



Massachusetts Cannabis Control Commission

Marijuana Microbusiness

General Information:

License Number: MB281332
Original Issued Date: 02/10/2020
Issued Date: 02/10/2020
Expiration Date: 02/10/2021

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: RiverRun Gardens, LLC

Phone Number: 978-207-1251
Email Address: ed@riverrungardens.com

Business Address 1: 50 Main St
Business City: North Reading
Business State: MA
Business Zip Code: 01864
Business Address 2: Suite 200
Mailing Address 1: 50 Main St
Mailing City: North Reading
Mailing State: MA
Mailing Zip Code: 01864
Mailing Address 2: Suite 200

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

PRIORITY APPLICANT

Priority Applicant: no
Priority Applicant Type: Not a Priority Applicant
Economic Empowerment Applicant Certification Number:
RMD Priority Certification Number:

RMD INFORMATION

Name of RMD:
Department of Public Health RMD Registration Number:
Operational and Registration Status:
To your knowledge, is the existing RMD certificate of registration in good standing?:
If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 51
Role: Manager
Percentage Of Control: 51
Other Role:

First Name: Edward	Last Name: DeSousa	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 2

Percentage Of Ownership: 49	Percentage Of Control: 49
Role: Manager	Other Role:
First Name: Edward	Last Name: DeSousa 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

Close Associates or Member 1

First Name: Edward	Last Name: DeSousa	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Part owner/Manager		

Close Associates or Member 2

First Name: Edward	Last Name: DeSousa	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Part Owner/Manager		

Close Associates or Member 3

First Name: Stephen	Last Name: DeSousa	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Investor		

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Stephen	Last Name: DeSousa	Suffix:	
Types of Capital: Monetary/Equity	Other Type of Capital:	Total Value of the Capital Provided: \$130000	Percentage of Initial Capital: 26
Capital Attestation: Yes			

Individual Contributing Capital 2

First Name: Edward	Last Name: DeSousa	Suffix:	
Types of Capital: Monetary/Equity	Other Type of Capital:	Total Value of the Capital Provided: \$370000	Percentage of Initial Capital: 74
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

Date generated: 12/03/2020

Cultivation Environment: Indoor **Establishment Activities:** Cultivating

Establishment Address 1: 5 Perkins Way

Establishment Address 2: Unit 8

Establishment City: Newburyport **Establishment Zip Code:** 01950

Approximate square footage of the Establishment: 7000 **How many abutters does this property have?:** 4

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
Community Outreach Meeting Documentation	Community Outreach Meeting Attestation Form.pdf	pdf	5cadea0773349d44fd628db2	04/10/2019
Community Outreach Meeting Documentation	Town Paper Notice.pdf	pdf	5cadea35b10c2044c559614d	04/10/2019
Community Outreach Meeting Documentation	Email From David Lakeman.pdf	pdf	5cadeb079b1a9b44dfe4c16b	04/10/2019
Certification of Host Community Agreement	Riverrun CHA Cert form.pdf	pdf	5cd193a90644270f9d87f605	05/07/2019
Plan to Remain Compliant with Local Zoning	Newburyport Special Permit 06032019.pdf	pdf	5cf7fff1622b7c1357f70b25	06/05/2019
Community Outreach Meeting Documentation	AttachmentB Comm Outreach Meeting.pdf	pdf	5da5d1616b4e192b1d27088a	10/15/2019
Community Outreach Meeting Documentation	Marijuana cultivation company to hold public meeting next month _ Local News _ newburyportnews.com.pdf	pdf	5da5d1e40724b82ff99cc8d0	10/15/2019
Community Outreach Meeting Documentation	Attachement B City Clerk Stamped Notice.pdf	pdf	5db19f29572d3130006a4160	10/24/2019
Community Outreach Meeting Documentation	Attachement B Abutters Notice.pdf	pdf	5db19f31cdbfc22fc658cdab	10/24/2019
Plan to Remain Compliant with Local Zoning	Municipal Zoning Compliance.pdf	pdf	5db1a2f24b00122fe399ef3d	10/24/2019

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

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	RiverRun Gardens-C3RN PIP Letter.pdf	pdf	5dee4356d5b0805341c65b02	12/09/2019
Plan for Positive Impact	RiverRun Gardens-PIP.pdf	pdf	5dee435740e3485791980387	12/09/2019

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

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

Individual Background Information 2

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

Individual Background Information 3

Role: Other (specify) Other Role: Investor
First Name: Stephen Last Name: DeSousa 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
Department of Revenue - Certificate of Good standing	Certificate of Good Standing 2019.pdf	pdf	5c910b621e71bd126232e7ed	03/19/2019
Articles of Organization	Article of Incorp.pdf	pdf	5c9387e6edbb73122a61a32f	03/21/2019
Bylaws	Bylaws.pdf	pdf	5c9387fae9df341230f6b20a	03/21/2019
Secretary of Commonwealth - Certificate of Good Standing	Sec of Comm Good Standing.pdf	pdf	5c98d2d63d84de123a615048	03/25/2019

No documents uploaded

Massachusetts Business Identification Number: 001311291

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Insurance.pdf	pdf	5cd1ba5c4265c30f716e9edf	05/07/2019
Business Plan	Riverrun Gardens Business Plan October 2019.pdf	pdf	5db1a767cdbfc22fc658cdde	10/24/2019
Proposed Timeline	RiverRun Gardens Proposed Timeline.pdf	pdf	5dee449f66a32657cfbdea49	12/09/2019

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Restricting Access to age 21 and older	RiverRun Gardens LLC-Restricting Access to Age 21+ Only.pdf	pdf	5cd1b4291e17b90a620c80e4	05/07/2019
Prevention of diversion	RiverRun Gardens-Prevention of Diversion.pdf	pdf	5cd1b443bd6ce20a6dfe8fb	05/07/2019
Maintaining of financial records	RiverRun Gardens LLC-Financial Records Maintenance SOP.pdf	pdf	5cdab98d722cea17c125cd55	05/14/2019
Storage of marijuana	RiverRun Gardens-Storage SOPs.pdf	pdf	5da5e9b1c9aebd2b498a76d8	10/15/2019
Policies and procedures for cultivating	Policies and procedures for cultivating.pdf	pdf	5da7542ee3decf2b0b0d2870	10/16/2019
Transportation of marijuana	RiverRun Gardens-Transportation SOPs.pdf	pdf	5db1a7ea4b00122fe399ef64	10/24/2019
Inventory procedures	RiverRun Garden-Inventory SOPs.pdf	pdf	5db1a82751e4622fd806a991	10/24/2019
Quality control and testing	RiverRun Gardens-Quality Control Testing SOPs.pdf	pdf	5db1a85b73225f2fcd7658e5	10/24/2019
Personnel policies including background checks	RiverRun Gardens-Personnel Policies.pdf	pdf	5db1a8a8b207f82b12a9410e	10/24/2019
Qualifications and training	RiverRun Gardens-Qualifications and Training.pdf	pdf	5db1a90bd5c8962b282db528	10/24/2019
Security plan	RiverRun Gardens Security Plan.pdf	pdf	5ddd474b0f35e05798b39079	11/26/2019
Record Keeping procedures	RiverRun Gardens-Record Keeping SOPs.pdf	pdf	5ddd49a00f35e05798b390b3	11/26/2019
Diversity plan	RiverRun Gardens LLC-Diversity Plan.pdf	pdf	5e011cf8fab70557127ef89b	12/23/2019

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

HOURS OF OPERATION

Monday From: 9:00 AM	Monday To: 5:00 AM
Tuesday From: 9:00 AM	Tuesday To: 5:00 AM
Wednesday From: 9:00 AM	Wednesday To: 5:00 PM
Thursday From: 9:00 AM	Thursday To: 5:00 PM
Friday From: 9:00 AM	Friday To: 5:00 PM
Saturday From:	Saturday To:
Sunday From:	Sunday To:

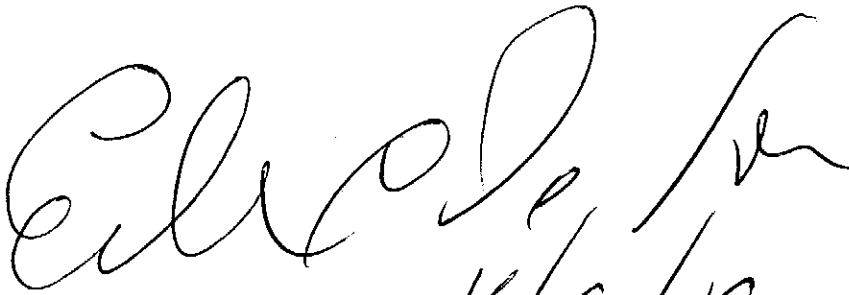
Community Outreach Meeting Attestation Form

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, Edward X DeSouza, (insert name) attest as an authorized representative of RiverRun Gardens 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 April 3, 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 15, 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 7, 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 8, 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.


4/9/15

3/10

Attachment C

Edward X DeSousa

From: Dianne Boisvert <DBoisvert@CityofNewburyport.com>
Sent: Friday, March 08, 2019 9:32 AM
To: Edward X DeSousa
Subject: RE: AMENDED Permit Application for RiverRun Gardens Cultivation
Attachments: 5 Perkins Way abutters.pdf; 5 Perkins Way legal notice.pdf

Hi Ed,
Here's a copy of your abutters list and legal notice. Please let me know if you have any questions.

