



Massachusetts Cannabis Control Commission

Marijuana Cultivator

General Information:

License Number: MC281466
Original Issued Date: 03/07/2020
Issued Date: 02/11/2021
Expiration Date: 03/07/2022

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: EMB Natural Ventures, LLC

Phone Number: 203-444-6551 Email Address: eddie@embnaturalventures.com

Business Address 1: 140 Middle Water Street

Business Address 2:

Business City: Holyoke

Business State: MA

Business Zip Code: 01040

Mailing Address 1: 330 High Street

Mailing Address 2:

Mailing City: Holyoke

Mailing State: MA

Mailing Zip Code: 01040

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:

Percentage Of Control:

51

Role: Owner / Partner

Other Role:

First Name: Eddie

Last Name: Fernandez Suffix:

Gender: Male

User Defined Gender:

What is this person's race or ethnicity?: Hispanic, Latino, or Spanish (Mexican or Mexican American, Puerto Rican, Cuban, Salvadoran, Dominican, Colombian)

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 2

Percentage Of Ownership:

Percentage Of Control: 49

Role: Owner / Partner

Other Role:

First Name: Mark

Last Name: Ellis

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: 51

Percentage of Ownership: 51

Entity Legal Name: Fernandez Natural Ventures, LLC

Entity DBA:

DBA

City:

Entity Description: Massachusetts Limited Liability Company

Foreign Subsidiary Narrative:

Entity Phone:

Entity Email:

Entity Website:

Entity Address 1:

Entity Address 2:

Entity City:

Entity State:

Entity Zip Code:

Entity Mailing Address 1:

Entity Mailing Address 2:

Entity Mailing City:

Entity Mailing State:

Entity Mailing Zip Code:

Relationship Description: Fernandez Natural Ventures, LLC, the sole member of which is Eddie Fernandez, is one of the members of EMB Natural Ventures, LLC.

Entity with Direct or Indirect Authority 2

Percentage of Control: 49

Percentage of Ownership: 49

Entity Legal Name: Aralia One, LLC

Entity DBA:

DBA

City:

Entity Description: Texas Limited Liability Company, authorized to do business in Massachusetts

Foreign Subsidiary Narrative:

Entity Phone:

Entity Email:

Entity Website:

Entity Address 1:

Entity Address 2:

Entity City:

Entity State:

Entity Zip Code:

Entity Mailing Address 1:

Entity Mailing Address 2:

Entity Mailing City:

Entity Mailing State:

Entity Mailing Zip Code:

Relationship Description: Aralia One, LLC, the sole member of which is Mark Ellis, is one of the members of EMB Natural Ventures, LLC.

CLOSE ASSOCIATES AND MEMBERS

Close Associates or Member 1

First Name: William

Last Name: Musson

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: William Musson is expected to be the Director of Production for EMB Natural Ventures, LLC.

Close Associates or Member 2

First Name: Michael

Last Name: Dixon

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Michael Dixon is expected to be the Head of Human Resources for EMB Natural Ventures, LLC.

CAPITAL RESOURCES - INDIVIDUALS

No records found

CAPITAL RESOURCES - ENTITIES

Entity Contributing Capital 1

Entity Legal Name: EMB Natural Ventures, LLC

Entity DBA:

Email:

eddie@embnaturalventures.com

Phone:

413-561-3175

Address 1: P.O. Box 565

Address 2:

City: Holyoke

State: MA

Zip Code: 01041

Types of Capital: Monetary/Equity

Other Type of

Total Value of Capital Provided:

Percentage of Initial Capital:

Capital:

\$3000000

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: 140 Middle Water St

Establishment Address 2:

Establishment City: Holyoke

Establishment Zip Code: 01040

Approximate square footage of the Establishment: 34000

How many abutters does this property have?: 2

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

Cultivation Tier: Tier 03: 10,001 to 20,000 sq. ft

Cultivation Environment: Indoor

FEE QUESTIONS

Cultivation Tier: Tier 03: 10,001 to 20,000 sq. ft Cultivation Environment: Indoor

HOST COMMUNITY INFORMATION

Host Community Documentation:

| Document Category | Document Name | Type | ID | Upload Date |
|--|---|------|--------------------------|-------------|
| Certification of Host Community Agreement | Host Community Agreement Certification.pdf | pdf | 5c38112aa8a6bb721699c6d9 | 01/10/2019 |
| Community Outreach Meeting Documentation | Community Outreach Meeting Attestation Form.pdf | pdf | 5c3d31eeeadf341230f632f3 | 01/14/2019 |
| Plan to Remain Compliant with Local Zoning | EMBNV Operations Plan - Remaining Compliant with Local Zoning.pdf | pdf | 5c3f8c35635d511b3474b843 | 01/16/2019 |

Total amount of financial benefits accruing to the municipality as a result of the host community agreement. If the total amount is zero, please enter zero and provide documentation explaining this number.: \$-7

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

| Document Category | Document Name | Type | ID | Upload Date |
|--------------------------|---|------|--------------------------|-------------|
| Other | Letter from Nueva Esperanza (10-3-19).pdf | pdf | 5d977b60d471f115eb599f27 | 10/04/2019 |
| Plan for Positive Impact | Positive Impact Plan (November 2019).pdf | pdf | 5de3236f0f35e05798b39880 | 11/30/2019 |

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

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

Individual Background Information 2

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

Individual Background Information 3

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

Individual Background Information 4

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

ENTITY BACKGROUND CHECK INFORMATION

Entity Background Check Information 1

Role: Partner Other Role:
Entity Legal Name: Fernandez Natural Ventures, LLC Entity DBA:
Entity Description: Massachusetts Limited Liability Company
Phone: 203-444-6551 Email: eddie@embnaturalventures.com
Primary Business Address 1: 44 School St Primary Business Address 2: Suite 505
Primary Business City: Boston Primary Business State: MA Principal Business Zip Code:
02108

Additional Information: Sole member/manager: Eddie Fernandez

Entity Background Check Information 2

Role: Partner

Other Role:

Entity Legal Name: Aralia One, LLC

Entity DBA:

Entity Description: Texas Limited Liability Company, authorized to do business in Massachusetts

Phone: 214-762-2221

Email: mark.ellis@ablanaonline.com

Primary Business Address 1: 16027 Chalfont Pl

Primary Business Address 2:

Primary Business City: Dallas

Primary Business State: TX

Principal Business Zip Code:
75248

Additional Information: Sole member/manager: Mark Ellis

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

| Document Category | Document Name | Type | ID | Upload Date |
|--|---|------|--------------------------|-------------|
| Articles of Organization | Certificate of Organization.pdf | pdf | 5c40ed97eadf341230f6387c | 01/17/2019 |
| Bylaws | By-Laws.pdf | pdf | 5c40edb23d84de123a60d205 | 01/17/2019 |
| Secretary of Commonwealth - Certificate of Good Standing | Certificate of Good Standing Dept of Commonwealth (9-10-19).pdf | pdf | 5d977266c1731c15b88f308b | 10/04/2019 |
| Department of Revenue - Certificate of Good standing | Certificate of Good Standing Dept of Revenue (10-7-19).pdf | pdf | 5d9b4773e87dc81b070009f7 | 10/07/2019 |

Certificates of Good Standing:

| Document Category | Document Name | Type | ID | Upload Date |
|--|--|------|--------------------------|-------------|
| Secretary of Commonwealth - Certificate of Good Standing | EMB Good Standing Certificate (Sec'y of Commonwealth).pdf | pdf | 5ff5d1a22027b107e8dc8fdd | 01/06/2021 |
| Department of Revenue - Certificate of Good standing | EMB Good Standing Certificate (DOR).pdf | pdf | 5ff5d1b560fc2607ca6ad976 | 01/06/2021 |
| Department of Unemployment Assistance - Certificate of Good standing | EMB Attestation of Good Standing (Dept of Unemployment Assistance).pdf | pdf | 5ff5d74d89d382080d8ede21 | 01/06/2021 |

Massachusetts Business Identification Number: 001332247

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

| Document Category | Document Name | Type | ID | Upload Date |
|------------------------------|--|------|--------------------------|-------------|
| Business Plan | EMBNV Business Plan (December 2020).pdf | pdf | 5ff5db972027b107e8dc902b | 01/06/2021 |
| Proposed Timeline | Proposed Timeline (December 2020).pdf | pdf | 5ff5dbbdeb00b107e4545044 | 01/06/2021 |
| Plan for Liability Insurance | Letter from Fitelson Agency (1-6-21).pdf | pdf | 5ff61fb260fc2607ca6adb8e | 01/06/2021 |

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

| Document Category | Document Name | Type | ID | Upload Date |
|--|---|------|--------------------------|-------------|
| Policies and Procedures for cultivating. | Policies and Procedures for Cultivating.pdf | pdf | 5ff605da89d382080d8edf64 | 01/06/2021 |
| Restricting Access to age 21 and older | Restricting Access.pdf | pdf | 5ff605ec2027b107e8dc9161 | 01/06/2021 |
| Security plan | Security Plan.pdf | pdf | 5ff605fb9597d30802d2c807 | 01/06/2021 |
| Prevention of diversion | Prevention of Diversion.pdf | pdf | 5ff6060c44f61c07f67ff17d | 01/06/2021 |
| Storage of marijuana | Storage.pdf | pdf | 5ff6061809cfae0810fd37e6 | 01/06/2021 |
| Transportation of marijuana | Transportation.pdf | pdf | 5ff60628eb00b107e4545173 | 01/06/2021 |
| Inventory procedures | Inventory Procedures.pdf | pdf | 5ff6063879776c07d15e7d85 | 01/06/2021 |
| Quality control and testing | Quality Control and Testing.pdf | pdf | 5ff606462027b107e8dc9165 | 01/06/2021 |
| Dispensing procedures | Dispensing Procedures.pdf | pdf | 5ff60657d18fa907c7d92c16 | 01/06/2021 |
| Personnel policies including background checks | Personnel Policies.pdf | pdf | 5ff6066b9597d30802d2c80b | 01/06/2021 |
| Record Keeping procedures | Record Keeping.pdf | pdf | 5ff60677e826e207c07dbc94 | 01/06/2021 |
| Maintaining of financial records | Maintaing Financial Records.pdf | pdf | 5ff6068b16d57608051fbc7b | 01/06/2021 |
| Diversity plan | Diversity.pdf | pdf | 5ff60696b11eae07c3c58a21 | 01/06/2021 |
| Qualifications and training | Qualifications and Training.pdf | pdf | 5ff606aed18fa907c7d92c1a | 01/06/2021 |
| Energy Compliance Plan | Engery Compliance.pdf | pdf | 5ff606b944f61c07f67ff183 | 01/06/2021 |

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

Date generated: 03/25/2021

Page: 6 of 7

Description of Progress or Success: For the reasons set forth in the attached Certification, the Establishment is engaged in the process of building the facility in which it will conduct its cannabis cultivation operation. Because that operation has not yet begun, the Establishment has not yet been able to begin the implementation of its Positive Impact Plan.

COMPLIANCE WITH DIVERSITY PLAN
Diversity Progress or Success 1

Description of Progress or Success: For the reasons set forth in the attached Certification, the Establishment is engaged in the process of building the facility in which it will conduct its cannabis cultivation operation. Because that operation has not yet begun, the Establishment has not yet begun its hiring, as a result of which it has not yet been able to begin the implementation of its Diversity Plan.

HOURS OF OPERATION

| | |
|--------------------------------|------------------------------|
| Monday From: 8:00 AM | Monday To: 9:00 PM |
| Tuesday From: 8:00 AM | Tuesday To: 9:00 PM |
| Wednesday From: 8:00 AM | Wednesday To: 9:00 PM |
| Thursday From: 8:00 AM | Thursday To: 9:00 PM |
| Friday From: 8:00 AM | Friday To: 9:00 PM |
| Saturday From: 8:00 AM | Saturday To: 9:00 PM |
| Sunday From: 8:00 AM | Sunday To: 9:00 PM |

**HOST COMMUNITY AGREEMENT CERTIFICATION
ADULT USE MARIJUANA ESTABLISHMENT
LICENSE CLASS: MARIJUANA CULTIVATOR**

The applicant, **EMB NATURAL VENTURES, LLC**, a Massachusetts limited liability company whose address is P.O. Box 565, Holyoke, MA 01041, and whose principal office is intended to be located at 140 Middle Water Street, Holyoke, MA 01040, and the contracting authority for the host community, the **CITY OF HOLYOKE**, a municipal corporation with principal offices at 536 Dwight Street, Holyoke, Massachusetts 01040, 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, Eddie Fernandez, certify as an authorized representative of EMB Natural Ventures, LLC, that the applicant has executed a Host Community Agreement with the City of Holyoke pursuant to G.L.c. 94G § 3(d) on October 25, 2018.



Name: Eddie Fernandez
Title: Manager and CEO

Host Community

I, Alex Morse (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for the City of Holyoke that the applicant and the City of Holyoke have executed a Host Community Agreement pursuant to G.L.c. 94G § 3(d) on 10-25-2018 (insert date).



Signature of Contracting Authority or
Authorized Representative of Host Community

COMMUNITY OUTREACH MEETING ATTESTATION FORM

I, Eddie Fernandez, attest as Manager/CEO and an authorized representative of EMB NATURAL VENTURES, LLC (the "Applicant/Marijuana Establishment") that the Applicant/Marijuana Establishment has complied with the requirements of 935 CMR 500 and the guidance for license applicants on community outreach, as detailed below.

1. The Community Outreach Meeting for the Applicant/Marijuana Establishment was held on November 20, 2018.
2. A copy of a notice of the time, place and subject of the meeting, including the proposed address of the Applicant/Marijuana Establishment, was published in "The Republican," a newspaper of general circulation in the City of Holyoke, MA, on November 7, 2018, which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A.
3. A copy of the meeting notice was also filed on November 5, 2018 with the City Clerk, the Planning Board, the Mayor's office, and City Council's office (the local licensing authority for the adult use of marijuana). A copy of the municipal notice is attached as Attachment B.
4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Applicant/Marijuana Establishment, was mailed on November 5, 2018, which was at least seven days prior to the Community Outreach Meeting, to abutters of the proposed address of the Applicant/Marijuana Establishment, and residents within 300 feet of the property line of the Applicant/Marijuana Establishment, 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 the abutters and parties of interest as described in this section is attached as Attachment C.
5. Information was presented at the Community Outreach Meeting including the following:
 - a. The type 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 Applicant/Marijuana Establishment to prevent diversion to minors;
 - d. A plan by the Applicant/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 to receive answers from representatives of the Applicant/Marijuana Establishment.



Eddie Fernandez

Dated: 11/29/18

ELECTION 2018

WMass gains power with shift to Dems

Neal, McGovern poised to assume key roles

BY SHANNON YOUNG
syoung@repub.com

like and respect," he said. "It's no secret that when it comes to tax code and tax policy, that the policy wonk that is Richard Neal is regarded well by Republicans."

McGovern's potential Rules Committee chairmanship,

US SENATE, HOUSE

Warren defeats Diehl, shifts focus to future

Jim McGovern wins another term

BY SHANNON YOUNG
syoung@repub.com

BOSTON — Massachusetts Democrat Elizabeth Warren claimed a resounding U.S. Senate victory yesterday over Republican challenger Geoff



ELIZABETH WARREN GEOF DIEHL

"I'll make you this promise: We are just getting started," she said.

With focus on Warren's political future dominating much of the 2018 Massachusetts U.S. Senate race, Diehl repeatedly questioned the Democrat's commitment to representing state voters on Capitol Hill.

sincerity of Diehl's support for the president and cast the GOP U.S. Senate hopeful as a "fake Trumper."

Ayyadurai, who initially entered the race as a Republican before switching to run as an independent, protested his exclusion from debates between Warren and Diehl. Warren is among several

legacy-type projects if named Ways and Means chairman.

"Given his seniority and the time that he's had in Congress and that this is perhaps closer to the end of his career than to the beginning, a lot of things that he will do will very much be in regards to what will be his legacy," Cignoli said. "So there could be some very large projects, long-lasting, long-impacting projects throughout Western Massachusetts — an area that always lags economically behind Boston. This is our time."

Cignoli said Neal's ability to work with Republicans gives such projects a better chance of becoming reality under his potential leadership.

"Neal is a student of history and a professor of history: He knows that for legacy, impactful change in his district and even nationally, he's going to have to be that person that reaches across the aisle. He's got a reputation and a track record — for the last 15, 16 years — as being one of the few Democrats that Republicans

sachusetts on Capitol Hill than his primary opponent.

Neal's message appeared to resonate with 1st Congressional District residents, who decided to send him on to an unopposed November general election with 71 percent of the vote to Amatul-Wadud's 29 percent.

Following his primary win, the congressman turned his full attention to helping other Democrats win House races across the country in hopes of flipping the chamber to the Democratic Party's control.

Neal, who campaigned for candidates in California, Florida, Arizona and New Hampshire, stressed that his focus was on winning 24 seats.

"I just want the House," he said in an interview.

McGovern, who was named the Rules Committee's ranking member in April, also lent support to Democratic candidates across the country in the lead-up to Election Day, despite focusing on his re-election fight against Republican Tracy Lovvorn.

porters. "They ignored the party bosses who said they should wait their turn. They ignored the consultants who said they should cover up their tattoos and smile more. They ignored the powerful men of the Republican Party who never took them seriously. They refused to let anyone shut them up or stand in their way."

That, Warren argued, is "how real change begins."

Despite the outcome of such races, Warren urged women and other Democratic candidates to acknowledge their power and urged them to "stay in the fight," especially given the current occupant of the White House.

"Yes, it's going to be hard," she said. "Nevertheless, we will persist. And we will deliver the change this country deserves. ... So much depends on what we do next. Donald Trump and his corrupt friends have spent the last two years building a wall of anger and division and resentment. Tonight, as the first

she would consider running for president after the 2018 midterm election.

"It is time for women to go to Washington and fix our broken government and that includes a woman at the top," she said. "After Nov. 6, I will take a hard look at running for president."

The Democrat, who has gained national attention for her vocal criticism of Trump and GOP leaders, doubled down on that plan when asked in a late-October debate whether she'd serve her full term if re-elected.

"I've already said that I will take a look at running for president after the election," she told moderators of the WCVB debate. "But I can guarantee this: No matter what I do, I will work for the people of the commonwealth of Massachusetts."

Amid supporters' calls for the Democrat to run in 2020, Warren reiterated her pledge to continue to "never stop working (her) heart out" for the people of Massachusetts.

Jackpot, 2 WTA's
Doors Open 4pm
Kitchen 4:30, Bingo @ 6pm
Horse Race/Bingo Nuts
Scratch Tickets

TUESDAY

CHRIST the KING
43 Warsaw Ave, Ludlow
583-6957

Polish Food • Free Coffee/Tea
Progressive Consolation \$300
Minimum Entrance - \$10 pack
6:30pm • Exit 7-MA Pike
DOOR PRIZES

WEDNESDAY

POLISH CLUB
355 East St., Ludlow
583-6385

Red Progressive with a \$1199
or \$600 consolation prize
Black Progressive with a \$1199 or
\$200 consolation prize
50/50, 2 WTA's, Layer Cake Special
4:30pm Kitchen Open
Free Coffee & Tea

DOOR PRIZES 6:30 PM START

Progressive - \$1199*
Red/White/Blue WTA (minus
taxes) (Starts at \$5's)*
*Consolation Prizes \$200
Progressive / \$100 RWB
\$15 Admission / Full Kitchen

**FAIRVIEW K OF C
SUPER BINGO**
1599 Memorial Dr., Chicopee
413-532-2011 • KofC4044.com

The Only Electronic Bingo
Wkly Prizes • Prog. \$3,000
Stinger Games • Horse Race
6:15 Early • 6:30 Start
Handicap Access • Min. Entry \$15

**CALL TODAY
413-788-1250
TO LIST
HERE**

BINGO
10 21 35 52 65
40 50 75

BINGO
1 29 31 50 66
6 22 45

Aviso de reunión de alcance comunitario EMB Natural Ventures, LLC

El aviso se da por la presente que EMB Natural Ventures, LLC, una compañía de Massachusetts, celebrará una reunión de extensión de la comunidad el **Martes, 20 de noviembre de 2018** En la Pizzería Capri, 18 Cabot Street, Holyoke, MA 01040 Entre 6:00 y 8:00 PM, para discutir la propuesta de la compañía para localizar un establecimiento de la marihuana del uso del adulto en la ciudad de Holyoke.

El propósito del establecimiento está destinado a ser un cultivador de marihuana, haciendo negocios en el edificio situado en 140 Middle Water Street, Holyoke, MA 01040, que se operaría de acuerdo con las regulaciones de la Comisión de control de cannabis de Massachusetts en 935 CMR 500.000 et seq.

Los temas que se discutirán en la reunión incluirán, pero no se limitarán a:

1. El tipo de establecimiento de marihuana que se ubicará en la dirección propuesta;
2. Información adecuada para demostrar que la ubicación se mantendrá de forma segura;
3. Los pasos van a ser tomados por EMB Natural Ventures, LLC para prevenir la diversión a los menores de edad;
4. Planes de EMB Natural Ventures, LLC para impactar positivamente a la comunidad; y
5. Información adecuada para demostrar que el emplazamiento no constituirá una molestia, tal como lo define la ley.

Se alienta a los miembros de la comunidad a que asistan a la reunión y participen en el debate con el fin de obtener más información sobre el mecanismo propuesto y su funcionamiento. Representantes de EMB Natural Ventures, LLC estarán presentes para que los asistentes puedan hacer preguntas y recibir respuestas como parte de la discusión.

La compañía también estará recolectando resumen y proporcionando la información para las personas que estén interesados en ser empleados en la facilidad.

Se ha presentado una copia de este aviso con el Secretario Municipal, la Junta de planificación, la autoridad contratante para la ciudad de Holyoke, y la autoridad local de licencias para el uso adulto de marihuana que corresponde.

EMB Natural Ventures, LLC

Eddie Fernandez
CEO y Gerente General

NOTICE OF COMMUNITY OUTREACH MEETING EMB Natural Ventures, LLC

Notice is hereby given that EMB Natural Ventures, LLC, a Massachusetts company, will hold a Community Outreach Meeting on **Tuesday, November 20, 2018, at Capri Pizzeria, 18 Cabot Street, Holyoke, MA 01040, between 6:00 and 8:00 pm**, to discuss the company's proposal to locate an adult-use Marijuana Establishment in the City of Holyoke.

The proposed establishment is intended to be a Marijuana Cultivator, doing business at the building located at 140 Middle Water Street, Holyoke, MA 01040, which would be operated in accordance with Massachusetts Cannabis Control Commission regulations at 935 CMR 500.000, et seq.

Topics to be discussed at the meeting will include, but not be limited to:

1. The type of Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the location will be maintained securely;
3. Steps to be taken by EMB Natural Ventures, LLC to prevent diversion to minors;
4. Plans by EMB Natural Ventures, LLC to positively impact the community; and
5. Information adequate to demonstrate that the location will not constitute a nuisance, as defined by law.

Members of the community are encouraged to attend the meeting and to participate in the discussion in order to learn more about the proposed facility and its operation. Representatives of EMB Natural Ventures, LLC will be present so that attendees may ask questions and receive answers as part of the discussion.

The company will also be collecting resumes and providing information for individuals who are interested in becoming employed at the facility.

A copy of this Notice has been filed with the City Clerk, the Planning Board, the contracting authority for the City of Holyoke, and the local licensing authority for the adult use of marijuana, if applicable.

EMB Natural Ventures, LLC

Eddie Fernandez
CEO and General Manager

NOTICE OF COMMUNITY OUTREACH MEETING
EMB Natural Ventures, LLC

Notice is hereby given that EMB Natural Ventures, LLC, a Massachusetts company, will hold a Community Outreach Meeting on **Tuesday, November 20, 2018**, at **Capri Pizzeria, 18 Cabot Street, Holyoke, MA 01040**, between **6:00 and 8:00 pm**, to discuss the company's proposal to locate an adult-use Marijuana Establishment in the City of Holyoke.

The proposed establishment is intended to be a Marijuana Cultivator, doing business at the building located at **140 Middle Water Street, Holyoke, MA 01040**, which would be operated in accordance with Massachusetts Cannabis Control Commission regulations at 935 CMR 500.000, *et seq.*

Topics to be discussed at the meeting will include, but not be limited to:

1. The type of Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the location will be maintained securely;
3. Steps to be taken by EMB Natural Ventures, LLC to prevent diversion to minors;
4. Plans by EMB Natural Ventures, LLC to positively impact the community; and
5. Information adequate to demonstrate that the location will not constitute a nuisance, as defined by law.

Members of the community are encouraged to attend the meeting and to participate in the discussion in order to learn more about the proposed facility and its operation. Representatives of EMB Natural Ventures, LLC will be present so that attendees may ask questions and receive answers as part of the discussion.

The company will also be collecting resumes and providing information for individuals who are interested in becoming employed at the facility.

A copy of this Notice has been filed with the City Clerk, the Planning Board, the contracting authority for the City of Holyoke, and the local licensing authority for the adult use of marijuana, if applicable.

EMB Natural Ventures, LLC

Eddie Fernandez

CEO and General Manager

NOTICE OF COMMUNITY OUTREACH MEETING
EMB Natural Ventures, LLC

Notice is hereby given that EMB Natural Ventures, LLC, a Massachusetts company, will hold a Community Outreach Meeting on **Tuesday, November 20, 2018**, at **Capri Pizzeria, 18 Cabot Street, Holyoke, MA 01040**, between **6:00 and 8:00 pm**, to discuss the company's proposal to locate an adult-use Marijuana Establishment in the City of Holyoke.

The proposed establishment is intended to be a Marijuana Cultivator, doing business at the building located at **140 Middle Water Street, Holyoke, MA 01040**, which would be operated in accordance with Massachusetts Cannabis Control Commission regulations at 935 CMR 500.000, *et seq.*

Topics to be discussed at the meeting will include, but not be limited to:

1. The type of Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the location will be maintained securely;
3. Steps to be taken by EMB Natural Ventures, LLC to prevent diversion to minors;
4. Plans by EMB Natural Ventures, LLC to positively impact the community; and
5. Information adequate to demonstrate that the location will not constitute a nuisance, as defined by law.

Members of the community are encouraged to attend the meeting and to participate in the discussion in order to learn more about the proposed facility and its operation. Representatives of EMB Natural Ventures, LLC will be present so that attendees may ask questions and receive answers as part of the discussion.

The company will also be collecting resumes and providing information for individuals who are interested in becoming employed at the facility.

A copy of this Notice has been filed with the City Clerk, the Planning Board, the contracting authority for the City of Holyoke, and the local licensing authority for the adult use of marijuana, if applicable.

EMB Natural Ventures, LLC

Eddie Fernandez

CEO and General Manager

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan - Remaining Compliant with Local Zoning

January 2019

Description

EMB Natural Ventures is a Massachusetts company with applications pending for a license from the state's Cannabis Control Commission, and for a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a 25,000 square foot facility located at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow approximately 3,000 cannabis plants and flowers concurrently, including up to 15 different strains, from seedling to finished product.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 4

COMPLIANCE STANDARDS..... 4

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

COMPLIANCE STANDARDS

EMBNV has entered into a Lease Agreement, containing an option to purchase, for a site located at 140 Middle Water Street, in Holyoke, Massachusetts. In addition, a Host Community Agreement (“HCA”) was executed by EMBNV and the City of Holyoke on October 25, 2018. The HCA stipulates certain conditions and responsibilities of the parties not covered by local zoning approval processes.

In addition, the City of Holyoke has promulgated a Code of Ordinance (the “Zoning Ordinance”), in compliance with Massachusetts General Laws Chapter 40A, known as the “Zoning Act,” for the stated purposes “to promote the general welfare of the City of Holyoke, to protect the health and safety of its inhabitants, to encourage the most appropriate use of land throughout the city, to preserve the cultural, historical and agricultural heritage of the community, to increase amenities of the city, and to reduce the hazard from fire by regulating the location and use of buildings and the area of open space around them.” Effective December 19, 2017, the City also promulgated a new section 7.10 of the Zoning Ordinance, imposing “reasonable safeguards and regulation of the time, place and manner of marijuana establishments.”

