



## Massachusetts Cannabis Control Commission

### Marijuana Retailer

#### General Information:

License Number: MR282388  
Original Issued Date: 08/24/2020  
Issued Date: 08/12/2021  
Expiration Date: 08/24/2022

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Apotho Therapeutics Plainville, LLC

Phone Number: 401-649-1677 Email Address: matt@apothotherapeutics.com

Business Address 1: 119 Washington St

Business Address 2:

Business City: Plainville

Business State: MA

Business Zip Code: 02762

Mailing Address 1: 119 Washington Street

Mailing Address 2:

Mailing City: Plainville

Mailing State: MA

Mailing Zip Code: 02762

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

### RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

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

If no, describe the circumstances below:

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 81

Percentage Of Control: 50

Role: Executive / Officer

Other Role: Chief Executive Officer & Beneficiary of Member Trust

First Name: Andrew

Last Name: Medeiros

Suffix:

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

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 81 Percentage Of Control: 50  
Role: Other (specify) Other Role: President & Secretary & Beneficiary of Member Trust  
First Name: Mathew Last Name: Medeiros Suffix:  
Gender: Male User Defined Gender:  
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)  
Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

Percentage of Control: 50 Percentage of Ownership: 81  
Entity Legal Name: Medeiros Investment Irrevocable Trust Entity DBA: DBA  
City:  
Entity Description: Class A Member (voting)  
Foreign Subsidiary Narrative: Andrew Medeiros, Mathew, Lauren, Elisa and Edward are members of the trust and their ownership is reflective of their indirect ownership through the trust.  
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: Funding relationship, majority member and sole voting member

CLOSE ASSOCIATES AND MEMBERS

Close Associates or Member 1

First Name: Andrew Last Name: Medeiros Suffix:  
Describe the nature of the relationship this person has with the Marijuana Establishment: Chief Executive Officer & Beneficiary (& Trustee) of Member Trust

Close Associates or Member 2

First Name: Mathew Last Name: Medeiros Suffix:  
Describe the nature of the relationship this person has with the Marijuana Establishment: President, Secretary & Beneficiary of Member Trust

Close Associates or Member 3

First Name: Lauren Last Name: Forster Suffix:  
Describe the nature of the relationship this person has with the Marijuana Establishment: Beneficial Owner (& Trustee) of Member Trust

Close Associates or Member 4

First Name: Edward Last Name: Medeiros Suffix: Jr  
Describe the nature of the relationship this person has with the Marijuana Establishment: Beneficial Owner of Member Trust

Close Associates or Member 5

First Name: Elisa

Last Name: Medeiros

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Trustee of Member Trust

#### CAPITAL RESOURCES - INDIVIDUALS

No records found

#### CAPITAL RESOURCES - ENTITIES

Entity Contributing Capital 1

Entity Legal Name: Medeiros Investment Irrevocable Trust

Entity DBA:

Email:

Phone: 401-641-4104

Medeirosinvestments@gmail.com

Address 1: 71 Raymond Drive

Address 2:

City: Seekonk

State: MA

Zip Code: 02771

Types of Capital: Monetary/Equity

Other Type of Capital: monetary/equity  
provided by loan

Total Value of Capital  
Provided: \$2000000

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: 119 Washington Street

Establishment Address 2:

Establishment City: Plainville

Establishment Zip Code: 02762

Approximate square footage of the establishment: 5384

How many abutters does this property have?: 11

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	Single Page HCA certification.pdf	pdf	5d1b897ac70e2b132b31856c	07/02/2019
Plan to Remain Compliant with Local Zoning	Apotho Plan to Remain Compliant with Local Zoning.pdf	pdf	5d24be1ec5c3be09dbf08a07	07/09/2019
Community Outreach Meeting Documentation	COM Attestation Form.pdf	pdf	5eac23981cd17834bad60ff5	05/01/2020

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.: \$18072.24

#### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
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Other	Joe Andruzzi Foundation Donation Approval.pdf	pdf	5eac275eddb8c72d536091a1	05/01/2020
Other	JAF Mission Statement.pdf	pdf	5eac2765f16b5934c59193c2	05/01/2020
Other	JAF - 2019 Impact - Areas of Disproportionate Impact.pdf	pdf	5eac277d0f6f0d34840b1da3	05/01/2020
Plan for Positive Impact	Positive Impact Plan.pdf	pdf	5ee025d48e2a8b24c980e836	06/09/2020

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

Role: Other Role:  
 First Name: Andrew Last Name: Medeiros Suffix:  
 RMD Association: Not associated with an RMD  
 Background Question: no

##### Individual Background Information 2

Role: Other Role:  
 First Name: Edward Last Name: Medeiros Suffix: Jr  
 RMD Association: Not associated with an RMD  
 Background Question: no

##### Individual Background Information 3

Role: Other Role:  
 First Name: Lauren Last Name: Forster Suffix:  
 RMD Association: Not associated with an RMD  
 Background Question: no

##### Individual Background Information 4

Role: Other Role:  
 First Name: Mathew Last Name: Medeiros Suffix:  
 RMD Association: Not associated with an RMD  
 Background Question: no

##### Individual Background Information 5

Role: Other Role:  
 First Name: Elisa Last Name: Medeiros Suffix:  
 RMD Association: Not associated with an RMD  
 Background Question: no

#### ENTITY BACKGROUND CHECK INFORMATION

##### Entity Background Check Information 1

Role: Other (specify) Other Role: Member  
 Entity Legal Name: Medeiros Investment Irrevocable Trust Entity DBA:  
 Entity Description: Investor & Funding Entity of Business



Phone: 401-641-4104

Email: Medeirosinvestments@gmail.com

Primary Business Address 1: 71 Raymond Drive

Primary Business Address 2:

Primary Business City: Seekonk

Primary Business State: MA

Principal Business Zip

Code: 02771

**Additional Information:** This trust is the primary shareholder of the cannabis business and primary capital contributor. The primary contact/trustee is Andrew Medeiros (see Individual Background Information)

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	Apotho Good Standing Certificate MA Dept of Revenue.pdf	pdf	5cffb31cbbb965134133b9b7	06/11/2019
Secretary of Commonwealth - Certificate of Good Standing	Apotho Good Standing Certificate Secretary of MA.pdf	pdf	5cffb32f64ca8317f4fcb307	06/11/2019
Bylaws	Apotho Therapeutics LLC - Operating Agreement.pdf	pdf	5d89289a5d7067034c81d759	09/23/2019
Bylaws	Apotho Therapeutics Plainville LLC Assignment of Membership Interests.pdf	pdf	5d8929aebfeec408963da8e5	09/23/2019
Articles of Organization	Apotho - 2019 Annual Report.pdf	pdf	5d8a3d5a5d7067034c81da88	09/24/2019
Articles of Organization	Apotho Therapeutics Plainville LLC MA Certificate of Amendment.pdf	pdf	5d8a3d5eb9116b03571faaa5	09/24/2019

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Unemployment Assistance - Certificate of Good standing	Umemployment Good Standing.pdf	pdf	60d4fa27aa87100331f609c0	06/24/2021
Department of Revenue - Certificate of Good standing	Certificate of Good Standing.pdf	pdf	60e72baa2ea73e036476b20b	07/08/2021
Secretary of Commonwealth - Certificate of Good Standing	The Commonwealth of Massachusetts (4).pdf	pdf	60faf4ecba4187083b73185a	07/23/2021

Massachusetts Business Identification Number: 001346519

Doing-Business-As Name: Apotho Therapeutics

DBA Registration City: Plainville

#### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Apotho Plan for obtaining liability insurance.pdf	pdf	5d01565c64ca8317f4fcb792	06/12/2019
Business Plan	Apotho Business Plan.pdf	pdf	5d8929df1373f808795042df	09/23/2019
Proposed Timeline	Apotho Timeline.pdf	pdf	5d8931e0b9116b03571fa81e	09/23/2019
Proposed Timeline	Apotho Timeline Update 2020-04.pdf	pdf	5eb5b76ecb1edf34af2dd781	05/08/2020
Plan for Liability Insurance	Commercial Property and General Liability.pdf	pdf	5eb5d4bf5fa02a2d3651cab1	05/08/2020

Plan for Liability Insurance	Excess General Liability.pdf	pdf	5eb5d4d0502f482d4898f4df	05/08/2020
Plan for Liability Insurance	Product liability.pdf	pdf	5eb5d4d9ddb8c72d5360a25a	05/08/2020
Business Plan	Positive Impact - Diversity Plan Evaluation.pdf	pdf	60d4fa54504b25036f752ebe	06/24/2021
Business Plan	Town HCA and Doc.pdf	pdf	60d4fa60629ad9037af1c1cb	06/24/2021
Business Plan	Charity Event.pdf	pdf	60d4fa7323f3f9033f37250f	06/24/2021
Business Plan	Permits Doc 2.pdf	pdf	60e73013629ad9037af1f4d3	07/08/2021
Business Plan	Permits Doc 1.pdf	pdf	60e7301c308c7a02a1ffe455	07/08/2021
Business Plan	Commonwealth Good standing.pdf	pdf	60e7307b84f3fe0296c4138e	07/08/2021

## OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for obtaining marijuana or marijuana products	Apotho 1. Plan for Obtaining Marijuana or Marijuana Products.pdf	pdf	5cffb8ad64ca8317f4fcb31d	06/11/2019
Restricting Access to age 21 and older	Apotho 2. Restricting Access to age 21 and older.pdf	pdf	5cffb8c1622b7c1357f71513	06/11/2019
Prevention of diversion	Apotho 4. Prevention of Diversion.pdf	pdf	5cffb8d11dae681319cea28e	06/11/2019
Storage of marijuana	Apotho 5. Storage of Marijuana.pdf	pdf	5cffb8d9fe6a8617e208e887	06/11/2019
Transportation of marijuana	Apotho 7. Transportation of Marijuana.pdf	pdf	5cffb8ee64ca8317f4fcb321	06/11/2019
Qualifications and training	Apotho 14. Qualifications and training.pdf	pdf	5cffb92bc70e2b132b3151f9	06/11/2019
Separating recreational from medical operations, if applicable	Apotho Separating Recreational from Medical Operations.pdf	pdf	5cffb94513edb917cc1fd2f9	06/11/2019
Security plan	Security Plan.pdf	pdf	5eb5b9130e32c52d2bdd0ff8	05/08/2020
Storage of marijuana	Storage Plan.pdf	pdf	5eb5b9355c6c422d41afae4	05/08/2020
Inventory procedures	Inventory Procedures.pdf	pdf	5eb5b949504715348b1e1509	05/08/2020
Quality control and testing	QC Testing and Procedures.pdf	pdf	5eb5b9607dc0413492815e83	05/08/2020
Personnel policies including background checks	Personnel Policies.pdf	pdf	5eb5b98ace51fd2d12e5cccec	05/08/2020
Record Keeping procedures	Record Keeping Procedures.pdf	pdf	5eb5b9960f96d32d2066f47f	05/08/2020
Maintaining of financial records	Maintenance of Financial Records Plan.pdf	pdf	5eb5b9a00e32c52d2bdd0ffc	05/08/2020
Dispensing procedures	Dispensing Procedures.pdf	pdf	5ee0efb820b47424dbd874d7	06/10/2020
Diversity plan	Diversity Plan.pdf	pdf	5ee0efe62d9da4181de9e401	06/10/2020

## 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:** Apotho Therapeutics Plainville LLC has met and exceeded its goal of having 37% of employees with the 5 main goal demographics that are minorities, women, disabled, veterans and LGBTQ+. Apotho Therapeutics is currently at 76% of the above mentioned demographics.

### Progress or Success Goal 2

**Description of Progress or Success:** The Document attached is the newsletter circulated internally by the Director of Human Resources to our understanding we have met our goal.

## COMPLIANCE WITH DIVERSITY PLAN

### Diversity Progress or Success 1

**Description of Progress or Success:** Please see the document titled Positive Impact- Diversity Plan evaluation for specific statistics.

## HOURS OF OPERATION

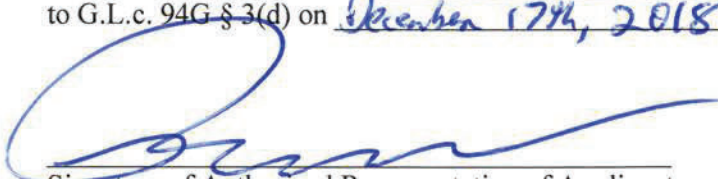
Monday From: 9:30 AM	Monday To: 9:00 PM
Tuesday From: 9:30 AM	Tuesday To: 9:00 PM
Wednesday From: 9:30 AM	Wednesday To: 9:00 PM
Thursday From: 9:30 AM	Thursday To: 9:00 PM
Friday From: 9:30 AM	Friday To: 9:00 PM
Saturday From: 9:30 AM	Saturday To: 9:00 PM
Sunday From: 9:30 AM	Sunday To: 9:00 PM

## 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).

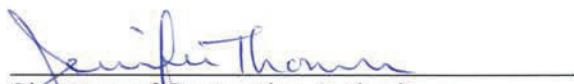
### Applicant

I, Patrick Casey, (insert name) certify as an authorized representative of Apothea Therapeutics Plainville LLC (insert name of applicant) that the applicant has executed a host community agreement with Plainville MA (insert name of host community) pursuant to G.L.c. 94G § 3(d) on December 17th, 2018 (insert date).

  
Signature of Authorized Representative of Applicant

### Host Community

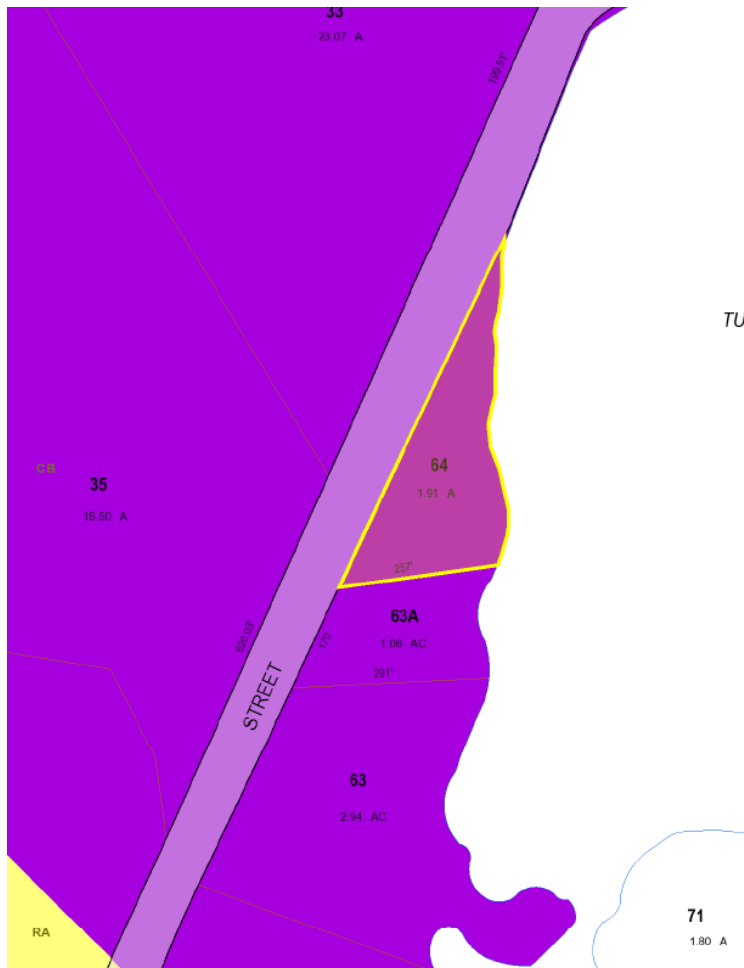
I, Jennifer Thompson, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Plainville (insert name of host community) to certify that the applicant and Town of Plainville (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 6/10/19 (insert date).

  
Signature of Contracting Authority or  
Authorized Representative of Host Community

## Plan to Remain Compliant with Local Zoning

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The site of the establishment for Apotho Therapeutics Plainville, LLC (Apotho) will be located at 119 Washington St, Plainville, MA. The property is located on Map 7, Parcel 64, and is zoned as CB (General Commercial District). Per the Town of Plainville Planning Board, the following permits must be obtained in order to be compliant: Development Permit for Site Plan Review, Special Permit for Earth Removal, Special Permit Groundwater Protection District, Special Permit for Community and Water Resource Protection, Special Permit for Marijuana Establishment, and Plainville General Code Change to a Non-Conforming Use. Prior to operating the business, Apotho will obtain all required permits. Apotho will operate within the parameters of the CB zone ordinance and will make no changes to the premises or its operation that would violate said ordinance. See zone map below, the zone CB is shown in purple, and the subject property is outlined in yellow.





## 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, Patrick Casey, (insert name) attest as an authorized representative of Apollo Therapeutics Planning LLC (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 6/26/19 (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 6/19/2019 (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 6/18/2019 (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 6/17/2019 (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*).



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.



6/17/2019

*Attachment A  
Part 1*

**Attn: Legal Ad Department**  
Sun Chronicle Newspaper  
34 South Main Street  
Attleboro, MA 02703

Please publish the attached legal ad once on 06/19/2019.

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**Community Outreach Meeting  
Public Notice**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for Wednesday 06/26/2019 at 6:00PM at Plainville Town Hall, 190 South Street, Plainville MA 02762. The proposed Adult Use Marijuana Dispensary to be operated by Apotho Therapeutics Plainville LLC is to be located at 119 Washington Street, Plainville MA 02762. There will be an opportunity for the public to ask questions.



SUN CHRONICLE  
34 SOUTH MAIN STREET  
ATTLEBORO MA 02703  
USA  
(508) 236-0365

Attachment A  
Part 2

ORDER CONFIRMATION

Salesperson: LEGALS

Printed at 06/18/19 10:29 by dbron-sc

Acct #: 87457

Ad #: 388600

Status: New CHOLD

BURNS & LEVINSON LLP  
125 SUMMER ST  
BOSTON MA 02110-1616

Start: 04/01/2019 Stop: 04/01/2019  
Times Ord: 1 Times Run: \*\*\*  
ALEG 2.00 X 11.00 Words: 74  
Total ALEG 22.00  
Class: A100 LEGAL  
Rate: ALEG Cost: 50.60  
# Affidavits: 1

Contact: SCOTT MOSKAL  
Phone: (617) 345-3840  
Fax#:  
Email: bsweeney@burnslev.com  
Agency:

Ad Descript: APOTHO COMMUNITY OUTREACH  
Given by: \*  
P.O. #:  
Created: mdulu 03/27/19 12:10  
Last Changed: dbron 06/18/19 10:29

PUB ZONE EDT TP RUN DATES  
SC A 95 S 04/01

PAYMENTS:

-- 05/20/2019 50.60 Check #:60195

AUTHORIZATION

Under this agreement rates are subject to change with 30 days notice. In the event of a cancellation before schedule completion, I understand that the rate charged will be based upon the rate for the number of insertions used.



Name (print or type)



Name (signature)

Apotho

Community Outreach Meeting  
Public Notice

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06/19/20

A Hechmet B  
Part 1

## **APOTHOTHERAPEUTICS PLAINVILLE LLC**

c/o Burns & Levinson LLP, 125 Summer Street, Boston MA 02110

June 17, 2019

Ellen M. Robertson, Town Clerk  
Town of Plainville  
190 South Street  
Plainville MA 02762

TOWN CLERK  
PLAINVILLE  
RECEIVED  
2019 JUN 18 PM 3:45

Apotho Therapeutics Plainville LLC is planning on opening an adult use marijuana dispensary in the northern half of the soon to be renovated The Tavern From Town Square building located at 119 Washington Street, Plainville MA 02762. The Tavern restaurant operations will be downsizing slightly and will remain in the southern section of the building. Pursuant to MA Regulation 935 CMR 500.101, we are hereby notifying the abutters that there will be a Community Outreach Meeting concerning this proposed facility on Wednesday June 26, 2019 at 6:00PM at Plainville Town Hall, 190 South Street, Plainville MA 02762. This is a follow-up meeting to the original meeting held on April 10, 2019. It is being held due to an issue with Apotho's original notice to the Town Clerk. Enclosed please find the copy for the legal ad being placed by Apotho Therapeutics Plainville LLC for said meeting for publication in the June 19<sup>th</sup> edition of the Sun Chronicle Newspaper.

Sincerely,

Apotho Therapeutics Plainville LLC

6/17/2019

**Attn: Legal Ad Department**  
Sun Chronicle Newspaper  
34 South Main Street  
Attleboro, MA 02703

TOWN CLERK  
PLAINVILLE  
RECEIVED

2019 JUN 18 PM 3:45

Attachment B  
Part 2

Please publish the attached legal ad once on 06/19/2019.

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**Community Outreach Meeting  
Public Notice**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for Wednesday 06/26/2019 at 6:00PM at Plainville Town Hall, 190 South Street, Plainville MA 02762. The proposed Adult Use Marijuana Dispensary to be operated by Apotho Therapeutics Plainville LLC is to be located at 119 Washington Street, Plainville MA 02762. There will be an opportunity for the public to ask questions.

*A Hadnot C*  
*Part 1*

## **APOTHOT THERAPEUTICS PLAINVILLE LLC**

c/o Burns & Levinson LLP, 125 Summer Street, Boston MA 02110

June 17, 2019

Parcel Number: 7-64

CAMA Number: 7-64

Property Address: 119 WASHINGTON STREET

[REDACTED]  
[REDACTED]  
C/[REDACTED]

Apotho Therapeutics Plainville LLC is planning on opening an adult use marijuana dispensary in the northern half of the soon to be renovated The Tavern From Town Square building located at 119 Washington Street, Plainville MA 02762. The Tavern restaurant operations will be downsizing slightly and will remain in the southern section of the building. Pursuant to MA Regulation 935 CMR 500.101, we are hereby notifying the abutters that there will be a Community Outreach Meeting concerning this proposed facility on Wednesday June 26, 2019 at 6:00PM at Plainville Town Hall, 190 South Street, Plainville MA 02762. This is a follow-up meeting to the original meeting held on April 10, 2019. It is being held due to an issue with Apotho's original notice to the Town Clerk. Enclosed please find the copy for the legal ad being placed by Apotho Therapeutics Plainville LLC for said meeting for publication in the June 19, 2019 edition of the Sun Chronicle Newspaper.

Sincerely,

Apotho Therapeutics Plainville LLC

6/17/2019

Attachment C  
Part 2

**Attn: Legal Ad Department**  
Sun Chronicle Newspaper  
34 South Main Street  
Attleboro, MA 02703

Please publish the attached legal ad once on 06/19/2019.

---

**Community Outreach Meeting  
Public Notice**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for Wednesday 06/26/2019 at 6:00PM at Plainville Town Hall, 190 South Street, Plainville MA 02762. The proposed Adult Use Marijuana Dispensary to be operated by Apotho Therapeutics Plainville LLC is to be located at 119 Washington Street, Plainville MA 02762. There will be an opportunity for the public to ask questions.





## 300 foot Abutters List Report

Plainville, MA  
February 20, 2019

WE HEREBY CERTIFY THAT THIS IS A  
TRUE COPY OF THE ABUTTERS LIST FOR  
ASSESSORS MAP 7 LOT 64

DATE 2-20-2019

*Maureen Hasenfus*  
PLAINVILLE BOARD OF ASSESSORS

### Subject Property:

Parcel Number: 7-64  
CAMA Number: 7-64  
Property Address: 119 WASHINGTON ST

Mailing Address: [REDACTED] 119  
WASHINGTON STREET  
PLAINVILLE, MA 02762

*Planning Board*

### Abutters:

Parcel Number: 7-117  
CAMA Number: 7-117  
Property Address: SHEPARD ST

Mailing Address: [REDACTED]  
142 SOUTH ST  
PLAINVILLE, MA 02762

Parcel Number: 7-32  
CAMA Number: 7-32  
Property Address: WASHINGTON ST

Mailing Address: [REDACTED]  
142 SOUTH ST  
PLAINVILLE, MA 02762

Parcel Number: 7-33  
CAMA Number: 7-33  
Property Address: 128 WASHINGTON ST

Mailing Address: [REDACTED]  
BLACKSMITH DR  
NEEDHAM, MA 02492

Parcel Number: 7-35  
CAMA Number: 7-35  
Property Address: 116 WASHINGTON ST

Mailing Address: [REDACTED]  
5100 HOLABIRD AVENUE  
BALTIMORE, MD 21224

Parcel Number: 7-63  
CAMA Number: 7-63  
Property Address: 111 WASHINGTON ST

Mailing Address: [REDACTED]  
196 POND ST  
SHARON, MA 02067

Parcel Number: 7-63A  
CAMA Number: 7-63A  
Property Address: 117 WASHINGTON ST

Mailing Address: [REDACTED]  
703 LINDSEY ST  
ATTLEBORO, MA 02703

Parcel Number: 7-65  
CAMA Number: 7-65  
Property Address: 1 SHEPARD ST

Mailing Address: [REDACTED]  
1 SHEPARD STREET  
PLAINVILLE, MA 02762

Parcel Number: 7-66  
CAMA Number: 7-66  
Property Address: WASHINGTON ST

Mailing Address: [REDACTED]  
142 SOUTH ST  
PLAINVILLE, MA 02762

Parcel Number: 7-72  
CAMA Number: 7-72  
Property Address: LAKE

Mailing Address: [REDACTED]  
142 SOUTH ST  
PLAINVILLE, MA 02762



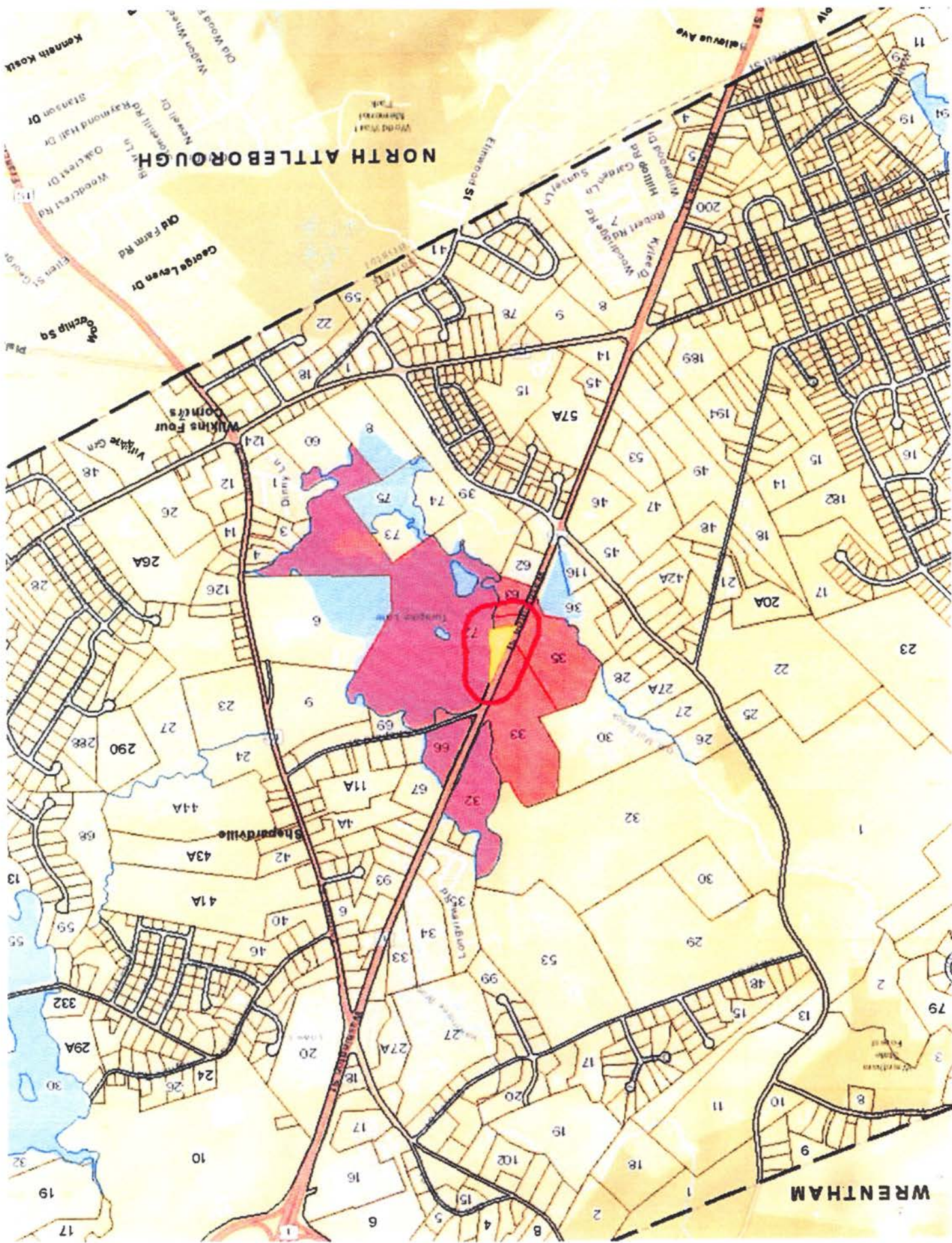
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2/20/2019

Page 1 of 1







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(Approval #: 827855)  
(Transaction #: 939)  
(VID: A000000025010801)  
(Chip)  
(AL: AMERICAN EXPRESS)  
(PIN: Not Required)

Credit Card Remit'd  
\$150.70

Total

(00USPS Return Receipt #) (9590940247338344878887)

Return  
1  
\$2.80

1  
Certified  
1  
Certified  
\$3.50

(PLAINVILLE, MA 02/62)

PM 2-Day	Window FR Env	(Domestic)	(BALTIMORE, MD 21224)	(Flat Rate)	(Expected Delivery Day)	(Wednesday 06/19/2019)	Certified	(USPS Certified Mail #)	(70190700000080215875)	Return	Receipt	(USPS Return Receipt #)	(9590940247338344878825)	\$7.35
PM 1-Day <td>Window FR Env <td>(Domestic) <td>(SHARON, MA 02067) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td></td>	Window FR Env <td>(Domestic) <td>(SHARON, MA 02067) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td>	(Domestic) <td>(SHARON, MA 02067) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td>	(SHARON, MA 02067) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td>	(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td>	(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td></td></td>	(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td></td>	Certified <td>(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td></td>	(USPS Certified Mail #) <td>(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td></td>	(70190700000080215882) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td></td>	Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td></td>	Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td></td>	(USPS Return Receipt #) <td>(9590940247338344878832) <td>\$7.35</td> </td>	(9590940247338344878832) <td>\$7.35</td>	\$7.35
PM 1-Day <td>Window FR Env <td>(Domestic) <td>(ATLLEBORO, MA 02703) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td></td>	Window FR Env <td>(Domestic) <td>(ATLLEBORO, MA 02703) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td>	(Domestic) <td>(ATLLEBORO, MA 02703) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td>	(ATLLEBORO, MA 02703) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td>	(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td>	(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td></td></td>	(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td></td>	Certified <td>(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td></td>	(USPS Certified Mail #) <td>(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td></td>	(70190700000080215752) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td></td>	Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td></td>	Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td></td>	(USPS Return Receipt #) <td>(9590940247338344878849) <td>\$7.35</td> </td>	(9590940247338344878849) <td>\$7.35</td>	\$7.35
PM 1-Day <td>Window FR Env <td>(Domestic) <td>(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td></td>	Window FR Env <td>(Domestic) <td>(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td>	(Domestic) <td>(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td>	(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td>	(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td>	(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td></td></td>	(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td></td>	Certified <td>(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td></td>	(USPS Certified Mail #) <td>(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td></td>	(70190700000080215769) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td></td>	Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td></td>	Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td></td>	(USPS Return Receipt #) <td>(9590940247338344878856) <td>\$7.35</td> </td>	(9590940247338344878856) <td>\$7.35</td>	\$7.35
PM 1-Day <td>Window FR Env <td>(Domestic) <td>(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td></td>	Window FR Env <td>(Domestic) <td>(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td></td>	(Domestic) <td>(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td></td>	(PLAINVILLE, MA 02762) <td>(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td></td>	(Flat Rate) <td>(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td></td></td></td>	(Expected Delivery Day) <td>(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td></td></td>	(Tuesday 06/18/2019) <td>Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td></td>	Certified <td>(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td></td>	(USPS Certified Mail #) <td>(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td></td>	(70190700000080215776) <td>Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td></td>	Return <td>Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td></td>	Receipt <td>(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td></td>	(USPS Return Receipt #) <td>(9590940247338344878863) <td>\$7.35</td> </td>	(9590940247338344878863) <td>\$7.35</td>	\$7.35
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[illegible]



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PLAINVILLE, MA 02762

**OFFICIAL USE**

Certified Mail Fee	\$3.50
Extra Services & Fees (check box, add fee as appropriate)	\$2.80
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage	\$7.35
Total Postage and Fees	\$13.65

Sent To [REDACTED]

Street and Apt. No., or PO Box No.  
180 South Street

City, State, ZIP+4®  
Plainville MA 02762

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PLAINVILLE, MA 02762

**OFFICIAL USE**

Certified Mail Fee	\$3.50
Extra Services & Fees (check box, add fee as appropriate)	\$2.80
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

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

Postage	\$7.35
Total Postage and Fees	\$13.65

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Postage	\$7.35
Total Postage and Fees	\$13.65

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

Postage	\$7.35
Total Postage and Fees	\$13.65

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Postage \$7.35

Total Postage and Fees \$13.65

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PLAINVILLE, MA 02762

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Postage \$7.35

Total Postage and Fees \$13.65

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City, State, ZIP+4®  
Plainville, MA 02762

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

**Administrative Order No. 1**

Issued: March 27, 2020

Amended: June 14, 2021

Effective: June 15, 2021

Marijuana Establishments

Medical Marijuana Treatment Centers

**FINAL ADMINISTRATIVE ORDER  
ALLOWING CURBSIDE OPERATIONS**

**M.G.L. c. 94G, M.G.L. c. 94I**

**935 Code Mass. Regs. §§ 500.105, 500.110, and 500.140 and  
935 Code Mass. Regs. §§ 501.105, 501.110, and 501.140**

The Cannabis Control Commission (Commission), acting through its Executive Director, amends its Administrative Order No. 1 (Amended Administrative Order) in response to the end of Governor Charles D. Baker's Declaration of a [State of Emergency](#) to Respond to COVID-19 issued on March 10, 2020 (Emergency Order), and in accordance with M.G.L. 94I, M.G.L. c. 94G, and the applicable medical- and adult-use regulations, including 935 Code Mass. Regs. §§ 501.105, 501.110, and 501.140 and 935 Code Mass. Regs. §§ 500.105, 500.110, and 500.140. Notwithstanding the rescission of Governor Baker's Emergency Order on June 15, 2021, the Commission, through this Final Administrative Order<sup>1</sup>, is extending the use of curbside operations for a limited period of time.

In compliance with this Final Administrative Order, licensed Medical Marijuana Treatment Centers and Marijuana Establishments (MTCs and MEs, and collectively Licensees), may conduct sales by phone and by electronic means and may transfer Marijuana and Marijuana Products curbside until September 1, 2021. This extension allows time for Licensees to transition and to provide for the health, safety, and welfare of consumers and patients.

