Massachusetts Cannabis Control Commission

Marijuana Product Manufacturer

General Information:

License Number: MP281704

Original Issued Date: 09/21/2020

Issued Date: 08/12/2021

Expiration Date: 09/21/2022

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Turning Leaf Centers Otis, LLC

Phone Number: 732-406-1000 **Email Address:** sajkhan@prodigy.net

Business Address 1: 1570 north main road **Business Address 2:**

Business City: Otis **Business State:** MA **Business Zip Code:** 02153

Mailing Address 1: PO Box 1328 **Mailing Address 2:**

Mailing City: East Otis **Mailing State:** MA **Mailing Zip Code:** 01029

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: n/a

Department of Public Health RMD Registration Number:

Operational and Registration Status:

To your knowledge, is the existing RMD certificate of registration in good standing?: no

If no, describe the circumstances below: no applied for

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 60 **Percentage Of Control:** 30

Role: Owner / Partner **Other Role:**

First Name: David **Last Name:** Reiner **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: white

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 5 **Percentage Of Control:**

Role: Owner / Partner **Other Role:**

First Name: John **Last Name:** Saccenti **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:

Person with Direct or Indirect Authority 3

Percentage Of Ownership: 5 **Percentage Of Control:**

Role: Owner / Partner **Other Role:**

First Name: Thomas **Last Name:** Gacewicz **Suffix:**

Gender: Male **User Defined Gender:**

What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French), American Indian or Alaska Native

Specify Race or Ethnicity: white and American Indian

Person with Direct or Indirect Authority 4

Percentage Of Ownership: 30 **Percentage Of Control:** 30

Role: Owner / Partner **Other Role:**

First Name: Leonard **Last Name:** Littman **Suffix:**

Gender: Male **User Defined Gender:**

What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Leonard **Last Name:** Littman **Suffix:**

Types of Capital:	Other Type of Capital:	Total Value of the Capital Provided:	Percentage of Initial Capital:
Monetary/ Equity		$10000000	100

Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 1570 North Main Road

Establishment Address 2:

Establishment City: Otis **Establishment Zip Code:** 02153

Approximate square footage of the Establishment: 2000 **How many abutters does this property have?:** 8

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

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	Host-Community-Agreement-Certification-Form - fully executed.pdf	pdf	5d3fa34fd0f20f340371395e	07/29/2019
Community Outreach Meeting Documentation	AI. 4 Community Outreach Documentation.pdf	pdf	5e9b8536554b033566cd35d2	04/18/2020
Plan to Remain Compliant with Local Zoning	MPN - Plan to Remain Compliant.pdf	pdf	5ebeb496ce51fd2d12e5dc3f	05/15/2020

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

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Positive Impact 5 31.pdf	pdf	5ed44b88f9d5584a8e096bb1	05/31/2020

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: **Other Role:**

First Name: John **Last Name:** Saccenti **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 2

Role: **Other Role:**

First Name: Thomas **Last Name:** Gecewicz **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 3

Role: **Other Role:**

First Name: David **Last Name:** Reiner **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 4

Role: **Other Role:**

First Name: Leonard **Last Name:** Littman **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

No records found

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Bylaws	saj charles otis operating agreement .pdf	pdf	5d7d4208629a272281d32d92	09/14/2019
Department of Revenue - Certificate of Good standing	mass tax Cert of Good Standing.pdf	pdf	5d7d427adfdeea2264a65d2f	09/14/2019
Secretary of Commonwealth - Certificate of Good Standing	otis cert of good standing .pdf	pdf	5d842e7a0473c3226f35e844	09/19/2019
Articles of Organization	otis Certificate of Amendment.pdf	pdf	5d842e833567ed1db89e44e4	09/19/2019

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	Certificate of Good Standing - Dept of Revenue (1) copy.pdf	pdf	60e7719dfb983a0274aacd0b	07/08/2021
Secretary of Commonwealth - Certificate of Good Standing	Certificate of Good Standing 6-16-21.pdf	pdf	60e771ad84f3fe0296c4157e	07/08/2021
Department of Unemployment Assistance - Certificate of Good standing	Good Standing Unemployment.png	png	60ec54a2aa87100331f64854	07/12/2021

Massachusetts Business Identification Number: 001373871

Doing-Business-As Name:

DBA Registration City: Otis

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Turning Leaf Centers Otis MA - Supp Letter.pdf	pdf	5d67057b271f0d1dcaf30182	08/28/2019
Business Plan	MOP. 2 Business Plan.pdf	pdf	5e9b883fb014bf38e46d099d	04/18/2020
Proposed Timeline	TLC OTIS 2021 Updated Tabbed Timeline Processing.pdf	pdf	60ec99a974b6080359f710d4	07/12/2021

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Separating recreational from medical operations, if applicable	Mass Manu Sep Rec Med.pdf	pdf	5d33533af0e76e38a87cd1fc	07/20/2019
Restricting Access to age 21 and older	Mass Manu Restrict Access 21+.pdf	pdf	5d335344d0f20f340371274f	07/20/2019
Prevention of diversion	Mass Manu Prevention of Diversion.pdf	pdf	5d335396b0555e33d0bccc29	07/20/2019
Storage of marijuana	Mass Manu Storage Marijuana.pdf	pdf	5d3353a66614633871922c0a	07/20/2019
Inventory procedures	Mass Manu Inventory Procedures.pdf	pdf	5d3353d58595fb38875db667	07/20/2019
Record Keeping procedures	Mass Manu Record Keeping Procedures.pdf	pdf	5d3354210dc32e386aecd8e7	07/20/2019
Transportation of marijuana	Mass Manu Transportation of Marijuana.pdf	pdf	5d3dacd58595fb38875dc595	07/28/2019
Security plan	Security Plan section of Application 3-30-20.pdf	pdf	5e9b88bcf0445c357cb0a07b	04/18/2020
Quality control and testing	QUALITY CONTROL AND TESTING OTIS.pdf	pdf	5e9b88e5bddf0438d21df177	04/18/2020
Personnel policies including background checks	MOP. 7 Personnel Policies.pdf	pdf	5e9b891c482e703583b7e0b0	04/18/2020
Maintaining of financial records	MOP. 8 Maintaining Financial Records.pdf	pdf	5e9b898c172cbc35459787b8	04/18/2020
Types of products Manufactured.	MOP. 10 Description of Products.pdf	pdf	5e9b8a5ab7c619391b8bc277	04/18/2020
Method used to produce products	MOP. 11 Production Methods fixed.pdf	pdf	5e9b8ce75f1da0353e2b5a0d	04/18/2020
Sample of unique identifying marks used for branding	MOP. 12 Unique Identifying Mark.pdf	pdf	5e9b8d2fd29ad935715997b4	04/18/2020
Qualifications and training	Qualifications and Training otis Final.pdf	pdf	5ebf40a48caba634a8439b26	05/15/2020
Diversity plan	Diversity Plan (003) revised 5-22-20 Final.pdf	pdf	5ec940a95c6c422d41afd050	05/23/2020
Energy Compliance Plan	Energy.pdf	pdf	60ec99d87a4b3b034a681238	07/12/2021

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

Description of Progress or Success: Not Applicable - Turning Leaf Centers Otis has not received final License

COMPLIANCE WITH DIVERSITY PLAN

Diversity Progress or Success 1

Description of Progress or Success: Not Applicable - Turning leaf Centers has not received final license.

PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

Item 1

Label Picture:

Document Category	Document Name	Type	ID	Upload Date
	Not Applicable - photo or label.pdf	pdf	60e772df8d6c3f02b7d1b2d2	07/08/2021

Name of Item: Not Applicable **Item Type:** Non-Edible MIP

Item Description: Turning Leaf Centers Otis, LLC has not begun operations.

HOURS OF OPERATION

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

Cannabis Control Commission
COMMONWEALTH OF MASSACHUSETTS

Host Community Agreement Certification Form

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

Applicant

I, David Reiner, LLC (*insert name*) certify as an authorized representative of Turning Leaf Centers Otis, LLC (*insert name of applicant*) that the applicant has executed a host community agreement with Town of Otis (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on April 9, 2019 (*insert date*).

Signature of Authorized Representative of Applicant

Host Community

I, Rebecca Stone (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Otis (*insert name of host community*) to certify that the applicant and Town of Otis (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on April 9, 2019 (*insert date*).

Rebecca Stone, Town Administrator
Signature of Contracting Authority or
Authorized Representative of Host Community

Cannabis Control Commission
COMMONWEALTH OF MASSACHUSETTS

Community Outreach Meeting Attestation Form

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

I, Peter L. Puciloski, (*insert name*) attest as an authorized representative of Turning Leaf Centers Otis, LLC (*insert name of applicant*) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on March 30, 2019 (*insert date*).

2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on March 14, 2019 (*insert date*), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document).*

3. A copy of the meeting notice was also filed on March 14, 2019 (*insert date*) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).

4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on March 13, 2019 (*insert date*), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).

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

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

Attachment A

Public Notices

NOTICE OF COMMUNITY OUTREACH MEETING
Turning Leaf Centers Otis, LLC

Notice is hereby given that Turning Leaf Centers Otis, LLC will host a Community Outreach Meeting to discuss the proposed siting of a Marijuana Cultivation Establishment, Marijuana Product Manufacturer, Marijuana Retail Dispensary, and Medical Marijuana Dispensary at 1570 & 1553 North Main Road, Otis, MA, 01253 in accordance with Massachusetts Cannabis Control Commission's regulation 935 CMR 500.000

March 30, 2019 - 2:00 p.m.
Otis Town Hall
1 North Main Road,
Otis, MA 01253

There will be an opportunity for members of the community to ask questions and receive answers from company representatives about the proposed facility and operations.
03/14/19

Copyright © 2019 Berkshire Eagle 03/14/2019
March 14, 2019 9:22 am (GMT +4:00)

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NOTICE OF COMMUNITY OUTREACH MEETING
Turning Leaf Centers Otis, LLC

Attachment B

Notice is hereby given that Turning Leaf Centers Otis, LLC will host a Community Outreach Meeting to discuss the proposed siting of a Marijuana Cultivation Establishment, Marijuana Product Manufacturer, Marijuana Retail Dispensary, and Medical Marijuana Dispensary at 1570 & 1553 North Main Road, Otis, MA, 01253 in accordance with Massachusetts Cannabis Control Commission's regulation 935 CMR 500.000

March 30, 2019 - 2:00 p.m.
Otis Town Hall
1 North Main Road, Otis, MA 01253.

There will be an opportunity for members of the community to ask questions and receive answers from company representatives about the proposed facility and operations.

Attachment C

LAZAN GLOVER & PUCILOSKI LLP

BOSTON • GREAT BARRINGTON

DAVID M. LAZAN*
PETER L. PUCILOSKI
ALEXANDRA H. GLOVER

OF COUNSEL

SCOTT A. SANES◊
JAMES B. MCLINDON
ALLEN B. KOENIG (1948-2011)

785 MAIN STREET
GREAT BARRINGTON, MA 01230
TELEPHONE 413-644-0200
FAX 413-644-0201
www.lazanlaw.com

Peter L. Puciloski
Email puciloski@lazanlaw.com

March 13, 2019

By First-Class Mail

[redacted]

Re: 1570 & 1553 North Main Road, Otis - Notice of Community Outreach Meeting – Turning Leaf Centers Otis, LLC.

Dear [redacted]:

Notice is hereby given that Turning Leaf Centers Otis, LLC is hosting a Community Outreach Meeting on March 30, 2019 at 2:00 p.m. at Otis Town Hall to discuss the proposed Marijuana Cultivation Establishment, Marijuana Product Manufacturer, Marijuana Retail Dispensary, and Medical Marijuana Dispensary.

Please see attached Notice which is being published in the Berkshire Eagle on Thursday, March 14, 2019.

Very truly yours,

Peter L. Puciloski

Enclosure

155400

Host Community Information
Plan to Remain Compliant with Local Zoning

A Zoning Special Permit to erect and operate a Marijuana Product Manufacturer facility at 150 North Main Road, Otis MA. Case3 2019-06-01. Hearing date June 6, 2019. Granted June 6, 2019.

Local Board of Health Septic Design approval and Disposal Work Construction Permit will be needed.

Building Permit, specialty trade permits, for building construction, sign offs and approvals prior to issuance of Certificate of Occupancy.

Local Mass DOT approval for curb cut, horizontal boring under road way.

Mass DEP public water supply approval.

Zoning Special Permit 2019-06-01 conditions. 1. Must be built to the plans submitted to and approved by the board at its 06/03/19 meeting. 2. Prior to issuance of a building permit the applicant shall submit a detailed odor mitigation plan for peer review by an independent consultant selected by the Building Commissioner at the applicant's expense. The plan shall be subject to satisfaction of the Building Commissioner.

Ongoing Compliance

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

TLCO owners will remain in contact with municipal officials including the Town Clerk, Board of Selectmen, Planning Board, Inspector and other applicable officials to ensure that there is an open line of communication. We will remain up to date with all zoning ordinance changes and requirements to ensure that Turing Leaf Centers Otis, LLC remains in compliance.

Turning Leaf Centers Otis, LLC has not received the Final licensure and has not begun operations. As a result of this delay there has been no financial benefits accruing to the municipality. This is not applicable at this time.

DISPROPORTIONATE IMPACT PLAN

Turning Leaf Centers Otis, LLC ("TLCO") is committed to establishing procedures and policies to promote and encourage full participation in the regulated cannabis industry by individuals from communities disproportionately harmed by marijuana prohibition and enforcement and to positively impact those communities. 935 CMR 500. Specifically, TLCO aims to "provide meaningful participation of communities disproportionately affected by cannabis prohibition and enforcement, including." St. 2017, c. 55, § 77. TLCO's Disproportionate Impact Plan focuses on the promotion of equity among:

Commission-designated Economic Empowerment Priority applicants

TLCO acknowledges, is aware, 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. Additionally, any actions taken, or programs instituted, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws. Further, TLCO will implement a process to evaluate its plan's progress quarterly in preparation for demonstrating success upon license renewal.

Goal 1

Reducing barriers to entry in the commercial adult-use cannabis industry

Program

1. Hiring preferences on a six (6) month basis will be afforded to disproportionately harmed people.

Outreach tactics:

a. Engage an approved Cannabis Control Commission Social Equity Training Vendor within thirty (30) days of receiving a license to hold an annual employment outreach event in Disproportionate areas of Springfield, West Springfield, Holyoke and Pittsfield in a space that would hold no less than 40 individuals.

b. Committed to hiring a minimum 10% of Commission-designated Social Equity Program participants
    a. Massachusetts residents who have past drug convictions
    b. Massachusetts residents with parents or spouses who have drug convictions
    c. Past or present residents of geographic "areas of disproportionate impact" defined by the Cannabis Control Commission.

Measurements

- Hiring Managers and community outreach personnel will interact quarterly with re-entry partners to ensure job boards are updated, driving applications and maintaining recruitment goals of two (2) re-entry applicants per year
- Recruitment and disproportionate measurements will be monitored through Human Resources Management best practices, and Candidate Relationship Management (CRM) tools. Reports will be reviewed on a monthly basis by senior management.
- Secure an annual minimum of five (5) neighboring community business owners to take the Getting Talent Back to Work pledge
- Target 80% disproportionate employee retention
- In order to meet our goal TLCO will hold a hiring fair once per year where employees can learn about the cannabis industry, our company and how to apply for a job with TLCO. The first hiring fair will take place six (6) months prior to opening. We expect all hiring to be completed at least sixty (60) days prior to opening for business at which time we will determine whether we met our hiring goals and if not TLCO will develop a new plan to make sure we meet our goal as soon as possible.
  - TLCO acknowledges that the progress or success if its plan will be documented upon renewal each year.
  - 60 days prior to our license renewal, and annually thereafter, we will produce a comprehensive report on this plan which will outline the metrics and whether we have met our goals. This report will be made available to the Commission and will include the following data:
    1. Percentage of Commission designated Social Equity Program participants actually hired. A successful result would be a minimum of 10%.
    2. Number of neighboring community business owners to take the Getting Talent Back to Work pledge. A successful result would be at least five (5) neighboring community business owners
    3. Percentage of disproportionate employee retention actually attained. A successful result would be at least eighty percent (80%) retention
    4. Number of hiring fairs held. A successful result would be at least one (1) hiring fair per year.

Goal 2

Enhance education and available training programs to the disproportionate community consisting of Massachusetts residents with parents or spouses who have drug convictions, Certified Economic Empowerment recipients, Massachusetts residents who have past drug convictions and Social Equity Program participants in Springfield and Pittsfield by holding two yearly education outreach events in a space that would allow for up to at least 40 individuals.

Program

Provide monetary and subject matter expert guidance and support to Public Health Institute of Western Massachusetts whose goals are to:

1. Advance Racial Justice
2. Transform Communities into Places of Opportunity for All People

3. Enhance Community Accountability and Outcomes through Population-based Research & Evaluation
4. Launch Innovations to Improve Systems of Care

Related Tactics

a. *Engage with Public Health Institute of Western Massachusetts to reach the disproportionate community.*
    i. *Build relationships and align with Public Health Institute of Western Massachusetts to provide meaningful resources towards social equity strategic goals, including donations,*
b. *Become an internship partner with an approved Cannabis Education Center. We will hire an approved Cannabis Control Commission Social Equity Training vendor within four (4) months of licensure to advise us of achieving this goal. TLCO will commit to donating $2,500 on a yearly basis to the approved internship partner.*
c. *Partner with the Cannabis Education Center to facilitate two (2) workshops each year on such topics as Leadership Coaching for Execs and Entrepreneurs, Tips and Tricks on Investing and Financing. The workshops will be held in a space that would allow for at least 40 participants*
d. *General Manager and TLCO executive team will review alignment and integration with Public Health Institute of Western Massachusetts and CEC quarterly to ensure deliverables are met and we're meeting the needs of the disproportionate community*

Measurements:

- Mentorship scholarships will be awarded annually to one applicant participating in a CCC social equity course
- Annual donation of $2500 to the Public Health Institute of Western Massachusetts, to be earmarked towards the promotion of Equity, Diversity and Inclusion programs and initiatives
- Collaborate on one or more annual partnership initiatives with the Cannabis Education Center, in the form of guest speakers, instruction, or curriculum development.
- Drive CEC Internship Program sustainability by accommodating a minimum of two internships per year.
- Partner with organizations that provide jail diversion and restorative justice programs.
- By November 30th each year TLCO will examine its charitable contributions to make sure we have met our goal. If the goal has not been met TLCO will make additional donation to ensure the goal is met.
- Each quarter TLCO will review each related tactic to measure the status of each and will plan accordingly to make sure all goals and tactics are met by December 31 of each year.

- TLCO acknowledges that the progress or success if its plan will be documented upon renewal each year.

- 60 days prior to our license renewal, and annually thereafter, we will produce a comprehensive report on this plan which will outline the metrics and whether we have met our goals. This report will be made available to the Commission and will include the following data:
    1. The amount of money donated to the previously named non-profit. A successful result would be $2,500 donation to Public Health Institute of Western Massachusetts and $2,500 each year to the approved internship partner.
    2. Number of workshops held and amount of participants. A successful result would be two (2) workshops with a minimum of 40 participants per workshop.
    3. Number of mentorship scholarships granted. A successful result would be one (1) scholarship each year.
    4. Number of internships granted each year. A successful result would be two (2) internships per year.

Operating Agreement

of

TURNING LEAF CENTERS OTIS, LLC

EFFECTIVE: as of MARCH 18, 2019

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

FOR

TURNING LEAF CENTERS OTIS, LLC

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (the "Agreement") is intended to be effective as of March 18, 2019 among the following Members of the Company: DAVID REINER, and each individual or business entity as shall be subsequently admitted to the Company. These individuals and/or business entities shall be known as and referred to as "Members" and individually as a "Member".

WHEREAS, the party has formed a Limited Liability Company named above through their initial registered agent, Charles J. Ferris, pursuant to the laws of the State of Massachusetts.

NOW, in consideration of the conditions and mutual covenants contained herein, and for good and valuable consideration, the parties agree upon the following terms and conditions:

ARTICLE I: COMPANY FORMATION

1. The Members hereby form and organize the company as a Limited Liability Company subject to the provisions of the Massachusetts Limited Liability Company Act [MGL Chapter 156C] in effect as of this date. Articles of Organization shall be filed with the Massachusetts Secretary of State.

2. The Members intend to execute this Operating Agreement and hereby agree

to be bound thereby, and acknowledge receipt of good and valuable consideration. It is the

intention of the Members that this Operating Agreement shall be the sole source of agreement of the parties.

In the event any provision of this Operating Agreement is prohibited or rendered ineffective under the laws of the Commonwealth of Massachusetts this Operating Agreement shall be considered amended to conform to the Massachusetts Limited Liability Company Act as set forth in the Massachusetts General Laws. The invalidity of any provision of this Operating Agreement shall not affect the subsequent validity of any other provisions of this Operating Agreement.

3. NAME. The name of the company shall be **TURNING LEAF CENTERS OTIS, LLC**. The business of the company shall be conducted under that name or such trade or fictitious names as the Members may determine.

4. DATE OF FORMATION. This Operating Agreement shall become effective upon its filing with and acceptance by the appropriate state agency.

5. REGISTERED AGENT AND OFFICE. The company's initial registered agent shall be Charles J. Ferris, 500 Main Street, Great Barrington, MA 01230. The main office shall be

1570 North Main Road, Otis, MA 01253. Managing Members may change the registered agent or registered office at any time, by filing the necessary documents with the appropriate state agency. Should managing Members fail to act in this regard, any Member may file such notice of change in registered agent or registered office.

6. TERM. The company shall continue in operation until
   A) The company is dissolved by a majority vote of the Membership.
   B) The death, resignation, expulsion, retirement, bankruptcy, incapacity or any other event that terminates the continued Membership of a Member of the Company.
   C) Any event which makes it unlawful for the business of the Company to be carried on by the Members.
   D) Anyother event causing the dissolution of a Limited Liability Company under the laws of the Commonwealth of Massachusetts.

ARTICLE II: BUSINESS PURPOSE

It is the purpose of the Company to engage in cultivation of marijuana, processing and extraction of marijuana, and retail sale of marijuana. The foregoing purposes and activities will be interpreted as examples only and not as limitations, and nothing therein shall be deemed as prohibiting the Company from extending its activities to any related or otherwise permissible lawful business purpose which may become necessary, profitable or desirable for the furtherance of the company objectives expressed above.

ARTICLE II: CAPITAL CONTRIBUTIONS

1. INITIAL CONTRIBUTIONS.

   A) Each Member shall contribute capital or other services or "sweat equity"to the Company prior to or simultaneously with the execution of this Agreement in an amount to be determined and agreed upon by the Members. Class B capital contributions shall be subject to a capital call at such times as may be determined by the Manager(s).

   B) No interest shall accrue on initial capital contributions.

2. CLASSES OF OWNERSHIP:

   A) There shall be two classes of Membership interests: Class A Units, and Class B Redeemable Units. Class A Units shall constitute 20% of the beneficial and voting interests of the Company, and Class B Units shall constitute 80% of the beneficial and voting interests of the Company.

   B) The initial Class A shall own 5% of the beneficial and voting interests of the Company. Class A Members shall not be diluted below 5% each as to their beneficial and voting interests of the Company, when and if future capital calls are made or additional Membership units are issued to new or existing Members, without the

unanimous consent of the Class A Members. In the event the Agreement is amended or modified, the Class A beneficial ownership and voting interests shall not be modified without the unanimous consent of the Class A Members.

C) The initial Class B Member shall be David Reiner, who shall hold 80% of the beneficial and voting interests of the Company. If management decides that additional capital contributions are necessary for operating expenses or to meet other obligations, Class B Members shall be subject to capital calls. Such additional capital contributions shall not in any way increase percentage of Membership interest of the Class B Members above a total of 80% of the ownership interest. If there are more than 1 Class B Members the increased capital contributions shall proportionally adjust the Class B memeber ship interests if some but not all Class B Members make the required capital contribution. In the event that the Class B Members shall fail to meet the capital call within 20 days, then the interests of the Class B Members may be redeemed and cancelled by the Company, who may sell some or all of these Membership Units to new or existing Members who shall contribute the capital required by the Company and who shall then execute this Agreement and agree to become bound thereby.

3. THIRD PARTY BENEFICIARIES. Nothing in the foregoing sections is intended to benefit any creditor or third party to whom obligations are owed without the expressed written consent of the Company or any of its Members.

4. CAPITAL ACCOUNTS. A capital account shall be established by the Company for each Member. The capital account shall consist of:

A) The amount of the Member's Capital Contributions to the Company including the fair market value of any property so contributed to the Company or distributed by the Company to the Member.

B) Member's share of net profits or net losses and of any separate allocations of income, gain (including unrealized gain), loss or deduction in accordance with this Agreement. The maintenance of capital accounts shall at all times be in accordance with the requirements of state law.

5. ADDITIONAL PROVISIONS:

A) Capital accounts shall be non-interest bearing accounts.

B) Until the dissolution of the company, no Member may receive Company property in return for Capital contributions.