Dianne Boisvert
Office Coordinator
Office of Planning and Development
60 Pleasant Street
Newburyport, MA 01950
978-465-4400

From: Edward X DeSousa [mailto:biged@riverrungardens.com]
Sent: March 07, 2019 9:57 AM
To: Jennifer Blanchet; Dianne Boisvert
Cc: Andrew Port
Subject: RE: AMENDED Permit Application for RiverRun Gardens Cultivation

Hi Jennifer / Dianne;

Here are PDF versions of the large Plans/Drawings.

Thanks again for your guidance.

Edward X. DeSousa
RiverRun Gardens, LLC
978-207-1251
Cell: 978-273-4352
biged@riverrungardens.com
www.riverrungardens.com

From: Jennifer Blanchet [mailto:JBlanchet@CityofNewburyport.com]
Sent: Thursday, March 07, 2019 8:19 AM
To: Dianne Boisvert
Cc: Andrew Port; Edward X DeSousa
Subject: FW: AMENDED Permit Application for RiverRun Gardens Cultivation

Dianne,

Please see attached materials for River Run Gardens at 5 Perkins way.

Ed,

Attachment 4/9/10
C



City of Newburyport
OFFICE OF THE ASSESSOR

City Hall
60 Pleasant Street
Newburyport, MA 01950
(978)465-4403 / Fax (978)462-8495
assessor@cityofnewburyport.com

March 8, 2019

.....

TO: PLANNING BOARD

FROM: BOARD OF ASSESSORS

RE: 5 PERKINS WAY, UNIT 8 2019-SP-05
MAP 78 PARCEL 9

.....

THE FOLLOWING AND THE ATTACHED ARE THE ABUTTERS OF THE ABOVE MENTIONED PROPERTY:

TOWN OF AMESBURY
PLANNING BOARD
[REDACTED]
AMESBURY MA 01913

[REDACTED]
PLANNING BOARD
[REDACTED]
WEST NEWBURY MA 01985

TOWN OF BYFIELD
PLANNING BOARD
[REDACTED]
BYFIELD MA 01922

TOWN OF SALISBURY
PLANNING BOARD
[REDACTED]
SALISBURY MA 01952

BY CERTIFYING THAT THE PERSONS LISTED IN THE FOREGOING LIST OF ABUTTERS ARE THE OWNERS OF RECORD OF THE FOREGOING PROPERTIES AS OF JANUARY 1ST, 2019, THE CITY ASSESSOR IS NOT CERTIFYING THAT THE PERSONS SO LISTED ARE THE PERSONS WHO ARE REQUIRED TO RECEIVE NOTIFICATION UNDER APPLICABLE LAW.

Gill Brennan

Attachment C

5/10

78/ 6/ / /

[REDACTED]

NEWBURYPORT, MA 01950

78/ 8/A / /

[REDACTED]

NEWBURYPORT, MA 01950

78/ 8/A 2/ /

[REDACTED] HARRIS, ANTHONY J. [REDACTED] HARRIS

[REDACTED]

SOUTH HAMILTON, MA 01982

78/ 9/ / /

[REDACTED]

[REDACTED] HARRIS, ANTHONY J. [REDACTED] HARRIS

SO. HAMILTON, MA 01982

78/ 1C/ / /

[REDACTED]

NEWBURYPORT, MA 01950

79/ 7/ / /

[REDACTED]

NEWBURYPORT, MA 01950



Attachment C

CITY OF NEWBURYPORT
PLANNING BOARD
60 PLEASANT STREET • P.O. BOX 550
NEWBURYPORT, MA 01950
(978) 465-4400
WWW.CITYOFNEWBURYPORT.COM

6410
706 MAR -7 AM 11:44

NOTICE OF A PUBLIC HEARING

In accordance with the provisions of the Newburyport Subdivision Regulations and Zoning Ordinance of the City of Newburyport, the Newburyport Planning Board will hold a Public Hearing at 7:00pm on 04/03/19 at City Hall, 60 Pleasant St., Newburyport, MA on the application for a Special Permit made by RiverRun Gardens, LLC for the property located at 5 Perkins Way, Unit 8, indicated as Assessor's map and parcel 78-9, and recorded at the Essex South Registry of Deeds as book and page 22062-0226. The application is for the following request: *allow a marijuana cultivation microbusiness*. Copies of the applications are available for viewing in the Planning Office, 60 Pleasant Street, Newburyport, MA Mondays through Wednesdays 8am - 4pm, Thursdays 8am - 8pm, and Fridays 8am - noon. (978) 465-4400. All persons interested or wishing to be heard should appear at the time and place designated above.

[illegible]

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COMMUNITY OUTREACH MEETING

Public Hearing Notice for Marijuana Cultivation ONLY (No Retail Sales)

On April 3, 2019 at 7:00 PM at Newburyport Town Hall, 60 Pleasant St. Newburyport, MA 01950, Riverrun Gardens LLC will hold a public outreach hearing for marijuana cultivation establishment at 5 Perkins Way, Unit 8, in Newburyport, MA 01950, as allowed under zoning for the Industrial Park. There will not be any retail sales at this location. This meeting will address the cultivation of marijuana plants for sale to other legally Massachusetts licensed establishments. This is a small business operations less than 5,000 square feet of canopy, under Mass state Cannabis Control Commission regulations as a Tier I Cultivation License for a Microbusiness. The meeting will Describe the security measures, diversion prevention, positive impact to the community, information that business will not be a nuisance, and allow the public to ask questions and receive answers regarding such operations.

9 of 10

Edward X DeSousa

From: Edward DeSousa
Sent: Monday, April 08, 2019 9:56 AM
To: Edward X DeSousa
Subject: Fwd: Confirmation of Community Outreach Meeting

Get [Outlook for Android](#)

From: Lakeman, David (CNB) <david.lakeman@state.ma.us>
Sent: Monday, April 8, 2019 9:35:55 AM
To: Edward DeSousa
Subject: RE: Confirmation of Community Outreach Meeting

Mr. DeSousa,

The community outreach meeting can be at the same time as the planning board meeting as long as it follows the requirements in the regulations.

If you have any additional licensing questions, please send them directly to cannabislicensing@mass.gov.

David

From: Edward DeSousa <ed@riverrungardens.com>
Sent: Thursday, April 4, 2019 2:49 PM
To: Lakeman, David (CNB) <David.Lakeman@mass.gov>
Subject: RE: Confirmation of Community Outreach Meeting

Thank you and best,

Ed

From: Lakeman, David (CNB) <david.lakeman@state.ma.us>
Sent: Thursday, April 4, 2019 2:48 PM
To: Edward DeSousa <ed@riverrungardens.com>
Subject: RE: Confirmation of Community Outreach Meeting

Edward, thank you for reaching out.

I am confirming receipt of your email, and I will discuss the contents with our licensing team.

Thanks for reaching out,

David

From: Edward DeSousa <ed@riverrungardens.com>
Sent: Thursday, April 4, 2019 2:22 PM

10 of 10

To: Lakeman, David (CNB) <David.Lakeman@mass.gov>
Subject: Confirmation of Community Outreach Meeting

Dear Mr. Lakeman;

You may remember me, we discussed the Community Outreach meeting we had in Newburyport back in August of 2018; when we were permitted and had an HCA, but Newburyport wanted clarification if the Community Outreach meeting we had at the same time as our Planning Board hearing would be acceptable to the CCC since we met all criteria

We had another one last night for a different location in Newburyport (we will be the only single Municipality licensed micro business to have had TWO HCAs and TWO permits,) where we ;

Published a separate Article in Local Newspaper (copy attached); Actual there were two meeting notices one by us and the other by the Board

Provided information per the CCC guidelines by addressing;

- Type of Marijuana Establishment
- Our Security and that the location would be maintained securely
- Steps to prevent Diversion to Minors
- Notice to abutters (attached)
- Described how we will positively impact community (by the tune of possible

250K)

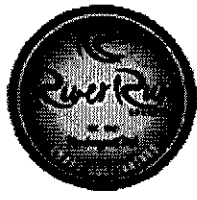
- Information in odor, traffic etc. that our location will not constitute a nuisance
- Allowed and answered to public questions, (great article and postings to this in

Community on line pages)

I just want to confirm that will serve as us Certifying the CCC Community Outreach Meeting Attestation Form?

Best,

Edward DeSousa
Managing Partner,
RiverRun Gardens, LLC
www.riverrungardens.com



This message contains confidential and/or legally privileged information and is intended for use by the indicated addressee. If you are not the intended addressee, any disclosure, reproduction, distribution or action you take is strictly prohibited. The interpretation of the Customs regulations and classifications is our opinion and advise, based on our reasonable care research and best efforts. It is not meant to be legal interpretation of the law, which can only be accomplished by a licensed attorney. It is not to be construed as a binding ruling or acceptance by Customs. Global Drawback Inc. advises all classifications be verified by Customs under a binding ruling and to seek advice from an attorney specializing in Customs law to verify accuracy of information.