EMBNV has pending an application submitted to the Holyoke City Council for a Special Permit, consistent with the provisions of section 7.10 of the Zoning Ordinance. Toward that end, EMBNV has contracted with the land use and engineering firm Vanasse, Hangen, Brustin, Inc. (“VHB”), a multi-national consulting entity with local offices in Springfield, MA. In particular, VHB’s Director of Land Development, John Furman, PE, has been working closely with EMBNV in conducting the necessary research, planning and design in furtherance of the company’s Special Permit application. VHB is a recognized expert in land use planning, development, and design, and the firm will be working closely with the Holyoke Planning Board and City Council in support of EMBNV’s permitting and land use issues.

VHB is well-versed in all pertinent provisions of the Zoning Ordinance and keeps abreast of all relevant revisions to those provisions. The firm has already completed a Development Impact Statement, as required by section 10.1.6 (1) of the Zoning Ordinance, as well as a Traffic Impact Statement, as required by section 10.1.6 (2). A site plan has also been prepared by VHB, including a locus map and site diagram showing (among other things) exterior improvements and security measures, existing conditions survey,

building floor plans, and additional site details. All of VHB's work conducted to date has been submitted to the City of Holyoke in support of EMBNV's pending Special Permit application.

EMBNV will continue to utilize the services of VHB throughout the Special Permit application process, including in anticipation of a public hearing to be conducted by the City Council, and will also utilize that firm's expertise in the Building Permit process. In the event that the Special Permit and Building Permit are granted, VHB will remain engaged in a professional relationship with EMBNV to ensure that EMBNV's planned Marijuana Establishment in the City of Holyoke remains fully compliant with the Zoning Ordinance and the Zoning Act. This relationship will include regular communication between EMBNV and VHB so that EMBNV will remain knowledgeable of any future revisions to the Zoning Ordinance, as well as to ensure that EMBNV continues to adhere to all zoning requirements of the City of Holyoke.

EMBNV is keenly aware of the need to have access to, and working relationships with, various experts in all facets of their operations. As a result, VHB is expected to serve as a valued partner with EMBNV and with all stakeholders in the zoning process related to EMBNV's business enterprise, and VHB will serve as a key partner in ensuring compliance with present and future zoning requirements.

EMB NATURAL VENTURES, LLC
330 High Street
Holyoke, MA 01040

Certification of Compliance
Host Community Information
Municipal Cost Documentation

A. *Background Information*

1. EMB Natural Ventures, LLC (the “Company”) entered into a Host Community Agreement for an Adult Use Marijuana Establishment (the “Agreement”) with the City of Holyoke, MA on October 25, 2018. The term of the Agreement is five years, expiring on October 24, 2023.

2. Consistent with the Agreement, the Company applied for and received a Special Permit from the Holyoke City Council on March 9, 2019 for the operation of a marijuana cultivation facility at 140 Middle Water Street, Holyoke, MA 01040 (the “Property”), subject to the Company’s obtaining a cultivation license from the Massachusetts Cannabis Control Commission (the “CCC”).

3. The Company obtained a Provisional License from the CCC on March 7, 2020 and began moving forward with plans to renovate the existing building located on the Property, which is located in a general industrial zone in the City of Holyoke and was originally constructed as a paper mill in the 1880’s.

4. The Company, which had acquired ownership of the Property through an affiliated entity, began making initial plans for the renovation even before March 2020, in anticipation of the CCC’s issuance of the Provisional License, including through the engagement of architectural and engineering firms that would be ready to begin the renovation process following that issuance, as well as following review and approval of architectural plans by the CCC.

5. Regrettably, the public health crisis that was caused by onset of the COVID-19 pandemic in March 2020 resulted in significant delays in the Company’s ability to move forward as it had planned. It was not until the summer of 2020 that the Company’s architectural and engineering team was able to perform a detailed examination of the building on the Property, with a view toward preparing architectural design and building renovation plans.

6. Due to a number of factors, however, the Company’s management and its architectural and engineering team determined that the existing building was too severely damaged and deteriorated for it to be renovated safely. From the start, management had anticipated the need for significant work to shore up the existing structure due to the age of the building, which was factored into the Company budget. What was not initially apparent was that the structural components of the building had been compromised to a degree that introduced

significant risks, particularly to individuals who would be performing the renovation work. This circumstance did not become known until the specialists performed a detailed analysis of the materials that had been used in the existing structure, as well as of the deterioration of those materials over time caused by, among other things, poorly-executed attempts at remediation over the years. The Company worked with its architectural and engineering team to explore a number of options for renovating the structure but ultimately realized that renovation was simply impractical. The building could not be brought up to current structural and safety standards without reconstructing major components. Moreover, it became clear that any form of renovation would be significantly more expensive than demolishing and rebuilding and would likely still have unwanted deficiencies. On the other hand, much of the significant architectural and design work done for the original renovation plan could be carried forward to a newly built structure.

7. Due principally to the safety considerations, but also to the fact that the costs of demolishing the existing structure and constructing a new building in its place were projected not to be materially different than those that had originally been planned for shoring up and renovation, a decision was made to change the nature of the project from a renovation to a demolition and new construction.

8. To start, the Company applied for a demolition permit from the Holyoke Building Department, which as expected imposed an automatic “Demolition Delay” because the existing structure was over 100 years old. That delay order was subject to a review of the application by the Holyoke Historic Commission (the “HHC”) for consideration of whether a waiver of the order should be granted based on the nature of the proposed new construction. On September 14, 2020, a public hearing was held via Zoom before the HHC, which issued its written determination on September 17 to the effect that the proposed demolition would not be detrimental to the historical, cultural and architectural heritage of the city. As a result, the delay order was waived, and the Building Department issued a demolition permit for the building, which was then taken down, and the Property safely fenced off, over a period of approximately two weeks in November. (The demolition process included not just tearing down the existing structure but also setting aside certain fixtures and other items, which had been left in the building, for historical preservation in coordination with the HHC and the Holyoke Public Library.)

9. In order to provide adequate information to the CCC about the change in focus from a renovation to a new building construction (which the Company is now providing through this Certification and others, with its application for renewal of the Provisional License), the Company needed to determine what permits would be required from agencies within the City of Holyoke. To that end, a meeting was requested, and held via Zoom on December 8, 2020, among representatives of the Company, including its architect and engineer, and members of the Holyoke Planning Board and Ordinance Committee. At that meeting, it was resolved that the Company would begin by submitting updated materials to the City Council to acknowledge both the delay in anticipated completion of the project and the change in focus from a renovation to a new construction, after which applications could be submitted for permits to be issued by the Holyoke Stormwater Authority, Conservation Commission, and Planning Board.

10. As a result, the Company has prepared such materials, which were submitted to the City Council on January 5, 2021, including, among other things, new site plans, a developmental impact statement, a stormwater report, and a traffic statement. Also included with those materials was a written approval, issued by the Holyoke Chief of Police on December 29, 2020, of an updated Security Plan that had been prepared by the Company in connection with the new building design.

11. Because the City Council gave its approval in 2019 for the use of the Property as a marijuana cultivation facility, it is not expected that the Council's review of materials reflecting operation of the facility in a newly constructed building will be a time-consuming process. Once that review is complete, the Company will be able to submit its applications to the Holyoke Stormwater Authority, Conservation Commission, and Planning Board, after which a final building permit would be issued by the city's Building Department. Subject to the CCC's approval of the Company's final architectural plans, the Company could then begin construction.

12. Under the Company's anticipated timeline for the project, construction would begin in March, and be completed by October, of this year. Even accounting for any unexpected delays, the business should become operational, with planting of the Company's first marijuana crop, by December 2021.

B. *Municipal Cost Documentation*

13. As set forth above, due to delays in its construction of a business facility, the Company has not yet commenced operation of its intended use of the Property as a marijuana cultivation facility, but such operation is projected to begin in December 2021.

14. Because the Company has conducted no operations to date, the host community – that is, the City of Holyoke – cannot have incurred any costs associated with such operations, as a result of which no documentation of such costs can be furnished, or requested from the community records, showing any cost to the City of Holyoke related to the operation of the establishment.

15. Should the CCC require any additional explanation or documentation, the Company shall be ready to furnish the same upon request.

Dated: January 6, 2021

Respectfully submitted,

EMB NATURAL VENTURES, LLC

By: 
Name: Eddie Fernandez
Title: Manager

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Positive Impact

November 2019

Description

EMB Natural Ventures is a Massachusetts company with an application pending for a license from the state's Cannabis Control Commission, in order to conduct business as a cannabis cultivator in a 25,000 square foot facility located at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow approximately 3,000 cannabis plants and flowers concurrently, including up to 15 different strains, from seedling to finished product.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 4

EDUCATIONAL PROGRAMS 4

CHARITABLE GIVING, AND VOLUNTEERING 5

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

The principals of EMBNV believe that being a good corporate citizen means more than running a clean, ethical and compliant cannabis cultivation business. It also means providing support and care for the communities in which the company does business. EMBNV is committed to being a good corporate citizen and neighbor in the city where it does business, Holyoke, MA, which has been designated by the Commission as an area of disproportionate impact, as defined in 935 CMR 500.101(1)(a).

The company’s founders have established two goals for creating a positive impact upon current residents of the City of Holyoke:

- 1) Coordinating and leading local educational programs.
- 2) Donations to local charitable organizations, and stimulating local volunteering.

EDUCATIONAL PROGRAMS

Goal:

To provide mentoring and technical guidance to unemployed and unskilled individuals within the Holyoke community.

Programs:

EMBNV will develop and lead free workshops and seminars to educate interested members of the public in the City of Holyoke not only about indoor agricultural techniques, such as those to be utilized by the company at its Holyoke cannabis cultivation facility, but also about basic skills for managing oneself in the home and the workplace.

The company has already entered into a Memorandum of Understanding with a local organization named Nuestras Raices, Inc. for the use of classroom space at 325 Main Street, Holyoke, MA 01040, to be utilized for conducting classes designed for members of the Holyoke community. Even while EMBNV’s cultivation license application to the Commission is pending, company representatives have already begun teaching formal classes at Nuestras Raices in areas including employment interview skills, managing personal finances, health, and nutrition. Solicitation of participants for these classes has been through locally-distributed flyers. Once EMBNV begins its own operations, a wider assortment of classes will be offered, including in areas of agricultural techniques, and advertisement of class subjects, and the days and times at which classes will be offered, will be placed in one or more local news publications.

Once the program becomes fully implemented, EMBNV will dedicate one or more of its employees to teach such classes at the Nuestras Raices location, during normal work hours, no less than three days each week, with each class having a duration of one to two hours. Class sizes are expected to be between 10 and 15 individuals.

Measurements:

Individuals who attend EMBNV's classes will be asked to complete an attendance sheet for each class, including the individual's name, address, and contact information, and at the end of each class participants will be asked to complete written evaluations of whether the class and the instructor was worthwhile and met the participants' expectations. Information from these attendance sheets and evaluations will be input to the company's internal database, together with documentation of which company employees are involved in teaching. At least monthly, those records will be reviewed by EMBNV's management in order to determine (a) whether greater outreach may be necessary to attract more participation, (b) which subject matters tend to attract the highest levels of attendance, and (c) which employees tend to be the most productive class leaders. Classes that are shown to be less well attended will either be modified or eliminated, while the more popular classes may be expanded, or new classes in similar subject areas may be introduced.

The company will be prepared to present documentation of the progress and success of its teaching programs upon each annual renewal of its cultivation license.

CHARITABLE GIVING, AND VOLUNTEERING

Goal:

To provide business resources, including company finances and employee time, to local charitable organizations and community groups.

Programs:

EMBNV's management expects to donate at least 2% of the company's profit to charitable causes within the City of Holyoke on an annual basis. In so doing, the company will seek to align its resources with the needs and goals of a community that is in the midst of an impressive revitalization process. As part of its efforts, management looks forward to getting to know the generous and hardworking leaders and staff members at charitable organizations and nonprofit companies in the area, as well as local clergy, to gain an understanding of where funding would most uplift the city and sustain a better quality of life for the city's residents. It is expected that, within six months of the commencement of the company's operations, management will have chosen which local charitable organizations will be the initial recipients of company giving, and that list of organizations may grow or be modified as time goes on.

Even while EMBNV's application to the Commission is pending, the company has made both monetary and nonmonetary donations to one local charitable organization in particular, Nueva Esperanza, Inc., which is dedicated to the Puerto Rican and Afro Caribbean culture that comprises a significant portion of the Holyoke community. With its application, EMBNV has furnished to the Commission a letter from that organization acknowledging the company's past giving as well as the organization's willingness to accept

future donations. During its first year of operations (regardless of whether the company reaches a point of profitability), the company plans to make monetary contributions to Nueva Esperanza, Inc. in the amount of \$1,000.00 per year, in quarterly payments of \$250.00, and going forward such contributions would expect to be increased commensurate with the company's growth and profitability.

In addition to monetary giving, EMBNV will provide structured opportunities for its employees to volunteer within the community as part of their job responsibilities. In particular, the company intends to dedicate at least one half day (approximately four hours) per month for each of its employees to perform volunteer work, while getting paid by the company, dedicated to charitable causes within the Holyoke community.

Measurements:

During each month of the company's operations, detailed records will be kept showing (a) which organizations and groups within the Holyoke community are benefitting from these programs, (b) the amount s of monetary giving to each such organization and group, and (c) the time that is dedicated by each member of the company's staff to volunteer work within the community during work hours. EMBNV's programs for charitable giving and volunteer work will be reviewed by the company's management at least quarterly to determine whether the company is meeting its corresponding goals.

The company will be prepared to present documentation of the progress or success of these programs upon each annual renewal of its cultivation license.

* * *

EMBNV acknowledges and is aware of, and will adhere to, the requirements set forth in 935 CMR 500.105(4), which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.

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

D

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

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

**Limited Liability Company
Certificate of Organization
(General Laws Chapter 156C, Section 12)**

Federal Identification No.: _____

(1) The exact name of the limited liability company:

EMB Natural Ventures, LLC

(2) The street address of the office in the commonwealth at which its records will be maintained:

44 School Street, Suite 325, Boston, MA 02108

(3) The general character of the business:

Agricultural growing facility

(4) Latest date of dissolution, if specified: _____

(5) The name and street address, of the resident agent in the commonwealth:

NAME

ADDRESS

United Corporate Services, Inc.

44 School Street, Suite 325

Boston, MA 02108

(6) The name and business address, if different from office location, of each manager, if any:

NAME

ADDRESS

Eddie Fernandez

180 Perry Road, Hamden, CT 06514


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

NAME ADDRESS

- (8) The name and business address, if different from office location, of each person authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property recorded with a registry of deeds or district office of the land court:

NAME ADDRESS

- (9) Additional matters:

Signed by (by at least one authorized signatory):  _____
 Jeffrey C. Dannenberg, Esq.

Consent of resident agent:

I United Corporate Services, Inc.

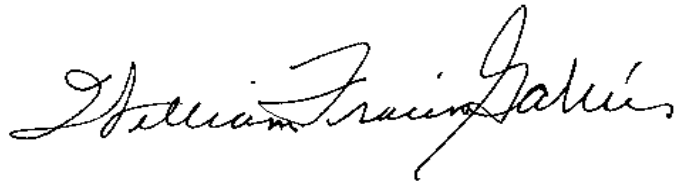
resident agent of the above limited liability company, consent to my appointment as resident agent pursuant to G.L. c 156C § 12*

*or attach resident agent's consent hereto.

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:

June 13, 2018 09:18 AM

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

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

**BY-LAWS
OF
EMB NATURAL VENTURES, LLC
(A Massachusetts Limited Liability Company)**

**ARTICLE I
OFFICES**

Section 1.01 **Offices.** The Company shall have its registered office in the State of Massachusetts, and may have such other offices and places of business within or without the State of Massachusetts as the Board of Managers may from time to time determine or the business of the Company may require.

**ARTICLE II
STOCKHOLDERS**

Section 2.01 **Place of Meetings.** Meetings of members for any purpose may be held at such place or places, either within or without the State of Massachusetts, as shall be designated by the Board of Managers, or by the President with respect to meetings called by him.

Section 2.02 **Annual Meeting.** The annual meeting of members shall be held on such date as may be determined by the Board of Managers. At such meeting, the members shall elect a Board of Managers and transact such other business as may properly come before the meeting.

Section 2.03 **Special Meetings.** Special meetings of members may be called at any time by the Board of Managers or by the President, and shall be called by the President or Secretary at the written request of members owning a majority of the shares of the Company then outstanding and entitled to vote.

Section 2.04 **Notice of Meetings.** Written notice of the annual meeting or any special meeting of stock shall be given to each stockholder entitled to vote thereat, not less than ten nor more than sixty days prior to the meeting, except as otherwise required by statute, and shall state the time and place and, in the case of a special meeting, the purpose or purposes of the meeting. Notice need not be given, however, to any stockholder who submits a signed waiver of notice, before or after the meeting, or who attends the meeting in person or by proxy without objecting to the transaction of business.

Section 2.05 **Quorum.** At all meetings of members, the holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business, except as otherwise provided by statute, the Certificate of Organization or these By-Laws. When a quorum is

once present to organize a meeting, it is not broken by the subsequent withdrawal of any stockholder.

Section 2.06 Voting. (a) At all meetings of members, each stockholder having the right to vote thereat may vote in person or by proxy, and, unless otherwise provided in the Certificate of Organization or in any resolution providing for the issuance of any class or series of stock adopted by the Board of Managers pursuant to authority vested in the Board by the Certificate of Organization, shall have one vote for each percentage of membership interest registered in his name. Election of managers shall be by voice ballot.

(b) When a quorum is once present at any meeting of members, a majority of the votes cast, whether in person or represented by proxy, shall decide any question or proposed action brought before such meeting, except for the election of managers, who shall be elected by a plurality of the votes cast, or unless the question or action is one upon which a different vote is required by express provision of statute, the Certificate of Organization or these By-Laws or an agreement among members, in which case such provision shall govern the vote on the decision of such question or action.

Section 2.07 Adjourned Meetings. Any meeting of members may be adjourned to a designated time and place by a vote of a majority in interest of the members present in person or by proxy and entitled to vote, even though less than a quorum is present, or by the President if a quorum of members is not present. No notice of such adjourned meeting need be given, other than by announcement at the meeting at which adjournment is taken, and any business may be transacted at the adjourned meeting which might have been transacted at the meeting as originally called. However, if such adjournment is for more than thirty days, or if after such adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at such meeting.

Section 2.08 Action by Written Consent of Members. Any action of the members required or permitted to be taken at any regular or special meeting thereof may be taken without any such meeting, notice of meeting or vote if a consent in writing setting forth the action thereby taken is signed by the holders of outstanding stock having not less than the number of votes that would have been necessary to authorize such action at a meeting at which all shares entitled to vote were present and voted. Prompt notice of the taking of any such action shall be given to any members entitled to vote who have not so consented in writing.

Section 2.09 Members of Record. (a) The members from time to time entitled to notice of or to vote at any meeting of members or any adjournment thereof, or to express consent to any corporate action without a meeting, or entitled to receive payment of any dividend or other distribution or the allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, shall be the members of record as of the close of business on a date fixed by the Board of Managers as the record date for any such purpose. Such a record date shall not precede the date upon which the resolution fixing the record date is adopted

by the Board of Managers, and shall not, with respect to stockholder meetings, be more than sixty days nor less than ten days before the date of such meeting, or, with respect to stockholder consents, more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Managers.

(b) If the Board of Managers does not fix a record date, (i) the record date for the determination of members entitled to notice of or to vote at a meeting of members shall be as of the close of business on the day next preceding the day on which notice of such meeting is given, or, if notice is waived as provided herein, on the day next preceding the day on which the meeting is held; (ii) the record date for determining members entitled to express consent to corporate action in writing without a meeting, where no prior action by the Board of Managers is necessary, shall be the close of business on the day on which the first signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation; and (iii) the record date for determining members for any other purpose shall be at the close of business on the day on which the resolution of the Board of Managers relating thereto is adopted.

ARTICLE III MANAGERS

Section 3.01 **Board of Managers.** The management of the affairs, property and business of the Company shall be vested in a Board of Managers, the members of which need not be members. In addition to the power and authority expressly conferred upon it by these By-Laws and the Certificate of Organization, the Board of Managers may take any action and do all such lawful acts and things on behalf of the Company and as are not by statute or by the Certificate of Organization or these By-Laws required to be taken or done by the members.

Section 3.02 **Number.** The number of managers shall be as fixed from time to time by the Board of Managers.

Section 3.03 **Election and Term of Managers.** At each annual meeting of the members, the members shall elect managers to hold office until the next annual meeting. Each manager shall hold office until the expiration of such term and until his successor, if any, has been elected and qualified, or until his earlier resignation or removal.

Section 3.04 **Annual and Regular Meetings.** The annual meeting of the Board of Managers shall be held promptly after the annual meeting of members, and regular meetings of the Board of Managers may be held at such times as the Board of Managers may from time to time determine. No notice shall be required for the annual or any regular meeting of the Board of Managers.

Section 3.05 **Special Meetings.** Special meetings of the Board of Managers may be called by the President, by an officer of the Company who is also a manager or by any two managers, upon one day's notice to each manager either personally or by mail, telephone, or fax transmission, and if by telephone confirmed in writing before or after

the meeting, setting forth the time and place of such meeting. Notice of any special meeting need not be given, however, to any manager who submits a signed waiver of notice, before or after the meeting, or who attends the meeting without objecting to the transaction of business.

Section 3.06 Place of Meetings. (a) The Board of Managers may hold its meetings, regular or special, at such places, either within or without the State of Massachusetts, as it may from time to time determine or as shall be set forth in any notice of such meeting.

(b) Any meeting of the Board of Managers may be held by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and such participation shall constitute presence at the meeting.

Section 3.07 Adjourned Meetings. A majority of the managers present, whether or not a quorum, may adjourn any meeting of the Board of Managers to another time and place. Notice of such adjourned meeting need not be given if the time and place thereof are announced at the meeting at which the adjournment is taken.

Section 3.08 Quorum of Managers. A majority of the total number of managers shall constitute a quorum for the transaction of business. The total number of managers means the number of managers the Company would have if there were no vacancies.

Section 3.09 Action of the Board of Managers. The vote of a majority of the managers present at a meeting at which a quorum is present shall be the act of the Board of Managers, unless the question or action is one upon which a different vote is required by express provision of statute, the Certificate of Organization or these By-Laws, in which case such provision shall govern the vote on the decision of such question or action. Each manager present shall have one vote.

Section 3.10 Action by Written Consent of Managers. Any action required or permitted to be taken at any meeting of the Board of Managers or of any committee thereof may be taken without a meeting, if a written consent thereto is signed by all members of the Board of Managers or of such committee, and such written consent is filed with the minutes of proceedings of the Board of Managers or committee.

Section 3.11 Resignation. A manager may resign at any time by giving written notice to the Board of Managers, the President or the Secretary of the Company. Unless otherwise specified in the notice, the resignation shall take effect upon receipt by the Board of Managers or such officer, and acceptance of the resignation shall not be necessary.

Section 3.12 Removal of Managers. Any or all of the managers may be removed with or without cause by the members.

Section 3.13 Newly Created Manager Positions and Vacancies. Newly created manager positions resulting from an increase in the number of managers or vacancies

occurring in the Board of Managers for any reason except the removal of managers without cause may be filled by a vote of the majority of the managers then in office, although less than a quorum. Vacancies occurring by reason of the removal of managers without cause shall be filled by a vote of the members. A manager elected to fill a newly created manager position or to fill any vacancy shall hold office until the next annual meeting of members, and until his successor, if any, has been elected and qualified.

Section 3.14 **Chairman.** At all meetings of the Board of Managers, the Chairman of the Board, or in the absence of the Chairman, or if no chairman has been elected or appointed, a chairman chosen by the managers present at such meeting, shall preside.

Section 3.15 **Committees Appointed by the Board of Managers.** The Board of Managers may, by resolution passed by a majority of the entire Board of Managers or by written consent of all of the managers, designate one or more committees, each committee to consist of one or more of the managers. The Board may also designate one or more managers as alternate members of any committee who may replace any absent or disqualified committee member at any committee meeting. Any such committee, to the extent provided in the resolution, except as restricted by law, shall have and may exercise the powers of the Board of Managers in the management of the affairs, business and property of the Company, and may authorize the seal of the Company to be affixed to all papers which may require it.

Section 3.16 **Compensation.** No compensation shall be paid to managers, as such, for their services, but the Board of Managers may authorize payment of an annual retainer and/or fixed sum and expenses for attendance at each annual, regular or special meeting of the Board of Managers. Nothing herein contained shall be construed to preclude any manager from serving the Company in any other capacity and receiving compensation therefor.

ARTICLE IV OFFICERS

Section 4.01 **Offices, Election and Term.** (a) At its annual meeting, the Board of Managers shall elect or appoint a President and a Secretary and may, in addition, elect or appoint at any time such other officers as it may determine. Any number of offices may be held by the same person.

(b) Unless otherwise specified by the Board of Managers, each officer shall be elected or appointed to hold office until the annual meeting of the Board of Managers next following his election or appointment and until his successor, if any, has been elected or appointed and qualified, or until his earlier resignation or removal.

(c) Any officer may resign at any time by giving written notice to the Board of Managers, the President or the Secretary of the Company. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of the resignation shall not be necessary to make it effective.

(d) Any officer elected or appointed by the Board of Managers may be removed by the Board of Managers with or without cause. Any vacancy occurring in any office by reason of death, resignation, removal or otherwise may be filled by the Board of Managers.

Section 4.02 **Powers and Duties.** The officers, agents and employees of the Company shall each have such powers and perform such duties in the management of the affairs, property and business of the Company, subject to the control of and limitation by the Board of Managers, as generally pertain to their respective offices, as well as such powers and duties as may be authorized from time to time by the Board of Managers.

Section 4.03 **Sureties and Bonds.** If the Board of Managers shall so require, any officer, agent or employee of the Company shall furnish to the Company a bond in such sum and with such surety or sureties as the Board of Managers may direct, conditioned upon the faithful performance of his duties to the Company and including responsibility for negligence and for the accounting for all property, funds or securities of the Company which may come into his hands.

ARTICLE V CERTIFICATES AND TRANSFER OF SHARES

Section 5.01 **Certificates.** Unless otherwise provided pursuant to the Limited Liability Act of the State of Massachusetts, the shares of membership interests of the Company shall be represented by certificates, as provided by the Limited Liability Act of the State of Massachusetts. They shall be numbered and entered in the books of the Company as they are issued.

Section 5.02 **Lost or Destroyed Certificates.** The Board of Managers may in its discretion authorize the issuance of a new certificate or certificates in place of any certificate or certificates theretofore issued by the Company, alleged to have been lost, stolen or destroyed. As a condition of such issuance, the Board of Managers may require, either generally or in each case, the record holder of such certificates, or his legal representative, to furnish an affidavit setting forth the facts of such alleged loss, theft or destruction, together with proof of advertisement of the alleged loss, theft or destruction, and a bond with such surety and in such form and amount as the Board may specify indemnifying the Company, any transfer agent and registrar against any claim against any of them relating to such lost, stolen or destroyed certificates.

Section 5.03 **Transfer of Shares.** (a) Upon surrender to the Company or the transfer agent of the Company of a certificate for shares or other securities of the Company duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, the Company shall issue a new certificate to the person entitled thereto, and cancel the old certificate, except to the extent the Company or such transfer agent may be prevented from so doing by law, by the order or process of any court of competent jurisdiction, or under any valid restriction on transfer imposed by the Certificate of Organization, these By-Laws, or agreement of security holders. Every such transfer shall be entered on the transfer books of the Company.

(b) The Company shall be entitled to treat the holder of record of any share or other security of the Company as the holder in fact thereof and shall not be bound to recognize any equitable or other claim to or interest in such share or security on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by law.