C) The liability of any Member for the losses or obligations incurred by the Company shall be limited to: Payment of capital contributions when due, pro rata share of undistributed Company assets and only to the extent required by law, any previous distributions to that Member from the Company.

ARTICLE IV: PROFITS, LOSSES ALLOCATIONS AND DISTRIBUTIONS

1. ALLOCATIONS. Net profits, losses, gains, deductions and credits from operations and financing shall be distributed among the Members in proportion to their respective interest and at such time as shall be determined by the Members.

2. DISTRIBUTIONS. Management may make distributions annually or more frequently if there is excess cash on hand after providing for appropriate expenses and liabilities. Such interim distributions are allocated to each Member according to percentage of Membership interest.

ARTICLE V: MANAGEMENT

1. MANAGING Member(S). The name(s) and address(es) of Managing Member(s) is/are:

   DAVID REINER, ,

Managing Members shall make decisions regarding the usual affairs of the Company. A majority vote of the Membership shall name as many Managers as the Membership deem necessary.

2. NUMBER OF Manager(S). The Membership may elect more than one, but not fewer than one, Manager.

3. TERM OF OFFICE. The term of office is not contractual but continues until:

   A) A fixed term of office, as designated by the Membership, expires.

   B) The Manager is removed with or without cause, by a majority vote of the Membership. The dissociation of such Manager.

4. AUTHORITY OF Manager. Only managing Members and authorized agents shall have the power to bind the Company. Each managing Member is authorized on the Company's behalf to:

   A) Purchase, or otherwise acquire, sell, develop, pledge, convey, exchange, lease or otherwise dispose of Company assets wherever located.

   B) Initiate, prosecute and defend any proceeding on behalf of the Company.

   C) Incur and secure liabilities and obligations on behalf of the Company.

   D) Lend, invest or re-invest company assets as security for repayment. Money may be lent to Members, employees and agents of the Company.

   E) Appoint officers and agents, and hire employees. It is also the province of management to define duties and establish levels of compensation. Management compensation will be determined by majority Membership vote.

F) Execute and deliver all contracts, conveyances, assignments, leases, subleases, franchise and licensing agreements, promissory notes, loans, security agreements or any other kind relating to Company business.

G) Establish pensions, trusts, life insurance, incentive plans or any variation thereof, for the benefit of any or all current or former employees, Members and agents of the Company.

H) Make charitable donations in the Company's name.

I) Seek advice from Members not part of elected management, although, such advice need not be heeded.

J) Supply, upon the request of any Member, information about the Company or any of its activities including but not limited to, access to company records for the purpose of inspecting and copying company books, records and materials in the possession of management. The Requesting Member shall be responsible for any expenses incurred in the exercise of these rights set forth in this document.

K) File documents with the Secretary of State, Cannabis Control Commission, the Town of Otis, or any other governmental entity in furtherance of the Company's business.

5. STANDARD OF CARE AND EXCULPATION. Any Member of management must refrain from engaging in grossly negligent, reckless or intentional misconduct. Any act or omission of a Member of management that results in loss or damage to the company or Member, if done in good faith, shall not make the Manager liable to the Members.

6. INDEMNIFICATION. The Company shall indemnify its Members, Managers, employees and agents as follows:

A) Every Manager, agent, or employee of the Company shall be indemnified by the Company against all expenses and liabilities, including counsel fees reasonably incurred by him in connection with any proceeding to which he may become involved, by reason of his being or having been a Member of the Company or having served at the request of the Company as a Manager, employee, or agent of the Company or any settlement thereof, whether or not he is a Manager, employee or agent at the time such expenses are incurred, except in such cases wherein the Manager, agent or employee is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Managers approve such settlement and reimbursement as being for the best interests of the Company.

B) The Company shall provide to any person who is or was a Member, Manager, employee, or agent of the Company or is or was serving at the request of the Company as Manager, employee, or agent of the Company, the indemnity

against expenses of suit, litigation or other proceedings which is specifically permissible under applicable law.

ARTICLE VI: TAX AND ACCOUNTING MATTERS

1. BANK ACCOUNTS. Management shall establish bank accounts, deposit company funds in those accounts and make disbursements from those accounts.

2. ACCOUNTING METHOD. The cash method of accounting shall be the accounting method used to keep records of receipts and disbursements.

3. TMP. A Tax Matter Partner shall be designated by the management of the company as designated by the IRS Code. Unless otherwise changed by the management, DAVID REINER shall serve in that capacity.

4. YEARS. The fiscal and tax years of the Company shall be chosen by management

5. ACCOUNTANT. Management shall select an independent accountant.

ARTICLE VII: Member DISSOCIATION

Upon the first occurrence of any of the following events, a person shall cease to be a Member of the Company:

A) The bankruptcy of the Member. The death or court-ordered adjudication of incapacity of the Member.

B) The withdrawal of a Member with the consent of a majority vote of the remaining Membership.

C) The dissolution and winding up of the non-corporate business Member including the termination of a trust.

D) The filing of a Certificate of Dissolution by the corporate Member. The complete liquidation of an estate's interest in the LLC.

E) The expulsion of the Member with the majority consent of the remaining Membership.

2. OPTION TO PURCHASE INTEREST. In the event of dissociation of a Member, the Company shall have the right to purchase the former Member's interest at current fair market value, payable in 60 equal monthly installments. If the parties cannot agree on a fair market value each party shall commission their own appraisal and present it to the other party within 30 days. If the parties still cannot agree on a fair market value within 20 days after sharing their appraisals, the 2 appraisers shall then pick a third appraiser to determine fair market value, whose opinion shall be binding, and which shall be no higher or lower than the 2 appraisals prepared by the parties.

ARTICLE VIII: DISPOSITION OF Membership Interests

1. PROHIBITIONS.

    A) No Membership interest, be it a sale, assignment, exchange, transfer, mortgage, pledge or grant, shall be disposed of if the disposition would result in the dissolution of the Company without full compliance with all appropriate state and federal laws.

    B) No Member may in any way alienate all or part of his Membership nterest in the Company be it through assignment, conveyance, encumbrance or sale, without the prior written consent of the majority of the remaining Members. Such consent may be given, withheld or delayed as the remaining Members see fit.

2. PERMISSIONS. A Member may assign his Membership interest in the Company subject to the provisions in this article. The assignment of Membership interest does not in itself entitle the assignee to participate in the management of the Company nor is the assignee entitled to become a Member of the Company. The assignee shall not be a substitute or voting Member, but only an assignee of Membership interest and as such, is entitled to receive the income and distributions the assigning Member would have otherwise received.

3. SUBSTITUTE MembersHIP. Only upon the unanimous consent of the remaining Members may an assignee of Membership interest become a substitute Member and be entitled to all rights associated with the assignor. Upon such admission, the substitute Member is subject to all restrictions and liabilities of a Member.

ARTICLE IX: MEETINGS 1

VOTING. All Members shall have the right to vote on all of the following:

A) The dissolution of the Company.

B) The merger of the Company.

C) Any transaction involving any potential conflict of interest.

D) An amendment to the Articles of Organization or to the Operating Agreement.

E) The transfer or disposition of all Company assets outside the ordinary course of business.

2. REQUIRED VOTE. Unless a greater vote is required by statute or the Articles of Organization, an affirmative vote of the majority of the Membership shall be required.

3. MEETINGS.

    A) The Manager(s) shall hold an annual meeting at a time and place of their choosing.

B) Special meetings of the Membership may be called at any time by the Manager(s) or by at least fifteen (15%) of the Membership interest of all Members. Written notice of such meeting must be provided at least sixty (60) business days prior and not later than ten (10) days before the date of the meeting. A Member may elect to participate in any meeting via telephone.

4. CONSENT. In the absence of an annual or special meeting and in the absence of a vote, any action required to be taken may be permitted with the written consent of the Members having not less than the minimum number of votes required to authorize such action at a meeting. Written consents may be delivered by hand, mail, facsimile or email.

ARTICLE X: DISSOLUTION AND TERMINATION

In the event a dissolution event occurs the remaining Membership shall have the option to elect to continue the company as defined by Article I, section 6.

1. MERGER. In the event the election to continue the company following a dissolution event is not obtained, a majority vote of the remaining Members may elect to reconstitute the Company through merger with and into another Limited Liability Company pursuant to applicable state law.

2. WINDING UP. If the Members do not elect to continue the Company or reconstitute it, the Manager or other person selected by a majority vote of the Membership shall wind up the Company.

3. FINAL DISTRIBUTIONS. After all Company assets have been liquidated and all Company debts have been paid, the proceeds of such liquidation shall be distributed to Members in accordance with their capital account balance. Liquidation proceeds shall be paid within days of the end of the Company's taxable year or, if later, within days after the date of liquidation.

4. DISSOLUTION. Upon completion of the winding up period, the Manager or other person selected shall file with the Secretary of State the Certificate of Dissolution or its equivalent and any other appropriate documents as required by law.

ARTICLE XI: MISCELLANEOUS PROVISIONS

1. WAIVER OF TRIAL BY JURY. Each Member hereby agrees to waive a trial by jury in any action relating to the Company, its Managers, Members or to this investment or the terms of this Agreement.

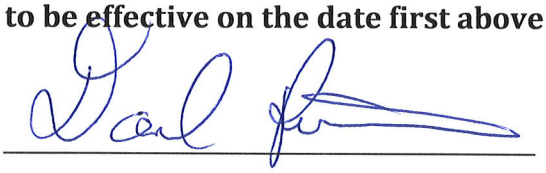
2. The equity Units of the Company have not been registered under the US or Massachusetts securities laws, and the Company has no intention to do so. These Units may only be sold in accordance with the terms of this Agreement. Counsel for the Company has made no representation, or expressed any opinion regarding any exemption from requirements to register the Units under federal or state law, or to the availability of any exemption thereto, nor has counsel rendered any opinion as to

whether any investor is an accredited investor as that term is defined under federal or state law.

3. The Members understand that the business of the Company poses significant legal and economic risks, and that such business is presently illegal under federal criminal law. There can be no assurance that the Company or its employees will not be prosecuted for violating federal laws. Each Member waives any claims relating to the illegality of the Company's business.

4. Counsel to the Company solely represents the Company. Each Member should seek separate legal counsel in connection with the determination to invest in the Company and be bound by this Agreement. By signing this Agreement each Member represents that they have been advised to seek independent counsel prior to investing and have had a reasonable opportunity to seek such advice.

IN WITNESS WHEREOF, the parties hereto agree to execute this Operating Agreement to be effective on the date first above written.



David Reiner

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

mass.gov/dor

Letter ID: L1965135744
Notice Date: August 29, 2019
Case ID: 0-000-534-287

CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE

000007

DAVID REINER
TURNING LEAF CENTERS OTIS, LLC
1570 N MAIN RD
OTIS MA 01253-9724

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, TURNING LEAF CENTERS OTIS, 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

The Commonwealth of Massachusetts

Secretary of the Commonwealth

State House, Boston, Massachusetts 02133

William Francis Galvin
Secretary of the
Commonwealth

September 16, 2019

TO WHOM IT MAY CONCERN:

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

TURNING LEAF CENTERS OTIS, LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **March 18, 2019.**

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

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

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **DAVID REINER, CHARLES J. FERRIS**

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



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

William Francis Galvin

Secretary of the Commonwealth

rocessed By TAA

The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: $100.00

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

Certificate of Amendment
(General Laws, Chapter)

Identification Number: 001373871

The date of filing of the original certificate of organization: 3/18/2019

1.a. Exact name of the limited liability company: **TURNING LEAF CENTERS OTIS, LLC**

1.b. The exact name of the limited liability company *as amended*, is: **TURNING LEAF CENTERS OTIS, LLC**

2a. Location of its principal office:
No. and Street: 1570 NORTH MAIN ROAD
City or Town: OTIS State: MA Zip: 01253 Country: USA

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

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:
Name: CHARLES J. FERRIS
No. and Street: 500 MAIN STREET - SUITE 1
City or Town: GREAT BARRINGTON State: MA Zip: 01230 Country: USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	DAVID REINER	1570 NORTH MAIN ROAD OTIS, MA 01253 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	CHARLES J. FERRIS	500 MAIN STREET - SUITE 1 GT. BARRINGTON, MA 01230 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	DAVID REINER	1570 NORTH MAIN ROAD OTIS, MA 01253 USA

9. Additional matters:

10. State the amendments to the certificate:
REMOVED TOM GECEWICZ AND JOHN SACCENTI AS MANAGERS

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

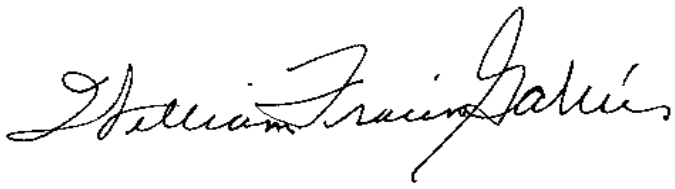
SIGNED UNDER THE PENALTIES OF PERJURY, this 9 Day of September, 2019,
DAVID REINER **, Signature of Authorized Signatory.**

© 2001 - 2019 Commonwealth of Massachusetts
All Rights Reserved

THE COMMONWEALTH OF MASSACHUSETTS

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

September 09, 2019 10:32 AM



WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

SCHOENFELD INSURANCE ASSOCIATES

Named Insured: Turning Leaf Centers Otis, LLC
Operation Type: **Grow Facility**
Carrier: James River Insurance Company
A.M. Best Rating: A, X
Policy Term: Annual

GENERAL LIABILITY:

Claims-Made and Reported Form

General Aggregate Limit	$3,000,000
Products / Completed Operations Aggregate Limit	$3,000,000
Each Occurrence Limit	$1,000,000
Personal / Advertising Injury Limit	$1,000,000
Damage to Premises Rented to You	$ 50,000
Deductible	$5,000 Per Claim
Retroactive Date:	Policy Inception

Coverage based on annual revenue and to be increased as revenue dictates.

6225 SMITH AVENUE, BALTIMORE, MD 21209
PH 410-602-2000 / FAX 410-602-1160

SCHOENFELD
INSURANCE
ASSOCIATES

August 27, 2019

Turning Leaf Centers Otis, LLC.
1570 N. Main Road
Otis, MA 01253

RE: Intent to Provide Insurance

This letter is to certify that our agency, Schoenfeld Insurance Associates, Inc., is licensed by the State of Massachusetts as an insurance producer to transact business under license # 1866770. Furthermore, we have entered into an agreement with Turning Leaf Centers Otis, LLC to serve as their insurance broker for the purpose of providing coverage for their proposed operation in the state of Massachusetts. We have provided and continue to provide services to similar operations in other states.

Sincerely,

Matthew S. Schaller

Vice President – Risk Management Advisor

MSS/gg

6225 SMITH AVENUE, BALTIMORE, MD 21209
PH 410-602-2000 / FAX 410-602-1160

SCHOENFELD INSURANCE ASSOCIATES

Named Insured: Turning Leaf Centers Otis, LLC

Operation Type: **Dispensary**

Carrier: James River Insurance Company

A.M. Best Rating: A, X

Policy Term: Annual

GENERAL LIABILITY:

Claims-Made and Reported Form

General Aggregate Limit	$3,000,000
Products / Completed Operations Aggregate Limit	$3,000,000
Each Occurrence Limit	$1,000,000
Personal / Advertising Injury Limit	$1,000,000
Damage to Premises Rented to You	$ 50,000
Deductible	$5,000 Per Claim
Retroactive Date:	Policy Inception

Coverage based on annual revenue and to be increased as revenue dictates.

August 6, 2019

6225 SMITH AVENUE, BALTIMORE, MD 21209
PH 410-602-2000 / FAX 410-602-1160

SCHOENFELD
INSURANCE
ASSOCIATES

August 27, 2019

Turning Leaf Centers Otis, LLC.
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Sincerely,

Matthew S. Schaller

Vice President – Risk Management Advisor

MSS/gg

6225 SMITH AVENUE, BALTIMORE, MD 21209
PH 410-602-2000 / FAX 410-602-1160

SCHOENFELD INSURANCE ASSOCIATES

Named Insured: Turning Leaf Centers Otis, LLC
Operation Type: **Processing Facility**
Carrier: James River Insurance Company
A.M. Best Rating: A, X
Policy Term: Annual

GENERAL LIABILITY:

Claims-Made and Reported Form

General Aggregate Limit	$3,000,000
Products / Completed Operations Aggregate Limit	$3,000,000
Each Occurrence Limit	$1,000,000
Personal / Advertising Injury Limit	$1,000,000
Damage to Premises Rented to You	$ 50,000
Deductible	$5,000 Per Claim
Retroactive Date:	Policy Inception

Coverage based on annual revenue and to be increased as revenue dictates.

6225 SMITH AVENUE, BALTIMORE, MD 21209
PH 410-602-2000 / FAX 410-602-1160

SCHOENFELD
INSURANCE
ASSOCIATES

August 27, 2019

Turning Leaf Centers Otis, LLC.
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Sincerely,

Matthew S. Schaller

Vice President – Risk Management Advisor

MSS/gg

6225 SMITH AVENUE, BALTIMORE, MD 21209
PH 410-602-2000 / FAX 410-602-1160

Business Plan

Turning Leaf Centers Otis, LLC's founders and assembled team of marijuana experts are committed to delivering consistent, quality marijuana products to purchasers in a manner that sets the standard for regulatory compliance, produced using industry-leading best practices to ensure efficient production in a cost-effective manner.

Turning Leaf Centers Otis, LLC intends to offer each category of product (dry flower, lozenges, topicals, edibles) in varied THC/CBD ratios. Turning Leaf Centers Otis, LLC will price these products at its dispensary at a significant discount to the current market, in which prices are exorbitantly high compared to the cost of production for an efficient marijuana producer.

Turning Leaf Centers Otis, LLC will be able to execute on the above plan because it has done extensive preparation and analysis of the marijuana industry, and has consulted with industry experts and current operators. Thus, Turning Leaf Centers Otis, LLC knows what it should cost to produce these products and knows how to produce them at low prices that will significantly benefit' Massachusetts purchasers. As a demonstration of its commitment to positively impact the marijuana market and bring affordability to users, Turning Leaf Centers Otis, LLC has already invested in excess of $500,000 engaging industry professionals, designing its facility and preparing this application.

Financial Plan

Market and Business Forecasting: While it is difficult to estimate the future size of a rapidly changing market, the history of Massachusetts to date, along with data from other states, provides guidance. Turning Leaf Centers Otis, LLC has developed a comprehensive financial model guided by rigorous market analysis and industry veterans in order to calculate the amount of funding needed to execute its plan.

Approch to finicial modeling: Turning Leaf Centers Otis, LLC's approach to financial modeling includes robust sensitivity analysis of the key assumptions, using conservative projections. When uncertain, *Turning Leaf Centers Otis, LLC estimated high on expenses, and low on revenues*. Though Turning Leaf Centers Otis, LLC has settled on projections considered to be the most likely market conditions, by running numerous market scenarios with its financial model (by varying factors such as purchase volumes), Turning Leaf Centers Otis, LLC learned some revealing information. In a scenario in which sales rate is only *half* of what Turning Leaf Centers Otis, LLC conservatively anticipates it to be, the only adjustment Turning Leaf Centers Otis, LLC would make to operations would be to delay expansion of facilities.

Because overwhelming economic success can also lead to business problems, Turning Leaf Centers Otis, LLC studied a scenario in which the sales rates are two times (200% of) anticipated levels. In this case, Turning Leaf Centers Otis, LLC achieves permanent positive cash flow earlier, but still has 2 years before needing to deploy its next phase of cultivation.

Facility Planning: Having established the size of the facility needed to supply its anticipated share of the Massachusetts market, Turning Leaf Centers Otis, LLC worked with The Aztec Corporation/Aztec Architects LLC and planned its facility with future expansion in mind. Turning Leaf Centers Otis, LLC has chosen not to fully build out and cultivate in all cultivation space since full production will not be needed for years. Initially, Turning Leaf Centers Otis, LLC will refit an existing 110,000± square foot ("SF") building to serve as its cultivation, processing, and dispensary facilities. Phase 1 will consist of refitting 27,636 SF:

15,500 SF for cultivation; 7,456 flowering canopy. Phase 2 will fit out an additional 15,000 SF space for cultivation, adding another 8,300 SF for flowering. As the market grows, Turning Leaf Centers Otis, LLC has the ability to fit out more than 60,000 SF of additional space on site. Turning Leaf Centers Otis, LLC plans to phase in building to protect market stability, preserve capital, and potentially deploy newer technology, if/when available.

Budget: Turning Leaf Centers Otis, LLC's plan will require $8,444,671 to execute, achieving positive cash flow in Month 6. Under a scenario where product demand is only 50% of its forecast, Turning Leaf Centers Otis, LLC would delay hiring some staff (its top executives having already committed to delaying the start of their compensation until the business is profitable) and Turning Leaf Centers Otis, LLC will become positive cash in Month 10. In this scenario Turning Leaf Centers Otis, LLC uses more operating capital, as the plan would require $8,769,123. If sales are 200% of forecast, cash flow would be better, and its minimum cash position greater than forecast. In this instance, the plan would require less than $8.4M to execute, and Turning Leaf Centers Otis, LLC would accelerate the propagation of additional plants to more rapidly fill its existing flower rooms in order to meet the higher demand, and would fit out its additional space earlier than planned using cash generated from operations. In any case, Phase 2 expansion can be accelerated and entirely funded by cash generated from operations.

Projected Expenses: To provide a transparent presentation of the funds required to become financially sustainable (achieving permanent positive cash flow), Turning Leaf Centers Otis, LLC has broken down its planned spending into capital expenditures and operating expenses. It is important to note that once the business is operational, it will be several months before the company begins generating revenue; this period will require significant operating capital.

Projected Capital Expenditures: Its cultivation, processing, and dispensary operations will be entirely housed in a newly refit 110,000± square foot. Initially, Turning Leaf Centers Otis, LLC will build out 27,636 SF; 15,000 SF of additional cultivation space is projected to be built out in Year 3. Turning Leaf Centers Otis, LLC anticipates construction taking between 6 and 9 months to complete.

Capital Expenditure Summary	Pre-Operations	Year 3
Cultivation-Processing-Dispensary build out	$5,227,358	$2,480,000
Cultivation Equipment: lights, tables, racks, fertigation	$697,500	$697,500
Extraction, CO2 Extractor	$220,000	
Closed loop ethanol extraction & distillation	$55,000	
Processing: Sanitation, tables, scales, fume hood, ovens, lab ware	$195,000	
QA/QC: moisture, potency & bio-contaminants	$110,000	
Blending & bottling equipment	$100,000	
Kitchen for edibles for minors	$125,000	
Display cases, furniture, point of sale system, computers	$95,000	
Security system equipment & installation	$300,000	
Backup Industrial Power Generator	$125,000	
Total Capital Expenditure	**$7,264,858**	**$3,177,500**

Projected Revenues: Turning Leaf Centers Otis, LLC's revenue projections, below, are based on an analysis of the state's 2017 full-year data, recent program changes, current patient count and recent growth, and established patient adoption rates in other regulated

states, combined with detailed pricing and consumption data across the United States dovetailed with its intention to help drive down marijuana prices in Massachusetts. The revenue assumptions below are based on a patient adoption rate of 0.80% by Fall 2019, and 1.50% by Fall 2022. Consumption per patient is expected to increase slightly over time due to the recently added qualifying conditions. **Projected Operating Expenses:** The company anticipates spending approximately $375,239 in non-capital related expenses in order to become operational, in addition to the more than $500,000 the company has invested to date. After the company becomes operational and begins propagating plants, there will be a 3-month period without revenue, followed by an additional period of operating losses while revenues grow. In approximately Month 6 of its operations, Turning Leaf Centers Otis, LLC forecasts that it will achieve permanent positive cash flow. At that point, Turning Leaf Centers Otis, LLC will be financially self-sufficient, generating revenue in excess of all expenses going forward. This is an important inflection point, as it helps to determine the true funding requirements to become a successful enterprise.