Edward DeSousa

From: Lakeman, David (CNB) <david.lakeman@state.ma.us>
Sent: Monday, April 8, 2019 9:36 AM
To: Edward DeSousa
Subject: RE: Confirmation of Community Outreach Meeting

Mr. DeSousa,

The community outreach meeting can be at the same time as the planning board meeting as long as it follows the requirements in the regulations.

If you have any additional licensing questions, please send them directly to cannabislicensing@mass.gov.

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Sent: Thursday, April 4, 2019 2:49 PM
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possible 250K)

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nuisance

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I just want to confirm that will serve as us Certifying the CCC Community Outreach Meeting Attestation Form?

Best,

Edward DeSousa
Managing Partner,
RiverRun Gardens, LLC
www.riverrungardens.com



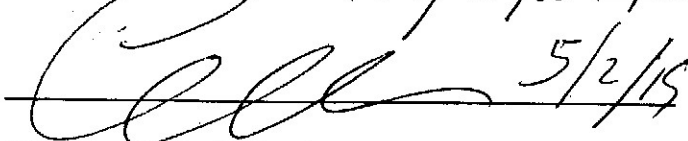
This message contains confidential and/or legally privileged information and is intended for use by the indicated addressee. If you are not the intended addressee, any disclosure, reproduction, distribution or action you take is strictly prohibited. The interpretation of the Customs regulations and classifications is our opinion and advise, based on our reasonable care research and best efforts. It is not meant to be legal interpretation of the law, which can only be accomplished by a licensed attorney. It is not to be construed as a binding ruling or acceptance by Customs. Global Drawback Inc. advises all classifications be verified by Customs under a binding ruling and to seek advice from an attorney specializing in Customs law to verify accuracy of information.

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).

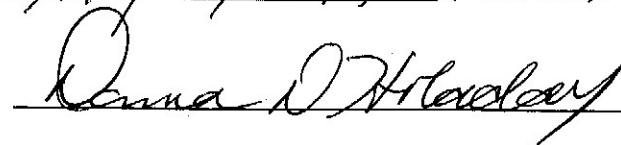
Applicant

I, Edward X. DeSousa, (insert name) certify as an authorized representative of RiverRun Gardens LLC (insert name of applicant) that the applicant has executed a host community agreement with Newburyport (insert name of host community) pursuant to G.L.c. 94G § 3(d) on May 2, 2019 (insert date).


Signature of Authorized Representative of Applicant

Host Community

I, Mayor Donna Holaday, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for Newburyport (insert name of host community) to certify that the applicant and Newburyport (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on May 2, 2019 (insert date).



Signature of Contracting Authority or

Authorized Representative of Host Community

7

705

05/28/2019 12:00 PERMIT Pg 1/7
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CITY OF NEWBURYPORT
PLANNING BOARD
60 PLEASANT STREET • P.O. BOX 550
NEWBURYPORT, MA 01950
(978) 465-4400

SPECIAL PERMIT DECISION

APPLICANT:

RiverRun Gardens, LLC
50 Main Street, Suite 200
North Reading, MA 01864

FILE NO:

2019-SP-05

PROPERTY ADDRESS:

5 Perkins Way, Unit 8

DECISION DATE:

5/1/2019

MAP/PARCEL(S):

78-9

BOOK/PAGE:

22062-0226

ZONING DISTRICT:

IIB

DESCRIPTION:

allow a marijuana cultivation microbusiness

PROCEDURAL HISTORY:

An application for a Special Permit pursuant to Section XXXI Licensed Marijuana Businesses of the City of Newburyport's Zoning Ordinance was made by the above-referenced owner and filed with the Planning Board on 3/6/19.

Notice of the public hearing was published on 04/16/19 and 04/23/19 in the Newburyport Daily News.

A public hearing on the application was held at Newburyport City Hall on 5/1/19.

After the close of the public hearing on 05/01/19, the Planning Board, upon a motion made by member MJ Verde and seconded by Rick Taintor, voted to **APPROVE** the application for a Special Permit. The motion having received the necessary two-thirds super majority vote of all the members of the Planning Board, in accordance with M.G.L. Chapter 40A Section 9, as amended, the petition was therefore granted.

The members of the Planning Board voted as follows with respect to the petition for a Special Permit subject to the following terms and conditions:

Bonnie Sontag, Chair	Yes	Leah McGavern	Yes	Don Walters	Yes
James Brugger	Yes	Anne Gartner	Yes	M.J. Verde	Yes
Tania Hartford	Yes	Rishi Nandi	Yes	Rick Taintor	Yes

MARGINAL REFERENCE REQUESTED
BOOK 22062 PAGE 226

PLANS AND DOCUMENTS:

1. The original Special Permit application was accompanied and augmented by the following plans, drawings, and submittals:
 - Application for a Special Permit for Use as a Marijuana Establishment without Retail Sales, Use #802 containing the following documents as required by the Zoning Ordinance section XXXI:
 - Security Plan and Employee Policies
 - Waste Disposal Policies
 - Traffic Impact Analysis
 - Confirmation of Adequacy of Utilities
 - Plan Set prepared by Engineer Andrea Zeco, Via Giuseppe di Vittorio, 104 San Donat, Milanese (MI) 20097, Italy, dated 05/03/19, containing the following sheets:
 - Proposed Floor Plan
 - Plan Set prepared by Woodman Associates Architects, 20 Inn Street, Newburyport, MA, 01950, dated 6/18/07, containing the following sheets:
 - Ground Floor Plan
 - Plan Set stamped by Stanton Warren Bigelow, dated 04/10/2019, containing the following sheets:
 - Site Plan
2. The plans and other submission material were reviewed by the Planning Board, its legal counsel and consulting engineer as follows:
 - Department Head Comments: Jamie Tuccolo, Sewer Superintendent, DPS, 6/13/18 and 3/6/19; Dan Lynch, Distribution System Manager, DPS, 3/6/19
3. Throughout its deliberations the Planning Board has been mindful of the statements of the applicants and their representatives, and the comments of the general public, all as made at the public hearing.

FINDINGS:

General

The project involves the outfitting of the existing industrial building for use as a 7,000 square foot marijuana establishment without retail sales.

There is sufficient parking on site and there are no proposed changes to the lot layout, parking area, and entrances to and from the property.

Specific

The Board finds that the project is not more detrimental to the character of the neighborhood than that which exists for the following reasons:

- The use is an allowed use via special permit as stated in the Zoning Ordinance's Table of Use Regulations and is thus deemed desirable to the public welfare and convenience simply by its inclusion in said table;

- The use of the building for marijuana cultivation and manufacture will not create undue traffic congestion or impair public safety because there will not be customer traffic. The applicant submitted a request to waive the requirement for a traffic study on 2/28/19, which was granted by the Board.
- The cultivation and manufacturing operations will not overload the existing municipal water, sewer, or drainage systems as evidenced by comments from City of Newburyport officials;
- The project conforms to all of the special regulations for the use as detailed in Section XXXI of the Zoning Ordinance and as such will not impair the integrity or character of the district or adjoining districts and due to its compliance with the regulations, including the submittal of an extensive security plan with accompanying employee policies, is found to be in harmony with the purpose and intent of the ordinance;
- The size of the facility will not exceed 7,000 square feet; and given the restriction as set forth by Section XXI-D(5) that limits the total square footage for marijuana cultivation in the business park at 100,000 square feet, this facility at 7,000 square feet will not cause an excess of this use in the neighborhood; and
- If constructed and operated in accordance with the odor mitigation plans, waste disposal plans, and pesticide information submitted to the Planning Board and in accordance with the conditions of this special permit related thereto, the operations conducted inside the facility will not be operated in a way so as to emit dangerous or noxious forms of environmental pollution as evidenced by the applicant's odor control plans.

CONDITIONS:

This Planning Board approval represents a schematic approval for the project. This approval does not represent a final approval of the utility design and details or fire safety measures. The applicant, owner, successors or assigns shall be responsible for designing the utilities to meet City standards and ensuring compliance with fire codes prior to commencing work under this approval.