ARTICLE VI INDEMNIFICATION

Section 6.01 **Indemnification.** The Company shall indemnify the managers, officers, agents and employees of the Company in the manner and to the full extent provided in the Limited Liability Act of the State of Massachusetts. Such indemnification may be in addition to any other rights to which any person seeking indemnification may be entitled under any agreement, vote of members or managers, and any provision of these By-Laws or otherwise. The managers, officers, employees and agents of the Company shall be fully protected individually in making or refusing to make any payment or in taking or refusing to take any other action under this Article VI in reliance upon the advice of counsel.

ARTICLE VII MISCELLANEOUS

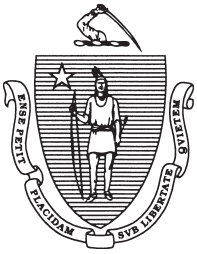
Section 7.01 **Corporate Seal.** The seal of the Company shall be circular in form and bear the name of the Company, the year of its organization and the words, "Corporate Seal, Massachusetts." The seal of the certificates for membership shares or any company obligation for the payment of money, or on any other instrument, may be a facsimile, engraved, printed or otherwise reproduced.

Section 7.02 **Execution of Instruments.** All company instruments and documents shall be signed or countersigned, executed, and, if desired, verified or acknowledged by a proper officer or officers or such other person or persons as the Board of Managers may from time to time designate.

Section 7.03 **Fiscal Year.** The fiscal year of the Company shall be as determined by the Board of Managers.

ARTICLE VIII AMENDMENTS

Section 8.01 **Amendments.** These By-Laws may be altered, amended or repealed from time to time by the members or by the Board of Managers without the assent or vote of the members.



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

William Francis Galvin
Secretary of the
Commonwealth

Date: September 10, 2019

To Whom It May Concern :

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

EMB NATURAL VENTURES, LLC

in accordance with the provisions of Massachusetts General Laws, Chapter 156C, on
June 13, 2018.

I further certify that said Limited Liability Company has not filed a Certificate of Cancellation;
that said Limited Liability Company has not been administratively dissolved; and that, so far as
appears of record, said Limited Liability Company has legal existence.



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

A handwritten signature in cursive script, reading "William Francis Galvin".

Secretary of the Commonwealth

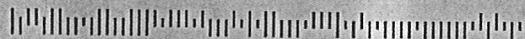
Certificate Number: 19090194910

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

Processed by:



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



EDDIE FERNANDEZ
EMB NATURAL VENTURES LLC
44 SCHOOL ST RM 325
BOSTON MA 02108-4209

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, EMB NATURAL VENTURES 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 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



EMB Natural Ventures

Having secured a Host Community Agreement, a Special Permit from the City of Holyoke, MA, and a Provisional License from the Massachusetts Cannabis Control Commission, EMB Natural Ventures, LLC (“EMB”) is preparing to do business in a building to be constructed in Holyoke, which will be equipped to grow up to 3,000 plants and flowers, including up to 15 different strains of cannabis.

Under the direction of its two principals, both successful entrepreneurs, EMB is poised to create and operate a successful business that creates employment, provides tax revenue, and adheres to best practices in the industry.

EMB NATURAL VENTURES, LLC

Business Plan

A Cannabis Cultivation Establishment

December 2020



PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

EXECUTIVE SUMMARY 5

- Opportunity..... 5
- Business Model 6
- Cultivation Philosophy 7
- Community Outreach..... 8
- Target Market 9
- Competition 9

COMPANY SUMMARY 10

- The Company 10
- The Management Team..... 11

SALES AND MARKETING PLAN..... 13

- Summary 13
- Methods..... 13
 - Selling to Retail Establishments 14
 - Generating Awareness 14
 - Creating Loyalty 14
 - Utilizing Best Practices 14
 - Limiting Target Audience 15
 - Relationship-Based Sales 15
 - Standards and Commitments 15
 - Creating Engagement..... 16
 - Timing..... 16
- Generating Awareness..... 16
 - Branding and Product Recognition 16
 - Marketing Channels 17
- Creating Loyalty 18
 - Differentiators..... 18
 - Building a Reputation..... 18
- Utilizing Best Practices 18

Leadership Team Involvement..... 18

Outside Resources 19

Market Research 19

Use of Tools..... 19

Limiting Target Audience 19

 Target Market 20

OPERATIONS AND IMPLEMENTATION 20

 Cultivation Facility..... 20

 Cultivation Plan 21

 Space Optimization: Go Vertical 21

 Solar Options..... 22

 Cultivation Strains 23

FINANCIAL ANALYSIS 24

 Financial Feasibility 24

 Investment Requirements 24

 Proof of Capitalization Documents 25

 Timeline..... 25

 Financial Forecast 26

Appendix A: Financial Statement Summaries 27

 Income Statement Summary Years 1 - 4 (Yearly) 27

 Cash Flow Forecast Years 1 – 4 (Yearly)..... 28

Appendix B: Financial Statements Detailed (month to month) 28

 Income Statement Year 1 (month to month) 29

 Income Statement Year 2 (month to month) 30

 Income Statement Year 3 (month to month) 31

 Cash Flow Forecast Year 1 (month to month) 32

 Cash Flow Forecast Year 2 (month to month) 33

 Cash Flow Forecast Year 3 (month to month) 34

EXECUTIVE SUMMARY

EMB Natural Ventures, LLC (“EMBNV”) is a Massachusetts limited liability company that received a provisional license effective March 7, 2020 from the Massachusetts Cannabis Control Commission (the “Commission”) to enter the legal adult use cannabis cultivation market in the Commonwealth of Massachusetts. The company has opened administrative offices at 330 High Street in Holyoke, MA and plans to create an indoor, state-of-the-art grow facility in a building to be constructed on property owned by an affiliated entity at 140 Middle Water Street in Holyoke’s General Industry zone designated for urban redevelopment.

The cannabis cultivator serves as the foundation of the legal adult cannabis industry. EMBNV is committed to producing the highest quality cannabis flower tailored to the needs and desires of the Commonwealth’s adult use consumers. Industry research reveals that opportunity and need exist for cultivators to do a better job of assessing customer needs and to match those needs to plants with four-month to five-month growth and harvest cycles. EMBNV’s operations, which will be in strict compliance with the legal requirements set forth in 935 Code of Massachusetts Regulations 500.00, et seq., will focus on outreach to its direct customers, such as licensed cannabis retailers and product manufacturers. This process will allow EMBNV to plan for, and to produce, specific product variants expertly and efficiently. By developing customer-specific strains in its facility, utilizing tailored environmental controls and grow media, EMBNV will set itself apart and will produce and provide the premier cannabis offering in the Commonwealth of Massachusetts.

Opportunity

In 2016, Massachusetts Ballot Question 4 legalized adult use of cannabis by a 54% to 46% margin of approval. The Commonwealth thereafter passed Session Law – Acts of 2016 Chapter 334, revised by Acts of 2017 Chapter 55, to regulate and tax the legal use of cannabis for individuals 21 years of age or older. Based upon this legislation, the Commission was formed in 2017 and thereafter promulgated regulations, 935 CMR 500.000, et seq., for the legal adult use cannabis industry within the Commonwealth. This “recreational use” law placed Massachusetts in line with other states that have opened the legal cannabis industry to its citizenry.

As of the writing of this Business Plan, 43 states in the U.S., as well as the District of Columbia have enacted medical marijuana or CBD/low-THC laws. Thirteen states plus the District of Columbia have laws regulating the cultivation and sale of marijuana for all adults, and a number of other states across the country are prepared to enact medical and/or adult use marijuana laws in 2021. The majority of these thirteen “recreational” states have permitted commercial production with oversight being assigned to a state agency with the task of creating a comprehensive regulatory framework within which all stakeholders must work. In Massachusetts, that state agency is the Commission.

The estimated market size of legal consumers of cannabis products in Massachusetts is between 725,000 and 800,000. This customer base is approximately 25% greater than the estimated 2020 market in Colorado, which has had adult-use cannabis laws for some time. It is indisputable that there is an oncoming market need for responsible cannabis cultivators and a growing demand for recreational use cannabis products will soon follow. With the opening of the first Marijuana Retailers in the

Commonwealth, sales reports have confirmed what most expected: Massachusetts residents and visitors are enthusiastic participants in the cannabis industry. The need is high for responsible businesses that will consistently cultivate, process and package high-quality cannabis products and transport those products to marijuana establishments throughout the Commonwealth.

“Marcos Marrero says that if one were to have a machine running an optimization algorithm that would weigh a host of quantitative and qualitative factors to ultimately determine the very best spot in the region — and maybe the country — to locate a marijuana cultivation and distribution facility, it would, when done with its analysis, likely spit out two words: Holyoke and Massachusetts.”

BusinessWest.com “There’s Certainly Growing Interest in Holyoke” (March 2018).

Indeed, the City of Holyoke provides an ideal location for a new cannabis business because of the City’s support for new businesses, plenty of available industrial space, and low utility costs. The City’s revitalization plan specifically identifies cannabis establishments as target businesses to attract to Holyoke. EMBNV’s cultivation facility coincides with many of the City’s revitalization goals, such as: Enhancing the Entrepreneurial Eco-system, Clean Energy Innovation and Development, and Urban Agriculture Industry Cluster. Holyoke Mayor Alex Morse predicts an “industrial renaissance,” supported in part by the cannabis industry, in the once thriving business and industrial districts.

Business Model

EMBNV’s business model will create demand for limited production runs of high-quality cannabis flower for use by licensed cannabis product manufacturers and for sale at select licensed cannabis retailers throughout the Commonwealth. End users demand consistent and predictable cannabis products, and companies that produce inferior product will likely fail. EMBNV, through its cultivation processes and operational ability to repeat production, will earn the loyalty of its customer base to own the top spot for customer demanded cannabis flower in products and at retail.

By working closely with its licensed cannabis establishment customers, EMBNV can tailor plant strains, characteristics and quantity to create ideal products for the future retail market. The goal will be to pre-sell entire harvest yields to discerning, high-end cannabis establishments. Extensive company research has poised EMBNV to create and maintain successful partnerships with all licensed cannabis retailers within the Commonwealth, in order to provide consistent and repeatable sources of business for its products.

The company will be known for excellent customer service, as well as always adhering to core values of honesty and integrity. Each of EMBNV’s principals has a demonstrated record of professional excellence with attributes easily transferrable to the cannabis industry. Each individual has a long record of meeting business commitments, a core value that will enable EMBNV to distinguish itself as an industry leader with respect to its products and its supply chain.

The company will also seek out innovative product manufacturers that are developing the latest cannabis products and dosing mechanisms. New cannabis products, such as micro-dosed spice packets for adding

to foods or drinks, will be developed by high-end product manufacturing establishments. EMBNV aims to meet the expected demand for consistent high-quality plants in predictable volumes and schedules.

Focusing on quality, and developing strong industry relationships, will provide the best protection for the company from any market price fluctuations as product supply and demand vary in the coming years. Lean operations combined with predictable revenue from pre-sales will enable EMBNV to grow operations. The company chose a facility in Holyoke in which operations can expand within nearby business structures to up to ten times the initial square footage.

EMBNV's provisional license from the Commission is for a Tier 3 cultivation facility, but 935 CMR 500.050(2)(c) will allow the company to expand its cultivation Tier to increase the useable canopy square footage as market demand increases. The established operational plans and procedures in place are not dependent on the Tier level and may be consistently applied to any future tier designation. The company's selection of a site for operations is another strong indicator of its ownership's business acumen and dedication to success. Each of the pre-operational decisions made by EMBNV has been carefully thought out with total consideration of the stringent regulatory framework established by the Commission and the Massachusetts Department of Public Health. This thoughtful and serious development of its business model, as evidenced by its successful adoption of a Host Community Agreement with the City of Holyoke, as well as by a successful community outreach campaign, places EMBNV in a strong position to attain success in a relatively short period of time.

Cultivation Philosophy

The founders of EMBNV have witnessed first-hand, and had a part in, the explosive growth of controlled environment agriculture, an indoor, technology-based approach to achieving optimal growing conditions throughout the development of any given crop. In recent years, the indoor agricultural industry has experienced remarkable advancements in lighting, air handling, and environmental control systems. EMBNV's founders have experience in the design and operation of an indoor (non-cannabis) organic grow facility in Waterbury, Connecticut. The



ability to create optimal conditions for all stages of a plant's development delivers the highest quality plants at high-capacity yields. EMBNV's founders have a record of hands-on success in this unique process. As demonstrated in EMBNV's Operating Plans, copies of which were submitted to the Commission in support of the company's provisional license application, both EMBNV and its professional vendors and consultants (both present and contemplated) are well-versed in the additional operational requirements incumbent upon cannabis cultivators, as set forth in 935 CMR 500.120.

The company's success in maximizing its yield of fresh, genetically pure, high-quality products will come from its ability to control and innovate in six primary areas of agriculture:

- 1) Lighting: leverage low-energy light sources that will provide optimized spectrum and appropriate photosynthetic photon flux density (PPFD) for every stage of plant growth.

- 2) Grow Medium: use of a proprietary, balanced medium to maximize healthy and stable root growth.
- 3) Air Circulation and Ventilation: simulation of the beneficial conditions that plants experience in nature, such as air movement and humidity, to strengthen plants and to minimize exposure to pests and other contaminants. Air surrounding the plants will have been carbon-filtered and purified with UV light when circulated outside the plant areas.
- 4) Temperature: an optimal temperature control system has been designed for the different stages of cannabis growth, to provide appropriate temperature fluctuation and to increase product flavor and effectiveness.
- 5) Nutrients: organic and base nutrients will be combined to form a proprietary form of nutrient blends, customized for product strain, stage of lifecycle, and plant size.
- 6) Water: a water purification system will be utilized to filter and purify the local water supply, as well as to adjust to optimal pH for the most effective and efficient use by the plants.

Community Outreach

EMBNV's ownership believes that being a good corporate citizen means more than running a clean, ethical and compliant cannabis cultivation business. It also means providing support and care for the communities in which the company does business. EMBNV will commit its corporate resources to support community projects and non-profit organizations. The company's founders, who possess diverse strengths and philanthropic callings, have established four pillars of EMBNV's community outreach plan:

- 1) Uplift and empower the local employment environment with a goal of 80% of staff from the City of Holyoke. This employment goal far exceeds minimum level expected by the City of Holyoke, but EMBNV is sincerely committed to this goal. EMBNV was excited to learn of, and fully embraces, the Commission's recent approval of a first-of-a-kind proposal from the City of Holyoke, Holyoke Community College, and the Cannabis Community Care & Research Network. This joint venture will provide a training ground for residents of Holyoke who are seeking jobs in the cannabis industry. EMBNV looks forward to serving as a partner with this initiative, which is sure to benefit both it and local residents.
- 2) Coordinate and lead local educational events providing advice regarding agricultural techniques and legal issues unique to the cannabis industry. Programs are planned concerning the responsible use of cannabis products in both recreational and medical settings.
- 3) Charitable giving in the form of paid volunteer hours for company employees and monetary donations as a percentage of the company's profits.
- 4) EMBNV's corporate philosophy is embodied, in part, by the terms and conditions set forth in its Community Host Agreement with the City of Holyoke which calls for the payment of impact fees, a local hiring commitment, and cooperation with local public safety officials.

Like the mission of the Commission itself, EMBNV's goal is to conduct all its processes in an open and transparent manner, to engage in regular and consistent two-way communication with all concerned

stakeholders, and to build a world-class business that is a credit to its principals, its customers, and the City of Holyoke. EMBNV will be a thoughtful, engaged and responsive neighbor and corporate citizen.

Target Market

EMBNV's customer base is expected to be licensed Retailers, Product Manufacturers, Research Facilities, and Laboratories in the Commonwealth of Massachusetts.

The Commission began accepting applications for prospective licensees in April 2018. Marijuana License classes include:

- Marijuana Cultivator
- Craft Marijuana Cooperative
- Marijuana Product Manufacturer
- Marijuana Retailer
- Marijuana Research Facility
- Marijuana Transporter
- Marijuana Microbusiness
- Independent Testing Laboratory and Standards Laboratory



End consumers for legal adult use cannabis in Massachusetts will purchase products from a licensed retailer. These retailers will provide cannabis flower direct from cultivators, like EMBNV, and will provide products such as vapes, extracts, and edibles produced by licensed product manufacturers. EMBNV will focus on relationships with retailers and product manufacturers before the first generation of plants start as seedlings. As previously mentioned, EMBNV has conducted exhaustive research into all present and prospective clientele and is fully prepared to establish business relationships with industry partners as soon as it is licensed.

Competition

The legal adult use of cannabis for medical or recreational purposes is still in its early stages across the United States. In 43 states, cannabis products are permitted under specific guidelines for medical purposes, while in 13 states plus the District of Columbia cannabis sales have been legalized for all adult-use purposes. After a successful ballot initiative, Michigan became the more recent state permitting adults age 21 and over to purchase and possess recreational-use marijuana. Of particular note is the State of Vermont which, in January 2018, became the first state to utilize the legislative process, rather than ballot initiative, to legalize the recreational use of marijuana.

Existing federal law, however, precludes marijuana sales across state lines. As a result, EMBNV's prospective business, as well as its prospective competition, will be found exclusively within the Commonwealth of Massachusetts, where legal retail sales of cannabis products began only in late 2018.

The data from those states in which fully-legal programs have already been established demonstrates the boom and bust cycles created by high numbers of cannabis supply businesses coming into the market. Maintaining high quality products while paying close attention to operational costs has proven crucial for the most successful cultivators, product manufacturers, and retail establishments. The vast majority of recreational licenses granted by the Commission have been Marijuana Retailer licenses. The most recent data from the Commission indicates that the consuming public has embraced the advent of recreational marijuana. With four weeks of reported gross sales across the Commonwealth, consumers spent approximately \$364,000.00 daily on marijuana.

EMBNV takes these robust sales figures for what they are – a small sample size. But it is indisputable that there is a market for this business within the Commonwealth. Data from other jurisdictions, which have been studied by EMBNV, provides more long-term supportive data that lead to the initiation of the company's Marijuana Cultivator license application.

EMBNV will compete with other cultivators, craft cannabis cooperatives, and microbusinesses to supply the available products for Massachusetts residents and tourists. To be successful, and to achieve a position as a preferred supplier of high-quality cannabis products, EMBNV has committed to creating, adopting and implementing the following measures, all within the regulatory framework of state law:

- Focus on producing consistent, high-quality cannabis to meet demand.
- Maintain an effective operational structure, and foster strong relationships with cannabis retailers and product manufacturers, which will allow for quick responses to shifting customer needs.
- Control expenses to protect margins, in anticipation of a likely reduction in the retail price of cannabis products as supply balloons within the next three to five years.
- Work in conjunction with the local community to foster good will and understanding for legal adult use of cannabis, creating an overall positive impact for the citizens and economy of the City of Holyoke.
- Establish a solid system of procedures and controls, including with regard to operations, management, back office, and front office, with constant attention to regulatory compliance to accomplish the company's mission.

COMPANY SUMMARY

The Company

EMBNV received a provisional license from the Commission in March 2020. Originally, the company's principals intended to renovate an existing structure at 140 Middle Water Street in Holyoke, MA that had been built in the 1880s as a paper mill. As architectural and engineering experts began laying out plans for the renovation, however, it became clear that the safer and more cost-efficient way to proceed would be through a demolition of the existing structure and the construction of a new building containing approximately 34,000 square feet of available space.

Upon completion of the project and the opening of its facility for operation, EMBNV expects to employ up to 25 individuals for its business operations, with a focus on drawing the majority of its employees from residents of Holyoke and the surrounding areas. In its initial community outreach, EMBNV made known its desire to hire local men and women, and the company's message has been well received by community members and nearby businesses. The use of local personnel, combined with the operation of a facility located within the city's enterprise zone, will generate significant economic benefits for the city.

Subject to approval of its architectural plans, which are expected to be submitted to the Commission in March 2021, EMBNV anticipates completion of construction of its new facility in October, and the planting of its first crop, comprised of up to five cannabis strains, by December, with a first harvest in March 2022. Ultimately, the facility will have the ability to grow up to 3,000 plants and flowers concurrently, producing up to 15 different strains of cannabis from seedling to finished product.

The Management Team

Eddie Fernandez is an entrepreneur, business owner, and horticulturist based in Waterbury, CT. He was born in Connecticut and raised in Puerto Rico before moving with his parents to the Norwich, CT area. He now resides with his own family in Hamden, CT. In 2003, he formed a retail insurance agency, which ultimately became The Tiano Group, LLC, a Connecticut-based business serving Latin American and immigrant communities in securing insurance through the Affordable Care Act. At its height, Tiano had annual commission revenue in excess of \$80 million with approximately 200 sales personnel. In 2013, Mr. Fernandez founded One Touch Repair LLC, which operates out of Waterbury, CT. The company provides logistical support to municipalities and large companies for employee electronic devices, such as cell phones, tablets and radios. He continues to operate that company, which has annual sales of approximately \$500,000.

In January 2017, Mr. Fernandez created CT Natural Ventures, LLC ("CT Natural Ventures"), an indoor, organic grow facility based in Waterbury, CT that produces basil, microgreens, parsley, mints, peppers and tomatoes, with sales mostly being made to public school districts in Connecticut's Hartford and New Haven Counties. Through CT Natural Ventures, Mr. Fernandez and his staff have successfully developed optimal systems for controlled environment agriculture, including through innovative uses of LED lighting and grow media nutrition. These systems should easily be adapted to the cannabis cultivation operation planned for EMBNV in Holyoke, MA. Mr. Fernandez has carefully studied and familiarized himself with the various operational requirements for indoor marijuana cultivators, including the regulations set forth in 935 CMR 500.120.

Mr. Fernandez, who is bilingual in English and Spanish, has been a life-long builder of relationships, and he enjoys contributing to and improving each of the communities of which he is a part. He expects to use his platform with EMBNV to stimulate employment and business opportunities for minority groups in Holyoke, MA.

Mark Ellis is an entrepreneur and investor based in Dallas, TX. In 1991, he earned his Bachelor of Science degree from Massachusetts Institute of Technology in Computer Science, with a concentration in Mathematics. He has since had a successful career in software product development, including serving in executive and management level positions in several start-up companies. In particular, he was a co-

founder and Chief Technology Officer of PeopleAnswers, a predictive analytics software company that helps companies decrease employee turnover and increase productivity.

Mr. Ellis designed and led development of the company's innovative software systems, transforming the way clients select and manage talent. PeopleAnswers achieved 40 consecutive quarters of revenue growth prior to its acquisition by Infor, Inc. After the company's acquisition, Ellis stayed on as a Group Vice President at Infor.

Mr. Ellis has also been an active real estate investor and developer, having purchased, built and/or renovated over 100 homes in the Dallas, TX area. He has extensive experience in planning and managing construction projects from start to finish and enjoys applying his eye for design, as well as his people and project management skills, to fully renovate and revitalize distressed properties.

Additional EMBNV Team Members Who Are Not Part of Ownership

William Musson is expected to serve as EMBNV's Director of Production. He specializes in all aspects of controlled environment agriculture, excelling in the healthy production of organic herbs and produce from seed to flower. He has been the Operations Manager for CT Natural Ventures since that company began operating in January 2017, and throughout his time with the company he has gained extensive knowledge in all details that go into a successful indoor grow facility, including the design and building of an indoor grow framework and the use and assembly of vertical racks, light installations, and HVAC, plumbing and electric systems.

Growing multiple herbs and vegetables in an indoor setting, Mr. Munson has become a master at achieving optimal production under the many environmental challenges faced in an indoor agricultural operation, resulting in quality organic product with low waste and cost. Experimenting with different nutrient recipes, and different grow mediums such as hydroponics, he has used his experience with CT Natural Ventures to gain advanced horticultural tools, which should be easily applicable when he moves to EMBNV's operation in Holyoke, MA.

Earlier in his career, Mr. Munson was a professional baseball player in Australian leagues.

Michael Dixon is will be employed full time in 2021 as EMBNV's Director of Human Resources and Director of Training, after working for many years as a human resources executive, and the principal Connecticut contact, in the retail and corporate divisions of P.C. Richard & Son, the largest chain of private, family-owned appliance, television, electronics and mattress stores in the United States, with over 2,800 employees. Among his responsibilities have been acting as local representative for media promotions as the on-air contact for both radio and news communications, as well as for the organization of an annual Greater New Haven Chamber of Commerce event including 120 key business owners and employees in New Haven County, CT.

Since 1997, Mr. Dixon has trained in Chinese martial arts, reaching a 6th Degree black belt, a master level rank in the Chinese Kempo Karate system. He also teaches martial arts and has promoted over 60 students to the degree of 1st Degree black belt and higher.

David Fernandez is expected to serve as EMBNV's Head of Transportation. He currently resides in Norwich, CT and performs mechanical services and maintenance on buses for Southeast Area Transit, a

provider of local bus service in eight towns and two cities in the southeastern portion of Connecticut. Before that, he worked for over 20 years as a professional driver and auto mechanic, transporting commodities via tractor trailer throughout New England, Canada, and the Southeastern and Midwest regions of the U.S. He began his career in mechanics and transportation during his service in the Connecticut National Guard.

He is also a lay minister, with a concentration in theology and philosophy, and is bilingual in English and Spanish.

SALES AND MARKETING PLAN

Summary

In order to be successful, EMBNV will create a sustainable revenue stream sufficient to produce positive cash flow for the business. The company will implement a robust Sales and Marketing program to accomplish this goal and to grow the business steadily over time. Each of the company's principals has extensive experience in "start-up" businesses, and each brings a deep wealth of knowledge in the implementation of the organizational discipline needed to achieve long-term profitability. EMBNV's mission is to achieve financial success while being an exemplary corporate citizen. Believers in the adage that a "rising tide floats all boats," the company's leadership team is committed to giving back to the community that sustains its operations. The company's success will, in turn, be beneficial to both the City of Holyoke and the Commonwealth of Massachusetts.

Methods

EMBNV will employ various approaches to generating sales and conducting its marketing, and the relative importance of these approaches can be expected to evolve over time. A primary goal of the company is always to utilize the best sales/marketing approaches based on how the company, the market, and the industry mature. This process will always be a moving target, and it requires both knowledge and sound judgment to make the right decisions at the right times to create the best outcomes. All sales and marketing campaigns will be fully compliant with the requirements and directives of 935 CMR 500.105, as they pertain to advertising, marketing, labeling, packaging and branding protocols.

As cannabis sales in Massachusetts experience an initial increase with the operation of more and more retail establishments, a corresponding increase can be expected in the demand for product, and one of the primary initial challenges of EMBNV will be meeting that demand.

During this early phase of the company's growth, consumers will have little knowledge about the different producers and products. They will be largely be indiscriminate, content to purchase any product in the new market. However, as the market evolves and becomes more sophisticated over a period of years, consumers will become educated and can be expected to develop purchasing and product preferences. EMBNV understands this phenomenon and will position itself to be a company of choice for recognized and sought-after products and brands. The company's principals have experienced this "product cycle" in various industries, including in the non-cannabis organic grow market, and will rely on this expertise in making EMBNV a market leader in Massachusetts.

Selling to Retail Establishments

As a marijuana cultivator, EMBNV will generate consistent revenue by selling to licensed retail establishments. During the early phases of the company's growth, its sales/marketing efforts will focus almost exclusively on direct sales to these establishments. Initially, consumers will have no direct exposure to EMBNV, and the retail establishment buying agents alone will control end-product sales. Over time, however, as consumers develop preferences and an awareness of the source of different retail products, retail establishments will respond to those preferences and place orders based on the evolving consumer demands.

Although EMBNV will be selling directly to retail establishments, the company will study, influence and respond to consumer preferences in various ways, through market research and customer feedback, which will impact sales through both direct and indirect channels. EMBNV's operational goal will be to conduct its business in such a manner as to influence the decisions of both retail establishment buyers and their consumers. This approach will maximize revenue and play an important role in educating consumers and influencing their behavior.

Generating Awareness

Generating awareness is a necessary component of any successful business, and that phenomenon will be no different in the cannabis industry. How to market products and make potential customers cognizant of one's place in the market requires a well-conceived, consistently applied plan. At the outset, such a plan will involve things like branding, product naming, logos, and packaging design, allowing EMBNV's products to be recognized and requested. Developing recognizable consumer brands and recognizable products opens the door to creating product loyalty, which is key for long-term success. Each of EMBNV's principals has extensive experience in bringing products and services to market and in creating successful business campaigns that result in sustainability of market concepts.

