale ("POS") station(s) reserved solely for medical marijuana sales to Qualifying Patients or their Personal Caregivers. These POS station will:
    a. Be ADA compliant for wheelchair and scooter access.
    b. Be clearly marked that the POS station is for medical sales only
    c. Be separated from the other POS stations with the use of semi-permanent stanchions with ropes or belts that create a physical barrier between medical and adult sales.
        i. The stanchion and rope system will also create a separate line for patients and caregivers and will be clearly marked with a sign stating that these POS stations are for medical sales only.
    d. The other POS stations will be clearly marked by signage stating that these lines and POS stations are for all sales, including medical.
    e. Our patient marketing and patient/consumer education materials will also state that medical sales may be done at any POS station and that the holder of a medical registration card may use either line and shall not be limited only to the medical use line.
2. The facility will have an area that is separate from the sales floor that allows for confidential consultation. The Consultation Room will have signage that reads, "Consultation Area" and will be accessible by a Qualifying Patient or caregiver without having to traverse a Limited Access Area.
3. Virtual Separation of medical and adult sales will happen at the POS station. The Apical POS System will be equipped to track medical and adult sales internally.
    a. For each transaction the Apical sales agent will ask each customer if there are any medical marijuana sales that will be completed.

i. If the answer is no, the sales agent will re-verify the customers age by checking the customers government issued ID card and entering the entire order as adult use and taxed and recorded appropriately.

ii. If the customer states that medical sales are included, the Sales Agent will request the Patient Registration Card issued by the Department of Public Health or the Commission and their second form of identification.

1. The Sales agent will enter the patient/caregiver information through the Commission-supported databases and verify the patient/caregiver registration is valid and that the patients 60-day supply has not been reached.

2. The sales agent will fill the patient/caregiver order and ask which items are for medical use.

a. If all items are for medical use the sales agent will first enter the amounts of marijuana purchased into the Virtual Gateway and ensure that the amount does not exceed the patients 60-day supply.

b. The order will be entered into the POS System. For each item or stock keeping unit ("SKU") the sales agent will designate it as medical sales and the system will record it as such and not tax the transaction.

c. If only some of the items are for medical use the sales agent will first enter the amounts of marijuana purchased into the Commission-supported database and ensure that the amount does not exceed the patients 60-day supply.

i. The sales agent will then verify that the patient is at least 21 years of age by checking the government issued identification. If the patient is under 21 years of age, no adult use products may be sold

d. The order will be entered into the POS System. For each item or SKU the patient/caregiver designates as medical use the sales agent will designate it as medical sales and the system will record it as such and not tax the item(s). For items or SKU's identified as adult use (and the patient is 21 years of age or older) these items will be entered into the POS system and taxed accordingly.

b. At the end of each business day a report will be generated by the POS system that includes the data of all sales, medical and adult use. This report will be compared against the transaction data in the Metrc system and the Commission-supported database to ensure all medical and adult sales are correct.

4. Apical will not sell to an individual more than one ounce of marijuana or five grams of marijuana concentrate per transaction.

Patients under the age of 21

In accordance with 105 CMR 725.000 Registered Qualifying patients may be under the age of 21 and will require access to marijuana for medical use. Apical will not restrict access to our products to patients of any age so long as they are registered with the Department of Public Health.

While we do not expect a large number of patients who are under the age of 21 we are committed to giving them access to our products while also making sure that these patients cannot access products that are intended for adult use.

No customer will have direct access to marijuana products except at point of sale. All marijuana products are stored in locked cabinets behind the POS counter.

1. Registered Patients under the age of 21 will be admitted into our facility only if the individual is 18 years of age or older and produces an active patient registration card issued by the CNB or the Commission. If the individual is younger than 18 years old, he or she shall not be admitted unless they produce an active patient registration card and they are accompanied by their personal caregiver with an active patient registration card.
    a. In addition to the active patient registration card, registered qualifying patients 18 years of age and older and personal caregivers must also produce proof of identification.
2. In any case where a patient that is under the age of 21, the Apical Agent that determines the patient is under 21 years of age will notify the sales manager of this fact.
3. The sales manager and the security agent will monitor the patient throughout the facility.
    a. The Sales Agent or designee will offer personal assistance to the patient and/or caregiver while they are inside the facility.
    b. At the POS Station the sales manager will notify the sales agent that the patient is under 21 to ensure that only medical sales occur.