In view of the foregoing, the Planning Board hereby decides to grant a V.D Table of Permitted Uses Special Permit in accordance with the terms and conditions stated below, which conditions shall be binding on the applicant, property owner (if different than the applicant) and their successors and assigns:

1. Recording of Decision and Approved Plans: The applicant shall file this Special Permit decision with the Southern Essex County Registry of Deeds (or Land Court if registered land) and a copy of the decision stamped with the recording information (Book/Page or Land Court document number) shall be included with the application for a Building Permit. The final site/construction plans shall also make reference to the decision date and conditions of approval.
2. Engineer Certification: Prior to the granting of a Building Permit, the applicant shall submit the written certification of a registered Architect or Civil Engineer to the Building Commissioner that the project will be constructed in accordance with the approved plans and conditions.
3. Provision of Construction Documents: Prior to applying for a permit to conduct site work and/or a Building Permit, the applicant, owner, his successors or assigns, shall submit to DPS construction documents showing water, sewer, and drain utilities, including plan/profiles, details, and technical specifications at a minimum of a 90% design phase for their review and approval. DPS will not approve the design until they are satisfied it complies with applicable federal, state, and local standards and regulations. The applicant shall provide documentation to

- the Building Commissioner with the application for a Building Permit illustrating that the project, as designed, has been reviewed and approved by the Water, Sewer, and Engineering Divisions.
4. Curb Cuts: Any new driveway curb cuts that has egress to the public right of way, must be approved in advance of the building permit by the Director of Public Services or Designee.
 5. Fire Department Review and Approval: Prior to applying for a permit to conduct site work and/or a Building Permit, the applicant, owner, his successors or assigns, shall submit to the Fire Department construction documents showing compliance with fire safety codes and regulations at a minimum of a 90% design phase for review and approval. The Fire Department will not approve the design until it is satisfied it complies with applicable federal, state, and local standards and regulations. The applicant shall provide documentation to the Building Commissioner with the application for a Building Permit illustrating that the project, as designed, has been reviewed and approved by the Newburyport Fire Department.
 6. Modifications to Approved Plans: The applicant, property owner, and their successors or assigns, shall adhere to the approved plans which are incorporated herein by reference. Should the applicant and/or property owner determine that a plan(s) needs to be modified, they shall notify the Board of the proposed modifications in writing and obtain approval from the Planning Board for such modifications prior to making any changes 'in the field'. The Board shall then determine whether such modifications are minor or major in nature and shall subsequently schedule a public meeting or hearing, respectively, to review the proposed changes. Any proposed modification that involves a change or expansion in use, or a material increase in parking requirements that will burden available off-street parking, shall be deemed a major change.
 7. Hours of Construction: The developer shall take reasonable care not to disturb surrounding properties and property owners during construction. Construction work shall be limited to the hours between 7 a.m. and 5 p.m. Monday through Friday and 8 a.m. and 4 p.m. on Saturday, unless a specific waiver is requested. The Planning Board and the City Marshal shall approve such waiver.
 8. Submission of As-Built Plans: One hard copy and one .pdf copy of as-built plans stamped by an architect or professional engineer showing new construction, renovation, or expansion shall be submitted to the Office of Planning and Development at the completion of the project and prior to obtaining an occupancy permit.
 9. Validity of Approval: This special permit is valid for three years. The permit shall no longer be valid if a substantial use has not commenced except for good cause. Excluded from any lapse period is the time required to pursue or await the determination of any appeal taken pursuant to MGL, Chapter 40A, Section 17.
 10. Municipal Water: Prior to Occupancy Permit, the applicant shall coordinate with the Water Division of the City of Newburyport Department of Public Services and grant access to said Division to (1) perform a water audit and (2) perform a backflow device inspection prior to the commencement of production to ensure no possible cross contamination conditions are present within the facility.
 11. No Further Expansion: The proposed marijuana establishment shall not exceed 7,000 square feet, without further approval from the Planning Board.
 12. No Retail Sales: There shall be no retail sales of marijuana or marijuana-related products to consumers at this marijuana establishment.

13. Security:

(a) Security Plan Review. Applicant must submit to the Police Marshal a full security plan for the facility, including location of cameras, lighting and alarms. Such a plan shall, at minimum, show cameras with back up video storage sufficient to capture all interior areas where marijuana is kept, all points of entry/exit of the building, including windows, and exterior perimeter of the building and the parking area.

(b) Pre-Occupancy Review. Prior to issuance of an Occupancy Permit, and in order to ensure public safety, the applicant shall contact the Police Marshal to coordinate a time to tour the facility and to review and approve the security system (including the distribution of security cameras, lighting and alarms). The applicant shall provide documentation of this review and approval by the Police Marshal to the Zoning Administrator prior to issuance of an Occupancy Permit.

(c) State Inspections. The Fire Marshal and Police Marshal shall be notified in advance of, and provided with an opportunity to join in, any facility inspection by Cannabis Control Commission (CCC) or its designee.

14. State Licenses: Prior to commencing operations on the Property, the applicant shall submit to the Building Commissioner a copy of the applicable state license required to operate a cultivation and/or manufacturing marijuana facility. Thereafter, applicant, owner, and its successors or assigns shall comply with such permit(s) and all applicable regulations and shall promptly provide the Zoning Administrator with copies of any notices of violations of such permit.

15. Mandatory Conditions: Article XXXI-H of the Marijuana Zoning Ordinance requires the following conditions in any special permit granted under Section XXXI:

- i. Hours of Operation (if any): The facility may be operated on a 24/7/365 basis.
- ii. The permit holder shall provide to the Building Inspector, Director of Planning and Development, Director of Public Health, Fire Chief and Police Marshal, the name, telephone number and electronic mail address of a contact person in the event that such person needs to be contacted after regular business hours to address an urgent issue. Such contact information shall be kept updated by the permit holder.
- iii. The special permit authorizing the establishment of a Marijuana Business shall be valid only for the specific registered person or entity to which the special permit was issued, and only for the site on which the Marijuana Business has been authorized by special permit. If any license for the Marijuana Business has been revoked or if the license is to be transferred to another controlling entity, or is to be relocated to a different site, a new special permit shall be required.
- iv. A Marijuana Business shall be located only in a permanent building and not within any mobile facility. All sales shall be conducted either within the building or by home deliveries to qualified clients pursuant to applicable state and local regulations; (provided, however, the Planning Board notes that this second sentence of this mandatory condition shall not be interpreted to allow retail sales or home deliveries from the facility). This provision shall not be construed to limit or prohibit the transport of marijuana and marijuana-related products in accordance with CCC regulations.
- v. A Special Permit shall only be valid for use by the Applicant and will become null and void upon the sale or transfer of the license to another third-party Marijuana Business or a change in the location of the business.


- vi. In the event that the Commonwealth's licensing authority suspends the license or registration of a Marijuana Business, the Special Permit shall be so suspended by the City until the matter is resolved to the satisfaction of said licensing authority.
- vii. The Special Permit shall be considered null and void if meaningful construction has not begun on the project within 2 years of obtaining said permit, or such additional time extension as may be granted at the discretion of the Planning Board.
- viii. The permit holder shall notify the Building Inspector, Director of Planning and Development, Director of Public Health, Fire Chief and Police Marshal and the SPGA in writing within 48 hours of the cessation of operation of the Marijuana Business or the expiration or termination of the license holder's certificate or registration with the CCC and/or DPH.
- ix. The permit holder shall at all times comply with regulations regarding Marijuana Businesses promulgated by the Board of Health.
- x. The Police Department, Fire Department, Building Inspector, Zoning Enforcement Officer, Director of Planning & Development and Director of Public Health shall have the right to inspect the subject premises to assure compliance with the special permit.
- xi. Prohibition Against Nuisances: No use or operation shall be allowed at any Marijuana Business which creates a nuisance to abutters or to the surrounding area, or which creates any hazard, including but not limited to, fire, explosion, fumes, gas, smoke, odors, obnoxious dust, vapors, offensive noise or vibration, flashes, glare, objectionable effluent or electrical interference, which may impair the normal use and peaceful enjoyment of any property, structure or dwelling in the area

This decision was filed with the Newburyport City Clerk and sent registered mail to the applicant. Notice of decision is also sent by regular mail to the Parties in Interest and the abutting municipalities.

SIGNATURE OF THE BOARD:



Bonnie Sontag, Chair, Newburyport Planning Board



Date

NOTICE OF APPELLATE RIGHTS:

Appeals shall be made within twenty (20) days after the date of filing of this decision in the Office of the City Clerk directly to a court of competent jurisdiction in accordance with the provision of M.G.L. Chapter 40A Section 17.

CITY CLERK CERTIFICATION:

I, William B. Mc, City Clerk of the City of Newburyport, hereby certify pursuant to M.G.L. Chapter 40A Section 17, that the Special Permit decision for the property known as 5 Perkins Way, Unit 8 was filed in the Office of the City Clerk on MAY 8 2019.
Twenty (20) days have elapsed since the decision was filed and no appeal has been filed.

William B. Mc
City Clerk

5/28/19
Date



Wednesday, April 3, 2019

7:00 PM – 8:00 PM
(NEW EVENTS)

(/NEW-EVENTS)

CALENDAR (/CALENDAR)
Google Calendar (<http://www.google.com/calendar>)

Google Calendar (<http://www.google.com/calendar/event?>

action=TEMPLATE&text=Massachusetts%3A+Newburyport+City+Council%3A+Marijuana+Cultivation+Establishment&dates=20190403T230000Z/20200708/LOGIN)

· ICS (/new-events/2019/4/3/massachusetts-newburyport-city-council-marijuana-cultivation-establishment?format=ical)

MEETING

Public Hearing Notice for

Marijuana Cultivation ONLY

(No Retail Sales)

On April 3, 2019 at 7:00 PM at

Newburyport Town Hall, 60 Pleasant

St. Newburyport, MA 01950, Riverrun

Gardens LLC will hold a public outreach hearing for marijuana cultiva-

tion establishment at 5 Perkins Way,

Unit 8, in Newburyport, MA 01950,

as allowed under zoning for the Indus-

trial Park. There will not be any retail

sales at this location. This meeting

will address the cultivation of mari-

juana plants for sale to other legally

Massachusetts licensed establish-

ments. This is a small business

operations less than 5,000 square

feet of canopy, under Mass state

Cannabis Control Commission requ-

lations as a Tier I Cultivation License

for a Micro-business. The meeting

will describe the security measures,

diversion prevention, positive impact

to the community, information that

business will not be a nuisance, and

allow the public to ask questions and

receive answers regarding such op-

erations.