The Commission, acting through its Executive Director, hereby ORDERS as follows:

1. "Curbside Operations" is defined as the transfer or dispensing of Marijuana or Marijuana Products by a registered agent of a Licensee to a vehicle located in the parking area of the Licensee or to an individual at the entrance to the MTC or ME. "Entrance" shall include an

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<sup>1</sup> This Final Administrative Order supersedes the Administrative Orders issued March 27, 2020, amended May 20, 2020.



access control vestibule or air-lock entrance that is enclosed and physically separated from the retail or other functional areas of the MTC or ME.

2. As of the effective date of this Final Administrative Order up until its expiration on September 1, 2021, Licensees may conduct pre-orders by phone or electronic means with a Registered Qualifying Patient or Caregiver or Consumer prior to the purchase and transfer of Marijuana and Marijuana Products curbside.

a. Medical-Use Transactions

- i. In conducting phone or electronic sales orders, MTCs shall adhere to the statutory requirements regarding patient privacy. G.L. c. 94I, § 3(b).
- ii. MTCs must verify patient eligibility for product sale with the Medical use of Marijuana Online System prior to processing the transaction.

b. Adult-Use Transactions

- i. In conducting phone or electronic sales orders, MEs shall adhere to the statutory requirements regarding consumer privacy. G.L. c. 94G, § 4(c)(3) and 935 Code Mass. Regs. § 500.140(2)(c).

3. If a Licensee completes a pre-order by phone or electronic means, the Licensee may transfer Marijuana and Marijuana Products curbside subject to the following conditions:

- a. Curbside Operations shall occur on the licensed Premises outdoors and shall be located so as to minimize compromises to security, taking into consideration camera locations, foliage or other obstructions, proximity to the MTC or ME entrance and similar considerations;
- b. All sales must occur within the MTC or ME. This requirement is satisfied if one of the following has occurred:
  - i. Sales occur in compliance with this Order and the Commission's Statute and Regulations.
  - ii. Payment is made through one of the following means:
    1. by an electronic Internet-based payment platform;
    2. by phone in a call-ahead manner;
    3. by a mobile payment point-of-sale (POS) system; or
    4. by cash within the brick-and-mortar premises entrance. Such transactions would be strictly limited to allow for the pre-arranged cash payment of the Marijuana or Marijuana Product and should require exact change so as to minimize contact and expedite transactions to avoid lines.
- c. Scheduled appointments and social-distancing practices consistent with state and federal guidance are encouraged.

- d. Licensee agents shall identify the purchasing individuals and any accompanying individuals arriving curbside.
    - i. Medical-Use Transactions:
      - 1. Agents shall verify the purchasing Registered Qualifying Patient's or Caregiver's age and status in accordance with 935 Code Mass. Regs. § 501.140(2)(a);
      - 2. To the extent that curbside transfer involves a vehicle, all other individuals in the vehicle must be 21 years of age or older unless the individual is a Registered Qualifying Patient within the meaning of 935 Code Mass. Regs. § 501.002 or his or her Caregiver;
      - 3. When verifying patient identity and status, MTC agents are not required to physically handle an identification card if verification can be performed by visual inspection or scanning device.
    - ii. Adult-Use Transactions:
      - 1. Agents shall verify the purchasing Consumer's proof of identification and age in accordance with 935 Code Mass. Regs. § 500.140(2)(a);
      - 2. To the extent that curbside transfer involves a vehicle, all other individuals in the vehicle must be 21 years of age or older;
      - 3. ME agents are not required to physically handle an identification card if verification can be performed by visual inspection or scanning device.
  - e. Licensees shall comply with regulatory requirements, including those pertaining to all inventory and transfer and recordkeeping.
  - f. To the extent that Licensees conduct Curbside Operations, these operations shall be physically located so as to enable video recording by existing video cameras pursuant to 935 Code Mass. Regs. § 501.110(5) and 935 Code Mass. Regs. § 500.110(5).
    - i. In accordance with existing regulations, Licensees shall operate video cameras at all points of entry and exit of the licensed Premises and shall angle video cameras so as to allow for the identification of any individuals entering or exiting the licensed Premises and all areas where Marijuana or Marijuana Products are handled, transferred, or dispensed.
    - ii. Licensees shall ensure that curbside transfers and if applicable, dispensing, of Marijuana or Marijuana Products is video recorded and stored.
4. Licensees conducting Curbside Operations shall notify the Commission and municipal officials prior to commencing such operations.
5. MEs and MTCs newly conducting Curbside Operations shall submit standard operating procedures and a facility layout indicating changes to the outdoor premises within forty-eight

hours of commencing these operations. The facility layout for Curbside Operations must include the following:

- a. Identify designated curbside sales area(s), traffic queuing plans, and signage to direct Registered Qualifying Patients or Caregivers or Consumers;
- b. Ensure curbside sales only occur on the licensed Premises and do not occur on public sidewalks or adjacent parking lots; and
- c. Ensure traffic does not overflow onto public or private property unless permission has been obtained by the municipality and/or owner(s).

6. To the extent feasible, Licensees shall continue to minimize the impact of Curbside Operations on municipalities.

- a. Licensees shall notify municipal officials, including providing a copy of the updated facility layout to municipal police and health officials;
- b. Curbside Operations shall not block traffic, sidewalks, or increase lines or crowds; and
- c. Licensees must remain in compliance with the terms of their host community agreements and all local rules, regulations, ordinances, and by-laws, including any municipal public health order.

7. Licensees shall comply with any applicable orders issued by state or local authorities, including all executive orders and guidance issued by the Governor pursuant to Chapter 639 of the Acts of 1950 and by the Commissioner of the Department of Public Health pursuant to G.L. c. 17, § 2A.

8. Licensees shall adhere to all regulations established in 935 Code Mass. Regs. §§ 501.105, 501.110, and 501.140 and 500.105, 500.110, and 500.140 for sales not explicitly addressed by this order. If a Licensee cannot comply with these or any other regulatory requirements, the Licensee may seek a waiver under 935 Code Mass. Regs. § 501.850 or 935 Code Mass. Regs. § 500.850.

9. Licensees shall monitor and comply with all Commission-issued guidelines and bulletins, including those establishing social distancing measures.

Administrative Order No. 1 as amended shall take effect on June 15, 2021, at 12:00 A.M.

Administrative Order No. 1 as amended shall remain in effect until September 1, 2021 or the date the Commission rescinds or amends this order, whichever occurs first. The Commission may amend or modify this order as applicable to one particular licensee, a group of licensees, or all Commission licensees.

Failure to comply with the above conditions may result in disciplinary action against the Licensees and their agents up to and including suspension and/or revocation of licensure or registration.

Nothing herein should be construed as precluding or limiting the Commission's authority to take additional administrative action to protect the public health, safety, and welfare.

Questions about this order may be directed in writing to the above address, by phone (774-415-0200) on Monday – Friday from 9:00 A.M. – 5:00 P.M. or email at [Commission@cccmass.com](mailto:Commission@cccmass.com).

Signed this 14<sup>th</sup> day of June 2021:

**Commonwealth of Massachusetts Cannabis Control Commission**

A handwritten signature in black ink, appearing to read "Shawn Collins", with a horizontal line extending to the right.

---

Shawn Collins, Executive Director





Apotho Therapeutics Plainville LLC  
119 Washington St  
Plainville, MA 02762

June 24, 2021

Jennifer Thompson  
Plainville Town Administrator  
142 South Street  
Plainville, MA 02762

Dear Jennifer Thompson,

Apotho Therapeutics would like to thank you for your continued support and partnership. We re excited to have our doors open and to be serving our community.

We have issued payment for the 3% gross sales pursuant of our HCA in the amount of \$18,072.24 for our first quarter of 2021, covering sales during the period of January – March of 2021. Our second quarter payment can be anticipated in early July. At a conservative growth calculation we anticipate payments to the town in pursuant of the HCA to be as follows:

Q2 2021	\$53,000.00
Q3 2021	\$58,000.00
Q4 2021	\$64,000.00
Q1 2022	\$70,000.00

Please also note the amounts listed below which you can expect to receive in sales tax from our 3% monthly state filings.

February	\$5,363.40
March	\$12,338.22
April	\$17,360.02



May	\$19,574.67
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Please let us know if there are additional questions or concerns with the data provided.

Thank you,

Danielle Hebert

Financial Controller

Andrew Medeiros

CEO

Mathew Medeiros






President



July 8, 2021

Dear Sir/Madam-

Upon the date of this letter Apotho therapeutics has not received a reply to our letter to the Town of Plainville. We have however seen the check issued in the amount of \$18,072.24 for Q1 clear the bank account. See the screenshot of activity below.

Date	Type	Description	Card #	Withdrawals	Deposits	    
07/01/2021	Check	Check 3187		\$18,072.24		\$409,495.05 ?
07/01/2021	Check	Check 3188		\$6,500.00		\$402,995.05 ?
06/18/2021	Check	Check 3186		\$2,084.00		\$556,716.94 ?
06/16/2021	Check	Check 3181		\$6,722.50		\$401,561.36 ?
...	...	...	...	...	...	...

Thanks so much for your time,

Danielle Hebert

Financial Controller/ Director of Human Resources

## Positive Impact Plan

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This Positive Impact Plan will outline the Goals, Programs, and Measurements defined by the Cannabis Control Commission (“CCC” or “Commission”) of the initiative(s) Apotho plans to engage in, in order to positively impact areas of disproportionate impact as defined the by Commission. As a company, Apotho will identify charity and community initiatives to benefit areas of disproportionate impact. Apotho firmly believes that to achieve community relations’ success, leadership must help drive these initiatives.

In carrying out its Positive Impact Plan, Apotho will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of Marijuana Establishments.

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

### Programs

The goal of Apotho’ Positive Impact Plan is to assist in reducing barriers to entry into the cannabis industry to individuals located in areas of disproportionate impact. Specifically, Apotho will strive to prioritize the hiring of individuals from the below-designated Areas of Disproportionate Impact and develop the workforce of Areas of Disproportionate Impact. Furthermore, Apotho will use its resources and business assets to provide community services, skill development, and education opportunities.

To meet these goals, Apotho will develop specific programs to effectuate its stated goals to positively affect areas of disproportionate impact. The below details actions, activities, and processes that will be utilized to achieve the outlined goals that Apotho plans to implement:

#### 1. Education Sessions

Apotho will organize and host three educational, training, and/or skill development events annually at its dispensary location which will take place before or after business hours. These events will educate members of the public on business and financial fundamentals, the science behind Cannabis products and health, safety risks, and benefits from Cannabis products. Apotho will specifically advertise its events in Brockton’s local newspaper, *The Enterprise*, and Mansfield’s local newspaper, the *Mansfield News Journal*.

#### 2. Employment Generation

- Apotho will hire 10% of employee base from residents who are presently residing or previously resided in the areas of the Mansfield and Brockton within the last 5 years.
- Apotho will post advertisements for open positions on online staffing resources such as Glassdoor indicating residents of Mansfield and Brockton are preferred, as well as utilize local newspapers in Brockton and Mansfield such as the *3Mansfield News Journal* and the *Enterprise*, stating the establishment is specifically looking for the Massachusetts residents from Mansfield and Brockton.

#### 3. Funding charitable efforts

- Apotho will make an annual donation in the amount of \$10,000 to the Joe Andruzzi Foundation to service residents in the Mansfield, Fall River, and/or Brockton areas.
- Apotho will host an annual food drive during the holiday season, whereby 30% of its employees will participate in the Company's donation and delivery of food to residents located in Mansfield, Brockton, and/or Fall River.
- Human Resources and employees tasked with hiring new employees will prioritize individuals coming from Mansfield and Brockton as well as other areas of Disproportionate Impact defined by the Commission as determined by the Board of Managers.
- Apotho will require the company and its employees to give back to the community through volunteering and community service opportunities.
- Apotho will assist in workforce development of Areas of Disproportionate Impact by assisting in the formation and implementation of classes and education sessions, fostering business-related, and other skills as described in more detail above. Apotho will use the knowledge of its employees, drawing from all departments in these sessions.

## Measurements

Apotho will use the following methods in which the goals and programs will be tracked and measured for success using the timeline as stated below. At a minimum, Apotho will document the progress and success of its programs upon the annual renewal of its provisional licensure. Much of the measurements will be a function of the Vice President and Human Resources, who will have the resources and abilities to track the success of the Plan. Measuring the success of programs is critical in being able to accurately report to the Commission when applying to renew the license.

### 1. Education

- In tracking efforts to ensure that members of Brockton and Mansfield attend the educational programs on business, finance, and science of cannabis, Apotho will make an accounting of where each attendee resides as designated in his/her sign-up form. A total of 15 individuals will be eligible to attend per session.
- Apotho will keep track of the number of educational programs held throughout the year and the number of attendees and the locations in which each attendee resides. Additionally, Apotho will track the number of hours spent on preparing the education programs as well as the number of hours spent on actual educational events put on, and teaching the attendees basic financial accounting principles used in running a cannabis operation. The educational sessions will be free of charge for all individuals attending each session.

### 2. Employment

- In tracking efforts to employ individuals from Areas of Disproportionate Impact, the Vice President and Human Resources will record individuals' home address at the time of employment keep track of the number of employees deriving from Mansfield and Brockton to ensure that it is hiring 10% of employees from those areas of disproportionate impact. All employment applications will include a certification from the applicant indicating whether they currently reside or have previously resided in the Brockton/ Mansfield. These applications will be collected and maintained by the Vice President and Human Resources.

The Vice President and Human Resources will then meet with the executive team on a quarterly basis to keep track and review the number of employees deriving from these areas of disproportionate impact versus the total number of employees and ensure that the compliance of the 10% goal mentioned above is being maintained.

- In the event the executive team finds that this goal is not being met, the Vice President and Human Resources will develop a plan of how Apotho can get back on track to meet this goal, such as by presenting an evaluation of the current employment needs of Apotho and requiring that the next hired employee(s) meet the requisite residency requirements in order to fulfill the 10% benchmark.

### **3. Charitable Efforts**

- The Vice President and Human Resources department will require employees to sign up for the Joe Andruzzi Foundations's charity events and require each employee participating to log and report any hours that they have worked in participating in Apotho's charitable efforts in order to ensure that 30% of its employees and the company as a whole is partaking in the charity events hosted by the Joe Andruzzi Foundation.
- Apotho will only allow an employee's time spent at the company-designated charity that supports the charity event to count toward Apotho's goal. If employees feel strongly about an alternative organization, they may suggest it to the executive team, who will review the charity's purpose in order to ensure the authenticity of the institution to confirm time spent will positively impact an Area of Disproportionate Impact. If the executive team determined it is in the best interests of the company to use an alternative organization suggested by employees, the Vice President and Human Resources will work with the suggested organization to encourage collaboration with the charity event hosted by the Joe Andruzzi Foundation.
- The Vice President and HR will meet with the executive team at the end of each year to ensure that the company's goal of 30% of employees are participating in the Joe Andruzzi Foundation charity event from the present year has been complied with. If the goal has not been met, the Vice President and Human Resources will develop a plan of action for the next year to ensure that Apotho meets its annual objective.
- The Vice President and Human Resources will also meet with the finance department before the end of each year to ensure the Company's goal of donating \$10,000 to the Joe Andruzzi Foundation has been made. Apotho will require the Joe Andruzzi Foundation to provide a certification at the end of each year detailing the number of residents in areas of disproportionate impact, specifically Fall River, Mansfield, and Brockton, to ensure that Apotho's donation has complied with its charitable objective.



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

mass.gov/dor

Letter ID: L1711526784  
Notice Date: April 25, 2019  
Case ID: 0-000-663-247



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



% BURNS & LEVINSON LLP  
APOTHO THERAPEUTICS PLAINVILLE LL  
125 SUMMER ST  
BOSTON MA 02110-1615

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

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

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

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

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

If you have questions, call us at (617) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 8:30 a.m. to 4:30 p.m..

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

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



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

Minimum Fee: \$500.00

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

**Certificate of Organization**

(General Laws, Chapter )

Identification Number: 001346519

1. The exact name of the limited liability company is: APOTHOTHERAPEUTICS PLAINVILLE LLC

**2a. Location of its principal office:**

No. and Street: 3 TWIN OAK DRIVE  
 City or Town: WARWICK State: RI Zip: 02889 Country: USA

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

No. and Street: PRINCE LOBEL TYE LLP  
ONE INTERNATIONAL PLACE, SUITE 3700  
 City or Town: BOSTON State: MA Zip: 02110 Country: USA

**3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:**

THE GENERAL CHARACTER OF THE BUSINESS OF THE LLC SHALL BE THE INITIAL PURPOSE OF SUBMITTING APPLICATION WITH ALL APPLICABLE MASSACHUSETTS REGULATORY AGENCIES TO OBTAIN AUTHORIZATION TO ENGAGE IN THE CULTIVATION, TRANSPORTATION AND DISTRIBUTION OF AGRICULTURAL PRODUCTS, TO THE EXTENT PERMITTED, AND IN ACCORDANCE WITH MASSACHUSETTS LAW, AND ANY OTHER BUSINESS IN WHICH A MASSACHUSETTS LIMITED LIABILITY COMPANY IS AUTHORIZED TO ENGAGE. THE COMPANY WILL NOT ENGAGE IN ANY ACTIVITY REQUIRING THE APPROVAL AND ENDORSEMENT OF THE DEPARTMENT OF PUBLIC HEALTH OR THE CANNABIS CONTROL COMMISSION UNTIL SUCH AUTHORIZATIONS HAVE BEEN RECEIVED.

**4. The latest date of dissolution, if specified:**

**5. Name and address of the Resident Agent:**

Name: JOHN F. BRADLEY  
 No. and Street: PRINCE LOBEL TYE LLP  
ONE INTERNATIONAL PLACE, SUITE 3700  
 City or Town: BOSTON State: MA Zip: 02110 Country: USA

I, JOHN F. BRADLEY resident agent of the above limited liability company, consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 12.

**6. The name and business address of each manager, if any:**

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	PATRICK CASEY	3 TWIN OAK DRIVE WARWICK, RI 02889 USA

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

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

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

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

9. Additional matters:

**SIGNED UNDER THE PENALTIES OF PERJURY, this 18 Day of September, 2018,**  
**PATRICK CASEY**

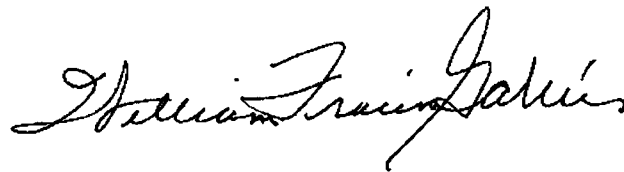
*(The certificate must be signed by the person forming the LLC.)*



THE COMMONWEALTH OF MASSACHUSETTS

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

September 18, 2018 01:06 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



William Francis Galvin  
Secretary of the  
Commonwealth

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

April 19, 2019

TO WHOM IT MAY CONCERN:

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

**APOTHOTHERAPEUTICS PLAINVILLE LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **September 18, 2018.**

I further certify that said Limited Liability Company has filed all annual reports due and paid all fees with respect to such reports; that said Limited Liability Company has not filed a certificate of cancellation or withdrawal; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are:  
**PATRICK CASEY**

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **NONE**



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

*William Francis Galvin*  
Secretary of the Commonwealth

OPERATING AGREEMENT  
OF  
APOTHOTHERAPEUTICS PLAINVILLE, LLC  
A MASSACHUSETTS LIMITED LIABILITY COMPANY

This Operating Agreement (as the same may be amended from time to time, the “**Agreement**”) of Apotho Therapeutics Plainville, LLC, a Massachusetts limited liability (the “**Company**”), is entered into as of March 19, 2019 by and among the Company and the parties listed on Exhibit A hereto. The parties listed on Exhibit A, as the same may be amended from time to time in accordance with the provisions of this Agreement, are individually referred to as a “**Member**” and collectively as the “**Members**”.

WHEREAS, the Company was formed pursuant to the Massachusetts Limited Liability Company Act, as amended (the “**Act**”) by filing the Certificate of Organization with the office of the Secretary of the Commonwealth of Massachusetts on September 18, 2018, which Certificate of Organization was amended by that certain Certificate of Amendment, dated September 18, 2018;

WHEREAS, the Company and the Members hereto desire to set forth certain matters with respect to the Company in this Agreement, including with respect to the affairs of the Company, and the respective rights and obligations of the parties hereto, all in accordance with and subject to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1    Certain Defined Terms

The following capitalized terms shall have the following meanings when used in this Agreement.

**Accounting Period** means the period beginning on the day immediately succeeding the last day of the immediately preceding accounting period (or, in the case of the first accounting period, the date of this Agreement) and ending on the earliest to occur of the following: (i) the last day of the fiscal year; (ii) the day immediately preceding the day on which a Member makes an additional contribution to, or a full or partial withdrawal from, its Capital Account; (iii) the day immediately preceding the day on which a new Member is admitted to the Company; or (iv) the date of termination of the Company in accordance with this Agreement.

**Accredited Investor** means accredited investor as such term is defined in Regulation D promulgated under the Securities Act by virtue of such Member's income or net worth.

**Act** has the meaning set forth in the Recitals.

**Affiliate** means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such particular Person. For purposes of this definition, control (including, with correlative meaning, the terms controlled by and under common control with), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct and cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise.

**Agreement** has the meaning ascribed to it in the preamble of this Agreement.

**Authorized Capital** means the Units authorized for issuance by the Board pursuant to the terms of this Agreement, which capital may be comprised of one or more classes of Units with the relative rights, preferences and designations provided for in Article 9.

**Available Cash Flow** has the meaning ascribed to it in Section 10.1.

**Board** means the Board of Managers of the Company responsible for management of the Company, all in accordance with applicable provisions of the Act and this Agreement

**Capital Account** means the capital account established for each Member and maintained pursuant to the terms of this Agreement in accordance with the provisions of Treasury Regulation Section 1.704-1(b)(2).

**Capital Contribution** means, as to each Member, the amount of new capital or other valuable consideration specified next to such Member's name in Exhibit A, and any subsequent capital contribution made by a current or new Member to the Company.

**Capital Transaction** means any sale or exchange of all or any material portion of the assets or Units of the Company, other than in the ordinary course of business, or the liquidation of the Company.

**Certificate** means the Certificate of Organization of the Company filed with the Secretary of State of the Commonwealth of Massachusetts, as it may be amended.

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

**Class A Unit(s)** means the voting Class A Units of the Company.

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

**Class B Unit(s)** means the non-voting Class B Units of the Company.

**Code** means the Internal Revenue Code of 1986, as amended.

**Company** has the meaning ascribed to it in the preamble of this Agreement.

**Dissolution Event** has the meaning ascribed to it in Section 12.1.

**Distributions** means those distributions made to the Members under this Agreement.

**Effective Date** means the date of this Agreement.

**For Cause** means if a Manager and/or officer commits fraud, gross negligence or willful misconduct in connection with his or her duties related to the operation of the Company.

**Initial Capital Contribution** means the Capital Contribution of each Member, as set forth in Exhibit A.

**Insider(s)** has the meaning ascribed to it in Section 4.15(a).

**Insider Contracts** has the meaning ascribed to it in Section 2.7(a).

**Members** means any of the Persons admitted as members of the Company pursuant to the terms of this Agreement and the Act, prior to the time of withdrawal of such Person, in such Person's capacity as a member, which members hold in the aggregate all of the issued and outstanding Units of the Company. The Members shall constitute the members of the Company, as such term is defined in the Act.

**Net Profits** means with respect to any particular Member for any particular period, the Profits of the Company allocated to the Member with respect to such period, less all available Losses allocated to such Member by the Company of like character (ordinary, long term capital or short term capital as the case may be) for such period and any prior period. For purpose of this determination, Losses of the Company shall be deemed to be available unless such Losses have previously been utilized in the calculation of Net Profit.

**Permitted Transfer** has the meaning ascribed to it in Section 7.3(a).

**Person** means any natural person, corporation, partnership, trust or other legal entity, whether organized for profit or not for profit.

**Pro Rata Portion** has the meaning ascribed to it in Sections 7.4(b) and 7.5(b).

**Profits or Losses** means for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such fiscal year or period, determined in accordance with applicable provisions of the Code and Treasury Regulations.

**Qualified IPO** shall mean upon consummation of a firm commitment underwritten public offering of stock/units or a going public transaction such as a reverse merger.

**Regulatory Allocations** has the meaning ascribed to it in Section 10.4(e).

**Relative** means any parent, spouse, brother, sister, child, grandchild or relationship by marriage to or of any Member, or a member thereof, who is a natural person, as the case may be.



**ROFO Acceptance** has the meaning ascribed to it in Section 7.4(a).

**ROFO Purchasing Member** has the meaning ascribed to it in Section 7.4(a).

**ROFO Sale Notice** has the meaning ascribed to it in Section 7.4(a).

**ROFO Sale Terms** has the meaning ascribed to it in Section 7.4(a).

**ROFO Selling Member** has the meaning ascribed to it in Section 7.4(a).

**ROFO Third-Party Purchaser** has the meaning ascribed to it in Section 7.4(c).

**ROFR Acceptance** has the meaning ascribed to it in Section 7.5(a).

**ROFR Purchasing Member** has the meaning ascribed to it in Section 7.5(a).

**ROFR Sale Notice** has the meaning ascribed to it in Section 7.5(a).

**ROFR Sale Terms** has the meaning ascribed to it in Section 7.5(a).

**ROFR Selling Member** has the meaning ascribed to it in Section 7.5(a).

**ROFR Third-Party Purchaser** has the meaning ascribed to it in Section 7.5(a).

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

**Services** has the meaning ascribed to it in Section 2.6.

**State** means the Commonwealth of Massachusetts.

**Transfer** means the sale, exchange, assignment, transfer, pledge, hypothecation or otherwise encumbrance, alienation or disposal of, voluntarily or by operation of law, all or any portion of, or right in or to, the Units.

**Treasury Regulations** means any regulations promulgated under the Code.

**Units** means limited liability company interests that are denominated as units of authorized capital of the Company from time to time outstanding, which as of the Effective Date consist of Class A Units and Class B Units.

## ARTICLE 2

### GENERAL

#### Section 2.1 Preliminary Statement

The Company was formed by the filing of the Certificate with the Secretary of the Commonwealth of Massachusetts on September 18, 2018. The purposes of this Agreement are to (i) set forth the rights, obligations and duties of the Members and the Company and (ii) adopt this

Agreement as the Limited Liability Company Agreement of the Company, as contemplated by the Act. To the extent that the rights, powers, duties, obligations or liabilities of any Member are different by reason of any provision of this Agreement than they would have been in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control. The Board shall from time to time take all actions which it may deem to be necessary or advisable for the continuation of the Company as a limited liability company under the Act and qualify the Company to act in any other state where the Board deems qualification necessary or desirable, so long as the liability of the Members is limited in substantially the same manner as provided under the Act and this Agreement.

#### Section 2.2    Name

The name of the Company shall be Apotho Therapeutics Plainville, LLC.

#### Section 2.3    Office

As of the date hereof, the principal office of the Company and the registered office of the Company in Massachusetts is c/o Burns & Levinson LLP, 125 Summer Street, Boston, MA 02110 and its agent for service of process in Massachusetts is Scott Moskol of Burns & Levinson, LLP. The Board may, in its discretion, relocate the principal office or appoint a different agent for service of process.

#### Section 2.4    Fiscal Year

The fiscal year of the Company shall end on December 31, or such other day as the Board from time to time shall determine.

#### Section 2.5    Duration

The Company shall have a perpetual term, unless a specific term is set forth in its Certificate. The Company may be dissolved pursuant to this Agreement.

#### Section 2.6    Purposes of the Company

The Company's business is to carry on any activity that may be lawfully carried on by a limited liability company organized under the Act.

#### Section 2.7    Power and Authority

(a) Subject to the provisions of this Agreement, the Company shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, convenient or incidental in furtherance of the purposes set forth in Section 2.6 above, including, without limitation, the power:

(i) to conduct its business and carry on its operations in such manner(s) as may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(ii) to acquire by purchase, lease, contribution to capital or otherwise, own, hold, operate, maintain, finance, refinance, improve, lease, develop, sell, convey, mortgage, transfer, dispose of, property, real or personal, tangible or intangible, that may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(iii) to enter into, perform and carry out contracts of every kind and description, including, without limitation, contracts with Insiders, any Affiliates of Insiders, or any agents of the Company (collectively, the “**Insider Contracts**”) necessary to, in connection with, convenient to, or incidental to the accomplishment of the purposes of the Company, subject to Section 4.15;

(iv) to engage in all activities and transactions necessary or advisable to carry out the purposes of the Company including, without limitation, the purchase, sale, transfer, pledge and exercise of all rights, privileges and incidents of ownership or possession with respect to any Company asset or liability; and to secure the payment of any Company obligation by hypothecation or pledge of Company assets;

(v) to lend money for any proper purpose, to invest and re-invest its funds and to take and hold real and personal property to secure the payment of funds so loaned or invested;

(vi) to sue and be sued, complain and defend and participate in administrative or other proceedings;

(vii) to appoint employees and agents of the Company, and define their duties and fix their compensation;

(viii) to indemnify any Person in accordance with the Act or this Agreement;

(ix) to obtain any and all types of insurance;

(x) to cease its activities and cancel its Certificate;

(xi) to negotiate, enter into, renegotiate, extend, renew, terminate, modify, amend, waive, execute, acknowledge or take any other action with respect to any lease, contract, security, interest or other agreement or undertaking in respect of any of its assets or liabilities;

(xii) to borrow money and issue evidence of indebtedness and guaranty indebtedness and to secure the same by mortgage, pledge or other liens on the assets of the Company;

(xiii) to pay, collect, compromise, litigate, arbitrate or otherwise adjust or settle, any and all other claims or demands of or against the Company or to hold such proceeds against payment of contingent liability; and

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

(b) Subject to the provisions of this Agreement and the approval of the Board, (i) the Company may enter into and perform any and all documents, agreements and instruments contemplated hereby, all without any further vote, act or approval of any other Members, and (ii) the Board may authorize any person, including any Member or officer to enter into and perform any document, instrument or agreement on behalf of the Company.

#### Section 2.8 No State Law Partnership

The Members intend that the Company shall not be a partnership, either general or limited, or a joint venture in that no Member or officer shall be a partner or joint venturer of any other Member or officer for any purpose and this Agreement shall not be construed to the contrary. It is the intention of the Company and the Members that the Company be treated as a corporation for federal and all relevant state tax purposes and neither the Company nor the Members shall take any action or make any election which is inconsistent with such tax treatment. All provisions of this Agreement are to be construed so as to preserve the Company's tax status as a corporation.

### ARTICLE 3

#### MEMBERS

##### Section 3.1 Place of Meetings

Any meeting of the Members shall be held at the principal office of the Company or at such other place, within or without the State of Massachusetts, as shall be designated by the Board, including without limitation telephonic meetings pursuant to Section 3.5.

##### Section 3.2 Notice of Member Meetings

Meetings of the Members may be held without call or notice at such places and at such times as the Board may from time to time determine, provided, however, if the vote of the Class B Members is required at such meeting, then written notice of the meeting to all Members shall be given by, or at the direction of, the person or persons calling such meeting at least three (3) days prior to the date of giving of such notice. Such notice shall specify the purpose of the meeting and be given by sending a copy thereof by email or facsimile transfer, by receipted hand delivery or by reputable overnight courier, or by certified mail return receipt requested to each Member. Such notice shall specify the place, day and hour of the meeting.

##### Section 3.3 Waiver of Notice

A waiver of notice, in writing, signed by the person or persons entitled to such notice, whether before or after the date stated therein, shall be deemed equivalent to the giving of such notice. Notice of a meeting need not be given to a Member who provided a waiver of notice or consent to holding the meeting or an approval of the minutes thereof in writing, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that Member. Unless otherwise required by law, neither the

business to be transacted nor the purpose of the meeting need be specified in the waiver of notice of such meeting.

#### Section 3.4 Quorum

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

#### Section 3.5 Telephonic Meetings

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

#### Section 3.6 Voting Power and Rights

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

#### Section 3.7 Members

a. List of Members; Admission. Subject to the following sentence, the name, mailing address, Capital Contribution, date of Capital Contribution, number and number of Units of the Members are set forth on Exhibit A attached hereto, as such exhibit shall be amended from time to time in accordance with the terms of this Agreement. Any reference in this Agreement to Exhibit A shall be deemed to be a reference to Exhibit A, as amended and in effect from time to time. Upon (i) the execution and delivery of this Agreement and (ii) receipt of such Person's Capital Contribution, as set forth on Exhibit A, each Person listed on Exhibit A is hereby admitted to the Company as a Member of the Company with the number and class of Units set forth opposite such Person's name as of the date such person executes and delivers this Agreement.

b. Loans by Members. No Member shall be required to lend any funds to the Company or to make any additional contribution of capital to the Company, except as otherwise required by applicable law or the terms of this Agreement. In the event that any Member does make a loan to the Company, neither the principal of, nor interest accrued upon, such loan shall be deemed a Capital Contribution. The Company is prohibited from loaning any money to any Insiders.



### Section 3.8 No Liability of Members

Except for conduct that a court of competent jurisdiction deems to constitute fraud, willful misconduct or gross negligence, as otherwise required by applicable law, and as expressly set forth in this Agreement, no Member shall have any personal liability whatsoever in such Member's capacity as a Member, whether to the Company, to any of the other Members, to the creditors of the Company, or to any other Person, for the debts, liabilities, commitments or other obligations of the Company for any losses of the Company or to restore any deficit balance in such Member's Capital Account, or otherwise. Each Member shall be liable only to make such Member's Capital Contribution to the Company and any other payments specifically required hereunder.

### Section 3.9 Other Activities

The Members and their Affiliates may engage in, possess interests in, own, operate or manage other businesses or investment ventures of every kind and description for their own account or jointly with others; provided that such business or investment venture is not in contravention with any restrictions set forth in any other agreement.

### Section 3.10 Qualifications of Members

Each Member, to the extent required by applicable law, shall be an Accredited Investor.

### Section 3.11 Action by Consent

Except as is otherwise specifically provided for herein, any action which may be taken at a meeting of the Members may be taken without a meeting if a consent or consents in writing, setting forth the action so taken, shall be signed by the Members who would be entitled to vote at such meeting and shall be filed with the records of proceedings of the Members of the Company. Notice of such actions taken by the Company shall be distributed to all Members as soon as practicable.

## ARTICLE 4

### MANAGEMENT OF THE COMPANY; MANAGERS

#### Section 4.1 Board of Managers

(a) The full and entire management of the business and affairs of the Company shall be vested in the Board that shall have and may exercise all of the powers that may be exercised or performed by the Company in accordance with the terms of this Operating Agreement. Unless the approval of the Members is required by this Operating Agreement or by nonwaivable provisions of applicable law, the Board shall have full, complete, and plenary authority, power, and discretion to manage and control the business, affairs, and properties of the Company, to make all decisions

regarding those matters, and to perform any and all other acts or activities customary or incident to the management of the Company's business, in accordance with the terms hereof.