Projected Revenues (in thousands of $)	Pre-Op+Year 1	Year 2	Year 3	Year 4	Year 5
Dry Flower	5,024	9,688	12,683	14,496	16,567
Lozenges	521	961	1,518	1,735	1,983
Topicals	579	1,068	1,686	1,927	2,203
Edibles	104	192	304	347	397
Total Projected Net Revenues	6,228	11,909	16,191	18,505	20,970
Projected Cost of Goods (in thousands of $)					
Dry Flower, packaging	234	465	655	805	989
Lozenge, ingredients & packaging	52	103	175	216	265
Topicals, ingredients & packaging	77	153	260	319	393
Edibles, ingredients & packaging	17	34	58	72	88
Total Projected Cost of Goods Sold	381	756	1,149	1,412	1,735
Projected Gross Profit (in thousands of $)					
Total Projected Gross Profit	5,847	11.153	15,042	17.093	19,235
Projected Operating Expenses (in thousands of $)					
Total Salary and Wages	2,865	3,809	4,338	4,869	5,308
Bank Fees	30	31	31	32	32
Clinical Research Funding	33	16	30	35	42
Charitable Giving	33	16	30	35	42
Cultivation & Processing Supplies	164	230	306	383	463
Employee Training & Continuing Education	113	3	3	3	3
Facility Expense	546	547	558	560	561
Insurance	56	104	131	134	136
Legal and Professional Fees	84	43	44	45	45
Licenses / Fees / Permits	40	20	20	20	20
Office, Travel/Auto, Website, Miscellaneous	86	33	34	34	35
Product Testing, Independent Lab	45	37	37	38	39
Quality Systems Development, SOPs	60	-	-	-	-

Substance Abuse, Public Education Programs	18	18	19	19	19
Telephone, IT, Security System Monitoring	19	20	20	20	21
Utilities	338	481	626	724	855

Projected Net Operating Profit before Taxes (in thousands of $) | **Total Projected Net Operating Profit** 696 4,555 7,194 8,291 9,675

Job Creation: The following table illustrates the employment that Turning Leaf Centers Otis, LLC forecasts its business will bring to the local community, an underserved area; these well-paying jobs are added over time, as indicated, and the payroll expense as these positions are to be

filled is included in the above table under "Total Salary and Wages":

Projected Job Creation Summary	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Total Number of Jobs Planned	48	59	67	75	78
Total Salaries Paid	$2.73 M	$3.22 M	$3.63 M	$4.05 M	$4.29 M
Plus Payroll Taxes & Benefits Paid	$0.70 M	$0.83 M	$0.93 M	$1.04 M	$1.10 M
Average Paid per Job incl. taxes & benefits	71,413	68,620	68,051	67,890	69,196
Minimum Salary	36,000	37,080	38,192	39,338	40,518
Minimum Salary incl. taxes & benefits	45,252	46,610	48,008	49,448	50,932

Local Economic Impact: All of the above activity will benefit the local economy, the impact

of which is estimated below (in millions of $) using appropriate economic multipliers:

Local Economic Impact	**PreOp**	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Construction	$5.23 M			$2.48 M		
Economic multiplier	1.70			1.70		
Sales of Products	$0.0 M	$5.6 M	$10.7 M	$14.6 M	$16.7 M	$19.0 M
Multiplier, manufacturing	1.32	1.32	1.32	1.32	1.32	1.32
Salaries	$0.1 M	$2.3 M	$3.0 M	$3.5 M	$3.9 M	$4.2 M
Multiplier, Salaries	1.40	1.40	1.40	1.40	1.40	1.40
Total Economic Activity	$9.0 M	$10.6 M	$18.4 M	$28.3 M	$27.4 M	$31.0 M

Funding: Turning Leaf Centers Otis, LLC has secured commitments of **$10,000,000** to execute this business plan, which is anticipated to only require $8,444,671 to execute, with Turning Leaf Centers Otis, LLC achieving positive cash flow in Month 6 of operations, leading to a forecast surplus cash position of $1,555,329—21.4% of the capital expenditure budget and 18.4% of its entire budget. In the highly unlikely event that demand is only 50% of forecast, Turning Leaf Centers Otis, LLC will still be left with a cash cushion $1,230,877 under this low-probability market condition. In this worse-case scenario, the company would delay hiring, defer executive compensation, and would still be cash-flow positive before the end of its first year of operations.

Cash Flow Analysis: Turning Leaf Centers Otis, LLC closely examined the impacts to its cash flow under the various market scenarios it analyzed. The projected quarterly cash flow is summarized below with the approximate minimum forecast position highlighted.

Projected Cash Flow (in thousands of $)	PreOp	Y1Q1	Y1Q2	Y1Q3	Y1Q4	Y2Q1
Beginning Cash Balance	10,000	2,360	1,630	1,582	2,056	2,522
+ Sales of Products	-	-	1,185	1,935	2,485	2,367
- Property, Plant & Equipment Investment	7,265	-	-	-	-	-
- Inventory Investment	-	-	150	50	25	25
- Payroll, Expenses, Cost of Goods	375	730	1,083	1,292	1,432	1,428
- Allowance for Income Taxes	-	-	-	119	563	495
= Ending Cash Balance	2,360	1,630	1,582	2,056	2,522	2,940
Period Cash Flow	(7,640)	(2,189)	(144)	1,423	1,396	1,256

Risk Management: To manage risk, Turning Leaf Centers Otis, LLC has already secured its site with local approval and strong support; received all local approvals; engaged senior management willing to forgo compensation until profitable; developed facility floor plans to allow it to execute on the above plan; engaged professionals for quotes on capital expenditures; run exhaustive market scenarios to identify capital requirements in the worst-case scenario; secured capital commitments well in excess of its anticipated needs; and, will not have any debt obligations, which will help insulate it against unforeseen delays. Turning Leaf Centers Otis, LLC will maintain property, general liability, worker's comp, and product liability insurance and plans a state-of-the-art security system and around-the-clock staffing, every day of the year.

Putting it All Together: Turning Leaf Centers Otis, LLC's position of significant over-capitalization will directly benefit its purchasers. First, with more than $ 1.5 million in excess starting capital on an $8.4 million plan, Turning Leaf Centers Otis, LLC is able to overcome any unforeseen expenses, delays, or slow patient uptake, and has the resources to ensure financial viability under any scenario. Second, patients will directly benefit from its ability to offer long-term pricing on day one, since Turning Leaf Centers Otis, LLC does not need to be profitable (or even breakeven) for quite some time. Consequently, Turning Leaf Centers Otis, LLC anticipates offering products for sale at prices far lower than typically seen in the early years of a new state marijuana program, and significantly lower that what purchasers in Massachusetts face today. Towards the end of its third year of operations, Turning Leaf Centers Otis, LLC plans to expand its cultivation facility. This expansion will satisfy the needs of a growing program. Its expansion can be accelerated or delayed, depending on market conditions, without any significant financial impact on its business, with cash generated from operations financing the expansion. Beyond its phase 2, Turning Leaf Centers Otis, LLC has the ability to fit out 60,000 SF of additional cultivation space at its current location for additional capacity, which ensures that it has the ability to provide marijuana to patients for the long term.

SEPARATING RECREATIONAL FROM MEDICAL OPERATIONS

Turning Leaf Centers Otis, LLC (“TLCO”) does not possess a license for a Registered Marijuana Dispensary (“RMD”). Accordingly, this section is inapplicable.

RESTRICTING ACCESS TO AGE 21 AND OLDER

Turning Leaf Centers Otis, LLC's ("TLCO") manufacturing facility and operations will only be accessible to authorized individuals. CMR 500.002 defines "visitor" within the context of Marijuana Establishments as: "Visitor means an individual, other than a Marijuana Establishment Agent authorized by the Marijuana Establishment, on the premises of an establishment for a purpose related to its operations and consistent with the objectives of St. 2016, c. 334, as amended by St. 2017, c. 55 and 935 CMR 500.000, provided, however, that no such individual shall be younger than 21 years old." TLCO's Standard Operating Procedures ("SOPs") regarding authorized access to TLCO operations will set forth criteria for accessibility, namely, whom may have access, including TLCO employees, independent or subcontractors, vendors, merchants and operations service providers.

TLCO's Personnel Policies and SOPs will clearly state that under no circumstance may an individual under the age of 21 be granted access to TLCO Manufacturing operations. TCLO employees will be properly screened by the Human Resources Director prior to offer of employment to ensure they meet the age requirement. All age verification records will be stored electronically and pursuant to TLCO SOP. Employees will also be properly trained to apply the criteria set forth in TLCO's SOPs so as to ensure that no outside individual, such as a subcontractor or a facilities service provider like an HVAC technician, whom TLCO would be unable to screen through standard employment channels, inadvertently violates the procedures and requirements set forth.

TLCO will conduct vendor and subcontractor arrangements in compliance with all Commission requirements. When contacting a potential vendor or subcontractor, TLCO will clearly state its need to enter into services contracts only with companies agreeing to abide TLCO's policy. TLCO will include a clear statement to that effect in all business contracts to ensure that the other contractual party is clear as to the terms. Executive Level Management will make all necessary final determinations as to whom is granted authorized access to TLCO Manufacturing operations.

RECORD KEEPING PROCEDURES

Introduction

Turning Leaf Centers Otis, LLC ("TLCO") understands the importance of accurate record keeping as part of sound business practices and operations. TLCO's Executive Management Team will be responsible for the establishment, management and maintenance of the TLCOs records including but not limited to those regarding data entry, storage, auditing, reporting, procedural revisions, and inventory. TLCO has designed all record keeping practices, inventory control systems, and associated standard operating procedures ("SOPs") to uphold the highest standards of compliance with 935 CMR 500.105(1)(f) and (9).

TLCO's business plan includes maintaining records electronically in business management platforms ("BMPs") and an electronic seed-to-sale inventory tracking system ("ITS") with clearly established SOPs guiding staff to proper use and implementation. TLCO will maintain comprehensive records of all operations to facilitate maximum transparency and accountability. All records will be created and maintained in accordance with GAAP. These records will include, but are not limited to: general business records, personnel records, and operational records. TLCO will conduct regular audits of TLCO's records for accuracy, completeness, and transparency as well as to safeguard against tampering or unauthorized access.

Record Keeping, Generally

TLCO will maintain all company records on internally linked, secure BMPs to allow staff to upload, store, and access all records in an electronic format. BMPs will maintain the majority of the facility's records electronically in an easily accessible manner. TLCO defines BMPs broadly as computer-based spreadsheet and word processing software with online cloud storage for file-sharing, secure off-site backup and remote accessibility from any location with internet access. For details on TLCO's cybersecurity policies and practices for securing information in its BMPs, please see the "Technical Security Measures" subsection below.

The CAO will install and monitor BMPs on desktop computers, laptop computers, and tablets located within the facility. TLCO will secure any and all paper records in on-site, locked filing cabinets with a directed SOP requiring Staff scan any and all paper records into the electronic database. This SOP serves to protect data privacy, as well as against breach of records, loss due to theft, and destruction of physical documentation. Internally, this SOP facilitates sound and transparent business operations.

Administrative Records

TLCO's CEO and CAO will establish and maintain general administrative records, including organizational charts consistent with job descriptions maintained in TLCO's personnel records; general descriptions of the facilities used by the enterprise; and, floor plans identifying square

footage and descriptions of all functional areas. TLCO will maintain up-to-date contact information for all Management level Cultivation Staff, including Executive Level Management, will be recorded and updated frequently so as to ensure quick and efficient communications between the Commission and TLCO, as well as with TLCO's purchasers, vendors and merchant service providers. Applicant executives will review and update business plans at least annually to incorporate actual demand ratios, peer-reviewed research on cultivation, financial data, changes to the Commonwealth's laws, policies, and regulations, and other information.

Business Records

The CAO and CFO will jointly maintain records of the business operations. The CAO will manage access to physical and electronic documents and will maintain access logs for controlled documents. Records related to TLCO's licenses, including bylaws of the company and its affiliates or subcontractors, lists of creditors, and any entities or individuals with ownership in TLCO. TLCO will retain these records for as long as the enterprise is in business.

Personnel Records

TLCO's HR Director will maintain detailed personnel records for each employee, officer, director, board member, agent, or volunteer involved with the enterprise. The HR Director will maintain all personnel records for each staff member electronically for at least 24 months after termination of the staff member's affiliation with the enterprise.

Personnel records will include, at a minimum: a copy of each staff member's resume and application for employment; digital copies of the individual's present and previous identification cards, and current, valid driver's license or other state-issued photo identification card; documentation of each staff member consenting to the jurisdiction of the Commission and promising to adhere to and comply with the laws and regulations of the Commonwealth pertaining to marijuana; documentation of verification of references; detailed job descriptions and employment contracts, including duties, authority, responsibilities, and qualifications of the employee, and the identity of their supervisor; performance evaluation records; disciplinary records; and, drug test records, including the reason for the test and the results of the test.

The HR Director will also be responsible for ensuring all staff are appropriately registered in accordance with 935 CMR 500.030 and 935 CMR 501.030. TLCO will not permit any principal officer, director, owner, board member, or employee to work at the enterprise until they have registered with and received an identification card from the Commission. When a principal officer, director, owner, board member, or employee ends his/her employment or affiliation with TLCO, TLCO will notify the Commission within 24 hours, will require the individual to surrender his or her registration card to TLCO, and will then surrender the individual's registration card to the Commission. The HR Director will also document the reason(s) the individual is no longer associated with TLCO, provide any necessary documentation to the Commission, and keep a copy of this information in the individual's personnel records.

Training Records

TLCO has constructed a robust and comprehensive employee training program. The HR Director will maintain comprehensive training records for each staff member. Training Records will include documentation of training on privacy and confidentiality requirements, and a signed statement of the employee indicating the date, time, and place they received the training, the topic discussed, and the names and titles of any presenters or instructors.

The HR Director will also retain detailed records of privacy and confidentiality training completed by each employee, including training on applicable laws and regulations, SOPs, and healthcare industry best practices. Records will include individual training documents for each training task performed by every employee. The HR Director will maintain employee training records electronically and will provide them to the Commission upon request.

Technical Security Measures

The CAO will keep all computer systems updated with the latest operating system, software, and firmware updates to patch potential system vulnerabilities. The CAO will create and maintain plans for upgrading all system software and hardware. The CAO will enable automatic system updates on all computer systems, and systems will be routinely inspected to ensure that they are running the latest and most secure updates. TLCO will designate a member of management to conduct regular inspections of the information technology market to identify promising new security products and newly emerging cybersecurity threats.

An enterprise-grade router equipped with a commercial security firewall and virtual private networking will provide capability for remote access through a secure, encrypted internet pathway. Any individual devices, such as laptops or tablets, will feature internal firewalls to provide further security. To prevent introducing compromised devices onto TLCO's network, employees will be prohibited from connecting personal devices to the network. Business-quality managed switches capable of Virtual LAN tagging will provide additional traceability and security for all network activities.

Network management software will allow facility managers to monitor all network traffic to detect non-permitted network access or violations of network usage policies by employees. Through close management of network activity, management can identify potential insider security threats, such as actual or attempted unauthorized or access of confidential data or connection of unauthorized outside devices to the network.

HIPAA-compliant Microsoft Office 365 software will provide secure facility communication, including fully HIPAA-compliant efmail. All computers connected to TLCO's network will use firewalls and high-quality anti-virus/malware software. Physical hardware encryption measures such as Bitlocker will prevent theft of data in the event of a computer theft or physical hard drive

access. TLCO will encrypt all sensitive data stored on its servers using 256-bit encryption to prevent unauthorized access. TLCO will regularly backup all data to secure off-site servers to avoid data loss in the event of a system failure, ransomware attack, or fire or other disaster at the facility. All backups will also be encrypted and password-protected to prevent unauthorized access or theft.

These cybersecurity measures, along with access controls on facility doors and user account access privilege restrictions, will limit access to electronic facility records to employees necessitating such access for their job functions. By limiting the number of personnel who may access and modify electronic records, TLCO will reduce opportunities for electronic records tampering.

Incident Response

TLCO will work with its cybersecurity contractors to create plans for responding to incidents. In response to a security breach, TLCO will conduct the following procedures:

1. Assess the nature and scope of the incident to determine if the breach was a malicious attack or a technical glitch. Try to determine the source of the breach, such as a specific phishing email, downloaded application, or outside attack.
2. Identify and document the extent of the damage. Immediately make a forensic image (an exact copy of a hard disk) of any affected devices. This copy may be used for later analysis and may possibly serve as evidence at trial.
3. Implement measures to minimize damage. Contain the attack and prevent it from spreading, such as by stopping ongoing network traffic caused by the attacker and disconnecting affected devices from the network. Maintain detailed records of all steps taken.
4. Notify all relevant personnel, including management, IT personnel, security, law enforcement, the Commission, and any affected patients or caregivers as required.

Data Breach Notifications

TLCO will follow all applicable laws for notifications following a breach of security. For the purposes of data breach notifications, TLCO's procedures will define "breach of security" as any unauthorized access to data containing personal information that compromises the security, confidentiality, or integrity of personal information. "Personal information" will be defined as an individual's first name or first initial and last name linked with any one of more of the following: (1) social security number; (2) driver's license, state identification card, or medicinal marijuana registry card number; or (3) bank account, credit card, or debit card number, access code, or password that could permit access to an individual's financial account(s).

In the event of a data breach, TLCO will provide written notice to all potentially affected individuals within 48 hours of discovering a breach, unless otherwise directed by law

enforcement or the Commission. Notice will primarily be electronic notice consistent with the provisions of Section 101 of the federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. s.7001). Otherwise, notice will be substitute notice in the form of emails to all affected parties, conspicuous posting on TLCO's website, and notification to state-wide media.

Operational Records and Inventory

For operations records, staff will also follow established SOPs to scan physical records onto a computer, store scanned files on the cloud, store physical records in organized files, and enter relevant information into spreadsheets or tracking software for process oversight, incident response tracking, and all other operations. Operations records include but are not limited to: SOPs, cultivation records, processing and manufacturing records, testing orders and results, product formulations, labels, waste logs, transportation manifests, dispensing records, and plans of correction. TLCO will provide scanners for staff use with operations records. Staff will upload scanned files to TLCO's cloud-based digital document storage system as instructed in SOPs. Staff will store physical copies of relevant records in their respective production areas (e.g., cultivation records in the cultivation area, extraction records in the extraction area). The physical filing system for each production area will mirror the organization of the digital storage system.

Operations Manual

To provide a foundation for all facility operations, TLCO will develop a comprehensive operations manual specifically addressing the items identified in the list below. The manual will provide the backbone for operations by articulating policies and procedures, including SOPs for all operational activities, including, but not limited to: general operations, cultivation, manufacturing, dispensing, inventory, recordkeeping, confidentiality, security, safety, and general company policies, such as the alcohol and drug-free workplace policy that TLCO will keep physical and digital copies of the manual on site, accessible to all staff and to the Commission upon request. Furthermore, instructors will provide employees with a complete copy of the manual upon beginning training and will use the manual, along with the employee handbook, to train staff. TLCO will maintain additional copies of the manual on-site for employees to reference as needed during operations and will make electronic copies of the manual available for viewing on tablets and computers throughout the facility.

The manual will have sections on the following:

- General operating policies and procedures;
- Procedures for safe c handling, processing, manufacturing, and dispensing of product;
- Inventory policies and protocols to maintain compliance with all laws and to avoid diversion or redistribution;
- Policies and practices for record keeping to ensure protection of purchaser information;
- Employee security policies and practices;

- Safety and security procedures, including disaster and emergency plans for fire, natural disaster, robbery, and workplace violence;
- Personal safety and crime prevention techniques;
- Employment policies, including TLCO's alcohol, drug, and smoking policies;
- The hours of operation and after hours contact information;
- Prices and fees for TLCO's products;
- The obligations under HIPAA and HITECH, and procedures for how staff must handle confidential information; and
- Behavior and conduct expectations for patients.

The operations manual will be a controlled document. Only authorized individuals will be permitted to make changes and edits, with the CAO and department managers jointly making the final decision on any changes. Following any updates to the operations manual, the CAO will distribute new physical and electronic copies of the manual to staff and replace any outdated physical or electronic copies with updated versions. The CAO will inform staff of the updated operations manual, along with a summary of the changes, via email and posted notices. Updated manuals will have version numbers and dates to ensure all staff are able to identify the current, correct policies. The CAO and department managers will review and validate the operational manual every six months. Staff training and the employee handbook will be based on the manual, with management providing staff with continuing education and refreshers as required.

Inventory Records, Generally

TLCO will use the seed-to-sale inventory tracking system METRC with RFID coded inventory control for each stage of processing manufacturing, and dispensing. The system will track batch, strain, and amounts of usable marijuana in inventory at all segments of the operation. Prior to commencing operations, TLCO will construct inventory controls and SOPs, designate management responsible for managing operational records, and assign employee access credentials for the inventory tracking software. Role-based access controls will only permit employees to access and modify records that they require access to for their job responsibilities. By limiting access to inventory records to authorized individuals based on job duties, TLCO will ensure effective inventory control and limit errors or tampering with electronic records. Once operational, TLCO will maintain electronic records in a secure, cloud-based system, with regular backups to an off-site server for additional security and redundancy.

Initial and Recurring Inventories

On the date that TLCO commences operations, TLCO will require that management at all segments of TLCO's operation conduct an initial comprehensive inventory of all products possessed by or within the control of TLCO's facilities. If TLCO does not possess any product, management will record this fact in the inventory tracking system. The initial inventory report will also include any damaged, defective, expired, adulterated, or otherwise unusable marijuana

awaiting disposal, including the strain name, quantity, reason the marijuana is unusable, and date it was deemed unusable.

Management will conduct regular comprehensive inventories in accordance with SOPs, which will include inventories of stored, usable, and unusable marijuana or marijuana infusede products possessed by or under the control of TLCO. TLCO will conduct, at a minimum, monthly inventories of all stored, usable, and unusable marijuana and marijuana infused products possessed by or under the control of TLCO. Management will also conduct annual comprehensive inventories at least once every year from the date of the previous comprehensive inventory. After completing inventories, managers will transcribe any inventories taken by use of an oral recording device as soon as possible.

Processing and Manufacturing

TLCO Management will oversee all processing inventory and activities, including packaging, labeling, and non-marijuana inventory associated with processing activities. Management will ensure processing staff label each initial process lot with a unique RFID code denoting the harvest batch/lot from which the plant material originated. This RFID code will remain with the plant material through extraction and post-extraction activities, after which staff will replace it with a processing batch/lot RFID code. Once product formulation is complete and other ingredients have been added, staff will create a new product code for the completed products.

Whenever staff assign a new label to a batch/lot, the staff member assigning the label will log the change in the inventory tracking system, ensuring traceability for all product by providing a record of each action within the facility. Staff will use the unique RFID codes to record all actions performed throughout processing and log information into the inventory tracking system and appropriate BMPs as designated in processing SOPs (such as when staff move a process lot from extraction to separation).

Additionally, product RFID codes will allow TLCO to identify all sources of marijuana plant material or marijuana infused products in the event of a product recall. Using records in the Inventory Tracking System (“ITS”), TLCO’s designated recall coordinator will be able to trace all products that were a part of recalled batch and identify originating plants, harvest lots, or processing lots that may also be unsafe and require recall.

All processing records will be reviewed for accuracy as part of scheduled inventory audits. Management will also review all waste logs prior to transfer of waste to the CCO for destruction as well as audit non-marijuana processing inventory (such as solvents and gloves) as a part of regular operations and ordering practices.

Records Pertaining to Packaging and Labeling

The Packaging Manager will oversee all packaging activities and inventory, including non-marijuana packaging inventory. The CCO will oversee the transfer of harvest and product lots to the packaging department. The CCO and Packaging Manager will confirm all harvest lot and product lot contents in the electronic ITS and BMPs prior to packaging.

The Packaging Manager will oversee final packaging and labeling of all products. The Packaging Manager will record the RFID codes for each packaging run in the ITS, BMPs, and the physical packaging activity log as denoted in company SOPs. The Packaging Manager will store digital versions of all labels applied in BMPs as well. The Packaging Manager will also maintain a packaging activity log, which will include the time and date, packaging activities conducted, employees involved in packaging, and any irregularities during packaging, such as fire drills or equipment issues.

Dispensing Records

Throughout dispensing activities, TLCO will use its inventory tracking system to maintain a record of the identity of the purchasing licensed Marijuana Establishment and all relevant purchasing information such as the quantity and cost as well as methods of product delivery and transport. TLCO will retain this information in business records to inform business and cultivation planning, including verification and adjustment of usable marijuana infused products inventory limits and projections.

Transportation Records

When performing any necessary transportation of product, staff performing the transport will record all movements in the seed-to-sale tracking system and in a physical transportation logbook. Packages will retain the unique RFID codes and labels assigned during harvesting (for flower) and manufacturing (for products). Staff will sign and record the date and time the transportation began and ended, names of employees delivering the product, weight of the products, batch/lot number, strain name, and potency, and the signatures of TLCO's employees comprising the delivery team. Prior to departing, the transportation team will provide the receiving location with the route the delivery team will use. Upon successful completion of a delivery, an individual at the receiving location will sign for the shipment, which the transportation team will retain for TLCO's records. TLCO will maintain records of all transportation activities, including transportation manifests generated by the inventory tracking system, the transportation logbook, and signatures of employees performing and receiving shipments.

Records Pertaining to Recalled Product, Waste, and Other Inventory

The CCO will oversee all recalled marijuana infused products and all marijuana waste. TLCO will issue recall notifications to the Commission and licensed Marijuana Establishments if any TLCO manufactured marijuana infused product originating from it: is defective or potentially

defective; has failed laboratory testing; has a reasonable probability that its use or exposure to it will cause serious adverse health consequences; or, any other instances as determined by the Commission that would warrant a recall. In response to returns or recalls, the CCO will record the amount of product returned and the date it was accepted by TLCO.