Creating Loyalty

Many factors go into creating loyalty for a company or its products, including earning a particular reputation, presenting a particular image, standing for certain causes, and conveying emotions or meaning. EMBNV is aware of the dynamics of brand loyalty and plans to foster such loyalty over time through its mastery of these factors. The company's marketing plan, and more importantly its total commitment to the cultivation, processing and packaging of top value cannabis, will create the loyalty needed for a successful business. There are no shortcuts to earning a good reputation. EMBNV's principals have spent careers doing just that, which uniquely positions them to replicate that success in the Massachusetts cannabis industry.

Utilizing Best Practices

EMBNV also recognizes the need to deploy capital wisely, especially in the start-up phase. The company will make sound decisions about how best to increase sales, and to improve its marketing, through various stages of business growth, and the company will use capital-efficient approaches in each such stage. EMBNV's capital stack is fully funded to finance all initial start-up costs through the point of

positive cash flow. In addition, sufficient reserves are available to account for unforeseen market fluctuations or changes in the business.

The company will leverage the considerable experience of its leadership team to develop sales, branding, marketing, relationships, and community outreach programs. In particular, the company will select inside staff and outside partners to assist with executing those programs in a productive and cost-effective manner. A series of industry specific set of “best practices” will be established, implemented and executed, including the use of technology and tools to streamline operations and to help operate the business.

Limiting Target Audience

EMBNV is committed to limiting its target audience in a responsible manner. The company is cognizant of the responsible and necessary safeguards established by the Commonwealth’s regulatory framework on this issue, and the company will take careful steps to limit its communications and interactions to only individuals over 21 years of age. To do this, the company will utilize various forms of age identification and confirmations to help maintain this standard. These “best practice” protocols will be carried across all of EMBNV’s platforms.

Relationship-Based Sales

EMBNV recognizes the importance of creating positive and long-lasting relationships. The company’s principals have each spent their careers establishing and fostering the types of relationships needed to be successful in business and in life. These “soft-skills” are easily transferrable to their work on behalf of EMBNV. Relationship-based selling, including the acts of recognizing and responding to the unique needs of both individuals and businesses, will be core to its approach of working with retail establishments. EMBNV has already been performing research necessary to establish the desired relationships with all pertinent stakeholders, and, to the extent possible, the company will have personal, face-to-face interactions with each operating retail establishment in Massachusetts as part of its effort to develop healthy and productive business relationships. Eddie Fernandez, one of the company founders, has especially deep experience in sales and will focus his efforts and talents on relationship-based sales to retail establishments. Mr. Fernandez will regularly meet with representatives of individual retail establishments to develop and foster such relationships.

Standards and Commitments

EMBNV will aim to establish a reputation as a trusted partner to retail cannabis establishments, and in that respect the company will aspire to the highest standards as a good corporate citizen. The company will be known for excellent customer service, including transparency and prompt responsiveness to questions and concerns. The company’s principals believe that frequent, positive interactions with retail establishments are important for supporting repeat sales, as part of a constructive relationship-based selling approach. No company, regardless of the industry, can achieve sustainable success without repeat business. One of EMBNV’s core missions and operational goals will be to make each first-time customer a customer for life.

EMBNV's core values of honesty and integrity will be demonstrated by its honoring commitments. All commitments, to the Commission, the Commonwealth, the City of Holyoke and its residents, and the company's customer base, will be treated with the utmost seriousness. This focus on meeting commitments will extend to supplying products for orders placed by retail establishments. The company will strive to make accurate predictions of production volumes and will communicate timelines for delivery.

Once EMBNV accepts an order, it commits to supplying quality products on a timely basis. The company will have in place an established set of protocols, including a sophisticated production and inventory management system, which will enable it to meet and exceed each of its commitments. The company views this set of standards as part of its commitment to the Commission, the Commonwealth, and the City of Holyoke for the privilege of serving as a partner in creating a cannabis dispensing system that works well for all stakeholders.

Creating Engagement

EMBNV will create engagement programs for ongoing communications with retail establishments. These will include phone calls, in-person visits, mailings, and online contact as a means of collecting and responding to feedback. As is true in most modern-day businesses, EMBNV will also take advantage of the positive opportunities presented by the various forms of available social media. All of EMBNV's engagement protocols will be fully compliant with the framework set forth in the applicable provisions of the Code of Massachusetts Regulations.

The company will also provide information on existing products, and previews of upcoming products, through its communications. As permitted by the regulatory framework, the company may explore incentive and rewards programs for retail establishments to increase sales and deepen relationships.

Timing

The company will begin visiting and selling to retail establishments several months in advance of its first harvest. The goal is for every harvest to be fully committed to buyers and for each batch of product to be shipped out immediately when ready. The company will strive to minimize product aging and storage, as well as to achieve just-in-time availability for its products. An industry-best "real-time inventory," and meticulous attention to detail concerning its cultivation processes, will allow EMBNV to make the best use of time throughout the cultivation and sales cycles. The company will offer the freshest products and consistently meet its delivery commitments, taking care not to oversell or to fall short of demand.

Generating Awareness

Branding and Product Recognition

Where possible and appropriate, EMBNV expects to brand its products. Effective branding, product naming, logos, and packaging design will allow the company's products to be recognized, respected and requested. This effort will all be accomplished while strictly complying with the requirements of the applicable regulatory requirements.

Inside the Commonwealth's retail establishments, EMBNV may have limited control over presentation and exposure, especially with flower products. For cases where EMBNV controls packaging, however, the company will have the opportunity to directly present its brand. Especially with edibles, ointments, and other derivative products that the company may offer in the future with appropriate licensing, the company will have greater opportunities to control packaging in a more consistent manner. Such opportunities may also be possible with flower products alone, and the company will fully strive to control packaging and presentation.

Marketing Channels

The company will utilize a variety of channels for communicating with retail establishments and consumers. Both in-bound and out-bound marketing techniques will be employed. For example:

- **Brochures and printed material.** EMBNV will primarily use written collateral to facilitate retail establishment sales. Information concerning EMBNV's operations, services and products will be conveyed and highlighted to potential customers.
- **Retail establishment portals.** EMBNV will create an online web portal for retail establishments, allowing them to access information about the company and its products. Retail establishments will have the ability to place orders online, view order status, and view payment history and balances due. The site will utilize dynamic sections to facilitate an on-line community, and forums will be established for retail establishments, allowing them to exchange ideas and to communicate openly. In addition, EMBNV will share industry updates and regulatory news, providing suggestions and best practices for how retail establishments can improve and expand their businesses. When necessary, the company will use professional consultants and vendors to assist in this industry education. The integrated platform will allow retail establishments to provide confidential suggestions and feedback to EMBNV and to receive responses directly from the company.
- **Consumer-facing site.** As allowed by the regulatory framework, EMBNV will provide an age-restricted consumer site that includes information about the company and its products. The site will communicate how the company is acting responsibly while cultivating and handling cannabis, as well as how the cannabis industry is benefiting the community. The company will also present reviews, testimonials, and case studies, and it will provide information on where to go to buy EMBNV products.
- **Partner sites.** EMBNV will create an online presence, beyond its own website, by partnering with content aggregators, industry portals, product verification systems, and other sites.
- **Conventions.** EMBNV will have a presence at conferences, conventions, industry gatherings, and appropriate community events. In so doing, the company will gain exposure and establish itself as a thought-leader, a trusted source of information, and a responsible producer in the industry.

The company may also explore limited uses of social media platforms for certain communications, but it will do so cautiously and sparingly, understanding that it is offering adult products requiring sensitivity to legal age restrictions and community perceptions. First and foremost, the company will be a responsible partner in creating a successful cannabis program for the Commonwealth of Massachusetts.

Creating Loyalty

Differentiators

The key to building customer loyalty is creating ways to distinguish EMBNV and its products from others. Such factors as branding, product labeling, and marketing will allow retail establishments and consumers easily to recognize those distinctions. Establishing and communicating what those specific distinctions are, as a brand promise, is a key part of creating loyalty, which is one of the goals of EMBNV management. When consumers know what sets a company apart, they are more likely to view its products positively and to buy its products when they visit retail establishments.

Building a Reputation

EMBNV will strive to create positive impressions at all touch-points. The company will maintain high standards and ethics, focus on quality over quantity, keep its delivery promises, and communicate effectively with its customers. By consistently making positive impressions, EMBNV will develop a reputation of excellence. Retail establishments will be more inclined to buy from the company, and consumers will choose its products over others.

EMBNV will position itself as a responsible producer of premier cannabis products, with a goal of establishing a reputation as an industry leader that uses superior, eco-friendly grow processes to achieve high-quality results. The company will also strive to establish itself to be a thought leader in the industry, pushing to advance the cause of healthy and enjoyable cannabis use and to create better products and experiences for its customers.

Utilizing Best Practices

Leadership Team Involvement

Each of EMBNV's principals has many decades of collective experience that will be brought to bear for the benefit of the business. The company's founders will devote their full-time efforts to the business, and each will focus on his respective areas of expertise. Regarding sales and marketing, the team will make contributions as indicated below.

Eddie Fernandez will bring his deep experience with relationship-based sales to leading retail establishment sales and engagement. He will also be involved in leading communication strategies, branding decisions, and community outreach.

Mark Ellis will bring his technology leadership and business development experience to identifying and deploying technical strategies and solutions. These efforts will include a website with tools for online ordering and feedback for retail establishments, online engagement, including a consumer-facing content framework, and setup of a Customer Relationship Management system to track the life cycle of a sales inquiry from prospect to customer.

Using EMBNV's existing human resources for key sales and marketing functions, especially in its early stages, will allow the company to conserve capital and to ensure that it is making the best decisions.

Outside Resources

EMB NV's management is in discussions with Hibu (<https://hibu.com>), a firm that has led the marketing efforts for leading cannabis producers around the country. Hibu is familiar with the regulatory framework governing a Massachusetts cannabis cultivator, and EMB NV is exploring the possibility of engaging with that company for assistance with marketing technology and capabilities.

EMB NV has also identified a freelance branding and graphic design specialist with an interest in working with the company to create branding, product packaging designs, and other marketing strategies.

Consistent with the Commission's requirements, EMB NV will be registered with METRC LLC and will utilize that company's seed-to-sale system to track all cannabis products being cultivated, manufactured, transported, tested and sold.

In addition, EMB NV has, or will establish, relationships with other professionals, including attorneys, consultants and vendors who are available to it as it goes from applicant to license holder. While fully understanding that it is the responsibility party with regards to full compliance with the Code of Massachusetts Regulations, EMB NV acknowledges that to be a successful business venture it will need to employ the services of others for various aspects of its business operations.

Market Research

EMB NV recognizes that the cannabis industry is changing rapidly in Massachusetts and around the country. With that in mind, the company will engage with think tanks and research groups to understand current and likely future market conditions and trends. This process will help guide corporate strategy and decision-making. Operational decisions will be data-driven. Understanding customer needs and preferences will help ensure that EMB NV brings the best products to market and promotes those products in the ways most likely to be successful.

EMB NV will also perform analyses to refine and segment its sales audience and to optimize engagement, utilizing the channels that the company determines are most effective for delivering communication and generating action.

Use of Tools

EMB NV will utilize technology tools for sales and marketing. These include a Customer Relationship Management system, online order placement and tracking systems for its retail establishment clients to use, marketing automation tools, conversion rate tracking and analytics, and various tools to promote a strong digital presence. All these efforts will be in full compliance with the applicable regulations set forth in 935 CMR 500.000, et seq.

Limiting Target Audience

EMB NV will produce, and takes seriously its responsibility to produce, legal adult products and understands that communication with consumers must be age-restricted and appropriate. First and foremost, the company will be a responsible partner in creating a successful cannabis program for the

Commonwealth of Massachusetts, reinforcing the message that the company's participation in the cannabis industry is positive and will bring benefits to both the Commonwealth and the City of Holyoke.

Target Market

EMBNV will target cannabis retail establishments, licensed product manufacturers, and research laboratories that understand the value of high-quality cannabis flower delivered on a consistent basis. The company's sales and marketing efforts will rely heavily on feedback from licensed agents in the expanding Massachusetts industry.

Existing legal cannabis states' markets have shown a pattern of retailers and product manufacturers establishing a solid customer base, only to have customer loyalty undermined when those retailers and manufacturers are unable to meet current demands while balancing future demands, especially with evolving trends and preferences.

Within two months of its cultivation license approval by the Commission, and before the first seed is planted, EMBNV's sales and marketing staff will start evaluating likely buying tendencies within the Commonwealth. The goal is to understand the business being conducted by the company's direct customers, as well as to evaluate the tastes and preferences of the ultimate consumers, in order to develop a plan for how EMBNV can best serve its intended market. This evaluation process will dictate the company's decision-making as to which strains will be generated, and in what quantities, to ensure a consistent supply of high-quality cannabis matching customer preferences as projected during the period approximately five months after planting begins.

OPERATIONS AND IMPLEMENTATION

Cultivation Facility

Through a separate legal entity named Alaska Assets LLC, EMBNV's two owners have purchased the property at which the then-existing building was demolished, and EMBNV's cannabis cultivation facility will be built, in the industrial zone of Holyoke, MA. It is the company's intention to outfit the new facility to provide an ideal location in which to grow, harvest, dry, cure and package cannabis flower in environmentally-optimized conditions.

Massachusetts allows two types of facilities for cultivation: greenhouse and indoor.

The disadvantages of greenhouse growing include:

- Land footprint is larger due to single-layer growing.
- Environment controls must consider weather and seasonal climate.
- Fewer options to benefit urban economic empowerment areas.

The principal indoor challenges include:

- Maintaining proper ventilation.
- Higher energy costs.
- Facility rent or purchase prices inflate because of the profitability in the legal cannabis industry.



(Source: Medicine Man Technologies)

Indoor cultivation advantages include:

- Cleanliness, and control over the environment for all stages of plant cultivation.
- Security can be more robust and complete.
- EMBNV's host city, Holyoke, has an abundance of vacant industrial and warehouse square footage for potential expansion.

EMBNV will construct and implement a 100% indoor grow facility in Holyoke, MA. The customized 34,000 square foot facility will be designed to maximize control over an optimal plant environment. In addition, the revitalization of this industrial building will help to improve an economically challenged area within the city.

Cultivation Plan

EMBNV's cultivation facility design utilizes the latest in agricultural technology, from lights to resource recapture systems. The company has developed a combination of agriculture tools to improve energy and labor efficiencies. It has also created direct relationships with technology vendors to test its design plans by growing herbs, greens and fruiting plants. The experience and success of one of the company's founders, Eddie Fernandez, in the controlled environment agriculture industry, particularly in the science that supports indoor growth, will help to ensure that EMBNV's facility will be at the forefront of the available technology.

Space Optimization: Go Vertical

The traditional image of an agricultural development site may be farm fields stretching to the horizon, comprised of a virtual sea of vegetation. The only way to recreate something similar within the constraints of an indoor facility is to create layers – that is, to go vertical with shelves of plants.

EMB NV can produce a significant quantity of cannabis plants within the confines of a 34,000 square foot facility because the company's proven tiered grow structures will be optimized for every stage of the growth of such plants.

In particular, the company will implement the following techniques to optimize space without sacrificing quality:

- Shelving racks for all seedling and vegetative stages.
- Low-heat, high PPF lights to minimize the required distance between lights and plant shelves.
- Flexible plumbing and electrical design to supply various sizes of rack systems.
- Plant stress training to shape plant height, maximizing the ratio of yield vs. height.

The company expects to achieve space efficiency in a manner that will allow grow systems to be reproduced in almost any industrial building, whether for cannabis or non-cannabis products.








Solar Options

The high energy requirements of cannabis grow facilities creates an opportunity to save operational costs by utilizing renewable and off-grid power generation and storage solutions. EMB NV's proposed facility in Holyoke, MA offers an extensive roof and nearby vacant lots which could be utilized for solar panels.

EMB NV is in the process of evaluating possible solar options and, if feasible, will acquire surrounding land over time to support solar panels as part of the company's commitment to eco-friendly cultivation practices.

Cultivation Strains

EMBNV will initially focus on cannabis strains that grow well indoors and have proven their market viability based on consumption by experienced and novice cannabis customers. The company’s research and development has identified several strains of cannabis that meet this criterion:

| | Strain Name | Sativa / Indica | THC | CBD | Effects: |
|---|---------------------|---------------------------|------------|------------|--|
|  | Green Doctor (GD-1) | 20% Indica, 80% Sativa | 8% | High | Hungriness, Energy, Focus |
|  | Afghan Kush (fem) | 100% Indica | 20% | Medium | Euphoriat, Happiness, Hungriness, Relaxation, Sleepiness |
|  | Chronic Widow (fem) | 65% Indica, 35% Sativa | 23% | High | Relaxed, Sleepy, Relaxation, Pain Alleviation |
|  | Big Bud | 60% Indica, 40% Sativa | 16% | Low | Euphoriat, Happiness, Relaxation, Sleepy |
|  | Bruce Banner | 20% Indica, 80% Sativa | 25% | Low | Energy, Happiness, Relaxation |
|  | Green Cush | 75% Indica, 25% Sativa | 22% | Low | Energy, Euphoriat, Happiness, Uplifting |
|  | Agent Orange | 45% Indica, 55% Sativa | 19% | Low | Uplifting |

FINANCIAL ANALYSIS

Financial Feasibility

EMBNV currently maintains a checking account at Century Bank with a cash balance of approximately \$3 million, providing ample cash on hand so that the company will be able to fund the new construction and initial operations of its licensed cannabis cultivation facility through the point at which the business reaches profitability.

The company is funded exclusively through the assets of its owners and has not relied on outside financing of any kind, traditional or non-owner investor. One of the company's principals in particular, Mark Ellis, has a net worth in excess of \$19 million. He has provided the company's initial funding, and he is prepared to direct as much of his capital into the company as is necessary to make the business successful.

Mr. Ellis holds most of his wealth in the form of real estate in Dallas TX, one of the hottest markets in the country for home sales. Either directly or through single-member companies, he owns over 90 properties and can quickly sell or obtain loans against his real estate holdings to generate additional funds for EMBNV, if required. He has over \$1 million cash in checking accounts available for immediate use, should EMBNV require additional funds. The liquid assets that Mr. Ellis has available, plus the capital that he can raise through sale of real estate holdings, is more than enough to overcome any unforeseen setbacks, as well as to fund expansion plans that the company may entertain.

By self-funding the business through internal resources, EMBNV has significant advantages over prospective cannabis cultivators that may struggle to raise outside capital or to satisfy investor demands for frequent capital distributions. The company's financial resources will allow it to stay on course, implement its plans, reinvest capital, and make decisions for the long-term benefit of the business. The company will also have the flexibility to deploy additional capital along the way if necessary.

Investment Requirements

As shown in the table set forth on the second page of the Appendix to this Business Plan ("Cash Flow Forecast Years 1-4"), EMBNV's total start-up expenses for the first year are projected to be \$2,351,181, inclusive of construction work, capital equipment, and operational expense funding before positive cash flow is achieved. This projected figure also includes reserve of \$167,000 in projected wind-down costs, as required in the Commission's regulations.

EMBNV estimates seven months for construction of the new building before the company begins actual grow operations. The company expects positive cash flow approximately one year after the start of construction.

Initial investments will cover early construction costs and capital equipment, including the following projected expenses:

- Constructing the building: exterior, interior, water processing and reclamation systems, HVAC, and utility supply facilities. Based on an understanding reached with the construction company to

be used for the project, over half of the construction costs will be deferred to 2022, after the business is operational.

- Security system, including redundant alarm and monitoring equipment, cameras, data storage, security room, door access panels, and security badges, all fully compliant with the regulatory requirements.
- Equipment, including computers, all necessary software and furniture.
- Growing equipment and environmental systems, including LED lighting for plants, CO₂ generators, A/C systems for grow rooms, master controllers for each room, grow tables, and tools.

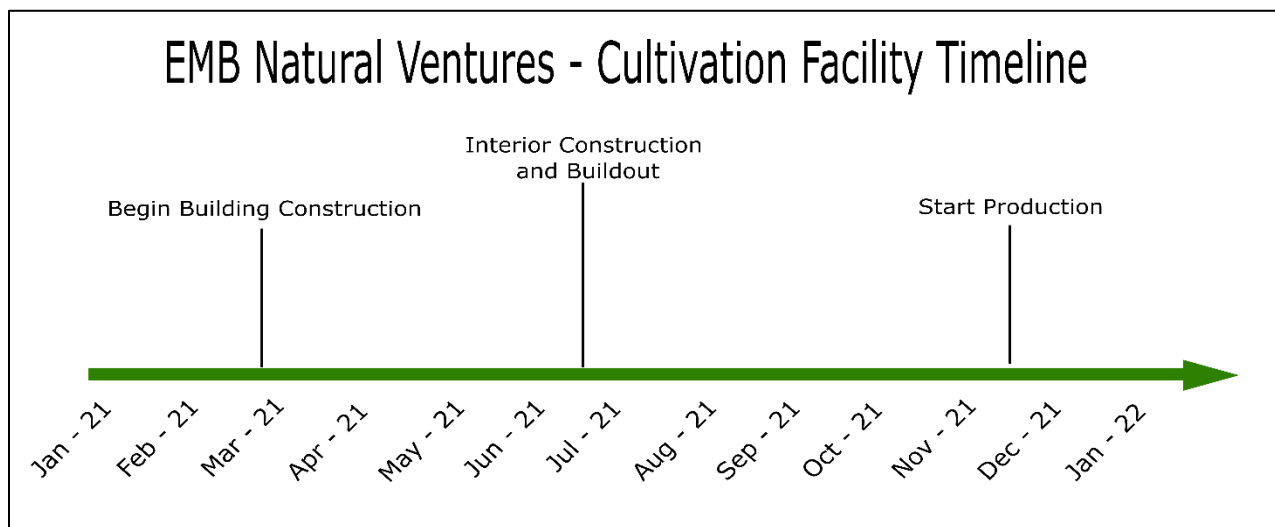
Proof of Capitalization Documents

Upon request, EMBNV is prepared to furnish a checking account statement from Century Bank showing cash on hand, as well as the following additional documentation:

- A full listing of real estate holdings owned by EMBNV principal Mark Ellis, either directly or through his single-member companies.
- Individual property closing statements and related entity ownership from Mr. Ellis’ business.
- Financial statements for Mr. Ellis and his business entities.

Timeline

Subject to the Commission’s review and approval of architectural plans for the new building, construction will begin in March 2021 on the new facility at 140 Middle Water Street in Holyoke, MA. Design and construction professionals have been engaged, and EMBNV’s principals conservatively estimate seven months for building construction and cultivation area buildout.



Based upon that timeline, production (planting) would begin in December 2021. In order to deliver a consistent and predictable supply of products to customers, the company will prime the grow facility over a period of three months. Initial seeding will be constrained to 35% of full capacity, followed by two more seeding rounds at six-week intervals from the beginning of production. When the first mature plants are

harvested, which is projected for March 2022, the company estimates volume to be approximately 25% of a full-rate production schedule. Consistent monthly harvests will be maintained through regular, periodic seeding on the front end of production, combined with different grow cycle times based on strain. EMBNV estimates full-rate production harvests to be achieved by September 2022.

Any unanticipated delay in this timeline will be covered by available owner capital.

Financial Forecast

EMBNV forecasts positive monthly cash flow approximately one year from the start of construction, with overall profitability occurring in the first year of operation after the completion of construction. Profit forecasts are based on a facility utilizing 11,135 square feet for plant cultivation. The financial analysis assumes an average wholesale price of \$2,900 per pound of cannabis. This price is intentionally conservative for a relatively new recreational market. These assumptions are expected to enable the company to reach actual profitability no later, and possibly sooner, than the projected date. The financial projections also include the establishment of reserve funds to maintain positive net revenue through inevitable periods of market price fluctuations.

EMBNV will fund construction and equipment procurement through owner capital investment. The first-year expenses consist primarily of capital expenses such as the first portion of building construction costs (the second portion being deferred, pursuant to an agreement with the construction company, to year 2) and grow facility equipment. Effective January 1, 2021, the company's Director of Human Resources and Head of Training will be employed full time by EMBNV, at a salary of \$160,000 per year, and will be working with the company's owners on planning and preparation for the commencement of operations. Additional key staff members, such as quality control and security officers, will be hired starting in October 2021 to help finalize the design and outfitting of grow areas. By January 2022, operational expenses should be at approximately 60% of costs for full production. By July 2022, the facility will be fully staffed and fully operational.

The company expects its first sales revenue in April 2022 while processing at approximately 25% of full production capacity, which would also provide the first revenue that would be used to calculate the Host Community Agreement impact fee for the City of Holyoke. Even at such lower rate of production, the company estimates positive net income also by April 2022. By July 2022, the company will be operating at its full rate of production and will have consistent net income before taxes from its cultivation operations thereafter.

Based upon projected revenue for 2022, the City of Holyoke can expect EMBNV to pay an impact fee of approximately \$219,000 for that year. It is anticipated that the amount of that fee will increase to over \$372,000 in 2023.

EMBNV will leverage the experience gained by its principals from renovating and outfitting the CT Natural Ventures non-cannabis organic grow facility in Connecticut to accurately predict operating costs for the Holyoke cannabis cultivation facility. The company has already developed relationships with suppliers for grow equipment, including lighting, racks, temperature control, and air treatment. Utility rates reflect the rates provided by the City of Holyoke for the years 2017 through 2019.

Indoor cannabis cultivation requires significant electricity. The City of Holyoke utility rates rank as some of the most affordable in the Commonwealth of Massachusetts. Moreover, EMBNV will reduce overall electricity load by utilizing energy-efficient LED lights for all of its plants' growth cycles.

In its financial cost analysis, the company used the electricity rate of \$0.18 per kilowatt hour and a water rate of \$5.75 per 1,000 gallons. These costs were taken from utility summary documents provided by the City of Holyoke.