(b) The Board may, from time to time, delegate to one or more persons (including any Member or any officer or employee of the Company) such authority and responsibility as the Board may deem advisable including, but not limited to, the creation of an advisory board to assist and counsel the Board on decisions impacting the Company. Any delegation pursuant to this subsection (d) may be revoked at any time by the Board.

#### Section 4.2 Election of the Board of Managers

The Board shall initially consist of two (2) voting members: Patrick Casey and Nicholas Salvador (each an "**Initial Manager**" and collectively, the "**Initial Managers**"); provided, however, that the Initial Managers may elect one (1) or more persons to the Board (each a "**Subsequent Manager**", and collectively with the Initial Managers, the "**Managers**"). Managers need not be residents of the Commonwealth of Massachusetts or Members of the Company. Each Manager shall hold its position for an initial two (2) year term, which such term may be extended for an additional two (2) years, or until a successor is duly elected and qualified or until such Manager's earlier resignation or removal pursuant to the terms of this Agreement; provided, however, the Initial Managers shall serve for lifetime terms, or until such Initial Manager's earlier resignation or removal pursuant to the terms of this Agreement.

#### Section 4.3 Resignation and Removal of a Manager.

Subject to the terms of any separate written agreement between the Company and a Manager, a Manager may resign at any time by giving written notice to the Company. The resignation of a Manager who is also a Member shall not affect his or her rights as a Member. A Manager's resignation permitted hereunder shall be effective upon receipt unless such notice specifies a different date, and the acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. A Manager may be removed For Cause by the affirmative vote or written consent of a majority vote of the Class A Members, which the Board may then vote on a replacement Manager, to be elected by the majority vote of the Board; provided, however, that the Initial Managers may be only be removed as Manager For Cause by the affirmative vote or written consent of a majority of Class A Members. For the purpose of this Agreement, "For Cause" shall mean if a Manager or officer is found in a judicial or non-judicial proceeding to have committed fraud, gross negligence or willful misconduct in connection with his or her duties related to the operation of the Company. For the avoidance of doubt, a Manager's conduct shall not be deemed to be willful misconduct for engaging in activity related to cannabis or the cannabis industry that may be a violation of federal law, so long as the Manager's conduct or activity is reasonably believed to be in compliance with applicable state laws.

#### Section 4.4 Compensation of the Board of Managers

The Initial Managers shall not receive compensation for their services on the Board, except as otherwise approved by a majority vote of the Class A Members. Further, Class A Members, by majority vote, may establish what compensation, if any, the Subsequent Managers may receive.

#### Section 4.5 Reserved

#### Section 4.6 Regular Meetings

The Board shall hold such regular meetings at such times and places as it may determine.

#### Section 4.7 Special Meetings

Any Manager shall have the right to call special meetings at such times and places as he or she may determine, to be designated in a written notice of such meeting.

#### Section 4.8 Notice of Meetings

Meetings of the Board may be held without call or notice at such places and at such times as the Board may from time to time determine, provided, however, written notice of the meeting shall be given by, or at the direction of, the person or persons calling such meeting at least three (3) days prior to the date of giving of such notice. Such notice shall be given by sending a copy thereof by email or facsimile transfer, by receipted hand delivery or by reputable overnight courier, or by certified mail return receipt requested to each Manager. Such notice shall specify the purpose, place, day and hour of the meeting.

#### Section 4.9 Waiver of Notice

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

#### Section 4.10 Action by Consent

Except as is otherwise specifically provided for herein, any action which may be taken at a meeting of the Board may be taken without a meeting if a consent or consents in writing, setting forth the action so taken, shall be signed by each member of the Board who would be entitled to vote at such meeting and shall be filed with the records of proceedings of the Board of the Company.

#### Section 4.11 Telephonic Meetings

The Managers may participate in any regular or special meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

#### Section 4.12 Quorum; Requisite Vote

Except as is otherwise specifically provided for herein, the Board in office shall be necessary to constitute a quorum for the transaction of business and the acts of the Managers

present at a meeting at which a quorum is present shall be the acts of the Board.

#### Section 4.13 Deadlock

If the Board, acting in good faith, cannot reach the requisite Manager votes necessary to approve a particular action, then such matter shall be put to a vote of the Class A Members, with such action to be taken by the affirmative vote of the majority of the outstanding Percentage Interests owned by such Class A Members.

#### Section 4.14 Reserved

#### Section 4.15 Interested Manager or Officer Contracts

(a) No contract or other transaction between the Company and (a) one or more of its Managers, officers or Affiliates of thereof (collectively, “**Insiders**”) or (b) any other entity in which one or more Insiders of the Company is an equity holder, director or officer or has a financial interest, shall be void or voidable solely (i) for such reason, (ii) because such Insider is present at or participates in the meeting of the Managers, as applicable, at which such contract is authorized or (iii) because the vote of such officer, Manager is counted at the meeting of the Board, as applicable, at which such contract is authorized, if the Board approves such transaction **and** one of the following conditions is satisfied:

(i) All material facts as to such contract, and such Insider’s interest therein (if any), have been disclosed to or are known by the majority of all the Members and such contract or amendment thereto has been specifically approved in good faith by the majority of the Members, without counting the vote of any interested Member; or

(ii) Such contract or amendment thereto is fair as to the Company as of the time at which such contract is authorized, approved or ratified by the Board.

Managers so interested may be counted when present at meetings of the Members or the Board for the purpose of determining the existence of a quorum.

(b) To the extent the Board appoints any of its members to be officers of the Company, nothing in this Agreement shall prevent such persons from receiving a salary or other compensation from the Company in his or her capacity as an officer.

#### Section 4.16 Reserved

#### Section 4.17 Scope of Authority of Board of Managers

Unless otherwise required by the Act or the express provisions of this Agreement, the Board shall have the exclusive power and authority to manage the day-to-day business and affairs of the Company, and to carry out and exercise any and all of the purposes and powers of the Company set forth in Section 2.7, without the necessity of a meeting of the Members including, without limitation, the power to:

(i) open, maintain and close bank accounts and draw checks or other

orders for the payment of money;

(ii) receive, acknowledge receipt for, account for, deposit, dispose of and/or otherwise handle all securities, checks, money and other assets or liabilities of the Company;

(iii) hire employees, bankers, attorneys, accountants, consultants, custodians, contractors and other agents, and pay them reasonable compensation;

(iv) maintain one or more offices within or without the Commonwealth of Massachusetts and in connection therewith rent or acquire office space and do such other acts as may be advisable in connection with the maintenance of such offices;

(v) obtain any and all types of insurance;

(vi) negotiate, enter into, re-negotiate, extend, renew, terminate, modify, amend, waive, execute, acknowledge or take any other action with respect to any lease, contract, security, interest or other agreement or undertaking in respect of any of the Company's assets or liabilities;

(vii) pay, collect, compromise, litigate, arbitrate or otherwise adjust or settle, any and all other claims or demands of or against the Company or to hold such proceeds against payment of contingent liability;

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

(ix) enter into any agreement that requires consideration for goods or services payable by or to the Company;

(x) conduct marketing, advertising or public relations efforts or campaigns of the Company, including, without limitation, developing, hosting and maintaining internet websites; and

(xi) do any and all acts required of the Company with respect to its interest in any other Person.

No Member, unless such Member is a Manager or the Chief Executive Officer, shall have any power or authority to manage the business or affairs of the Company. Notwithstanding anything to the contrary contained in this Agreement, the Board shall not take, approve or permit the Company to authorize or engage in any of the following actions unless the Company has received consent from a majority of Class A Members:

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

(b) acquire, own, hold, manage, capitalize, recapitalize, pledge, mortgage, grant security interests in, permit other liens with respect to, sell, transfer, convey, assign, exchange or



otherwise dispose of the Company's real or personal property and any other assets held by the Company;

#### Section 4.18 Coordination With The Act

It is the intent of the parties that, for all purposes, the term Board shall be deemed to be synonymous with the term Board as used in the Act, and the term Member or Members shall be deemed to be synonymous with the term member or members as used in the Act.

#### Section 4.19 Other Activities

The Insiders and their respective Affiliates may engage in, possess interests in, own, operate or manage other businesses or investment ventures of every kind and description for their own account or jointly with others.

#### Section 4.20 Advisory Board

The Board may create a non-voting advisory board (the "Advisory Board") to which the Board may consult. Compensation, if any, for members of the Advisory Board shall be determined by a majority vote of the Board.

### ARTICLE 5

#### OFFICERS

#### Section 5.1 Number and Election

The Board shall appoint a President, a Treasurer and a Secretary, and may appoint such other officers and agents as the Board may deem appropriate. Any such officers shall have the authority of the Board to act on behalf of and to bind the Company to the full extent of the Board's delegation of authority to such officers.

#### Section 5.2 Qualifications

A Person may hold more than one office. An officer may, but need not, be a Member of the Company.

#### Section 5.3 Term of Office

Each officer shall hold office until the end of the term for which such officer is appointed and until his or her successor shall have been elected, or until such Person's earlier death, resignation or removal.

#### Section 5.4 Chief Executive Officer, Chief Operating Officer and Chief Financial Officer

The Board may also appoint a Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, such officers to have the authority of the Board to act on behalf of and to bind the Company to the full extent of the Board's delegation of authority to such officers.

#### Section 5.5 President/CEO

The President or CEO shall supervise generally and have executive powers concerning all of the day to day operations of the Company and shall perform all duties incident to the office of the President including, without limitation, exercise of general operating powers concerning all the property, business and affairs of the Company. The President or CEO shall be charged with carrying out the policies, programs, orders and resolutions adopted or approved by the Board, and shall have all powers and perform all duties incident to the office, and any further powers and duties as from time to time may be prescribed by the Board. The President shall report to the Board.

#### Section 5.6 Treasurer

The Treasurer shall be the chief financial officer of the Company and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Company, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and shares. The Treasurer shall have custody of the funds and securities of the Company and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company and shall deposit all monies and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Board or the President of the Company. The Treasurer shall have such other powers and perform such other duties as may from time to time be prescribed by the President or the Board.

#### Section 5.7 Secretary

The Secretary shall attend meetings of the Members, keep minutes thereof and Company documents and materials in suitable books, and in general, perform all duties incident to the office of Secretary.

#### Section 5.8 Initial Officers.

The Board shall be deemed to have appointed as initial officers of the Company Andrew Medeiros to the position of Chief Executive Officer, Mathew Medeiros to the positions of President, Secretary, and Treasurer; provided, however, Mathew Medeiros shall always serve as President unless removed For Cause.

#### Section 5.9 Other Activities

The Managers and officers of the Company and their respective Affiliates may engage in, possess interests in, own, operate or manage other business or investment ventures of every kind and description for their own account or jointly with others; provided that such business or investment venture is not in contravention with any restrictions set forth in any other agreement.

#### Section 5.10 Salaries of Officers

The Board shall determine and set salaries and other compensation for the Company's officers. Officers of the Company may be entitled to a salary and other compensation regardless if he or she is a member of the Board.

### ARTICLE 6

#### EXECUTION OF DOCUMENTS

##### Section 6.1 Checks, Etc.

The Board, or with its approval, one or more officers, may from time to time designate such employees, persons, entities, officers or agents who shall have power on behalf of the Company, in its name, to sign and endorse checks and drafts and to authorize the wire transfers of funds.

##### Section 6.2 Other Documents.

Unless otherwise authorized in writing by the Board, all contracts, leases, deeds, deeds of trust, mortgages, negotiable instruments, powers of attorney to transfer the equity interests of Members and for other purposes, and all other documents requiring the authorization of the Board of the Company shall be executed for and on behalf of the Company by the Person(s) designated in the Certificate, or if no Persons are so designated, by an officer or the Board or by one (1) or more other Persons designated in writing by the Board.

### ARTICLE 7

#### UNIT CERTIFICATES AND TRANSFERS

##### Section 7.1 Unit Certificates

Units, which shall represent the limited liability company ownership interests of the Members in the Company, may be evidenced by a certificate in such form as the Board may from time to time determine. Every certificate issued by the Company shall be signed by the President and the Secretary of the Company. Each certificate representing Units in the Company now or hereafter issued shall include a conspicuous legend, stating that the certificate and the rights represented by the certificate, including, without limitation, all rights to transfer such certificate, are subject to the terms of this Agreement, as it may be amended from time to time, and such other legend(s) as the Board may deem to be appropriate.

##### Section 7.2 Loss or Destruction of Unit Certificates

In case of loss or destruction of a Unit certificate, no new certificate shall be issued in lieu thereof except upon satisfactory proof to the Board or its designee of such loss or destruction, which proof may be in the form of an affidavit signed under the penalties of perjury and upon the

giving to the Company of satisfactory security or indemnity against loss, by bond or otherwise, if such security or indemnity is deemed appropriate by the Board. Any such new certificate shall be plainly marked Duplicate upon its face.

### Section 7.3    Transfers of Units

(a) Restrictions on the Transfer of Interests. Subject to the exceptions below, no Member may Transfer any portion of any Units to any other Person without the prior consent of the Board, which consent may be granted or withheld for any or no reason. Notwithstanding anything to the contrary contained herein, including without limitation the provisions of Sections 7.4 and 7.5, any Member may Transfer all or a portion of its Units (the following, each, a “**Permitted Transfer**”): (w) to another Member, (x) in the case of a Member who is a natural person, to (i) such Member's Relative, (ii) any trust, limited partnership, limited liability or other company primarily for the benefit of a Relative, (iii) any trust, limited partnership, limited liability or other company the beneficial owner of which includes only such Member, or (iv) any trust, limited partnership, limited liability or other company which is controlled directly or indirectly by such Member; (y) in the case of a Member who is not a natural person, to any partner, parent, subsidiary, equity holder, beneficiary or Affiliate of such Member; or (z) to another natural person or entity upon approval by at least 60% of the Board; provided that any such transferee under clauses (w), (x), (y) or (z) immediately above shall agree in writing to be bound by, and the Units so transferred shall remain subject to, the terms and conditions of this Agreement; provided, further, that any proposed Transfer under this Section 7.3 must meet the following conditions unless so waived by the Board, which conditions are intended, among other things, to ensure compliance with the provisions of applicable laws:

(i) the transferor or transferee undertakes to pay all expenses incurred by the Company in connection therewith;

(ii) the Company shall receive from the Person to whom such transfer is made (a) such documents, instruments and certificates as may be requested by the Board, pursuant to which the transferee shall become bound by this Agreement, (b) a certificate to the effect that the representations and information required to be furnished pursuant to this Agreement are (except as otherwise disclosed in writing to the Board) true and correct with respect to such Person and (c) such other documents, opinions, instruments and certificates as the Board shall request; and

(iii) the transferring Member shall, prior to making any such transfer, deliver to the Company the opinion of counsel described in form and substance satisfactory to the Board and shall be substantially to the effect (unless specified otherwise by the Board) that giving effect to the Transfer contemplated by the opinion (a) will not violate any provisions of the Securities Act or applicable state securities laws; (b) for Federal income tax purposes, will not cause the termination or dissolution of the Company and will not cause the Company to be classified as other than a corporation; and (c) will not violate the laws of any state or the rules and regulations of any governmental authority applicable to such Transfers.

(b) Admission of Transferee as Member. Any transferee of all or any part of the Member's Units pursuant to the terms of this Article 7 shall be admitted to the Company as a substitute Member (and a member of the Company for purposes of the Act). In such event, such substitute Member shall, to the extent of such transfer, succeed to the Capital Account, rights and obligations hereunder of the Member making such transfer.

(c) Effective Date of Transfer. The Board may, in its sole discretion, permit a Transfer to become effective as of the first day of the Accounting Period following such Transfer.

(d) No Dissolution. Admission of a substitute Member shall not be a cause for dissolution of the Company.

(e) Attempted Transfer in Violation of Agreement. Any purported transfer of any Units, in whole or in part, not made in accordance with this Article 7 shall be null and void *ab initio* and the Board and all Members are authorized to continue to treat the purported transferor as a Member for all purposes of this Agreement.

(f) No Admission. No Person shall be admitted as a Member if such admission will (i) cause the Company to be classified as other than a C Corporation for Federal income tax purposes; or (ii) constitute a violation of any applicable registration provisions of the Securities Act or any other applicable State or Federal securities laws.

#### Section 7.4    Right of First Offer

(a) In the event that at any time any Member or Members (a “**ROFO Selling Member**”) desires to Transfer its Units, the ROFO Selling Member shall provide written notice (the “**ROFO Sale Notice**”) of such desire to Transfer its Units to all other Members. The ROFO Sale Notice shall include the terms under which the ROFO Selling Member would be willing to sell such Units, including, without limitation, the purchase price for such Units (the “**ROFO Sale Terms**”). Each Member under the last sentence of this Section 7.4(a), shall have the exclusive right, not more than thirty days after receipt of the ROFO Sale Notice (during which time the ROFO Selling Member may not sell such Units), to either: (i) decline to purchase such Units from the ROFO Selling Member, or (ii) provide to the ROFO Selling Member a written notice (the “**ROFO Acceptance**”) stating that the other Member under the following sentence (a “**ROFO Purchasing Member**”), has agreed to acquire the Units of the ROFO Selling Member in accordance with the ROFO Sale Terms. For the avoidance of doubt, the Class A Members or Class B Members may purchase Class A Units or Class B Units under this Section 7.4; provided that the Class A Members shall have preference over Class B Members with respect to the right to purchase all or any of such Units.

(b) If a ROFO Acceptance is given by a ROFO Purchasing Member to the ROFO Selling Member as provided in Section 7.4(a) above, the ROFO Selling Member shall sell the subject Units to the ROFO Purchasing Member pursuant to the ROFO Sale Terms. If more than one ROFO Purchasing Member delivers a ROFO Acceptance, each such ROFO Purchasing Member shall be allocated its Pro Rata Portion of the offered Units, unless otherwise agreed by such ROFO Purchasing Members. For the purposes of this Section 7.4, “**Pro Rata Portion**”



means, with respect to any eligible ROFO Purchasing Member, on the date of the ROFO Sale Notice, the number of Units, equal to the product of: (A) the total number of offered Units and (B) a fraction determined by dividing: (y) the number of Units owned by such ROFO Purchasing Member by (z) the total number of Units owned by all of the ROFO Purchasing Members.

(c) Failure of all other Members to deliver the ROFO Acceptance within thirty (30) days of their receipt of the ROFO Sale Notice shall be deemed to be an election by the other Members not to purchase the Units of the ROFO Selling Member as provided pursuant to Section 7.4(a). In the event the other Members elect not to purchase such Units of the ROFO Selling Member, the ROFO Selling Member may then sell such Units to any third-party purchaser (a “**ROFO Third-Party Purchaser**”), provided that such sale to the ROFO Third-Party Purchaser is pursuant to terms not less favorable than the ROFO Sale Terms, as certified to the other Members by the ROFO Selling Member. If the ROFO Selling Member desires to sell the applicable Units to a ROFO Third-Party Purchaser on terms less favorable than the ROFO Sale Terms provided to the other Members, the ROFO Selling Member may not sell such Units without first providing the other Members with a revised ROFO Sale Notice and complying with the terms and provisions of this Section 7.4. The time period for the other Members to review and accept or deny such revised ROFO Sale Terms shall be fifteen days after receipt of the revised ROFO Sale Notice. Any permitted Transfer of Units to a ROFO Third-Party Purchaser under this Section 7.4(c) shall be subject to such ROFO Third-Party Purchaser's compliance with Section 7.3 hereof in all respects.

(d) Notwithstanding the foregoing, this Section 7.4 shall not apply and a Member shall not have the right to purchase the Units of the other Member in connection with a Permitted Transfer.

#### **Section 7.5 Right of First Refusal**

(a) In the event that a Member receives an offer from a third party to purchase any or all of the Member's Units (a “**ROFR Third-Party Purchaser**”), such Member (the “**ROFR Selling Member**”) shall provide written notice (the “**ROFR Sale Notice**”) to all other Members stating the terms of such proposed sale, including, without limitation, the purchase price for such Units (the “**ROFR Sale Terms**”), and including copies of all materials (including, without limitation, a signed term sheet) with respect to such proposed sale. Each Member under the last sentence of this Section 7.5(a), shall have the exclusive right, not more than thirty days after receipt of the ROFR Sale Notice (during which time the ROFR Selling Member may not sell such Units to the ROFR Third-Party Purchaser), to either: (i) decline to purchase such Units from the ROFR Selling Member, or (ii) provide to the ROFR Selling Member a written notice (the “**ROFR Acceptance**”) stating that the other Member, under the following sentence (a “**ROFR Purchasing Member**”), has agreed to acquire the Units of the ROFR Selling Member in accordance with the ROFR Sale Terms. For the avoidance of doubt, the Class A Members or Class B Members may purchase Class A Units or Class B Units under this Section 7.5; provided that the Class A Members shall have preference over Class B Members with respect to the right to purchase all or any of such Units.

(b) If an ROFR Acceptance is given by a ROFR Purchasing Member to the ROFR Selling Member as provided in Section 7.5(a) above, the ROFR Selling Member shall sell the subject Units to the ROFR Purchasing Member pursuant to the ROFR Sale Terms. If more than

one ROFR Purchasing Member delivers a ROFR Acceptance, each such ROFR Purchasing Member shall be allocated its Pro Rata Portion of the subject Units, unless otherwise agreed by such ROFR Purchasing Members. For the purposes of this Section 7.5, “**Pro Rata Portion**” means, with respect to any eligible ROFR Purchasing Member, on the date of the ROFR Sale Notice, the number of Units, equal to the product of: (A) the total number of offered Units and (B) a fraction determined by dividing: (y) the number of Units owned by such ROFR Purchasing Member by (z) the total number of Units owned by all of the ROFO Purchasing Members.

(c) Failure of all other Members to deliver the ROFR Acceptance within thirty days after receipt of the ROFR Sale Notice shall be deemed to be an election by the other Members not to purchase the Units of the ROFR Selling Member as provided pursuant to Section 7.5(a). In the event the other Members elect not to purchase such Units of the ROFR Selling Member, the ROFR Selling Member may then sell such Units to the ROFR Third-Party Purchaser, provided that such sale to the ROFR Third-Party Purchaser is pursuant to terms not less favorable than the ROFR Sale Terms, as certified to the other Member by the ROFR Selling Member. If the ROFR Selling Member desires to sell the applicable Units to a ROFR Third-Party Purchaser on terms less favorable than the ROFR Sale Terms provided to the other Members, the ROFR Selling Member may not sell such Units without first providing the other Members with a revised ROFR Sale Notice and complying with the terms and provisions of this Section 7.5. The time period for the other Members to review and accept or deny such ROFR Sale Terms shall be fifteen days after receipt of such revised ROFR Sale Notice. Any permitted Transfer of a Units to a ROFR Third-Party Purchaser under this Section 7.5(c) shall be subject to such ROFR Third-Party Purchaser's compliance with Section 7.3 hereof in all respects.

(d) Notwithstanding the foregoing, this Section 7.5 shall not apply and a Member shall not have the right to purchase the Units of the other Members in connection with a Permitted Transfer.

#### Section 7.6 Tag-Along Rights

If at any time one or more Members (the “**Offering Members**”) shall propose a transfer of securities of the Company in one or more related transactions of Units constituting at least a majority of the outstanding Class A Units or Class B Units, to a third party, the Offering Members shall give written notice to the Class A Members or Class B Members, as applicable, and the Company of their intention to make such proposed transfer describing in reasonable detail the proposed transfer including, without limitation, the number and class of Units to be transferred, the nature of such transfer, the consideration to be paid, and the name and address of each prospective purchaser or transferee. In such event, the Class A Members or Class B Members, as applicable (the “**Tag Along Members**”) shall have the option, exercisable only upon written consent of the Board, to sell all, and not less than all of his, her or its interests in the Company to the proposed transferee at the price and upon the terms offered by the proposed transferee, and the proposed transferee shall be required to purchase the interest of each Tag Along Member at such price and upon the terms offered by the proposed transferee. By way of clarification, any transfer by the Offering Member holding a majority interest pursuant to this Section 7.6 shall not be subject to the right of first refusal or right of first offer set forth in Sections 7.4 and 7.5 hereof and the rights of the other Members to participate in such transfer as described in this Section 7.6 shall be in lieu of such Member's rights under such Section 7.4 or 7.5. Notwithstanding the provisions of

Section 7.6, this Section 7.6 shall not apply and a Member shall not have the so-called “tag-along rights” in connection with a Permitted Transfer.

#### Section 7.7 Drag-Along Rights

If at any time the Board or any Member receives a bona fide offer from a third party to purchase, in one transaction or a series of related transactions, a majority of the issued and outstanding Units of the Company or the Board by a majority vote decides to do a Qualified IPO, the Board shall have the right to require that each other Member (each, a “**Drag-Along Member**”) participates in the Qualified IPO or in such sale in the manner set forth in this Section 7.7, and each Drag-Along Member shall be required to sell its respective interests at the price and upon the terms offered to the Board or any Member; *provided, however*, that no Drag-Along Member shall be required to transfer or sell any of its Units if the consideration for the drag-along sale is other than cash or registered securities listed on an established U.S. or foreign securities exchange or traded on the NASDAQ National Market or a U.S. or foreign established over-the-counter trading system.. Notwithstanding the provisions of this Section 7.7, this Section 7.7 and Section 10(2)(a)(ii), as applicable, shall not apply and a Member shall not have the so-called “drag-along rights” in connection with a Permitted Transfer. Notwithstanding anything to the contrary in this Agreement, each Drag-Along Member shall vote in favor of the transaction and take all actions to waive any dissenters, appraisal or other similar rights.

### ARTICLE 8

#### INDEMNIFICATION OF MEMBERS, OFFICERS AND OTHERS

##### Section 8.1 Indemnification

The Company shall indemnify any Person who was or is a party, or is threatened to be made a party, to any pending, threatened or completed action, suit or proceeding, whether criminal, civil, administrative or investigatory, by reason of the fact that such Person is or was a member of the Board, or officer or counsel of the Company, or is or was serving at the request of the Company or the Board as a partner, director, officer, principal, counsel or trustee of another corporation or business entity, or benefit plan or trust, against expenses, judgments, fines, and amounts paid in settlement actually and reasonably incurred by such Person in connection with such action, suit or proceeding, unless the Person seeking indemnification is determined to have been guilty of some gross negligence, fraud or willful misconduct, or otherwise not to have acted in good faith in the reasonable belief that his actions or omissions were in the best interests of the Company; provided, however, that the standard of conduct set forth in this sentence shall apply to a Manager who is also an officer if the basis on which he or she is made a party to the proceeding is an act or omission solely as an officer. For the avoidance of doubt, a Manager’s conduct shall not be deemed to be willful misconduct for engaging in activity related to cannabis or the cannabis industry that may be a violation of federal law, so long as the Manager’s conduct or activity is reasonably believed to be in compliance with applicable state laws. The Company may, but shall not be required to, indemnify any employee, independent contractor or agent of the Company on the same terms, or on such other terms as the Board deems appropriate. Notwithstanding the foregoing, a Person shall

be entitled to indemnification hereunder for alleged violation of federal and state securities laws to the maximum extent permitted by such laws.

#### Section 8.2    Advance Payment

The right to indemnification provided for in this Article 8 shall include the right to be paid or reimbursed by the Company, the reasonable expenses incurred by a Person of the type entitled to be indemnified under Section 8.1, in advance of the final disposition of any such actions, suit or proceeding and without any determination as to the Person's ultimate entitlement to indemnification; provided that the payment of such expenses incurred by any such Person in advance of the final disposition shall be made only upon delivery to the Company of a written affirmation of such Person of his or her good faith belief that such Person has met the standard of conduct necessary to be indemnified under this Article 8 and a written undertaking in form and substance acceptable to the Board by or on behalf of such Person to repay all amounts so advanced if it shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Article 8 or otherwise.

#### Section 8.3    Non-Exclusivity of Article 8

The indemnification provided by this Article and/or the Certificate of the Company shall not be deemed exclusive of nor deemed to exclude any other rights (whether arising under any indemnification agreement, under applicable law, or otherwise) to which those seeking indemnification may be entitled, and shall continue as to a Person who has ceased to be a Manager, employee, counsel or agent of the Company and shall inure to the benefit of the heirs, executors and administrators of such Person.

#### Section 8.4    Insurance

The Company may, but is not obligated to, purchase and maintain insurance, at its expense, to protect itself, any Person entitled to indemnification hereunder and any other employee or agent of the Company or any Affiliate, whether or not the Company would have the power to indemnify such Person against such expense liability or loss under this Article 8.

#### Section 8.5    Exculpation

Notwithstanding any other provision of this Agreement, no officer, counsel or Board of the Company shall be liable to the Company or to any Member or third-party for any act or failure to act undertaken in good faith with the reasonable belief that such act or failure to act was in the best interest of the Company and its Members. It is the intent of the parties that the provisions of this Section 8.5 shall be enforceable to the maximum extent permitted by law.

#### Section 8.6    Savings Clause

If this Article 8 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless such person indemnified pursuant to this Article 8 as to cost, charges and expenses, including reasonable attorneys' fees, judgments, fines and amounts paid in settlement with respect to any suit, action or proceeding including any appeal thereof to the full extent permitted by any applicable portion of

this Article 8 that shall not have been so invalidated and to the fullest extent permitted by applicable law.

## ARTICLE 9

### CAPITAL

#### Section 9.1 Authorized Capital and Units

(a) Authorized Capital. The Company shall initially have two (2) classes of Units, known as “**Class A Units**” and “**Class B Units**.” As of the date hereof, the number of issued and outstanding Units of Authorized Capital are as set forth on Exhibit A to this Agreement. The Board may authorize the issuance of additional classes of Units, in which event Exhibit A shall be revised to properly reflect the issuance of such additional classes of Units and each Member’s revised ownership interest in the Company. Exhibit A shall be revised from time to time to properly reflect the admission of new members and the transfer of Units, as the case may be.

(b) Class A Units and Class B Units. The holders of Class A Units shall have the right to vote, on the basis of one vote per Class A Unit on all matters of the Company as provided for in this Agreement. The holders of Class A Units shall have the rights to participate in Profits, Losses, and distributions of the Company in the manner set forth in this Agreement.

(c) Class B Units. The Class B Members shall have the right to participate in Profits, Losses and distributions of the Company in the manner set forth in this Agreement. Except as specifically provided by the non-waivable provisions of the Act or this Agreement, the Class B Members shall not be entitled to vote, shall not be entitled to undertake any activities on behalf of the Company, and shall not have any power to sign for or to bind the Company.

#### Section 9.2 Capital Contributions

(a) Members. The Members have previously made contributions (capital and/or otherwise) as set forth on Exhibit A to the Company in connection with the issuance of their Units.

(b) Payment of Initial Capital Contributions. As a condition precedent to the issuance of Class A Units or Class B Units, as applicable, and a subscriber being admitted to the Company as a new Member, such subscriber shall first make a contribution to the capital of the Company in an amount equal to its Capital Contribution commitment. All Capital Contributions shall be made in cash, by certified check or by wire transfer of funds at the direction of the Board, or in such other lawful form as the Board may permit. No Member shall be obligated, or have the right, to make capital contributions to the Company in excess of its Capital Contribution commitment.

#### Section 9.3 Capital Accounts

A Capital Account shall be maintained for each Member in accordance with Section 704 of the Code and the Treasury Regulations adopted thereunder. Without limitation of the foregoing, each such Capital Account shall be increased pursuant to the terms hereof, with the Member's Capital Contributions and with its share of the Profits, shall be decreased by its share of Losses and distributions, and shall otherwise appropriately reflect transactions of the Company and the

Members. Profits, Losses and other Capital Account adjustments shall be determined in accordance with Treasury Regulations adopted under Section 704 of the Code.

#### Section 9.4 Withdrawals from Capital Accounts

No Member shall be entitled to receive interest on or to withdraw any amount from such Member Capital Account, other than as expressly provided herein.

#### Section 9.5 Issuance of Units and Other Securities

The Board is authorized, subject to the provisions of applicable law, the Company's Certificate and this Agreement, to issue from time to time any Authorized Capital of Units which is not then issued and outstanding. In addition to the foregoing, the Board may from time to time issue equity and/or debt securities, options or warrants to acquire Units, and securities convertible into such Units, all on such terms and conditions as the Board determines in its business judgment. In the absence of actual fraud, the judgment of the Board as to the value of consideration shall be conclusive. Notwithstanding anything to the contrary contained herein, the actions and/or decisions of the Board under this Section 9.5 shall be made in such manner and on such terms and conditions as the Board determines to be reasonable, appropriate and in the best interests of the Company.

#### Section 9.6 Additional Capital from Existing Members; Admission of New Members; Dilution

(a) If the Board determines in good faith that additional capital is required by the Company, the Board shall so notify the Members in writing, together with a statement of the amount of capital required and the reasons therefor. Each of the Members may, but shall not be required to, contribute additional capital to the Company on a pro rata basis. If less than all of the Members contribute additional capital, then the Members shall have the right to participate, on a pro rata basis, in any further offering of new and different Units to any Persons other than the existing Members as provided in Section 9.6(b). Capital contributions shall be due and payable within the period specified in the Board's written notice to the Members, or on such other terms as the Board may reasonably determine to be necessary and appropriate.

(b) If all of the requisite capital is not committed to by all of the existing Members, then new Units in the Company different than Class A and Class B may be issued and acquiring Persons may become new (as applicable) Members of the Company, as determined from time to time by the Board, upon terms and conditions determined in the reasonable business judgment of the Board to be commercially reasonable, provided that each such Member shall execute a counterpart signature page and agree to be bound by the terms and conditions of this Agreement, as it may be amended, to reflect the terms and conditions of admission of such new (as applicable) Members and/or new class of Units.

(c) If fewer than all of the Members participate in a capital call, and if the requisite capital needed is not fully committed to pursuant to the provisions of Section 9.6(b), then all of the requisite capital shall then be raised in the manner as determined by the Board upon terms and conditions determined in the business judgment of the Board to be commercially reasonable. With respect to any such transaction that involves the issuance of additional securities of the Company,



each Member shall have a right of first refusal to purchase its pro rata share of any such securities. For purposes hereof, “pro rata” means the number of units equal to the ratio of (i) the number of Units held by such Member immediately prior to the issuance of such securities to (ii) the total number of Units outstanding immediately prior to the issuance of such securities. If the Company proposes to issue any such additional securities, it shall give each Member written notice of such intention, describing such securities, the price and terms and conditions upon which the Company proposes to issue the same. Each Member shall have thirty (30) days from the receipt of such notice to agree to purchase its pro rata share of such securities for the price and upon the terms and conditions specified in the notice by giving written notice to the Company and stating therein the number of Units to be purchased. To the extent any Member specifies a number in excess of his, her or its pro rata share, he, she or it may purchase additional offered securities to the extent they are not purchased by other Prospective Purchasers.