Posted in [Massachusetts \(/new-events?category=Massachusetts\)](/new-events?category=Massachusetts)

Tagged PUBLIC MEETING (/new-events?tag=PUBLIC+MEETING)

Earlier Event: April 3



Massachusetts: Town of Becket: Amendments to Zoning Bylaws Related to Marijuana Establishments (/new-events/2019/4/3/massachusetts-town-of-becket-amendments-to-zoning-bylaws-related-to-marijuana-establishments)

Later Event: April 3

Connecticut: City of Baltic: Special Permit for Marijuana Sales (/new-events/2019/4/3/connecticut-city-of-baltic-special-permit-for-marijuana-sales)

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https://www.newburyportnews.com/news/local_news/marijuana-cultivation-company-to-hold-public-meeting-next-month/article_e0745524-091d-58bc-882b-2a3fbbbee36fc.html

Marijuana cultivation company to hold public meeting next month

By Dave Rogers drogers@newburyportnews.com Mar 18, 2019



NEWBURYPORT – A North Reading-based company, which is seeking Planning Board approval for a marijuana cultivation business in the city’s industrial park, will hold an informational meeting next month to get the public up to speed on the proposal.

The owners of RiverRun Gardens hope to open a “microbusiness” in the industrial park, growing marijuana that would be sold to licensed medical and recreational marijuana businesses in the state.

The meeting at City Hall on April 3 would be a public outreach hearing, according to the owners.

The 7 p.m. hearing, part of the Planning Board’s weekly meeting, would address the cultivation of marijuana plants for sale to other licensed pot-based businesses in the state.

RiverRun Gardens is considered a microbusiness operation with a proposal for a footprint of less than 5,000 square feet on Perkins Way, according to the state’s Cannabis Control Commission. The hearing would cover security measures and the possible impact on city residents. All those attending would be able to ask questions.

In August, the Planning Board granted RiverRun Gardens owners Ed M. DeSousa and his father, “Big Ed” X. DeSousa of North Reading a special permit to grow marijuana to be used for medical and recreational purposes, but that permit became invalid when that original proposal was scrapped.

The DeSousas operate RiverRun out of their North Reading corporate headquarters, and said they hope to relocate all operations to the Newburyport location.

While the DeSousas are apparently thinking small, another company, HVV Newburyport, is looking to build an 85,000-square-foot marijuana cultivation site elsewhere in the business park.

In December, HVV Newburyport officials went before the Planning Board, hoping it would grant them a special permit to build a facility at 2 Opportunity Way. The special permit attempt came a month after a judge annulled the board’s decision to approve the permit for the business park.

HVV Newburyport owner Michael D. Reardon bought the 4.8-acre property for \$8.6 million in August and said he plans to convert the building into a first-class marijuana processing and research facility with “thousands” of cannabis plants and employ 70 people.

After the Planning Board issued a special permit to RiverRun Gardens, the City Council approved two zones where retail marijuana shops could open — one near the Route 1 traffic circle and another on Storey Avenue near Low Street.

The decision sparked concern among many residents, who banded together and successfully petitioned the city to hold a vote in November on whether to allow retail marijuana shops to open within city limits. Retail marijuana shops are likely to open in Amesbury and Salisbury by November.

The debate over whether to allow retail marijuana shops in Newburyport led to the formation of advocacy groups on both sides: Opt Out Newburyport and Adult Use Cannabis Newburyport. Calls on Sunday to the leaders of both groups seeking comment on RiverRun Gardens were not immediately returned.


For more information on RiverRun Gardens, see <http://riverrungardens.com>.

Daily News reporter Jack Shea contributed to this story.

Staff writer Dave Rogers can be reached at drogers@newburyportnews.com. Follow him on Twitter [@drogers41008](#).

Editor's note: This story updates and corrects an earlier version.


Conversation




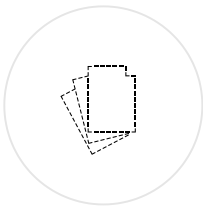
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Newest 

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Nothing Here Yet

No comments have been posted yet

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Tue, Oct 15

Tue, Oct 15

Tue, Oct 15

Wed



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	TUE 15	WED 16	THU 17	FRI 18	SAT 19	SUN 20	MON 21	TUE 22	WED 23	THU 24	FRI 25	SAT 26	SUN 27



Rogers Dave



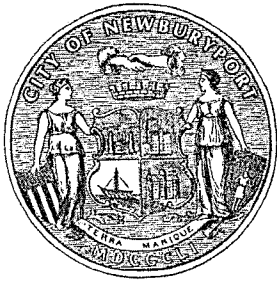


CITY OF NEWBURYPORT
PLANNING BOARD
60 PLEASANT STREET • P.O. BOX 550
NEWBURYPORT, MA 01950
(978) 465-4400
WWW.CITYOFNEWBURYPORT.COM

CITY CLERK'S OFFICE
NEWBURYPORT, MA
2019 MAR -7 AM 11:44

NOTICE OF A PUBLIC HEARING

In accordance with the provisions of the Newburyport Subdivision Regulations and Zoning Ordinance of the City of Newburyport, the Newburyport Planning Board will hold a Public Hearing at 7:00pm on **04/03/19** at City Hall, 60 Pleasant St., Newburyport, MA on the application for a Special Permit made by RiverRun Gardens, LLC for the property located at **5 Perkins Way, Unit 8**, indicated as Assessor's map and parcel 78-9, and recorded at the Essex South Registry of Deeds as book and page 22062-0226. The application is for the following request: *allow a marijuana cultivation microbusiness*. Copies of the applications are available for viewing in the Planning Office, 60 Pleasant Street, Newburyport, MA Mondays through Wednesdays 8am - 4pm, Thursdays 8am - 8pm, and Fridays 8am - noon. (978) 465-4400. All persons interested or wishing to be heard should appear at the time and place designated above.



City of Newburyport

OFFICE OF THE ASSESSOR

City Hall
60 Pleasant Street
Newburyport, MA 01950
(978)465-4403 / Fax (978)462-8495
assessor@cityofnewburyport.com

March 8, 2019

TO: PLANNING BOARD

FROM: BOARD OF ASSESSORS

RE: 5 PERKINS WAY, UNIT 8 2019-SP-05
MAP 78 PARCEL 9

THE FOLLOWING AND THE ATTACHED ARE THE ABUTTERS OF THE ABOVE MENTIONED PROPERTY:

TOWN OF AMESBURY
PLANNING BOARD
TOWN HALL
AMESBURY MA 01913

TOWN OF WEST NEWBURY
PLANNING BOARD
TOWN HALL
WEST NEWBURY MA 01985

TOWN OF NEWBURY
PLANNING BOARD
TOWN HALL
BYFIELD MA 01922

TOWN OF SALISBURY
PLANNING BOARD
TOWN HALL
SALISBURY MA 01952

BY CERTIFYING THAT THE PERSONS LISTED IN THE FOREGOING LIST OF ABUTTERS ARE THE OWNERS OF RECORD OF THE FOREGOING PROPERTIES AS OF JANUARY 1ST, 2019, THE CITY ASSESSOR IS NOT CERTIFYING THAT THE PERSONS SO LISTED ARE THE PERSONS WHO ARE REQUIRED TO RECEIVE NOTIFICATION UNDER APPLICABLE LAW.

Gill Brennan

78/ 6/ / /
BRADFORD & BIGELOW REALTY LLC
3 PERKINS WAY
NEWBURYPORT, MA 01950

78/ 8/A / /
CORNERSTONE SHOP LLC
4 PERKINS WAY
NEWBURYPORT, MA 01950

78/ 8/A 2/ /
BARBIRIS ANTHONY & SARAH JOHANSSON
6 PERKINS WAY NOMINEE TRUST
PO BOX 2162
SOUTH HAMILTON, MA 01982

78/ 9/ / /
BARBIRIS ANTHONY TRUSTEE
5 PERKINS WAY REALTY TRUST
P.O. BOX 2162
SO. HAMILTON, MA 01982

78/ 1C/ / /
BIXBY REALTY, INC.
1 PREBLE RD
NEWBURYPORT, MA 01950

79/ 7/ / /
MICHAEL MUNDAY REALTY LLC
95 PARKER ST
NEWBURYPORT, MA 01950

RiverRun Gardens, LLC Plan to Remain Compliant with Local Zoning

RiverRun Gardens, LLC is committed to remaining compliant with all applicable zoning bylaws of the City of Newburyport, MA, including, but not limited to Sections XXXI (Marijuana Businesses), XXXI-A (Purposes), XXXI-E (Parking Enforcement), XXXI-D (License Requirements and Condition of Use), XXXI-H (Decision and Conditions of Approval), XXXI-G (Permitting Procedure and Criteria for Approval) and XXXI-F (Required Buffer Zones and Restrictions of Use) of the City of Newburyport Zoning Ordinance which apply to Newburyport Cannabis' proposed Marijuana Cultivation Establishment at 5 Perkins Way, Unit 8, Newburyport, MA. The property is located in the I1B zoning district.