The CCO will evaluate all marijuana waste generated during production and processing against state and federal hazardous waste regulations to determine if the waste is designated as hazardous waste. If the CCO determines the waste to be hazardous, the COO will manage and dispose of the waste in accordance with appropriate disposal practices under state and federal laws, including the federal Resource Conservation and Recovery Act ("RCRA"). TLCO will maintain records of all hazardous waste it disposes of for at least three years. 40 C.F.R. § 262.40.

If the CCO does not deem the products waste to be hazardous, he will render it unusable in accordance with instructions provided by the Commission. TLCO will utilize the industry best practice of cutting, shredding, and mixing marijuana waste with non-desirable, non-marijuana waste until the resulting mixture is at least 51% non-marijuana, at which point TLCO will deem the waste to have been rendered unusable. Once rendered unusable, the CCO will implement disposal of the waste in a manner consistent with instructions from the Commission.

The CCO will maintain records of all waste disposal in the inventory tracking system, including the date, type and quantity, manner of disposal, and persons present during the disposal and their signatures for at least three years.

Records Oversight and Audits

Regular audits and oversight guarantee the accuracy, integrity, and completeness of TLCOs records. Managers will provide daily oversight to ensure staff enter and store records correctly. At the end of each week, managers will conduct audits of records logged for that week and will ensure that: (1) all physical records accumulated during the week have been scanned into the electronic database, and (2) information staff have inputted to the electronic database is accurate and correct. If management identifies persistent issues with how staff are conducting recordkeeping activities, management will report these deficiencies to the CCO and CAO and will retrain employees to correct the errors. The HR Director will maintain records of this retraining and retain them for at least two years, pursuant to the above "Training Records" subsection. The CCO and CAO will regularly audit recordkeeping policies and practices to ensure compliance with the Rules and Applicant SOPs, and to modify SOPs and policies in response to deficiencies identified by management.

Conclusion

Maintaining accurate and accessible records is vital to ensuring transparency and accountability for all of TLCO's business operations. The CAO and CFO will maintain detailed business and

administrative records, including general facilities information, projections for patient and adult use count and product demand, and accounting records for all money moving into and out of the business. The HR Director will maintain individualized training records for every training activity conducted by each employee, including confidentiality and job-specific education. Staff and recordkeeping software will secure all information in accordance with the HIPAA Privacy Rule and Security Rule (Title 45, Code of Federal Regulations) requirements for safeguarding the confidentiality of any protected health information, digital security requirements under the HITECH Act, and industry best practices. A detailed operations manual will outline SOPs, including inventory and recordkeeping for all segments of processing, manufacturing, dispensing, transportation, and disposal/destruction. Staff will track all processing, manufacturing, and dispensing activities at the facility in an electronic inventory tracking system, which will allow full traceability from seed-to-sale of every product originating at TLCO's facility.

QUALITY CONTROL AND TESTING

Turning Leaf Centers Otis, LLC ("TLC OTIS), backed by decades of health industry compliance experience, will maintain the highest standards of quality control and testing. TLC OTIS's Inventory Tracking System ("ITS") will log data as established and directed by TLC OTIS Quality Control personnel. The ITS is designed to identify marijuana plant material and infused products by batch thus making batch verification simpler and more efficient.

Quality assurance, quality control, and product sound testing protocols in the marijuana industry are crucial to manufacturing and maintaining high-quality, medical grade marijuana infused products in a safe, environmentally sustainable and cost-efficient way. TLC OTIS's Quality Management will oversee all activities and tasks needed to maintain TLC OTIS's desired level of high-quality, medical grade marijuana and marijuana infused products. This includes the determination of a quality policy, creating and implementing quality planning and assurance, and quality control and quality improvement. TLC OTIS plans to implement industry best practices and stringent testing standards and methods to supplement the Commission's requirements and to ensure the provision of high-quality, medical grade marijuana and marijuana infused products for Massachusetts consumers. TLC OTIS's testing standards will establish statistical quality control, preserve analyte (the substance whose chemical constituents are being identified and measured) and evidentiary integrity, compile clear results, compliantly store results, and ensure that TLC OTIS receives and responds.

Function of Quality Assurance and Quality Control

Although Quality Assurance ("QA") and Quality Control ("QC") are independent, both are interrelated functions. QA is process oriented, encompassing the entire production process from the time marijuana plant material and other ingredients arrive at the facility to packaging of manufactured goods to the stage where the product leaves the facility and even when it enters the dispensing facility. The ultimate goal of QA is to ensure consumer safety. Conversely, QC is product oriented, comprised of in-process testing and testing of the final product. The role of QC is to develop testing methods, establish product specifications (e.g., the acceptable values for product quality standards), and perform the testing for every batch manufactured.

Management will develop a process for each product, validate the process (e.g., repeat the process multiple times to demonstrate that the process always yields a product with the same quality standards), and establish narrow "target" ranges and wider "acceptable" ranges for every process parameter. If deviations happen outside of the narrower range, but within the wider range, QA will accept that the product is safe though not optimal. If the deviations happen outside of the wider range, QA will reject the batch, or may require additional data to support the release of the product. In the event instances of nonconformance or deviations occur, the Manager will conduct an investigation using a root cause analysis method. The QA team will then review the investigation and make appropriate changes and validate the process to ensure compliance with regulations. Another way to view the roles of QA and QC is when there is deviation in the QC process (e.g., a test was performed by QC outside of *its* validated processes). In such a case, the QC team would conduct an investigation into what went wrong, while the QA team would review that investigation for compliance.

Quality Assurance Policy, Goal, and Objective

It is TLC OTIS policy to efficiently operate and maintain its facilities and products in accordance with best operating practices following all applicable local and state requirements and regulations. TLC OTIS is committed to collecting all necessary data to demonstrate that its operations and handling of marijuana and marijuana infused products are contaminate free and in compliance with state standards and industry best practices. TLC OTIS will maintain and utilize an appropriate tracking, labeling, and record keeping system to ensure batch quality and consumer safety.

TLC OTIS is also committed to ensuring that all environmental control systems are operating within acceptable limits and that marijuana plant material and infused products are processed in a safe and sanitary manner and contaminate free. TLC OTIS will implement a sanitation and handling plan to ensure marijuana and marijuana infused products are properly handled and free of foreign matter. TLC OTIS will enact a testing protocol to ensure marijuana marijuana and marijuana infused products are free of mold, rot and other fungal and bacterial diseases and other potential contaminants.

Quality Control Activities

QC activities are designed and performed to ensure that operations are monitored and products are adequate, appropriate, and contaminate free. Application of these activities is broad in range, from establishing sanitary measures to data handling and reporting procedures. QC activities rely upon qualified and well-trained staff. A complete set of Standard Operating Procedures with protocols for maintaining a safe and sanitary environment will be established, and all staff/personnel appropriately trained in these procedures and methods in an ongoing basis.

Ensure that only the leaves and flowers of the female marijuana plant are processed accordingly in a safe and sanitary manner as prescribed below:
Any incoming shipment of product will be marked “not to be released into inventory until inspection”. The receiving agent shall review and approve the report of the independent Testing agency. Each received product will be inspected to determine that it is well cured, free of seeds, stems, dirt, sand, mold, rot, fungus, bacterial diseases and other foreign matter. Any shipment not conforming to these standards shall be rejected and returned to the vendor. Any incoming shipment meeting the above criteria will be marked “released to inventory.” Inspection, division and packaging shall be conducted in a segregated area secured in accordance with 935 CMR 500.105(3), using food grade stainless steel table, food grade equipment and will be conducted only by agents qualified in accordance with 105 CMR 300.000, Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements.

Our Facility shall be located in lavatories, locker rooms, production and packaging areas, and in any other spaces in which good sanitary practices require the washing and sanitizing of hands. Every hand washing facility shall include an effective hand cleaning and sanitizing preparations, and sanitary towel service or suitable hand drying devices. All agents handling processing, packaging or otherwise working in contact with marijuana or marijuana products shall maintain adequate personal cleanliness and was his or her hands as frequently as necessary to maintain appropriate sanitation.

Litter and Waste

Litter and waste shall be properly removed so as to minimize the development of odor and the potential for the waste attracting and harboring pests in accordance with 935 CMR 500.105(12) and 935 CMR 500.105 (3)

All contact surfaces, including utensils, work services and equipment shall be maintained in a clean and sanitary condition, and shall be sanitized with a sanitizing agent registered with the United States Environmental Protection Agency, in accordance with labeled instructions, as frequently as necessary to protect it against contamination.

Water Supply
Plumbing shall be of adequately sized and design and maintained to carry sufficient quantities of water to required location throughout the establishment. 935 CMR 500.105(3) Our facility will provide our employees with adequate, readily accessible toilet facilities.

Storage
Storage and transportation of finished products shall be under conditions that will protect them against physical, chemical and microbial contamination in accordance of 935 CMR 500.105(3)

Our facility will notify the Commission within 72 hours of any laboratory testing results indicating contamination if contamination cannot be remediated and disposal of the production batch is necessary in accordance with 935 CMR 500160 (2) All Marijuana products shall be conducted by an Independent Testing Laboratory in accordance with the protocol for sampling and analysis of finished Medical Marijuana Products and Marijuana Infused Products. Any laboratory results indicating contamination exceeding the limits therein that cannot be remedied, thereby resulting in the required disposal of the production batch, shall be reported to the Commission within 72 hours of receipt. The report shall include an action plan for the destruction of the contaminated product, and an assessment and explanation of the source of the contamination.

<u>Quality Control Activities</u>

QC activities are designed and performed to ensure that operations are monitored and products are adequate, appropriate, and contaminate free. Application of these activities is broad in range, from establishing sanitary measures to data handling and reporting procedures. QC activities rely upon qualified and well-trained staff. A complete set of Standard Operating Procedures with protocols for maintaining a safe and sanitary environment will be established, and all staff/personnel appropriately trained in these procedures and methods in an ongoing basis.

<u>Sampling Methods and Record Keeping</u>

TLC OTIS will maintain a quality control and assurance unit that will follow marijuana plant material and infused products from seed to sale. The process will be paired with a thorough recordkeeping system. Each processed batch will carry a unique identifier that indicates the source, grade, and date of each material and this set of identifiers will be accompanied with a Batch Production Record (“BPR”). Each processed batch will be created according to a SOP to streamline the process and guarantee product uniformity for dispensing to Marijuana Establishments.

All batches will be reviewed by a qualified QC employee before being released as a finished product. They will review all analytical test results along with the written BPRs that accompany each batch. The Manager will direct the QC and authorized staff in all operations related to product reviews and product dispensing. The Manager will ensure that technicians and quality assurance specialists adhere to all requirements and regulations, including investigating and reporting errors. For purchased materials, TLC OTIS will review test results before purchasing from selected vendors. All test results and corresponding batch records will be stored and tracked electronically to ensure full data integrity and product traceability. All final approved products will be authorized available for dispensing to licensed Marijuana Establishments.

An electronic system will be utilized to store and retrieve information related to the processing, manufacturing and packaging of all products. The Inventory Tracking System ("ITS") will contain all the information necessary to ensure full traceability of all marijuana and marijuana infused products. The Manager will conduct an initial (and subsequent, weekly) inventory in conjunction with the tracking of all product via the electronic tracking system. All batches will be managed using this system to provide traceability of the marijuana material as it moves through the processes within the facility. These systems will augment one another, and they will be linked to all MMRs and BPRs that correspond to a specific batch or lot. These records will have an online and offline back-up will be maintained for a period of at least three years.

Distribution and Document Control

TLC OTIS's QA/QC plan will be reviewed monthly during year one, semi- annually thereafter, and any changes and revisions will be forwarded to all appropriate parties. In the event a major revision to the QA/QC Plan is required, each copy will be reissued to all appropriate persons. All revisions to the Plan will be clearly marked. When modifications to the QA/QC Plan become necessary, TLC OTIS is responsible for ensuring that current revisions are included in the QA/QC Plan and that distribution of the revised Plan is made to all appropriate parties. If TLC OTIS is approved for licensing, a copy of the QA/QC Plan can be provided to Commission for review. For a QA/QC plan to function properly, provisions must be made for effective communication of the results from QA/QC activities to all affected parties. TLC OTIS will establish clear channels of communication and outline the given party's responsibilities.

Conclusion

Product control and compliance in the marijuana industry is crucial to consumer safety. Turning Leaf Centers Otis, LLC ("TLC OTIS") will follow all required Commission, local, state and federal protocols as well as implement internal standards and methods that supplement requirements to ensure the production of high-quality, medical grade marijuana infused products. TLC OTIS's quality control standards will establish statistical quality control and preserve analyte and evidentiary integrity thus allowing TLC OTIS to compile clear results, monitor and maintain compliance, and provide appropriate responses as needed. Utilizing industry best practices, standards and methods ensures TLC OTIS consistently provides high-quality, medical grade marijuana infused products in compliance with all regulations.

PERSONNEL POLICIES

Turning Leaf Centers Otis, LLC ("TLCO") strives to provide a safe, rewarding and ethical atmosphere for both customers and marijuana establishment agents alike. We hold marijuana establishment agents to the highest standards of professionalism while offering a multitude of opportunities, including but not limited to:

Equal Employment Opportunity: We will offer fair and equal compensation and employment and will protect employees from discrimination based on any status enumerated under the laws enforced by federal EEOC or under the labor laws of the Commonwealth.

Ethical Standards: We will provide an ethical and respectful workplace conduct, and will strictly prohibit any forms of workplace violence, intimidation or harassment.

Compensation and Benefits: We will provide fair and appropriate compensation, along with benefits such as health insurance, paid time off, overtime and performance bonuses, workers compensation, and various forms of compensated personal and family medical leave.

Safe and Secure Environment: Security will be operational 24/7/365. We will require all marijuana establishment agents to behave in a safe and responsible manner, consistent with workplace safety standards promulgated by US OSHA and Massachusetts division of occupational safety.

Incentive Advancement: We prioritize the promotion and advancement of existing cultivating agents upon the availability of positions within the Marijuana Establishment. Performance-based evaluations will be conducted at least annually, as part of our effort to support marijuana establishment agents' advancement, productivity and career objectives.

TLCO's Human Resources ("HR") Director will maintain detailed personnel records for each employee, officer, director, board member, agent, or volunteer involved with the enterprise.

Hiring Process Policy

TLCO will strive to hire a diverse and talented workforce that the company can trust to uphold the highest standards of professionalism, regulatory compliance, and product care. TLCO will employ individuals from as many diverse groups as possible to meet internal diversity goals and operate the facility with maximum efficiency and talent. To recruit top-notch talent, the HR Director will create and maintain partnerships with recruiting agencies, educational institutions, and media networks that target specific demographics best suited to employment in this industry. Increasing the number of diverse and talented individuals that TLCO employs will allow

TLCO to operate a successful establishment where employees, vendors, purchasing Marijuana Establishments and government authorities from all backgrounds feel welcome.

Marijuana Establishment Agent Registration Policy

The HR Director will ensure all of its board members, directors, employees, executives, managers, and volunteers associated with TLCO apply for registration as a Marijuana Establishment Agent. TLCO will not permit any principal officer, director, owner, board member, or employee to work at the enterprise until they have registered with and received an identification card from the Commission. All potential TLCO-affiliated Marijuana Establishment Agents will be 21 years of age or older; not convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or like violation of the laws of another state, the United States or foreign jurisdiction, or a military territorial or Native American tribal authority; and be suitable for registration consistent with the provisions of 500.800 and 500.802. Agents will renew their registration on an annual basis upon a determination by the Commission that the applicant for renewal continues to be suitable for registration.

All potential TLCO-affiliated Marijuana Establishment Agent applicants for registration shall include their: full name; date of birth; address; all aliases used previously or currently in use by the individual, including maiden name, if any; a copy of the applicants drivers license, government issued identification card, liquor purchase identification card issued pursuant to M.G.L.c.138 §34B or other verifiable identity document acceptable to the commission; an attestation that the individual not engage in the diversion of marijuana products; and written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport and dispense marijuana in the Commonwealth. A TLCO executive registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration, shall submit to the Commission a Criminal Offender Record Information (CORI) report and any other background check information required by the Commission for each individual for whom TLCO seeks a marijuana establishment agent registration, obtained within 30 days prior to submission. TLCO applicants will provide any other information the CCC so requests. Finally, TLCO will pay the nonrefundable application fee for marijuana establishment agent applications.

TLCO is committed, after obtaining a registration card for a marijuana establishment agent, to notifying the Commission, in a form and manner determined by the Commission, as soon as possible, but in any event, within five business days, of any changes to the information that TLCO previously required to submit to the Commission or after discovery that a registration card has been lost or stolen. Prospective staff will be required to report any new or pending charges or convictions that occur during their employment with TLCO. If an employee is charged with or convicted of a felony or a drug-related offense, TLCO will report it immediately to the Commission. All TLCO marijuana establishment agents shall carry their registration card associated with TLCO at all times while in possession of marijuana products, including at all times while at the establishment or while transporting marijuana products.

Termination Policy

Upon termination of a staff member's employment relationship with TLCO, the COO will revoke the former staff member's access privileges and permissions to the facility and the inventory tracking system. When a principal officer, director, owner, board member, or employee ends his/her employment or affiliation with TLCO, notification will be sent to the Commission within 24 hours. Said individual will be required to turn over his or her registration card to TLCO and TLCO will then surrender the individual's registration card to the Commission. The HR Director will also document the reason(s) the individual is no longer associated with TLCO, provide any necessary documentation to the Commission, and keep a copy of this information in the individual's personnel records.

Personnel Records Policy

TLCO, through its HR Director, will maintain detailed personnel records. Records will include, at a minimum: a copy of each staff member's resume and application for employment; digital copies of the individual's present and previous identification cards, and current, valid driver's license or other state-issued photo identification card; documentation of each staff member consenting to the jurisdiction of the Commission and promising to adhere to and comply with the laws and regulations of the Commonwealth pertaining to marijuana; documentation of verification of references; detailed job descriptions and employment contracts, including duties, authority, responsibilities, and qualifications of the employee, and the identity of their supervisor; performance evaluation records; disciplinary records; and, drug test records, including the reason for the test and the results of the test. The HR Director will maintain all personnel records for each staff member electronically for at least 3 years after termination of the staff member's affiliation with the enterprise.

Substance Abuse Policy

TLCO's policy concerning substance abuse recognizes our responsibility to ensure that services rendered, employee conduct, and safety are not compromised by the use or abuse of drugs or alcohol. Employees are expected and required to report to work on time and in appropriate mental and physical condition for work. Employees are forbidden to report to work under the influence of alcohol or drugs. It is our intent and obligation to provide a drug-free, healthy, safe and secure work environment.

Alcohol or drug use which adversely affects work will not be tolerated. Any employee using or under the influence of alcohol or drugs, including legal drugs used for non-medical purposes, while at work and/or on TLCO property or while conducting TLCO business will be subject to disciplinary action up to and including termination. Any employee having possession of, or who participates in the theft, diversion, sale, or distribution of drugs is subject to immediate discharge, and when appropriate, initiation of criminal proceedings.

The use, possession, sale or transfer of alcoholic beverages and/or drugs on TLCO property or in TLCO vehicles is strictly forbidden. If a supervisor has reason to believe that an employee is not fit for work, that employee may be sent home or may be sent for a medical examination that may include a drug and/or an alcohol test. A positive test reading for drugs and/or alcohol may result in disciplinary action up to and including immediate termination. Failure to submit to a test may also result in disciplinary action up to and including immediate termination.

TLCO has the right to require a medical examination and/or tests to determine an employee's fitness for work based on reasonable suspicion of being under the influence of drugs or alcohol. Failure to submit to examination or testing is grounds for discharge.

Employees using medication which may impact their ability to perform their job safely must notify their supervisor without disclosing the identity of their medication. The employee will be required to obtain documentation from his or her physician who provides that the medication will not interfere with the employee's ability to perform his or her job safely or provides any work restrictions. An employee may continue to work if it is determined that the medication will not adversely affect the employee's performance or if it is determined that a reasonable accommodation can be made.

STATEMENT OF PURPOSE

TLCO has a vital interest in ensuring a safe, healthy and efficient working environment for our employees and our members. The unlawful or improper presence or use of controlled substances or alcohol in the workplace presents a danger to everyone. For these reasons, we have established, as a condition of employment and continued employment with TLCO, the following substance abuse policy. Drug and/or alcohol testing is an integral part of our policy. This policy applies to all applicants and current employees of TLCO.

Consistent with its fair employment policy, TLCO maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist recovering addicts or alcoholics, and those having a medical history reflecting treatment for substance abuse conditions.

We encourage employees to seek assistance before their drug and alcohol use renders them unable to perform their essential job functions or jeopardizes the health and safety of themselves or others.

Our policy was designed to protect an individual's privacy, to ensure the integrity and reliability of testing procedures and to protect the confidentiality of individual test results and medical histories. Questions regarding the meaning or application of this policy should be directed to the Director of Human Resources or designate.

This policy represents management guidelines only and should not be interpreted as a contract of employment. Failure to comply with this policy will result in disciplinary action, up to and including, immediate termination.

DEFINITIONS

"Alcohol" means the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols including methyl or isopropyl alcohol.

"Alcohol Use" means the consumption of any beverage, mixture or preparation, including any medication, containing alcohol.

"Alcoholic Beverage" means beer, wine and distilled spirits as defined by the Internal Revenue Code of 1954.

"Applicant" means any individual seeking regular, full-time, part-time, temporary, or other employment with Somerset County YMCA.

"Breath Alcohol Technician" means an individual who instructs and assists individuals in the alcohol testing process and operates an evidential breath testing device.

"Canceled or Invalid Test" is neither a positive nor a negative test. In drug testing, this means a drug test that has been declared invalid by a medical review officer. A specimen that has been rejected for testing by a laboratory is treated the same as a canceled test. In alcohol testing, this means a test is deemed to be invalid under 49 CFR §§ 40.79 and 40.107.

"Certified Laboratory" means a laboratory certified by the United States Department of Health and Human Services ("DHHS") which means the DHHS' "Mandatory Guidelines for Federal Workplace Drug Testing Programs," as amended.

"Chain of Custody" means procedures to assure the integrity of each specimen by tracking its handling and storage from point of specimen collection to final disposition of the specimen. With respect to drug testing, these procedures require that a chain of custody form be used from time of collection to receipt by the laboratory. Upon receipt by the laboratory of the specimen, an appropriate chain of custody form will account for the sample within the laboratory. Chain of custody forms must, at a minimum, include an entry documenting the date the specimen was taken, the purpose of taking the specimen, when a specimen or portion of the specimen is handled or transferred and identifying every individual in the chain of custody.

"Company Vehicle" means an automobile, truck, van, forklift, conveyor belts and any other power mechanized vehicle.

"Confirmation Test" in drug testing, means a second test to identify the presence of a specific controlled substance or metabolite that is independent of the screening test and that uses a different technique from that of the screening test to ensure reliability and accuracy. We plan to use gas chromatography/mass spectrometry (GC/MS) or an equally reliable method to ensure reliability and accuracy of test results. For alcohol testing a confirmation test means a second test, following a screening test with a result of 0.02 or greater.

"Controlled Substances" and "Drugs" are used interchangeably in this policy and mean marijuana, cocaine, opiates, amphetamines and phencyclidine (PCP) and their metabolites and any other substance included in Schedules I through V, of the Controlled Substances Act, 21 U.S.C. § 812. The terms "controlled substances" and/or "drugs" include legal substances obtained illegally and/or used in an unauthorized manner, but does not refer to the proper use of substances authorized by law which do not affect job safety or performance.

"Employee" means any individual currently employed by TLCO.

"Evidential Breath Testing Device or EBT" means a device approved by the National Highway Traffic Safety Administration (NHTSA) for the evidential testing of breath and placed on NHTSA's "Conforming Products List of Evidential Breath Measurement Devices" (CPL), and identified on the CPL as conforming with the model specifications available from the NHTSA's Office of Alcohol and State Programs.

"Licensed Medical Practitioner" means a person who is licensed, certified, and/or registered to prescribe controlled substances and other drugs in accordance with applicable federal, state, local or foreign laws and regulations.

"Medical Review Officer or MRO" means a licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by an employer's drug testing program. The MRO must have knowledge of substance abuse disorders and appropriate medical training to interpret and evaluate an individual's confirmed positive test result, medical history and any other relevant biomedical information.

"Negative Test Result" in drug testing means a result, reviewed by an MRO and determined to have no evidence of prohibited drug use. "Negative Test Result" in alcohol testing means a confirmation test result of less than 0.02.

"Positive Test Result" in drug testing means a drug test result reviewed by an MRO and verified to have evidence of prohibited drug use. "Positive Test Result" in alcohol testing means a confirmation test result of 0.02 or greater.

"Reasonable Suspicion" means that a manager or supervisor believes, based on specific observations, including but not limited to, the employee's appearance, behavior, speech or body odors, that the employee has violated the prohibitions of this policy concerning alcohol and drugs. These observations may include indications of the chronic or withdrawal effects of drugs and alcohol.