## ARTICLE 10

### PROFITS, LOSSES, DISTRIBUTIONS AND FEES

#### Section 10.1 Available Cash Flow

For any particular period, the term “**Available Cash Flow**” as used in this Agreement shall mean the aggregate cash receipts collected by the Company (including, without limitation, sales in the ordinary course of business, interest income, proceeds from the sale of capital assets and the proceeds from any business interruption insurance, but excluding Capital Contributions from Members, proceeds of any debt financing and the proceeds of any casualty, life, or other insurance, unless otherwise determined by the Board) less (i) the payment or accrual for payment of all current operating expenses; (ii) any debt service payments; and (iii) provisions for the reasonable capital requirements of the Company, including working capital, appropriate to enable the Company to carry out its purposes, but disregarding depreciation, amortization and other noncash items. The Board’s determination of Available Cash Flow and its components, including, without limitation, the incurring of capital expenses and provisions for reasonable capital requirements and appropriate investments and reinvestments of by or in Company, shall be conclusive, in the absence of bad faith.

#### Section 10.2 Distribution of Available Cash Flow

(a) Subject to the admission of additional Unit Members and classes of Units, Available Cash Flow of the Company, if any, shall be distributed among the Members from time to time, but no less frequently than annually, as determined in good faith by the Board and as follows:

(i) Operations. Available Cash Flow, if any, shall be distributed: (A) *first*, 100% to the Class B Members *pro rata* in accordance with the pro rata Capital Contributions of each Class B Member, until such time as the Class B Members have received Distributions under this Section 10.2(a)(ii) equal to 50% of their total Capital Contributions; (B) *second*, 75% to the Class B Members and 25% to the Class A Members *pro rata* in accordance with the pro rata Capital Contributions of each Class A and Class B Member, until such time as the Class B

Members have received Distributions under this Section 10.2(a)(ii) equal to 75% of their total Capital Contributions; (C) *third*, 50% to the Class B Members and 50% to the Class A Members *pro rata* in accordance with the pro rata Capital Contributions of each Class A and Class B Member, until such time as the Class B Members and Class A Members have received Distributions under this Section 10.2(a)(ii) equal to 100% of their total Capital Contributions; and (D) *fourth and thereafter*, to all Members *pro rata* in accordance with the percentage interests of each Member, as set forth on Exhibit A attached hereto, as may be amended from time to time to reflect additional investments and/or the admittance of additional Members.

(ii) Capital Transactions. Available Cash Flow arising from a Capital Transaction shall be distributed in the same manner set forth above in Section 10.2(a)(ii). The foregoing provisions of Section 10.2 to the contrary notwithstanding, the Board shall have the right to apply any Available Cash Flow to be distributed to a Member against any amounts due from, or required to be contributed by, such Member to the Company, in any capacity. Such application of any Available Cash Flow shall be deemed to be a distribution to such Member. If such Available Cash Flow is applied against any amount required to be contributed by any Member to the capital of the Company, such application shall also be deemed to be a Capital Contribution to the Company. In the event the Capital Transaction is a Qualified Public Offering, each Member's Units will be automatically converted into common units of the Company at the then applicable conversion price. Such units may or may not be registered as part of a Qualified IPO.

(b) Distributions of Available Cash Flow made only to a specific class of Members shall be made to the Members in such class in a pro rata manner in accordance with the number of Units held by all such Members in such class.

(c) Distributions of Available Cash Flow shall be made to Members of record as of the record date established by the Board.

(d) Notwithstanding anything to the contrary set forth in paragraph (a) of this Section 10.2, any Available Cash Flow which arises during the dissolution or liquidation of the Company shall be distributed in accordance with Section 13.4 below.

(e) The Company is prohibited from making Distributions in kind.

### Section 10.3 Allocation of Profits and Losses

(a) For purposes of this Section 10.3, after giving effect to the mandatory allocations set forth in Section 10.4, Profits or Losses for such fiscal year or other applicable period shall be allocated to the Members as follows:

(i) Losses shall be allocated to Members *first* to offset Profits previously allocated to Members in accordance with Section 10.3(a)(ii) and *next* in proportion to each Member's aggregate Capital Contributions that have not been previously distributed pursuant to Sections 10.2 or 13.4, and

(ii) Profits shall be allocated as specified above in Section 10.2(a)(ii) (substituting the term "Profits" for "Available Cash Flow"), with due regard for distributions made pursuant to Sections 10.2(a)(i) and 13.4, and for differences between Available Cash Flow and the

time at which Profits are recognized, the intent being at all times to substantially reflect the economic effect of distributions on a cumulative basis since the formation of the Company.

(b) Each item of income, gain, loss or expense giving rise to Profits or Losses of the Company for any period shall be allocated among the Members in the same proportion as the Profits or Losses of the Company for such period are allocated among the Members.

(c) Allocations pursuant to this Section 10.3 determined or approved in good faith by the Board or its delegate shall be binding upon the Members.

(d) The manner in which Capital Accounts are to be maintained and allocations are to be made pursuant to this Agreement is intended to comply with the requirements of Code Section 704(b) and the Regulations promulgated thereunder, and this Agreement shall be interpreted and administered in a manner consistent therewith.

#### Section 10.4 Allocations to Comply With Regulations

In order to comply with the provisions of applicable Treasury Regulation, the following special allocations of income, gain, loss and expense shall be made notwithstanding the provisions of Section 10.3 hereof.

(a) Deficit Capital Account Allocations Subject to the remaining provisions of this Section 10.4, in accordance with Treasury Regulation Section 1.704-1(b)(2), no allocation of expenses or losses shall be made pursuant to Section 10.3 hereof to the extent such allocation would cause or increase a net deficit balance in a Member's Capital Account as of the end of the period to which such allocation relates. Such expenses and losses shall instead be allocated among the other Members not subject to this limitation in accordance with the number of Units held by each. For purposes of this paragraph (a), the following rules shall apply:

(i) each Member's net deficit balance in his or her respective Capital Account shall be determined by adding to such Capital Account balance the amount of such Member's share (as determined pursuant to Treasury Regulation Section 1.704-2) of the total minimum gain of the Company as of the end of the period with respect to which such determination is being made; and

(ii) in determining whether an allocation of loss or expense would cause or increase a net deficit balance in a Member's Capital Account as of the end of the period to which such allocation relates, the initial balance in such Member's Capital Account shall be treated as if it reflected an amount equal to the excess of any distributions that, as of the end of such period, reasonably are expected to be made to such Member in any future period over the net book profits reasonably expected to be allocated to such Member during (or prior to) the period in which such distributions are expected to be made.

(b) Qualified Income Offset Provision. If a Member unexpectedly receives an adjustment, allocation or distribution under this Agreement which causes or increases a net deficit balance in such Member's Capital Account as of the end of the period to which such adjustment, allocation or distribution relates, such Member will be allocated items of income and

gain in an amount and manner sufficient to eliminate such net deficit balance as quickly as possible. The rules set forth in subparagraph (a)(i) and (a)(ii) of this Section 10.4 shall apply for purposes of determining whether any adjustment, allocation or distribution would cause or increase a net deficit balance in any Member's Capital Account.

(c) Minimum Gain Chargeback Provision. If there is a net decrease in the Minimum Gain of the Company (as determined pursuant to Treasury Regulation Section 1.704-2) during any period, then each Member shall be allocated items of income and gain in accordance with the provisions of Treasury Regulation Section 1.704-2.

(d) Subsequent Allocations. Any special allocations of items of income, gain, loss or expense made pursuant to this Section 10.4 shall be taken into account in computing subsequent allocations of income, gain, loss and expense pursuant to Section 10.3 hereof, so that the net amount of any item of income, gain, loss and expense allocated to each Member pursuant to Section 10.3 hereof and this Section 10.4 shall, to the extent possible, be equal to the amount of such items of income, gain, loss and expense that would have been allocated to such Member pursuant to such sections if the special allocations of income, gain, loss or expense required by this Section 10.4 had not been made.

(e) Interpretation of these Provisions. The provisions of subsections (a) through (d) (collectively, the "**Regulatory Allocations**") of this Section 10.4 are intended to comply with the provisions of Treasury Regulation Sections 1.704-1(b)(2) and 1.704-2 and shall be interpreted consistently therewith. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, Profits, Loss, or deduction pursuant to this Section 10.4(e). Therefore, notwithstanding any other provision of this Agreement (other than the Regulatory Allocations), the Board shall make offsetting special allocations of Company income, Profits, Losses or deductions in whatever manner it deems appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of this Agreement and all Company items were allocated pursuant to Section 10.3.

## ARTICLE 11

### BOOKS OF ACCOUNT AND RECORDS

#### Section 11.1 Books and Records

The Company, acting through the officers and Board, shall maintain complete and accurate books and records using either the cash method or the accrual method of accounting, as the Board may determine, and otherwise in accordance with Generally Accepted Accounting Principles (GAAP), consistently applied. The books and records shall at all times be maintained at the principal office of the Company and shall be open to the reasonable inspection and, upon written request of a Member specifying the reason for such request (which reason shall be directly related to the interest of such Person as a Member), copying by the Members or their duly authorized representatives at such Member's expense. The Company may require, as a condition precedent to permitting inspection and copy of such records, that the requesting Member agree in writing that

such Member will not provide the information to third parties other than legal counsel, accounting or other professional advisors, or make any other use of such information not directly related to such Person's interest as a Member. The Company will provide to all Members on an annual basis its reviewed (or audited) financial statements prepared by an independent CPA firm.

#### Section 11.2 Tax Information

As soon as available after the end of each fiscal year of the Company, the Board shall send or cause to be sent to each Member the tax information necessary for the preparation by such Member of his federal and other income tax returns.

#### Section 11.3 Inspection of Property

The Company shall permit any Member, upon written demand under oath stating a purpose therefore reasonably related to its interest as a Member, during normal business hours and at such other times as the Member may reasonably request, to (i) examine the Company's financial records and make copies thereof or extracts therefrom at the Member's sole expense and (ii) discuss the affairs, finances and accounts of the Company with the Board and officers of the Company, provided that Company shall not be obligated to provide any information or access to a Member if or to the extent the Company is advised by its legal counsel that such action would result in a waiver of attorney/client privilege as between the Company and its legal counsel.

### ARTICLE 12

#### DISSOLUTION OF THE COMPANY

##### Section 12.1 Events of Dissolution

The happening of any of the following events (each, a “**Dissolution Event**”) shall result in the immediate dissolution of the Company:

- (a) the written agreement of Class A Members holding at least seventy-five percent of the issued and outstanding Class A Units of the Company; or
- (b) the entry of a decree of judicial dissolution from application by or for the Members or Managers pursuant to Section 44 of the Act.

### ARTICLE 13

#### ADDITIONAL PROVISIONS CONCERNING DISSOLUTION OF THE COMPANY

##### Section 13.1 Winding Up Affairs; Liquidation

In the event of the dissolution of the Company for any reason, the Board, or if the Board is unable to do so, a liquidating agent or committee selected by the Board, shall commence to wind up the affairs of the Company and to liquidate its assets in accordance with the Act and the terms of this Agreement, and shall cause the Certificate to be cancelled in accordance with the provisions

of the Act. Allocations of income, gain, loss, expense, deductions, tax preference items and tax credits shall continue to be made among the Members during the period of liquidation in accordance with the provisions of this Agreement. The Board or any such liquidating agent or committee, as the case may be, shall have the full right and unlimited discretion to determine the time, manner and terms of (i) any sale or sales of Company assets pursuant to such liquidation, having due regard to the activity and condition of the relevant market and general financial and economic conditions, and (ii) any in-kind liquidating distributions to Members, so long as any nonratable distributions of property interests result in the distributees receiving value in accordance with the provisions of this Agreement.

#### Section 13.2 Time for Liquidation

A reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the discharge of its liabilities so as to enable the Board or liquidating agent or committee, as the case may be, to minimize the normal losses attendant to any such liquidation.

#### Section 13.3 Required Reports

If requested by the Board, the liquidating agent or committee, as the case may be, shall furnish each Member with a statement audited and certified by an independent firm of certified public accountants showing: (i) the net profit or net loss of the Company from the date of the last annual statement prepared hereunder, to the date of the final distribution of the proceeds of the liquidation to the Members and (ii) the manner in which the proceeds of liquidation were distributed.

#### Section 13.4 Distribution of Proceeds From Sale and Liquidation of Company Property

Upon the liquidation of the Company or the sale of all or substantially all of its assets or similar change of control transaction (including by merger or otherwise) (a "Liquidation Event"), the net proceeds of such Liquidation Event and any other funds or property of the Company shall be distributed and applied to the extent available in the following order of priority:

(a) to the payment of debts and liabilities of the Company including any debts and liabilities to a Member.

(b) to the setting up of any reserves which the Board or the liquidating agent or committee, as the case may be, deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company; and

(c) after taking into account any and all prior allocations and distributions by the Company for the current fiscal year, in the same manner set forth above in Section 10.2(a)(ii).

#### Section 13.5 Capital Account Adjustments

For purposes of Section 13.4 hereof, the respective balance in the Capital Account of each Member shall be determined (i) after allocating all income, gain, loss and expense of the Company



pursuant to Article 10 above and (ii) after taking into account all prior distributions to the Members.

#### Section 13.6 Compliance With Treasury Regulations.

In the event the Company is liquidated within the meaning of Treasury Regulation Section 1.704-1(b)(2), the following action shall be taken by the later to occur of (i) the last day of the Company's taxable year in which such liquidation occurred or (ii) the ninetieth (90th) day following the date of such liquidation:

(a) Distributions shall be made to the Members in accordance with Section 13.4 including, without limitation, distribution to Members who have positive Capital Account balances in compliance with Treasury Regulation Section 1.704-1(b).

(b) In the discretion of the Board or the liquidating agent or committee, as the case may be, distributions pursuant to this Section may be distributed to a trust of which the Board or the liquidating agent or committee is (are) the trustee(s) (hereinafter the Trustee) established for the benefit of the Members for the purposes of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent or unforeseen liabilities or obligations of the Company so long as an opinion of counsel is obtained to the effect that such trust will not be taxed as an association taxable as a corporation. The assets of any such trust shall be distributed to the Members from time to time, in the reasonable discretion of the Trustee, in the same proportions as the amount distributed to such trust by the Company would otherwise have been distributed to the Members pursuant to this Agreement; and a portion or all of such assets may be withheld by the Trustee to provide a reasonable reserve for liabilities.

#### Section 13.7 Limitation Obligation to Restore Deficit Capital Accounts

Absent the express unqualified requirements of applicable law, no Member having a deficit Capital Account balance upon the liquidation of the Company, or such Member's interest in the Company, as determined after taking into account all Capital Account adjustments for the fiscal year of the Company in which such event occurs, shall be required to restore such deficit. Such deficit shall not be considered a debt owed to the Company or to any other Person for any purpose whatsoever.

### ARTICLE 14

#### AMENDMENTS

Except to the extent specifically set forth herein, this Agreement may be altered or amended only by the vote of the Board. Any amendment to this Agreement approved in accordance with the terms of this Article 14 shall be binding upon all Members, whether or not they consented to or joined in such amendment, and the Board shall have the right to execute and deliver any amendment to this Agreement approved in accordance with the terms hereof, in the name and on behalf of any such Member pursuant to the power of attorney set forth in Section 16.6 of this Agreement. Any amendment so approved shall for all purposes, including, without limitation, the purposes of the Act, have the same force and effect as an amendment manually signed and delivered by all of the Members. **Notwithstanding the foregoing or anything contained in this**

**Agreement to the contrary, except as may be prohibited by applicable law, any amendment to this Agreement that materially affects the rights of the Class B Members shall also require the vote of at least a majority of the then issued and outstanding Class B Units.**

## ARTICLE 15

### REPRESENTATIONS AND WARRANTIES

#### Section 15.1 Representations and Warranties

(a) Each of the undersigned Members of the Company hereby represents and warrants to the other Members and to the Company as follows:

(i) The undersigned is acquiring the Units of the Company solely for his own account, as a principal, for investment purposes only, and with no present intention agreement or arrangement to resell, transfer or assign any of such Units.

(ii) The undersigned acknowledges that: (i) the Units have not been registered under the Securities Act, or under the securities laws of any state, and therefore, cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Securities Act and under the applicable securities laws of one or more states, or an exemption from registration is available; (ii) the Company is under no obligation to register the Units and the Company has no intention of making publicly available the information necessary for the Member to use the exemption from registration provided in Rule 144 promulgated under the Securities Act; (iii) there is no established or anticipated public market for the Units; (iv) the offering price of the Units has been arbitrarily determined; (v) the value of the Units is speculative; and (vi) transfer of the Units is restricted under the terms of this Agreement and by applicable law.

(iii) The undersigned has the legal right, power and authority to enter into this Agreement and represents and warrants that the execution and delivery of this Agreement and the performance of the Member's obligations hereunder do not conflict with any agreement, instrument, court or administrative order to which such Member is a party or by which such Member is bound.

(iv) Upon the execution and delivery of this Agreement by the undersigned, it shall represent the valid, binding and legal obligation of the undersigned, enforceable in accordance with its terms.

## ARTICLE 16

### MISCELLANEOUS PROVISIONS

#### Section 16.1 Tax Controversies

(i) [Reserved].

#### Section 16.2 Tax Elections

In the event of the transfer of any interest in the Company or the distribution of property to any Member, the Company may, at the determination of the Board, file an election under Code Section 754 to cause the basis of the Company's assets to be adjusted for federal income tax purposes as provided by Code Sections 734 and 743.

#### Section 16.3 Applicable Law Forum

This Agreement shall be construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts. AS A MATERIAL INDUCEMENT FOR EACH MEMBER TO BECOME A PARTY TO THIS AGREEMENT, EACH OTHER MEMBER HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS OF THE COMMONWEALTH OF MASSACHUSETTS, INCLUDING THE FEDERAL DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS AND ALL COURTS FROM WHICH DECISIONS OF THE FOREGOING MAY BE APPEALED FOR PURPOSES OF ANY LITIGATION ARISING DIRECTLY OR INDIRECTLY FROM THIS AGREEMENT, INCLUDING ENFORCEMENT OF ANY ARBITRATOR'S AWARD UNDER SECTION 17, AND EACH MEMBER HEREBY WAIVES ANY AND ALL RIGHTS SUCH MEMBER MAY OTHERWISE HAVE TO CONTEST THE JURISDICTION AND VENUE OF SUCH COURTS. EACH MEMBER FURTHER CONSENTS TO SERVICE OF PROCESS UPON SUCH MEMBER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTAGE PREPAID AT THE ADDRESS OF SUCH MEMBER MOST RECENTLY REFLECTED ON THE BOOKS OF THE COMPANY.

#### Section 16.4 Counterparts

This Agreement may be executed in multiple counterparts and by way of facsimile or scanned email transfer, each of which shall constitute an original, and all of which together shall constitute one and the same agreement. Each party may rely upon machine copies of the signed Agreement to the same extent as a manually signed original copy hereof.

#### Section 16.5 Severability of Provisions

Each provision of this Agreement shall be considered separately and if, for any reason, any provision which is not essential to the effectuation of the basic purposes of this Agreement is determined to be invalid or contrary to any existing or future law, such invalidity shall not impair the operation or affect any other provision of this Agreement which is valid, nor shall it affect the subject provision, except to the extent necessary to conform to then prevailing law.

#### Section 16.6 Reserved.

#### Section 16.7 Entire Agreement

This Agreement, together with the Exhibits hereto, sets forth the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto, and there are no promises, agreements or understandings, oral or written, expressed or implied, among the Members or any of them relating to the subject matter of this Agreement except as set forth herein.

#### Section 16.8 Separate Counsel

Each Member represents that such Person has had the opportunity to consult with separate legal counsel as to the terms and provisions of this Agreement, the terms and provisions of all documents and agreements referenced herein, the nature of the business of the Company, the application of all laws, regulations and rules relating thereto, at the expense of the undersigned Person, prior to signing and delivering this Agreement, and has signed and delivered this Agreement to the Company with the intent to be legally bound hereby.

#### Section 16.9 Waiver of Jury Trial

Each Member hereby waives any right to a trial by jury with respect to any litigation which arises out of or which is related to the respective rights and obligations of any party to this Agreement or any transactions contemplated hereby.

#### Section 16.10 Confidentiality

Unless otherwise required by law, each Member shall, and shall cause each of his or its Affiliates to, maintain, at all times from and after the date of such Member's execution of this Agreement (including after any time such Person ceases to be a Member), the confidentiality of all information furnished to him or it pertaining to the Company, other than information that such Member can demonstrate (a) is generally known to the public (other than as a result of dissemination by such Member or his Affiliates), (b) was obtained by such Member from a third party who is not prohibited from transmitting the information to such Member by a contractual, legal or fiduciary obligation to the Company, or (c) that the Board has consented to in writing; provided that the prohibitions set forth in this Section 16.10 shall not apply to any information that a Member is required by law to disclose, so long as such Member provides the Company with as much prior notice as is practicable to the extent such notice is legally permissible.

### ARTICLE 17

#### ARBITRATION

The parties hereby agree that unless otherwise specifically required by law, any and all disputes, and legal and equitable claims arising between or among the Members, the Board, the officers, the Company, or any of them or any combination of them, which relate to the rights and obligations of such Persons under the terms of this Agreement, any agreement contemplated hereby, or any future agreement, understanding or instrument to which two or more such Persons may be parties, shall be submitted to binding arbitration in the Commonwealth of Massachusetts, JAMS, Inc. before a single arbitrator. Arbitration shall take place in Boston, Massachusetts, or any other location mutually agreeable to the parties. Reasonable notice of a time and place of arbitration shall be given to all persons as shall be required by law, in which case such persons or their authorized representatives shall have the right to attend and/or participate in all the arbitration hearings in such matter as the law shall require. Any Person who commences any litigation in violation of the terms hereof, and fails to prevail, shall be liable for all reasonable costs and expenses of the arbitration or litigation, including without limitation the fees of the arbitrator(s) and legal counsel to all parties, and witness fees of all parties to the proceeding.

*[Remainder of Page Intentionally Left Blank; Signature Page Follows.]*

IN WITNESS WHEREOF, the parties have executed this Limited Liability Company Agreement under seal as of the date set forth above.

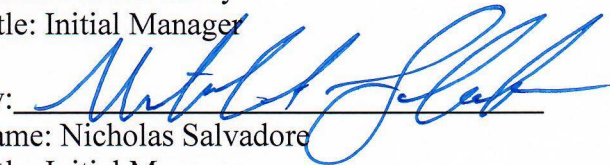
**COMPANY:**

APOTHOTHERAPEUTICSPLAINVILLE, LLC

By: 

Name: Patrick Casey

Title: Initial Manager

By: 

Name: Nicholas Salvadore

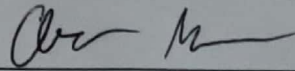
Title: Initial Manager

**[SIGNATURE PAGES OF MEMBERS  
TO FOLLOW]**



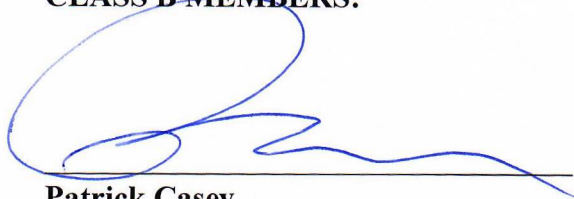
**CLASS A MEMBERS:**

**The Apotho Irrevocable Trust**

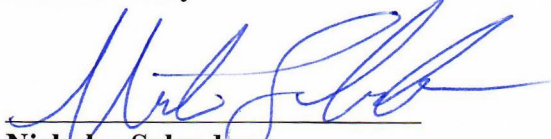
A handwritten signature in black ink, appearing to read 'Andrew Medeiros', written over a horizontal line.

By: Andrew Medeiros  
Title: Trustee

**CLASS B MEMBERS:**



**Patrick Casey**



**Nicholas Salvadore**

**APOTHOTHERAPEUTICSPLAINVILLE,LLC**

**COUNTERPARTSIGNATUREPAGE**

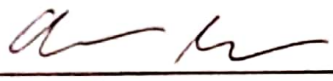
**TO**

**OPERATINGAGREEMENT**

The undersigned, The Medeiros Investment Irrevocable Trust, by its execution hereof, hereby becomes a party to the Operating Agreement of Apotho Therapeutics Plainville, LLC, dated March 19, 2019, as a Member thereunder and agrees to be bound by the terms, conditions and other provisions thereof.

Executed as an instrument under seal as of the 15<sup>th</sup> day of August, 2019.

THE MEDEIROS INVESTMENT  
IRREVOCABLE TRUST

By:   
Name: Andrew J. Medeiros  
Title: Trustee

ACCEPTED:

APOTHOTHERAPEUTICSPLAINVILLE,LLC

By: \_\_\_\_\_  
Name: Patrick Casey  
Title: Manager

**Amended Exhibit A**

**Names, Addresses and Capital Contribution Information with respect to Members**

**(As of August 15, 2019)**

<b><i><u>Names and Address Of Members</u></i></b>	<b><i><u>Initial Capital Contribution</u></i></b>	<b><i><u>Total Capital Contribution</u></i></b>	<b><i><u>Class of Units</u></i></b>	<b><i><u>Number of Units</u></i></b>	<b><i><u>Percentage Ownership</u></i></b>
The Medeiros Investment Irrevocable Trust	\$100,000	\$100,000	A	810.00	81.00%
Patrick J. Casey III 3 Twin Oak Drive Warwick, RI 02889	\$0.00*	\$0.00*	B	95.00	9.50%
Nicholas A. Salvadore 6 Betty Drive, Narragansett, RI 02882	\$0.00*	\$0.00*	B	95.00	9.50%
<b>Total</b>	<b>\$100,000</b>	<b>\$100,000</b>		<b>1,000</b>	<b>100%</b>

\*Capital Contribution is made in the form of services rendered to the Company.

## **ASSIGNMENT OF MEMBERSHIP INTERESTS**

This ASSIGNMENT OF MEMBERSHIP INTERESTS dated as of the 15<sup>th</sup> day of August, 2019, is made by and between The Apotho Irrevocable Trust, (“**Assignor**”), on the one hand, and The Medeiros Investment Irrevocable Trust, (the “**Assignee**”), on the other hand.

WHEREAS, Assignor holds an eighty-one percent (81%) membership interest in Apotho Therapeutics Plainville, LLC, a Massachusetts limited liability company (the “**Company**”) pursuant to that certain Operating Agreement of the Company, dated as of March 19, 2019 (the “**Operating Agreement**”); and

WHEREAS, Assignor desires to assign, transfer and sell all of its eighty-one percent (81%) membership interest (the “**Assigned Interest**”), and Assignee desires to accept the assignment of, and purchase the Assigned Interest from Assignor on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Assignment.**

1.1. Assignor hereby assigns and transfers to Assignee all of the Assignor’s right, title and interest in and to the Assigned Interest, including all voting, consent and financial rights now or hereafter existing and associated with ownership of the Assigned Interest.

1.2. In consideration of the Assigned Interest, Assignee shall issue to Assignor one dollar (\$1) (the “**Consideration**”).

2. **Representations and Warranties of Assignor.** The Assignor represents and warrants that:

2.1. Assignor is the lawful owner of the Assigned Interest and has good title to the same, and Assignor has the full legal right and power and all authority and approval required by law to enter into this Agreement and to perform its obligations hereunder;

2.2. Assignor has made no prior assignment or sale of the Assigned Interest and no other person or entity has any right, title or interest therein;

2.3. the execution and delivery hereof by the Assignor and the assignment of all its right, title and interest in and to the Assigned Interest does not contravene any agreement to which the Assignor is a party or by which it or its property, or the Company's property, is bound;

2.4. no liens, encumbrances, charges or security interests of any kind exist on the date hereof against the Assigned Interest; and

2.5. Assignor hereby warrants and defends title to the Assigned Interest to Assignee against the claims and demands of all persons.

3. Representations and Warranties of Assignee. Assignee has been advised that the Assigned Interest is not registered under the Securities Act of 1933, as amended (the “**Act**”) nor under the securities laws of any state. Assignee further represents, warrants and agrees that:

3.1. Assignee has the full legal right and power and all authority and approval required by law to enter into this Agreement and to perform its obligations hereunder;

3.2. Assignee is acquiring the securities represented by the Assigned Interest for its own account, solely for investment purposes, and not with a view to resale of said securities. Assignee acknowledges that the Assigned Interest is illiquid and is not registered under the Act or any state securities laws, and that the Assigned Interest may not be transferred or sold except pursuant to the registration provisions of the Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable;

4. Joinder. Anything in this Agreement to the contrary notwithstanding, the assignment of the Assigned Interest contemplated hereby shall not become effective (if ever) unless and until Assignee shall have executed and delivered to the Company a joinder to the Operating Agreement, substantially in the form of **Exhibit A** attached hereto.

5. Acceptance by Assignee. Assignee:

5.1. accepts the assignment of all of Assignor’s right, title and interest in and to the Assigned Interest; and

5.2. agrees to be bound by all of the terms, covenants, and conditions of this Agreement and of the Operating Agreement. Assignee hereby agrees to indemnify, defend on a current basis and hold Assignor, and its manager, directors, employees, members and agents harmless against any and all losses, costs and expenses (including reasonable attorneys’ fees) arising out of any obligations of Assignee relating to the Assigned Interest which occur on or after, or arise from events occurring on or after, the Effective Date.

6. Absolute Conveyance. The conveyance of the Assigned Interest hereunder is an absolute transfer to Assignee, free and clear of all liens and restrictions.

7. Further Assurances. Assignor shall promptly execute and deliver to Assignee any additional instrument or other document which Assignee reasonably requests to evidence or better effect the assignment contained herein.

8. Successors and Assigns. This Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, administrators, personal representatives, successors and assigns.

9. Governing Law. This Agreement and all other instruments referred to herein shall be governed by, and shall be construed according to, the laws of the Commonwealth of Massachusetts, without regard to conflict of law rules.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original for all purposes, and all such counterparts shall together constitute but one and the same instrument. A signed copy of this



Agreement delivered by either facsimile or e-mail shall be deemed to have the same legal effect as delivery of an original signed copy of this Assignment.

11. Amendments and Modifications. This Agreement may not be modified or amended in any manner other than by a written agreement signed by the party to be charged.

12. Defined Terms. Capitalized terms used herein, but not otherwise defined shall have the meanings ascribed to such terms in the Operating Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Assignor and Assignees have executed this Assignment of Membership Interest as of the date first written above.

**ASSIGNOR:**

The Apotho Irrevocable Trust

By:   
Name: Lauren Medeiros Forster  
Title: Trustee

**ASSIGNEE:**

The Medeiros Investment Irrevocable Trust

By: \_\_\_\_\_  
Name: Andrew J. Medeiros  
Title: Trustee

**IN WITNESS WHEREOF, Assignor and Assignees have executed this Assignment of Membership Interest as of the date first written above.**

**ASSIGNOR:**

**The Apotho Irrevocable Trust**

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

**Name: Lauren Medeiros Forster**

**Title: Trustee**

**ASSIGNEE:**

**The Medeiros Investment Irrevocable Trust**

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

**Name: Andrew J. Medeiros**

**Title: Trustee**

**EXHIBIT A**

**APOTHOTHERAPEUTICSPLAINVILLE,LLC**

**COUNTERPARTSIGNATUREPAGE**

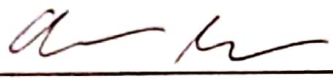
**TO**

**OPERATINGAGREEMENT**

The undersigned, The Medeiros Investment Irrevocable Trust, by its execution hereof, hereby becomes a party to the Operating Agreement of Apotho Therapeutics Plainville, LLC, dated March 19, 2019, as a Member thereunder and agrees to be bound by the terms, conditions and other provisions thereof.

Executed as an instrument under seal as of the 15<sup>th</sup> day of August, 2019.

THE MEDEIROS INVESTMENT  
IRREVOCABLE TRUST

By:   
Name: Andrew J. Medeiros  
Title: Trustee

ACCEPTED:

APOTHOTHERAPEUTICSPLAINVILLE,LLC

By: \_\_\_\_\_  
Name: Patrick Casey  
Title: Manager

**EXHIBIT A**  
**APOTHOTHERAPEUTICSPLAINVILLE, LLC**  
**COUNTERPART SIGNATURE PAGE**  
**TO**  
**OPERATING AGREEMENT**

The undersigned, The Medeiros Investment Irrevocable Trust, by its execution hereof, hereby becomes a party to the Operating Agreement of Apotho Therapeutics Plainville, LLC, dated March 19, 2019, as a Member thereunder and agrees to be bound by the terms, conditions and other provisions thereof.


Executed as an instrument under seal as of the 15<sup>th</sup> day of August, 2019.

THE MEDEIROS INVESTMENT  
IRREVOCABLE TRUST

By: \_\_\_\_\_  
Name: Andrew J. Medeiros  
Title: Trustee

ACCEPTED:

APOTHOTHERAPEUTICSPLAINVILLE, LLC

By:  \_\_\_\_\_  
Name: Patrick Casey  
Title: Manager



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

Minimum Fee: \$500.00

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

**Annual Report**

(General Laws, Chapter )

**Identification Number:** 001346519

**Annual Report Filing Year:** 2019

**1.a. Exact name of the limited liability company:** APOTHOTHERAPEUTICS PLAINVILLE LLC

**1.b. The exact name of the limited liability company as amended, is:** APOTHOTHERAPEUTICS PLAINVILLE LLC

**2a. Location of its principal office:**

No. and Street: C/O BURNS & LEVINSON LLP  
125 SUMMER STREET  
 City or Town: BOSTON State: MA Zip: 02110 Country: USA

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

No. and Street: C/O BURNS & LEVINSON LLP  
125 SUMMER STREET  
 City or Town: BOSTON State: MA Zip: 02110 Country: USA

**3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:**

THE GENERAL CHARACTER OF THE BUSINESS OF THE LLC SHALL BE THE INITIAL PURPOSE OF SUBMITTING APPLICATION WITH ALL APPLICABLE MASSACHUSETTS REGULATORY AGENCIES TO OBTAIN AUTHORIZATION TO ENGAGE IN THE CULTIVATION, TRANSPORTATION AND DISTRIBUTION OF AGRICULTURAL PRODUCTS, TO THE EXTENT PERMITTED, AND IN ACCORDANCE WITH MASSACHUSETTS LAW, AND ANY OTHER BUSINESS IN WHICH A MASSACHUSETTS LIMITED LIABILITY COMPANY IS AUTHORIZED TO ENGAGE. THE COMPANY WILL NOT ENGAGE IN ANY ACTIVITY REQUIRING THE APPROVAL AND ENDORSEMENT OF THE DEPARTMENT OF PUBLIC HEALTH OR THE CANNABIS CONTROL COMMISSION UNTIL SUCH AUTHORIZATIONS HAVE BEEN RECEIVED.