RiverRun Gardens, has obtained a Special Permit by the City of Newburyport, pursuant to the procedure laid out in Section XXXI-G which reads:

Permit granting authority. The planning board shall act as the designated special permit granting authority (SPGA) in administering this section.

Special permit required. Marijuana businesses may be permitted only pursuant to a special permit hereunder. The planning board shall review and may deny, approve, or approve with conditions all applications hereunder in accordance with the procedures listed in section X-H.8. The SPGA shall approve a business if the SPGA determines that the proposed use meets all the requirements of this section and, in addition, the special permit criteria of section X-H.7. Application for a special permit shall be submitted to the SPGA pursuant to the submission requirements, and procedures contained in section X-H.7..



December 6, 2019

Re: Donation Acceptance Letter from RiverRun Gardens LLC

Dear Cannabis Control Commission,

It is with great pleasure that we accept a partnership and \$5,000 annual donation from RiverRun Gardens LLC to open for adult use cannabis operations in Massachusetts. Payments for the Positive Impact Plan to C3RN will be effected upon obtaining a provisional license for operation.

Cannabis Community Care and Research Network (C3RN) is a registered public benefit corporation (B Corp) based out of Worcester, MA. C3RN hosts a network of dedicated academics, industry, healthcare providers, consumers and patients that aim to end the stigma around medical and adult use cannabis through research and education. C3RN runs multiple research studies related to the adult and population use of cannabis in Massachusetts with UMass Dartmouth. C3RN is the Principal Investigator of ongoing studies focused on medical patients, consumers, and veterans. C3RN and Holyoke Community College host a Cannabis Education Center workforce and business opportunities for those who have been disadvantaged by the drug war, are unemployed or under employed. Learn more here: www.cannacenterofexcellence.org and www.cannabiseducationcenter.org

C3RN Positive Impact Plan Activities

RiverRun Gardens LLC annual donation will be used to support two scholarships for students to a certificate workforce training and internship program offered through the Cannabis Education Center at Holyoke Community College and C3RN. Scholarships will be given to students who have been disproportionately impacted by the drug war, and/or other criteria identified by the CCC as eligible for social equity program. Certificates of completion can be provided to RiverRun Gardens LLC, the CCC, and learners.

We look forward to working with RiverRun Gardens LLC ! Thank you for your support.

Sincerely,

Marion McNabb, MPH, DrPH
CEO

Cannabis Community Care and Research Network (C3RN)
marion@c3researchnetwork.com

RIVERRUN GARDENS LLC

POSITIVE IMPACT PLAN

Goals: Provide financial support to Cannabis Community Care and Research Network because they are an entity that offers support, education and/or job training to Massachusetts residents disproportionately impacted by the War on Drugs. The amounts of these donations will depend on the financial growth and profitability of the company. As sales and profits increase, RiverRun Gardens LLC (“RiverRun”) will revisit its program donation goals to consider more generous donations as business allows.

Goal: Donate a total of \$5,000.00 annually to the organization as more particularly described below.

Program: The donation to be made to the following organization is intended to benefit its ability to develop skills for Economic Empowerment Priority Applicants and Social Equity Training Program participants through mentoring, educational and informational events with cannabis industry networking opportunities, and to provide financial support to allow them to continue educating adult-use cannabis consumers in Massachusetts:

1. Cannabis Community Care and Research Network (\$5,000.00 annual donation)

Measurement and Accountability: At the end of each year, RiverRun will conduct an analysis and create a report on the amounts and percentages of donations and other financial support that the company has given to the programs outlined above. RiverRun will continue to assess the viability and impact of financial donations made, and annually review donation goals amounts.

RiverRun acknowledges and 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.

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

RiverRun expressly understands that the progress or success of this plan will be required to be demonstrated upon each annual license renewal period in conformity with 935 CMR 500.101(1) and (2).



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

mass.gov/dor

Letter ID: L2000274816
Notice Date: March 5, 2019
Case ID: 0-000-578-549



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



EDWARD DESOUSA
RIVERRUN GARDENS, LLC
50 MAIN ST STE 200
NORTH READING MA 01864-2281

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, RIVERRUN GARDENS, 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) 887-6367 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 8:30 a.m. to 4:30 p.m..

What is 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
William Francis Galvin

Minimum Fee: \$500.00

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

Certificate of Organization

(General Laws, Chapter)

Identification Number: 001311291

1. The exact name of the limited liability company is: RIVERRUN GARDENS, LLC

2a. Location of its principal office:

No. and Street: 50 MAIN STREET
SUITE 200
City or Town: NORTH READING State: MA Zip: 01864 Country: USA

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

No. and Street: 50 MAIN STREET
SUITE 200
City or Town: NORTH READING State: MA Zip: 01864 Country: USA

3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:
TO PRODUCE, MANUFACTURE AND DISTRIBUTE GOODS AND PRODUCTS AS A WHOLESALE R. FOR SALE AND DISTRIBUTION TO THIRD PARTY RETAIL OUTLETS; TO PROVIDE CONSULTING AND ADVISORY SERVICES TO OTHER MANUFACTURERS, PRODUCERS AND WHOLESALERS ENGAGED IN SIMILAR BUSINESSES; AND TO UNDERTAKE SUCH OTHER BUSINESSES AND ACTIVITIES AS A MASSACHUSETTS LIMITED LIABILITY COMPANY MAY LAWFULLY CONDUCT.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: EDWARD X. DESOUSA
No. and Street: 50 MAIN STREET
SUITE 200
City or Town: NORTH READING State: MA Zip: 01864 Country: USA

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	EDWARD X. DESOUSA	50 MAIN STREET NORTH READING, MA 01864 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	Address (no PO Box)
	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code
SOC SIGNATORY	ROBERT J. HUNDERTMARK ESQ.	10 CEDAR STREET - SUITE 26 WOBBURN, MA 01801 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	Address (no PO Box)
	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code
REAL PROPERTY	EDWARD X. DESOUSA	50 MAIN STREET NORTH READING, MA 01864 USA

9. Additional matters:
IN ADDITION TO THE MANAGER, THE LLC MAY HAVE SUCH OFFICERS AS THE MANAGER MAY, FROM TIME TO TIME, DESIGNATE, WITH SUCH AUTHORITIES AND RESPONSIBILITIES AS MAY BE DETERMINED BY THE MANAGER, INCLUDING, BUT NOT LIMITED TO, A CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER, CHIEF INFORMATION OFFICER, AND SUCH OFFICERS AS THE MANAGER MAY, FROM TIME TO TIME, DESIGNATE. TRANSFER OF ANY OWNERSHIP INTEREST IN THE COMPANY IS SUBJECT TO RESTRICTIONS AS SET FORTH IN THE COMPANY OPERATING AGREEMENT.

SIGNED UNDER THE PENALTIES OF PERJURY, this 2 Day of February, 2018,
ROBERT J. HUNDERTMARK, DULY AUTHORIZED

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

THE COMMONWEALTH OF MASSACHUSETTS

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

February 02, 2018 03:59 PM

A handwritten signature in black ink, appearing to read "William Francis Galvin", written in a cursive style.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

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:

February 02, 2018 03:59 PM

A handwritten signature in cursive script, reading "William Francis Galvin". The signature is written in dark ink and is positioned above the printed name and title.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

**RIVERRUN GARDENS, LLC
ORGANIZATIONAL CONSENT RESOLUTIONS
OF THE MEMBERS**

The undersigned, being all of the Members of **RIVERRUN GARDENS, LLC**, a Massachusetts limited liability company (the "LLC"), do hereby waive all notice of the time, place and purposes of a meeting of the Members of the LLC and consent, pursuant to the Limited Liability Company Agreement of the LLC and the Massachusetts Limited Liability Companies Statute, to the adoption of the following resolutions with the same force and effect as if adopted at a duly convened meeting of the Members of the LLC, and hereby direct that this written Consent be filed with the minutes of the proceedings of the Members of the LLC:

RESOLVED: That the actions of Robert J. Hundertmark in executing the Certificate of Organization for the LLC and filing the same with the Division of Corporations for the Secretary of the Commonwealth for the Commonwealth of Massachusetts are hereby ratified and confirmed.

RESOLVED: That Edward X. DeSousa be appointed as Manager of the LLC.

RESOLVED: That the undersigned Members, and the Manager (acting on behalf of the LLC) execute the Operating Agreement attached hereto, which shall govern the rights, powers, duties and obligations of the Members, the Manager and the LLC.

RESOLVED: That the LLC adopt a calendar year-end for tax and accounting purposes, and that the Manager is hereby authorized and directed to cause to be prepared, executed and filed an Application for Employer Identification Number (Form SS-4) with the Internal Revenue Service.

RESOLVED: That the Manager be, and hereby is authorized and directed to open depository, checking, money market or other financial accounts with such banks and financial institutions as he deems appropriate, and that he be, and hereby is, authorized and directed to complete and execute such forms and resolutions as may be required by any bank or financial institution to establish and maintain any such accounts.

RESOLVED: That the Manager of the LLC is hereby authorized and directed to take any and all actions as he may deem necessary or appropriate to implement or give effect to the foregoing Consent Resolutions.