Appendix A: Financial Statement Summaries

Income Statement Summary Years 1 - 4 (Yearly)

| EMB Natural Ventures | 2021 | 2022 | 2023 | 2024 |
|--|-----------------|-----------------|------------------|------------------|
| Revenue | \$ - | \$ 7,329,143.00 | \$ 12,410,613.00 | \$ 14,208,611.00 |
| Cost of Goods Sold | \$ - | \$ 240,282.00 | \$ 380,595.00 | \$ 401,109.00 |
| Gross Margin | \$ - | \$ 7,088,861.00 | \$ 12,030,018.00 | \$ 13,807,502.00 |
| Payroll | \$ 224,269.00 | \$ 1,345,809.00 | \$ 1,528,285.00 | \$ 1,684,083.00 |
| Operating Expenses | | | | |
| Advertising | \$ - | \$ 100,000.00 | \$ 123,600.00 | \$ 127,308.00 |
| Vehicle Expense | \$ - | \$ 54,520.00 | \$ 87,696.00 | \$ 96,465.96 |
| Contract Labor - Security | \$ 7,185.00 | \$ 323,314.00 | \$ 355,212.00 | \$ 365,873.04 |
| Insurance (other than health) | \$ 12,500.00 | \$ 28,500.00 | \$ 32,016.00 | \$ 32,970.00 |
| Lab Product Testing | \$ - | \$ 76,000.00 | \$ 91,350.00 | \$ 95,918.04 |
| Legal and Professional Services | \$ 120,000.00 | \$ 180,000.00 | \$ 186,756.00 | \$ 192,353.04 |
| Licenses | \$ 5,000.00 | \$ 15,000.00 | \$ 17,000.00 | \$ 17,500.00 |
| Office Expense | \$ 5,000.00 | \$ 90,000.00 | \$ 93,600.00 | \$ 96,408.00 |
| Repairs and Maintenance | \$ - | \$ 17,700.00 | \$ 30,485.00 | \$ 41,558.04 |
| Supplies | \$ - | \$ 27,500.00 | \$ 30,600.00 | \$ 32,283.00 |
| Travel, Meals and Entertainment | \$ - | \$ 25,000.00 | \$ 30,000.00 | \$ 31,500.00 |
| Utilities | \$ 8,750.00 | \$ 227,262.00 | \$ 328,920.00 | \$ 361,569.96 |
| Host Community Fee (3% Revenue) | \$ - | \$ 219,874.29 | \$ 372,318.39 | \$ 426,258.33 |
| Total Operating Expenses | \$ 158,435.00 | \$ 1,384,670.29 | \$ 1,779,553.39 | \$ 1,917,965.41 |
| Net Income Before Income Tax | \$ (382,704.00) | \$ 4,358,381.71 | \$ 8,722,179.61 | \$ 10,205,453.59 |
| Income Tax | \$ - | \$ 1,488,660.81 | \$ 2,526,303.78 | \$ 2,899,575.42 |
| Net Income/Loss | \$ (382,704.00) | \$ 2,869,720.90 | \$ 6,195,875.83 | \$ 7,305,878.17 |

Cash Flow Forecast Years 1 – 4 (Yearly)

| EMB Natural Ventures | 2021 | 2022 | 2023 | 2024 |
|-------------------------------------|----------------|--------------|---------------|---------------|
| Beginning Balance | | | | |
| Cash Inflows | | | | |
| Sales | \$ - | \$ 7,329,143 | \$ 12,410,613 | \$ 14,208,611 |
| Total Cash Inflows | \$ - | \$ 7,329,143 | \$ 12,410,613 | \$ 14,208,611 |
| Cash Outflows | | | | |
| Escrow - Wind-down Set Aside | \$ 167,000 | \$ - | \$ - | \$ - |
| Building Construction | | | | |
| Year 1 Payments | \$ 1,250,000 | \$ - | \$ - | \$ - |
| Deferred Payments | \$ - | \$ 1,800,000 | \$ - | \$ - |
| New Fixed Asset Purchases | | | | |
| Equipment - Grow Rooms | \$ 503,477 | \$ - | \$ 26,675 | \$ 6,745 |
| Furniture | \$ 48,000 | \$ 30,000 | \$ 6,000 | \$ 20,675 |
| Vehicles | \$ - | \$ 156,000 | \$ - | \$ - |
| Cost of Good Sold | \$ - | \$ 240,282 | \$ 380,595 | \$ 401,109 |
| Operating Activities | | | | |
| Operating Expenses | \$ 158,435 | \$ 1,442,774 | \$ 1,850,042 | \$ 1,982,637 |
| Payroll | \$ 224,269 | \$ 1,345,809 | \$ 1,528,285 | \$ 1,684,083 |
| Income Tax | \$ - | \$ 1,488,661 | \$ 2,526,304 | \$ 2,899,575 |
| Total Cash Outflows | \$ 2,351,181 | \$ 6,503,526 | \$ 6,291,226 | \$ 6,988,079 |
| Net Cash Flows | \$ (2,351,181) | \$ 825,617 | \$ 6,119,387 | \$ 7,220,532 |
| Owner's Capital Contribution | \$ 2,376,181 | \$ 541,005 | \$ - | \$ - |
| Ending Cash Balance | \$ 25,000 | \$ 1,391,622 | \$ 7,511,009 | \$ 14,731,541 |

Appendix B: Financial Statements Detailed (month to month)

Income Statement Year 1 (month to month)

| 2021 | January | February | March | April | May | June | July | August | September | October | November | December | Annual Totals |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cost of Good Sold | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Margin | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Payroll | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 13,333 | \$ 37,635 | \$ 58,304 | \$ 224,249 |
| Operating Expenses | | | | | | | | | | | | | |
| Advertising | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Vehicle Expense | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Contract Labor - Security | - | - | - | - | - | - | - | - | - | - | - | 7,185 | \$ 7,185 |
| Insurance (other than health) | - | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 2,500 | \$ 12,500 |
| Lab Product Testing | | | | | | | | | | | | | |
| Legal and Professional Services | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | \$ 120,000 |
| Licenses | - | 5,000 | - | - | - | - | - | - | - | - | - | - | \$ 5,000 |
| Office Expense | - | - | - | - | - | - | - | - | - | - | - | 5,000 | \$ 5,000 |
| Repairs and Maintenance | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Supplies | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Travel, Meals and Entertainment | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Utilities | - | - | 250 | - | 500 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | \$ 8,750 |
| Host Community Fee (3% Revenue) | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Total Operating Expenses | \$ 10,000 | \$ 16,000 | \$ 11,250 | \$ 11,500 | \$ 12,000 | \$ 12,000 | \$ 12,000 | \$ 12,000 | \$ 12,000 | \$ 12,000 | \$ 12,000 | \$ 25,685 | \$ 158,435 |
| Net Income Before Income Tax | \$ (23,333) | \$ (29,333) | \$ (24,583) | \$ (24,833) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (44,635) | \$ (83,989) | \$ (382,704) |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net Income/Loss | \$ (23,333) | \$ (29,333) | \$ (24,583) | \$ (24,833) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (25,333) | \$ (44,635) | \$ (83,989) | \$ (382,704) |

Income Statement Year 2 (month to month)

| 2022 | January | February | March | April | May | June | July | August | September | October | November | December | Annual Totals |
|---------------------------------|--------------|--------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------------|
| Revenue | \$ - | \$ - | \$ - | \$ 233,888 | \$ 467,776 | \$ 935,552 | \$ 935,552 | \$ 935,552 | \$ 943,348 | \$ 951,210 | \$ 959,136 | \$ 967,129 | \$ 7,329,143 |
| Cost of Good Sold | \$ - | \$ - | \$ - | \$ 7,676 | \$ 15,353 | \$ 30,705 | \$ 30,705 | \$ 30,705 | \$ 30,961 | \$ 31,219 | \$ 31,479 | \$ 31,479 | \$ 240,282 |
| Gross Margin | \$ - | \$ - | \$ - | \$ 226,212 | \$ 452,423 | \$ 904,847 | \$ 904,847 | \$ 904,847 | \$ 912,387 | \$ 919,991 | \$ 927,657 | \$ 935,650 | \$ 7,088,861 |
| Payroll | \$ 90,506 | \$ 96,540 | \$ 96,540 | \$ 111,134 | \$ 111,134 | \$ 115,905 | \$ 120,675 | \$ 120,675 | \$ 120,675 | \$ 120,675 | \$ 120,675 | \$ 120,675 | \$ 1,345,809 |
| Operating Expenses | | | | | | | | | | | | | |
| Advertising | - | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 100,000 |
| Vehicle Expense | - | 1,160 | 1,160 | 1,740 | 3,480 | 5,220 | 6,960 | 6,960 | 6,960 | 6,960 | 6,960 | 6,960 | 54,520 |
| Contract Labor - Security | 14,370 | 21,554 | 28,739 | 28,739 | 28,739 | 28,739 | 28,739 | 28,739 | 28,739 | 28,739 | 28,739 | 28,739 | 323,314 |
| Insurance (other than health) | 2,500 | 2,500 | 1,000 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 28,500 |
| Lab Product Testing | 2,500 | 2,500 | 2,500 | 5,000 | 7,500 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 76,000 |
| Legal and Professional Services | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 180,000 |
| Licenses | - | - | - | 5,000 | - | - | - | - | - | - | - | - | 15,000 |
| Office Expense | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 90,000 |
| Repairs and Maintenance | - | 500 | 1,000 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 4,200 | 17,700 |
| Supplies | - | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 27,500 |
| Travel, Meals and Entertainment | - | - | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 25,000 |
| Utilities | 1,000 | 1,000 | 1,000 | 2,498 | 2,498 | 2,498 | 2,498 | 2,498 | 2,498 | 2,498 | 2,498 | 2,498 | 227,262 |
| Host Community Fee (3% Revenue) | - | - | - | 7,017 | 14,033 | 28,067 | 28,067 | 28,067 | 28,300 | 28,536 | 28,774 | 29,014 | 219,874 |
| Total Operating Expenses | \$ 42,870 | \$ 54,214 | \$ 72,899 | \$ 113,914 | \$ 120,170 | \$ 136,444 | \$ 138,184 | \$ 138,184 | \$ 138,417 | \$ 138,653 | \$ 148,891 | \$ 141,831 | \$ 1,384,670 |
| Net Income Before Income Tax | \$ (133,376) | \$ (150,754) | \$ (169,439) | \$ 1,164 | \$ 221,119 | \$ 652,498 | \$ 645,988 | \$ 645,988 | \$ 653,295 | \$ 660,663 | \$ 658,091 | \$ 673,144 | \$ 4,358,382 |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 332,531 | \$ - | \$ - | \$ 571,637 | \$ - | \$ - | \$ - | \$ 1,488,661 |
| Net Income/Loss | \$ (133,376) | \$ (150,754) | \$ (169,439) | \$ 1,164 | \$ 221,119 | \$ 319,967 | \$ 645,988 | \$ 645,988 | \$ 81,658 | \$ 660,663 | \$ 658,091 | \$ 88,652 | \$ 2,869,721 |

Income Statement Year 3 (month to month)

| 2023 | January | February | March | April | May | June | July | August | September | October | November | December | Annual Totals | |
|---------------------------------|------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------|
| Revenue | \$ 975,129 | \$ 983,315 | \$ 991,510 | \$ 1,003,077 | \$ 1,014,780 | \$ 1,026,619 | \$ 1,038,596 | \$ 1,050,713 | \$ 1,062,971 | \$ 1,075,373 | \$ 1,087,919 | \$ 1,100,611 | \$ 12,410,613 | |
| Cost of Good Sold | \$ 31,479 | \$ 31,479 | \$ 31,479 | \$ 31,550 | \$ 31,550 | \$ 31,550 | \$ 31,550 | \$ 31,550 | \$ 31,550 | \$ 31,550 | \$ 32,654 | \$ 32,654 | \$ 380,595 | |
| Gross Margin | \$ 943,650 | \$ 951,836 | \$ 960,031 | \$ 971,527 | \$ 983,230 | \$ 995,069 | \$ 1,007,046 | \$ 1,019,163 | \$ 1,031,421 | \$ 1,043,823 | \$ 1,055,265 | \$ 1,067,957 | \$ 12,030,018 | |
| Payroll | \$ 120,675 | \$ 120,675 | \$ 120,675 | \$ 122,022 | \$ 122,022 | \$ 127,258 | \$ 132,493 | \$ 132,493 | \$ 132,493 | \$ 132,493 | \$ 132,493 | \$ 132,493 | \$ 1,528,285 | |
| Operating Expenses | | | | | | | | | | | | | | |
| Advertising | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 10,300 | 123,600 | |
| Vehicle Expense | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 7,308 | 87,696 | |
| Contract Labor - Security | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 29,601 | 355,212 | |
| Insurance (other than health) | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 2,668 | 32,016 | |
| Lab Product Testing | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 91,350 | |
| Legal and Professional Services | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 15,563 | 186,756 | |
| Licenses | - | - | - | 17,000 | - | - | - | - | - | - | - | - | - | 17,000 |
| Office Expense | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 7,800 | 93,600 | |
| Repairs and Maintenance | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 30,485 | |
| Supplies | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 30,600 | |
| Travel, Meals and Entertainment | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 30,000 | |
| Utilities | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 27,410 | 328,920 | |
| Host Community Fee (3% Revenue) | 29,254 | 29,499 | 29,745 | 30,092 | 30,443 | 30,799 | 31,158 | 31,521 | 31,889 | 32,261 | 32,638 | 33,018 | 372,318 | |
| Total Operating Expenses | \$ 144,141 | \$ 144,387 | \$ 144,633 | \$ 145,331 | \$ 145,686 | \$ 146,045 | \$ 146,405 | \$ 146,765 | \$ 147,125 | \$ 147,485 | \$ 147,845 | \$ 148,205 | \$ 1,779,553 | |
| Net Income Before Income Tax | \$ 678,834 | \$ 686,774 | \$ 694,723 | \$ 687,525 | \$ 715,877 | \$ 722,125 | \$ 728,508 | \$ 731,511 | \$ 752,151 | \$ 764,181 | \$ 775,247 | \$ 784,723 | \$ 8,722,180 | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 619,463 | \$ - | \$ - | \$ 642,102 | \$ - | \$ - | \$ - | \$ 2,526,304 | |
| Net Income/Loss | \$ 678,834 | \$ 686,774 | \$ 694,723 | \$ 687,525 | \$ 715,877 | \$ 102,661 | \$ 728,508 | \$ 731,511 | \$ 110,049 | \$ 764,181 | \$ 775,247 | \$ 119,644 | \$ 6,195,876 | |

Cash Flow Forecast Year 1 (month to month)

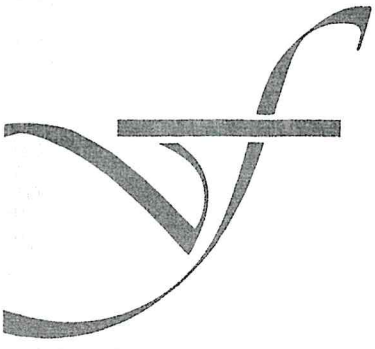
| 2021 | January | February | March | April | May | June | July | August | September | October | November | December | Totals |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|----------------|
| Beginning Balance | \$ - | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| Cash Inflows | | | | | | | | | | | | | |
| Sales | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Total Cash Inflows | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cash Outflows | | | | | | | | | | | | | |
| Escrow - Wind-down Set Aside | * | * | 167,000 | * | * | * | * | * | * | * | * | * | \$ 167,000 |
| Building Construction | | | | | | | | | | | | | |
| Year 1 Construction Payments | * | * | 500,000 | * | * | 500,000 | * | * | 250,000 | * | * | * | \$ 1,250,000 |
| Deferred Payments as Agreed | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| New Fixed Asset Purchases | | | | | | | | | | | | | |
| Equipment - Grow Rooms | * | * | * | * | * | * | * | * | * | 100,695 | 226,565 | 176,217 | \$ 503,477 |
| Furniture | * | * | * | * | * | * | * | * | * | 14,000 | 16,000 | 18,000 | \$ 48,000 |
| Vehicles | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Cost of Good Sold | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Operating Activities | | | | | | | | | | | | | |
| Operating Expenses | 10,000 | 16,000 | 11,250 | 11,500 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | \$ 158,435 |
| Payroll | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | 13,333 | \$ 274,269 |
| Income Tax | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Total Cash Outflows | \$ 23,333 | \$ 29,333 | \$ 69,583 | \$ 24,833 | \$ 25,333 | \$ 525,333 | \$ 25,333 | \$ 25,333 | \$ 275,333 | \$ 140,028 | \$ 287,200 | \$ 278,206 | \$ 2,351,181 |
| Net Cash Flows | \$ (23,333) | \$ (29,333) | \$ (69,583) | \$ (24,833) | \$ (25,333) | \$ (525,333) | \$ (25,333) | \$ (25,333) | \$ (275,333) | \$ (140,028) | \$ (287,200) | \$ (278,206) | \$ (2,351,181) |
| Owner's Capital Contribution | \$ 48,333 | \$ 29,333 | \$ 69,583 | \$ 24,833 | \$ 25,333 | \$ 525,333 | \$ 25,333 | \$ 25,333 | \$ 275,333 | \$ 140,028 | \$ 287,200 | \$ 278,206 | \$ 2,376,181 |
| Ending Cash Balance | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |

Cash Flow Forecast Year 2 (month to month)

| 2022 | January | February | March | April | May | June | July | August | September | October | November | December | Totals |
|-------------------------------------|--------------|--------------|--------------|------------|------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Beginning Balance | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 158,343 | \$ 456,535 | \$ 790,248 | \$ 1,128,961 | \$ 903,343 | \$ 1,256,730 | \$ 1,607,546 | |
| Cash Inflows | | | | | | | | | | | | | |
| Sales | - | - | - | 233,888 | 467,776 | 935,552 | 935,552 | 935,552 | 943,348 | 951,210 | 959,136 | 967,129 | \$ 7,329,143 |
| Total Cash Inflows | \$ - | \$ - | \$ - | \$ 233,888 | \$ 467,776 | \$ 935,552 | \$ 935,552 | \$ 935,552 | \$ 943,348 | \$ 951,210 | \$ 959,136 | \$ 967,129 | \$ 7,329,143 |
| Cash Outflows | | | | | | | | | | | | | |
| Escrow - Wind-down Set Aside | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Building Construction | | | | | | | | | | | | | |
| Year 1 Construction Payments | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Deferred Payments as Agreed | - | - | - | - | - | - | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | \$ 1,800,000 |
| New Fixed Asset Purchases | | | | | | | | | | | | | |
| Equipment - Grow Rooms | - | - | - | - | - | - | - | - | - | - | - | - | \$ - |
| Furniture | - | - | - | 5,000 | 5,000 | 15,000 | 5,000 | - | - | - | - | - | \$ 30,000 |
| Vehicles | - | 78,000 | - | - | 78,000 | - | - | - | - | - | - | - | \$ 156,000 |
| Cost of Good Sold | - | - | - | 7,676 | 15,353 | 30,705 | 30,705 | 30,705 | 30,961 | 31,219 | 31,479 | 31,479 | \$ 240,282 |
| Operating Activities | | | | | | | | | | | | | |
| Operating Expenses | 42,645 | 53,989 | 74,174 | 118,689 | 124,946 | 143,219 | 145,459 | 145,459 | 145,693 | 145,929 | 156,166 | 146,406 | \$ 1,442,774 |
| Payroll | 90,506 | 96,540 | 96,540 | 111,134 | 111,134 | 115,905 | 120,675 | 120,675 | 120,675 | 120,675 | 120,675 | 120,675 | \$ 1,345,809 |
| Income Tax | - | - | - | - | - | 332,531 | - | - | 571,637 | - | - | 584,493 | \$ 1,488,661 |
| Total Cash Outflows | \$ 133,151 | \$ 228,529 | \$ 170,714 | \$ 242,499 | \$ 334,433 | \$ 637,360 | \$ 601,839 | \$ 596,839 | \$ 1,168,966 | \$ 597,823 | \$ 608,320 | \$ 1,183,053 | \$ 6,503,526 |
| Net Cash Flows | \$ (133,151) | \$ (228,529) | \$ (170,714) | \$ (8,611) | \$ 133,343 | \$ 298,192 | \$ 333,713 | \$ 338,713 | \$ (225,618) | \$ 353,387 | \$ 350,816 | \$ (215,924) | \$ 825,617 |
| Owner's Capital Contribution | \$ 133,151 | \$ 228,529 | \$ 170,714 | \$ 8,611 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 541,005 |
| Ending Cash Balance | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 158,343 | \$ 456,535 | \$ 790,248 | \$ 1,128,961 | \$ 903,343 | \$ 1,256,730 | \$ 1,607,546 | \$ 1,991,622 | |

Cash Flow Forecast Year 3 (month to month)

| 2023 | January | February | March | April | May | June | July | August | September | October | November | December | Totals |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Beginning Balance | \$ 1,391,622 | \$ 2,067,949 | \$ 2,752,218 | \$ 2,842,078 | \$ 3,538,816 | \$ 4,249,781 | \$ 4,344,905 | \$ 5,065,351 | \$ 5,788,800 | \$ 5,890,788 | \$ 6,646,908 | \$ 7,402,593 | |
| Cash Inflows | | | | | | | | | | | | | |
| Sales | 975,129 | 983,315 | 991,510 | 1,003,077 | 1,014,780 | 1,026,619 | 1,038,596 | 1,050,713 | 1,062,971 | 1,075,373 | 1,087,919 | 1,100,611 | \$ 12,410,613 |
| Total Cash Inflows | \$ 975,129 | \$ 983,315 | \$ 991,510 | \$ 1,003,077 | \$ 1,014,780 | \$ 1,026,619 | \$ 1,038,596 | \$ 1,050,713 | \$ 1,062,971 | \$ 1,075,373 | \$ 1,087,919 | \$ 1,100,611 | \$ 12,410,613 |
| Cash Outflows | | | | | | | | | | | | | |
| Escrow - Wind-down Set Aside | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Building Construction | | | | | | | | | | | | | |
| Year 1 Construction Payments | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Deferred Payments as Agreed | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| New Fixed Asset Purchases | | | | | | | | | | | | | |
| Equipment - Grow Rooms | * | * | * | * | * | * | * | * | * | * | * | * | 6,000 \$ |
| Furniture | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Vehicles | * | * | * | * | * | * | * | * | * | * | * | * | \$ - |
| Cost of Good Sold | 31,479 | 31,479 | 31,479 | 31,550 | 31,550 | 31,550 | 31,550 | 31,550 | 31,550 | 31,550 | 32,654 | 32,654 | \$ 380,595 |
| Operating Activities | | | | | | | | | | | | | |
| Operating Expenses | 146,648 | 146,892 | 149,838 | 152,767 | 150,243 | 153,223 | 154,107 | 163,221 | 154,838 | 155,210 | 167,087 | 155,968 | \$ 1,850,042 |
| Payroll | 120,675 | 120,675 | 120,675 | 122,022 | 122,022 | 127,238 | 132,493 | 132,493 | 132,493 | 132,493 | 132,493 | 132,493 | \$ 1,528,285 |
| Income Tax | * | * | 599,659 | * | * | 619,463 | * | * | 642,102 | * | * | 665,079 | \$ 2,526,304 |
| Total Cash Outflows | \$ 298,002 | \$ 299,046 | \$ 901,651 | \$ 306,339 | \$ 303,815 | \$ 931,494 | \$ 318,150 | \$ 327,264 | \$ 960,983 | \$ 319,253 | \$ 332,234 | \$ 992,194 | \$ 6,291,226 |
| Net Cash Flows | \$ 676,327 | \$ 684,269 | \$ 89,859 | \$ 696,738 | \$ 710,965 | \$ 95,125 | \$ 720,446 | \$ 723,449 | \$ 101,988 | \$ 756,120 | \$ 755,685 | \$ 108,417 | \$ 6,119,387 |
| Owner's Capital Contribution | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Ending Cash Balance | \$ 2,067,949 | \$ 2,752,218 | \$ 2,842,078 | \$ 3,538,816 | \$ 4,249,781 | \$ 4,344,905 | \$ 5,065,351 | \$ 5,788,800 | \$ 5,890,788 | \$ 6,646,908 | \$ 7,402,593 | \$ 7,511,009 | |



MAX FITELSON & SON, INC.
INSURANCE
300 Long Beach Blvd.
Stratford, CT 06615
Phone: (203) 375-5449
Fax: (203) 375-5902

Eugene S. Fitelson
Barry A. Fitelson
Ronald P. Fitelson
Robert C. Fitelson

January 6, 2021

EMB Natural Resources, LLC
Attention: Mr. Eddie Fernandez
P. O. Box 565
Holyoke, MA 04041

RE: Surety Bond

Dear Mr. Fernandez:

It was a pleasure meeting with you in my office recently regarding your company's prospective general liability insurance and surety bond needs in connection with your plans, once a license is obtained from the Massachusetts Cannabis Control Commission, to begin doing business as a cannabis cultivation facility at 140 Middle Water Street, Holyoke, MA 01040.

Regarding general liability and products liability insurance coverage, we have confirmed that, subject to your company's satisfactorily completing an application, coverage consistent with the requirements found at 935 CMR 500.105(10) – that is, \$1,000,000 per occurrence, and \$2,000,000 in aggregate, annually, for each type of coverage – can be obtained for your planned Massachusetts Marijuana Establishment from CannGen Insurance Services, LLC, which is based at 110 West A Street, #675, San Diego, CA 92101.

Regarding a surety bond, we have confirmed that, subject to your company's satisfactorily completing an application, a bond consistent with the requirements found at 935 CMR 500.105(16) can be obtained for your planned Massachusetts Marijuana Establishment from Surety One, Inc., which is based at 5 West Hargett Street, 4th Floor, Raleigh, NC 27601.

I will look forward to assisting you with these matters once you have obtained your license from the Massachusetts Cannabis Control Commission.

Sincerely,

Albert A. Ambrose

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Restricting Access to Age 21 or Older

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state’s Cannabis Control Commission (the “CCC”), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

OVERVIEW..... 4

BUILDING ACCESS AND SECURITY 4

PERSONNEL POLICIES AND ENFORCEMENT 5

MATERIAL PACKAGING AND TRANSPORT 5

WASTE DISPOSAL..... 6

MARKETING AND ADVERTISING 6

OVERVIEW

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

Scientific studies have shown that the human brain continues to develop into the 20s. In addition, research has demonstrated that individuals who refrain from using cannabis products until age 21 are unlikely to develop a lifelong habit. This much evidence, both scientific and anecdotal, that cannabis should not be consumed by underage individuals was impliedly acknowledged in the vote by the citizens of Massachusetts to approve responsible cannabis use by adults only. The regulatory framework promulgated by the Cannabis Control Commission (Commission) is designed, in part, to implement the will of the voters by ensuring that access is restricted from underage individuals.

As a licensed marijuana cultivator, EMBNV will strictly enforce age restrictions pertaining to access to cannabis products and materials, particularly by controlling the following areas of the company’s business operations:

- Building Access and Security.
- Personnel Policy and Enforcement.
- Material Packaging and Transport.
- Waste Disposal.
- Marketing and Advertising.

BUILDING ACCESS AND SECURITY

Control of facility access is the primary method that will be used by EMBNV to restrict access to individuals age 21 and older. The company’s facility will operate indoors in an urban industrial area. Exterior access security will be in place on every point of ingress and egress.

Personnel will have only one entry door leading to a segregated security checkpoint. Further access into the facility will be permitted only through an electronically-managed access door.

In order to limit entry into the facility only to authorized individuals, the checkpoint will be continuously monitored by security personnel during normal business hours. Access will only be granted only to authorized representatives of the grow facility and pre-authorized visitors, including representatives of vendors and contractors, who are in compliance with state regulations and EMBNV’s own minimum access requirements, which include being 21 years or older.

Age will be confirmed by checking government-issued identification. Anyone without proper identification will be denied access, and this mandate will be strictly adhered to by all EMBNV employees.

Other than with regard to representatives of the Cannabis Control Commission (Commission) and fire, rescue and law enforcement personnel, any non-employee visitors must be escorted at all times while in the facility. Each visitor, regardless of purpose for being on-site, must read and sign a disclosure document that details the rules and regulations licensed agents must adhere to for the legal cultivation of cannabis products.

Vehicle loading docks will be segregated from the rest of the facility, with an interior access door between the loading bay and rest of the facility. At no time will products in any form be stored in the loading bay. Product will be moved into the loading bay only after exterior doors are closed and secured. Transportation personnel will be confirmed as licensed agents with the Commission. Only company employees will be present during transfers to or from a transportation vehicle.

PERSONNEL POLICIES AND ENFORCEMENT

EMBNV personnel will be trained in state regulations for legal cannabis use, as well as in company policies. Specific rules will be written, and universally applied, for the following categories:

- Facility visitors.
- Daily operations and access to the facility and specific areas within the facility.
- Immediate reporting of any misplaced cannabis products or byproducts.
- See and report policies of any individuals not displaying current or accurate credentials.
- Strict disciplinary action for any agent violating security and access policies.

MATERIAL PACKAGING AND TRANSPORT

Limiting access to final products during transfer from the production facility to the end customer will prevent products from reaching any unauthorized individuals, including those under the age of 21.

Final products will be packaged and sealed in compliance with regulations detailed in 935 CMR 500.000, et seq. Packaging will be sealed air-tight in tamper-proof bags or containers. Labels will detail the company logo, product details, and warnings as required by the Commission's regulations.

Transport of final product will be made only by EMBNV employees in company vehicles. Manifests will be created in triplicate, detailing the individuals present during all stages of transport. EMBNV will confirm active licenses and/or other government-issued identification for each party in the chain of custody and transport and will ensure that products are placed into approved locked storage during transport.

WASTE DISPOSAL

All product waste will be disposed of on-site in compliance with regulations set forth in 935 CMR 500.000, et seq. Only EMBNV employees will partake in such disposal. No visitors to the facility shall be permitted in the waste disposal area at any time that product is present or waste disposal is in progress.

MARKETING AND ADVERTISING

As a cultivator, EMBNV will provide cannabis flower as wholesale product to licensed processors, research facilities, and retailers. EMBNV's buyers will take custody of products upon delivery and receipt from the company's licensed transport agent. At that point, physical control of the product becomes the buyer's responsibility.