Diversity Plan

Apical, Inc. is a Minority and Woman owned company and as such It is committed to fostering equal opportunity for all employees and to promote principles of diversity management that will enhance the level of effectiveness and efficiency of its programs. The concept of diversity management is a strategic business objective that seeks to increase organizational capacity in a workplace where the contributions of all employees are recognized and valued. Our goal is to build a high-performing, diverse workforce based on mutual acceptance and trust. It is also our policy to select the best qualified applicant for the job, regardless of race, national origin, gender, age, disability, religion, sexual orientation, or any other non-merit factor.

Apical is a diverse and inclusive company that promotes a discrimination-free work environment and provides opportunities for all employees to use their diverse talents to support the company's mission.

Apical will comply with the requirements of 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.

Any actions taken, or programs instituted, by Apical will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

Apical is committed to a diverse and equitable workforce and will implement this plan to ensure access to employment (including management positions) and other relationships with the company. The demographics this plan promotes are outlined below:

Plan Populations:

1. Minorities;
2. Women;
3. Veterans;
4. People with disabilities; and
5. People of all gender identities and sexual orientations

I. GOALS

Apical is committed to achieving the following goals though this plan, and our vision includes;

1. Make Apical workplace and management team as diverse as possible to include attracting and retaining qualified employees with no regard to race, gender, disability, sexual orientation, or any other non-merit factor. Our goal is to have the following workforce demographic:
   - 50% female
   - 40% will meet the criteria of the Plan Population outlined above
2. Make Apical workplace environment a safe, accepting, respectful, welcoming, comfortable and supportive place to work.

3. Include as our suppliers and contractors, businesses owned by minorities, women, veterans, people of all gender identities and sexual orientations, and by persons with disabilities. In addition, our goal is to also include as our wholesale partners Marijuana Establishments that have attained Social Justice Leader rating from the Commission or are owned by minorities, women, veterans, people of all gender identities and sexual orientations, service disabled veterans, and persons with disabilities or are Economic Empowerment Priority Applicants.

II. PROGRAMS

Recruitment and Hiring Program

Apical looks to recruit and hire diverse employees and plans to promote equity among minorities, women, veterans, people with disabilities, and people of all gender identities and sexual orientations in the operation of our company. To promote diversity and equity Apical will;

1. Give hiring preference to individuals who meet the criteria of the Plan Populations that are outlined above.
2. Institute a "blind hiring" policy that anonymizes or "blinds" demographic-related information about a candidate from the recruiter or hiring manager that can lead to bias about the candidate.
3. Human Resource training for Hiring Mangers that address unconscious bias and cultural sensitivity.
4. Promote our Diversity Hiring policy on recruitment websites, our social media presence and traditional hiring platforms. We will engage the communities of Chicopee, Springfield, and Holyoke who have higher populations of people of color, with the goal of attracting and retaining a qualified diverse workforce.
    a. We will engage with MassHire Holyoke Career Center and MassHire Springfield Career Center. These organizations are One Stop Career Centers that serve Chicopee, Springfield and Holyoke. Apical will post all job posing through these organizations and will engage in job fairs and other services that they offer.
        i. Our first job fair will be held approximately 60 days prior to our expected opening date.
        ii. Second and subsequent job fairs will be held as needed.
        iii. We will participate in additional job fairs sponsored by organizations promoting diversity in the workplace and/or in the marijuana industry as these job fairs become available.
    b. All job postings will be advertised through the MassHire Holyoke Career Center, MassHire Springfield Career Center, Mass Live, the Chicopee Register and the Daily Hampshire Gazette.
        i. These posting will promote our hiring priorities and encourage individuals who fall into the Plan Populations to apply.
    c. We will make every effort to provide meaningful participation of communities disproportionately affected by cannabis prohibition and enforcement, including Minority

Business Enterprises, Women Business Enterprises, and Veteran Business Enterprises in all of our hiring practices.

   d. We will work directly with local veteran organizations, including the West Springfield Veteran's Services, to notify their members of any and all hiring fairs and open positions and will actively recruit veterans.