"Refuse to Submit" means that the individual (1) fails to provide saliva and/or breath, or an adequate amount of saliva and/or breath, for testing without a valid medical explanation after he or she has received notice of the requirement for alcohol testing in accordance with the TLCO policy; (2) fails to provide urine or an adequate amount of urine, for drug testing without a valid medical explanation after he or she has received notice of the requirement for urine testing in accordance with the TLCO policy; (3) engages in conduct that clearly obstructs the testing process; (4) fails to complete the drug and/or alcohol testing forms; or (5) does not report directly to the collection site after notification or delays the collection or testing process.

"Screening or Initial Test" means for drug testing, an immunoassay screen to eliminate "negative" urine specimens from further consideration. "Screening" or "Initial Test" means for alcohol testing, an analytic procedure to determine whether an individual has an alcohol concentration of 0.02 or greater.

"Screening Test Technician or STT" means an individual who instructs and assists an individual in the alcohol screening testing process and operates a non-evidential screening device.

"Workplace" means a site for the performance of work to be done in connection with TLCO business. This includes, but is not limited to, all structures and surrounding properties at which TLCO conducts its business, any Company vehicles or equipment whether owned, leased, or used, whether or not on Company premises, and any other location in which Company work or business is performed.

PROHIBITED CONDUCT

Prohibited Conduct Concerning Alcohol and Illegal Drugs

Employees are prohibited from reporting for duty or remaining on duty with an alcohol concentration of 0.02 or greater.

Employees are prohibited from consuming alcohol during working hours, including meal and break periods. This does not include the authorized use of alcoholic beverages at Company-sponsored functions or activities.

Employees must submit to any drug and/or alcohol test required under the TLCO substance abuse policy.

Employees are prohibited from engaging in the unlawful or unauthorized manufacture, distribution, dispensation, solicitation, sale, transfer or possession of controlled substances and/or alcoholic beverages while on Company paid time, on Company premises, in Company vehicles, or while engaged in Company activities. This does not include the authorized distribution or possession of alcoholic beverages at Company-sponsored functions or activities. Any employee who has diverted marijuana, engaged in unsafe practices, or been convicted or entered a guilty plea for a felony charge of distribution of a drug to a minor shall be terminated immediately. 935 CMR 500.105(1)

Employees are prohibited from reporting for duty or remaining on duty when the employee uses any drugs, except when the use is pursuant to the instructions of a licensed medical practitioner and such use does not create a danger of injury to the employee or others.

Employees using medication which may impact their ability to perform their job safely must notify their supervisor without disclosing the identity of their medication. The employee will be required to obtain documentation from his or her physician which provides that the medication will not interfere with the employee's ability to perform his or her job safely or provides any work restrictions. An employee may continue to work if it is determined that the medication will not adversely affect the employee's performance or if it is determined that a reasonable accommodation can be made.

Employees are prohibited from continuing to work if they have tested positive for drugs and/or alcohol.

Prohibition On Supervisor Or Manager Permitting an Employee to Work

Any supervisor or manager who has actual knowledge that an employee has engaged or is engaging in conduct prohibited in Section III A above, shall not permit the employee to work.

Prohibition Against Working While Using Any Medication Which Affect Safety Or Performance

Use of any medication (therapeutic drugs) while engaged in Company activities is prohibited to the extent such use may affect the health or safety of the employee, co-workers, members and/or the public, or the employee's performance of his or her job duties. In addition, use of over-the-counter medications and other substances may result in a positive test result. Employees will be given the opportunity to explain a positive test result to a licensed physician ("MRO") responsible for receiving laboratory results generated by an employer's drug testing program, including the identification of recently used prescription or over-the-counter medications or other substances. The MRO has knowledge of substance abuse disorders and appropriate medical training to interpret and evaluate an individual's confirmed positive test result, medical history and any other relevant biomedical information.

An employee using any medication that contains alcohol or a controlled substance has an obligation to inquire and determine whether the substance the employee is taking poses a significant risk of substantial harm to the health and safety of the employee or others in the workplace. If the employee is using such a medication, the employee is required to obtain from the employee's licensed medical practitioner a written statement which provides either that the medication does not pose a significant risk of substantial harm to the health and safety of the employee or others in the workplace or advises of any work restrictions applicable to the employee.

Any such information must be reported to the employee's immediate supervisor prior to commencing any job duties, without disclosing the identity of the substance or the employee's medical condition. The supervisor must then report this information to the Director of Human Resources or designate, who will contact the TLCO's MRO. Employees using such a medication must have the medication in its original container which identifies the medication dosage and other pertinent information which will be reviewed by the TLCO MRO in consultation with the employee's licensed medical practitioner.

Depending upon the results of the review, the Director of Human Resources or designate will consider whether the safety or health risk can be eliminated or sufficiently reduced by a reasonable accommodation, if applicable. An employee may not be permitted to perform his or her job duties unless such a determination, or a reasonable accommodation, if any, has been made.

IV. REQUIRED TESTS

The requirements provided below apply to all current employees of TLCO.

Additionally, the pre-employment drug and alcohol testing requirements apply to all applicants.

Pre-Employment Drug and Alcohol Testing

All applicants for full time positions to whom TLCO has extended a conditional offer of employment must submit to pre-employment drug and alcohol testing within 48 hours of receiving the Chain of Custody form and must receive negative test results as a condition of employment. Such testing will be conducted prior to the first time the individual performs any of his or her job duties.

Reasonable Suspicion Drug and Alcohol Testing

An employee must submit to reasonable suspicion drug and/or alcohol testing when a manager or supervisor believes that the employee has violated the drug and/or alcohol prohibitions contained in this policy. A reasonable suspicion determination must be based on specific, articulable observations, including but not limited to, the employee's appearance, behavior, speech, or body odors. In addition, these observations may include indications of the chronic or withdrawal effects of drugs and alcohol.

The alcohol test should be administered within two hours, but no later than after eight hours, from the reasonable suspicion determination.

The supervisor or manager who makes a reasonable suspicion determination will not conduct the drug and/or alcohol test.

TLCO shall immediately transport or ensure transportation of the employee to and from the collection site for the collection of saliva, breath and/or urine samples.

The employee must submit to reasonable suspicion drug and alcohol testing upon request.

Documentation of the observations leading to a reasonable suspicion drug and/or alcohol test must be prepared and signed by the supervisor or manager making the observations.

The employee will be suspended without pay after the completion of the drug and/or alcohol tests, pending the test results. If the test results are negative, the employee will be compensated for all time lost from work which is directly attributable to the request to take the test. However, no compensation shall be made to an employee already on suspension at the time the employee takes the test if the suspension is based upon conduct other than a suspected violation of the TLCO's substance abuse policy. TLCO also reserves the right to evaluate the conduct of the individual which warranted the reasonable suspicion drug and/or alcohol test to determine if the conduct in and of itself should warrant discipline, up to and including termination.

SELF-DISCLOSURE OF SUBSTANCE ABUSE PROBLEM

TLCO will refer an employee to a substance abuse professional for an evaluation and for counseling or an assistance or rehabilitation program if the employee voluntarily discloses that he or she has a drug and/or alcohol problem and voluntarily requests assistance for such a problem before being selected for drug and/or alcohol testing required by this policy or violating this policy in any way. The employee must satisfactorily complete any assistance or rehabilitation program. The cost of rehabilitation or treatment is the employee’s responsibility. The employee will be placed on a medical leave of absence in accordance with Company policy and applicable federal, state and local laws. (See the Company’s policies regarding leaves of absences and benefit entitlement). In addition, prior to such employee’s return to duty, he or she will be required to execute an agreement for rehabilitation and continued employment, submit to a drug test and receive negative result. Such employee also will be required to submit to follow-up drug testing which may be scheduled or unscheduled. The determination of whether follow-up testing is required will be based upon the nature of the employee’s position with appropriate medical consultation.

VI. DRUG AND ALCOHOL TESTING PROCEDURES

TLCO's drug and alcohol testing procedures are modeled after the Federal Procedures for Transportation Workplace Drug and Alcohol Testing Programs, 49 CFR Part 40, as amended and/or applicable state laws. These procedures ensure the integrity, confidentiality and reliability of the testing process, safeguard the validity of the test results and ensure that these results are attributed to the correct individual. Further, these procedures minimize the impact upon the privacy and dignity of persons undergoing such tests to every extent feasible.

Drug Testing Procedures

The drugs specifically being tested for include: Marijuana, Cocaine, PCP, Amphetamines, Opiates, Benzodiazepines, Barbiturates, Methadone, Methaqualone, and/or Propoxyphene.

TLCO has established a chain of custody procedure for both drug sample collection and testing that will verify the identity of each sample and test result. All drug testing and collection procedures are modeled after the Federal Procedures For Transportation Workplace Drug and Alcohol Testing Programs, 49 CFR Part 40, as amended and/or in compliance with applicable state law requirements. All drug tests conducted pursuant to this policy shall be performed by laboratories which are DHHS certified.

Confirmation and review of drug test results

All positive drug test results will be confirmed by gas chromatography and mass spectrometry (GC/MS). All confirmed positive drug test results will be reviewed by an MRO to determine whether there is any legitimate explanation for the positive test result. This review may include a medical interview, review of the applicant's or employee's medical history, review of any other relevant biomedical factors or review of all medical records made available by the tested individuals.

Applicants or employees testing positive will be given the opportunity to discuss with the MRO any legitimate explanation for the positive test result. If the MRO determines that there is a legitimate medical explanation for the confirmed positive test result, the MRO will report the test result to TLCO as negative. If the MRO determines that there are no legitimate explanations for the confirmed positive test result, the results will be verified by the MRO.

The MRO may verify a test as positive without having communicated directly with the applicant or employee when:

the applicant or employee expressly declines the opportunity to discuss the test; or

neither the MRO nor the Director of Human Resources or his or her designated representative, after making all reasonable efforts, has been able to contact the individual within 14 days of the date on which the MRO receives the confirmed positive test result from the laboratory; or

the Director Human Resources or his or her designated representative has successfully made and documented a contact with the applicant or employee and instructed the applicant or employee to contact the MRO and more than five days have passed since the applicant or employee was contacted by the Director of Human Resources or his or her designated representative.

MRO may reopen verification

If a test is verified positive under the circumstances specified in paragraph (c)(ii) or (iii) above, the individual may present to the MRO information documenting that serious illness, injury, or other circumstances unavoidably prevented the individual from being contacted by the MRO, the Director of Human Resources or his or her designated representative or from contacting the MRO within the times provided above. The MRO may reopen the verification, allowing the individual to present information concerning a legitimate explanation for the confirmed positive test. If the MRO concludes that there is a legitimate explanation, the MRO will declare the test to be negative.

Right to have split specimen analyzed

Within 72 hours of being notified by the MRO of a verified positive test result, all applicants and employees have the right to request that the split specimen be analyzed in a different DHHS certified laboratory for the presence of the drug(s) for which a positive result was obtained. If the split specimen does not confirm the presence of the drug(s) found in the primary specimen, or if the split specimen is unavailable, inadequate for testing or untestable, the MRO shall cancel the test and report the cancellation and the reasons for it to the Director of Human Resources or his or her designated representative and the tested individual. The MRO will also notify the Director of Human Resources or his or her designated representative and the tested individual if the split specimen confirms the presence of the drug(s) or drug metabolites. Any applicant or employee who requests that the split specimen be tested must pay for the cost of the split specimen unless the results are negative.

Inability to provide adequate amount of urine specimen

The applicant or employee must provide at least 45 milliliters of urine for a drug test. If the individual is unable to provide such a quantity of urine, the individual will be instructed to drink a set amount of fluids. The applicant must again attempt to provide a complete specimen after a set period of time. A refusal to drink the fluids as directed or to provide a new urine specimen will constitute a refusal to submit to a test and the applicant will be considered ineligible for employment with TLCO. A refusal to drink the fluids as directed or to provide a new urine specimen will constitute a refusal to submit to testing and the employee will be terminated. If the employee has not provided a sufficient specimen within a certain time period after the first unsuccessful attempt to provide the specimen, TLCO will direct the employee to obtain as soon as possible, a medical evaluation from a licensed physician selected by TLCO. A determination by the physician that no legitimate medical explanation exists for the employee's failure to provide an adequate amount of urine will constitute a refusal to test and the employee will be terminated.

Altered or substituted urine specimens

Procedures for collecting urine specimens allow an individual privacy unless there is a reason to believe that a particular individual may alter or substitute the specimen. In such cases, a specimen may be obtained under the direct observation of a same gender collection site person in accordance with such procedures.

Alcohol Testing Procedures

The TLCO’s alcohol testing procedures are modeled after the Federal Procedures For Transportation Workplace Drug and Alcohol Testing Programs, 49 CFR Part 40, as amended and/or applicable state laws. Alcohol screening tests will be performed by a screening test technician ("STT") using a non-evidential screening device, or by a breath alcohol technician using an evidential breath testing device ("EBT"). In addition, TLCO ensures that the STTs are proficient in the operation of non-evidential screening devices and that the BATs are proficient in the operation of EBTs. Further, TLCO uses non-evidential alcohol screening devices that are on the National Highway Traffic Safety Administration's Conforming Products List for non-evidential screening devices and EBTs which are on NHSTA's CPL for evidential breath measurement devices.

Confirmation of alcohol test results

A confirmation test will be performed using an EBT if the results of the screening test is an alcohol concentration of 0.02 or greater. The confirmation test will be conducted within 30 minutes from the end of the screening test. TLCO shall base any discipline or other action upon the result of the confirmation test.

Inability to provide adequate amount of sample for alcohol testing

TLCO will require an employee or applicant to be evaluated by a physician if the employee or applicant fails to provide or claims that he or she is unable to provide a sufficient amount of breath sample to permit a valid breath test because of a medical condition. A determination by the physician that the employee's alleged medical condition could not preclude the employee from providing an adequate amount of breath sample will constitute a refusal to test and the employee will be terminated. A determination by the physician that the applicant's alleged medical condition could not preclude the applicant from providing an adequate amount of breath sample will constitute a refusal to test and the applicant will be considered ineligible for employment with TLCO.

The STT shall conduct a new test using a new device if the employee is unable to provide sufficient saliva to complete a test on a saliva screening device. A refusal to complete the new test by an employee will constitute a refusal to submit to a test and the employee will be terminated. A refusal to complete the new test by an applicant will constitute a refusal to submit to a test and the applicant will be considered ineligible for employment with TLCO. The employee or applicant shall immediately take an alcohol test using an EBT if the new test is completed, but there is an insufficient amount of saliva to activate the device. The employee will be terminated if the employee refuses to submit to the test using an EBT. The applicant will be considered ineligible for employment with TLCO if the applicant refuses to submit to the test using an EBT.

VII. CONSEQUENCES FOR REFUSAL TO SUBMIT TO TESTS AND POLICY VIOLATIONS

TLCO has established the following consequences for applicants and employees found to have violated this policy.

Positive Test Results

Any employee who receives a confirmed positive drug and/or alcohol test result will be terminated. Any applicant who receives a confirmed positive drug and/or alcohol test result will be ineligible for employment with TLCO.

Refusal to Submit

A refusal by an employee to complete the drug and alcohol testing forms, to provide an adequate specimen, to report directly to the collection site after notification, or otherwise cooperate with the testing process in a way that prevents the completion of the test will constitute a refusal to submit to a test and the employee will be terminated. A refusal by an applicant to complete the drug and alcohol testing forms, to provide an adequate specimen, to report directly to the collection site within 48 hours of notification or otherwise cooperate with the

testing process in a way that prevents the completion of the test will constitute a refusal to submit and the applicant will be ineligible for employment with TLCO.

Altered or Substituted Urine Specimens

Any employee who alters or attempts to alter or substitute a urine specimen will be terminated. Any applicant who alters or attempts to alter or substitute a urine specimen will be ineligible for employment with TLCO.

Policy Violations

If an employee has violated this policy in any way (even for a first offense), other than for violations set forth in A, B, and C above, the employee will be immediately removed from his or her job duties and will be subject to discipline, up to and including, immediate termination. If an applicant violates this policy in any way, the applicant will be ineligible for employment with TLCO.

VIII. NOTIFICATION OF TEST RESULTS

TLCO will notify the applicant of the pre-employment drug and alcohol test results upon the applicant's written request for results within 60 days of being notified of the disposition of the employment application. Employees will be advised of drug test results if the results were verified as positive. In addition, the employee will be advised of which drug(s) were verified as positive. For alcohol tests, the STT and/or the BAT shall show the employee the results of the screening and confirmation test after the administration of each test. Immediately thereafter, the BAT will provide TLCO's designated representative the confirmed alcohol test results in a confidential manner.

IX. TESTING EXPENSES AND COMPENSATIONS FOR TESTS

TLCO will pay for all drug and/or alcohol tests required by TLCO, including confirmation tests. Any test taken at the applicant's or employee's request will be at his or her own expense, including the analysis of the split specimen for drug testing. TLCO will reimburse an employee or applicant if a test requested by an employee or applicant produces a negative result.

All time spent providing a saliva, breath and/or urine sample, including travel time to and from the collection site in order to comply with reasonable suspicion, return-to-duty and follow-up from rehabilitation drug and/or alcohol testing shall be considered as work time and the employee will receive his or her regular compensation, including overtime, if applicable for such time.

ACCESS TO RECORDS AND CONFIDENTIALITY OF TEST RESULTS

TLCO will maintain records of its substance abuse program in a secure location with controlled access.

The laboratory may disclose drug test results only to the MRO. The MRO, STT and BAT may disclose test results only to the individual tested, designated Company representatives, a treatment program, or a court of law or administrative tribunal to the extent required by law.

In addition, an applicant or employee, upon written request, may obtain copies of any records pertaining to the applicant's or employee's drug and alcohol use, including test records. TLCO will promptly provide the records requested by the employee or applicant. TLCO shall not release such information to any outside party except as required by law or expressly authorized in writing by the employee.

XI. CONSENT OF APPLICANTS AND EMPLOYEES

All applicants and employees are required to consent to drug and/or alcohol testing and/or inspections pursuant to this policy as a condition of employment and continued employment. Consent to drug and/or alcohol testing and/or searches includes an applicant's or employee's obligation to fully cooperate. Upon request, such person must promptly complete any required forms and releases and promptly provide a sample for testing. An employee's refusal to sign the consent and acknowledgment forms will result in termination. An applicant's refusal to sign the consent and acknowledgment forms shall render the applicant ineligible for employment with TLCO.

XII. COMPLIANCE WITH POLICY AS CONDITION OF EMPLOYMENT

All applicants and employees are advised that full compliance with this substance abuse policy shall be a condition of employment and continued employment. See Section VII for the consequences for a refusal to submit to tests and policy violations.

Drug abuse and alcoholism are recognized as diseases for which there is effective treatment and rehabilitation. Employees who suspect they may have a drug or alcohol problem, even in its early stages, are encouraged to seek diagnosis, and to follow through with the treatment prescribed by qualified professionals.

Any employee having these diseases will receive the same careful consideration and offer of treatment that is presently extended to all employees having any other disease, under existing benefit plans. The same benefits and insurance coverage that are provided for all other diseases under established benefit plans will be available to employees who accept medically approved treatment for drug or alcohol abuse.

An employee's refusal to accept referral for diagnosis or to follow prescribed treatment may result in termination of employment. TLCO referral for diagnosis and treatment will be based solely on job performance and other employment related factors.

Employees participating in a rehabilitation program are assured that neither job security nor promotional opportunities will be jeopardized, as long as the employee continues to meet existing job performance requirements, complies with established work rules and follows prescribed medical treatment. The confidential nature of any rehabilitation program will be strictly preserved.

Smoking Policy

Purpose: TLCO is a smoke-free work environment. In support of its mission to improve and promote health and wellness, all facilities are tobacco free environments. In regard to this mission and the The Massachusetts Smoke-free Workplace Law (MGL chapter 270, section 22), this policy was established.

Policy Overview: The health hazards of smoking and secondary smoke are well documented. For health and safety reasons, all buildings of TLCO are smoke free. No smoking or other use of tobacco products (including, but not limited to, cigarettes, pipes, cigars, snuff, or chewing tobacco) is permitted in any part of TLCO buildingS or in vehicles owned, leased, or rented by TLCO, or during TLCO-sponsored events.

Designated Smoking Areas/Designated Smoking Breaks: Smoking is not permitted within 20 feet of any TLCO building entryways. Employees may smoke outside in designated areas only during breaks. No additional breaks beyond those allowed under TLCO break policy may be taken for the purpose of using tobacco or similar products. Dispose of any litter properly in the receptacles provided for that purpose.

Smoking Cessation Programs: TLCO's Human Resources Department has identified smoking cessation programs offered through health insurance providers. Faculty and staff are encouraged to contact Human Resources to obtain all appropriate information entitled to them as part of their employee benefits.

Complaints: Employee complaints of violations of this policy should be made to Human Resources.

Confidentiality: HIPAA Medical Privacy Policy: Basic Requirements

Purpose: TLCO has adopted a policy that protects the privacy and confidentiality of protected health information (PHI) whenever it is used by company representatives. The private and confidential use of such information will be the responsibility of all individuals with job duties requiring access to PHI in the course of their jobs.
Protected Health Information Defined: PHI refers to individually identifiable health information received by the company's group health plans or received by a health care provider, health plan or health care clearinghouse that relates to the past or present health of an individual or to payment of health care claims. PHI information includes medical conditions, health status, claims experience, medical histories, physical examinations, genetic information and evidence of disability.
The HIPAA Compliance Officer: The company has designated the Director Human Resources as the HIPAA compliance officer (HCO), and any questions or issues regarding PHI should be presented to the HCO for resolution. The HCO is also charged with the responsibility for:
Issuing procedural guidelines for access for PHI.
Developing a matrix for personnel who will need access to PHI.
Developing guidelines for describing how and when PHI will be maintained, used, transferred or transmitted.
Annual Activities Necessitating Use of PHI: Annually or more frequently as necessary, TLCO performs enrollment, changes in enrollment and payroll deductions; provides assistance in claims problem resolution and explanation of benefits issues; and assists in coordination of benefits with other providers. Some or all of these activities may require the use or transmission of PHI. Thus, all information related to these processes will be maintained in confidence, and employees will not disclose PHI from these processes for employment-related actions, except as provided by administrative procedures approved by the HCO. General rules follow:
Disclosures that do not qualify as PHI-protected disclosures include:
Disclosure of PHI to the individual to whom the PHI belongs.
Requests by providers for treatment or payment.
Disclosures requested to be made to authorized parties by the individual PHI holder.

Disclosures to government agencies for reporting or enforcement purposes.
Disclosures to workers' compensation providers and those authorized by the workers' compensation providers.
Information regarding whether an individual is covered by a plan for claims processing purposes may be disclosed.
Information external to the health plan is not considered PHI if the information is being furnished for claims processing purposes involving workers' compensation or short- or long-term disability and medical information received to verify Americans with Disabilities Act (ADA) or Family and Medical Leave Act (FMLA) status.
Records Retention Policy
Personnel records and disclosures of PHI will be maintained for a period of six years as required by federal law, unless a state law requires a longer retention period. Records that have been maintained for the maximum interval will be destroyed in a manner to ensure that such data are not compromised in the future in accordance with the company record destruction policy.
Cameras in the Workplace Policy

Purpose: TLCO prohibits employee use of audio and video recording in the workplace, including camera-equipped phones, tablets and other devices, when necessary to secure patient/client privacy and/or to protect trade secrets and other proprietary business information.
The state of Massachusetts prohibits the recording of conversations or meetings unless the consent of all parties involved is obtained. As such, secret recordings or recordings without permission of the employer are prohibited in all TLCO locations within Massachusetts.

Restrictions on Employee Recording

Employees are prohibited from bringing audio or video recording devices into areas where patient or client privacy may be compromised.
Employees are prohibited from bringing audio or video recording devices into areas and/or meetings where company trade secrets or proprietary business information could be disclosed.
Employees may record workplace activities that are not prohibited by law or do not compromise confidential information as described above.
Company Monitoring: TLCO reserves the right to install security cameras in work areas for specific business reasons, such as security, theft protection or protection of proprietary information.

TLCO may find it necessary to monitor work areas with security cameras when there is a specific job- or business-related reason to do so. The company will do so only after first ensuring that such action is in compliance with state and federal laws.
Employees should not have any expectation of privacy in work-related areas.
Employee TLCO reasonable suspicion of onsite drug use, physical abuse, theft or similar circumstances would be possible exceptions. Legal advice will be sought in advance in such rare cases where nonwork-area privacy must be compromised.
Employees should contact their supervisor or the human resource (HR) department if they have questions about this policy.