Dated: February 6, 2018

ALL OF THE MEMBERS OF
RIVERRUN GARDENS, LLC

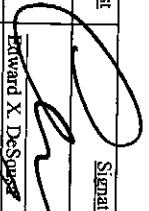


Edward X. DeSousa


Edward M. DeSousa

EXHIBIT A
TO OPERATING AGREEMENT OF RIVERRUN GARDENS, LLC

Dated February 6, 2018

Membership Interest, Capital Contributions, etc.

<u>Member Name</u>	<u>Capital Contribution</u>	<u>Membership Units</u>	<u>LLC Interest</u>	<u>Signature</u>
EDWARD X. DESOUSA	Cash and Services	35,700	51.00%	 Edward X. DeSousa 2/6/18
EDWARD M. DESOUSA	Cash and Services	34,300	49.00%	 Edward M. DeSousa

TOTAL MEMBERSHIP SHARES AUTHORIZED:	100,000
TOTAL MEMBERSHIP SHARES ISSUED:	70,000
AUTHORIZED/UNISSUED MEMBERSHIP SHARES:	30,000

OPERATING AGREEMENT
of
RIVERRUN GARDENS, LLC
a Massachusetts Limited Liability Company

This Operating Agreement (the "Agreement") is made and entered into and effective as of this 2nd, day of February, 2018 by and among:

EDWARD X. DESOUSA
2 Scotland Heights
North Reading MA 01864
and

EDWARD M. DESOUSA
4 Jenkins Road
North Reading MA 01864

(Singly, a "Member", or collectively, the "Members") and

RiverRun Gardens, LLC, a Massachusetts Limited Liability Company (the "LLC").

RECITALS

WHEREAS, a Massachusetts domestic limited liability company named RiverRun Gardens, LLC (the "LLC"), was formed under the laws of the Commonwealth of Massachusetts on February 2, 2018 by the filing of a Certificate of Organization (the "Certificate of Organization") with the Corporations Division of the Secretary of the Commonwealth of Massachusetts; and,

WHEREAS, the Members will be contributing capital to the LLC and will become equity owners of the LLC, and the LLC and the Members wish to define their various rights and obligations with regard to the LLC;

NOW THEREFORE, in consideration of the covenants and the promises made herein, the Members and the LLC (collectively, the "Parties") agree as follows:

SECTION 1: DEFINITIONS

- 1.1 "Agreement" means this Limited Liability Company Operating Agreement, as amended.
- 1.2 "Certificate of Organization" means the Certificate of Organization which was filed on February 2, 2018 with the Corporations Division of the Secretary of the Commonwealth of Massachusetts for the purpose of forming this LLC.
- 1.3 "Code" means the Internal Revenue Code of 1986, as amended.

- 1.4 "Capital Account" means the amount of a Member's Capital Contribution, as adjusted, including but not limited to increases due to profits or additional contributions and decreases due to losses and distributions.
- 1.5 "Capital Contribution" means any contribution of value, including but not limited to cash, property, assets, etc., by a Member to the capital of the LLC.
- 1.6 "Capital Interest" means a Member's right to Capital Contributions and any rights to a return of Capital Contributions.
- 1.7 "Financial Interest" means a right to share in the profits, losses, incomes, expenses, or other monetary items and to receive distributions and allocations from the LLC but does not include any Capital Contributions or any rights to a return of Capital Contributions.
- 1.8 "LLC" means RiverRun Gardens, LLC, a Massachusetts Limited Liability Company under the laws of the Commonwealth of Massachusetts.
- 1.9 "LLC Interest" means an ownership interest in the LLC, which includes the Financial Interest, the right to vote, the right to participate in management, and the right to obtain information concerning the LLC and any other rights granted to a Member under the Certificate of Organization or this Agreement. A Member's LLC Interest shall be expressed as a percentage determined by dividing the total number of Membership Units owned by such Member, by the total number of Membership Units that have been issued and are then outstanding.
- 1.10 "Manager" or "Managers" means the person(s) elected, appointed, or otherwise designated in accordance with this Agreement to manage and operate the LLC.
- 1.11 "Member" means any person or entity who owns any interest in this LLC, is a party to this agreement and is accepted as a member pursuant to this Agreement but does not include any person who holds only a Financial Interest as a result of an involuntary transfer or assignment or a transfer or assignment in violation of this Agreement.
- 1.12 "Membership Unit" shall be a fraction ownership interest in the LLC
- 1.12 "Property" means any and all assets, in whole or in part, of the LLC, both tangible and intangible.
- 1.13 "Statute" means the Massachusetts Limited Liability Company Act, as amended.

SECTION 2: FORMATION

- 2.1 Formation of the LLC. The LLC was formed pursuant to the laws of the Commonwealth of Massachusetts by filing the Certificate of Organization with the Corporations Division

of the Massachusetts Secretary of the Commonwealth.

- 2.2 Name. The name of the LLC is "RiverRun Gardens, LLC." The Manager shall operate the business of the LLC under such name or use such other names as the Manager deem necessary provided that such names do not violate the statute.
- 2.3 Principal Office. The LLC's principal place of business will be located at 50 Main Street, Suite 200, North Reading, MA 01864 or any other location as determined by the Manager. If the principal office is located outside the state of organization, and the LLC has one or more business offices in the state of organization, the Manager shall fix and designate a principal business office in the state of organization. Branch or subordinate offices may be established at any time and at any place as the Manager may determine.
- 2.4 Term. The LLC will continue to exist until terminated or dissolved in accordance with its Certificate of Organization or this Agreement.
- 2.5 Business Purpose. The purposes of the LLC are to produce, manufacture and distribute goods and products as a wholesaler, for sale and distribution to third party retail outlets, to provide consulting and advisory services to other manufacturers, producers and wholesalers engaged in similar businesses, and to engage in any other business or activity that is necessary and proper to accomplish the above purposes, or that may be lawfully conducted under the Massachusetts Limited Liability Company Act, as the same may, from time to time, be amended.
- 2.6 Registered Agent. The LLC's registered agent will be EDWARD X. DESOUSA or any other person or entity with an office in the state of organization as determined by the Manager.
- 2.7 Registered Office. The LLC's registered office will be the office of the registered agent located at 50 Main Street, Suite 200, North Reading, MA 01864 or any other location within the Commonwealth of Massachusetts, as determined by the Manager.

SECTION 3: MEMBERSHIP

- 3.1 Initial Members. The initial Members of the LLC are those persons or entities set forth in this Agreement.
- 3.2 Additional Members. Additional persons or entities may be admitted to the LLC as Members, and LLC Interests may be issued to those additional Members, upon the unanimous consent of the Manager, for such consideration, and on such terms and conditions as determined by the Manager and in accordance with the Certificate of Organization and this Agreement. All new Members must sign a copy of this Agreement and agree to be bound by the terms of this Agreement as a condition of becoming a Member.

- 3.3 Liability to Third Parties. No Member shall be liable for the debts, obligations, or liabilities of the LLC to a third party unless the Member agrees in writing to be liable.
- 3.4 Authority. No Member has the authority or power to act for or on behalf of, to bind, or to incur any liability on behalf of the LLC except as provided in this Agreement.
- 3.5 Withdrawal. No Member has the right to withdraw from the LLC as a Member except as provided in this Agreement. However, a Member has the power to withdraw but such withdrawal shall be deemed a breach of this Agreement. If a Member does exercise such power of withdrawal in breach of this Agreement, the Member shall be liable to the LLC and the other Members for all monetary damages as a result of the breach, including but not limited to direct, indirect, incidental, and consequential damages. The LLC and the other Members shall not have the right to prevent the withdrawing Member from withdrawing through the use of an injunction or otherwise.
- 3.6 Compensation. A Member may receive compensation for services rendered to the LLC as determined by the Manager. The LLC shall reimburse Members for any expense paid by them that is properly an expense of the LLC.

SECTION 4: CAPITAL ACCOUNTS

- 4.1 Initial Capital of the LLC. The capital of the LLC shall be represented by 100,000 authorized Membership Units, each of which shall have equal rights to as to voting, allocation of profit and loss, and distributions. Membership Units may be issued by the Manager to such persons or entities, and for such consideration or capital contributions as the Manager shall, in their discretion, determine. The total number of Membership Units may not be increased without a vote of the majority of the Members.
- 4.2 Issuance of Membership Units. Upon the issuance of any Membership Units, the Manager shall prepare a schedule (the "Exhibit") in the form attached hereto as "Exhibit A" which, when prepared and signed as provided below, shall be attached to, and shall become an integral part of this Agreement, and shall be considered incorporated herein by this reference. The Exhibit shall show the total number of authorized Membership Units, the total number of issued Membership Units, the names of all Members and the total number of Membership Units owned by them, and the total number of authorized but unissued Membership Units. The Exhibit shall be signed by the Manager and by any Member who has been issued new Membership Units since the last Exhibit, whereby such Member agrees to be bound by the terms of this Operating Agreement.
- 4.3 Capital Accounts. A Capital Account (hereinafter referred to as "Capital Account") shall be established and maintained for each Member. Each Member's Capital Account will be accounted for separately and will be maintained in accordance with generally accepted accounting principles. However, a Member who has more than one LLC Interest shall have

only one Capital Account that reflects all of that Member's LLC Interest. If a Member validly transfers his or her LLC Interest, the Capital Account of the transferring Member shall carry over to the transferee Member in accordance with the Code.