In an effort to ensure compliance with the Commission's regulations set forth in 935 CMR 500.000, et seq., EMBNV commits to responsible marketing and advertising. Any advertising materials will target only end customers who are age 21 and older. The choice of the company's various advertising outlets shall be calculated to ensure that at least 85% of the actual audience is age 21 or older.

EMBNV's restricting access policy is designed to ensure that its products are accessible only to adults. The company's owners and managers understand their solemn responsibility to all of the interested stakeholders in the company's business operations and commit to a zero tolerance policy with regard to proper access.

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Quality Control and Testing

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state's Cannabis Control Commission (the "CCC"), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 4

KEY PERSONNEL 4

KEY PROCEDURES..... 5

 Proactive Quality Processes 5

 Training 5

 Seed to Sale Tracking 5

 Cultivation 5

 Testing..... 6

 Corrective Remediation Plan 6

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

Quality control procedures at EMBNV’s facility are designed to ensure through a regular review process that the company’s products adhere to a defined set of quality criteria.

KEY PERSONNEL

Quality control will be an overarching goal of all EMBNV employees, processes and products. A Quality Control Committee will consist of:

- Quality Assurance Officer (who will head the committee)
- Director of Production
- Chief Operating Officer

The Quality Assurance Officer (QAO) sets the strategic plan for company-wide compliance with state and federal regulations, particularly those defined by the Cannabis Control Commission (Commission) in 935 CMR 500.000, et seq. The QAO has access to all company processes and reports to evaluate company effectiveness in regulation compliance and quality production. The QAO also coordinates with licensed independent testing laboratories to have testing conducted on products and grow mediums, as required by 935 CMR 500.160. The QAO will also be responsible for enforcement of the company’s policies for responding to laboratory results that indicate unacceptable levels of contaminants.

The Director of Production is responsible for predicting, measuring, and maintaining the quality of EMBNV’s cannabis products. On-site testing equipment will be managed by the Director of Production. In addition to his or her responsibility for the production of such products, the Director of Production is also responsible for the selection and implementation of all tools and storage vessels for cannabis products at each stage of production, including final packaging and transport.

The Chief Operating Officer (COO) will maintain all records of quality control tests, the results of such tests, and all actions taken to fix quality control issues. This includes the regulatory mandate to maintain testing results for no less than one year. The COO will compile the required report of any test result indicating contaminant levels are above acceptable limits. This report will include a plan of remediation written and agreed to by the QAO and Director of Production. The report will be sent to the Commission within 72 hours of the company’s receipt of the original test results.

KEY PROCEDURES

Proactive Quality Processes

Training

EMBNV is committed to providing consistently high-quality cannabis products for responsible Massachusetts adult consumers. Quality and quality control are fundamental to the success of the business as a whole. Each employee must commit to quality control as a key factor to successfully performing her or his duties. Training on personal commitment to quality in each job position will empower every employee to maintain quality standards in every task, thus ensuring quality overall.

Seed to Sale Tracking

EMBNV will deploy a full seed-to-sale tracking program compliant with the Commission's regulations. The program, such as the software suite provided by BioTrackTHC®, will be compatible with the Commonwealth's METRC tracking program for the legal cannabis industry.

By tracking product at every stage of production, from seed through all growth stages, and from harvest to delivery to a licensed Marijuana Agent, EMBNV is prepared to provide all information necessary to prove quality of products. The tracking will also enable company personnel to respond quickly to any instances of quality issues found internally or by independent laboratory testing.

Cultivation

The Director of Production will create a grow process that produces high-quality cannabis products as efficiently as possible. Quality of products shall never be compromised. Selection and implementation of quality grow equipment is critical. Examples include:

- Clean soil and growing material, compliant with agricultural and cannabis regulations, and capable of passing independent laboratory testing.
- Airflow controls, such as fans and air handlers to promote strong plant growth while deterring pests.
- Nutrient selection effective for the company's grow methods without introducing contaminants.
- Clean water source and transport hoses and basins.
- Vessels contacting product comply with *Good Manufacturing Practices for Food* as defined in Massachusetts regulations found in 105 CMR 500.000, et seq. and federal Food and Drug Administration regulations found in 21 CFR Part 110, et seq.

Testing

EMBNV will maintain internal testing equipment for continuous testing of production materials and products. Test results will be logged so that any trends toward unusual measurements or excessive contaminant levels can be addressed before maximum acceptable levels are exceeded.

The company will also furnish samples of grow materials, growing mediums, and final products to a licensed Independent Marijuana Testing Laboratory, in compliance with 935 CMR 500.160.

Corrective Remediation Plan

Upon receipt of laboratory results indicating contaminant levels above acceptable limits, EMBNV will initiate the creation of a remediation plan. A copy of the plan will be submitted to the Commission within 72 hours of the company's receipt of the original test results.

EMBNV's process for remediation includes:

- Calling together the Quality Control Committee (QCC) to review the laboratory results and find the root cause.
- The Director of Production, with the assistance of the Record Keeper, will identify all product materials in any phase of production which may be affected by the offending root cause material or process.
- The QCC will identify the method of removing the offending material or process from the current operation.
- The QCC will identify any product material in production or any finished product in storage or already shipped that was affected by the offending material or process.
- If the product requires disposal, the QCC will implement the Waste Disposal procedure to document the disposal of product in EMBNV's possession. If the product requiring disposal has already left the facility, a formal recall will be issued, which will require documentation of return or destruction and disposal of contaminated product.
- If contaminated product material can be removed from the overall materials or process, it will be transferred and documented accordingly.
- Company operating policies and procedures will be updated, as necessary, such that the root cause of any contamination event does not occur again.
- Personnel will be trained to be aware of the source of any contamination and the identified steps to remediate, as well as how to minimize the risk of future occurrences.

EMBNV's quality control and testing plan will be spearheaded by senior-level employees and will following well-defined protocols to ensure that all products produced sold by the company will be in compliance with the applicable regulatory framework.

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Personnel Policies and Background Checks

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state's Cannabis Control Commission (the "CCC"), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 5

STANDARD EMPLOYMENT PRACTICES..... 6

 Equal Opportunity Employer 6

 Sexual and Other Unlawful Harassment..... 6

 Problem Resolution..... 7

 Immigration Law Compliance 7

 Non-Disclosure / Confidentiality..... 7

 Conflict of Interest 8

 Employee Probationary Period 8

 Standards of Conduct..... 8

 Criminal Background Check 8

GENERAL POLICIES AND PROCEDURES..... 9

 Work Location 9

 Work Schedule 9

 Personal Data and Reporting Changes..... 10

 Job Classifications 10

 Sign-In Sheet 10

 Pay Periods and Pay Day 10

 Time Keeping 11

 Breaks..... 11

 Salary Increases..... 11

 Performance Reviews 11

 Attendance & Punctuality 11

 Availability for Work 12

 Mandatory Meetings 12

 Leaving the Office 12

 Overtime 12

 Holidays..... 12

 Vacation 13

Sick Time 14

Food and Beverages..... 14

Visitors 14

Attire and Office Appearance 15

Use of Office Equipment, Computer Systems, Telephones and Supplies..... 15

Ordering Supplies..... 16

Personal Property 16

Personal Safety 16

Office Security 16

Outside Inquiries..... 16

Performance assessment cycle..... 16

Discipline 17

Corrective Action 17

Alcohol, Smoke and Drug-Free Workplace 17

LEAVE POLICIES 17

 General Leave Policies 17

 Medical Leave of Absence Policy 18

 Return from Medical Leave..... 18

 Short-Term Disability Benefits 19

 Personal Leave of Absence 19

 Jury Duty 19

 Funeral Leave 19

 Emergency Closing and Severe Weather 19

 Benefits 20

 Workers' Compensation 20

SEPERATION POLICIES 20

 Termination..... 20

 Resignations 21

 Job Abandonment..... 21

 Exit Interview 21

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

The bedrock of any business is its people. EMBNV understands that it will be successful only as its employees are successful. As a result, the company’s personnel policies, which will be incorporated into an Employee Handbook, have been designed to ensure that all individuals employed by the company are treated fairly regardless of their personal or employment status. The company commits to choosing and assessing its employees based on their prospective or actual job performance and nothing else. Good employees will always have opportunities with EMBNV.

The company will enforce the personnel policies consistently, fairly, and in good faith. The Chief Executive Officer is ultimately responsible for maintaining this commitment. The company plans to employ a Human Resources (HR) Director to maintain personnel policy documentation and to monitor proper enforcement.

The company will also engage legal counsel to help generate its personnel policies documentation prior to full staffing, as well as to monitor implementation of those policies. The personnel policies will be reviewed and updated regularly to reflect knowledge gained in working within the legal adult use cannabis industry in the Commonwealth of Massachusetts. Compliance with work-force and employment laws will always be a first priority.

This personnel policies plan is a general guide to EMBNV’S policies. The company, in its sole discretion, may modify the policies summarized here on those occasions when it determines that particular circumstances warrant individualized consideration. Each employee will receive these policies in a formal Employee Handbook.

The language of that Handbook will not create a contract between the company and its employees. Although the company’s management will value its relationship with each employee, striving for a continuing and mutually satisfactory employment relationship, it is understood that most employees will be “at will,” meaning that the company shall not be obligated to continue that relationship if, at any time, or for any nondiscriminatory reason, it does not wish to do so. Likewise, any employee may leave the company at any time for any reason or for no reason at all.

This plan reflects company personnel policies and practices and employee benefits in effect at the time the document was prepared. Consistent with applicable law, EMBNV retains the right to make changes to its policies and Employee Handbook from time to time, as it deems appropriate.

STANDARD EMPLOYMENT PRACTICES

Equal Opportunity Employer

EMBNV provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religious creed, national origin, ancestry, gender, sexual orientation, age, genetic information, military service, disability, or any other category protected by applicable federal, state, or local law.

The company will comply with all applicable federal, state and local laws governing nondiscrimination in employment. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

The company is committed to ensuring that equal opportunity in employment exists at the company for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis. Under both state and federal law, qualified disabled persons may be entitled to a reasonable accommodation to performance of an employee's essential functions. Upon request, reasonable accommodations will be available to all qualified disabled employees.

Sexual and Other Unlawful Harassment

EMBNV will maintain a work environment that nourishes respect for the dignity of each individual employee. The company takes very seriously this obligation to its employees. In that regard, it is against the company's policies for any employee to harass or annoy another person for any reason, including based on gender or any other protected classification. This right to be free from a hostile work environment extends to EMBNV's obligations to ensure that visitors and outside vendors act appropriately and professionally.

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct or visual depiction of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or environment.

Any employee who believes that she or he is being unlawfully harassed or that this policy has been violated will be instructed immediately to contact HR or a member of the company's management. All complaints of harassment will be promptly, thoroughly and confidentially investigated, and where necessary appropriate corrective action will be taken. Any person found to have unlawfully harassed another employee would be subject to appropriate disciplinary action, up to and including discharge.

The company is committed to addressing and remedying behavior that violates this policy. If an employee finds it necessary, he or she may report claims of discrimination by contacting The Massachusetts

Commission Against Discrimination, One Ashburton Place, Boston, MA 02108, or The Equal Opportunity Commission, 475 JFK Federal Building, Government Center, 4th Floor – Room 475, Boston, MA 02203.

No retaliation will be permitted against any individual who brings forward a concern under this policy or participates in any investigation.

EMB NV will provide periodic training of its employees in the area of what constitutes workplace harassment and how to avoid even the perception that such conduct may be taking place.

Problem Resolution

EMB NV seeks to deal openly and directly with its employees and believes that communication between employees and management is critical to solving problems. No employee problem will be viewed as too small or insignificant, and the company will endeavor to resolve all instances of workplace discord in an amicable manner.

Co-workers who may have a problem with one another will be encouraged to attempt to resolve the problem themselves. If a resolution cannot be agreed upon, both employees should approach the HR Director, who will work with them to determine an appropriate resolution. If only one employee approaches the HR Director, resolution efforts will be handled discreetly, thoughtfully and professionally.

Immigration Law Compliance

EMB NV will not hire anyone who is not legally authorized to work in the United States. As a condition of employment, all new and, in certain instances, past employees must show valid proof that they are eligible to work in the United States.

Non-Disclosure / Confidentiality

The protection of confidential business information and trade secrets is vital to the interests and success of the Company.

Such confidential information includes, but is not limited to, the following examples:

- Compensation data.
- Financial information.
- Marketing strategies.
- Pending projects and proposals.
- Proprietary production processes.
- Personnel/Payroll records.
- Conversations between any persons associated with the company.

All employee confidential information will be protected as such, and access will be limited as required by law.

All employees will be required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to discipline or other legal action, including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

Conflict of Interest

EMBNV will implement a conflict of interests policy applicable to all of its employees, management personnel, contractors and vendors. This policy prohibits anyone related to the company who may have access to confidential information from selling or sharing that information with others for personal gain or interest.

Employee Probationary Period

All employees begin employment with a ninety (90) day “probationary period.” This period gives new employees a chance to learn about the company and to give the company a chance to learn about them. The company uses this time to make sure that new employees can handle their work satisfactorily and that their abilities are being properly applied.

Employees must continue to perform up to company expectations after the probationary period, and the nature of employment remains at-will at all times.

All new employees are hired on a probationary basis for the first ninety (90) days and may be discharged any time therein without hearing procedures.

Standards of Conduct

EMBNV expects that all of its employees will conduct themselves in a businesslike and ethical manner. Furthermore, an employee should report any dishonest activities or damaging conduct to an appropriate supervisor.

In the event that an employee becomes aware of another employee’s behavior or actions, which is believed to be inappropriate, illegal, or problematic, or that in any way inhibits or affects one’s job performance or the company’s work environment, the first employee should discuss such behavior or actions with her or his supervisor or the HR Director. All reasonable concerns will be promptly, thoroughly and confidentially investigated by the company, and where necessary appropriate corrective action will be taken. Employees should not discuss such actions or behavior with one another. Indeed, an employee’s discussing such matters with other employees may, in and of itself, create an unacceptable work environment for which the offending employee will be held responsible and for which he or she may be disciplined in accordance with the company’s disciplinary policy.

Criminal Background Check

All prospective employees of EMBNV will be subject to a thorough background check compliant with the regulations governing EMBNV’s operation as a licensed cannabis cultivator, as defined in the Code of

Massachusetts Regulations at 035 CMR 500.000 promulgated by the Massachusetts Cannabis Control Commission (Commission).

All company employees must be suitable for registration as a Marijuana Establishment Agent. Suitability is defined as:

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

In addition, the company will refuse to hire any individual who is found to have an organized crime or gang affiliation.

As a condition of employment, each employee must submit information, and give authorization, to the company in order to allow for request to be made of a Criminal Offender Record Information (CORI) report. This report will be provided to the Commission as part of the application for registering a licensed agent. EMBNV will prepare the application for registration of each establishment agent and pay associated fees. The company will assign an Executive staff member as the CORI Officer (CO), who will be registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration.

Suitability determination will be made by the Commission in accordance with the procedures set forth in 935 CMR 500.800. More information regarding Mandatory Disqualification and Presumptive Negative Suitability Determination can be found under 935 CMR 500.802: Tables B through D.

GENERAL POLICIES AND PROCEDURES

Work Location

EMBNV's offices and production facility will be located at 140 Middle Water Street, Holyoke, MA 01040.

Work Schedule

Facility hours are from 8:00 a.m. to 8:00 p.m., Monday through Friday. The office and reception hours are from 8:30 a.m. to 5:00 p.m. Employees are generally assigned regular work hours and may not change them unless a manager or supervisor specifically approves a request. Employees are expected to arrive at work on time, ready to perform their jobs when their workday is scheduled to begin. Those employees scheduled to work until the end of production hours should be prepared to work until all cultivation tasks have been evaluated and all other office work has been completed. The office schedule provides only an estimate of what may be the end of the workday.

Personal Data and Reporting Changes

Upon commencement of employment, an employee must provide the HR Director with certain personal data, including home address and telephone number, the name of the person to be contacted in an emergency, the number of dependents, and tax withholding information. Although it is the responsibility of every employee to keep such information accurate and up to date, EMBNV will make periodic inquiries of its employees to ensure that all information is current and accurate.

Each employee is required to notify the HR Director, in advance, of the dates of all approved vacation or leave time to be taken. Additionally, employees are to inform the HR Director in advance of sick days taken and excessive lateness in arriving at work.

Job Classifications

In the event that an employee's status changes (e.g., full-time to part-time) during the course of her or his employment, the employee's job classification and benefits may be re-evaluated.

Sign-In Sheet

At hire, an employee will be informed of his or her hours of work, eligibility for any benefits, and status as a part-time or full-time employee. EMBNV has regular weekday and weekend hours. The company expects all employees to work their assigned hours, as well as whenever else may be necessary to serve the needs of cultivation operations. The company expects each employee's cooperation.

Pay Periods and Pay Day

All employees are paid bi-weekly. For payroll purposes, the workweek is defined as beginning on Sunday and ending on Saturday. On Tuesdays, employees will receive detailed pay stubs regarding their weekly pay. If an employee believes there is a discrepancy in pay, she or he should report it to the HR Director immediately. If there is, in fact, an error, the company will try to resolve it in time for the current week's pay or by the next pay period after finding the error.

The cannabis industry has a unique challenge with limited access to banking services due to the discrepancy between state and federal laws. For this reason, unless alternative payroll practices can be found and implemented, salary payments may be dispensed in cash to employees by the CFO or designated representative, less applicable tax and FICA withholding. For the safety and security of employees, payday can be Wednesday, Thursday or Friday. The company will ensure employees receive pay no later than the end of office hours on the Friday immediately following the pay period.

Should an employee know he or she will be absent from work on pay day, the employee will be paid upon return to the office. In cases of extended absence, such as planned vacation, the company may approve pre-payment for work completed before the employee leaves for such absence. Other extenuating circumstances such as emergency medical leave will be handled on a case by case basis.

Time Keeping

Employees are required to sign a work log each day, both upon arrival and departure from the facility, including if leaving the building for any reason during the workday. The HR Director will record on the log each employee's use of vacation and sick time. It is each employee's responsibility to see that her or his time is recorded accurately and legibly. No one should sign the work log on behalf of another employee. The HR Director will also maintain confidential employee time records in separate files.

Breaks

The specific time of each employee's lunch period will be determined by the HR Director or Director of Production, so as to provide sufficient staffing throughout the work day. All employees are expected to adhere to the lunch schedules. Additional breaks will be scheduled in accordance with state labor laws.

Salary Increases

Salary increases are based on performance, tenure or promotion. All salary increases are at the discretion of EMBNV's management.

Performance Reviews

EMBNV will strive to develop individual performance goals and plans, where necessary, to maximize everyone's ability to succeed within the organization. Individual performance will be based on company Key Performance Indicators (KPIs).

Attendance & Punctuality

Punctuality and regular attendance are important for the smooth operation of the company's business operations. If an employee is consistently late or excessively absent, the company's ability to perform work is affected, and an unfair burden is placed on the other employees. Therefore, unless an employee's absence is permitted or excused under EMBNV holiday, vacation, sick or other policies, the employee is responsible for being at work and arriving on time. If the employee is going to be absent or late, it is his or her responsibility to call the office and the HR Director as soon as possible. In the event of absence for several days or more, the employee must notify the office and HR Director each day so that arrangements can be made on the employee's behalf.

Employees who must leave the office before closing time because of illness or any other reason must inform their supervisor.

An employee who foresees the need to take sick leave (e.g., for non-emergency surgery or for a doctor's appointment) must inform the HR Director as soon as practicable, so that plans can be made to cover the absence.

An employee who is absent for reasons other than those permitted or excused by the company's holiday, vacation or leave policies, or who repeatedly fails to provide notice as required, will be subject to appropriate disciplinary action, up to and including discharge at the discretion of management.

Availability for Work

Employees must be available for work during normal hours of the company's business operations. If, for any reason, there is a change in an employee's work availability status, management requests as much notice as possible.

Mandatory Meetings

Employees may be required to attend mandatory personnel meetings. The employees are expected to arrive promptly for such meetings and to sign a related work log.

Leaving the Office

All employees who leave the building during working hours are required to notify a staff member, their supervisor, or the HR Director that they are leaving and when they will return. Employees working in areas containing plants and plant material must follow quality control protocols to check in tools and equipment prior to leaving.

Overtime

To provide adequate coverage for EMBNV, employees may be asked to work overtime by the CEO or respective director, and full cooperation of all employees is expected, allowing for personal conflicts, such as family or childcare needs.

Hourly employees will be paid time and one-half (1.5) for hours worked in excess of 40 hours during a scheduled work-week. Exempt employees are not eligible for overtime pay. The calculation of overtime hours will not include holiday, sick leave or vacation days during a given scheduled workweek.

Holidays

Employees shall be entitled to the following paid holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve (1/2 day - Close at 1:00 p.m.) and Christmas Day. Should any of the holidays enumerated above fall on a Saturday or Sunday, Employee shall be entitled to a Friday or Monday holiday in lieu of the weekend date. Employee shall be entitled to any additional holidays declared to be holidays by the CEO.

Due to the nature of the cultivation work performed at EMBNV, some employees will be required to work on a holiday. For hourly employees, this time is treated as overtime. Exempt employees will receive time off to make up for working on a holiday.

EMBNV will make reasonable efforts to accommodate holidays pertaining to an employee's established beliefs that are not included in the above list. Employees should speak with the HR Director to obtain approval for taking time off to observe such holidays.

After 90 days of employment, hourly employees regularly working more than 35 hours per week will be eligible for paid holidays. Hourly employees working more than 20 hours per week will be compensated

for one (1) paid holiday per year of the employee’s choice. For additional time off, employees may take religious holidays without pay. Arrangements must be made in advance with the HR Director.

Vacation

Employees working more than 35 hours per week are eligible for the following paid vacation time after the completion of six months of continuous employment.

| Vacation Accrual Per Calendar Year | Service Period |
|------------------------------------|----------------|
| 1 Week | Year 1 |
| 2 Weeks | Year 2 – 5 |
| 3 Weeks | Year 6 and up |

Employees who are employed for a regular work schedule of more than twenty-five (25) hours, but less than 35 hours, per week are entitled to the following paid vacation after the completion of six months of continuous employment.

| Vacation Accrual Per Calendar Year | Service Period |
|------------------------------------|----------------|
| 1 Week | Year 1 – 5 |
| 2 Weeks | Year 6 and up |

Part-time employees will be paid based on the average number of hours worked per week in the quarter in which the vacation falls. All employees working less than an average of twenty-five (25) hours per week are not eligible for paid vacation time. All employees must give written notice of their desire to take vacation at least 30 days in advance. Although every effort will be made to accommodate requests, the company retains the right to deny or delay specific vacation date requests based on its business needs. In case of scheduling conflicts, preference will be given based on seniority.

Unused vacation time cannot be carried over to subsequent years and will not be paid out upon separation of employment.

Vacations are earned from January 1 to December 31 of each calendar year and are taken in the same year in which they are earned (for example, vacation time earned in 2018 is to be taken between January 1, 2018 and December 31, 2018).

An authorized company holiday that falls on a normal business day during an employee’s vacation is not counted as a vacation day.

When given advance notice, the company will consider requests for additional time without pay. If an employee has a special type of vacation in mind, he/she should talk to the supervisor to see if a solution can be reached.

Sick Time

Full-time employees accrue sick leave at the rate of 6 hours per month worked, up to 64 hours per year (the equivalent of eight 8-hour days). Sick leave for part-time employees is pro-rated based upon a 40-hour work week. For example, a half-time (or 20-hour per week) employee accrues sick leave at the rate of 3 hours per month worked, up to 36 hours of sick leave per year.

Sick leave is to be used in the event that an employee is unable to work due to illness, injury, or other medical condition. Sick leave may be used as part of medical leave or sick childcare leave and as otherwise required by applicable law. Sick leave may also be used for routine dental or medical appointments.

In the event of incapacity due to sickness or injury, employees must advise their supervisor or the HR director no later than 9:00 AM on the first day of absence. Full reasons must be given at this time.

Unused sick leave is forfeited upon termination of employment.

Food and Beverages

EMB NV can be expected sometimes to have visitors or regulatory officials in its building. The building's interior should always reflect a professional appearance. Eating at one's desk is prohibited and should be done only at the designated area within the building. All employees are personally responsible for keeping their work areas clean and presentable.

Coffee and water may be obtained free of charge in the designated eating area. It is the obligation of all employees to keep that area neat and clean.

Carrying or consuming food and beverages in areas containing plant materials is prohibited. Employees working in areas with plant materials will be provided water containers for use within the restricted areas. No outside beverage containers, such as thermoses or water bottles, are allowed in areas containing plant materials at any stage of growth, harvest, packaging or processing.

Visitors

Other than management personnel and employees, only authorized visitors, such as customer representatives, are permitted at EMB NV's offices. This rule is designed to protect the company from theft and to comply with the Commission's regulations. Visits from friends and family are prohibited.

All visitors must enter through the reception area. Any employee who notices an unauthorized visitor should notify her or his supervisor immediately.

Attire and Office Appearance

Employees' appearances shall be in keeping with the company's business standards. Employees are expected to use good judgment and taste and to show courtesy to their co-workers and associates by dressing in a fashion that is presentable and appropriate. The HR Director shall be the final arbiter of the suitability of attire.

Use of Office Equipment, Computer Systems, Telephones and Supplies

EMBNV's copy services, postage, fax and other similar equipment and supplies are to be utilized for company purposes only and may not be used for personal needs.

Personal cell phones, whether used for oral communications, email, text messaging, or photo-imaging, are prohibited within the facility. EMBNV will have a facility communication system that allows patching phone calls directly to a hand-held transponder in case of emergency. Each employee will be issued a transponder when working at the facility.

Even through the company's communications system, personal telephone calls during business hours, both incoming and outgoing, should be brief and confined to communications that are truly necessary.

Company computer equipment is to be used for the company's business purposes only. Passwords and other forms of identification and authorization are not to be shared or otherwise disclosed. Computer software may not be used, copied or adapted in any way for personal use or for any other purpose not directly related to work performed for the company. Individuals may be held personally liable for the use of the company's software for purposes unrelated to the company's business, as well as for any other actions taken in connection with company software, including violations of federal and state laws and actions in breach of licensing agreements. The unauthorized addition, deletion or change of computer-based information is prohibited. Likewise, employees are not permitted to remove computer-based information from an assigned location.

Personal e-mail should not be accessed in the office. Under no circumstances should personal attachments ever be opened on EMBNV computers.

All electronic and telephone communication systems, and all communications and information transmitted by, received from, or stored in these systems, are the property of the company and as such are intended for job-related purposes. Personal use of any company communication device should be avoided. Electronic or telephone communication systems may not be used to transmit messages that may be considered inappropriate under the company's policies, including those policies prohibiting harassment. Employees are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized company representative. All pass codes are the property of the company and may be used by the company to access electronic and telephone communications at any time. The company reserves the right to monitor any electronic, telephone or other communications made using the company systems or property.

Ordering Supplies

All supplies shall be ordered through the Facility Manager, subject to approval by the appropriate executive staff member. It is the responsibility of each employee to report to the Facility Manager when supplies required for the performance of that employee's duties are needed.

Personal Property

EMBNV does not assume responsibility for any personal property located on its premises. Employees are to use their own discretion when choosing to bring personal property into the office and do so at their own risk. Additionally, employees may not bring or display in the office any property that may be reasonably considered inappropriate or offensive to others.

Employees working in plant cultivation areas are required to store personal property in secure lockers outside of restricted production areas.

Personal Safety

The health, safety and security of each employee are very important to the company. The company will make reasonable efforts to address an employee's safety concerns. Employees should remember to use caution and good judgment in all activities and should notify the Director of Production or the Facility Manager if they believe there is a safety issue that should be addressed.

Office Security

Given the nature of EMBNV's business operations, security precautions are of great significance. All employees are expected to follow and respect security precautions, which may change from time to time.