**4. The latest date of dissolution, if specified:**

**5. Name and address of the Resident Agent:**

Name: SCOTT H. MOSKOL, ESQ.  
 No. and Street: C/O BURNS & LEVINSON LLP  
125 SUMMER STREET  
 City or Town: BOSTON State: MA Zip: 02110 Country: USA

**6. The name and business address of each manager, if any:**

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
MANAGER	PATRICK CASEY	C/O BURNS & LEVINSON LLP BOSTON, MA 02110 USA

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

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

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

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

**9. Additional matters:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 17 Day of September, 2019,  
PATRICK CASEY , Signature of Authorized Signatory.**



THE COMMONWEALTH OF MASSACHUSETTS

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

September 17, 2019 11:05 AM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



**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

**Certificate of Amendment**

(General Laws, Chapter )

**Identification Number:** 001346519

**The date of filing of the original certificate of organization:** 9/18/2018

**1.a. Exact name of the limited liability company:** APOTHOTHERAPEUTICS PLAINVILLE LLC

**1.b. The exact name of the limited liability company as amended, is:** APOTHOTHERAPEUTICS PLAINVILLE LLC

**2a. Location of its principal office:**

No. and Street: C/O BURNS & LEVINSON LLP  
125 SUMMER STREET

City or Town: BOSTON State: MA Zip: 02110 Country: USA

**3. As amended, the general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:**

**4. The latest date of dissolution, if specified:**

**5. Name and address of the Resident Agent:**

Name: SCOTT H. MOSKOL, ESQ.  
 No. and Street: C/O BURNS & LEVINSON LLP  
125 SUMMER STREET

City or Town: BOSTON State: MA Zip: 02110 Country: USA

**6. The name and business address of each manager, if any:**

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	PATRICK CASEY	3 TWIN OAK DRIVE WARWICK, RI 02889 USA

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

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

**8. The name and business address of the person(s) authorized to execute, acknowledge, deliver and record**

any recordable instrument purporting to affect an interest in real property:

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

9. Additional matters:

10. State the amendments to the certificate:  
THE LOCATION OF THE PRINCIPAL OFFICE HAS BEEN CHANGED TO THE FOLLOWING: C/O BURNS & LEVINSON LLP 125 SUMMER STREET BOSTON, MA 02110

11. The amendment certificate shall be effective when filed unless a later effective date is specified:

**SIGNED UNDER THE PENALTIES OF PERJURY, this 13 Day of December, 2018,**  
PATRICK CASEY , Signature of Authorized Signatory.

THE COMMONWEALTH OF MASSACHUSETTS

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

December 13, 2018 06:31 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



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*Bridging insurance and financial services since 1957*

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May 03, 2019

Mr. Nicholas A. Salvatore  
52 Bellair Avenue  
Warwick, RI 02886

Re: Marketing of Commercial Insurance  
Business Classification – Dispensary

Dear Nicholas,

As requested I wanted to summarily memorialize the fact that some seven days ago I forwarded you documentation I received from Commercial Insurance Marketing Intermediaries which require completion to start the process necessary to field formal Commercial Package, Commercial Property, Commercial Casualty and all applicable tangential Commercial Insurance Coverage Parts Terms, Conditions and Subjectivities to request coverage be bound for a risk described as a Marijuana Risk – Dispensary – in Massachusetts. The forms I emailed were Cannabis Specific Applications and questions cover the range of exposures to address a risk of this type. As an aside I wanted to point out that over the past couple of years, we were successful securing Commercial Insurance Coverage for a New Venture Operating Company in Rhode Island and their business classification cultivator. Also, as a result of an end of year 2018 meeting to confirm appropriateness of coverage limits for all exposures identified in the data collection process, we were able to offer more favorable rewritten coverage terms for this fine account. I must suggest that the appropriate lead time to market the account is followed as the commercial insurance marketplace is very diligent in underwriting this risk classification and clearly wants accounts they deem most favorable in this underwriting challenging class in the Commercial Insurance Industry.

Certainly, I welcome any questions you have about this risk management process.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Richard A. DeBlasio Jr.', written over the typed name.

DeBlasio Insurance Inc.  
Gaspee Benefit Planers, Inc.  
Richard A. DeBlasio Jr., *President*

Apotho Therapeutics LLC

**Business Plan**  
**April 2019**

*This document is for educational/illustrative purposes only. This is not a solicitation for capital.  
Figures presented in this document are not to be treated as validated assertions or promise/  
forecast of financial returns.*

Confidential

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CONFIDENTIAL

## **II. Introduction**

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Apotho is a Massachusetts-based company dedicated to becoming a leader in the legal Massachusetts Cannabis market, providing customers with the products being produced at the highest levels of quality.

### **A. Mission/Goal**

Apotho's mission is to provide top quality products to consumers with employees exhibiting the highest levels of customer service. Apotho is committed to providing high quality service in a safe and welcoming environment.

### **B. Overview**

The Massachusetts market is the ideal starting point for Apotho, with an accepting populous and high potential for growth. Massachusetts decriminalized possession of nominal quantities of marijuana in 2008 and voted to legalize for medical use in 2012. In 2016, Massachusetts voters legalized recreational cannabis with support from 53.6% of the electorate. With this vote, public opinion regarding the sale of cannabis to adults is at an all-time high. Apotho has analyzed several elements including socio-economic, political, and population/demographic factors and there are many similarities between the burgeoning market in Massachusetts and that of other states with rapid growth of legal adult-use cannabis sales. Apotho is convinced that Massachusetts is quickly becoming the next large, well-regulated legal cannabis market in the United States. The evolution of the cannabis industry is part of an inevitable national trend that represents a huge potential for business and social growth. Apotho is well positioned above potential competition; With industry experts' partnerships, self-funded financials, and its extensive retail experience, Apotho is poised to become a long term, locally owned legalized cannabis retailer in Massachusetts.

### **Cannabis Industry/Retail Experience**

Apotho and its principals, consultants, & managers have experience in marijuana cultivation, marijuana retail operation, marijuana dispensary security, marijuana manufacturing, seed to sale software, marijuana packaging in compliance with state regulations, marijuana testing in compliance with state regulations, training of dispensary sales staff, product inspection, marijuana third party procurement, marijuana financing, marijuana tax issues, state and federal law enforcement, internal investigations specifically detection and prevention of theft, and asset protection management.

In addition to existing experience, Apotho has partnered with cannabis industry experts, Nucleus One. Nucleus One is a company which provides professional operational consulting services to businesses in the cannabis industry. Since 2010, Nucleus One has partnered with and advised numerous successful retail cannabis businesses in multiple states including Maine, Hawaii, Rhode Island, Ohio, Massachusetts and Connecticut. These projects have had a multitude of desired outcomes largely due to Nucleus One's development and implementation of industry best practices paired with efficient management and specific expertise. Having started multiple cannabis businesses in the past, Nucleus One will be able to guide Apotho through the highly regulated Massachusetts cannabis regulatory framework.

Nucleus One has a long history of success in advising business owners, creating cannabis operations and developing strong business models. Nucleus One has demonstrated the ability to guide clients from initial business development throughout the company lifecycle with both direct management as well as advisor level management (to ensure ongoing growth and development). The team at Nucleus One and its partners have successfully demonstrated that it is a trusted and reliable partner to numerous businesses and have extensive experience in collaborating with



business operators and government in completing efficiently complex projects such as we are proposing in this response.

### **Customer Focused Strategy**

Apotho seeks to pursue a premium retail strategy that competes on customer experience, quality and differentiation. As such, Apotho will implement a clear customer experience concept to reinforce the company vision. The customer experience is an integral part of the product itself; Apotho is selling a purchasing experience, rather than simply selling a product. The basic mission of Apotho's hospitality concept is to provide the best customer engagement experience that draws on elements of various human resources and customer care.

Providing superior customer experience and products will differentiate Apotho from competition and allow for a reach to the target market. Apotho has worked with marketing advisors and industry consultants through focus groups and determined its target market and the best way to reach it. Customers will likely hold high standards for quality products and a desire for information. This will be countered by Apotho offering as high-quality products as are possible to deliver a premium experience and educate customers with unmatched customer service.

### **Committed to Community**

Apotho recognizes that in becoming a part of the surrounding community, it must gain and sustain local support. Supporting the community is of utmost importance, and Apotho will continue to search for ways to positively impact the cities and towns in which we do business. Apotho intends to be part of the community long term and will follow initiatives to demonstrate collaboration with local vendors, employees and nonprofits.

Apotho will look to hire employees from the surrounding area and will contract with local vendors whenever possible, which will in turn support the local economy. Additionally, donations will be made to support non-profits and groups with aligned values whenever possible. More than just economic support, Apotho will work with communities through educational programs, encouraging employee volunteering, and showing representation at local town council meetings. We aim to be a leading voice in the industry, providing a valuable resource to non-profits and city officials.

### **Location**

Apotho will be leasing approximately 6,000 sf of converted retail space at 119 Washington St, Plainville, MA.

## **III. Key Personnel**

---

Apotho has created a business structure that will draw from the resources our team has developed through years of business excellence. Apotho believes that by creating a strong foundation of leaders in the company our organization will achieve the goals we set. We will rely on the proven business track records of our founding partners and executive team to ensure expectations are met from both internal and external pressures. Additionally, we aim to maintain a close partnership with Burns Levinson and Nucleus One Consulting, to build onto their combined, multi-year track record of successfully advising industry trailblazers and transforming the Northeast Cannabis market.

### **A. Key Management & Partners**

Patrick Casey

As Vice-President of Clubhouse Capital of Providence Rhode Island, Pat Casey has spent the last several years researching emerging marijuana businesses nationwide and has successfully helped finance several operations in New England. His interest in marijuana and its beneficial use is personal. After helping found Clubhouse Capital in the late 1990's, he was diagnosed with cancer and had to take a leave from the company. During treatment, marijuana was recommended to him by several of his doctors to combat side-effects. Surprisingly, the doctors recommended marijuana over several prescription alternatives, stating that cannabis would have less negative effects on his body than the normally prescribed drugs. After successfully recovering from cancer and its treatment and following several years as the primary caregiver for his late parents, Mr. Casey rejoined Clubhouse Capital, specializing in financing special asset classes.

### **Nicholas Salvatore**

Nicholas Salvatore founded STJ, LLC (dba Fire Ganja), a Class B, state licensed, RI based medical marijuana cultivation, manufacturing, & packaging facility, serving as its CEO for 3 years. In his time as CEO, Nicholas worked closely with representatives of his local dispensaries to develop new products not offered in his market, then post production on marketing strategies. Part of the marketing effort was educating dispensary personnel on the product uses, lineage, manufacturing processes, as well as customer education/sales techniques. Recognizing the business potential in the medical and recreational marijuana markets, his journey in this industry began while running an event production company, spending his free time since the early 2000's traveling out to California post Proposition 215 learning as much as he could about marijuana and marijuana cultivation. Nicholas has extensive industry experience and industry connections in all aspects of the marijuana industry.

### **Julio Vasquez**

Mr. Vasquez began his career in the marijuana industry at Thomas C. Slater Compassion Center as a curer 4 years ago, quickly rising to Manager of Packaging and Labeling, then Inventory Manager. His weekly responsibilities include packaging in compliance with state regulations, procurement and maintaining relations with vendors, management of sales team, product tracking, internal liaison between departments, training of sales floor and inventory personnel, and product inspection for health/safety. During his transition from curer to manger, Julio held many consultations with patients where he advised them on the differences of effects from various methods of consumption.

### **Steven Forde**

A Security Consultant, Mr. Forde was the director of security for the Thomas C. Slater Compassion Center in Providence Rhode Island for five years, beginning his tenure before the opening of the dispensary. Prior to his job at Slater, Mr. Forde served on the Warwick, RI Police force for 25 years, 10 of which years he was a drug detective, spending 5 of those years on the DEA task force.

### **Nancy Sheldon**

Ms. Sheldon has been the Manager of Asset Protection for Macy's at their Warwick, RI, Dartmouth, MA, and Swansea, MA locations since 2006. As asset protection manager, she was responsible for detecting and conducting internal investigations, detection and prevention of crimes, training, scheduling, and around the clock response to any security issues. A 1985 Certified Massachusetts Criminal Justice Training Academy graduate, Ms. Sheldon has also served as a Special Police Officer for the Seekonk Police Department.



From 2001-2005 she worked security for Tiffany Company's Cumberland, RI location and Armed Security for Fort Greely. Nancy excels at identifying and preventing internal diversion and has spent the past year following all security related information as it pertains to recreational and medical dispensaries.

### **Matthew Medeiros**

Mathew Medeiros received his B.S in Biology from Framingham State University and is currently pursuing his Master's in Biotechnology also at Framingham State University. Using his knowledge of the Biotech industry through class and his work at Sanofi Genzyme as an aseptic technician, he has extensive experience ensuring that all Good Manufacturing Processes can be executed in a pharmaceutical development setting. Furthermore, at M.I.T as project assistant Matt learned firsthand the importance of safety and quality of biological and chemical products. He has managed three labs at MIT along with research in which he oversees orders, operations, and research functionality. Through these experiences, Matt has come to understand how a patient or customer's body is impacted with minimal to no adverse effects. Mathews' goal is to ensure that operations are documented and implemented in a safe and effective manner so that every cannabis product is selected and distributed properly in the guidelines of all safety and quality regulations for the protection of all patients. Furthermore, his extensive knowledge gained in his years in the laboratory will be invaluable in consulting with all potential patients medical needs.

## **B. Industry Expertise Key Personnel - Nucleus One**

Nucleus One is specialized in providing professional consulting services to emerging businesses, including those in the cannabis industry. Starting around 2010, Nucleus One began to develop a core competency in the emerging legal cannabis industry as a leading operational consulting firm. Nucleus One has led and/or guided several successful launches and turnarounds of legal cannabis operations in multiple states including: Hawaii, Rhode Island, Ohio, Maine, Massachusetts and Connecticut. These projects have had a multitude of desired outcomes largely because of Nucleus One's development and implementation of industry best practices paired with efficient project management and specific expertise. Having started multiple cannabis businesses in the past, Nucleus One is able to help clients avoid common pitfalls detrimental to many start-up operations.

### **Jacques Santucci, Principal**

Jacques Santucci is the Principal of Opus Consulting Group, a business performance management firm in Portland, Maine specializing in Business Strategy and Management with a cross-functional approach to performance: innovating with companies at the intersection of finance, operations and strategy. In addition to his work with clients at Opus and Nucleus One, Jacques Santucci is a co-founder of Wellness Connection of Maine, the state's largest group of medical marijuana dispensaries.

Wellness Connection of Maine is the state's largest medical marijuana operation, controlling 4 of the 8 state licensed dispensaries. In addition to the dispensaries, Wellness Connection also operates one cultivation facility where marijuana is packaged and processed into oils and infused edible products. Wellness Connection is currently serving over 12,000 qualified patients a year, with a staff of over 75 employees. This successful business template and expertise will be carried to Apotho operations.



Santucci is also the founder of Strimo, a software company that offers manufacturing tracking, accounting, and sales management tools for the legal cannabis industry, offering solutions to help cannabis operators improve data collection, streamline efficiencies, manage growth and performance.

#### **Connor Yost, Director**

Connor is the Director of Nucleus One and has been at the forefront of the emerging legal cannabis industry since 2014. With a focus on business operations, Connor has been instrumental in the license acquisition, launch and ongoing advisory for several successful operations nationwide. Connor has, and continues to, collaborate with the brightest and most successful business leaders in all aspects of the industry, allowing him to amass an impressive skillset and network of resources. Connor's clients have found success through his commitment to industry best practices and hands on project management approach. Prior to joining Nucleus One, he spent time in both the consumer lending and mortgage industries.

### **C. Legal Key Personnel - Burns & Levinson, LLP**

Burns & Levinson advises clients seeking to navigate the complex legal and business framework surrounding the exploding cannabis industry. Our firm was among the first in the country to develop and utilize our decades of corporate and finance expertise in creating a business advisory group specifically targeted to the cannabis industry. We have years of experience working with and cultivating relationships with our clients looking to take advantage of and expand their opportunities in this emerging area. We get in the weeds with our clients and have advised multiple cannabis businesses on a nationwide scale.

Our core areas of practice are Business Law, Business Litigation and Dispute Resolution, Intellectual Property, Real Estate and Private Client legal services, which include all related services from general corporate, intellectual property (including patents), employment, finance, securities, private equity, venture capital, real estate to tax, mediation, litigation, divorce, family law, trusts and estate planning and administration.

#### **Scott H. Moskol, Partner**

Moskol is a partner, and co-chair of the firm's Financial Restructuring & Distressed Transactions and Cannabis Business Advisory practices, and a member of the Corporate, Finance, and Infrastructure & Public-Private Partnerships practices. He has developed a national platform representing and counseling clients with respect to all legal issues that may arise in restructurings, workouts, bankruptcies, receiverships and other insolvency-related matters. In October 2018, Moskol was named "Cannabis Trailblazer" by the National Law Journal (NLJ).

## **IV. Prospective Employees**

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When hiring, Apotho will seek out applicants that are not just qualified and experienced, but those that share Apotho values and are ready to help build a prosperous business that will benefit all its stake holders including its community, peer workforce members, and owners.

Apotho employees will benefit from Apotho's dedication to community outreach and charitable engagement. Apotho is committed to ensuring our employees are not only allowed but are encouraged to give back to the community in various ways that will be outlined in our community outreach initiative. Employee benefit arrangements will be made available to all Apotho management and staff.



## **A. Employee Education and Training**

Apotho will utilize the operational experience and knowledge to provide extensive training and education for all registered employees. All employees will receive rigorous training prior to commencing work in any of the state-registered dispensary(s). Registered employees will be required to read the relevant state and county laws pertaining to recreational marijuana to have a general understanding of the laws and regulations with which they must comply. Additional training will also be provided from a pre-selected third-party security vendor, inventory control systems and POS vendors, and other subject matter experts. Training will include an extensive hands-on approach and the use of Standard Operating Procedures (SOPs) and various other materials and methods as deemed appropriate.

Apotho will utilize targeted training materials and programs for different operations occurring at the Commonwealth licensed facilities. There will be specific training for registered employees involved within wholesale distribution operations while ongoing and cross-functional training will be continued as operations commence. All registered employees will also be required to receive training on general sanitary requirements which are documented with relevant SOPs. Registered employees will be required to read and agree to comply with the company Employee Handbook, SOPs, and other materials deemed necessary prior to commencing work in any of the company facilities.

Employee training and education will be all-encompassing, covering regulatory compliance, seed-to-sale tracking, customer service and advocacy, point-of-sale training, dispensing, security and diversion prevention, health and safety protocols, sanitation, and transportation.

## **B. Retail Dispensary Roles**

### **General Manager**

- Responsible for
  - Managing the daily activities in the dispensary
  - Dispensary inventory management and pricing
  - Training and managing dispensary staff
  - Processing staff requests to management
  - Product acquisitions
  - Keeping statistical and financial records of dispensary revenue
- Responds to customer inquiries and complaints
- Interfaces and maintains relationships with vendors
- Maintains sales floor stock and merchandising
- Supervises the sales staff
- Ensures staff has a daily cleaning schedule and duties are assigned
- Handles any other duty as assigned by the CEO

### **Marketing Manager**

- Responsible for business development including preparing promotional materials, displays and community outreach
- Handles marketing services
- Prepares and maintains the company marketing budget
- Responsible for
  - Coordinating with Store Manager to provide appropriate inventory
  - Generating and implementing marketing campaigns
  - Creating and implementing discount/coupon programs
  - Maintaining company website

### **Product Manager**

- Manage vendor relations, market visits and the ongoing education and development of the organizations' buying teams
- Helps to ensure consistent quality of products
- Responsible for the purchase of goods and products for the organization
- Responsible for planning sales, monitoring inventory, selecting the merchandise and writing and pricing orders to vendors
- Ensures that the organization operates within stipulated budget
- Responsible for ordering and managing "dry goods" in the store, including layout and back stock

### **Assistant Manager**

- Responsible for opening and closing procedures including assisting with the dispensary alarm and maintaining surveillance equipment and records
- Responsible for ensuring equipment such as computers, scales, printers and fax machines are in working order
- Ensures that products and displays are properly arranged
- Responsible for processing vendor orders
- Responsible for overseeing daily cleaning and maintenance tasks
- Coordinates with Store Manager and Inventory manager to ensure inventory control, stocking shelves and data entry is being completed effectively
- Ensures all supplies are stocked and maintained including but not limited to labels, child proof packaging, paper supplies, display related items, sanitary supplies, office supplies and any post office related equipment
- Performs monthly inventory counts, store inventory reports and sales reports
- Handles any other duty as assigned by the store manager

### **Administrative Assistance/Front Desk**

- Greets customers, checks identification, ensures credentials
- Responsible for updating online (i.e. Weedmaps) and in-store menu as the inventory changes throughout the day
- Responsible for creating and maintaining an administrative record for the business
- Responsible for answering phones, providing information or directing calls to the appropriate staff member

### **Sales Agents**

- Customer interaction specialist
- Responsible for:
  - Starting up and shutting down point of sales equipment daily
  - Product knowledge and sales
  - Promoting the company's image
  - Working within a regulatory framework. Will be held accountable for training received and to the rules provided in the employee handbook
  - Recording and reporting marijuana waste ensuring inventory is available for the customer (i.e. pre-weighing, packaging products)
  - Daily maintenance and sanitary condition of the dispensary, including removing all waste and other discarded materials.
- Prepares inventory and sales reports at the end of every working week
- Handles financial transactions on behalf of the company
- Maintains a clean workspace

### **Human Resources Manager**

- Overall responsibility for all HR functions within the company

- Recruitment and aspects of orientation
- Implementation and administration of human resources programs
- Create Employment policies
- Responsible for all employee records and organization

#### **Security Supervisor**

- Responsible for keeping the dispensary, customers, and employees safe and secure
- Security personnel duties
- Manage Security personnel and set schedules
- Ensuring accountability and compliance
- Review and maintain security procedures
- Oversee security systems and equipment
- Act as a liaison with local law enforcement

#### **Security Officer**

- Responsible for the safety and security of daily operations.
- Restricting access to only those 21 and older
- Monitor security cameras for suspicious activity
- Conducting regular security checks throughout and around the facilities
- Maintain daily security records
- Enforce the standard of conduct within the dispensary

## **V. Products and Services**

Apotho will locally source quality marijuana products with an abundant amount of cannabinoid and terpene profiles to have as many options as possible for its customers. Apotho will purchase MIPs with stringent quality standards and select cultivars/genetics with targeted cannabinoid/terpene profiles to create unique experiences and effects, all with customer safety in mind. The selected wholesaler utilized will have marijuana that is high in cannabidiol (CBD) or have Tetrahydrocannabinol/Cannabidiol (THC:CBD) ratios that have demonstrated efficacy. Through selecting producers that have above standard production and product strategies coupled with rigorous testing, Apotho will overcome one of the most significant hurdles for the marijuana industry, which is consistency of dosage and cannabinoid profile.

The selection of sourced marijuana will include a wide variety of marijuana; all selections will be unique and have different traits, values and benefits. Marijuana varieties will include different batches from Indica, sativa, hybrid and CBD dominant genetics. Customers will have the opportunity to experience different desired effects from different marijuana variety cultivars and genetics. All sourced products will come from Massachusetts state-licensed producers.

#### **Intended Sourced Products include (but not limited to):**





**Flower (pre-rolls, packaged dried flower)** usually smokable, trichome-covered part of a female cannabis plant that offers numerous consumption methods, such as being smoked using a pipe or bong, or by rolling it in a joint.



**Edibles** are marijuana-infused products that are consumed orally, versus smoking flower or concentrate. Some of the more common forms of edibles include baked goods, lozenges, chocolates and beverages.



**Tinctures** are alcohol-based cannabis extracts, essentially, infused alcohol. Cannabis tinctures are easy to self-dose and can be placed directly under the tongue or incorporated after cooking into meals and drinks such as juices, ice cream, salad dressing and soup.



Oil versions of cannabis-derived products can be placed in the mouth and either swallowed or absorbed to some degree in the mouth itself. Cannabis oil can take up to 2-3 hours to take full effect. Like tinctures, cannabis oil can also be incorporated into food for consumption.



**Oral capsules** give customers a convenient and familiar consumption method, free of unwanted calories and unnecessary ingredients. Capsules come in a variety of potencies and cannabinoid profiles.



**Oral spray** is designed to be administered sublingually, meaning absorbed under the tongue. This method has several benefits such as fast absorption, portability, discreteness, and precise dosing. There are few reported side effects compared to inhalation or ingesting.



**Topicals** include lotions, balms, oils, and other products that are absorbed through the skin. Topicals can be non-psychoactive and provide localized relief of pain, soreness, and inflammation. Early evidence shows potential benefits for a range of ailments such as psoriasis, dermatitis, itching, headaches, cramping, and others.



**Vaporizer** technology allows cannabis extract to be heated into a vapor form and inhaled, which is popular among customers avoiding combustion and offers the benefit of precise dosage control.

### Intended Sourced Products' Descriptions:

#### **Marijuana Flower**

- *Product Description* – Apotho intends to source approximately 10-15 cultivars of marijuana ranging from those with a high level of THC and low-level CBD to those with a high level of

CBD and low level of THC. These cultivars will include Indica varieties, Sativa varieties, and hybrid cultivars that will be a blended variety with effects similar from both sativa and Indica varieties.

- Besides appearance, Indica and Sativa plants are commonly believed to have different effects on their user. Through Apotho's research efforts, they will obtain a deeper understanding of plant composition and efficacy.
- *Product Benefits* – The evidence is overwhelming that marijuana can relieve certain types of pain, nausea, vomiting and other symptoms caused by various illnesses.
- *Product Strengths* – Marijuana can provide favorable benefits and considered less toxic than many pharmaceuticals. Marijuana can provide a wide variety of benefits to help treat various ailments. Marijuana also offers a low toxicity as marked by no known cases of overdose due to marijuana. This is largely because marijuana does not affect the brain stem which is responsible for controlling one's respiration.
- *Product Weaknesses* – Because marijuana is federally illegal, there has not been enough scientific research done to determine the true effectiveness of the medicine.

### **Manufactured Marijuana Products (MIPs) and Concentrates**

Apotho intends to purchase desirable products that are convenient for administration of recreational marijuana. One goal is to purchase various dosage forms that will make administration of marijuana convenient, easy, and palatable for legal adult customers.

- *Product Description* – Manufactured marijuana products are made with marijuana as an ingredient. They can come in the form of oils and oil extracts, capsules, pills, lozenges, sublingual tinctures, and topical(s) such as skin lotions or ointments.
- *Product Benefits* – The benefit of manufactured marijuana products is that they offer customers an alternate delivery means to experience the effects of cannabinoids without smoking or vaporizing marijuana. Alternative ingestion methods that offer customers cannabinoid delivery formats other than smoking are one of the fastest growing segments of the marijuana industry.
- *Product Strengths* – An easily administered option for taking marijuana products. It improves dosing calibration and benefits from the convenience of portability. It is often considered to have stronger effects than inhalation of marijuana products.
- *Product Weaknesses* – It can take longer to feel the effects of the marijuana infused products.

### **A. Quality of Products and Testing**

All marijuana and marijuana products will be purchased wholesale from Massachusetts Marijuana Establishments appropriately licensed by the Cannabis Control Commission. In purchasing and accepting marijuana and marijuana products into the facility, Apotho will require proof of valid state license and valid documentation that the product passed quality standards through testing at a Massachusetts state licensed testing lab. A quality management program will be implemented to ensure there are no deviations in the dispensing standard operating processes.

### **B. Product Pricing**

Apotho aims to dispense marijuana and manufactured marijuana-infused products that are affordable and accessible to adults in Massachusetts. To this end, Apotho has created a financial



pro-forma model that details estimated pricing for marijuana and manufactured marijuana products for distribution purposes to legal adults in Massachusetts. This financial model is a separate, additional document that can be seen in full for a more detailed breakdown of the pricing strategies.

Pricing for all marijuana and manufactured marijuana-infused products will be based on the current fair market value of said items. Pricing will also be computed to ensure that continued operations and growth strategies can be pursued. Different pricing structures and strategies will be utilized for determining pricing on purchased marijuana and manufactured marijuana-infused products. Pricing structures will be identified upon deployment of operations to ensure all cost associated with the acquisition of the marijuana product or the manufactured marijuana products are captured to, at a minimum, be able to recoup the cost of investment.

**Cultivated Marijuana (Flower)** – Pricing will be based on cost of acquisition, cost of dispensing, and the fair market value of marijuana. The pricing model used to forecast the recreational marijuana pricing will be based on regulated marijuana market metrics.

**Marijuana Infused Products (MIPs)** – Pricing will be based on cost of acquisition, cost of dispensing, and the fair market value for manufactured marijuana products. The pricing model used to forecast processed manufactured marijuana products pricing is based upon publicly available data from regulated marijuana market metrics.

## VI. Market Overview

### A. Market Trends

As of March 2019, 32 states have legalized medical cannabis and nine more states have legalized adult use of cannabis. The people of Massachusetts overwhelmingly showed their support for legalized marijuana. This burgeoning industry is gaining popularity across the country and internationally. The cannabis market is prime for entry, and it's still early enough in the timeline for locally owned, community-based companies such as Apotho to enter successfully and continue stability throughout the future years from the larger industry players by this early entry. The charts below show the results of the Question 4 vote by a sample of towns:

Vote by town	Yes	No
Boston	163,724	98,454
Worcester	35,056	28,892
Springfield	29,366	21,730
Cambridge	35,360	14,230
Newton	24,748	20,473
Quincy	21,083	20,230
Somerville	29,447	9,498
Lowell	19,621	15,565
Brockton	17,455	16,326
Lynn	17,279	15,239

Table 1. The

tally of votes for Question 4 in the 2016 election broken down for Plainville, MA:

ANSWER	VOTES	PCT.
Yes	2,648	53.6%
No	2,286	46.4%

100% reporting (2,173 of 2,173 precincts)

(<http://www.nytimes.com/elections/results/massachusetts>)

Table 2. The Massachusetts statewide tally of votes for Question 4 in the 2016 election:

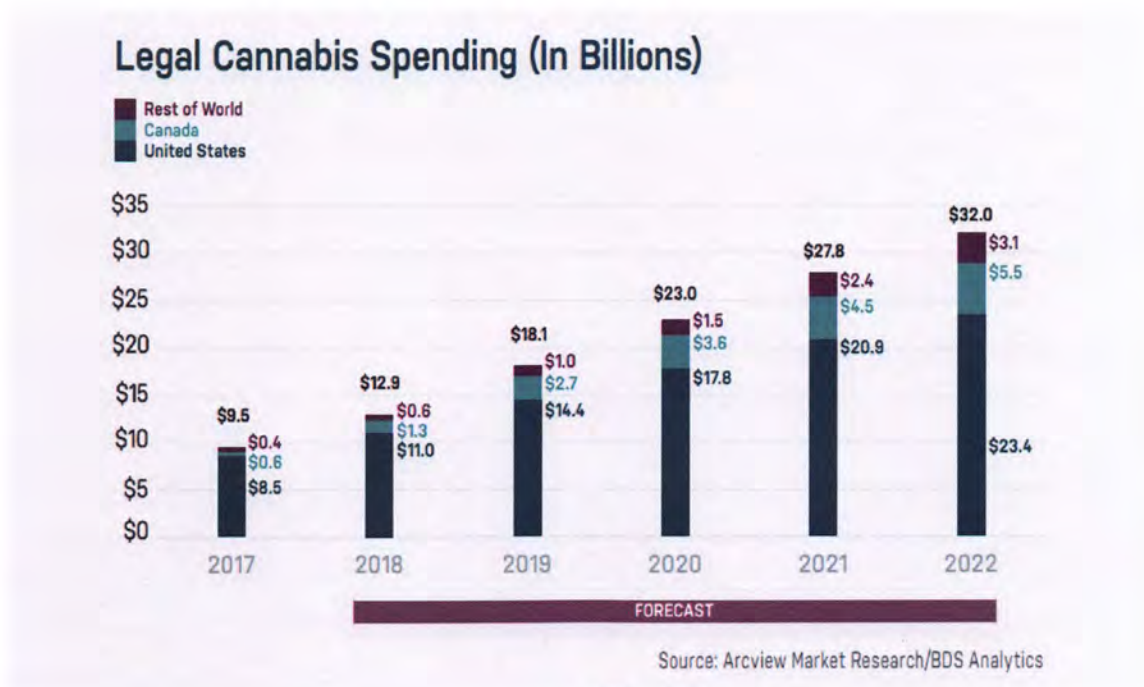
ANSWER	VOTES	PCT.
Yes	1,769,328	53.7%
No	1,528,219	46.3%

100% reporting (2,173 of 2,173 precincts)

(<http://www.nytimes.com/elections/results/massachusetts>)

By the end of 2018, Forbes reports the legal marijuana grew to over \$10.4 billion, which was up from \$4.7 billion reported in 2016. Based on growth in 2016, the marijuana market is forecasted to reach \$32.0 billion in 2022. The State of Legal Marijuana Markets Report estimates that there will be a compound annual growth rate (CAGR) of 27.5%. This makes the legal marijuana industry one of the fastest growing sectors in the U.S. economy. The public's support for legalizing recreational cannabis continues to grow. Recent research provides insight into the potential benefits, and casts doubt on many of the historically reported adverse effects of cannabis use. Several polls show strong support for general cannabis legalization. Lately this consensus has surpassed 67%. An October 2018 Gallup poll, for instance, found that 67% of Americans (up from 60% in 2016) favor legalizing cannabis on a national scale. A Pew Research Center study claims that young adults have driven the shift toward public support of cannabis legalization, though support is rising among other generations as well. Millennials (ages 18 to 35 in 2018) are more than twice as likely to support the legalization of marijuana now as they were in 2006 (74% today, up from 34% in 2006), and are significantly more likely to support legalization than other generations. Support for marijuana legalization has also increased among members of Generation X and Baby Boomers (ages 36-51 and 52-70 in 2018, respectively). More than half of Gen Xers (63%) support cannabis legalization, a considerable jump from just 21% in 1990. Most Boomers (54%) also support cannabis legalization, up from just 17% in 1990. (<http://pewrsr.ch/2E9u3hd>)





*Demonstrated growth of legal adult-use, concentrate cannabis markets  
(Note: includes markets with both medical & recreational use)*

Changing perspectives towards cannabis and the marijuana industry are allowing larger, less locally owned companies enter and take a tremendous amount of market share. As a community-based, locally sustained company, Apotho, may be competing against larger-scale competitors from out-of-state; but Apotho is confident in our ability to create, service, and maintain a stable place within the market; appealing to local customers and adult-use customers by providing locally relevant, community-oriented business and outreach. Marijuana has remained widely available on the black market regardless of efforts to suppress illicit cultivation and sales. In the past, few people were willing to provide honest information regarding personal use habits. While this limits the depth of data analysis, there are some data points that can be used to compare populations from areas where regulated cannabis markets have been established. Apotho intends to capitalize on this unique opportunity to benefit all stakeholders of Apotho including the Town of Plainville and local communities.

## B. Reaching the Target Market

Apotho plans to establish customer-focused adult use retail stores that spread throughout the state of Massachusetts - locations of those stores will be based on criteria that will provide us and the local community with the best chance of success in each location. We expect to take full advantage of the population density as well as the proximity of nearby universities and city centers.