Employee Records Policy
The company philosophy is to safeguard personal employee information in its possession to ensure the confidentiality of the information. Additionally, the company will only collect personal information that is required to pursue its business operations and to comply with government reporting and disclosure requirements. Personal information collected by the company includes

employee names, addresses, telephone numbers, e-mail addresses, emergency contact information, EEO data, social security numbers, date of birth, employment eligibility data, benefits plan enrollment information, which may include dependent personal information, and school/college or certification credentials. All pre-employment inquiry information and reference checking records conducted on employees and former employee files are maintained in locked, segregated areas and are not used by the company in the course of its business operations.
Personal employee information will be considered confidential and as such will be shared only as required and with those who have a need to have access to such information. All hard copy records will be maintained in locked, secure areas with access limited to those who have a need for such access. Personal employee information used in business system applications will be safeguarded under company proprietary electronic transmission and intranet policies and security systems. Participants in company benefit plans should be aware that personal information will be shared with plan providers as required for their claims handling or record keeping needs.
Company-assigned information, which may include organizational charts, department titles and staff charts, job titles, department budgets, company coding and recording systems, telephone directories, e-mail lists, company facility or location information and addresses, is considered by the company to be proprietary company information to be used for internal purposes only. The company maintains the right to communicate and distribute such company information as it deems necessary to conduct business operations.
If an employee becomes aware of a material breach in maintaining the confidentiality of his or her personal information, the employee should report the incident to a representative of the human resources department. The human resources department has the responsibility to investigate the incident and take corrective action. Please be aware that a standard of reasonableness will apply in these circumstances. Examples of the release of personal employee information that will not be considered a breach include the following:
Release of partial employee birth dates, i.e., day and month is not considered confidential and will be shared with department heads who elect to recognize employees on such dates.
Personal telephone numbers or e-mail addresses may be distributed to department head in order to facilitate company work schedules or business operations.
Employee identifier information used in salary or budget planning, review processes and for timekeeping purposes will be shared with department heads.
Employee's company anniversary or service recognition information will be distributed to appropriate department heads periodically.
Employee and dependent information may be distributed in accordance with open enrollment processes for periodic benefit plan changes or periodic benefits statement updates.
Computer Passwords Policy
Purpose: Passwords are an important aspect of computer security. They are the front line of protection for user accounts. A poorly chosen password may result in the compromise of [Company Name]'s entire corporate network. As such, all TLCO employees (including contractors and vendors with access to TLCO systems) are responsible for taking the appropriate steps, as outlined below, to select and secure their passwords.
This policy establishes a standard for the creation of strong passwords, the protection of those passwords and the frequency of change.
Scope: The scope of this policy includes all employees who have or are responsible for an account (or any form of access that supports or requires a password) on any system that resides at any TLCO facility, who have access to the TLCO network, or who store any nonpublic TLCO information.
User Authentication: Every user must be assigned a unique user account (user ID) and a password for access to TLCO systems. Shared or group user IDs are prohibited for user-level access. Systems and applications must authenticate using a password or token entry. The use

of non-authenticated user IDs (i.e., those without passwords) or user IDs not associated with a single identified user are prohibited. The account will lock a user out after six invalid login attempts within 30 minutes. Locked accounts shall remain locked for at least 30 minutes or until the System Administrator unlocks the account. Users may contact the IT Service Desk to have their account unlocked. Multifactor authentication is required for all users accessing TLCO systems remotely.
Password Management: Passwords must be created and managed in accordance with this section.
Password Requirements
All user-level TLCO network passwords will expire every 90 days and must be changed.
New passwords cannot be the same as the previous four passwords.
Passwords must be at least eight characters in length. Longer is better.
Passwords must contain both uppercase and lowercase characters (e.g., a-z and A-Z).
Passwords must contain at least one number (e.g., 0-9).
Accounts shall be locked after six failed login attempts within 30 minutes and shall remain locked for at least 30 minutes or until the System Administrator unlocks the account.

To unlock an account or change a password without logging in, some TLCO systems require the Technology Department to provide a new temporary password to the user. In such cases, passwords must be provided verbally and the user must immediately log in and change the account password.
Passwords should not be shared with anyone, including IT support personnel, unless approved by the IT Security Specialist.
All passwords are to be treated as sensitive, confidential information. If someone requests your password(s), please inform him or her that you cannot provide that information per TLCO policy and contact the IT Security Specialist about the request. If you suspect an account or password has been compromised, report the incident immediately and change all related passwords.
The Technology Department or authorized outside “penetration testers” may perform password cracking or guessing on a periodic or random basis to test the security of the TLCO network. If a password is guessed or cracked during one of these scans, the user will be required to change it. Password cracking and guessing are not to be performed by anyone outside of the Technology Department or an approved third-party auditor.
The Technology Department strongly encourages the use of a password manager program to help ensure that all passwords are strong, unique and easily changed. Users should open an IT Service Desk ticket with a request for more information on password managers allowed on the TLCO network and for assistance in getting the password manager installed and configured on their computer.
Guidelines for Password Construction
A strong password:
Contains both uppercase and lowercase characters (e.g., a-z and A-Z).
Contains digits and punctuation characters (e.g., 0-9 and !@#$%^&*).
Is at least 8-15 alphanumeric characters long and is a passphrase (e.g., “Ohmy1stubbedmyt0e”).
Is not a single word in any language, slang, dialect or jargon (e.g., “password” or “Fluffy”).
Is not based on personal information, names of family members, etc.
Passwords should never be written down or stored online. Employees should try to create passwords that can be easily remembered. One way to do this is to create a password based on a song title, affirmation or other phrase. For example, the phrase might be “This may be one way to remember,” and the password could be “TmB1w2R!” or “Tmb1W>r~” or some other variation.

Use of Passwords and Passphrases for Remote Access Users: Access to the TLCO network via remote access is to be controlled using either a one-time password authentication or a public/private key system with a strong passphrase.
Passphrases
Passphrases are generally used for public/private key authentication. A public/private key system defines a mathematical relationship between the public key that is known by all and the private key that is known only to the user. Without the passphrase to “unlock” the private key, the user cannot gain access.
Passphrases are not the same as passwords. A passphrase is a longer version of a password and is, therefore, more secure. A passphrase is typically composed of multiple words. Because of this, a passphrase is more secure against “dictionary attacks.”
A good passphrase is relatively long and contains a combination of uppercase and lowercase letters as well as numeric and punctuation characters. An example of a good passphrase is “Vaca@The#OBX!$MyDreamin!”
All of the rules above that apply to passwords apply to passphrases.
Enforcement: Any employee found to be in violation of, or to have violated, this policy may be subject to disciplinary action, up to and including termination of employment.

Record-Keeping Policy - Record Maintenance, Retention and Destruction

Purpose: The human resources (HR) department retains and destroys personnel records in accordance with [Company Name’s] corporate policies on business records retention, as well as federal and state laws governing record retention. Below is an outline of the HR department’s operating procedures for personnel record retention and destruction of documents when such retention periods have passed. If [Company Name’s] retention procedure is not of sufficient duration for any state in which the company does business, this procedure will be superseded by state requirements.

The HR department maintains both employee record information and government compliance reports. Both are subject to the following retention requirements and destruction procedures.

Maintenance of Employee Records: The following employee information records are maintained in segregated personnel files:
1) Pre-employment testing results and background check information.
2) I-9 forms.
3) Benefits plan and employee medical records.
4) Health and safety records.
5) General employee personnel records.
Government compliance reports are maintained in reverse chronological sequence and filed separately from the above employee information records.

Destruction of Employee and Applicant Records: All paper personnel records and confidential employee data maintained by the HR department will be destroyed by shredding after retention dates have passed; this procedure pertains to all personnel records, not just those governed by the Fair and Accurate Credit Transactions Act (FACTA).

Employment application materials submitted by applicants who were never employed are also to be shredded.

When a confidential record must be discarded or destroyed, it shall be marked as confidential and given to the Administrative Services Department to be destroyed in accordance with the

record destruction policies. Alternatively, hardcopy confidential records may be shredded using a locked shredder on the TLCO premises. In the case of remote employees, employees are discouraged from printing out or creating hard copies of confidential records where possible. If hard copies must be printed, created or kept, they should be stored in a locked cabinet, drawer or other secure location until they are no longer needed, or until the maximum retention period has ended. Remote employees must then destroy all confidential files by shredding them in a locked shredder on the TLCO premises, or otherwise rendering the documents unusable or unreadable.

Personnel records include electronic as well as paper records. The HR department will work with the IT department periodically but no less than twice annually to review and ensure that the HR department's electronic records relating to employee information and compliance reports are properly purged.

Litigation Hold: When TLCO is involved in or anticipates that it may be involved in litigation, the General Counsel's office will issue a litigation hold. This means that all documents relating to the litigation matter must be kept in order to preserve any potential evidence. If we fail to do so, TLCO can be sanctioned by the court for destroying evidence. A court has broad authority to impose these sanctions, which may include anything from unfavorable procedural rulings during a trial to payment of monetary damages.

In the event that the TLCO General Counsel announces a litigation hold on any or all TLCO records as a result of pending or anticipated litigation, all records covered by such litigation hold MUST NOT be discarded, deleted or destroyed. Further, the IT department will suspend the automatic deletion of emails for all individuals covered by the litigation hold. Any questions about the litigation should be directed to the General Counsel.

Retention of Terminated Employees' Records Policy
Record Types and Retention Periods

Health & Benefits Records	
Health & Benefits Beneficiary Forms	Termination + 3 yrs.
Medical, Dental/Vision Plan Elections	Termination + 3 yrs.
Drug Test Results	Termination + 3 yrs.
Education Assistance Program Records	Termination + 3 yrs.
FMLA Leave Reports	Termination + 3 yrs.
USERRA Leave Records	Permanent
Toxic & Bloodborne Pathogens Records	Termination + 30 yrs.
Job Related Injuries & Illnesses Records	Termination + 5 yrs.
Reasonable Accommodation Records	Termination + 3 yrs.

Pre-Employment/Employment Documents*	
Job Description	Termination + 3 yrs.
Position Requisition	Termination + 3 yrs.
Recruitment Notice/Job Ads	Termination + 3 yrs.
Employment Application/Resume	Termination + 3 yrs.
Interview Evaluation	Termination + 3 yrs.
Assessment Results	Termination + 3 yrs.
Background Check Information	Termination + 3 yrs.
References/Verifications	Termination + 3 yrs.
New-Hire Action Form	Termination + 3 yrs.
Offer Letter	Termination + 3 yrs.
Form I-9	Termination + 3 yrs.
EEO Data Form	Termination + 3 yrs.
Employee Policy Acknowledgements	Termination + 3 yrs.
Conflict of Interest Statement	Termination + 3 yrs.
Intellectual Property Ownership/Nondisclosure	Termination + 5 yrs.
Employee Change Action Documents	Termination + 3 yrs.
Disciplinary Records	Termination + 3 yrs.
Employee Development Records	Termination + 3 yrs.
Position/Pay History Records	Termination + 3 yrs.
Employee Performance Reviews	Termination + 3 yrs.
International Assignment Documents	Termination + 3 yrs.
Relocation Agreement	Termination + 3 yrs.
Resignation Letter	Termination + 3 yrs.
Termination Action Form	Termination + 3 yrs.

COBRA Election Notice	Termination + 3 yrs.
Separation Agreement	Termination + 5 yrs.
Exit Interview Form	Termination + 3 yrs.
Unemployment Claim Records	Termination + 4 yrs.
* Note: If an applicant is ultimately not hired, the above records should be retained for three (3) years after the no-hire decision is made.	
Retirement	
401(k) Allocation Records	Termination + 4 yrs.
401(k) Loan Payment Forms	Termination + 3 yrs.
Pension Eligibility Records	Termination + 50 yrs.
Request for Calculation	Termination + 4 yrs.
Retirement Beneficiary Form	Termination + 50 yrs.
Payroll/Tax	
Paychecks/stubs, W-2s, W-4s	4 yrs.
Earnings Register	4 yrs.
Employee Withholding	4 yrs.
Expense Reports	3 yrs.
Federal & State Payroll Tax Forms	4 yrs.
Federal Forms 1099	4 yrs.
Time Sheets/Cards	4 yrs.
Other Payroll Records	
Computer Loan Agreement	Termination + 5 yrs.
Direct Deposit Records	Termination + 4 yrs.
Garnishment Records	Termination + 4 yrs.
Final Payroll Deduction Checklist	Termination + 4 yrs.

HR Policies & Reports	
EEO-1 Reports	Permanent
HR Policies	While current + 3 yrs.
State New-Hire Reports	3 yrs.
Affirmative Action Plans/Records	5 yrs.
Form 5500	6 yrs.
OSHA 300/300A	Posting date + 5 yrs.
VETS-4212 Reports	5 yrs.
TLCO Ethics Hotline Reports*	3 yrs.

* Note: If a TLCO ethics hotline report is related to an employee disciplinary matter or other type of record listed herein, then staff should follow the retention period for that particular type of record.

Conclusion

Turning Leaf Centers Otis, LLC (“TLCO”) offers a company operating with the highest standards of professionalism to facilitate seamless presentation of and education about high-quality, medical grade marijuana. TLCO’s model, namely Equal Employment Opportunity; Ethical Standards; Compensation and Benefits; Safe and Secure Environment; and Incentive Advancement, models best practices and standards conducive to employee success in the marijuana industry. TLCO’s commitment to compliance and transparency ensure that our company policies, including Personnel, are accessible to employees and as well as the Commission.

MAINTAINING FINANCIAL RECORDS

Generally

Turning Leaf Centers Otis, LLC ("TLCO") understands the special care that must be taken in maintaining financial records in the Massachusetts cannabis industry. The Chief Administrative Officer ("CAO") and Chief Financial Officer ("CFO") will cooperate to maintain TLCO's financial records. The CAO will manage access to physical and electronic financial materials and will maintain access logs for controlled documents. The CAO and CFO will jointly maintain electronic accounting records of assets and liabilities, monetary transactions, and any journals, ledgers, or supporting documents, such as agreements, checks, invoices, and vouchers. Authorized Staff will scan contracts, purchase agreements, leases, and similar financial documents originating outside of the enterprise into the electronic system. TLCO will keep original documents and paper copies of key documents, including but not limited to taxes, contracts, and insurance records, in secure filing cabinets at the site. The CAO may transmit financial documents to entities outside of the facilities to make payments, prepare taxes, conduct banking transactions, secure merchant services, obtain insurance, and for other reasons necessary to conduct ordinary business.

The CAO will also consult inventory and other operational records to construct projections of the estimated product demand and the best procedures for ensuring availability of product to meet projected demand. The CAO will also use dispensing market data to construct pricing structures. TLCO will establish and maintain records of the standards and procedures by which it determines pricing structures, the actual product pricing and changes or alterations to product prices. The CFO and CAO will also maintain records related to TLCO's licenses, including bylaws of the company and its affiliates or sub-contractors, lists of creditors, and a list of any entities or individuals with ownership in TLCO. TLCO will retain these records for the life of the business. Finally, the CAO will maintain sales records for each purchase, as well as the quantity, strength, form, and cost of the product.

TLCO will be compliant in the following:

No consumer at TLCO shall be permitted to purchase in excess of 1 ounce of marijuana, or 5 g of marijuana concentrate, upon any visit to the establishment.

No person who's proof of age and identification is considered inadequate, in the sole discretion of TLCO, shall be permitted to enter the premises, or to purchase any amount of any marijuana product.

TLCO shall refuse to sell marijuana or marijuana products to any person if it, in its sole discretion, believes that the consumer or the public would be, in any way placed at risk.

TLCO shall not acquire, purchase hold or sell any marijuana product containing nicotine or alcohol

TLCO shall use a point of sale system approved by the Commission and the Department of revenue, that integrates with the METRC inventory tracking system, and that prevents the manipulation or alteration of sales data.

Anti-Money Laundering Program Compliance

It is the policy of the TLCO to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities by complying with all applicable requirements. TLCO has designated CAO as its Anti-Money Laundering Program Compliance Person (AML Compliance Person), with full responsibility for the firm's AML program. CAO is qualified by experience, knowledge and training. The duties of the AML Compliance Person will include monitoring the firm's compliance with AML obligations, overseeing communication and provision of training for employees. The AML Compliance Person will also ensure that TLCO keeps and maintains all of the required AML records and will ensure that Suspicious Activity Reports (SARs) are filed with the Financial Crimes Enforcement Network (FinCEN) when appropriate. The AML Compliance Person is vested with full responsibility and authority to enforce TLCO's AML program. Automated Transaction Monitorini

is now considered an essential facet of any useful AML system and will be one of the tools used by the TLCO, along with Smart Safes & Kiosks, Armored Courier Services, secure Accounts Receivable and secure Accounts Payable.

Insurance

Insurance liability coverage is paramount to solid business operations in any industry. TLCO will secure the following types of insurance:

- Automobile, including Distribution (auto and cargo) if licensed to transport
- Commercial General Liability
- Crop (Indoor/Outdoor)
- Crime Insurance
- Disaster Coverage
- Director and Officer Liability
- Employment Practices Liability
- Equipment Breakdown
- Errors and Omissions
- Excess/Umbrella
- General Liability
- Product Liability
- Premises Liability
- Property
- Surety Bonds
- Workers' Compensation

All insurance-related documents shall be entered into TLCO's electronic record keeping system to ensure ease of access for purposes of compliance and transparency. TLCO shall train authorized employees to scan original documents into TLCO's system as well as to input manually any relevant or requested information. TLCO shall maintain all insurance records for the life of the enterprise.

Employment and Personnel

Employee Records: 1, 3, or 6 Years
TLCO will comply with U.S. Equal Employment Opportunity Commission (EEOC). Employee identification data includes the employee's full name, Social Security number, address and ZIP code, birth date, gender, and occupation.

Employment documents
One Year
A copy of the employee's application, including a resume, transcripts, and other supporting documents will be maintained. A signed and updated copy of the W-4 form showing federal tax

withholding will be included as well as a copy of any forms showing the employee's authorization of pay deductions, including benefits and special donations (i.e., United Way). Records showing changes and the reasons for changes in the employee's status, such as pay rates, promotions, demotions, terminations, etc.; disciplinary actions, with dates, reasons, and other details; and performance appraisals.

Three Years
A copy of all attendance information including vacation and sick time shall be kept and maintained for a period of three years.

Benefits plan documents: 6 Years
The Employee Retirement Income Security Act of 1974 (ERISA) requires all records to be kept for six years. Section 107 of ERISA states: "All records pertaining to agency filings or to participant or beneficiary disclosures must be retained and kept available for examination for at least six years after the filing date." ERISA includes health, wellness and retirement. TLCO will comply with all ERISA requirements.

Payroll

TLCO will comply with the Fair Labor Standards Act (FLSA) which requires payroll records to be kept for three years. Records are retained for nonexempt, or hourly, employees. TLCO will comply with FLSA which sets the federal minimum wage, overtime pay rate and the youth employment standards. The U.S. Department of Labor enforces the FLSA, which is administered by the DOL's Wage and Hour Division. The Equal Pay Act and Age Discrimination in Employment Act (ADEA) also cover payroll recordkeeping requirements. TLCO will securely maintain Payroll records include employee identification data (full name, Social Security number, address and ZIP code, birth date, gender, and occupation). TLCO will maintain all documentation in this regard for a period three years.

Tax Records

TLCO will ensure that all areas of tax adherence are sound and timely. Specifically, TLCO's CAO will work with TLCO"S carefully chosen legal tax expert to ensure company compliance and understanding of this difficult to navigate legal area. Authorized, trained employees will scan and manually input any original documents and relevant information in the appropriate section of the system. All paper copies of documents shall be stored in a locked filing cabinet appropriately organized and labeled "Taxes". Only authorized TLCO employees will maintain access to any documents—paper or electronic—under appropriate circumstances as authorized by law and TLCO Standard Operating Procedures and company policies. TLCO will ensure tax submissions and payments are timely and will store all tax return records for at least seven years in an electronic record keeping system.

Work-related Illness & Injury

TLCO will comply with The Occupational Safety and Health Administration (OSHA) to retain employee records of serious work-related illnesses and injuries. TLCO will securely maintain all injury reports. TLCO will keep illness and injury records for at least five years. TLCO will every April through February post a summary of the illnesses or injuries it recorded from the previous year, which could extend the retention time.

Leases and Contracts, including Vendor and Merchant Service Contracts

All leases and legal contracts, including those governing transactions between TLCO and third party merchants or vendors for sales of services or products necessary to complete TLCO business operations, will be stored in TLCO's electronic record keeping system. Authorized, trained employees will scan and manually input any original documents and relevant information in the appropriate section of the system. All paper copies of documents shall be stored in a locked filing cabinet appropriately organized and labeled "Leases and Contracts". Only authorized TLCO employees will maintain access to any documents—paper or electronic—under appropriate circumstances as authorized by law and TLCO Standard Operating Procedures and company policies.

QUALIFICATIONS AND TRAINING

Turning Leaf Centers Otis, LLC ("TLCO") is an exceptionally qualified and specialized team bringing a combined 80+ years of experience operating in highly regulated industries such as healthcare, pharmaceuticals, finance, and banking as well as directly within the medical marijuana industry, to the Massachusetts marijuana market. TLCO's highly qualified advisory board brings experience and expertise to guide and ensure that TLCO meets the health, legal, business and overall safety standards needed to deliver high-quality, medical-grade marijuana to the Massachusetts public.

All Agents shall be selected and employed upon a review of their job history, education history, criminal background check, experience with the products to be sold, medical training and education, retail experience, and recommendations.

Each Agent shall be trained in the Standard Operating Procedures of the establishment, including maintenance of security, prevention of diversion, inventory procedures, the storage of marijuana, quality control and testing for contaminants, personnel policies, dispensing and recordkeeping procedures, maintenance of financial records the operation of the Metrc and point of sale systems, sanitary practices, federal state and local laws and regulations, product knowledge, confidentiality, customer relations, incident reporting, quality control, safety training and other areas incident to the agent's job description

<u>Security</u>

TLCO understands the importance and their obligation to the overall health and safety of patients and the public. For this reason, TLCO has contracted with Viridis Security Group to provide effective controls, procedures and the implementation of security plan. TLCO's qualified Principals and Board Members will ensure that TLCO implements security measures that protect the premises, the product and the employees. They will advise on security aspects of hiring and training of staff; transport and storage of product; and diversion and emergency security procedures among other areas.

James (Jim) Minninger III
James (Jim) Minninger III is a Corporate Security Specialist and a former sergeant from a municipal police department located approximately 35 miles northwest of Philadelphia, PA. Affiliated with the department since 1991, Jim worked his way through the ranks retiring from police work in June of 2013. His responsibilities included director of patrol operations and all training; including firearms instruction, use of force, less lethal munitions and techniques, active shooter, taser, and PepperBall. Mr. Minningers expertise and past experience more than qualifies him to assist TLCO with its security needs.
Mr. Minninger has been instrumental in security risk management for the legal cannabis industry in compliant states. He has been successful in writing security applications for medical marijuana organizations in numerous states as well as crafting policy, procedure and security overlays for

legal cannabis organizations. Mr. Minninger's extensive experience in the public sector and local emergency service sector has given him significant real-life experiences which will provide clients invaluable insight into public safety issues, active shooter preparation and response, security vulnerability and crisis management concerns.

Christopher (Chris) Hinnsershitz

Christopher (Chris) Hinnsershitz's extensive experience in the public sector and his background provides clients invaluable insight into public safety issues, for this reason TLCO has chosen Mr. Hinnsershitz to serve as a Security Specialist. Chris Hinnsershitz is a retired Philadelphia Police Sergeant, after serving the police force for 20 years.

Mr. Hinnershitz has consulted, developed, and provided training and protocols on School Violence, ALICE active shooter response, Crisis Response for financial institutions employees, Emergency Response to bank hold-up alarms for law enforcement, Bicycle Safety for School Children, Response to the Active Shooter, Policy and Procedure Development and Training, Use of Force, Tactical Decision Making, Safety Priorities and other various emergency response topics. He has developed and designed security plans and system layouts for clients in various markets, including healthcare, education, pharmaceutical, financial and legal cannabis industries..

<u>Regulatory Affairs and Compliance</u>

Mr. Nach Dave will guide and oversee TLCO's compliance requirements as it pertains to qualifying patient safety and the processing of marijuana in a safe and sanitary manner to protect adult users and patients from marijuana and subsequent products The CCO will collaborate with the QA/QC Manager, (John) Darius Soltes, and Testing staff to ensure safety by providing samples to an independent testing laboratory for quality control inspections pursuant to N.J.A.C. § 8:64-13.4(a) Quality control; sample collection; chain of custody.

Nach Dave`

Nach Dave` brings to TLCO 23 years of experience in the pharmaceutical research industry, He possesses the knowledge and experience for conducting clinical research in support of US FDA filings. As a licensed pharmacist with a Masters in Regulatory Science, Mr. Dave` will head the research unit at TLCO and build its research partnerships with pharmaceutical and biotech partners. Medicinal marijuana research is relatively new to the FDA. With a recent approval of GW Pharmaceuticals' submission of Epidiolex (the first FDA-approved cannabis-derived product), Mr. Dave` has noted a surge in requests to conduct clinical research using cannabis.

Mr. Dave` is involved with two other products that are using various forms of medicinal marijuana to treat certain diseases. Both of those development programs are in Phase 2 and 3 of their trials, respectively, and it appears they will support future FDA filings. TLCO is evaluating and monitoring these developments and is actively seeking partnerships with pharmaceutical and biotech firms in order to conduct clinical trials for various ailments. TLCO's protocols would cover the necessary training (as provided by the NIH), knowledge, and operational readiness to execute the research at its centers. All of the research would be done according to Good Clinical Practice (GCP) and be compliant with state and federal regulations as set forth by the US FDA. Demand

for marijuana-based products in research continues to rise and with the assistance of Nach Dave as Chief Compliance Officer and R&D Specialist, TLCO is prepared to help meet patient needs.