Outside Inquiries

If the company receives a telephone call from an outside agency requesting information about an employee, the company will provide the employee's date of employment, job title, and full-time or part-time status. The company will not provide, but will verify, the employee's Social Security number. Any employee who does not wish to have the above information released to outside callers should notify the HR Director to that effect. If an employee is terminated, personnel records, which include any performance documentation, attendance, the reason for termination, or other information, will be released only with the terminated employee's written authorization or as required by law.

Performance assessment cycle

Quarterly assessments are tied to company-specific KPIs. Promotions are considered annually, based on the quarterly assessments.

Discipline

EMB NV endeavors to deal constructively with employee performance problems and employee errors. The facts and circumstances of each case will determine the disciplinary process. Depending upon the facts and circumstances, the discipline applied may include, among other things, oral or written warnings, probation, suspension without pay, or immediate discharge. Each situation will be considered applying a variety of factors, including (but not limited to) the seriousness of the situation, the employee's past conduct and length of service, and the nature of the employee's previous performance or incidents involving the employee. Details of this process are outlined further in the Corrective Action section below.

Corrective Action

Corrective action is taken against an employee in response to a rule infraction or a violation of company policies. Correction action will continue until the violation or infraction is corrected.

Corrective Action usually begins with a verbal warning, followed by a written warning that is placed in the employee's personnel folder. If more serious corrective action is required, the employee may be put on probation or have his or her employment terminated.

EMB NV considers some violations as grounds for immediate dismissal, including, but not limited to: insubordinate behavior, theft, destruction of company property, breach of confidentiality agreement, untruthfulness about personal background, drug or alcohol abuse, or threats of violence.

Employees charged with some infraction, and subject to corrective action, may appeal that corrective action. An appeal must be submitted in writing to the HR Director. If, after reviewing the corrective action, the HR Director or the Facility Manager determines that the procedures were properly followed, the corrective action will stand. If the HR Director or the Facility Manager has failed to follow company protocol, the action may be reversed.

Alcohol, Smoke and Drug-Free Workplace

The consumption of alcohol, tobacco and cannabis products, and illegal drugs is strictly prohibited in EMB NV's workplace. Because smoke residue in particular is very harmful to plant cultivation, employees who chose to smoke before starting work or on breaks are required to sanitize both their hands and any materials exposed to smoke that may be present in plant handling areas.

LEAVE POLICIES

General Leave Policies

EMB NV provides eligible employees with leaves of absence for a variety of reasons. The following discussion summarizes the company's leave policies.

As with all policies, EMB NV reserves the right to revise or rescind these policies at its discretion, and in accordance with legal requirements.

To apply for leave, or to inquire into what leave may be available, an employee should contact the HR Director. Employees applying for leave will be asked to state for what purpose they need the leave, when they want the leave to begin, and when they expect the leave to end. The HR Director will inform an employee what type and duration of leave, if any, has been approved and will also tell the employee which requirements, such as certification of a health condition, the employee must fulfill.

All leaves are generally granted for a specific period of time. An employee who foresees being unable or unwilling to return to work at the end of the leave period should apply for any other leave for which the employee is eligible, including an extension of the current leave. The company reserves the right to terminate the employment of an employee who does not return to work at the end of the approved leave period.

Medical Leave of Absence Policy

Any employee who is unable to work because of her or his own medical condition, whether due to accident, illness, injury, pregnancy or related medical condition, or in some cases to the medical condition of an immediate family member, may be entitled to an unpaid leave of absence under the federal Family and Medical Leave Act. This policy applies to both work-related and non-work-related illnesses and injuries. EMBNV will comply with the requirements of the Massachusetts earned sick time law, as codified in M.G.L. c. 149, § 148C, and 940 CMR 33.00, et seq.

Such leaves will be granted for the period of the medical condition, typically not to exceed two (2) months. This period begins on the first day of absence due to the medical condition.

During the entire time that an employee is away from work due to work-related or non-work-related medical condition, he or she must report progress, in person or by telephone, to the HR Director each week.

Employees expecting to request a medical leave of absence must inform the HR Director, in writing, immediately upon discovery of a condition and must indicate the expected time period that they will be unavailable for work. In cases of emergency, employees must contact the HR Director, or if that Director is unavailable, any member of the company's management, as soon as possible of the need for medical leave. In all cases, such notice must include a doctor's note indicating the employee's anticipated return date, if one exists. The company may also require a medical examination, at no cost to the employee, by a physician designated by the company, consistent with applicable federal and state law.

Employees out on medical leave are entitled to continue their then-in-place health insurance benefits at no cost for one month, subject to any changes the company makes in health insurance coverage. Thereafter, employees may continue health insurance at their own cost. Employees can also substitute paid vacation or sick time for any unpaid portion of the leave.

Return from Medical Leave

Prior to returning from any medical leave of absence, employees must submit a doctor's certificate stating that they are medically able to perform the essential functions of the employee's job, with or without reasonable accommodation. The company, however, cannot guarantee reinstatement. When the

employee is able to return to work, the company will attempt to return an employee to her or his original position, if available. If the original position is unavailable, the company will attempt to place the employee in an equivalent, or suitable, vacant position consistent with the company's business and staffing needs.

Short-Term Disability Benefits

Employees may be eligible for short-term disability benefits if they are ill, injured, or otherwise unable to work. The company maintains short-term disability plans in accordance with Massachusetts law. An employee seeking short-term disability leave benefits must complete the necessary paperwork.

Personal Leave of Absence

Requests for personal leave without pay are considered individually and granted at the discretion of the company's management. The reason for the request, the employee's length of service, the employee's work record, and the demands of the individual's job are examples of the types of factors typically considered in evaluating a request for personal leave of absence. A request for personal leave of absence will be granted only if the employee is not eligible for any other type of leave. An employee may not be on an unpaid personal leave of absence for more than two months in any calendar year.

Jury Duty

Employees summoned for jury duty will be allowed the necessary time off from work to perform this civic responsibility. Employees must attempt to give the company 15 days advance notice of the beginning of a jury duty requirement. The company will pay such employees the difference between their regular salary and any jury duty fees received for the first week of service. Employees will be expected to report to work during all regular hours if their presence is not required in a jury room or court. EMBNV may require the employee to supply documentation from the court affirming the employee's jury duty service.

Funeral Leave

When a death occurs in an employee's immediate family, an employee may take up to three days with pay in order to attend the funeral or make funeral arrangements. Additional time off may be granted, with or without pay, at the discretion of the company. For purposes of the funeral leave policy, "immediate family" means an employee's spouse or domestic partner or child, as well as the parent, grandparent, brother or sister of the employee or the employee's spouse or domestic partner.

Emergency Closing and Severe Weather

Unless notified by the HR Director, employees are required to report to work on all regularly scheduled days, regardless of weather conditions. Employees who are unable to report to work due to weather conditions must notify their immediate supervisor as soon as possible. Hourly employees get paid only if they attend work, even if the company decides to remain closed due to inclement weather.

Benefits

EMBNV is committed to providing a generous benefits program for all employees, as permitted by the company's financial performance.

Based on employment status, an employee may be eligible for certain benefits. At the timing of hiring, each employee will be informed by the HR Director of benefits eligibility. Separate documentation will be furnished to each employee, which will explain the nature and availability of each such benefit. Benefits may be modified, added or terminated at any time by the insurance company or provider, per the terms of the plan or by the company's management at its discretion. EMBNV will fully comply with all city, state and federal laws regarding the provision of benefits.

Company community involvement directives allow employees to earn wages while participating in community-based initiatives, such as volunteer work, participation in local Big Brother/Big Sister programs, Junior Achievement, or other community-based service programs. Additionally, the company may, at its discretion, establish tuition reimbursement programs for programs that benefit employee advancement.

Workers' Compensation

EMBNV employees are covered by the provisions of the Massachusetts Workers' Compensation Act, M.G.L. c. 152, and appropriate insurance coverage will be applied for by EMBNV.

As required by law, the company provides workers' compensation coverage for accidental injuries and illness arising out of or in the course of employment. In connection with this coverage, employees are required to report all injuries and illnesses sustained by them in the office or in connection with their employment, no matter how minor, immediately to the HR Director. If an employee has been injured on the job, he or she must complete the necessary accident or incident report notification forms in a timely fashion. Failure to do so may result in the denial of workers' compensation benefits.

SEPERATION POLICIES

The company requires that employees return all documents, files, computer equipment, uniforms, company supplies, business credit cards, keys and other company owned property on or before the last day of work.

Termination

Employees terminated from employment are expected to surrender company keys and other company property. The final paycheck reflecting work up to the close of the date of termination, including payment for any unused vacation days earned to date, will be provided to the employee on the day of discharge or at the next payroll date, at the company's discretion.

Resignations

Employees who resign are requested to submit such resignation in writing to their supervisors, with as much notice as possible, and no less than four weeks in advance, in order to accommodate the company's need to find a suitable replacement. All salary and benefits are terminated as of the separation date. If an employee resigns, the employee will receive a final paycheck on the next regular payroll date following the separation date.

Job Abandonment

Any employee who is absent for three consecutive days without notifying his or her supervisor, or who fails to report to work on or before the expiration of a leave, will be deemed to have voluntarily resigned, consistent with applicable law.

Exit Interview

Whenever possible, the company will schedule an exit interview with the departing employee. The purpose of this interview is to aid the company to understand the reasons for employee turnover, to capture ideas and suggestions for improvement, and to ensure that employees are treated fairly regarding employment matters. The exit interview will not be done by the departing employee's supervisor.

EMBNV'S personnel policies are designed to set forth a clear and complete set of directives and guidelines for its employees in the often-changing landscape of labor-management relations. Against this backdrop, EMBNV is committed to recruiting, hiring and retaining the best workforce in the industry.

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Record Keeping Procedures

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state's Cannabis Control Commission (the "CCC"), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY.....4

INTRODUCTION 4

 What is a record?..... 4

 Record Lifecycle 4

RECORD KEEPING PROCEDURES 5

 Records Access and Security 5

 Electronic Systems Access..... 6

 Records Security..... 6

 Retention and Disposal 6

ROLES AND RESPONSIBILITIES..... 6

 Director of Records Management 7

 Records Management Committee..... 7

APPENDIX: RECORD RETENTION SCHEDULE..... 8

INTRODUCTION

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

EMB Natural Ventures (EMBNV) defines record keeping as: making and maintaining complete, accurate and reliable evidence of business transactions in the form of recorded information. Company information is a valuable corporate asset to be captured, managed, and used effectively to advance the company’s core business and strategic priorities.

The primary purposes for the company’s record keeping procedures are:

- Keeping records of work that has been done to assist with future work
- Providing an audit trail of the decisions that have been made ensuring accountability.
- Complying with regulatory requirements.

What is a record?

A record is defined as any form of recorded information, received or created, that is of historical significance to the company, or which provides evidence of the decisions and actions of the company while undertaking its business activities. Company records may be in any form including: paper, electronic, audio, video, data within business systems, and photographs.

The company will implement a “digital by default” record creation and retention policy. Where possible, and allowed by law or regulation, records will be created, modified, and stored in digital format.

Duplicates of records, such as a printed report of monthly production activity or a copy of a financial statement, are meant for short term use and should be properly disposed once the related work activity is completed.

Record Lifecycle

EMBNV is committed to implementing record keeping procedures in accordance with the information lifecycle:



RECORD KEEPING PROCEDURES

Records and information will be captured, used and kept in the most efficient and appropriate format, with a preference for the creation and maintenance of digital only records wherever possible.

Electronic records will leverage enterprise level business and industry cloud-based tools to effectively and efficiently create and manage information databases. Every database will be backed up on a regular basis. Some of the enterprise level software tools include:

- QuickBooks for business financial records.
- BioTrackTHC® seed-to-sale tracking software, integrated with Massachusetts’s Department of Health’s METRC tracking system.
- BOX online secure cloud storage: best-in-class security, compliance and data protection.



Each of these platforms enables EMBNV to provide real-time record retrieval, storage and analysis. Records can immediately be retrieved from each of these databases when requested by the Cannabis Control Commission (Commission), as well by as the company’s owners and management. EMBNV understands that the granting of a license acts as its consent to unannounced records inspections by the Commission, as a result of which the company has an obligation to maintain its records in an orderly and accurate manner. The company’s record-keeping plan will be an indispensable component of this continuing obligation.

Records Access and Security

Staff members are to only access those files and records which are necessary for the proper fulfillment of their duties or that they are lawfully requested to access. An employee’s level of access to records is relevant to:

- Position responsibilities and requirements
- Level of delegated authority
- Privacy considerations

- Legal professional privilege
- Commercial sensitivity
- Other specific considerations where confidentiality restricts the normal right of access to records

Authorization from the Chief Operating Officer may be required before access is granted.

The company is required to comply with laws and regulations that permit access to its records by members of law enforcement and authorized government agencies as part of a legal process, such as by subpoena or court order, or by request of the Commission, such as required in 935 CMR 500.000, et seq. EMBNV will be fully compliant with its obligations in this regard.

Electronic Systems Access

Electronic record systems will utilize individual login credentials to secure and track access. Each staff member is responsible for the security of their login credentials and the records accessible through that login. Should a login be forgotten or compromised, the staff member should notify company security or the COO immediately.

Records Security

Paper and physical records will be securely maintained in cabinets or filing systems provided by the company. Official versions of physical records should remain on company property at all times. In the event an authorized staff member requires a document off-site, a copy can be made for short-term use. The duplicate should be disposed upon completion of the related work task.

Electronic records will be securely stored and accessible through enterprise level, cloud based software solutions and geographically diverse server storage.

Retention and Disposal

Records will be retained in accordance with the Record Retention Schedule outlined in the Appendix of this document.

Most documents, once they are no longer needed by the company, have no further value and should be destroyed. Confidential records will be marked accordingly and must be destroyed in a secure way, such as cross-cut shredding or contracting with a reputable outside company for secure file pickup and destruction. The disposal protocol will ensure that no company records are accessible by any third party.

ROLES AND RESPONSIBILITIES

All company staff members are responsible for creating, capturing, using, retaining, and disposing of company information in accordance with established procedure. Staff members are personally accountable for the correct management and use of company records and information in the course of performing their assigned responsibilities.

The company will provide training to each staff member commensurate with their role and responsibilities.

Director of Records Management

The Chief Operating Officer (COO) will have overall responsibility for the implementation of, and the adherence to, established record-keeping procedures.

Records Management Committee

The company's COO, legal counsel, Chief Financial Officer, and Quality Assurance Officer will serve as the Records Management Committee (RMC). The RMC will periodically review the effectiveness and compliance of the company's record keeping program. It will review changes to company operating processes and government regulations to adjust record keeping procedures accordingly.

At least annually, a comprehensive records review and audit will evaluate the effectiveness of tools and processes for record-keeping and retrieval. During this annual review, records will be transferred to long-term storage or disposed to maintain efficiencies of real-time data storage.

EMBNV's record-keeping policies will enable the company to conduct its business operations in a thorough, professional and predictable manner. The policies will also assist EMBNV in being a trusted partner with all stakeholders, including the City of Holyoke and the state agencies with an interest in the company's operations.

APPENDIX: RECORD RETENTION SCHEDULE

EMBNV will retain business activity records based on the following table. Changes in government regulations affecting record retention will be provided to the company Records Management Committee, which will adjust retention schedules accordingly. Following the retention period, records may be disposed in accordance with the company's record-keeping policy disposal procedures.

Records will be retained beyond the retention period in the event of any enforcement action, investigation, or by order of an authorized government agency, such as the Commission.

| ACCOUNTING | Retention Period |
|------------------------------------|-------------------------|
| Accounts Payable Ledger | 7 years |
| Accounts Receivable Aging Reports | 7 years |
| Accounts Receivable Ledger | 7 years |
| Accounts Receivable Invoices | 7 years |
| Accounts Written-off | 7 years |
| Authorization - Accounting | 5 years |
| Balance Sheets | Permanent |
| Bank Reconciliations | 7 years |
| Bank Statements | 7 years |
| Bank Deposit Slips | 3 years |
| Budgets | 3 years |
| Canceled Checks | 10 years |
| Cancelled Dividend Checks | Permanent |
| Cash Book | Permanent |
| Cash Disbursement & Receipt Record | Permanent |
| Cash Sales Slips | 7 years |
| Charge Slips | 7 years |
| Charts of Accounts | Permanent |
| Check Register | Permanent |
| Expense Reports | 7 years |
| Financial Statements | Permanent |
| General Ledger | Permanent |
| Journal Entries | Permanent |
| Petty Cash Records | 7 years |
| Profit/Loss Statements | Permanent |
| Purchase Order | 7 years |
| Vendor Invoices | 7 years |
| Voucher Check Copies | 7 years |

| Corporate Records | Retention Period |
|---|-----------------------------------|
| Amendments | Permanent |
| Annual Reports | Permanent |
| Articles of Incorporation | Permanent |
| Audit Reports | Permanent |
| Audit - Internal | 6 years |
| Board of Directors - Committee | Permanent |
| Board of Directors - Minute Books | Permanent |
| Bylaws | Permanent |
| Capital Stock Ledger | Permanent |
| Capital Stock Transactions | Permanent |
| Charter | Permanent |
| Contracts - After Termination | Permanent |
| Contributions | 7 years |
| Financial Statements | Permanent |
| Organizational Charts | Permanent |
| Partnership Agreement | Permanent |
| Stockholders - Minute Book | Permanent |
| Fixed Assets | Retention Period |
| Depreciation Schedule | Permanent |
| Inventory Records | Permanent |
| Plans and Blueprints | Permanent |
| Plant Cost Ledger | Permanent |
| Property Appraisals | Permanent |
| Property Register | Permanent |
| Records for Property Subject to Depletion | Permanent |
| Human Resources | Retention Period |
| Accident Reports - Settled | Settlement + 7 years |
| Attendance Records | Termination + 7 years |
| Background Checks | Termination + 7 years |
| Dental Benefits | Termination + 5 years |
| Disability Benefits - After Expiration/Settlement | Expiration / Settlement + 7 years |
| Disciplinary Actions | Termination + 7 years |
| Employee Medical History | Termination + 7 years |
| Employment Application - Not Hired | 3 years |
| Family & Medical Leave | Termination + 4 years |
| Garnishments | Termination + 5 years |

| Human Resources | Retention Period |
|---|---|
| Life Insurance Benefits | Termination + 5 years |
| Medical Benefits | Termination + 7 years |
| Performance Evaluations - After Termination | Termination + 7 years |
| Personnel File - After Termination | Termination + 7 years |
| Personnel Files - Current Employees | Permanent |
| Profit Sharing Agreement | Permanent |
| Safety Reports | Termination + 5 years |
| Sick Pay | Termination + 4 years |
| Sign-in Logs | 2 years |
| Training - Company | Termination + 3 years |
| Training - Responsible Vendor | Termination + 4 years |
| Vacation Files | Termination + 4 years |
| Workers' Compensation Benefits | 10 years |
| Insurance | Retention Period |
| Automobile Insurance Claims | 10 years |
| Disability Insurance Claims - After Termination | 7 years |
| Expired Insurance Policies | 10 years |
| Fire Inspection Reports | 6 years |
| Insurance Appraisals | 6 years |
| Safety Records | 6 years |
| Foreign Insurance Policies | 3 years |
| Legal | Retention Period |
| Bill of Sale | Permanent |
| Business Permits | Permanent |
| Claims and Litigation Concerning Torts and Breach of Contract | Permanent |
| Company Closure - all records | Greater of 2 years or Individual Retention Time |
| Contracts - Employees | Permanent |
| Contracts - Government | Permanent |
| Contracts - Labor Union | Permanent |
| Contracts - Special | Permanent |
| Copyrights | Permanent |
| Correspondence - Legal | Permanent |
| Deeds/Titles | Permanent |
| Leases/Canceled | 10 years |
| Licenses | Permanent |
| Mortgages | Permanent |

| Legal | Retention Period |
|--|-------------------------|
| Notes Receivable - Canceled | 10 years |
| Patents | Permanent |
| Stock and Bond Record | Permanent |
| Title Papers | Permanent |
| Trademarks - Registered | Permanent |
| Operations | Retention Period |
| Cultivation Batch Record | 4 years |
| Receiving Documents | 10 years |
| Site Plans and Layout | Permanent |
| Telecommunications Copies | 1 years |
| Transport Manifests | 10 years |
| Vehicle Operating and Maintenance | Decommission + 2 years |
| Waste Disposal | 4 years |
| Payroll | Retention Period |
| Contractors | 3 years |
| Checks - Payroll | 7 years |
| Commission Reports - Salesperson | 6 years |
| Employee Withholding Exemption Certificates | 10 years |
| Payroll Register | 4 years |
| Payroll Records - After Termination | 10 years |
| Salary History | 8 years |
| Time Reports | 7 years |
| W-2 Forms | Permanent |
| Vacation/Sick Pay | 4 years |
| Security | Retention Period |
| Alarm System Activity Log | 4 years |
| HD Surveillance - Audio and Video - On-site recall | 90 days |
| HD Surveillance - Audio and Video - Off-site storage | 12 months |
| Material Diversion Violation | Permanent |
| RFID Scan Log - Active Employees | Permanent |
| RFID Scan Log - Terminated Employees | Termination + 7 years |
| Security Checklists | 2 years |
| Visitor Log | 3 years |

| Taxation | Retention Period |
|----------------------------------|-------------------------|
| Tax Free Reorganization | Permanent |
| 338 Election | 7 years |
| Canceled Checks - Tax Payments | Permanent |
| Correspondence - Tax | Permanent |
| Depreciation Schedules | Permanent |
| Income Tax Returns | Permanent |
| Inventory Reports | Permanent |
| FUTA/FICA/Income Tax Withholding | 7 years |
| Payroll Tax Returns | Permanent |
| Revenue Agent Reports | Permanent |
| Sales Tax Returns | Permanent |

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Maintaining Financial Records

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state's Cannabis Control Commission (the "CCC"), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 4

ACCOUNTING METHODS..... 4

HANDLING CASH ON PREMISES..... 5

 Storage 5

 Collection Frequency 5

 Transport..... 6

RECORD KEEPING..... 6

ACCOUNTING OF BENEFITS TO THE MUNICIPALITY 6

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

Back office support relative to the creation and maintenance of financial records will support operational and general business decision-making and will enable the company to meet its financial obligations, in a transparent and efficient manner, to all stakeholders, including the City of Holyoke, in accordance with its Host Community Agreement, and the Commonwealth of Massachusetts.

EMBNV will:

- Produce accurate, timely and complete financial statements, including absorption cost accounting, which details the expenses associated with production of a final product.
- Operate a robust internal control system, including proper segregation of duties and safeguarding of key assets.
- Maintain detailed accounting policies and procedures.
- Maintain a secure electronic database for storage of all financial documents, including invoices, sales receipts, and bank records, that are readily available.
- Utilize an effective dashboard and key performance indicators.
- Employ a timely cash and tax forecasting system.

EMBNV business records will include manual and/or computerized records of assets and liabilities, monetary transactions, accounting records, sales records, and salary and wage information for each employee.

ACCOUNTING METHODS

EMBNV intends to utilize generally accepted accounting principles (GAAP) and full absorption costing as a manufacturer of cannabis flower. The Chief Financial Officer (CFO) will oversee the financial program and procedures. A robust accounting tool, Intuit QuickBooks®, will be connected directly to a company’s manufacturing process tracking system, BioTrackTHC®, to ensure continuity of production, sales, and cash flows in real time.

EMBNV staff will be able to respond quickly, transparently and completely to requests for financial, sales or audit information by the Cannabis Control Commission (Commission).

HANDLING CASH ON PREMISES

The legal adult use cannabis industry in the Commonwealth of Massachusetts, and across the country, is an unusually cash-heavy industry. Bank services are currently limited, at best, due to perceived risks on the part of federally-regulated banks and credit unions. Current public discourse appears to indicate a brighter future for safe banking for Marijuana Establishments. Until that future arrives, however, EMBNV will implement safeguards for cash collection, storage, transport, and accurate accounting.

Storage

Cash will be maintained in an on-site vault within multiple layers of the company's security access system. The cash vault will be used exclusively for cash and any physical records associated with cash. At no time will product or production materials co-mingle the same space as the cash storage.

Procedures will be established, similar to those one might find in a local bank, for permissible access to cash at the beginning and at the end of each day. To access cash in the vault, the presence of two individuals shall be required, with at least one such individual being a management representative.

Cash machines will be used to verify, count and bind bills for storage and use. To prevent tampering, cash machines will remain in secure areas with limited access.

Collection Frequency

Cash transactions will occur at the following times:

- Biweekly payroll.
- Return of transportation truck from delivery of sold goods.
- Payment of bills to vendors.
- Payment of taxes.

EMBNV will vary and randomize its protocols on a daily basis in order to minimize the predictability of when cash may be arriving to or leaving from the facility, either on official business or in the hands of employees. Of paramount importance is the personal safety of the company's personnel, who will be paid on a biweekly basis within the legal guidelines of state and federal wage and employment laws.

Cash will be dispersed by a management representative or an authorized supervisor who will be trained in the policies and procedures of the company's cash and accounting practices. Requests for cash to pay bills or taxes will arrive through the company's tracking and accounting systems. Relevant personnel will prepare the cash corresponding to the bill or invoice. When a staff member picks up the cash to make payments or deliveries, a chain of custody document will be signed to document the individuals responsible for that cash.

Transport

Transportation of cash outside the facility will be arranged in secure vehicles owned or contracted by EMBNV. The vehicles will enter the loading area in the company's facility, such that the exterior bay door of that area closes and secures before any transactions take place. Cash will be transferred to the vehicle by authorized security personnel, with manifest documents detailing amount, purpose, destination, and staff driving the vehicle.

When cash proceeds from goods sold are brought into the facility, those proceeds will be accepted by a company finance representative and security person. The delivery personnel, whether employed by EMBNV or by an outside contractor, will review the manifest, transfer the cash, and provide written acknowledgement of the delivery at the loading area. The cash will be taken directly to the facility's vault area for bill verification and counting. The financial and inventory tracking systems will be updated at the conclusion of the verification to document accurate receipt of capital. Discrepancies will be immediately reported to the CFO and Security Officer.

EMBNV will work with the Commission, the City of Holyoke, and state and federal officials to develop procedures for delivering tax payments in a safe manner, always looking forward in order to stimulate the development of solutions for improving the efficiency and safety of all cash transactions.

RECORD KEEPING

Financial records will be consolidated in Intuit QuickBooks®, or some similarly robust and customizable accounting software platform. Bookkeeping personnel will ensure consistent processing and storage of:

- On-premises cash balance.
- Bank statements, if applicable.
- Sales invoices.
- Purchase invoices and supporting documents.
- Tax records.
- Employee payroll records.
- Company assets and liabilities.

Records will be securely backed up on a daily basis to a secure cloud-storage platform such as box®. Reports will be available at any time as requested by company officers, Commission representatives, or law enforcement officials.

ACCOUNTING OF BENEFITS TO THE MUNICIPALITY

EMBNV's management is excited to contribute to the growth and prosperity of the City of Holyoke and the Commonwealth of Massachusetts. The company's financial processes will include a specific program

to track and review the financial contributions made to the City of Holyoke, consistent with the company's Host Community Agreement. This information will be made available to the Commission, as required in 935 CMR 500.103(4)(d). All other regulatory mandates will be fully complied with as well.

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan - Diversity

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state's Cannabis Control Commission (the "CCC"), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 4

INCLUSION PLAN 4

 Increase Awareness 4

 Workplace Discrimination Avoidance Policy 5

 Accessibility..... 6

 Economic Empowerment..... 6

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

EMBNV is committed to active fostering of diversity and cultural sensitivity through the company’s operational and outreach efforts. These efforts, part of EMBNV’s corporate mission, are designed to promote inclusion among, and to prevent workplace discrimination against, minorities, women, veterans, people with disabilities, and individuals of all gender identities and sexual orientations.

INCLUSION PLAN

EMBNV will develop its organizational capabilities to execute a long-range inclusion plan. A standing committee will consist of an Executive Officer, a Human Resources representative, and two members of the non-senior staff. The committee will meet at least quarterly to develop related targets and training. Its members will be responsible for:

- Increasing diversity among staff and volunteers.
- Assessing the level of intercultural competency of the staff and volunteers.
- Developing tools to increase and develop the intercultural competencies.
- Evaluating diversity initiative activities and results.
- Recognizing and suggesting improvements to company policies and operational procedures to align best with the goals of diversity and inclusion.