## SWOT Analysis

Apotho is looking forward to becoming a highly recognizable and well-run dispensary to those in its community and the surrounding communities. We will strive to provide the residents and tourists of our host community with the highest quality customer service. We will align ourselves with the best vendors and create a trusted, well-recognized brand. We know that if we are going to achieve the goals that we have set for our business, then we must ensure that we build our business on a solid foundation.

<b>Strengths</b> <ul style="list-style-type: none"><li>• Professional and prepared management team:<ul style="list-style-type: none"><li>◦ Industry expertise</li><li>◦ Corporate strategy expertise</li></ul></li><li>• Access to capital</li><li>• Partnership from proven industry experts</li><li>• Support from the voters - city and state</li><li>• Community outreach plan</li><li>•</li></ul>	<b>Opportunities</b> <ul style="list-style-type: none"><li>• Coordinate community charitable donations/engagements and create new perceptions</li><li>• Coordinate opportunities for customer education and workshops</li><li>• Leaders creating and defining industry procedures</li><li>• Changing perceptions in communities</li></ul>
<b>Weaknesses</b> <ul style="list-style-type: none"><li>• Brand new work force/untrained work force<ul style="list-style-type: none"><li>◦ Average training time key roles, onboarding</li><li>◦ Capital intensive build out and application process</li></ul></li></ul>	<b>Threats</b> <ul style="list-style-type: none"><li>• Potential regulatory impact</li><li>• Negative stigma, historic trends and attitudes</li><li>• Federal and/or local government restrictions</li><li>• Competition</li></ul>

## C. Barriers to Entry

Barriers to entry are typical of any new business joining an industry, the same is true for Apotho's business. Critical barriers to entry that must be considered include:

- High capital costs
- Strict Regulatory framework
- Customer acceptance
- Training and skills
- Unique technology and methods
- Security and diversion risk
- Branding and marketing the brand- Apart from using the brands of our vendors, we plan to use
- Gaining and maintaining customer awareness and acceptance

## Overcoming Barriers to Entry

Apotho has plans in place to address and adequately navigate each identified barrier. Apotho Irrevocable Trust is a major investor in Apotho and has committed to fund the requisite needs of the Company. The parties believe these funds will be sufficient for licensing, purchasing wholesale products, and operating the property location to assist in overcoming the high capital



costs. In the event Apotho is in need of additional capital, we will explore options of debt financing and further equity raise. We will navigate the strict regulatory framework & security and diversion risks by leaning on the industry experience of Nicholas Salvatore, dispensary experience of Julio Vasquez, and law enforcement background/ retail marijuana security experience of Steven Forde, while maintaining close communications with our legal counsel at Burns & Levinson LLP, who has experience with compliance issues associated with this strict regulatory framework. Comprehensive training modules and SOPS will be deployed to ensure the entire staff is adequately trained in both dispensary procedures and compliance. Julio Vasquez will train all back of house as well as front house staff with Mathew Medeiros to provide his unique experiences in studying plants medicinal application. Apart from the unique experiences of Mathew at MIT, Apotho will utilize cutting edge technology & methods and related best practices such as POS systems, Accounting Systems, & CRM Software.

## VII. Customer Focus

As cannabis businesses become more widely accepted and available, competitive pressure will create a market shake-out that will yield winners and losers over the long term. Apotho seeks to pursue a premium retail strategy that competes on customer experience, quality and differentiation. As such, Apotho will implement a clearly defined and sharply honed customer experience concept to reinforce our company vision.

Fundamentally, we believe philosophically that the customer experience is an integral part of the product itself - we are selling a cannabis purchasing experience, rather than simply selling cannabis. The basic mission of Apotho's hospitality concept is to provide the best customer engagement experience that draws on elements of various human resources and customer care.

### Customer Oriented:

- Community oriented - job creation for Plainville residents and local economic development.
- Compliant and transparent with local and state regulators.
- Window displays, if any, will be minimalist and simple to reinforce the company image holistically.
- Customer-facing staff will be sourced from customer-focused restaurants/bars/hotels/ other service-oriented establishments.
- Moreover, we will adhere to a policy of not allowing staff to be intoxicated while at work (cannabis included) and will set a baseline standard for appearance/grooming.
- We invest in the training of our staff and expect them to be knowledgeable and passionate about our product. They should be able to explain each offering in thoughtful detail.
- Engagement with our sales associates will feel more like a local, customer-focused restaurant experience than a typical dispensary (first name interaction with customers, etc.).
- Complimentary beverages available to customers in-store (e.g. terpene water).

- Our mantra will be that every customer interaction is an opportunity to shatter expectations, and we will capture it.
- Word of mouth and tasteful, strategic social media & marketing campaigns will serve to continue the conversion cycle.

#### **Customer Retention:**

- Retention will be driven by positive and enjoyable in-store experiences and, which are foundational to maintaining a happy customer base.
  - Apotho will use a loyalty program granting patrons points per dollar spent. Points will be tracked on our sales software under the patron name and balances will be printed on the patron's receipts when purchases are made. Points will be redeemable for discounts on purchases and free merchandise (not marijuana). Patrons in the system will receive emails/texts for complimentary educational classes, company sponsored functions, & holiday gifts (dependent on level of spending).

By leveraging these tools, we believe that Apotho will be a significantly differentiated competitor in the market that will be able to defend a strong position without the eventual pricing pressures that much of the market will likely face in coming years.

## **VIII. Retail Branding & Marketing**

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Apotho seeks to be a premium offering to customers. We recognize that cannabis, though differentiable in quality of product, remains a commodity, and that the key to competitive success over time, especially in terms of price and margin stability, will depend heavily on customer experience. Apotho seeks to leverage a customer retail experience towards communicating superior quality of product and experience.

### **A. Publicity and Advertising Strategy**

Apotho marketing strategy is compliant with marketing regulations defined in the MA state regulations.

- Introduce the community to Apotho by providing introductory information
- Utilize industry websites such as Weedmaps.com and Leafly.com to advertise and generate positive buzz through customer review opportunities.
- Leverage word of mouth marketing (referrals) by providing top-notch products and actively asking customers for positive feedback.
- Create business partnerships with other vendors including marijuana related businesses and ancillary support industries like local printing companies, security companies and other services.
- Attend various Marijuana Business and other cannabis industry related shows and expos held several times annually. Work up to a vendor or sponsorship level with at least one of the locally held industry expos.

## **IX. Community Outreach**

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Apotho is committed to presenting a positive impact to the community at large. We will seek to create a collaborative relationship with non-profits that have been instrumental in the legalization efforts in Massachusetts. Through educational programs, community involvement and



representation at local town council meetings, we will provide more than just cash donations. We aim to be the voice of the industry, providing a valuable resource to non-profits and city officials.

As part of our contribution to the community, Apotho will encourage and support the volunteer efforts of their employees. We believe volunteerism is a great endeavor, and non-profit and community groups and organization need capable, committed volunteers. To that end, we will promote volunteerism throughout our organization as we believe that helping people in our communities gives our employees a chance to shine, promotes teamwork and team spirit and allows our employees to interact with their fellow employees outside the workplace. It also encourages our employees to take the lead and learn new skills that may help them in their careers.

## **X. Economic Impact**

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**Retail Sales** - Apotho is primarily a product retailer, selling products sourced from local Cultivators and Manufacturers.

**Host Community Fees** - Apotho has secured a Host Community Agreement with the Town of Plainville. As a part of this agreement Apotho will pay the greater of \$300,000/ annually, or 3% of its gross sales to the Town of Plainville. Also, Apotho will make a second payment to the Town of Plainville in the amount of 10% of its first payment.

**Job Creation** - Apotho intends to create numerous full-time jobs and opportunities and plans to make a best faith effort to employ a majority of its staff from the local Plainville community.

## **XI. Proposed Location**

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The proposed location under consideration for Apotho's dispensary is 119 Washington Street, Plainville, Massachusetts. Apotho has worked with the town to confirm that the location meets all zoning requirements for the area and intended use of the property. Apotho will also make improvements to the property as needed and in coordination with the town. There will be ample parking available for employees and customers at or near the dispensary. The location is of adequate size and space for a recreational marijuana dispensary and manufactured marijuana products.

Our dispensary retail shop is strategically located with emphasis on security and the ability to expand our presence incrementally with market demand.

### **Zoning**

Apotho will work with Plainville to ensure all local zoning and town requirements are met. Apotho has notified all abutters and held all appropriate community outreach meetings as required by both the town and the Cannabis Control Commission. The location is not located within 500 feet of a public or private, primary or secondary school, licensed daycare center, public library, public park or playground, nor are any Marijuana Storefront Retailer sited within a radius of five hundred feet of the proposed location. We will work with the town to ensure the site meets all zoning

requirements continuously met and to ensure the site complies with all other state and local regulations.

Apotho will regularly update: Dimension and Height Requirements, Buffer, Hours of Operation, Odor, Waste Disposal, Light/Visual Impacts, Parking, Security, Emergency Response, etc. to ensure it is in compliance with the zoning regulations set by the Cannabis Control Commission.





# CANNASURE

INSURANCE SERVICES

1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

May 08, 2020

## Insurance Proposal Prepared Exclusively For:

Apotho Therapeutics Plainville LLC  
119 Washington St  
Plainville, MA 02762

## Prepared By

Jeff Becka  
(440) 471-6263  
jbecka@cannasure.com

## Quote Information

Named Insured	Apotho Therapeutics Plainville LLC
Issuing Company	Topa Insurance Company; A.M. Best Rated A- (Excellent)
Admitted	No
Coverage	Commercial Property and General Liability
Policy Term	12 Months
Description of Business	Dispensary - Recreational

## Premium Summary

<b>Total Premium, Taxes, Fees</b>	
Property Premium	\$8,165.00
General Liability Premium	\$9,450.00
Equipment Breakdown Premium	\$512.00
Inspection Fee	\$175.00
Policy Fee	\$750.00
Taxes	\$725.08
Total Amount Due	\$19,777.08*

*\*Premiums noted above do not include Terrorism coverage. Terrorism coverage is available for an additional premium*

## Additional Comments

25% Minimum Earned Premium

10% Retail Agent Commission

Please make checks payable to:  
Please mail payment to:

CIS Insurance Services, LLC  
1468 W. 9th Street  
Cleveland, OH 44113



1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

## Commercial General Liability Quote

May 08, 2020

### Coverage Information

Coverage  
Coverage Form

Commercial General Liability  
Occurrence

### Limits

General Aggregate Limit (Other than Products-Completed Operations)	\$2,000,000
Products/Completed Operations Limit	Excluded
Personal and Advertising Injury	\$1,000,000
Each Occurrence Limit	\$1,000,000
Damage To Premises Rented To You Limit	\$100,000
Medical Expense Limit	\$5,000
Employee Benefits Liability Limit	Excluded
Hired & Non-Owned Auto Limit	Excluded

**\*\* Defense Outside the Limit**

### Deductible

No Deductible

### Classification

Operations  
Premium Basis / Exposure

Dispensary - Recreational  
\$10,000,000 Sales

### Schedule of Named Insured(s)

Apotho Therapeutics Plainville LLC

### List of Locations

1-1: 119 Washington St, Plainville, MA 02762

### Optional Coverages Available (additional premium may apply and underwriting required)

Terrorism - \$236.00 a/p, plus tax  
Hired and Non-Owned Auto (completed questionnaire required prior to quoting)  
Employee Benefits Liability  
Additional Insured

# CANNASURE

INSURANCE SERVICES

1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

## Commercial Property Quote

May 08, 2020

### Property Schedule

Location 1/Building 1: 119 Washington St, Plainville, MA 02762	
\$0	Building – Replacement Cost, 80% Coinsurance
\$500,000	Business Personal Property – Replacement Cost, 80% Coinsurance
\$0	Tenant Improvements and Betterments – Replacement Cost, 80% Coinsurance
\$1,000,000	Business Income including Extra Expense – 1/3 Monthly Limit of Indemnity
\$0	Living Plant Material
\$0	Goods In Process
\$500,000	Completed Stock
\$0	Seeds

### Deductible

Each Claim	\$2,500
Wind and Hail	2%

### Additional Coverages Included

Equipment Breakdown

### Optional Coverages Available (additional premium may apply and underwriting required)

Terrorism - \$217.00 a/p, plus tax

Sewer Backup

Expanded Property Endorsement

Property in Transit

Ordinance or Law

**FORMS LIST**

CG 00 01 (04 13) COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
CG 00 38 (04 13) PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM  
CG 03 00 (01 96) DEDUCTIBLE LIABILITY INSURANCE  
CG 21 04 (11 85) EXCLUSION-PRODUCTS-COMPLETED OPERATIONS HAZARD  
CG 21 06 (05 14) EXCLUSION-ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY-WITH LIMITED BODILY INJURY EXCEPTION  
CG 21 09 (06 15) EXCLUSION-UNMANNED AIRCRAFT  
CG 21 32 (05 09) COMMUNICABLE DISEASE EXCLUSION  
CG 21 36 (03 05) EXCLUSION-NEW ENTITIES  
CG 21 44 (04 17) LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION  
CG 21 46 (07 98) ABUSE OR MOLESTATION EXCLUSION  
CG 21 47 (12 07) EMPLOYMENT-RELATED PRACTICES EXCLUSION  
CG 21 49 (09 99) TOTAL POLLUTION EXCLUSION ENDORSEMENT  
CG 21 51 (04 13) AMENDMENT OF LIQUOR LIABILITY EXCLUSION-EXCEPTION FOR SCHEDULED PREMISES OR ACTIVITIES  
CG 21 66 (06 15) EXCLUSION-VOLUNTEER WORKERS  
CG 21 67 (12 04) FUNGI OR BACTERIA EXCLUSION  
CG 21 73 (01 15) EXCLUSION OF CERTIFIED ACTS OF TERRORISM  
CG 21 96 (03 05) SILICA OR SILICA-RELATED DUST EXCLUSION  
CG 21 98 (12 07) TOTAL POLLUTION EXCLUSION ENDORSEMENT  
CG 24 10 (07 98) EXCESS PROVISION-VENDORS  
CG 33 59 (05 14) EXCLUSION-ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFO  
CG 33 70 (03 05) SILICA OR SILICA-RELATED DUST EXCLUSION  
CG 33 76 (05 09) COMMUNICABLE DISEASE EXCLUSION  
CIS ASF (04 19) TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US  
CIS AUDIT 01 (10 17) AUDIT PREMIUMS-AMENDATORY ENDORSEMENT  
CIS AUDIT PRODUCT 02 (10 17) AUDIT PREMIUMS-AMENDATORY ENDORSEMENT  
CIS CGL DEC 01 (10 17) COMMERCIAL GENERAL LIABILITY DECLARATIONS  
CIS CP 14 20(02 19) ADDITIONAL PROPERTY NOT COVERED-CANNABIS AND HEMP  
CIS CP 99 00(04 19) CANNABIS AND HEMP COVERAGE  
CIS CP 99 11(02 20) PROTECTIVE SAFEGUARDS  
CIS CP 99 12(02 20) PROTECTIVE SAFEGUARDS SCHEDULE  
CIS CP 99 30(10 17) TOTAL FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION  
CIS CP 99 31(10 17) EXCLUSION-NAMED STORM  
CIS CP 99 60(08 18) EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT  
CIS CP DEC 02 (10 17) COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS PAGE  
CIS CP DEC 02 A (10 17) CANNABIS AND HEMP SCHEDULE  
CIS DEC T 01 (10 17) COMMON POLICY DECLARATIONS - PCKG  
CIS DISCLOSURE TRIA (12 17) DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT  
CIS FORMS (10 17) FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY  
CIS GL 30 01(10 17) EXCLUSION-BANNED SUBSTANCES  
CIS GL 34 50(10 17) EXCLUSION-LIQUOR LIABILITY  
CIS GL 34 51(10 17) EXCLUSION-ASSAULT OR BATTERY  
CIS GL 34 52(10 17) EXCLUSION-ASBESTOS  
CIS GL 34 53(10 17) EXCLUSION-FIREARMS  
CIS GL 34 54(10 17) EXCLUSION-ANIMAL  
CIS GL 34 55(10 17) EXCLUSION-AMERICANS WITH DISABILITIES ACT  
CIS GL 34 56(10 17) EXCLUSION-RESIDENTIAL OCCUPANCY  
CIS GL 34 57(10 17) EXCLUSION-LEAD  
CIS GL 34 58(10 17) EXCLUSION-ADDITIONAL DAMAGES, TAXES, FINES OR PENALTIES  
CIS GL 34 59(10 17) EXCLUSION-CROSS SUITS  
CIS GL 34 60(10 17) EXCLUSION-FIDUCIARY  
CIS GL 34 61(10 17) EXCLUSION-GOVERNMENTAL ACTS AND CRIMINAL ACTIVITIES  
CIS GL 34 62(10 17) EXCLUSION-PROFESSIONAL SERVICES  
CIS GL 34 66(11 19) EXCLUSION æ" SPECIFIED DISEASE

# **CANNASURE**

**INSURANCE SERVICES**

1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

CIS MP 004 (10 17) 25% MINIMUM EARNED PREMIUM ENDORSEMENT  
CIS PROD DEC 01(11 17) PRODUCTS/COMPLETED OPERATIONS LIABILITY DECLARATIONS  
CIS PROD DWL 01(12 17) AMENDMENT-DEFENSE WITHIN LIMITS  
CIS PROD EX 001 (10 19) EXCLUSION-SPECIFIED PRODUCTS OR SUBSTANCES  
CIS PROD EX 002 (11 17) EXCLUSION-SPECIFIED NUTRACEUTICAL SUBSTANCES  
CIS PROD EX 003 (11 17) EXCLUSION-NEW ENTITIES  
CIS PROD EX 004 (11 17) FUNGI OR BACTERIA EXCLUSION  
CIS PROD EX 006 (11 17) EXCLUSION-CROSS SUITS  
CIS PROD EX 007 (11 17) EXCLUSION-ADDITIONAL DAMAGES, TAXES, FINES OR PENALTIES  
CIS PROD EX 008 (11 17) ILLEGAL FERTILIZER EXCLUSION  
CIS PROD EX 012 (11 19) EXCLUSION æ" SPECIFIED DISEASE  
CIS PROD PEST (11 17) LIMITED PESTICIDE COVERAGE  
CIS SUIT T N006 (10 17) SERVICE OF SUIT CLAUSE  
CISDEC T 01(10 17) COMMON POLICY DECLARATIONS - PROD  
CP 00 10 (10 12) BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CP 00 30 (10 12) BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM  
CP 00 90 (07 88) COMMERCIAL PROPERTY CONDITIONS  
CP 01 09 (10 00) MASSACHUSETTS CHANGES  
CP 01 40 (07 06) EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA  
CP 03 21 (10 12) WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE  
CP 10 30 (09 17) CAUSES OF LOSS-SPECIAL FORM  
CP 10 36 (10 12) LIMITATIONS ON COVERAGE FOR ROOF SURFACING  
CP 10 64 (10 12) MASSACHUSETTS-FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION AND  
LIMITATIONS  
IL 00 17(11 98) COMMON POLICY CONDITIONS  
IL 00 21(09 08) NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT  
IL 09 35(07 02) EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES  
IL 09 53(01 15) EXCLUSION OF CERTIFIED ACTS OF TERRORISM  
IL N 001 (09 03) FRAUD STATEMENT

# CANNASURE

INSURANCE SERVICES

1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

May 08, 2020

## Insurance Proposal Prepared Exclusively For:

Apotho Therapeutics Plainville LLC  
119 Washington St  
Plainville, MA 02762

## Prepared By

Jeff Becka  
(440) 471-6263  
jbecka@cannasure.com

## Quote Information

Named Insured	Apotho Therapeutics Plainville LLC
Issuing Company	Topa Insurance Company; A.M. Best Rated A- (Excellent)
Admitted	No
Coverage	Excess General Liability
Policy Term	12 Months
Description	Dispensary - Recreational

## Premium Summary

<b>Total Premium, Taxes, Fees</b>	
Total Premium	\$2,500.00
Policy Fee	\$250.00
Tax	\$100.00
Total Amount Due	\$2,850.00*

*\*Premiums noted above do not include Terrorism coverage. Terrorism coverage is available for an additional premium*

## Optional Coverages

Terrorism - \$63.00 a/p, plus tax

## Additional Comments

25 % Minimum Earned Premium

10 % Retail Agent Commission

Please make checks payable to:  
Please mail payment to:

CIS Insurance Services, LLC  
1468 W. 9th Street  
Cleveland, OH 44113





1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

## Excess General Liability Quote

May 08, 2020

### Coverage Information

Coverage	Excess General Liability
Coverage Form	Occurrence

### Limits

Each Occurrence Limit	\$1,000,000
Aggregate Limit	\$1,000,000

### Schedule of Underlying Insurance

Policy Number	TBD
Policy Period	TBD

#### Limits of Insurance

Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000

### Schedule of Named Insureds

Apotho Therapeutics Plainville LLC

### Classification

Dispensary - Recreational

### Additional Comments

Defense is outside limits

# **CANNASURE**

**INSURANCE SERVICES**

1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

## **FORMS LIST**

CIS ASF (04 19) TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US  
CIS CX DEC 01 (01 18) COMMERCIAL EXCESS LIABILITY DECLARATIONS  
CIS CX EX 001 (03 20) EXCLUSION HIRED AUTO AND NON-OWNED AUTO LIABILITY  
CIS FORMS (10 17) FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY  
CIS MP 004 (10 17) 25% MINIMUM EARNED PREMIUM ENDORSEMENT  
CIS SUIT T N006 (10 17) SERVICE OF SUIT CLAUSE  
CISDECT 01 (01 18) EXCESS COMMON DEC  
CX 00 01 (04 13) COMMERCIAL EXCESS LIABILITY COVERAGE FORM  
CX 21 01 (09 08) NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT  
CX 21 06 (04 13) EXCLUSIONS - PRODUCTS-COMPLETED OPERATIONS HAZARD  
CX 21 35 (01 15) EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND EXCLUSION OF OTHER ACTS OF  
TERRORISM COMMITTED OUTSIDE THE UNITED STATES  
IL N 001 (09 03) FRAUD STATEMENT



1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

**Subjectivities — All Subjectivities Required Prior To Binding:**

- Signed and dated Cannasure Marijuana Application — must reflect bound quote
- Copy of the insured's active state license
- Completed and signed TRIA Rejection Form **\*\*(if not signed, TRIA will automatically be added to premium)\*\***
- Completed Surplus Lines Diligent Search Form
- Disclosure Form, signed and dated by the insured
- Completed, signed and dated Cannasure Bind Request Form.
- Signed and dated Surplus Lines Placement and Fee Agreement

**Important Notice:**

Coverage may not be bound until a written order is received and all conditions and subjectivities are reviewed and approved by the Underwriter.

Please be advised, the terms and conditions proposed herein may not meet all the requested specifications, requested or desired coverage(s) or specifications, and it may not mirror or be the equivalent to any current or expiring terms the applicant may have. Please read and review the specifications herein carefully for your protection.

If bound, coverage will be provided on a non-admitted surplus lines basis.



1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

May 08, 2020

**Insurance Proposal Prepared Exclusively For:**

Apotho Therapeutics Plainville LLC  
119 Washington St  
Plainville, MA 02762

**Prepared By**

Jeff Becka  
(440) 471-6263  
jbecka@cannasure.com

**Quote Information**

Named Insured	Apotho Therapeutics Plainville LLC
Issuing Company	Topa Insurance Company; A.M. Best Rated A- (Excellent)
Admitted	No
Coverage	Product Liability
Policy Term	12 Months
Description of Business	Dispensary - Recreational

**Premium Summary**

<b>Total Premium, Taxes, Fees</b>	
Product Liability Premium	\$24,330.00
Policy Fee	\$750.00
Taxes	\$973.20
Total Amount Due	\$26,053.20*

*\*Premiums noted above do not include Terrorism coverage. Terrorism coverage is available for an additional premium*

**Additional Comments**

25% Minimum Earned Premium

10% Retail Agent Commission

Please make checks payable to:  
Please mail payment to:

CIS Insurance Services. LLC  
1468 W. 9th Street  
Cleveland, OH 44113



1468 W. 9th Street  
Cleveland, OH 44113  
Phone: (800) 420-5757  
Fax: (800) 420-1975

## Product Liability Quote

May 08, 2020

### Coverage Information

Coverage	Products Liability
Coverage Form	Claims Made
Retroactive Date	Inception

### Limits

Each Occurrence Limit	\$1,000,000
Aggregate Limit	\$2,000,000

### Deductible

Per Claim	\$2,500
	Per Claim

### Classification

Operations	Dispensary - Recreational
Premium Basis/ Exposure	\$10,000,000 Sales

### Schedule of Named Insureds

Apotho Therapeutics Plainville LLC

### Additional Comments

Defense is within limits

### Optional Coverages Available (additional premium may apply and underwriting required)

Limited Pesticide Coverage	Included
Limited Product Withdrawal	\$250,000 limit available for \$1,500 premium , plus tax
Professional Liability Sublimit	\$50,000 Sublimit available for \$350 premium, plus tax
Terrorism	\$608.00 a/p, plus tax

**FORMS LIST**

CG 00 38 (04 13) PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM  
CG 03 00 (01 96) DEDUCTIBLE LIABILITY INSURANCE  
CG 21 73 (01 15) EXCLUSION OF CERTIFIED ACTS OF TERRORISM  
CG 21 98 (12 07) TOTAL POLLUTION EXCLUSION ENDORSEMENT  
CG 24 10 (07 98) EXCESS PROVISION-VENDORS  
CG 33 59 (05 14) EXCLUSION-ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFO  
CG 33 70 (03 05) SILICA OR SILICA-RELATED DUST EXCLUSION  
CG 33 76 (05 09) COMMUNICABLE DISEASE EXCLUSION  
CIS ASF (04 19) TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US  
CIS AUDIT PRODUCT 02 (10 17) AUDIT PREMIUMS-AMENDATORY ENDORSEMENT  
CIS DISCLOSURE TRIA (12 17) DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT  
CIS FORMS (10 17) FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY  
CIS MP 004 (10 17) 25% MINIMUM EARNED PREMIUM ENDORSEMENT  
CIS PROD DEC 01 (11 17) PRODUCTS/COMPLETED OPERATIONS LIABILITY DECLARATIONS  
CIS PROD DWL 01 (12 17) AMENDMENT-DEFENSE WITHIN LIMITS  
CIS PROD EX 001 (10 19) EXCLUSION-SPECIFIED PRODUCTS OR SUBSTANCES  
CIS PROD EX 002 (11 17) EXCLUSION-SPECIFIED NUTRACEUTICAL SUBSTANCES  
CIS PROD EX 003 (11 17) EXCLUSION-NEW ENTITIES  
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CIS PROD EX 008 (11 17) ILLEGAL FERTILIZER EXCLUSION  
CIS PROD EX 012 (11 19) EXCLUSION "SPECIFIED DISEASE  
CIS PROD PEST (11 17) LIMITED PESTICIDE COVERAGE  
CIS SUIT T N006 (10 17) SERVICE OF SUIT CLAUSE  
CISDEC T 01 (10 17) COMMON POLICY DECLARATIONS - PROD  
IL 00 17 (11 98) COMMON POLICY CONDITIONS  
IL 00 21 (09 08) NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT  
IL N 001 (09 03) FRAUD STATEMENT





## Positive Impact & Diversity Plan Annual Evaluation

### Diversity Plan

#### Goals

1. Increasing the number of individuals falling into the above-listed demographics working in the establishment and providing tools to ensure their success.

a. Apotho intends to have at least 37% of yearly new hires be 10% minorities, 20% women, 3% veterans, 2% people with disabilities, and 2% individuals of the LGBTQ+ community.

**38 Total Employees**

**Minority- 5 ppl – 13%**

**Women- 17 ppl- 44%**

**Vets- 3 ppl- 7%**

**Disabilities- 2 ppl- 5%**

**LGBTQ+- 3 ppl- 7%**

b. Apotho will host bi-annual internal training workshops that focus on topics such as public speaking, professional development, resume writing, management, and leadership

**July 22<sup>th</sup>- Cannabis Education**

**July 29<sup>th</sup> – Personal Finance**

**August 5<sup>th</sup> —Communication**

2. Distributing quarterly internal workplace newsletters that encourage current employees to recommend individuals falling into the above-listed demographics for employment.

**“Team Newsletter-Notice of Diversity**

**As all of our wonderful staff members know we love our diverse crew!**

We make an effort to hire employees from the following demographics: Minorities, women, people with disabilities, veterans, and individuals of the LGBTQ+ community! As we continue to hire and we grow we ask that if you have connections with individuals that fall into these demographics and have a passion for cannabis please encourage them to send their resumes to [hiring@apothotherapeutics.com](mailto:hiring@apothotherapeutics.com)!!

Our current Awesomeness:

Minorities– 13%

Women- 44%

Vets-7%

Disabilities- 5%

LGBTQ+- 7%

Thanks!

Danielle Hebert

Director of Human Resources”

### Programs

Program One: Increasing the number of individuals falling into the above-listed demographics working in the establishment and providing tools to ensure their success. Apotho will promote a diverse workforce by ensuring that at least 33% of annual hires fall into the above listed demographics. To promote the employment of diverse individuals at Apotho, recruiters will post job openings on directed outlets and will also promote job openings at local organizations specifically Brockton’s local newspaper, The Enterprise, and Mansfield’s local newspaper, The Mansfield News Journal.

**Current goal has been met without ads. In future hiring processes we will include advertisements**

Program Two: Distributing internal workplace newsletters that encourage current employees to recommend individuals falling into the above-listed demographics for employment. As part of efforts to increase the number of individuals falling into the above-listed demographics working in the establishment, Apotho will distribute internal workplace newsletters, at least once a quarter, to current employees encouraging them to recommend diverse individuals for employment

**Notice Above**

### Measurements

Apotho has outlined methods in which the goals and programs will be tracked and measured for success. Measuring the success of programs is critical in being able to accurately report to the Commission when applying to renew the license. As a matter of policy, Apotho will demonstrate the progress and/or success of its Diversity Plan to the Commission at least annually upon the renewal of its provisional licensure. One month before the submission to renew an Apotho license, designated Apotho agents, including members of management, will meet to review the Diversity Plan. In the internal

review, Apotho will evaluate the plan and measurements, analyzing successes and failures, and addressing potential adjustments. The General Manager is responsible for guiding and ensuring the success of this plan and will update the CEO on progress on a monthly basis.

**Completed by HR and reviewed by executives weekly.**

Program One Metrics: To track Apotho's goal of hiring 33% of its workforce from individuals in the above listed groups, Human Resources will keep a record of relevant information, so employee composition can be easily tracked. Human Resources will also keep a record of specific local outreach efforts for employment, including job postings and job fair participation. Apotho will also track the number and subject matter of internal trainings offered and performed, and to whom. Human Resources will report the progress of these metrics to the CEO on a monthly basis.

**Completed by HR and reviewed by executives weekly.**

Program Two Metrics: The internal workplace newsletter will be circulated by Human Resources, and Human Resources will keep an electronic copy of each newsletter as record and will also keep records of the number of new employees hired through this program. Human Resources will report the progress of these metrics to the CEO on a quarterly basis.

**Completed by HR and reviewed by executives weekly- see newsletter above.**

---

## **Positive Impact Plan**

### **Programs**

The goal of Apotho's Positive Impact Plan is to assist in reducing barriers to entry into the cannabis industry to individuals located in areas of disproportionate impact. Specifically, Apotho will strive to prioritize the hiring of individuals from the below-designated Areas of Disproportionate Impact and develop the workforce of Areas of Disproportionate Impact. Furthermore, Apotho will use its resources and business assets to provide community services, skill development, and education opportunities. To meet these goals, Apotho will develop specific programs to effectuate its stated goals to positively affect areas of disproportionate impact. The below details actions, activities, and processes that will be utilized to achieve the outlined goals that Apotho plans to implement: .

1. Education Sessions Apotho will organize and host three educational, training, and/or skill development events annually at its dispensary location which will take place before or after business hours. These events will educate members of the public on business and financial fundamentals, the science behind Cannabis products and health, safety risks, and benefits from Cannabis products. Apotho will specifically advertise its events in the Brockton newspaper the The Enterprise & the Mansfield newspaper Mansfield News Journal.

**See sessions above in Diversity Planning. Sessions will be advertised two weeks prior.**



## 2. Employment Generation

- Apotho will hire 10% of employee base from residents who are presently residing or previously resided in the areas of the Brockton and Mansfield within the last 5 years.

**38 Employees**

**5 employees- 13%**

- Apotho will post advertisements for open positions on online staffing resources such as Glassdoor indicating residents of Mansfield and Brockton are preferred, as well as utilize local newspapers in Brockton and Mansfield such as the The Enterprise & the Mansfield News Journal stating the establishment is specifically looking for the Massachusetts residents from Mansfield and Brockton.

**Goal met without advertising- will use this method in future hiring.**

- Individuals in these demographics will be listed as preferred and desired applicants. It is Apotho's intention that an advertising in these news platforms, which are located in Brockton and Mansfield, areas of disproportionate impact, we will be able to target applicants that reside in these areas of disproportionate impact.

## 3. Funding charitable efforts

- Apotho will make an annual donation in the amount of \$10,000 to the Joe Andruzzi Foundation & Positive Action Against Chemical Addiction (PAACA) to service residents in the Mansfield, New Bedford and/or Brockton areas.

**Donations will be submitted by the end of Q3 2021 as we have only been operational for 4 months.**

- Apotho will host an annual food drive during the holiday season, whereby 30% of its employees will participate in the Company's donation and delivery of food to residents located in the Brockton, New Bedford and/or Mansfield.

**Food Drive to be held in our first open holiday season 2021**

Human Resources and employees tasked with hiring new employees will prioritize individuals coming from Mansfield and Brockton as well as other areas of Disproportionate Impact defined by the Commission as determined by the Board of Managers.

**Completed- see above statistics**

- Apotho will require the company and its employees to give back to the community through volunteering and community service opportunities.

**Completed at Green Jacket Tournament**

- Apotho will assist in workforce development of Areas of Disproportionate Impact by assisting in the formation and implementation of classes and education sessions, fostering business-related, and other skills as described in more detail above. Apotho will use the knowledge of its employees, drawing from all departments in these sessions.

**See education sessions in July and August**

## Measurements

Apotho will use the following methods in which the goals and programs will be tracked and measured for success using the timeline as stated below. At a minimum, Apotho will document the progress and success of its programs upon the annual renewal of its provisional licensure. Much of the measurements will be a function of the Vice President and Human Resources, who will have the resources and abilities to track the success of the Plan. Measuring the success of programs is critical in being able to accurately report to the Commission when applying to renew the license.

### 1. Education

- In tracking efforts to ensure that members of Brockton and Mansfield attend the educational programs on business, finance, and science of cannabis, Apotho will make an accounting of where each attendee resides as designated in his/her sign-up form. A total of 15 individuals will be eligible to attend per session.

**Scheduled for July and August**

- Apotho will keep track of the number of educational programs held throughout the year and the number of attendees and the locations in which each attendee resides. Additionally, Apotho will track the number of hours spent on preparing the education programs as well as the number of hours spent on actual educational events put on, and teaching the attendees basic financial accounting principles used in running a cannabis operation. The educational sessions will be free of charge for all individuals attending each session.