General Administrative Requirements

To address the regulations and compliance of general administrative requirements and recordkeeping, TLCO has created an advisory council along with a medical advisory board and executive team who will be tasked with establishing the treatment centers policies, procedures and recordkeeping.

Christopher Howard

Christopher Howard,, is a senior-level healthcare executive with more than twenty-five years of demonstrated leadership and achievement in the healthcare industry. Christopher's excellent interpersonal skills, exceptional communication abilities and an extreme ability to strategically analyze financial and business opportunities that exist within today's complex healthcare marketplace have allowed him to develop and foster meaningful alignments and sustainable initiatives between stakeholders. Formally educated at Towson University, Christopher holds a Bachelor of Science in Communications as well as a graduate degree in Business Administration from the University of Baltimore.

Prior to his current roles with TLCO and Upstream Strategies, Christopher served in a number of other C-level positions within the healthcare development industry, which further deepened his ties to the medical and healthcare community both in New Jersey and throughout the US, including Vice President Development and Operations for Med/Cath Corporation, a leading cardiology services company; Vice President of Development for Cardiovascular Ventures, Inc; Regional Vice President of Nuclear Imaging Systems and Medical Sales Representative for Kabi Pharmacia. During Mr. Howard's length career in the medical industry he was responsible for identifying and analyzing business and partnership opportunities and executing the required partnership documents. He is familiar with state and federal regulations as they pertain to his industry and has developed and implemented training programs that adhere to such regulations. Mr. Howard's esteemed career, expert leadership and communication skills with in the healthcare industry guarantees him support from the medical community as well as the built-in infrastructure required to make TLCO successful.

Joseph Matheson
. Joseph is a Certified Public Accountant with a renowned career of nearly thirty years of public and private accounting experience. Joseph is currently the Principal and Managing Member of Matheson and Associates, a full-service accounting firm formed in 1994 and focused on the business and personal needs of high net worth individuals and companies. Renowned for litigation support involving the valuation of businesses for partner and shareholder disputes, contract disputes, etc., Joseph has qualified and testified as an expert witness in New Jersey as

well as in the Federal Courts on various matters. He has provided deposition and court testimony, as well as expert knowledge, to courts in many New Jersey counties including Morris, Union, Bergen, Essex, Somerset and Middlesex. Prior to forming Matheson and Associates, Joseph was employed by Deloitte & Touche as a Senior Tax Accountant, as well as a Senior Financial Analyst with AT&T.

Mr. Matheson has a plethora of accounting and finance experience, supporting companies in a variety of complex and regulated industries, including; medical practices, pharmaceutical companies, legal practices, food and beverage establishments, manufacturing, food production, real estate development and others. Joseph also specializes as a Certified Information Technology Professional, with extensive experience designing, building and ultimately selling a start-up company focused on financial reporting and database system.
Mr. Matheson's extraordinary career, knowledge, experience and network grant assurance to TLCO of their ability to meet, succeed and surpass the complexities and unforeseen future of the medical marijuana industry.

Dennis Pettigrew

An accomplished healthcare executive with a documented record of operational and financial successes in the healthcare industry, Dennis Pettigrew is a strategic and energetic leader, renowned for his ability to strengthen profitability and build physician relationships
Mr. Pettigrew's participative style with an emphasis on quality, excellence, community benefits and insistence on making a genuine difference sets him apart in each role he assumes, including: Acting Chief Financial Officer for Lourdes Health System (Camden, NJ), Chief Operating Officer for Saint Michael's Medical Center (Newark, NJ), Senior Executive Vice President and Chief Operating Officer, Chief Financial Officer for Cooper University Hospital (Camden, NJ). Dennis' ability to step in and master any executive position and surpass the role requirements is the reason TLCO has selected Mr. Pettigrew for the position of Chief Administrative Officer (CAO).
His understanding of clinical issues allows him to better assess resource allocation and understand the needs of business development. As Chief Administrative Officer for TLCO, Mr. Pettigrew will coordinate with the entire executive team, organizing and coordinating interdepartmental operations, overseeing the development of all policies, procedures, compliance, and regulatory matters, as well as the implementation of resource allocation and budgeting.

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<u>Cultivation, Manufacturing and Packaging Management</u>

To address the management of cultivation, manufacturing/productions and packaging TLCO has established a diverse and well qualified management staff to lead the cultivation, manufacturing, and packaging teams.

Contributions toward expanding the body of scientific knowledge related to medicinal marijuana cultivation, manufacturing, and dispensing

, Nach Dave` brings 23 years of experience and relationships in the research community, the majority of which exist within New Jersey. He is conducting a webinar next month on this topic of medical marijuana and has contributed to industry several white papers on the topic. Mr. Dave` has personal and professional relationships with key executives at companies such as Merck, Bristol Myers Squibb, Sanofi, as well as other CRO's like PRA International & Synarc as well as Mitsubishi Pharma America, and will connect TLCO to many clinical trial opportunities. In addition to industry alliances, Mr. Dave` is an alumni and key contributor to research efforts at Long Island University-Brooklyn and the Arnold and Marie Schwartz College of Pharmacy. Mr. Dave`'s industry experience is comprised of efforts on more than 20 multi-national clinical trials, strategic input on clinical and regulatory development matters, presenting at FDA and EMEA meetings along with speaking engagements at international industry conferences. With support from Mr. Dave`, TLCO will partner with practitioners and patients alike to spread knowledge, provide outreach, and conduct ethical research that will enable the scientific community to benefit and learn from the use of medicinal marijuana

Nach Dave`
Mr. Dave` has personally led the efforts for filing New Drug Applications ("NDAs"), Investigational New Drugs ("INDs"), Biologics License Applications ("BLA"), various other drug applications ("505(b)(2)"), Investigational Device Exemptions ("IDE"), Premarket Approval submissions ("PMAs"). Specific to the orthopedics space, Mr. Dave` led the Regulatory and Clinical development for a portfolio of knee implants and hip implants. He provided strategic input and liaised with the worldwide regulatory agencies—the US's FDA, the European Medicines Agency ("EMA"), the Therapeutics Goods Administration ("TGA"), as well as agencies in China and India. Mr. Dave` has worked closely with surgeons, distributors, and pre-clinical testing labs to ensure optimal product development. His overall knowledge and contributions span the approval of over 100 device and drug development projects.

Marijuana Supply Chain: Cultivation, Manufacturing and Dispensing

Specific qualifications of board members, owners, and managers, including any business or professional accolades related to the cultivation, production and dispensing of medicinal marijuana

Sajid Khan

Sajid Khan, Founder of TLCO graduated from Babson College, in Wellesley Massachusetts with a BA in finance/investments and later achieved an MBA from Rutgers Business School in 2007. He has extensive experience in the medical and healthcare industry and has brought that

experience to New Jersey. He has positively impacted the local community of Clark, New Jersey by providing and opening the first urgent care center in Clark, NJ in 2007.

Christopher Howard

Christopher Howard is a senior-level healthcare executive with more than twenty-five years of demonstrated leadership and achievement in the healthcare industry. Christopher Howard currently serves as the President and Chief Executive Officer of Upstream Strategies, LLC, an innovative services, management and investment firm which specializes in hospital/physician/payor collaboration strategies and solutions to improve the healthcare business. Upstream owns or is affiliated with a variety of companies that lend themselves to the business of healthcare including; Milestone Fitness, LLC, a minority-owned wellness and disease management platform designed to provide care management teams with real-time health data to facilitate health management strategies (Englewood, NJ); Peninsula Sleep Services, LLC, a clinical co-management company for sleep related medicine with eight sleep medicine specialists (Bayonne, NJ); Jersey Health Alliance, a joint-venture MSO with CarePoint Health System providing management services to over 400 physicians (Jersey City, NJ); Peninsula Radiation Oncology Services, LLC, a syndicated radiation oncology clinical co-management company with 16 oncology specialists (Bayonne Medical Center, Bayonne, NJ). Mr. Howard's storied career, expert leadership and communication skills, and healthcare industry network has garnered him support from the medical community. This support as well as the built-in infrastructure and access to resources will be key to the success of TLCO Centers.

Joseph Matheson

Joseph Matheson has had an illustrious academic career began at Rutgers University. After passing his CPA exam in 1984 with one of the highest scores in the nation and nominations for the such esteemed honors as the J.H. Cohn Award and the Elijah Watt Sells Award, Joseph received a Baccalaureate in Economics and Accounting, graduating summa cum laude and serving as class salutatorian. Joseph went on to earn a Master of Business Administration with honors from Seton Hall University, earning a Certificate of Achievement in International Business.

Mr. Matheson is a Certified Valuation Analyst (CVA) by the National Association of Certified Valuation Analysts and is Accredited in Business Valuation (ABV) by the American Institute of Certified Public Accountants (AICPA) and is a Certified Forensic Examiner (CFE) and a Fellow of the American College of Forensic Examiners Institute (FACFEI), holds a Diplomate from the American Board of Forensic Accountants (DABFA). In addition, Joseph holds the titles of Certified Information Technology Professional (CITP) and Personal Financial Specialist, both of which are earned from the AICPA and is a Fellow with the American College of Forensic Examinees.

Mr. Matheson's extraordinary career, knowledge, experience and network is the reason TLCO has brought him on board. TLCO believes firmly in Mr. Matheson's ability to meet and maintain compliance in the complex medical marijuana industry.

Dennis Pettigrew

Dennis Pettigrew's extraordinary career as a healthcare executive spans nearly 50 years of c-level leadership in virtually all areas of the industry, allowing him an in depth knowledge and experience of the medical and healthcare businesses. Mr. Pettigrew received a Bachelor of Science Degree in Economics from Purdue University and a Master's in Business Administration from Ball State University.

Extremely active in his community, personal and professional, Mr. Pettigrew is a member of the American College of Health Care Executives, Healthcare Financial Management Association, Tennessee Hospital Association Board, Galazy Health Alliance (Board President), Healthspan (Board President), American Mercy Home Care (Board), Carson Valley Medical Center (Board), United Way (Board), Rotarian-Paul Harris Society, Exchange Club (President), Lee County Aids Task Force (Board Treasurer), American Cancer Society (Board President) and the Center for Mental Health (Board President) and was named CFO of the Year by Modern Healthcare (1992).

Nach Dave`

Mr. Nach Dave` is an experienced pharmaceutical and medical device industry professional. He has presented at the Bio Asia International Conference and was invited to be a guest lecturer for the topic of Drug Regulatory Affairs, at the University of Southern California. Mr. Dave` has worked on several clinical trials and was even responsible for quality management of worldwide Phase II-IV trials. Mr. Dave` recognizes the demand for further marijuana-based products and the need to clinically research such products. In response to this demand and need Mr. Dave` will be conducting a webinar on the topic of effective and safe marijuana use. Mr. Dave` is also involved with two other products that are using various forms of medicinal marijuana to treat certain diseases. Both of those development programs are in Phase 2 and 3 of their trials, respectively, and it appears they will support future FDA filings.

Jim Minninger III

Jim Minninger III is a graduate of Delaware Valley College with a Bachelor of Science in Ornamental Horticulture and a minor in Criminal Justice; he holds a master's degree in Science of Administration of Justice and Security from University of Phoenix. Jim has volunteered and served with his local volunteer fire department as a firefighter, water rescue diver, and QRS medical response. Mr. Minninger also volunteers as an assistant coordinator for his Emergency Management Office at the local level. He has also worked for the county emergency training center as a 'victim' coordinator, setting up role players for mass casualty, training and testing scenarios.

He was an operator on SWAT, lead tactical firearms instructor, and less lethal munitions operator. He is certified in basic and advanced SWAT Operations, Hostage Rescue, basic and advanced WMD Tactical Operations, and Hostage Negotiations. Once retiring from active SWAT operations, Jim was paramount in setting up large scale practical training scenarios combining Incident Command, TEMS (Tactical EMS), SWAT Operations, Patrol, and Hostage Negotiations.

Mr. Minninger has developed and provided training on School Violence, Bullying, Workplace Violence, Verbal De-escalation and Aggression Management, Bomb Threat Response and Search, Chemical/Soda Pressure Bombs, WMD/Clandestine Laboratory Decontamination, Scene Safety for First Responders and EMS, Scene Safety for Fire Fighters and Fire Police, Policy and Procedure Development and Training. He has authored several published articles on active shooter in the LTC environment, facility lockdown and creating a security master plan for your organization and is quoted in several articles for Campus Safety magazine.

Chris Hinnershitz
Chris Hinnershitz graduated from DeSales University with a Bachelor of Arts in Criminal Justice Administration and went on to serve 20 years with the Philadelphia Police Force. He has extensive experience with public safety issues and will serve as the Advisory Board Security Specialist. Mr. Hinnershitz is certified in FEMA's Incident Command System and National Incident Management System, Basic and Advanced SWAT Tactics, High Risk Warrant Service, Hostage Rescue, Active Shooter, The Resolution of Barricaded Subjects, Team Leader Development and SWAT Command and Decision-Making Leadership.

Mr. Hinnershitz served as Team Leader of a multi-jurisdictional SWAT team with a jurisdiction that consisted of approximately 80 square miles, and 180,000 residents, were he was responsible for managing the SWAT training unit and development. Mr. Hinnsershitz is well versed with best management practices and regulations in his field and is credited with authoring the SWAT team's Standard Operating Procedures and Policy Manual. He has developed and designed security plans and system layouts for clients in various markets, including the healthcare, education, pharmaceutical, financial and legal cannabis industry.

TRAINING

TLCO will develop a robust training program to advance the company's reputation for providing high-quality, medical grade marijuana for public consumption and education. TLCO will keep abreast of legal and scientific updates and changes to ensure TLCO is operating at the highest industry standards. In line with that mission, training will be continuous for every staff member throughout the duration of their employment. TLCO's training program will incorporate curricula, information and resources from established industry organizations and be delivered in employee-friendly formats. TLCO's Human Resources ("HR") Department, in conjunction with the Executive Management Team, will formulate and conduct training for all employees beginning with on-boarding. When TLCO identifies a deficiency in its knowledge base, Executive Management will consult and contract with outside professionals to meet training needs. The HR Director will maintain copies of all training materials on-site, including the training curriculum, employee

handbook, and copies of any written materials used in employee training. Training will be tailored to the roles and responsibilities of the job function of each employee.

Training Intervals

TLCO has divided company training plans into two training types: on-boarding and continuing education. To maintain 100% compliance with all regulatory requirements and ensure consistent operations, on-boarding training will be comprehensive and lengthy. Once employees have completed on-boarding, employees will be expected to complete regular continuing education and refresher training. Management will conduct mandatory retraining in response to changes in regulations, operational procedures, or other major updates.

Hiring Process

TLCO will strive to hire a diverse and talented workforce that the company can trust to uphold the highest standards of professionalism, regulatory compliance, and product knowledge. To meet diversity goals and operate the facility with maximum efficiency and talent, TLCO will employ individuals from as many diverse groups as possible. The HR Director will create and maintain partnerships with recruiting agencies, educational institutions, and media networks that have meaningful connections to specific demographics. Increasing the number of diverse and talented individuals that TLCO employs will allow TLCO to operate a successful establishment where employees and consumers from all backgrounds feel welcome.

TLCO will apply for registration for all of its board members, directors, employees, executives, managers and volunteers associated with the establishment. All such individuals shall be 21 years of age or older and not convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or like violation of the laws of another state, the United States or foreign jurisdiction, or a military territorial or Native American tribal authority. and be suitable for registration consistent with the provisions of 500.800 and 500.802 an application for registration shall include the full name, date of birth and address of the individual, all aliases used previously or currently in use by the individual, including maiden name, if any, a copy of the applicants drivers license, government issued identification card, liquor purchase identification card issued pursuant to M.G.L.c.138 §34B or other verifiable identity document acceptable to the commission, an attestation that the individual not engage in the diversion of marijuana products and written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport and dispense marijuana in the Commonwealth. The application shall also include background information including, a description of the relevant dates of any criminal action under the laws of the Commonwealth, or another state, the United States or foreign jurisdiction, or military, territorial or Native American tribal authority, whether for a felony or misdemeanor and which resulted in conviction, guilty plea, plea of nolo contendere or omission of sufficient facts; a description of the relevant dates of any civil or administrative action under the laws of the Commonwealth, another state, the United States or foreign jurisdiction, or a military, territorial or Native American tribal authority relating to any professional or occupational or fraudulent practices; a description and relevant dates of any past or pending denial,

suspension, or revocation of a license or registration, or the denial of a renewal of a license or registration, for any type of business or profession, by any federal, state or local government, or any foreign jurisdiction; a description and relevant dates of any past discipline by, or pending disciplinary action or unresolved complaint by the Commonwealth, or like action or complaint by another state, the United States or foreign jurisdiction, or military, territorial or Native American tribal authority with regard to any professional license or registration held by the applicant; and a nonrefundable application fee paid by the establishment with which the agent will be associated. Prospective staff will be required to report any new or pending charges or convictions that occur during their employment with TLCO. If an employee is charged with or convicted of a felony or a drug-related offense, TLCO will report it immediately to the Commission. Upon termination of a staff member's employment relationship with TLCO, the COO will revoke the former staff member's access privileges and permissions to the facility and the inventory tracking system.

On-boarding Training

Once a prospective staff member has accepted an offer of employment with TLCO and been granted a registration card by the Commission, TLCO will supply the prospective employee with an employee training manual that includes, but is not limited to: employee safety procedures, and guidelines, security protocol and educational training materials. On-boarding education will begin in the classroom, where the COO will use a combination of videos, PowerPoint presentations, role-playing scenarios, open discussions and quizzes to provide employees with the requisite information and ensure their comprehension. Instructors will use written materials from the training manual to augment classroom instruction. The content covered in this training will include internal company policies and procedures as well as relevant laws, regulations, and industry best practices and standards. Training will also include a detailed demonstration of the TLCO's computer software and inventory tracking system. Employees will be required to complete each training module to the satisfaction of the trainer in order to move to the next phase of training. The training class core curriculum will include:

- Cultivation facility operations training including general training on all aspects of facility operations regardless of employment position and general business operations;
- Diversion impairment, including best practices for storage, transport and record keeping;
- Key laws, rules and best practices including local and state licensing and enforcement, incident and notification requirements, administrative and criminal liability, license sanctions, waste disposal, health and safety standards, conduct of establishment, permitting inspections by state and local licensing and enforcement authorities, licensee responsibilities for all activities occurring within the premises, maintenance of records, privacy issues and prohibited practices.

In addition to the operations training above, TLCO employees will receive comprehensive, up-to-date training on the science of cannabis. Upon receipt of license, TLCO will secure an annual corporate subscription for the Cannabis Care Certification program developed by *Americans for Safe Access ("ASA")*. ASA is an internationally recognized organization working to overcome political, social and legal barriers by creating policies that improve access to medical cannabis for

patients and researchers through legislation, education, litigation, research, grassroots empowerment, advocacy and services for patients, governments, medical professionals, and medical cannabis providers. Their program was developed to help medical professionals, patients, and their caregivers better understand the endocannabinoid system and cannabis therapeutics. Training modules will be accessible to all TLCO employees on a continuous basis and include the following education areas:

- **The Endocannabinoid System** – This section explains how cannabis interacts with this recently discovered system in the human body to provide a wide range of therapeutic benefits. The Endocannabinoid System was not discovered until 1994 and scientists are still unlocking its secrets.
- **Cannabis 101** – Learn the basics of the cannabis plant, preparations, side effects, and much more. This section has information that every patient needs to know and understand.
- **Cannabis Research and Clinical Data** – The field of medical cannabis research is advancing rapidly. This section explores the latest frontiers and their significance for patients treating a variety of symptoms and disease states.
- **Cannabis-based Medicines** – Pharmaceutical companies are using whole cannabis and compounds found in cannabis to create conventional medicines. This section discusses cannabis-based pharmaceuticals, their use, availability, and reported patient experience.
- **Choosing Your Medicine: Potency, Delivery Methods, and Dosage** – Unlike pharmaceutical drugs, the selection and dosing of herbal medicine is based, in part, on trial and error and user feedback. Metabolism, prior exposure, variation in composition, and route of administration all play a role in finding the best medicine and dose.
- **Obtaining Your Medicine** – This section addresses how to individualize choice of medicine, where to obtain medicine, and what rights and expectations one should have as a medical cannabis consumer.
- **Safely Using, Storing and Transporting Medical Cannabis** – The potency and overall quality of medical cannabis depends on how it is stored and handled. This section shows strategies for protecting medicine from damage or deterioration. This section also explains how to interpret information on labels and provides basic safety information.
- **Medical Cannabis in Your Life** – This section suggests strategies for talking to your doctor, loved ones, employers, and others about legal medical cannabis use.
- **History of Medical Cannabis** – This section provides an important historical perspective on the scientific, legal, and political landscape for medical cannabis in the United States. Find out where we are now and how we got here.

Once the classroom portion is completed and recorded in the employee's training records, Management will assign the employee to shadow a senior employee within their department. The shadowing process will allow the new hire to observe a senior member of staff throughout the workday to learn how to properly implement all the policies and procedures learned during classroom training. The new hire will be able to ask any questions they may have about how to safely and compliantly work with marijuana within the facility. Once this process is complete, the new hire be allowed to work independently within the facility. TLCO Human Resources and

authorized senior employees will continue to monitor new hires and will regularly spot-check new hires' work to ensure adequate levels of competency.

Continuing Education

Scientists are continually making new discoveries related to marijuana and TLCO will work diligently to incorporate new research into training materials and continuing education programs for employees. The COO will keep employees informed of voluntary and mandatory upcoming continuing education opportunities.

Aa required by 500.105 (2), all employees will receive, at a minimum, eight hours of on-going training annually. Mandatory continuing education will occur anytime there is a change to regulatory requirements, company policies and procedures, or applicable local, state, or federal law. Mandatory continuing education may also occur following any breakthrough in marijuana medicine or science. When this occurs, the COO will offer continuing educational sessions at multiple times to ensure all employees are able to attend a session. TLCO's extensive policies and procedures will reflect the current science and law in the industry. To keep important content fresh in employees' minds, TLCO will require annual refresher training for each employee. Refresher training will ensure that employees maintain an up-to-date and comprehensive knowledge of essential policies and procedures, such as updated security policies, how to comply with regulations, and upholding professional expectations. TLCO will retain employee attendance records for all training and continuing education as part of both individual employee files, including training regarding privacy and confidentiality requirements, the signed statement of the individual indicating the day time and place he or she received said training and the topics discussed, including the name and title of presenters and general training files for at least twelve months after the employee leaves the company.

Voluntary continuing education will be encouraged for all employees. TLCO will strive to hire employees who are interested in developing professionally and improving their understanding of the use of marijuana. Industry experts will offer continuing education remotely using digital communications, such as webinars or online conferences. TLCO will encourage staff to attend industry-specific conferences and seminars related to marijuana science, cultivation, manufacturing, and dispensing. TLCO will establish an employee reimbursement program to reimburse staff who attend marijuana exhibits, seminars, and other educational programs that pertain to operations. Additionally, TLCO will also offer tuition assistance for employees wishing to complete relevant college level classes, provided the employee receives prior approval from TLCO and successfully completes the class with a 'B' or better.

Training Methodologies

Employees will receive training in a variety of forms, including classroom lectures, written handouts, and online resources. In addition to the training manual discussed above, TLCO will provide all employees with a written employee handbook as more fully described below. Additionally, management will engage in on-going performance management, including

performance reviews every 90 days and provision of continuing education materials to employees, as also discussed more below.

Employee Handbook and Written Materials

Upon hiring, TLCO will provide all employees with a written copy of the employee handbook, which employees will be required to read and sign to acknowledge their understanding of and consent to all company policies and procedures. The handbook will contain written details of policies and procedures that are applicable to all staff members, such as ethical and professional expectations; the alcohol, smoking, and drug-free workplace policy; anti-bully and harassment policies; sanitation practices and personal hygiene expectations; safety and emergency response procedures; and security policies and procedures. Instructors will use content from the employee handbook to aid in training, such as by assigning readings for trainees, directing trainees to the handbook for in-depth written policies, and conducting quizzes related to policy details contained in the handbook. The HR Director will maintain copies of the employee handbook signature page signed by each employee and will make these records available to the Commission upon request.

On-Going Performance Management

TLCO will monitor employees through scheduled employee reviews every 90 days. TLCO will employ lean management strategies that will focus on continuous improvement of company procedures. Through this management system, TLCO will identify every step in each company process and eliminate steps that do not create value. This process will be on-going, allowing managers to continually reduce waste throughout all operations.

Employees will have access to human resource tools to greater enhance their skills. The COO will provide employee monitoring tools, including: training, administrative services, coaching, and management advice. The organizational function of the COO will be to propel all personnel to reach their maximum potential within the company, and strict monitoring of job performance will enhance efforts by TLCO to develop a successful and financially sustainable establishment.