Increase Awareness

A key component of EMBNV’s diversity plan is an absolute commitment to achieving tolerance and harmony in the workplace. Educational tools explaining the diversity plan will be created to serve current staff members, prospective staff members, and partner agencies and officials.

Diversity in backgrounds, perspectives and experiences will benefit the company through the support and contribution that each individual brings to the team. A true diversity of ideals can be achieved only by drawing upon the varied and collective life experiences of all members of the EMBNV community. The company will seek this diversity of ideas in its recruitment, hiring, career advancement, and all operational aspects of its business. Diversity is a goal, in and of itself, and when achieved will result in EMBNV reaching its fullest potential as a valued member of the community.

EMB NV will increase awareness, build mutually rewarding relationships, and foster collaboration with a broad range of business and community leaders, as well as other individuals from diverse backgrounds, perspectives and experiences. The company will also promote diversity and inclusion in the cannabis industry generally, in collaboration with other organizations that are addressing diversity and related workplace issues.

Workplace Discrimination Avoidance Policy

EMB NV has a statutory mandate to guarantee equal treatment for each individual who applies for employment or who becomes employed by the company. No discrimination in hiring or within the workforce will be tolerated, whether on the basis of race, creed, political affiliation, color, sex, sexual orientation, national origin, age, or disability. The company's ultimate goal is for its personnel to reflect the diversity among the population that it serves. EMB NV's Human Resources Department will steadfastly adhere to all legal requirements and, further, will serve as a role model of a current-age company that judges itself by the way in which it treats people. The principals of EMB NV have spent their professional lives embracing these ideals.

EMB NV will meet its legal, moral, social and economic responsibilities for Equal Employment Opportunity/Affirmative Action, as authorized and required by all pertinent federal, state and city laws, rules, regulations, and executive orders, including the following:

1. Title VII of the Civil Rights Act of 1964 (42 USC § 2000e, et seq.), which prohibits discrimination in employment on the basis of race, color, religion, sex, or national origin;
2. The Age Discrimination in Employment Act of 1967 (29 USC § 621, et seq.), which prohibits discrimination in employment on the basis of age with regard to those individuals who are at least 40 years of age, but less than 65 years of age;
3. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794), and the regulations promulgated pursuant thereto (45 CFR Part 84), which prohibits discrimination against qualified disabled individuals on the basis of disability and requires employers to make reasonable accommodations to known physical or mental limitations of otherwise qualified disabled applications and employees;
4. M.G.L. c. 151B s4 (1), as amended by Chapter 533, 1983, which prohibits discrimination in employment on the basis of race, color, sex, religious creed, national origin, ancestry, age or disability.

In addition, EMB NV agrees to be familiar with, and to abide by:

- Massachusetts Executive Order 524.
- Massachusetts Executive Order 526.
- Equal Pay Act of 1963.
- Massachusetts Architectural Barriers Board Act.
- Federal Executive Orders 11246 and 11375 as amended.

All employees, subcontractors and vendors must make genuine and consistent efforts:

1. To ensure equal employment opportunities for present and future employees; and
2. To implement affirmative action, as legally required, to remedy the effects of past employment discrimination and social inequalities.

Within the company, the responsibility for implementing and monitoring this policy shall be delegated to the company's Director of Human Resources. Outside the company, business associates, vendors and consultants will be researched to ensure that EMBNV is conducting business with like-minded people. Every effort will be made to discontinue relationships with those business entities and individuals that fail to adhere to this aspect of the corporate mission.

Furthermore, EMBNV prohibits the exposure of any employee or employment applicant to coercion, intimidation, interference or discrimination for filing a complaint or assisting in an investigation under this program. No portion of this Equal Employment Opportunity/Workplace Discrimination Avoidance Policy shall be construed as conflicting with any existing or future judicial or legislative mandate, where a constriction consistent with that mandate is reasonable.

Inquiries or complaints concerning discrimination, harassment, retaliation or sexual violence shall be referred to the company's Director of Human Resources or, if necessary, the company's Chief Executive Officer. All employees will be made aware of their right to complain about improper workplace treatment to the Massachusetts Commission Against Discrimination or the U.S. Equal Employment Opportunities Commission.

Accessibility

EMBNV is committed to accessibility and inclusion in production and business operations. Production areas and processes will be designed to provide reasonable accommodation to employees with disabilities or physical limitations. The production and harvest of cannabis plants and materials is a labor intensive endeavor, with certain tasks requiring a varying levels of physical capabilities to perform job duties safely and effectively. The company's management will regularly review production processes to achieve the greatest balance with workplace safety and optimal accommodation based on physical capabilities.

Economic Empowerment

EMBNV embraces and looks forward to the opportunity to work with the Massachusetts Office of Economic Empowerment and the City of Holyoke to serve Massachusetts and Holyoke residents in closing unfair wage disparities, in order to increase access to financial education and to improve accessibility to STEM careers and education. The growing wage disparity, as well as the ancillary problems it creates, is an increasingly pressing issue in our society. EMBNV is committed to working with local communities and organizations to advertise open positions within its production facility. The company's job positions will pay at or above average wages and will include comprehensive employee benefit programs. Employees will have access to financial literacy courses and tools to maximize their lifetime return on earned income. By empowering individuals to secure their financial future, EMBNV believes that its staff members will

deliver exceptional results every day for the benefit of the whole team, as well as the company's customers and the community in which the company operates.

Taking seriously the opportunities presented in its role as an agro-technology business, EMBNV will endeavor to support the public's interest in, and accessibility to, related science, technology, engineering and mathematics education, and jobs. The company is particularly excited by the Commission's recent designation of the City of Holyoke and Holyoke Community College in establishing a cannabis job training program. EMBNV will fully participate in this new venture and expects to benefit from the local, highly-qualified pools of job applicants that will result from the venture. This kind of partnership between government and private business is an excellent model for cooperation benefitting all stakeholders in EMBNV's operation. The legal cannabis industry has created a unique blend of the art of cultivation and the sciences of biology, botany and chemistry, which combine to create the best final product possible. Members of the company's staff will have access to continual education and technical skills development, in order to advance their own positions within the company, as well as to advance the company's business operations.

EMBNV's corporate mission is dedicated to maintaining a diverse, professional and skilled workforce, with a view toward carving out a unique space for EMBNV in the cannabis cultivation industry.

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Qualifications and Training

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state's Cannabis Control Commission (the "CCC"), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 4

QUALIFICATIONS AND TRAINING 4

 Employee Pre-Employment Screening 5

 Registration of Marijuana Establishment Agents 5

JOB QUALIFICATIONS..... 5

 Executive, Leadership and Administrative Staff 7

 Operations Staff 8

EMPLOYEE TRAINING 9

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

QUALIFICATIONS AND TRAINING

EMBNV will emphasize progressive staffing policies that encourage employee growth, long-term commitment, and diversity. The company acknowledges and embraces the social, ethnic and economic diversity of the residents in the City of Holyoke and aims to set an example of positive employment opportunity, as well as to offer second chances to individuals who would otherwise be qualified for gainful employment but for criminal records involving offenses unrelated to effective job performance at a cannabis cultivation facility. Entry level job positions in the areas of product processing, transportation, and office administration represent a significant percentage of the company’s staff and offer future employees gainful employment in a growing industry. Skills development through training and experience will lead to employee promotions within the company as the company grows.

EMBNV will develop a comprehensive staffing plan, guiding recruitment and hiring of management and executive staff, as well as a training matrix related to all employees. Staffing and training policies and procedures will ensure the secure, safe, sustainable and effective cultivation of cannabis products. Company and staff activities will comply with the Cannabis Control Commission (Commission) regulations, as promulgated in 935 CMR 500.000, et seq.

The company is excited to avail itself of prospective future employees coming from the recently-established social equity training program, which includes both the City of Holyoke and Holyoke Community College as founding partners. This initiative endorsed by the Commission is certain to produce a pool of qualified and motivated Holyoke area residents who are seeking employment in the cannabis industry.

Highlights of the plan include:

- General staffing policies.
- An estimate of staffing requirements.
- Descriptions of responsibilities and requirements for manager and higher level positions.
- A comprehensive training program required for each employee with evaluation within 90 days of hire.
- Additional training topics required for management positions.

- Forms to assist in the hiring process.

EMBNV's recruiting and hiring efforts will be directed toward diverse candidates with specialized qualifications (depending on the position), including:

- Interest and aptitude for alternative medicine.
- Absence of criminal records for disqualifying offenses.
- Experience in restricted access, highly-regulated facilities.
- Experience, interest, and the ability to achieve success in the cannabis industry.
- Health-related educational/professional backgrounds.

Employee Pre-Employment Screening

EMBNV Prior to employment, EMBNV will require all employees to:

- Be 21 years of age or older.
- Provide background information compliant with 935 CMR 500.030.
- Undergo a complete background check.
- Be suitable for registration as a Marijuana Establishment Agent in the Commonwealth of Massachusetts, consistent with 935 CMR 500.800 and 500.802.

Employees will also be required to sign a series of forms and agreements acknowledging they are aware that failure to comply with state and local regulations and company policies could result in immediate termination and potential criminal prosecution, if applicable.

Registration of Marijuana Establishment Agents

Each EMBNV employee will be registered with the Commission, and the company will pay the necessary fee for each employee, upon receiving appropriate clearance, to receive a registration card. All requirements of 935 CMR 500.030 will be strictly complied with. Employee registration cards will be renewed annually, provided that the employees remain suitable for registration. The company's Director of Production will maintain records of all registered agents. Any changes to personnel information or employment status will be reported to the Commission within five business days, as required by 935 CMR 500.030(6).

JOB QUALIFICATIONS

EMBNV will use defined job qualifications to filter applicants to those who will best help maintain company-wide safety and effectiveness, as well as to promote the company's diversity program. Company management will frequently review job qualifications for their applicability to the current operations. The company may adjust systems and processes in order to remove unnecessarily restrictive qualifications so as to expand the pool of qualified candidates who will succeed in a particular job or skill

area. Objective employment requirements, such as criminal history or employment eligibility, will comply with state and federal employment and anti-discrimination laws.

EMBNV aims to hire highly qualified and capable employees prepared to meet or exceed the requirements of their positions. Job qualifications will be communicated with applicants during the application process and be provided to employees in new-hire packets.

The company will evaluate applicants based on five primary categories: experience, education, ability to perform in the job position, language ability, and physical effort capability if applicable.

The following tables list each job position and a summary of the qualifications for each based on the five categories. Company staff positions are divided into two groups: the Executive, Leadership and Administrative Staff; and the Operations Staff.

Executive and administration staff consists of the Chief Executive Officer, Chief Operating Officer, the Controller, the Quality Assurance Officer, the Sales Director, and Administrative Professionals.

Operations staff will be required to move throughout the facility working directly with grow operations, product, production equipment, and facility equipment based on day-to-day needs of the plants and the scheduled production process. Operations staff consists of the Director of Production, Cultivation Staff, Processing Staff, Transportation Drivers, Security Officer, Security Guards, and the Facility Manager.

Executive, Leadership and Administrative Staff

| | Experience | Education | Ability | Language Ability | Physical Effort |
|--|---|---|---|---|---|
| Chief Executive Officer (CEO) | 10+ years business leadership and management with focus on strategy and revenue | Successful business leadership experience is more important than specific formal education. | Strategic leadership; Effective communication to team leaders; Quick and decisive action | Fluent English spoken and written; Spanish as secondary a plus. | 8 – 10 hours desk / office work |
| | Responsibility: | Reports to the owners / shareholders. The CEO sets the strategic direction for the company. He engages with government officials, industry partners, and other company leaders to develop the cannabis industry in Massachusetts and grow EMBNV's presence. | | | |
| Chief Operating Officer (COO) | 10+ years business leadership and management | 4 year college degree; Operational Management training; MBA a plus | Experienced and efficient leader; Clear Communication; Excellent people skills | Fluent English spoken and written; Spanish as secondary a plus. | 8 – 10 hours desk / office work |
| | Responsibility: | Reports to the CEO. The COO designs and implements business strategies, plans and procedures. He sets comprehensive goals for performance and growth. He oversees daily operations at the company's grow facility. He reviews and secures all company records and reports in accordance with company policy and government regulatory compliance. | | | |
| Chief Financial Officer (CFO) | 10+ years Finance and Accounting | 4 year college degree; Certified Public Accountant; Advanced degree preferred | Detail oriented; Proactive communicator; Computer Proficiency | Fluent English spoken and written | 8 – 10 hours desk / office work |
| | Responsibility: | Reports to the COO. The CFO is the company's chief accounting officer and bears responsibility for preparing financial statements, business plans, budgets, taxes, compliance certifications and special projects such as planning short- and long-term business strategies, sales of assets, and securing financing or investors | | | |
| Quality Assurance Officer (QAO) | 10+ years Quality Control Management | 4 year college degree; QA program certification | Detail oriented; Proactive communicator; Negotiation; Creativity; Computer Proficiency | Fluent English spoken and written | 8 – 10 hours desk / office work |
| | Responsibility: | Reports to the COO. The QAO designs and implements quality control procedures for production and business operations. He collaborates with the Director of Production to proactively implement quality control procedures and feedback loops. He efficiently identifies and corrects quality deficiencies in production efficiency, product quality, operational safety, seed-to-sale tracking, and reporting. | | | |
| Sales Director | 10+ years in business to business sales; medical or specialty retail preferred | 4 year college degree; sales training and certifications a plus. | Results oriented; Energetic; Commercial Awareness; Exceptional communication and negotiating skills | Proficient spoken and written; Spanish as secondary a plus. | 8 – 10 hours on feet, stairs, ladders, lift 50 lbs., work with chemicals and machines |
| | Responsibility: | Reports to COO. Responsible for the care and maintenance of facility equipment and systems. The facilities manager will design and implement routine maintenance procedures for all facility systems and coordinate with outside vendors and subcontractors as required. He will respond to reports of equipment problems and respond quickly to resolve the issue and mitigate its impact on business operations and safety. | | | |
| Administrative Professionals | 3+ years in high-pressure multitask environment | High school degree. Training Courses and Certifications for Office Tools like Microsoft Suite | Observant; Proactive; Helpful; Detailed; Problem Solving Abilities | Proficient spoken and written; Spanish as secondary a plus. | 8 – 10 hours desk / office work |
| | Responsibility: | Reports to assigned company officer. The professional supports their company officer with office functions such as answering telephones, relaying messages, maintaining files, preparing presentations, ordering supplies, researching information, and preparing documents. | | | |

Operations Staff

| | Experience | Education | Ability | Language Ability | Physical Effort |
|-------------------------------|--|--|--|---|--|
| Director of Production | 3 – 5 years managing grow operations | Vocational degree; Horticulture certification; manufacturing training | Effective Communicator; Detail Oriented; Leadership | Fluent English spoken and written; Spanish as secondary a plus. | 8 – 10 hours on feet, stairs, ladders, lift 50 lbs. |
| | Responsibility: | Reports to the COO. The Director develops, implements and improves the entire cannabis cultivation operation from seed selection and acquisition through final product delivery to the end customer. He is responsible for overseeing staff members completing tasks and properly reporting activities for the Seed-to-Sale tracking system. He works with company leadership to implement production strategies and tactics which will support company goals. | | | |
| Cultivation Staff | 2 - 3 years working in horticulture growing | Horticulture training, degree preferred | Responsive; Trainable; Self-Starter; Team Player | Proficient English spoken and written; Spanish as secondary a plus. | 8 – 10 hours on feet, stairs, ladders, lift 50 lbs. |
| | Responsibility: | Reports to the Director of Production. Staff serve as area managers responsible for the daily task lists of the various growth stages. Document and track every interaction with the plants. They are expected to be an operational stand-in for the Director of Production when he is not present. | | | |
| Processing Staff | Plant trimming and packaging, following detailed process | Proven capability verified with functional test | Meticulous detail; light hands / nimble; pro-active communication; team player | Understand moderate spoken English; written English on forms. Fluent Spanish acceptable. | 8 – 10 hours on feet or chair; stairs; ladders |
| | Responsibility: | Reports to the Director of Production. Staff provide manpower during plant harvest, trim, dry, cure, and packaging. They must be able to follow and comply with detailed process instructions. | | | |
| Transportation Driver | 2+ years commercial driving | Commercial driving training and license; security training a plus | Skilled driver and navigator; Observant; Detail Oriented; Courteous and personable | Conversational spoken English; moderate written English. Spanish native or secondary a plus | 8 – 10 hours on feet, stairs, ladders, lift 50 lbs., chemicals and machines |
| | Responsibility: | Reports to Director of Production. Drivers securely load and unload customers' products meticulously following company procedures. Attention to detail regarding products, security, and documentation is mandatory and strictly enforced. | | | |
| Security Officer | 10+ years security | Trained and certified in security and protection; weapons training and license; team leadership | Observant; Leader; Independent; Detail Oriented; Calm in a crisis | Proficient English spoken and written; Spanish as secondary a plus. | 8 – 10 hours on feet, stairs, ladders; can restrain and hold down large individual |
| | Responsibility: | Reports to COO. The Security Officer designs and implements the company's security plan and enforcement. He must ensure all aspects of the grow facility, grow operations, and product transportation are secure at all times. He oversees the implementation of and compliance with security protocols such as entrance ID verification, product and cash secure storage, record retention and security, alarm system operation and testing, and any security reports to local or state officials as necessary. | | | |
| Security Guard | 5+ years security | Trained and certified in security and protection; weapons training and license | Observant; Independent; Detail Oriented; Calm in a crisis | Proficient spoken and written; Spanish as secondary a plus. | 8 – 10 hours on feet, stairs, ladders; can restrain and hold down large individual |
| | Responsibility: | Reports to Security Officer. Security guards are responsible for the proactive securing and monitoring of the company's production facility, personnel, and operational activities. They must demonstrate commitment to company policies and procedures. They will oversee crucial facility areas and activities such as product transition points (e.g. product trimming and packaging), personnel entrance verification, and counting and transporting cash. | | | |
| Facilities Manager | 5+ years commercial construction technician (electric or HVAC) | Vocational degree; certification in trade like electrician or HVAC | Detail oriented; Efficient; Clean workmanship; Documentation | Proficient spoken and written; Spanish as secondary a plus. | 8 – 10 hours office or travel, |
| | Responsibility: | Reports to COO. Responsible for the care and maintenance of facility equipment and systems. The facilities manager designs and implements routine maintenance procedures for all facility systems and coordinates with outside vendors and subcontractors. He will receive reports of equipment problems and respond quickly to resolve the issue and mitigate its impact on business operations and safety. | | | |

EMPLOYEE TRAINING

Qualified candidates will be hired with a 90-day probationary period. During this period, employees will participate in a rigorous training process and be evaluated for suitability for their job function and effectiveness working in a restricted-access environment. Training will include a review of the employee handbook, third-party Responsible Vendor Training certification class, and training tailored to the employee's position in both a classroom and hand-on setting. The training program will include:

- All employees will take, and pass, the Responsible Vendor Certification Training Class annually.
- Managers will receive instruction on Best Practices in Hiring, Effective Training Techniques, and Evaluating Employees.
- Quarterly legal training will supplement annual certification training by communicating any changes to or clarifications of local, state and federal laws relating to cannabis products. Legal obligations of licensed cannabis businesses and registered agents will be emphasized.
- Security training will include how to respond to a variety of emergencies, facility access policies, and diversion detection and reporting procedures. Training will be tailored to the employee's job duties.
- Safety training will emphasize an understanding of safety data sheets, personal protective equipment, task-specific safety, and chemical spill cleanup.

Any training designed by company management will involve the Quality Assurance Officer, in order to create training modules that will be comprehensive and address worker knowledge, safety and security.

Successful completion of each training course is contingent on passing a comprehensive test with a score of 80% or better administered at the conclusion of the course. Should an employee fail to achieve an 80% score, he or she will be given an opportunity to receive additional training and to retake the test. A second failure to pass the test may result in discharge of the employee.

The trainer has the authority to use alternate means of testing employee knowledge after a training module. This alternate means would be utilized only if it completely and adequately evaluates the employee's understanding of the material, and that understanding could be documented in company records.

Employee attendance at all training sessions will be recorded physically or electronically, and the resulting records will be forwarded to and retained by the COO. Training records will be maintained for current and former employees for four years.

EMBNV's qualifications and training plan is part of the company's total commitment to being an industry leader. It is designed to ensure that the company has the most highly-qualified, motivated and diverse labor force in the market, thereby positioning the company as an example of best practices in the Massachusetts cannabis industry, as well as providing direct and ancillary benefits to its municipal partner, the City of Holyoke.

EMB NATURAL VENTURES, LLC

A Cannabis Cultivation Establishment

Operating Plan – Energy Compliance

December 2020

Description

EMB Natural Ventures is a Massachusetts company with a provisional license from the state's Cannabis Control Commission (the "CCC"), and a special permit from the City of Holyoke, in order to conduct business as a cannabis cultivator in a building to be constructed at 140 Middle Water Street, Holyoke, MA.

The facility will be equipped to grow 3,000 mature cannabis plants, including up to 15 different cannabis strains.

PROPRIETARY & CONFIDENTIAL

The data contained in this document is considered proprietary and confidential and is not to be used by, or disclosed to, any unauthorized individuals or agencies without the written permission of EMB Natural Ventures, LLC. No duplication of the whole or any part of this document is permitted.

Table of Contents

SUMMARY 4

GENERAL COMPLIANCE POLICY..... 4

SPECIFIC COMPLIANCE PROTOCOLS 5

ENERGY COMPLIANCE AND EXEMPTION LETTERS..... 6

SUMMARY

EMB Natural Ventures (EMBNV) is a new cultivation company that intends to provide high-quality cannabis flower to the legal adult use market in the Commonwealth of Massachusetts.

Pursuant to The Code of Massachusetts Regulations, specifically 935 CMR 500.000, et seq.: “Cannabis Control Commission – Adult Use of Marijuana,” EMBNV will establish and maintain policies and procedures demonstrating EMBNV’s extensive ability to cultivate the cannabis plant securely, safely, sustainably and efficiently.

Energy compliance procedures at EMBNV’s facility are designed to ensure through a regular review process that the company’s products adhere to a defined set of compliance criteria.

GENERAL COMPLIANCE POLICY

EMBNV has, through an affiliated entity, purchased the property site located at 140 Middle Water Street, in Holyoke, MA (the “Property”), which will be the site of the company’s cannabis control facility. In addition, a Host Community Agreement (“HCA”) was executed by EMBNV and the City of Holyoke on October 25, 2018. The HCA stipulates certain conditions and responsibilities of the parties not covered by local zoning approval processes.

In addition, the City of Holyoke has promulgated a Code of Ordinance (the “Zoning Ordinance”), in compliance with Massachusetts General Laws Chapter 40A, known as the “Zoning Act,” for the stated purposes “to promote the general welfare of the City of Holyoke, to protect the health and safety of its inhabitants, to encourage the most appropriate use of land throughout the city, to preserve the cultural, historical and agricultural heritage of the community, to increase amenities of the city, and to reduce the hazard from fire by regulating the location and use of buildings and the area of open space around them.” Effective December 19, 2017, the City also promulgated a new section 7.10 of the Zoning Ordinance, imposing “reasonable safeguards and regulation of the time, place and manner of marijuana establishments.”

On April 17, 2019, EMBNV was granted a Special Permit from the Holyoke City Council, consistent with the provisions of section 7.10 of the Zoning Ordinance. Toward that end, EMBNV has contracted with the land use and engineering firm Vanasse, Hangen, Brustin, Inc. (“VHB”), a multi-national consulting entity with local offices in Springfield, MA. VHB is well-versed in all pertinent provisions of the Zoning Ordinance and keeps abreast of all relevant revisions to those provisions and will help to ensure that EMBNV’s planned Marijuana Establishment in the City of Holyoke remains fully compliant with the Zoning Ordinance and the Zoning Act. This relationship will include regular communication between EMBNV and VHB so that EMBNV will remain knowledgeable of any future revisions to the Zoning Ordinance, as well as to ensure that EMBNV continues to adhere to all zoning requirements of the City of Holyoke.

EMBNV is keenly aware of the need to have access to, and working relationships with, various experts in all facets of their operations. As a result, VHB is expected to serve as a valued partner with EMBNV and

with all stakeholders in the zoning process related to EMBNV's business enterprise, and VHB will serve as a key partner in ensuring compliance with present and future zoning requirements.

SPECIFIC COMPLIANCE PROTOCOLS

Upon the Commission's issuance of a Provisional License to EMBNV in March 2020, the company planned (subject to the Commission's review and approval of architectural drawings) to renovate the building located on the Property. Regrettably, the public health crisis that was caused by onset of the COVID-19 pandemic in March 2020 resulted in significant delays in the company's ability to move forward as it had planned. It was not until the summer of 2020 that VHB and the rest of EMBNV's architectural and engineering team was able to perform a detailed examination of the building on the Property, with a view toward preparing architectural design and building renovation plans.

As a result of a number of factors, the EMBNV's management and its architectural and engineering team determined that the existing building was too severely damaged and deteriorated for it to be renovated safely. Due principally to the safety considerations, but also to the fact that the costs of demolishing the existing structure and constructing a new building in its place were projected not to be materially different than those that had originally been planned for shoring up and renovation, a decision was made to change the nature of the project from a renovation to a demolition and new construction.

In order to proceed, EMBNV needed to determine what permits would be required from agencies within the City of Holyoke. To that end, a meeting was requested, and held via Zoom on December 8, 2020, among representatives of the company, including its architect and engineer, and members of the Holyoke Planning Board and Ordinance Committee. At that meeting, it was resolved that EMBNV would begin by submitting updated materials to the City Council to acknowledge both the delay in anticipated completion of the project and the change in focus from a renovation to a new construction, after which applications could be submitted for permits to be issued by the Holyoke Stormwater Authority, Conservation Commission, and Planning Board. As a result, EMBNV has prepared such materials, which were submitted to the City Council on January 5, 2021, including, among other things, new site plans, a developmental impact statement, a stormwater report, and a traffic statement.

Because the City Council gave its approval in 2019 for the use of the Property as a Marijuana Establishment, it is not expected that the Council's review of materials reflecting operation of the facility in a newly constructed building will be a time-consuming process. Once that review is complete, EMBNV will be able to submit its applications to the Holyoke Stormwater Authority, Conservation Commission, and Planning Board, after which a final building permit would be issued by the city's Building Department. Subject to the Commission's approval of the company's final architectural plans, the Company could then begin construction.

Under EMBNV's anticipated timeline for the project, construction would begin in March, and be completed by October, of 2021. Even accounting for any unexpected delays, the business should become operational, with planting of the company's first marijuana crop, by December 2021.

This timeline is relevant to the development of a final plan for compliance with energy requirements, inasmuch as EMBNV will be able to develop such a plan only upon completion and approval of final

architectural designs and building plans once it receives its permits from the various city authorities. Those compliance plans will include (a) monitoring of energy consumption, and an allowance to make adjustments to operations based on energy usage data, (b) procedures for identifying energy saving opportunities as part of the new building process, and (c) procedures for identifying energy saving opportunities in any instances of equipment failure or replacement. Also as part of its compliance planning, EMBNV will consider any opportunities for renewable or alternative energy generation.

Through regular (at least monthly) consultation with VHB and equipment suppliers, EMBNV's Director of Operations will ensure that equipment used in the facility is maintained, calibrated and operated properly, including maintaining operations manuals and operating procedures for all major energy-using equipment – including, without limitation, horticultural lighting, HVAC systems, and dehumidification systems.

ENERGY COMPLIANCE AND EXEMPTION LETTERS

EMBNV is aware of the Commissions regulatory requirements for (a) a letter, signed by a licensed professional architect or engineer, demonstrating compliance with horticultural lighting power density requirements, (b) third-party certification of lighting products by an OSHA, NRTL or SCC representative, and (c) PowerScore testing. Such materials can be obtained upon the commencement of operations, which as set forth above are projected to begin in December 2021.