**Scheduled in July and August**

### 2. Employment

- In tracking efforts to employ individuals from Areas of Disproportionate Impact, the Vice President and Human Resources will record individuals' home address at the time of employment keep track of the number of employees deriving from Mansfield and Brockton to ensure that it is hiring 10% of employees from those areas of disproportionate impact. All employment applications will include a certification from the applicant indicating whether they currently reside or have previously resided in the Brockton/ Mansfield. These applications 1 will

be collected and maintained by the Vice President and Human Resources. Apotho Confidential The Vice President and Human Resources will then meet with the executive team on a quarterly basis to keep track and review the number of employees deriving from these areas of disproportionate impact versus the total number of employees and ensure that the compliance of the 10% goal mentioned above is being maintained.

#### **Goal Complete**

- In the event the executive team finds that this goal is not being met, the Vice President and Human Resources will develop a plan of how Apotho can get back on track to meet this goal, such as by presenting an evaluation of the current employment needs of Apotho and requiring that the next hired employee(s) meet the requisite residency requirements in order to fulfill the 10% benchmark.

### **3. Charitable Efforts**

#### **All Charitable Goals Complete with Green Jacket Tournament documentation, checks payable to Andruzzi and Green Jacket tournament.**

- The Vice President and Human Resources department will require employees to sign up for the Joe Andruzzi Foundations's and Positive Action Against Chemical Addiction (PAACA) charity events and require each employee participating to log and report any hours that they have worked in participating in Apotho's charitable efforts in order to ensure that 30% of its employees and the company as a whole is partaking in the charity events hosted by the Joe Andruzzi Foundation.
- Apotho will only allow an employee's time spent at the company-designated charity that supports the charity event to count toward Apotho's goal. If employees feel strongly about an alternative organization, they may suggest it to the executive team, who will review the charity's purpose in order to ensure the authenticity of the institution to confirm time spent will positively impact an Area of Disproportionate Impact. If the executive team determined it is in the best interests of the company to use an alternative organization suggested by employees, the Vice President and Human Resources will work with the suggested organization to encourage collaboration with the charity event hosted by the Joe Andruzzi Foundation & PAACA.
- The Vice President and Human Resources will meet with the executive team at the end of each year to ensure that the company's goal of 30% of employees are participating in the Joe Andruzzi Foundation & PAACA charity event from the present year has been complied with. If the goal has not been met, the Vice President and Human Resources will develop a plan of action for the next year to ensure that Apotho meets its annual objective.
- The Vice President and Human Resources will also meet with the finance department before the end of each year to ensure the Company's goal of donating \$10,000 to the Joe Andruzzi Foundation & PAACA has been made. Apotho will require the Joe Andruzzi



Foundation to provide a certification at the end of each year detailing the number of residents in areas of disproportionate impact, specifically Mansfield, New Bedford and Brockton, to ensure that Apotho's donation has complied with its charitable objective



Apotho Therapeutics Plainville LLC

119 Washington St

Plainville, MA 02762

June 24, 2021

Jennifer Thompson

Plainville Town Administrator

142 South Street

Plainville, MA 02762

Dear Jennifer Thompson,

Apotho Therapeutics would like to thank you for your continued support and partnership. We re excited to have our doors open and to be serving our community.

We have issued payment for the 3% gross sales pursuant of our HCA in the amount of \$18,072.24 for our first quarter of 2021, covering sales during the period of January – March of 2021. Our second quarter payment can be anticipated in early July. At a conservative growth calculation we anticipate payments to the town in pursuant of the HCA to be as follows:

Q2 2021	\$53,000.00
Q3 2021	\$58,000.00
Q4 2021	\$64,000.00
Q1 2022	\$70,000.00

Please also note the amounts listed below which you can expect to receive in sales tax from our 3% monthly state filings.

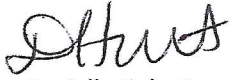
February	\$5,363.40
March	\$12,338.22
April	\$17,360.02

May

\$19,574.67

Please let us know if there are additional questions or concerns with the data provided.

Thank you,



Danielle Hebert

Financial Controller

Andrew Medeiros

CEO

Mathew Medeiros

President



Form MST  
**Marijuana Sales Tax Return**

Massachusetts  
Department of  
Revenue

**Name** APOTHO THERAPEUTICS PLAINVILLE LLC  
**Federal Employer ID** 83-1940958 **Tax Filing Period** May 31, 2021

1. Gross Marijuana Sales	660,295.17
2. Sales for Resale/Exempt Sales	7,806.10
3. Total Taxable Sales	652,489.07
4. Marijuana Excise Due	70,142.58
5. State Sales Tax Due on Marijuana	40,780.57
6. Local Sales Tax Due on Marijuana	19,574.67
7. Total Amount Due	130,497.82



< 30-Apr-2021

Marijuana Retail Taxes  
Form MRT

30-Apr-2021  
Marijuana Retail Taxes  
MST-19504101-006  
APOTHO THERAPEUTICS  
PLAINVILLE, LLC

Received

Due 01-Jun-2021  
Confirmation #0-952-832-832  
Processed 14-May-2021 5:25:49 AM

- > View Payment
- > Save a Copy of Return
- > Amend

Return

>  
MST-1

Marijuana Tax Return

1. Gross Sales	578,667.35
2. Sales for Resale/Exempt Sales	0.00
3. Total Taxable Sales	578,667.35
4. Marijuana Excise Due	62,206.74
5. State Sales Tax Due on Marijuana	36,166.71
6. Local Tax Due on Marijuana	17,360.02
7. Total Amount Due	115,733.47



Mass.gov



MassTaxConnect



&lt; 31-Mar-2021

## Marijuana Retail Taxes Received

31-Mar-2021

Marijuana Retail Taxes

MST-19504101-006

APOTHO THERAPEUTICS

PLAINVILLE, LLC

Due 20-Apr-2021

Confirmation #1-723-171-648

Processed 20-Apr-2021 6:39:06  
AM

&gt; Save a Copy of Return

&gt; Amend

### Return

&gt;

MST-1

## Marijuana Tax Return

1. Gross Sales	411,273.86
2. Sales for Resale/Exempt Sales	0.00
3. Total Taxable Sales	411,273.86
4. Marijuana Excise Due	44,211.94
5. State Sales Tax Due on Marijuana	25,704.62
6. Local Tax Due on Marijuana	12,338.22
7. Total Amount Due	82,254.78

Previous

Next





MassTaxConnect



< 28-Feb-2021

Marijuana Retail Taxes  
Form MRT

28-Feb-2021  
Marijuana Retail Taxes  
MST-19504101-006  
APOTHO THERAPEUTICS  
PLAINVILLE, LLC

Received

Due 22-Mar-2021  
Confirmation #2-051-394-880  
Processed 22-Mar-2021 5:41:19 AM

- > [Save a Copy of Return](#)
- > [Amend](#)

Return

>  
MST-1

Marijuana Tax Return

1. Gross Sales	178,779.86
2. Sales for Resale/Exempt Sales	0.00
3. Total Taxable Sales	178,779.86
4. Marijuana Excise Due	19,218.83
5. State Sales Tax Due on Marijuana	11,173.74
6. Local Tax Due on Marijuana	5,363.40
7. Total Amount Due	35,755.97

Previous

Next

**APOTHO THERAPEUTICS PLAINVILLE, LLC**  
119 WASHINGTON ST  
PLAINVILLE, MA 02762

DATE \_\_\_\_\_

\$18,072.24

CHECK NUMBER

3187

538306/2113  
2

Photo  
ID  
Required

PAY TO THE ORDER OF Town of Plainville

eighteen thousand seventy-two 04/10/05

DOLLARS



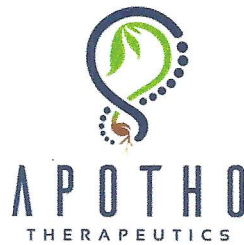
228 VARNER STREET  
GARDEN, MASS 01410

ITCA 0210031

FOR

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APOTHO THERAPEUTICS, LLC is a member of the Federal Reserve System and is a member of the FDIC. All deposits are insured by the FDIC.




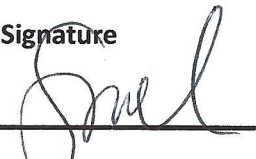
## Charity Participation Form

Event: Green Jacket Tourney

Number of Individuals 21 & Older at Event: 102

Number of Individuals Under 21 at Event: 0

### Employee Participation List:

<u>James Brady</u>	<u></u>	<u>8:15 AM</u>	<u>9:30 AM</u>
Name (Print)	Signature	Start Time	End Time
<u>Ashley Miller</u>	<u></u>	<u>11:45 AM</u>	<u>4:30 PM</u>
Name (Print)	Signature	Start Time	End Time
<u>Colby Cyrus</u>	<u></u>	<u>9:00 AM</u>	<u>5:00 PM</u>
Name (Print)	Signature	Start Time	End Time
<u>Ron Case</u>	<u></u>	<u>8:30 AM</u>	<u>5:00 PM</u>
Name (Print)	Signature	Start Time	End Time
<u>Chase Ross</u>	<u></u>	<u>8:15 AM</u>	<u>4:25 PM</u>
Name (Print)	Signature	Start Time	End Time
<u>Sarah Leonard</u>	<u></u>	<u>8:15 AM</u>	<u>4:30 PM</u>
Name (Print)	Signature	Start Time	End Time
<u>Aaron Williams</u>	<u></u>	<u>9:00 AM</u>	<u>5:00 PM</u>
Name (Print)	Signature	Start Time	End Time

<u>Alex Gregg</u>	<u>Alex Gregg</u>	<u>9:00am</u>	<u>3:15pm</u>
Name (Print)	Signature	Start Time	End Time
<u>Andrew Melendez</u>	<u>Andrew Melendez</u>	<u>8:30AM</u>	<u>5PM</u>
Name (Print)	Signature	Start Time	End Time
<u>Madison Fichetti</u>	<u>Madison Fichetti</u>	<u>8:30AM</u>	<u>5PM</u>
Name (Print)	Signature	Start Time	End Time
<u>Danielle Hebert</u>	<u>Danielle Hebert</u>	<u>830</u>	<u>5pm</u>
Name (Print)	Signature	Start Time	End Time
<u>Emily Alves</u>	<u>Emily Alves</u>	<u>8:30AM</u>	<u>10AM</u>
Name (Print)	Signature	Start Time	End Time

Total Number of Employees At Event: 13

Total Individuals Employed by Apotho as of 6/18/2021: 38  
34%

Percentage of Employees Participating at Event: ~~34~~ %

## Verification

Organizer Name (Print): Jensen Ayuk

Authorized Organizer Signature: [Signature]

☒ I (The Authorized Charity Event Organizer) hereby Confirm that the information on this form is accurate and in compliance with Cannabis Control Commission Regulations 935 CMR 500 and have read and understood such Regulations.



# Plainville Board of Health

Permit #

2021-MO-1

Issued:

January 14, 2021

For the Sale of:

Recreational Marijuana and Marijuana Edibles- No Manufacturing of Edibles

## MARIJUANA OPERATING PERMIT

LOCATION WHERE TOBACCO PRODUCTS WILL BE SOLD

Name of Location:

Apotho Therapeutics

Street Address:

119 Washington Street

As the owner, manager, and/or operator that holds a State License to sell marijuana products, I did apply and receive a Plainville Board of Health Marijuana Operating Permit with the understanding that it is illegal to sell marijuana products in any form to individuals under 21 years of age. I am aware that there are no exceptions. I will obtain photographic proof of age from all customers who are not obviously over 21 years of age before selling marijuana products. I will train my sales staff to conduct marijuana products sales legally. Marijuana products will be located so as to be in compliance with the Code of the Town of Plainville, Board of Health Regulations, Chapter 648 Marijuana Establishments; Sale of Marijuana and all State Regulations.

I understand that the Plainville Board of Health personnel will conduct unannounced compliance checks. I am aware that violations of any of the Code of the Town of Plainville, Board of Health Regulations, Chapter 648 Marijuana Establishments; Sale of Marijuana, may result in issuance of fines and/or the revocation of this permit. I understand that this permit must be renewed annually.

This permit is granted in conformity with the Statutes and ordinances relating thereto and expires on December 31, 2021 unless sooner suspended or revoked.

Matthew Medeiros

*Matthew Medeiros*

*For the Board of Health*  
*Richard J. Decker*





Board of Selectmen  
Town Hall  
190 South Street  
Plainville, MA 02762

## Marijuana Use License & Permit

☒ New

☐ Renewal

(Highlight any changes from previous licens

(Note: A separate license is required for each physical business location)

Establishment Name:	Apotho Therapeutics Plainville LLC
Establishment Street Address:	119 Washington Street Plainville MA 02762
Establishment Mailing Address:	119 Washington Street Plainville MA 02762
Establishment Telephone Number:	508-316-0391
Assessor's Map of Proposed Location:	Map 7 parcel 64
Zoning District of Proposed Location:	CB General Commercial District
Print Applicant Name:	Matthew Medeiros
Applicant Address:	71 Raymond Drive Seekonk MA 02771
Applicant Telephone #:	901-649-1677
Applicant Email Address:	matt@apothotherapeutics.com
Print Applicant Corporate Name:	The Medeiros Investment Irrevocable Trust
Is this a sole proprietorship?	Independent
Owner/Corporate Address:	71 Raymond Drive Seekonk MA
Owner/Corporate Telephone #:	901-641-7104
Owner/Corporate Email Address:	medeirosinvestments@gmail.com
Person directly responsible for daily operations:	Matthew Medeiros
Operations Person Title:	President & Secretary
Operations Person Address:	71 Raymond Drive Seekonk MA 02771
Operations Person Telephone #:	901-649-1677
24/7 Emergency Phone #:	508-336-5445
Operations Person Email Address:	matt@apothotherapeutics.com

Check all applicable proposed Use(s)

Use	Check if Applicable	Date of Planning Board Approval*	Date of Board of Health Approval*
T-1 Marijuana Cultivator			
Marijuana Research Facility			
Marijuana Product Manufacturer			
Marijuana Testing Facility			
Marijuana Retailer	<input checked="" type="checkbox"/>	06/12/2019	11/19/2020
Marijuana Transportation or Distribution Facility			

\*The Board of Planning and Board of Health permits must be received prior to applying for a license from the Board of Selectmen



*The Commonwealth of Massachusetts*

**Town of Plainville**

*Board of Health*

**PERMIT TO OPERATE A FOOD ESTABLISHMENT**

**MUST BE POSTED IN FOOD ESTABLISHMENT**

*In accordance with Regulations promulgated under the authority of Chapter 94, Section 305A and Chapter 111, Section 5 of the General Laws a Permit is hereby granted to*

**Apotho Therapeutics**

**Matthew Medeiros**

Whose place of business is

**119 Washignton Street**

Type of business being

*Retail Store*

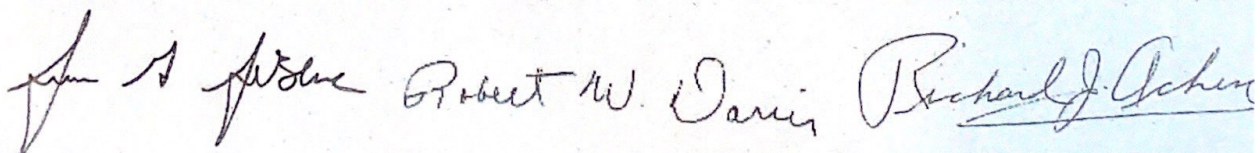
To operate a Food Establishment in the Town of Plainville, Massachusetts

*Pre-Packaged Edible Marijuana Products- Recreational Only*

**A COPY OF THE MOST RECENT ESTABLISHMENT INSPECTION  
REPORT IS AVAILABLE UPON REQUEST**

***Permit Expires December 31, 2021***

***This permit in not transferable***

 Robert W. Davis Richard J. Gahan

January 1, 2021

Board of Health





MR282388

03/24/2021

License Number      Expiration Date

Pursuant to its authority and power to license Marijuana Establishments granted to it under Chapter 94G of the Massachusetts General Laws, the Cannabis Control Commission hereby grants a final Marijuana Establishment license to:

The Cannabis Control Commission hereby grants a final Marijuana Establishment license to:

## Apotho Therapeutics Plainville, LLC

Marijuana Establishment permitted to operate at the following address

119 Washington Street  
Plainville, MA 02762

Marijuana Establishment licensed to perform the following operations:

Marijuana Retailer

A handwritten signature in black ink, appearing to read 'S. Hoffman'.

Steven J. Hoffman | Chairman

A handwritten signature in black ink, appearing to read 'Kay Doyle'.

Kay Doyle | Commissioner

A handwritten signature in black ink, appearing to read 'Britte McBride'.

Britte McBride | Commissioner

A handwritten signature in black ink, appearing to read 'Jennifer Flanagan'.

Jennifer Flanagan | Commissioner

A handwritten signature in black ink, appearing to read 'Shaileen Tittle'.

Shaileen Tittle | Commissioner

A handwritten signature in black ink, appearing to read 'Shawn Collins'.

Shawn Collins | Executive Director



NUMBER: MD-2021-01

FEE: \$3,000.00

**THE COMMONWEALTH OF MASSACHUSETTS  
TOWN OF PLAINVILLE  
LICENSING BOARD**

*THIS IS TO CERTIFY THAT:*

**APOTHOS THERAPEUTICS PLAINVILLE LLC**

IS HEREBY GRANTED A

**MARIJUANA RETAIL LICENSE**

THIS LICENSE IS GRANTED IN CONFORMITY WITH THE STATUTES AND ORDINANCES  
RELATING THERETO, AND EXPIRES  
**DECEMBER 31, 2021**  
UNLESS SOONER SUSPENDED OR REVOKED.

IN TESTIMONY WHEREOF, THE UNDERSIGNED HAVE HEREUNTO AFFIXED THEIR  
OFFICIAL SIGNATURES.

TOWN ADMINISTRATOR  
ON BEHALF OF THE  
LICENSING AUTHORITIES  
PLAINVILLE BOARD OF SELECTMEN

*Jennifer Thompson*

Jennifer Thompson, Town Administrator

January 13, 2021





MASSACHUSETTS DEPARTMENT OF REVENUE

**Marijuana Retail Taxes Registration Certificate**

**This certificate must be posted and visible at all times.**

Form MRT-

APOTHOTHERAPEUTICSPLAINVILLELLC  
APOTHOTHERAPEUTICSPLAINVILLE,LLC  
119WASHINGTONSTREET  
PLAINVILLEMA02762

Account ID: MST-19504101-006  
CCC License Number: MR282388

This certifies that the taxpayer named above is registered to sell marijuana products at retail or for resale at the address shown above. This registration is non-transferable and may be suspended or revoked for failure to comply with state laws and regulations.

**Effective Date:** 29-Oct-2020



MASSACHUSETTS DEPARTMENT OF REVENUE

**Sales and Use Tax Registration Certificate**

**This registration must be posted and visible at all times.**

Form ST-1

APOTHOTHERAPEUTICSPLAINVILLELLC  
119WASHINGTONSTREET  
PLAINVILLEMA02762

Account ID: SLS-19504101-005  
Certificate Number: 1348421632

This certifies that the taxpayer named above is registered under Chapters 62C, 64H and 64I of the Massachusetts General Laws to sell tangible personal property at retail or for resale at the address shown above. This registration is non-transferable and may be suspended or revoked for failure to comply with state laws and regulations.

**Effective Date:** November 1, 2020





**MASSACHUSETTS DEPARTMENT OF REVENUE**

**Form MRT-1**

**Marijuana Retail Taxes Registration Certificate**

**This certificate must be posted and visible at all times.**

APOTHO THERAPEUTICS PLAINVILLE LLC  
APOTHO THERAPEUTICS PLAINVILLE, LLC  
119 WASHINGTON STREET  
PLAINVILLE MA 02762

**Account ID:** MST-19504101-006  
**CCC License Number:** MR282388

This certifies that the taxpayer named above is registered to sell marijuana products at retail or for resale at the address shown above. This registration is non-transferable and may be suspended or revoked for failure to comply with state laws and regulations.

**Effective Date:** 29-Oct-2020

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No



**MASSACHUSETTS DEPARTMENT OF REVENUE**

**Form ST-1**

**Sales and Use Tax Registration Certificate**

**This registration must be posted and visible at all times.**

APOTHO THERAPEUTICS PLAINVILLE LLC  
119 WASHINGTON STREET  
PLAINVILLE MA 02762

**Account ID:** SLS-19504101-005  
**Certificate Number:** 1348421632

This certifies that the taxpayer named above is registered under Chapters 62C, 64H and 64I of the Massachusetts General Laws to sell tangible personal property at retail or for resale at the address shown above. This registration is non-transferable and may be suspended or revoked for failure to comply with state laws and regulations.

**Effective Date:** November 1, 2020



Apotho Therapeutics Plainville LLC

119 Washington St

Plainville, MA 02762

June 24, 2021

To Whom it May Concern,

Apotho Therapeutics Plainville, LLC has confirmed all of the permits for the business are in good standing. Please also see the scanned permits within the license renewal application.

Thank you,

Danielle Hebert

Financial Controller

Andrew Medeiros

CEO

Mathew Medeiros

President



## Marijuana Restricting Access to Age 21 and Older

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Apotho has policies and procedures in place to meet and/or exceed the requirements set by the Commission regarding the restriction of access to age 21 and older. Pursuant to 935 CMR 500.050(5)(b), the Apotho dispensary will only be accessible to individuals 21 years of age or older with a verified and valid, government-issued photo ID. Upon entry of the Apotho dispensary, an Apotho agent will immediately inspect the individual's proof of identification and determine the individual's age, in accordance with 935 CMR 500.140(2). Individuals who cannot provide a valid, government-issued photo ID will be denied access past the security, check-in desk and asked to leave the premises.

Whereas Registered Marijuana Dispensaries handle and sell medical marijuana and may encounter patients younger than 21 years old, Apotho will only handle and sell adult-use marijuana and requires anyone seeking entrance the facility to be age 21 and older.

### Main Entrance Check-In Duties

At the Apotho dispensary, at least one Security agent is always present at a check-in desk. In the Apotho dispensary, there is a man trap immediately following the main entrance where individuals check-in. The security room is located adjacent to the man trap and has a window to allow for communication. From this security room, Security can monitor cameras as well as confirming government IDs ensuring all are 21 years or older.

- All IDs must be unexpired and there are no exceptions made regarding accepted photo IDs. Forms of government-issued photo IDs accepted by Apotho are:
  - Driver's License
  - Government-issued ID card
  - Military ID card
  - Passport

Through the man trap is the sales area. Apotho agents check-in by providing their government issued ID and Apotho credentials. Once confirmed by security, the Apotho agent may proceed through the sales area and further throughout the facility, starting their daily duties. Customers commit to nearly the same process, forfeiting their ID to be inspected before being admitted into the sales area. If the individual requesting access is a contractor or visitor with a reasonable need to visit (deliveries, interviews, repairs, etc.), they must follow the Apotho procedure for Contractor/Visitor access. For more about this procedure, see the Security Plan document.

**General Accessibility**

Apotho will remain compliant with accessibility rules outlined by the Commission and 935 CMR 500.110, with a heightened focus on the restriction of access to those under 21 years old. All emergency exits and access points are secure and locked during both operating and non-operating hours with the exception of the main entrance and loading dock which have a heightened level of security. Apotho security specifics, such as the facility's alarm and surveillance systems, can be found within the Security Plan document.

## Qualifications and Training

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### Training

Apotho will hire all employees, at first, on a probationary basis. During this probationary period, candidates will complete a comprehensive training program and will be evaluated for suitability in a restricted-access environment. Training will be customized based on the role of the employee and will include, at minimum, a Responsible Vendor Program. Prior to performing any job functions employees will learn the responsibilities of their position and how the position operates on a daily basis. A component of this part of training is done in a shadowing context. New hires will spend time following around their supervisor and current agents working the same role. New hires will be able to physically experience a regular day in this position and will be able to ask questions. Apotho ensures that all hired staff will complete training prior to performing job functions by having the Human Resources Manager sign off on their records. Training will be held on-site and will cover the following:

1. Health and Sanitation;
2. Legal Compliance;
3. Safety and Security;
4. Inventory Monitoring and Reporting/Recordkeeping;
5. Marijuana Product Education; and
6. Job Specific Roles.

### Annual Training

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

### Responsible Vendor Training

By July 1, 2019, all current owners, managers, and employees with Apotho will have attended and successfully completed a Responsible Vendor Program. Once all agents have successfully attended and completed the program, Apotho will be designated as "responsible vendor", a status Apotho will maintain so long as operations continue. All new employees of Apotho will

also participate in a Responsible Vendor Training program within their first 90 days of service to maintain Apotho's status as a responsible vendor. Once an agent has completed a responsible vendor training program, they must complete the program annually to ensure Apotho maintains status as a responsible vendor. Apotho will maintain records of responsible vendor training compliance for at least 4 years. Administrative employees who do not handle or sell marijuana may take the Responsible Vendor Program voluntarily.

### **Health and Sanitation**

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

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

1. Inventory inspections – Procedure for inspecting marijuana products for signs of damage (e.g. water damage), pests and expiration dates.
2. Cleaning and sanitizing – Procedures for:
  - a) regular cleaning of equipment, utensils and surfaces to protect against contamination; and
  - b) cleaning and sanitization of display cabinets, countertops and other service areas at the beginning and end of each shift, and throughout the day as needed.
3. Handling of marijuana products – Protocol for proper sanitation and personal hygiene prior to handling any marijuana product.

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

### **Legal Compliance**

Legal compliance training will educate employees on Applicable Law and include the following:

1. Inventory tracking compliance;
2. Required labeling and packaging of marijuana products;
3. Daily purchasing limits;
4. Recordkeeping and confidentiality;
5. Prevention of illegal diversion of marijuana; and
6. Disposal of marijuana waste.

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

## **Security**

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

Initial employee safety and security training shall include:

1. Building orientation and access authority which shall include:
  - a) The proper use of employee's access badge for entry into the premises and main building entrance;
  - b) The proper use of employee's access badge for entry into employee's authorized access areas;
  - c) Facility standard business hours and protocol for entry and exit outside standard business hours;
  - d) The proper use of employee's agent card;
  - e) Employee's authorized entry and exit points;
  - f) Employee's locker; and
  - g) Restroom and sink facilities.
2. Measures and controls for the prevention of diversion, theft or loss of marijuana which shall include:
  - a) Necessity of keeping all limited access areas always locked and secured;
  - b) Prohibited activities such as entrance into unauthorized access areas;
  - c) Awareness of video monitoring; and
  - d) Requirement to report any unusual activity, security concern, or loitering.
3. Procedures and instructions for responding to an emergency that will include:
  - a) Accident prevention training;
  - b) How to respond to an emergency;
  - c) Emergency service provider location;
  - d) Emergency service contact information;
  - e) Emergency first aid kit locations; and
  - f) Emergency exits and panic button locations.

## **Inventory Monitoring and Reporting**



Inventory Monitoring and Reporting/Recordkeeping training will focus on making all employees proficient in Apotho's inventory tracking and point of sale systems and protocols for recordkeeping. Apotho will utilize the point of sale ("POS") system training program and resources to provide hands-on, situational training to employees on the protocols and procedures required by the Commission.

**Product Education**

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

1. The various marijuana strains, and the benefits and drawbacks of each;
2. The various marijuana products and consumption methods, and the benefits and drawbacks of each;
3. The various cannabinoids (including THC and CBD) found in marijuana products and the benefits and drawbacks of each; and
4. Dosage information, cannabinoid content and serving size for different marijuana products.

Warnings for different marijuana products. Marijuana product education training sessions will be held periodically to keep employees informed on new marijuana products and information on marijuana strains.

## Separating Recreational from Medical Operations

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Apotho plans on only offering adult-use or recreational marijuana and marijuana products to its consumers. As such, Apotho doesn't have extensive policies and procedures outlining the separation of medical marijuana from adult-use.

The only scenario where Apotho could encounter medical marijuana would be instances where Apotho purchases marijuana or marijuana products from a separate licensed Marijuana Establishment. In these cases, as part of intake procedures, Apotho agents are trained to ensure any marijuana or marijuana product entering the dispensary are labeled and intended for adult-use only. For intake policies and procedures, see the Plan for Obtaining Marijuana or Marijuana Products document.

## Quality Control and Testing

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### General

Apotho will only sell marijuana and marijuana product pursuant to 935 CMR 500 and will only purchase its marijuana supply from licensed Marijuana Establishments. The burden is on suppliers to properly test and record product before sale, therefore Apotho has no policies and procedures regarding the testing of product. Suppliers must provide documentation of its compliance, or lack thereof, with the testing requirements of 935 CMR 500, which Apotho inspects during intake procedures. For full intake procedures, see the Plan for Obtaining Marijuana document.

### Sanitization and Cleanliness

All Apotho buildings, fixtures, and other physical facilities will be maintained in a sanitary condition. Designated, applicable areas of the facility, including utensils, equipment used in the handling of marijuana or marijuana products, and infrastructure will be sanitized with Apotho cleaning agents approved by the Commission in accordance with labeled instructions in a scheduled manner, and as frequently as necessary to protect against contamination. There will be adequate safety lighting in all storage areas, as well as where equipment or utensils are cleaned pursuant to 935 CMR 500.105(3)(b)(7). Cleaning and sterilization are ongoing efforts by staff to virtually eliminate risk of internal and external contaminants. Staff are required to wash their hands before the start of any shift and Apotho maintains staff should keep their hands clean throughout the day.

At the end of a business day, the building is closed to the public and Apotho staff take time to clean parts of the facility. Apotho has cleaning policies requiring staff to clean the sales area at the close of the day including tasks such as wiping down tables and glass and sweeping and mopping the floor. Additional to daily maintenance, at least monthly, storage areas of marijuana are cleaned and sanitized, wiping down walls, racks and thoroughly sanitizing the room.

### Quarantine

Despite Apotho ensuring purchased marijuana and marijuana product is tested and compliant with 935 CMR 500, instances may occur where Apotho is notified of product that since intake, has been labelled as unfit for sale. Any contaminated inventory associated with a failed compliance test is immediately segregated and labeled as failed. Disposal activities will render the product unrecognizable and unusable. Upon the completion of product batch research, Apotho will notify the Commission of its findings no more than 72 hours after receiving the results of the laboratory results.

### Waste Disposal

Apotho disposes of all waste in accordance to 935 CMR 500.110(12). Any product deemed unfit for sale follows strict protocol for proper handling and disposal. Marijuana awaiting disposal has its own storage

area, separate from other storage areas.

Only designated, authorized Apotho agents can complete waste disposal procedures. Besides the General Manager, Security Director, and Inventory Manager, all other agents need to be pre-authorized. For all Apotho procedures involving the disposal of waste containing cannabis, at least two agents will be present for the entirety of the process. The agents will witness and document exactly how the cannabis was handled and disposed of. A Waste Disposal Report will include, at minimum, the date, type and quantity disposed, the location, and the names of the agents who conducted the process. Apotho will ensure that the entirety of the waste disposal is clearly caught on camera.

Before rendering the product useless, Apotho agents are trained to log the appropriate information on quantity, weight, storage bin details, relevant time and dates, and anything else required by the Commission. Once the designated agents receive clearance from authorized management, they will sign out the dumpster key and remove the designated bin or container from the quarantined area. The Apotho agents will then mix the marijuana waste with solid waste product, rendering it unusable and unrecognizable. Next, agents will place the mix into an industrial trash bag to be mixed further with liquid dish detergent. The trash bag will be placed into the locked dumpster before agents sign off on the report and the report is filed away.

### **Quality Control Procedures**

Apotho will ensure that only the leaves and flowers of the female marijuana plant are processed accordingly in a safe and sanitary manner by implementation of the following procedures:

- Products of the female marijuana plant will be well cured, generally free of seeds and stems as well as being free of dirt, sand, debris, and other foreign matter.
- Products of the female marijuana plant will be prepared and handled on food-grade stainless steel tables to ensure and confirm that the product is free of contamination by mold, rot, other fungus and bacterial diseases.
- All agents of Apotho whose job includes contact with marijuana shall be subject to the requirements for food handlers specified in 105 CMR 300.000.
- Any agent of Apotho working in direct contact with marijuana shall conform to sanitary practices while on duty by maintain adequate personal cleanliness and washing hands before starting work and at any other time when hands may become soiled or contaminated. All hand-washing facilities shall be located in production areas and where good sanitary practices require employees to wash and sanitize their hands.
- All floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair.
- There will be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations.

- All contact surfaces at Apotho's dispensary location shall be maintained, cleaned and sanitized as frequently as necessary to protect against contamination.
- All litter and waste shall be properly removed so as to minimize the development of odor and the potential for the waste attracting and harboring pests in accordance with 935 CMR 500.105(12).
- All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana. Toxic items will not be stored in an area containing marijuana or marijuana products.
- The water supply shall be sufficient for necessary operations including sanitary operations. If a private water source is used, it will be capable of providing a safe, potable, and adequate supply of water to meet operational needs.
- All vehicles and transportation equipment used in the transportation of marijuana products or edibles requiring temperature control for safety will be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the marijuana products or edibles from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR 1.908(c).

All plumbing of the Apotho dispensary site shall be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment. This includes providing all employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair pursuant to 935 CMR 500.105(3)(b)(12) and (13). Plumbing shall properly convey sewage and liquid disposable waste from the establishment and shall not allow cross-connections between potable and wastewater lines.

All storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers. Products that support the rapid growth of undesirable microorganisms will be held in a manner that prevents the growth of these microorganisms pursuant to 935 CMR 500.105(3)(b)(14).

Under no circumstances will any marijuana be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratory.

In the event that Apotho pursues cultivation in this facility at a later date, items will be packaged in a secure area in accordance with 935 CMR 500.105(3).



## Personnel Policies Including Background Checks

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### Registration

Apotho will apply for registration of all its board members, directors, employees, executives, managers, and volunteers who are associated with Apotho as Marijuana Establishment Agents. Applications will comply with 935 CMR 500.030. All Apotho individuals applying for registration will have signed and notarized the CORI Acknowledgement Form, pursuant to 803 CMR 2.09. Applicants will also give authorization to obtain a full set of fingerprints in accordance with M.G.L. c. 94G, § 21. For extensive details on Apotho personnel initially registering to be Marijuana Establishment Agents, see the Background Check packet included in this application. Once a licensed Marijuana Retailer, personnel in Human Resources are held responsible for the proper registration of new agents.

### Immediate Termination

Apotho has an immediate termination policy that applies to Apotho staff who have diverted marijuana, engaged in unsafe practices regarding the operation of the dispensary, or been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving the distribution to a minor. For incidents related to diversion or unsafe practices, Apotho will investigate and report findings to the Commission and/or law enforcement official when appropriate.

### Alcohol, Smoke, and Drug Free Workplace Policy

Apotho is an alcohol, smoke and drug-free workplace instilling policies that comply with 935 CMR 500.105(1). It is Apotho's desire and intent to provide a drug-free, healthful, and safe workplace for all agents. To promote this goal, agents are required to report to work in appropriate mental and physical condition to perform their jobs in an exemplary and professional manner. This policy is violated when agents engage in the use and/or possession of illegal drugs and when they abuse alcohol and illegal drugs.