Training Topics

TLCO will require all staff to complete training in several areas, including general company policies, job-specific procedures, inventory policies and procedures, sanitation practices, and safety and security measures. Before beginning work, all TLCO employees must complete instruction on general policies and procedures contained in the employee handbook. These include: ethics and professionalism, confidentiality and privacy, regulatory education, general marijuana education, TLCO's alcohol, smoking, and drug-free workplace policies, and diversity and inclusion training, including anti-harassment training.

Responsible Vendor Program

All employee training will include the Responsible Vendor Program under 935 CMR 500.105(2)(b). Each employee will be required to complete it within 90 days of hire pursuant to 500.105 (2)(b) and will achieve recertification annually. Marijuana establishments must maintain records of responsible vendor training program compliance for four years and make them available to inspection by the Commission and any other applicable licensing authority upon request during normal business hours.

Pursuant to 500.105 (6), Certification Training Program Standards, TLCO shall select a program owned and operated by individuals whom do not maintain an interest in a licensed Marijuana Establishment. The program shall be taught in a real-time, interactive classroom setting where the instructor is able to verify the identification of each individual attending the program and certify completion of the program by the individual identified and shall include at least two hours of instruction time. TLCO will ensure that the provider maintains its training records at its principal place of business during the applicable year and for the following three years and will make the records available for inspection by the Commission and any other applicable licensing authority upon request during normal business hours. TLCO will also maintain said records in a similar manner pursuant to TLCO's Record Keeping SOPs to include maintenance of written documentation of attendance and successful passage of a test on the knowledge of the required curriculum for each attendee.

Ethics and Professionalism

TLCO, bolstered by principals who have achieved their success, in part, by exhibiting the highest standards of personal and business ethics, understands that for TLCO to succeed, ethical dealing must be a bedrock element of company culture. Staff at TLCO's establishment will be expected to uphold the highest standards of ethics and professionalism, regardless of their job duties or whether they are in a public-facing position. Staff will be required to follow all policies, procedures, and regulations to the letter, avoiding shortcuts even if doing so results in decreased efficiency or increased difficulty. Depending on job responsibilities, employees may need to accurately log, in detail, many of their activities, such as handling plants or products. Full transparency and accountability, especially for mistakes that may compromise the integrity of TLCO's product, are vital to protecting consumer health and safety. On-boarding training will emphasize the importance of working diligently to provide only high-quality, medical grade marijuana for Massachusetts consumers.

<u>Confidentiality and Privacy</u>

Some employees will also require regular access to confidential information, such as cultivation related intellectual property and product purchase histories. Employees will be trained on all applicable state and federal confidentiality laws as well as TLCO's internal policies and will be required to uphold the utmost standards for confidentiality and privacy. Prior to beginning employment, staff must complete comprehensive training on confidentiality and privacy, including cybersecurity best practices to prevent unauthorized access to or dissemination of records.

Training will include discussions of federal and state laws as well as industry standards and best practices.

Regulatory Education

TLCO is committed to educating its staff about current laws and applicable policies related to cultivation and sale of marijuana. In addition to traditional classroom training, in which employees may ask questions and engage in role-playing scenarios, employees will have access to written summaries and full copies of any applicable laws and local ordinances that govern TLCO's marijiuana operations. TLCO's HR Director will work with the CCO to ensure that all regulatory information is continuously up-to-date.

Product Education

As mentioned in *Onboarding Training*, above, TLCO will utilize Americans for Safe Access' recognized Cannabis Care Certification Program, developed to help medical professionals, patients, and their caregivers better understand the endocannabinoid system and cannabis therapeutics, to educate TLCO employees about marijuana in a comprehensive manner. TLCO will maintain a corporate subscription to the Program to ensure that TLCO and its employees maintain continuous access to up-to-date marijuana education.

Alcohol, Smoking, and Drug-free Workplace

TLCO will maintain a safe, alcohol-free, smoke-free, and drug-free work environment for all establishment employees and visitors. TLCO will explicitly prohibit the use, possession, solicitation for, or sale of illegal drugs, alcohol, cigarettes, tobacco products, or prescription medication without a prescription on company premises or while performing work-related assignments. Employees will also be prohibited from using or possessing personal marijuana and marijuana products while on company property. All employees will receive training on TLCO's alcohol, smoking, and drug-free policy during on-boarding and will read and consent to the policy in writing by signing the employee handbook. TLCO'S HR Director will maintain records related to the policy, including the detailed written policy itself and copies of signed employee signature pages confirming understanding of and consent to the policy, all of which will be available to the Commission upon request.

Being impaired or under the influence of legal or illegal drugs or alcohol away from company premises, if such impairment or influence adversely affects the employee's work performance, the safety of the employee or of others, or damages TLCO's reputation, will result in immediate job termination. TLCO may ask employees to submit to a drug and/or alcohol test at any time management feels that an employee may be under the influence of drugs or alcohol so as to impair their ability to properly conduct operational activities.

Any company employee involved in an on-the-job accident or injury under circumstances that suggest the possible use or influence of drugs or alcohol in the accident or injury event may be

asked to submit to a drug and/or alcohol test. If an employee is tested for drugs or alcohol outside of the employment context and the results show a violation of this policy, or if an employee refuses a request to submit to testing under this policy, the employee may be subject to appropriate disciplinary action, including discharge from employment. In such a case, the employee will be given an opportunity to explain the circumstances prior to any final employment action becoming effective.

TLCO is deeply committed to the well-being of its staff and will train employees to recognize the signs and symptoms of substance abuse. If TLCO suspects an employee is suffering from substance abuse, TLCO may require the employee to undergo drug or alcohol testing if there is reliable evidence of abuse, such as the employee reporting to work under the influence or chronically late without reasonable explanation. TLCO will partner with local and regional substance abuse treatment groups to obtain educational materials and contact information, which TLCO will provide to anyone upon request, as well as to employees it suspects or confirms are suffering from substance abuse. TLCO understands that circumstances at home can spill over into work life, just as difficulties on the job can affect relationships at home. If not addressed, issues that were once minor can become serious. As an extension of TLCO's commitment to employee health and wellness, TLCO will contract with an employee assistance program to prevent, identify, intervene, and follow-up on work-related or personal concerns that affect job performance or balancing a healthy lifestyle.

Diversity and Inclusion Training

TLCO is committed to a diverse and inclusive environment and workforce. Accordingly, upon receipt of license, TLCO will secure a corporate membership to *Minorities for Medical Marijuana, Inc. ("M4MM")*, a non profit organization whose mission is focused on providing advocacy, outreach, research, and training as it relates to the business, social reform, public policy, and health/wellness in the cannabis industry. TLCO will implement Diversity and Inclusion training for all TLCO employees and incorporate the work of M4MM into their training. M4MM will serve as a resource to TLCO by providing information, referrals, advocacy, coordination and education regarding cannabis legislation, events, activities, initiatives and discussions. TLCO will educate employees about cultural differences in the workplace so that they can better understand and appreciate each other.

To ensure inclusivity of the lesbian, gay, bisexual, transsexual, queer or questioning ("LGBTQ") members of the TLCO community, TLCO will embrace gender and sexual identity as an expression of personal freedom. TLCO will incorporate trainings and resources by *The Safe Zone Project*, an internationally known organization providing curricula, resources and training to those wanting to communicate to others that they are open to talking about and being supportive of LGBTQ (Lesbian, Gay, Bisexual, Transgender, and Queer/Questioning +) individuals and identities. After undergoing adequate training, TLCO will display Safe Zone stickers and posters at facility entrances and in Staff break rooms. Safe Zones stickers explain that individuals can expect a welcoming, supportive and safe environment free from discrimination based on sexuality or gender identity.

TLCO's Diversity and Inclusion training will be thorough and comprehensive. Additional topics covered may include: etiquette, terminology, communication skills, anti-bullying management, and how to prevent, detect, and end sexual or other forms of harassment within the workplace. The TLCO Human Resources Department will keep up-to-date on legal requirements, industry workplace standards and community practices to ensure that all training education materials are in line with industry and community standards and based on verified information. Training programs will be developed and delivered in a variety of mediums to ensure that all TLCO employees receive the information in a manner suitable for their learning style. Training materials will be available to and accessible by TLCO employees at all times for review.

Employment-Specific Training

In addition to training on general company policies, TLCO will require all employees to complete job-specific training modules. Employees will not be allowed to perform any job tasks until they have successfully completed training for the task in question.

Cultivation Training

TLCO will train cultivation specific Associates on standard operating procedures ("SOPs") related to the propagation, management, and disposal of marijuana plants. Cultivation Staff will be required to complete foundational training on cultivation of marijuana before undertaking that job duty. Topics will include: The inventory tracking system and cultivation techniques, namely:

- proper utilization of personal protective equipment ("PPE");
- plant irrigation;
- plant pruning;
- marijuana harvesting;
- manicuring dried buds;
- State, local and Commission regulations;
- proper use of security measures and controls to prevent theft;
- confidentiality requirements of the facility;
- instruction on different forms, methods of administration, and strains of marijuana;
- regulatory inspection preparedness and law enforcement interaction; awareness of the legal requirements for maintaining status as a compliant staff member; and,
- other topics that the Commission specifies or TLCO feels would improvce and enhance employee education and safety.

Food Handling Training

Cultivation Staff will handle marijuana intended for human consumption. For this reason, TLCO will train employees to follow food handler sanitation requirements. Cultivation employees will complete ServSafe, a food handling class, or a similar program. Managers must complete the in-depth ServSafe Food Safety for Managers program or a similar program. These certifications

must be renewed once every five years. These classes cover: personal hygiene; pest management; microorganisms and allergens; cleaning and sanitization; and, safe storage and handling. The HR Director will establish and maintain staff training attendance records for at least three years after the final date of employment for each employee.

Transport Training

TLCO will mandate each transport vehicle be staffed with a delivery team consisting of at least two registered employees. TLCO will ensure that each delivery team member possesses their registration card at all times. TLCO protocol requires that delivery team employees are to produce their employee identification cards to Commission staff or law enforcement officials upon demand. All delivery team employees will be 21 years of age or older and will travel with a valid driver's license issued by the Massachusetts Registry of Motor Vehicles, proof of insurance, and valid inspection stickers. During transportation, one delivery team member will remain with the vehicle at all times that the vehicle contains marijuana.

TLCO will train its delivery team employees on common driving courtesy and relevant federal, state, and local motor vehicle laws, especially those concerning right of way. Beyond these laws, TLCO will train its drivers on defensive driving, with an emphasis on the understanding that, as a professional driver, the responsibility lies with the delivery team employee to anticipate errors on the part of nonprofessionals and pedestrians. If the Commission first approves it, a phone number to report unsafe driving behavior will be on a sticker attached to the rear of all vehicles. Any such sticker will not identify that the vehicle is used to transport products, and the phone number will not be associated with a company name, but will instead be connected to a third-party service.

Inventory Policies and Procedures

Staff will receive training on TLCO's inventory and recordkeeping procedures tailored specifically to the inventory and recordkeeping aspects of their job position. Training content will include detailed policies and procedures for recording all interactions in the electronic seed-to-sale inventory tracking system. All staff requiring access to inventory records will receive access credentials for TLCO's inventory tracking software and will undergo instruction from a member of management on proper usage of the software prior to performing any job functions that necessitate creating a record in the inventory system.

Sanitation Training

Throughout training for every process within the facility, instructors will emphasize the importance of sanitation for preventing contamination of TLCO's marijuana. Through training Staff to minimize the transmission of contaminants, TLCO can ensure that it cultivates and dispenses only high-quality, medical grade marijuana.

Staff will cultivate and process marijuana for dispensing to Marijuana Establishments in compliance with applicable Good Manufacturing Practices ("GMPs"), standards of identity, and

labeling requirements in Title 21, Code of Federal Regulations, to guarantee its marijuana products are safe, unadulterated, and not misbranded. Staff will have training specific to each critical control point in the process. Critical control points are points, steps, or procedures where there is a high probability that improper control could result in an unacceptable health hazard or contribute to the contamination of the final product. Furthermore, Staff responsible for quality control and quality assurance during these operations will comply with standards of product identity found in 21 C.F.R. Part 101.

Before beginning work, Cultivation Staff will have training on how to maintain personal hygiene while on the establishment premises. Namely, Cultivation Staff will be trained to utilize precautionary measures to prevent contamination such as: washing hands before starting work, after each absence from the work-station, after using the restroom (once before leaving the restroom and again upon returning to the work station), and at any other time when hands could be soiled or contaminated (21 C.F.R. § 110.10 (b)(3)); removing all unsecured jewelry and other loose objects that may fall during production (21 C.F.R. § 110.10 (b)(4)); maintaining gloves and proper glove use (21 C.F.R. § 177.2600); wearing hair nets, beard nets, caps, or other effective hair restraints (21 C.F.R. § 110.10 (b)(5); (6)); storing clothing in areas other than processing areas; restricting eating and drinking to designated break areas (21 C.F.R. § 110.10 (b)(8)); and taking any other necessary precautions to protect marijuana and related equipment/materials from contamination by microorganisms or foreign substances.

Safety and Security Training

Protecting the safety and security of personnel and products inventory are TLCO's highest priorities. TLCO will also require that all staff members complete training on emergency response policies, including fire, robbery, and workplace violence, as well as security measures and controls.

Safety Instruction

TLCO acknowledges that potential hazards exist in operating an establishment. Consequently, TLCO has comprehensively examined potential risks and compiled safety procedures for responding to various emergencies, including fire, severe weather, tornadoes, earthquakes, robbery, and workplace violence. TLCO will follow regulations and guidelines set by OSHA and National Fire Protection Agency. TLCO will enforce strict safety procedures to ensure personnel and environmental safety and maintain a facility that produces pure, quality marijuana.

Management will ensure all employees are properly trained to execute emergency procedures. Employees will be trained to carefully assess the situation before approaching any potential threat. Process control checks throughout the manufacturing activities will minimize danger. Each employee will be required to wear appropriate PPE when handling marijuana, working with extraction equipment, and packaging or labeling final products. This equipment includes: pocketless coveralls, nitrile gloves, hairnets, shoe nets, beard nets, and goggles.

The HR Director will keep detailed records of each employee's involvement in safety training, continuing education, and SOP adherence. Yearly training exercises and continuing education will ensure the safety of workers and protect product integrity. This training record will be available to the Commission upon request.

Security Instruction

Employee on-boarding training will include instruction on policies regarding diversion prevention, including TLCO's zero-tolerance policy toward diversion of marijuana. Policies will be detailed in the employee handbook, which all employees must read and sign to confirm their understanding of, and agreement to, all diversion prevention policies. Employees must read and sign the employee handbook and complete all diversion prevention training prior to beginning work in any Limited or Restricted Access Areas.

The primary goals of employee security training will be securing inventory and ensuring the safety of all personnel on premises. All establishment employees will complete training prior to working at the facility. Instruction will cover proper use of security measures and controls that have been adopted for the prevention of diversion, theft or loss of marijuana, including plants, seeds, plant material, and products.

Part of employee diversion training will include instruction on how to identify diversion, including signs of possible diversion, suspicious activities, and discrepancies in inventory records. Employees will be required to report any suspected diversion or suspicious activities to a member of management, who will then initiate an investigation in accordance with TLCO's diversion investigation procedures located in the "Safety and Security Plan." To encourage reporting, TLCO will implement an anonymous reporting system that will allow employees to report potential diversion without disclosing their identity.

<u>Training Records</u>

TLCO has constructed a robust and comprehensive employee training program, as discussed in TLCO's "Employee Training" plan. The HR Director will maintain comprehensive training records for each staff member. Training Records will include documentation of training on privacy and confidentiality requirements, and a signed statement of the employee indicating the date, time, and place they received the training, the topic discussed, and the names and titles of any presenters or instructors. For a more in-depth discussion of TLCO's training practices and training records, please see the "Employee Training" section.

The HR Director will also retain detailed records of privacy and confidentiality training completed by each employee, including training on applicable laws and regulations, Applicant SOPs, and healthcare industry best practices, as discussed in detail below in the "Confidentiality" section. Records will include individual training documents for each training task performed by every employee. The HR Director will maintain employee training records electronically and will provide them to the Commission upon request. TLCO will track, monitor, and document all employee

training. The HR Director will be responsible for maintaining a written record documenting the initial and continuing training of all employees, which shall contain:

- The name of the person receiving the training;
- The dates of the training;
- A general description of the topics covered including training regarding privacy and confidentiality requirements;
- The name of the person supervising the training and the name and title of presenter's; and,
- The signatures of the person receiving the training and the person who supervised or conducted the training.

The HR Director will maintain records documenting employee training electronically and will make these records available to the Commission upon request. In addition to maintaining individual training documents for each training task performed by every employee, TLCO will also compile a written training curriculum, which the HR Director will maintain on-site at the establishment. The training curriculum will function as an outline identifying the various phases of training and the topics discussed at each phase. When new training items are implemented by TLCO, the HR Director will add them to the training curriculum. The HR Director will construct different curriculums for cultivation, manufacturing, and dispensing employees. As with individual training records, TLCO will make the training curriculum available to the Commission upon request.

Conclusion

A robust and comprehensive training program will help guarantee that TLCO's staff fully understand all TLCO's policies and procedures, applicable laws, and the company's expectations regarding ethical and professional conduct. Employees will complete initial onboarding training prior to beginning work, with both mandatory and optional continuing education opportunities providing updates and refreshers as needed. The HR Director will provide all employees with a written copy of the employee handbook, which will detail all policies and procedures covered in training. Employees will complete training on topics include: general policies and procedures; job-specific duties; inventory practices; sanitation and hygiene; safety; and, security measures. The HR Director will be responsible for maintaining records of all employee training, including a written training curriculum, copies of signed employee handbook signature pages, individual written training materials, and certifications that employees have completed training modules.

DIVERSITY PLAN

Turning Leaf Centers Otis, LLC ("TLCO") strives to provide a welcoming, encouraging and safe environment for all employees, subcontractors and vendors as well as the greater cannabis community at-large. TLCO will operate its establishment with a forward-thinking approach to equity—providing everyone with the tools or opportunities they need to be successful and taking affirmative actions to level the playing field. TLCO is committed to establishing procedures and policies to promote and encourage equal employment opportunity. We recruit and hire applicants without regard to race, color, religion, sex (including pregnancy), national origin, disability, age, sexual orientation, veteran status, genetic information, or any other factor prohibited by law 935 CMR 500. Specifically, TLCO's diversity plan will meet all objectives defined in the state's charge to the Cannabis Control Commission (M.G.L Ch. 94G §4) regarding encouraging full participation in the cannabis industry by diverse populations. TLCO will establish a workforce diversity and inclusion program to establish, meet and measure workforce diversity goals. TLCO's Diversity Plan focuses on the promotion of equity among minorities, women, veterans, people with disabilities, and LGBTQ+. TLCO acknowledges, is aware, 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. Additionally, any actions taken, or programs instituted, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws. Further, TLCO will implement a process to evaluate its plan's progress quarterly in preparation for demonstrating success upon license renewal.

Goals: TLCO commits to affirmative efforts to achieving the following:

- Increasing the number of individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+ working in the establishment, including in management and executive positions, and providing tools to ensure their success
- Providing access for and assisting those whom are minorities, women, veterans, people with disabilities, and LGBTQ+ to achieve their goal of entering the adult-use marijuana industry
- Increasing the number of businesses owned by individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+ that can contract or otherwise do business with Marijuana Establishments

Programs: TLCO will establish diversity and inclusion processes, including:

Employment and Promotional Opportunity Engagement

- Advertising employment opportunities and contract bids in communities whom are primarily minorities, women, veterans, people with disabilities, and LGBTQ+. TLCO shall post bi-annual advertisements in the following publications that attract diverse talent: Diversity.com, CampusPride.com, RecruitDisability.com, MilitaryHire.com, and CareerContessa.com. TLCO shall also post monthly advertisements on Indeed.com and ZipRecruiter.com, stating that TLCO is specifically seeking candidates whom are minorities, women, veterans, people with disabilities and LGBTQ+ to work for the establishment.
- Advertising all employment opportunities with career centers (MassHire Berkshire Career Center), economic development workforce organizations (MassHire Berkshire Workforce

Board) and community colleges (Berkshire Community College) specifically tailored to individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+.

- Create and distribute internal workplace newsletters, notices and guidance that encourages current employees whom are minorities, women, veterans, people with disabilities, and LGBTQ+ to apply for and recommend others to apply for company employment and promotion opportunities. TLCO will distribute internal workplace newsletters as new positions become available and, at minimum, on a monthly basis to all current employees.
- Establish a company-wide promotion process utilizing equity principles for current employees
- Participate in at least two employment fairs to attract individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+ into TLCO's various departments.

Professional Training and Mentorship Engagement

- Provide training and mentorship programs for individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+ to facilitate industry entry
    - Work with community and industry organizations to secure connections with individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+s needing assistance as they seek to enter the marijuana industry
    - Conduct four training workshops per year on the following topics: Business Entity Formation and Organization; Securing Investment Capital; Cannabis Tax Law; Cannabis Compliance Law
    - Provide a mentorship program for four mentees per year.
- Establishing relationships with at least two local equity-focused organizations for the purposes of:
    - Networking with individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+s for employment purposes
    - Providing information on employment and training opportunities for individuals whom are minorities, women, veterans, people with disabilities, and LGBTQ+s in the marijuana industry

Upon receipt of license, TLCO will secure a corporate membership to *Minorities for Medical Marijuana, Inc. ("M4MM")*,a non profit organization focused on providing advocacy, outreach, research, and training as it relates to the business, social reform, public policy, and health/wellness in the cannabis industry. TLCO will implement Diversity and Inclusion training for all TLCO employees and incorporate the work of M4MM into their training. M4MM will serve as a resource to TLCO by providing information, referrals, advocacy, coordination and education regarding cannabis legislation, events, activities, initiatives and discussions. TLCO will educate employees about cultural differences in the workplace so that they can better understand and appreciate each other. To ensure inclusivity of the lesbian, gay, bisexual, transsexual, queer or questioning ("LGBTQ+") members of the TLCO community, TLCO will embrace gender and sexual identity as an expression of personal freedom. TLCO will incorporate trainings and resources by *The Safe Zone Project*, an internationally known organization providing curricula, resources and training to those wanting to communicate to others that they are open to talking about and being supportive of LGBTQ (Lesbian, Gay, Bisexual, Transgender, and

Queer/Questioning +) individuals and identities. TLCO will conduct the aforementioned training to all new employees within 60 days of hire and at least annually for all current employees.

TLCO will display Safe Zone stickers and posters at facility entrances and in Staff break rooms. Safe Zones stickers explain that individuals can expect a welcoming, supportive and safe environment free from discrimination based on sexuality or gender identity. TLCO's Diversity and Inclusion training will be thorough and comprehensive. TLCO will maintain easy access of all training materials to all employees as well as other Marijuana Establishment license holders and applicants so as to encourage others both to invest in Diversity and Inclusion training as well as to secure uniformity of approach amongst Massachusetts Marijuana Establishments.

Measurements: TLCO will implement specific metrics to assess the program progress and success. This includes both qualitative and quantitative measures that demonstrate the progress of the plan. TLCO will use a database to input data into records for ease of access and production of plan metrics. TLCO will use, at a minimum, the following metrics as a means of measurement for quarterly progress reports:

- Number of employees hired, retained, or promoted that come from the above-referenced demographic groups who were hired and retained after the issuance of a license
    - Hiring goals: 60% women; 50% minorities; 10% veterans; 10% persons with disabilities; and 5% LGBTQ+
    - Retention goals: retain 90% of all hires within the above-reference demographic groups
    - Promotion goals: promote the above-referenced demographic groups at a rate of 50% or higher
- Number of trainings and information sessions offered and performed to people and businesses that come from the above-referenced demographic groups areas, including a review
    - Number of trainings goal: 4 trainings per year
    - Number of information sessions goal: 4 information sessions per year
    - TLCO acknowledges that the progress or success of its plan will be documented upon renewal each year
- Number of information sessions held and participated in regarding equity in the cannabis industry, with supporting documentation;
    - Number of information sessions held goal: 2 per year
    - Number of information sessions participated in goal: 2 per year
- Number of postings in diverse publications or general publications regarding equity in the cannabis industry, with supporting documentation
    - Number of postings in diverse publications goal: 6 per year
    - Number of postings in general publications goal: 6 per year
- TLCO acknowledges that the progress or success of its plan will be documented upon renewal each year
- TLCO shall review the goals by November 30th each year to determine whether the goals were met. If the goals have not been met TLCO will develop a new plan to ensure the goals are met

Energy Plan
Turning Leaf Centers Otis, LLC

Turning Leaf Centers Otis, LLC is being designed as a brand new grow, process and dispensary facility. All aspects of its design will meet or exceed applicable energy codes including high efficiency LED grow lighting, high efficiency LED general purpose lighting, high efficiency grow and general purpose HVAC systems, and building structure insulation.

Turning Leaf Centers Otis, LLC will identify and pursue energy use reduction opportunities and will use energy efficiency programs throughout the building process.