5. Use job descriptions that are catered to and appeal to diverse candidates.
6. Engage with Industry trade groups, training companies and recruitment companies that promote diversity and inclusion including:
   a. Mass CBA;
   b. THC Staffing Group; and
   c. Elevate NE

Inclusion and Retention Program

Apical is determined to provide a work environment that is a diverse and inclusive workplace where employees and stakeholders form long term relationships and tenure. We encourage a broad range of opinions, ideas and perspectives that drives creativity, innovation and excellence. Our goal is to ensure that every employee, contractor and visitor feels safe, respected, welcome, comfortable, supported and accepted. To ensure inclusion in our workplace Apical will:

1. Provide training to all employees regarding inclusion in the workplace.
   a. This training will be conducted as part of the new employee training curriculum and annually thereafter.
2. Provide advanced training to managers in their roles in fostering an inclusive workplace environment.
   a. The training for managers will occur with 90 days of promotion or hiring.
3. Draft and implement a Non-Discrimination, Harassment and Retaliation Policy. This policy will include provisions for responding to complaints, discipline for non-compliance and evaluation of the circumstances to see if this plan needs improvements.
4. Periodically evaluate the workplace climate through observations, employee meetings and individual conversations with employees to ensure our workplace is inclusive.

Supplier Contractor Program

Apical is committed to utilizing, to the extent possible, minority-owned, women owned, veteran owned, LGBT-owned and business owned by persons with disabilities as suppliers, contractors and wholesale partners. Apical recognizes that sourcing products and services from previously under-represented suppliers helps to sustain and progressively transform a company's supply chain, thus quantitatively reflecting the demographics of the communities in which we operate by recording transactions with diverse suppliers.

Apical will actively identify and pursue partnerships with suppliers, contractors and Marijuana Establishments who meet the Plan Populations that are outlined above.

1. Apical will give preference to suppliers and contractors whose owners or employees meet the Program Populations outlined above.
2. Apical will actively recruit these individuals or companies and promote this Program when sourcing these services.
    a. As part of any bid or solicitation for services, Apical will request demographic information from the business or individual in order to see if they meet the Program Populations outlined above.
    b. When requesting bids from suppliers and contractors we will expressly promote the Supplier Contractor priority outlined in this plan.
3. We will give priority to Marijuana Establishments whose owners or a majority of its employees meet the Plan Populations that are outlined above when sourcing wholesale products.

III. PLAN MEASUREMENT

Apical realizes that any plan needs to be evaluated once it is implemented. We will perform an ongoing and comprehensive evaluation of this plan to ensure that it accomplishes our 3 goals. We will produce a full report annually which outlines this policy, data collected, whether the goals have been met and if any changes are necessary.

This report will be made available to the Commonwealth of Massachusetts. Apical Managers and appropriate community leaders will meet to discuss the report and make any necessary adjustments. This report, at a minimum will include:

1. The demographics of all employees and applicants;
2. Attempts to hire, actual hires, from where they came, their training, pay, benefits, and advancement;
3. Report of workplace environment that includes feedback from employees;
4. Rate of retention of all employees;
5. The demographics, numbers, amounts and percentages of all third-party suppliers, contractors and Marijuana Industry Partners that Apical has engaged with and done business with; and
6. Conclusions and recommendations.

60 days prior to License renewal, and annually thereafter Apical will produce a comprehensive report on our Goals and Programs which will outline the metrics for each program and whether we have met our goals. This report will be made available to the Commission.

Apical Managers and appropriate community stakeholders will meet to discuss the report and make any necessary adjustments.