Thus, while on the premises of Apotho and while conducting business-related activities off Apotho premises, agents may not use, possess, distribute, sell or be under the influence of alcohol or illegal drugs.

Working while engaged in the legal use of prescribed drugs is allowed only to the extent that the agent's ability to perform the essential functions of the job effectively and in a safe manner is not impaired and that other individuals in the workplace are not endangered. The agent should notify their manager whenever the use of legal drugs for medical purposes may impair the agent's performance, safety, and/or judgment so that the appropriate accommodations can be made.

Violations of this policy may lead to disciplinary actions, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences. If any employee is found to be in violation of these policies, they will undergo the structured corrective action process as identified below.

### Disciplinary Policies and Procedures

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

Apotho reserves the right to combine or skip steps depending upon facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be

considered depend upon whether the offense is repeated despite coaching, counseling, and/or training; the employee's work record; and the impact the conduct and performance issues have on Apotho's organization.

*Step 1: Counseling and Verbal Warning*

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

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

*Step 2: Written Warning*

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

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

*Step 3: Suspension and Final Written Warning*

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

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

Depending upon the seriousness of the infraction, the agent may be suspended without pay in full-day increments consistent with federal, state and local wage-and-hour employment laws. Nonexempt/hourly agents may not substitute or use an accrued paid vacation or sick day in lieu of the unpaid suspension. Due to Fair Labor Standards Act (FLSA) compliance issues, unpaid suspension of salaried/exempt agents is reserved for serious workplace safety or conduct issues.

The Human Resources Director will provide guidance so that the discipline is administered without jeopardizing the FLSA exemption status.

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

**Step 4: Recommendation for Termination of Employment**

The last and most serious step in the progressive discipline procedure is a recommendation to terminate employment. Generally, Apotho will try to exercise the progressive nature of this policy by first providing warnings, a final written warning, and/or suspension from the workplace before proceeding to a recommendation to terminate employment. However, Apotho reserves the right to combine and skip steps depending upon the circumstances of each situation and the nature of the offense. Furthermore, agents may be terminated without prior notice or disciplinary action.

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

Nothing in this policy provides any contractual rights regarding agent discipline or counseling nor should anything in this policy be read or construed as modifying or altering the employment-at-will relationship between Apotho and its agents.

**Appeal Process**

Agents will have the opportunity to present information that may challenge information management has used to issue disciplinary action. The purpose of this process is to provide insight into extenuating circumstances that may have contributed to the agent performance and/or conduct issues while allowing for an equitable solution.

If the agent does not present this information during any of the step meetings, he or she will have five business days after that meeting to present information.

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

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

**Documentation**

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

**Separation of Employment**

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

**Types of Separation**

**Resignation**

Resignation is a voluntary act initiated by the agent to end employment with Apotho. The agent must

provide a minimum of two weeks' notice prior to resignation. If an agent does not provide advance notice or fails to work the remaining two weeks, the agent will be ineligible for rehire and will not receive accrued benefits. The resignation date must not fall on the day after a holiday.

### ***Retirement***

An agent who wishes to retire is required to notify his or her department director and the Human Resources Director in writing at least one month before planned retirement date. It is the practice of Apotho to give special recognition to agents at the time of their retirement.

### ***Job Abandonment***

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

### ***Termination***

Agents of Apotho are employed on an at-will basis, and the company retains the right to terminate an agent at any time.

### ***Reduction in Workforce***

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

### ***Release***

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

### **Exit Interview**

The separating agent will contact the HR department as soon as notice is given to schedule an exit interview. The interview will be on the agent's last day of work or another day that is mutually agreed upon.

### **Return of Property**

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

### **Termination of Benefits**

An agent separating from Apotho is eligible to receive benefits if the appropriate procedures are followed as stated above. Two weeks' notice must be given, and the agent must work the full two work weeks. Accrued vacation leave will be paid in the last paycheck. Accrued sick leave will be paid in the last paycheck.

### **Health Insurance**

Health insurance terminates on the last day of the month of employment, unless agent requests immediate termination of benefits. Information about the Consolidated Omnibus Budget

Reconciliation Act (COBRA) continued health coverage will be provided. Agents will be required to pay their share of the dependent health and dental premiums through the end of the month.

### Rehire

Former agents who have left in good standing and were classified as eligible for rehire may be considered for reemployment. An application must be submitted to the Human Resources Director, and Apotho must meet all minimum qualifications and requirements of the position, including any qualifying exam, when required.

Department managers must obtain approval from the Human Resources Director or designee prior to rehiring a former agent. Rehired agents begin benefits just as any other new agent.

Previous tenure will not be considered in calculating longevity, leave accruals, or any other benefits.

An agent who is terminated for violating policy or who resigned in lieu of termination from employment due to a policy violation will be ineligible for rehire.

### **Staffing Plan and Personnel Records**

All records will be available for inspection by the Commission, upon request in accordance with 935 CMR 500.105(9). Apotho's financial records will be maintained in accordance with generally accepted accounting principles. Following the closure of Apotho, all records will be kept for at least two years at the expense of Apotho in a form and location acceptable to the Commission.

Apotho will maintain personnel records, which shall include:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions; and
2. 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 Apotho 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.

Apotho will have at least 15 employees staffed at its Plainville facility. Apotho's Staffing Plan includes employing the following retail positions:

### **General Manager**

- Responsible for:
  - Managing the daily activities in the dispensary



- Dispensary inventory management and pricing
  - Training and managing dispensary staff
  - Processing staff requests to management
  - Product acquisitions
  - Keeping statistical and financial records of dispensary revenue
- Responds to customer inquiries and complaints
- Interfaces and maintains relationships with vendors
- Maintains sales floor stock and merchandising
- Supervises the sales staff
- Ensures staff has a daily cleaning schedule and duties are assigned
- Handles any other duty as assigned by the CEO

**Marketing Manager**

- Responsible for business development including preparing promotional materials, displays and community outreach
- Handles marketing services
- Prepares and maintains the company marketing budget
- Responsible for
  - Coordinating with Store Manager to provide appropriate inventory
  - Generating and implementing marketing campaigns
  - Creating and implementing discount/coupon programs
  - Maintaining company website

**Product Manager**

- Manage vendor relations, market visits and the ongoing education and development of the organizations' buying teams
- Helps to ensure consistent quality of products
- Responsible for the purchase of goods and products for the organization
- Responsible for planning sales, monitoring inventory, selecting the merchandise and writing and pricing orders to vendors
- Ensures that the organization operates within stipulated budget
- Responsible for ordering and managing "dry goods" in the store, including layout and back stock

**Assistant Manager**

- Responsible for opening and closing procedures including assisting with the dispensary alarm and maintaining surveillance equipment and records
- Responsible for ensuring equipment such as computers, scales, printers and fax machines are in working order
- Ensures that products and displays are properly arranged
- Responsible for processing vendor orders
- Responsible for overseeing daily cleaning and maintenance tasks
- Coordinates with Store Manager and Inventory manager to ensure inventory control, stocking shelves and data entry is being completed effectively
- Ensures all supplies are stocked and maintained including but not limited to labels, child proof packaging, paper supplies, display related items, sanitary supplies, office supplies and any post office related equipment
- Performs monthly inventory counts, store inventory reports and sales reports

- Handles any other duty as assigned by the store manager

**Administrative Assistance/Front Desk**

- Greets customers, checks identification, ensures credentials
- Responsible for updating online (i.e. Weedmaps) and in-store menu as the inventory changes throughout the day
- Responsible for creating and maintaining an administrative record for the business
- Responsible for answering phones, providing information or directing calls to the appropriate staff member

**Sales Agents**

- Customer interaction specialist
- Responsible for
  - Starting up and shutting down point of sales equipment daily
  - Product knowledge and sales
  - Promoting the company's image
  - Working within a regulatory framework. Will be held accountable for training received and to the rules provided in the employee handbook
  - Recording and reporting marijuana waste ensuring inventory is available for the customer (i.e. pre-weighing, packaging products)
  - Daily maintenance and sanitary condition of the dispensary, including removing all waste and other discarded materials.
- Prepares inventory and sales reports at the end of every working week
- Handles financial transactions on behalf of the company
- Maintains a clean workspace

**Human Resources Manager**

- Overall responsibility for all HR functions within the company
- Recruitment and aspects of orientation
- Implementation and administration of human resources programs
- Create Employment policies
- Responsible for all employee records and organization

**Security Supervisor**

- Responsible for keeping the dispensary, customers, and employees safe and secure
- Security personnel duties
- Manage Security personnel and set schedules
- Ensuring accountability and compliance
- Review and maintain security procedures
- Oversee security systems and equipment
- Act as a liaison with local law enforcement

**Security Officer**

- Responsible for the safety and security of daily operations.
- Restricting access to only those 21 and older
- Monitor security cameras for suspicious activity
- Conducting regular security checks throughout and around the facilities

- Maintain daily security records
- Enforce the standard of conduct within the dispensary

**Training**

Apotho will ensure that all its marijuana establishment agents complete training prior to performing any job functions. Training is tailored to roles and responsibilities of the job and will include a Responsible Vendor Program. Apotho agents will also receive at least 8 hours of ongoing training annually. For more information, see the Qualifications and Training document.

**Mandatory Meetings and Community Service Days**

There will be a mandatory reoccurring, company-wide meeting on a monthly basis. All required personnel will be notified of their required attendance. Certain personnel, such as house-keeping staff, may not be required to attend. Each department will have a mandatory weekly meeting scheduled by the department manager. The department managers will provide agendas for all meetings and will report to their executive manager.

**Breaks**

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

Apotho is an alcohol, smoke and drug-free workplace and all employees, officers, directors and agents are forbidden from consuming alcohol, smoking and consuming drugs on the premises.

**Performance Reviews**

Performance reviews will be conducted by executive or department managers. Reviews will be conducted at three-month intervals for new employees during the first year and at 6-month intervals thereafter. A written synopsis must be provided to, and signed by, the agent under review. Reviews are retained in each agent's employment file. Performance reviews must consider positive performance factors and areas requiring improvement. Scoring systems may be utilized to help reflect the agent's overall performance.

**Confidentiality Plan**

Apotho requires that any and all confidential information that each and every employee, independent contractor or agent of Apotho receives from Apotho, whether such information is received during the interview process or during the scope of employment with Apotho, is obligated to retain such information as confidential and refrain from disclosing such information to any third party as outlined hereunder.

Confidential information shall mean, including but not limited to products, specifications, customer lists, customer information, pricing policies, employment records and policies, operational methods, marketing plans and strategies, product development techniques or plans, business acquisition plans, new personnel acquisition plans, technical processes, designs and design projects, inventions and research programs, trade "know-how", trade secrets, computer processing systems, object and source codes, user manuals, systems documentation, and other business affairs of Apotho and its affiliated companies.

Apotho will maintain all confidential records within private digital folders. Access to any confidential information will be granted only to those individuals within the organization that require it to complete their job duties. See Record Retention Policy for more information. Apotho agents will be prohibited from sharing their individualized access with others. Additionally, Apotho will maintain a strict policy against leaving confidential records unaccompanied on counters or open on computer screens. Apotho agents will be trained to securely store any confidential information when not in use.

Without limitation of the foregoing, each employee, independent contractor, or agent of Apotho shall maintain the confidentiality of Apotho's customer base, operating procedures, security measures, staffing procedures and any other confidential information of Apotho. Each employee, independent contractor, or agent of Apotho shall sign a confidentiality agreement, agreeing to maintain confidentiality in accordance with the terms and obligations described hereunder.

Each employee, independent contractor, or agent of Apotho shall agree to maintain all confidential information and shall not use, sell, market or disclose any confidential information to any third person, firm, corporation or association for any purpose, without the written consent of an executive officer of Apotho. There shall be no copies made of any confidential information of Apotho without the express written consent of an executive officer of Apotho and no confidential information, or any copy, sample or reproduction thereof, shall not be removed from the premises of Apotho without such authorization by an executive officer of Apotho.

#### *Confidentiality of Customer Information*

Any disclosure by an employee, agent or independent contractor of personal information or personal identifying information of a customer of Apotho that was obtained by Apotho in relation to its business operations as a marijuana establishment will result in immediate termination and violation of any compensation agreement between Apotho and its employee, agent or independent contractor.

#### *Confidentiality of Advertising and Marketing Sources*

Any and all advertising, marketing materials, and sources are the sole property of Apotho. Any use, misuse or unauthorized disclosure of these resources or materials by an employee, agent or independent contractor for any business other than Apotho will result in termination and violation of compensation agreement and may result in legal action by Apotho to seek monetary damages.

#### *Confidentiality of Operations and Properties*

Each employee, independent contractor, or agent of Apotho shall maintain the confidentiality of the operations and procedures of Apotho, including but not limited to, compensation programs, policies and procedures of security measures, record maintenance, product information and facility and/or premises information maintenance and procedures. Any unauthorized disclosure of such confidential information will result in immediate termination, violation of compensation agreement and may result in legal action by Apotho.

#### **Security and Proprietary Information**

The user interface for information contained on Internet/Intranet/Extranet-related systems should be classified as either confidential or not confidential. Examples of confidential information include but are not limited to personal identifying and credit card information of customers, company private, corporate strategies, trade secrets, product specifications, customer lists, and research data. Employees should take all necessary steps to prevent unauthorized access to this information. Keep passwords secure and do not share accounts. Authorized users are responsible for the security of their passwords and accounts. System and user level passwords should be changed every 90 days. All PCs, laptops, tablets and workstations should be secured with a password-protected screensaver with the automatic activation feature set at 15 minutes or less. Employees should secure their workstations by logging off or locking when the host will be unattended. Use encryption of information in compliance with Information Technologies' Security Policies. Because information contained on portable computers or tablets is especially vulnerable, special care should be exercised. Protect laptops and tablets in accordance with the corporate security standards,

including personal firewalls. Postings by employees from an Apotho email address to third parties should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of Apotho unless posting is in the course of business duties. All hosts used by the employee that are connected to the Apotho Internet/Intranet/Extranet, whether owned by the employee or Apotho, shall be continually executing approved virus-scanning software with a current virus database.

#### Prohibited Activities

- Violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by Apotho.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which Apotho or the end user does not have an active license is strictly prohibited. The use of any recording device such as, but not limited to, digital cameras, video cameras, and cell phone cameras, within the premises of all Apotho properties is prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.
- Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.). Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
- Using an Apotho computing equipment to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws in the user's local jurisdiction.
- Making fraudulent offers of products, items, or services originating from any Apotho account. Making statements about warranty, expressly or implied, unless it is a part of normal job duties. Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes. Port scanning or security scanning is expressly prohibited unless prior notification to IT is made.
- Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty. Circumventing user authentication or security of any host, network or account. Interfering with or denying service to any user other than the employee's host (for example, denial of service attack). Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet. Providing information about, or lists of, Apotho employees to third parties outside Apotho.



- **Email and Communications Activities.** Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam). Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages. Unauthorized use, or forging, of email header information. Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies. Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type. Use of unsolicited email originating from within Apotho's networks of other Internet/Intranet/Extranet service providers on behalf of, or to advertise, any service hosted by Apotho or connected via Apotho's network. Unauthorized posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).
- **Social Networks.** Employees are not to publish, post or release any information that is considered confidential or not public. If there are questions about what is considered confidential, employees should check with the Human Resources Department and/or supervisor.

### **Social Network Policy**

This policy provides guidance for employee use of social media, which should be broadly understood for purposes of this policy to include blogs, wikis, microblogs, message boards, chat rooms, electronic newsletters, online forums, social networking sites, and other sites and services that permit users to share information with others in a contemporaneous manner. In participating in social networks all employees shall adhere to the marketing and advertising guidelines required for marijuana establishments under 935 CMR 500.105(4).

The following principles apply to professional use of social media on behalf of Apotho as well as personal use of social media when referencing Apotho.

- Employees need to know and adhere to the Apotho code of conduct, Personnel Policy, and other company policies when using social media in reference to Apotho.
- Employees should be aware of the affect their actions may have on their images, as well as Apotho's image. The information that employees post or publish may be public information for a long time.
- Employees should be aware that Apotho may observe content and information made available by employees through social media. Employees should use their best judgment in posting material that is neither inappropriate nor harmful to Apotho its employees, or customers and not in violation of the rules and regulations promulgated by the Cannabis Control Commission.
- Although not an exclusive list, some specific examples of prohibited social media conduct include posting commentary, content, or images that are (1) appealing to persons younger than 21 years old, (2) colloquial references to Cannabis and Marijuana in Apotho's business name and logo, (3) defamatory, (4) pornographic, (3) proprietary, (4) harassing, (5) libelous, or (6) that can create a hostile work environment.
- Employees are not to publish, post or release any information that is considered confidential or not public. If there are questions about what is considered confidential, employees should check with the Human Resources Department and/or supervisor.

- Social media networks, blogs and other types of online content sometimes generate press and media attention or legal questions. Employees should refer these inquiries to an authorized Apotho spokespersons.
- If employees encounter a situation while using social media that threatens to become antagonistic, employees should disengage from the dialogue in a polite manner and seek the advice of a supervisor.
- Employees must get appropriate permission before they refer to or post images of current or former employees, members, vendors or suppliers. Additionally, employees must get appropriate permission to use a third party's copyrights, copyrighted material, trademarks, service marks or other intellectual property.
- Social media use shouldn't interfere with employee's responsibilities at Apotho. Apotho's computer systems, laptops and/or tablets are to be used for business purposes only. When using Apotho's computer systems laptops and/or tablets, use of social media for business purposes is allowed (ex: Facebook, Twitter, Apotho blogs and LinkedIn), but personal use of social media networks or personal blogging of online content is not authorized and will result in disciplinary action.
- If employees publish content after-hours that involves work or subjects associated with Apotho, a disclaimer should be used, such as this: "The postings on this site are my own and may not represent Apotho's positions, strategies or opinions."
- It is highly recommended that employees keep Apotho related social media accounts separate from personal accounts, whenever practical.

Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

### **Structural Failure or Power Loss**

If the Apotho cultivation or retail facility experiences a structural failure or power loss, an authorized Apotho manager will decide if evacuation is necessary. If evacuation is deemed necessary, the designated Apotho manager will verbally transmit the evacuation message or sound the evacuation alarm, depending on the severity of the evacuation. Scenarios exist where only a section of the facility may lose power. To ensure the type of power failure, employees are trained to check separate sections to confirm how much of the facility has lost power. If the entire facility has lost power, staff will move to the facility common area and using emergency lighting, maneuver through the facility towards exits. Once everyone is outside, the facility is locked and secured.

### **Fire Emergencies**

The Apotho cultivation and retail facility will be equipped with fire alarm systems that include smoke detectors and pull-down alarms that notify the local fire department when triggered. The emergency response system is also equipped with sirens and flashing strobe lights that activate in times of emergencies. At the signal of a fire emergency, employees are to evacuate immediately. Employees are trained for fires and are educated on some of the dangers when fleeing a fire, for example the varied toxicity of smoke and the importance of avoiding it. When fires are noticed by employees and not severe,

employees are to immediately notify management. For more serious fires, the fire alarm is triggered before notification of management. Employees are trained to use fire extinguishers and are made familiar of their locations during training.

**Chemical Emergencies**

Apotho staff is trained to be aware of, help identify chemical emergencies. If employees notice individuals becoming ill for unexplained reasons, they are instructed to steer clear of the affected area. If the emergency is determined to be originating from inside the facility, management will evacuate the building. Once outside, all will move away from the facility, uphill and upwind from the affected area if possible. If management identifies the emergency to be coming from outside, staff will be led to a room that can be sealed. In both scenarios, authorities are contacted immediately.

**Bomb or Terrorist Threat (Call)**

In the event of a bomb threat, Apotho trains employees to handle them in an inconspicuous manner until the threat can be identified to be serious. When a call comes into the facility that identifies itself as a bomb threat, Apotho employees are instructed to keep the caller on the line for as long as possible. If the caller doesn't give specific details to a bomb, employees are to inquire. Apotho trains employees to pay attention to the phone call, specifically for anything that could help in identifying the caller (male or female, other sounds giving locational clues). Immediately after the caller hangs up, the employee receiving the call must report the information to law enforcement authorities. Management will be notified after.

**Hazardous Spill**

Spills and leaks are immediately reported to the manager who determines an appropriate response. Any staff member designated to clean up a spill must wear appropriate personal protective equipment. For spills or leaks deemed to be particularly hazardous and require expertise, a professional waste cleanup contractor will be hired. Spills and leaks are all cleaned up to meet all standards set by the Commission and all applicable environmental laws.

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## Record-Keeping Procedures

Apotho maintains various records associated with business activities. Records maintained by Apotho will be made available to the Commission, upon request. Apotho shall maintain all its records in accordance with generally accepted accounting principles (GAAP) and 935 CMR 500.105(9). All physical records are saved and digitalized. Digital copies are backed up to avoid a total loss. Following the potential closure of the prospective Apotho cultivation facility, all records will be kept for at least 2 years at the expense of Apotho in a form and location acceptable to the Commission. Types of records include all records required in any section of 935 CMR 500.000 in addition to the records outlined in 935 CMR 500.105(9):

1. **Financial Records:** Maintained in accordance with generally accepted accounting principles ("GAAP") and kept electronically. Financial business records will include, but not be limited to assets and liabilities, monetary transactions, books of accounts, sales records, salaries and wages, and additional records outlined in 935 CMR 500.105 (9)(e). For additional details, including policies and procedures related to financial records, see the Maintenance of Financial Records document.
2. **Personnel Records:** Maintained electronically and for at least twelve (12) months after an employee is terminated. Personnel records will contain all the information outlined in 935 CMR 500.105(9)(d). Apotho will also maintain records of responsible vendor training program compliance for four (4) years and make them available to inspection by the Commission or any other applicable licensing authority upon request during normal business hours. After an employee is hired by Apotho, a personnel file will be created containing information such as their resume, application, copy of the government-issued license, emergency contacts, and other details as specified by the Commission. Employee records get updated by administrative employees as necessary with information like the completion of required training and disciplinary measures. At a minimum, Apotho will maintain personnel records 935 CMR 500.105(9) including:
  - Job descriptions for each agent,
  - A personnel record for each agent,
  - A staffing plan that will demonstrate accessible business hours and safe cultivation conditions
  - Personnel policies and procedures
  - All background check reports obtained in accordance with 935 CMR 500.030.
3. **Business Records:** Apotho will maintain business records in accordance with 935 CMR 500.105(9) such as:
  - Assets and liabilities
  - Monetary transactions
  - Books of accounts

- Sales records
  - Salary and wages paid to each employee.
4. **Training:** Kept electronically, Apotho will maintain records of responsible vendor training program compliance for four years. Training records will include but not be limited to the scope of training, and the printed names, signatures and titles of agents participating and instructing. Apotho agents will complete other trainings that may not be outlined by the Commission in 935 CMR 500. These other trainings Apotho may complete will be recorded but will not be held for four years like the responsible vendor trainings. Training records will be held along with an employee's personnel records.
  5. **Contracts:** Maintained electronically and in hard-copy format. Contracts are retained indefinitely or until deemed unnecessary. From inception, Apotho will create a file, physical or virtual, that will contain all contracts Apotho has with other companies. Contracts get added once signed and will remain in the database indefinitely.
  6. **Written Operating Procedures:** As required by 935 CMR 500.105(8)(e) and maintained electronically. The Company expects these documents to evolve with the business; therefore, they are retained and updated into perpetuity. Written Operating Procedures are housed in a database that employees have limited access to, determined by position and department.
  7. **Inventory Records:** Maintained electronically via the state-appointed cannabis tracking system. Detailed inventory records are maintained as required by 935 CMR 500.105(8)(e). Every inventory record will include, at minimum, the date of inventory, a summary of inventory findings, and the names, signatures, and titles of those who conducted the inventory. Summarized inventory detail is maintained in accordance with financial record standards. If inventory records were taken by the use of an oral recording device, they are promptly transcribed. For additional inventory policies and procedures, see the Inventory Procedures document.
  8. **Security Records:** Apotho will maintain and keep all 24-hour recordings from all video cameras for at least 90 calendar days that will be made immediately available to the Commission upon request. Other security-related records Apotho maintains are security maintenance check reports, visitor logs, and daily security walk-through reports. Recordings will not be destroyed or altered and will be retained for as long as necessary if Apotho is aware of a pending criminal, civil or administrative investigation or legal proceeding for which the recording may contain relevant information. All recordings will be maintained in a secure location to prevent theft, loss, destruction, and alterations. For more information on the security system, security cameras, and other details specific to security, see the Security Plan document.
  9. **Transportation Records:** Maintained electronically or in hard-copy format, transportation records are any and all records not defined elsewhere in this document that includes, but not limited to manifest records, vehicle registration and inspection documentation, and drivers' licenses. For extra policies and procedures related to transportation, please refer to the Transportation of Marijuana document.



10. **Waste Disposal Records:** Maintained either in hard-copy format or electronically as required under 935 CMR 500.105(12), waste disposal records will include, at minimum, the date, type, and quantity disposed or handled, the manner of the disposal or other handling, the location and the printed names of the Apotho agents present with their signatures. Logs associated with waste are readily available per request from the Commission or law enforcement. Archived waste disposal data is maintained for 3 years. Waste disposal procedures can be found in the Quality Control and Testing document.
11. **Maintenance Records:** Maintained in electronic and hard-copy format. Work orders associated with building or equipment maintenance are retained for 3 years.
12. **Visitor Logs:** Maintained in electronic and hard-copy format. Visitor logs are done by day and will include, at minimum, the visitor's name, date and time of visit, and reason of visit. Visitor logs are retained for at least 3 years after the day of the visit.
13. **Seed-to-Sale Tracking Records:** Tracking records for all marijuana products as required by 935 CMR 500.105(8)(e).
14. **Incident Reporting:** Apotho will notify the appropriate law enforcement authorities and the Commission of any breach of security immediately and no later than 24 hours following discovery of the breach. Notification shall occur, but not be limited to, the occasions listed in 935 CMR 500.110(7)(a).

#### **Related Policies and Procedures:**

##### **Confidentiality**

Apotho will maintain a high level of confidentiality in all aspects of business operations, only allowing access to those who are authorized. This policy is maintained throughout the entire company and not only applicable to records and recordkeeping. All records will be kept confidential through an electronic safeguard system, including a network firewall. All equipment will be monitored for accuracy and efficiency monthly. Credentials will be verified by the Human Resources Director. Network health reports will be communicated monthly to a designated executive for review.

##### **Visitor Record Keeping**

Any individual seeking access to the Apotho Marijuana Retailer must have a reasonable need for access. Before being admitted into the facility, the visitors must receive a visitor identification badge. Visitors receive a badge after being positively identified by security as being at least 21 years old. Security personnel will check visitors from their station at the security desk immediately behind the main entrance to the facility, noting the visitor's name, arrival time, and purpose of visit in the Visitor Log. Visitors must also leave behind their proof of identification with security for the entirety of their stay. Identification will be returned to the visitor at the end of their visit. Visitors are

required to have their visitor badge visibly displayed at all times throughout their visit. Upon the departure of the visitor, the Visitor Log will be updated with the time they left and any relevant notes. Additional details on visitor/non-consumer access can be found within the Security Plan document.

### **Inventory Counts**

Apotho's will have a designated employee who monitors inventory and assumes the most responsibility regarding inventory records. One of these responsibilities is to conduct a monthly audit of the facility's inventory and a daily inventory count is conducted at the end of each business day. All inventory counts include, at minimum, the date, a summary of inventory findings, and the names, signatures, and titles of the individuals who conducted the count. If there are any discrepancies, the Dispensary Manager is notified, and a discrepancy count is carried out. If, after the discrepancy count, the cause discrepancy isn't identified or is identified to be from diversion, Apotho staff will take the appropriate steps and will notify the Commission and appropriate law enforcement authorities.

### **SOP Housing**

Written standard operating procedures (SOPs), training modules, and other related documents such as the human resources manual, live in a centralized, electronic database, available to all Company employees. These materials are reviewed at least annually by the General Manager and Human Resources Manager. Through the database, employees can review operating procedures and improve their skills. The database is secure and allows for the confidentiality of in- house policies and procedures.

### **Recording Diversion, Theft, and Loss**

Upon a breach of security as outlined by 935 CMR 500.110(7)(a) the Commission and law enforcement authorities will be notified immediately. Apotho staff will fill out an incident report for a breach of security along with any other events deemed appropriate by management. Agents who witnessed, discovered, encountered, or were otherwise involved in the incident, will be required to fill out an incident report. For every incident, the Security Manager also fills out the Security Manager incident report and both are filed and stored in a secure manner.

## Maintaining of Financial Records

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Apotho maintains financial information on the accrual basis in accordance with Generally Accepted Accounting Principles ("GAAP"). Apotho will also comply with 830 CMR 62C.25.1: Record Retention and DOR Directive 16-1 regarding recordkeeping requirements. 935 CMR 500.140(6)

Apotho will ensure that both Apotho's and any individual's confidential financial information are secure and accurate. To ensure accuracy, security and data integrity, the company utilizes several procedures:

1. **Recordkeeping:** Apotho will maintain business records compliant with the regulations set forth in 935 CMR 500. These records along with any other records outlined in 935 CMR 500 will be immediately available to the Commission upon request. Business and financial records will be maintained in accordance with GAAP and in an audit friendly format. Financial records maintained by Apotho include but are not limited to:
  - Assets and liabilities;
  - Monetary transactions;
  - Books of accounts which include journals, ledgers, and supporting documents, agreements, checks, invoices and vouchers;
  - Sales records including the quantity, form and cost of marijuana products; and
  - Salary and wages paid to each employee, the 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.

Apotho maintains accounting records in QuickBooks. This system supports detailed transaction data for company purchases, inventory valuation, revenue and payroll. Data is stored on a secure server, as well as backed up to local computers daily. Supporting documentation for transactions is stored using Amazon S3 via a secure server. System access is limited to users with need and each user has security settings specific to their role. Every transaction the company makes will go the accounting software thus guaranteeing complete reporting. Bank accounts will be reconciled monthly and month- end financials are reviewed by management each month.

2. **Accounting Review:** Apotho will engage with Citron Cooperman to review annual financial reports for compliance with GAAP.
3. **Taxes:** Apotho will also use Citron Cooperman to prepare and file federal, state and other tax returns to ensure compliance. Per the closure of the Apotho facility, all records including business and financial records, will be maintained securely by Apotho at the cost of Apotho.

### Financial Record Procedures:

Apotho shall adopt separate accounting practices at the point-of-sale for marijuana and non-marijuana sales with guidance from an accounting firm in accordance with 935 CMR 500.140(5). Apotho will prohibit any software or other methods from being utilized to manipulate or alter sales

data, pursuant to 935 CMR 500.140(6).

Apotho will conduct a monthly analysis of equipment and sales data to ensure that no software has been installed that could be utilized to manipulate or alter sales data. Apotho will also maintain all records performed during the monthly analysis period and produce such records to the Commission upon request. In the event that Apotho determines that software or other methods have been installed or utilized to manipulate or alter sales data, it will respond immediately by:

1. Disclosing the information to the Commission;
2. Cooperating in any investigation regarding manipulation or alteration of sales data; and
3. Take any action directed by the Commission to ensure full compliance in accordance with 935 CMR 500.140(5).

## Diversity Plan

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This Diversity Plan will outline the Goals, Programs, and Measurements defined by the Cannabis Control Commission (“CCC” or “Commission”) of the initiative(s) Apotho plans to engage in, in order to promote equity within the company in favor of the following demographics:

1. Minorities
2. Women
3. Veterans
4. People with Disabilities
5. LGBTQ+

In promoting its products, Apotho will strictly adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of Marijuana Establishments set forth by the Commission. Apotho will ensure that any actions taken, or programs instituted, by Apotho will not violate the Commission’s regulations with respect to limitations on ownership or control or other applicable state laws.

### Goals

1. Increasing the number of individuals falling into the above-listed demographics working in the establishment and providing tools to ensure their success
  - a. Apotho intends to have at least 33% of yearly new hires be 10% minorities, 15.5% women, 2.5% veterans, 2.5% people with disabilities, and 2.5% individuals of the LGBTQ+ community.
  - b. Apotho will host bi-annual internal training workshops that focus on topics such as public speaking, professional development, resume writing, management, and leadership
    - i. By attending and participating in these training workshops employees will gain equal opportunities to learn valuable tools, skills and knowledge necessary to progress and be promoted to higher level positions in the cannabis industry.
2. Distributing quarterly internal workplace newsletters that encourage current employees to recommend individuals falling into the above-listed demographics for employment.

### Programs

#### **Program One: Increasing the number of individuals falling into the above-listed demographics working in the establishment and providing tools to ensure their success.**

Apotho will promote a diverse workforce by ensuring that at least 33% of annual hires fall into the above-listed demographics. To promote the employment of diverse individuals at Apotho, recruiters will post job openings on directed outlets and will also promote job openings at local organizations specifically Brockton’s local newspaper, *The Enterprise*, and Mansfield’s local newspaper, *The Mansfield News Journal* which in turn will be dedicated to promoting the wellbeing of the aforementioned demographics, as needed. To promote equity among employees, management will organize bi-annual internal training workshops that focus on topics such as public speaking, professional development, resume writing, management, and leadership. All Apotho employees will be permitted to attend these training sessions.

#### **Program Two: Distributing internal workplace newsletters that encourage current employees to recommend individuals falling into the above-listed demographics for employment.**

As part of efforts to increase the number of individuals falling into the above-listed demographics working



in the establishment, Apotho will distribute internal workplace newsletters, at least once a quarter, to current employees encouraging them to recommend diverse individuals for employment.

### **Measurements**

Apotho has outlined methods in which the goals and programs will be tracked and measured for success. Measuring the success of programs is critical in being able to accurately report to the Commission when applying to renew the license. As a matter of policy, Apotho will demonstrate the progress and/or success of its Diversity Plan to the Commission at least annually upon the renewal of its provisional licensure. One month before the submission to renew an Apotho license, designated Apotho agents, including members of management, will meet to review the Diversity Plan. In the internal review, Apotho will evaluate the plan and measurements, analyzing successes and failures, and addressing potential adjustments. The General Manager is responsible for guiding and ensuring the success of this plan and will update the CEO on progress on a monthly basis.

**Program One Metrics:** To track Apotho's goal of hiring 33% of its workforce from individuals in the above-listed groups, Human Resources will keep a record of relevant information, so employee composition can be easily tracked. Human Resources will also keep a record of specific local outreach efforts for employment, including job postings and job fair participation. Apotho will also track the number and subject matter of internal trainings offered and performed, and to whom. Human Resources will report the progress of these metrics to the CEO on a monthly basis.

**Program Two Metrics:** The internal workplace newsletter will be circulated by Human Resources, and Human Resources will keep an electronic copy of each newsletter as record and will also keep records of the number of new employees hired through this program. Human Resources will report the progress of these metrics to the CEO on a quarterly basis.