4.4 Adjustments to Capital Accounts. Each Member's Capital Account shall be adjusted as follows:

(a) Increases. Each Member's Capital Account shall be increased by:

- (1) capital contributions of cash and/or property at its agreed upon fair market value;
- (2) all items of LLC income and gain (including income and gain exempt from tax).

(b) Decreases. Each Member's Capital Account shall be decreased by:

- (1) distributions of cash and/or property at its agreed upon fair market value;
- (2) all items of LLC deduction and loss (including deductions and loss exempt from tax).

4.5 Advances by Members. Members may, at any time, advance moneys to the LLC. An advance is a loan from the Member to the LLC and shall bear interest and shall be subject to such repayment terms as the Manager and the Member making such loan may agree.

4.7 Preemptive Rights. No Member shall have any preemptive or preferential rights to subscribe or purchase a proportional part of any additional or future LLC Interests which may be issued by the LLC.

4.8 Return of Capital. No member shall have the right to withdraw or obtain a return of his or her capital contribution except as provided in this Agreement. The return of a member's capital contribution may not be withdrawn in the form of property other than cash except as provided in this Agreement.

SECTION 5: ALLOCATION OF PROFITS AND LOSSES AND DISTRIBUTIONS

5.1 Determination of Profits and Losses. Profits and losses shall mean net income and net loss as determined by the books and records of the LLC which shall be kept in accordance with generally accepted accounting principles and the Code.

5.2 Allocations. Except as provided in the Code, all items of income, revenues, deductions, gain, and loss shall be allocated pro rata in accordance with a Member's LLC Interest.

5.3 Qualified Income Offset. Notwithstanding the above, if a Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations § 1.704-1(b)(2)(ii)(d)(4), (5) or (6) or any amendment thereto, or receives an allocation of loss which produces a negative capital account for any Member while any other Member has a positive capital account, then items of LLC income shall be specially allocated to such Member such that the deficit Capital Account is eliminated. This paragraph is intended to

constitute a "qualified income offset" within the meaning of Treasury Regulation § 1.704-1(b)(2)(ii)(d).

- 5.4 Minimum Gain Chargeback. Notwithstanding the above, if there is a net decrease in LLC minimum gain during a taxable year, each Member shall be specially allocated, before any other allocation, items of income and gain for such taxable year (and, if necessary, subsequent years) in proportion to each Member's share of the net decrease in LLC minimum gain as determined in accordance with Treasury Regulation § 1.704-2(g)(2). This paragraph is intended to comply with the "minimum gain chargeback" provisions of Treasury Regulation § 1.704-2(f).

- 5.5 Section 704(c) Allocation. Notwithstanding the above, to the extent that Code § 704(c) is applicable to any item of income, gain, loss, and deduction with respect to any property (other than cash) that has been contributed by a Member and which is required to be allocated to such Member for income tax purposes, the item shall be allocated to such Member in accordance with Code § 704(c).

- 5.6 Distributions. Distribution of LLC assets and property shall be made at such times and in such amounts as the Manager determine subject to any restrictions in this Agreement. Distributions shall be made among the Members in proportion to the Member's LLC Interest.

SECTION 6: MANAGEMENT

- 6.1 Management. The LLC shall be managed by Manager who shall be responsible for the management of the LLC's business and affairs.

- 6.2 Place of Member Meetings. Meetings of Members shall be held at any place within the United States designated by the Members and stated in the notice of the meeting. If no place is so specified, Members' meetings shall be held at the LLC's principal office.

- 6.3 Annual Member Meeting. An annual meeting of Members shall be held on the second Tuesday of March of each year, or such other date as may be specified by the Manager upon thirty (30) days written notice to the Members. At the annual meeting, any proper business may be transacted.

- 6.4 Special Member Meetings. A special meeting of the Members may be called at any time by one or more Members holding Interests which, in the aggregate, constitute not less than ten percent (10%) of the LLC Interests. A request for a special meeting of the Members shall be in writing, specifying the time and place of the meeting and the general nature of the business proposed to be transacted. The notice shall be delivered in accordance with paragraphs 6.5 and 6.6 below.

- 6.5 Notice of Members' Meetings. All notices of meetings of Members shall be sent or

otherwise given in accordance with paragraph 6.6 below and not less than ten (10) nor more than sixty (60) days before the date of the meeting being noticed. The notice shall specify the place, date, and hour of the meeting and (a) in the case of a special meeting, the general nature of the business to be transacted, or (b) in the case of the annual meeting, those matters which are intended to be presented for action by the Members. If a proposal contains (i) a contract or transaction in which a Member has a direct or indirect Financial Interest, (ii) an amendment of the Certificate of Organization, (iii) a reorganization of the LLC, or (iv) a voluntary dissolution of the LLC, the notice shall state the general nature of such proposal.

- 6.6 Manner of Giving Notice; Affidavit of Notice. Notice of any meeting of Members shall be given either personally, by first class mail, facsimile, telegraphic, or other written communication, charges prepaid, addressed to each Member at the address of each Member appearing on the books of the LLC or more recently given by the Member to the LLC for the purpose of notice. Notice shall be deemed to have been given at the time when delivered personally, deposited in the mail, or sent by facsimile, telegram, or other means of written communication. If any notice addressed to a Member at the address of such Member appearing on the books of the LLC is returned to the LLC by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the Member at such address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available to the Member upon written demand of the Member at the principal office of the LLC for a period of one (1) year from the date of the giving of such notice. An affidavit of the mailing or other means of giving any notice of any Members' meeting shall be executed by the Member giving such notice, and shall be filed and maintained in the books and records of the LLC.

- 6.7 Conduct of Member Meetings. All meetings of the Members shall be presided over by the chairman of the meeting who shall be designated by a majority of the Members at the meeting. The chairman of the meeting shall determine the order of business and the procedures to be followed at the meeting.

- 6.8 Member Quorum. The presence, in person or by proxy, of the holder(s) of an aggregate of fifty-one percent (51%) or more of the LLC Interests shall constitute a quorum at all meetings of the Members for the transaction of business.

- 6.9 Member Voting. Each Member shall have a number of votes equal to the percentage of LLC Interest held by such Member. However, if a Member is not entitled to vote on a specific matter, then such Member's number of votes and LLC Interest shall not be considered for purposes of determining whether a quorum is present, or whether approval by vote of the Members has been obtained, with respect to such specific matter. An aggregate of fifty-one percent (51%) or more of the LLC Interests shall be required to approve any action, unless a greater or lesser vote is required pursuant to this Agreement or by Statute.

- 6.10 Adjourned Member Meeting and Notice Thereof. Any Members' meeting, annual or special, regardless of whether a quorum is present, may be adjourned from time to time by the vote of a majority of the LLC Interests represented at such meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at such meeting. When any meeting of Members, either annual or special, is adjourned to another time and place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is fixed, or unless the adjournment is for more than five (5) days from the date set for the original meeting, in which case the Members shall set a new record date. Notice of any such adjourned meeting, if required, shall be given to each Member entitled to vote at the adjourned meeting in accordance with paragraphs 6.5 and 6.6 above. At any adjourned meeting, the LLC may transact any business which might have been transacted at the original meeting.
- 6.11 Waiver of Notice or Consent by Absent Members. The transactions of any meeting of Members, either annual or special, however called and noticed, and whenever held, shall be as valid as if it had occurred at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote but not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or any approval of the minutes thereof. The waiver of notice or consent shall state either the business to be transacted or the purpose of any annual or special meeting of Members. All such waivers, consents, and approvals shall be filed with the LLC's books and records. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, unless such person objects at the beginning of the meeting.
- 6.12 Member Action by Written Consent without a Meeting. Any action which may be taken at any annual or special meeting of Members may be taken without a meeting and without prior notice, if consents in writing, setting forth the action so taken, are signed by Members holding LLC Interests representing the aggregate number of votes equal to or greater than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all LLC Interests entitled to vote thereon were present and voted. All such consents shall be filed with the LLC's books and records.
- 6.13 Proxies. Every Member entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the Member and filed with the LLC. A proxy shall be revocable unless the proxy specifically states that it is irrevocable.
- 6.14 Voting Trusts. If any Member files a voting trust agreement with the LLC, the LLC shall take notice of its terms and trustee limitations.
- 6.15 Deadlocks. In the event the Members shall experience a deadlock on a Member Vote, such deadlock shall be broken by a tie-breaking vote cast by the Manager (who may also be a Member voting on such deadlocked issue).

6.16 Managers. The LLC shall be managed by one (1) Manager who shall be responsible for the management of the LLC's business and affairs.

6.17 Election and Term of Office of Manager. The initial Manager of the LLC is EDWARD X. DESOUSA. Successor Managers shall be elected, and the number of Managers may be changed at the annual meeting of the Members. Once elected or appointed, a Manager will hold office until a Successor is duly elected, qualified and accepts his or her office.

6.18 Vacancies. A Manager vacancy shall be deemed to exist if: (a) a Manager dies, resigns, or is removed by the Members; (b) the other Managers, if any, declare a Manager vacancy; (c) the authorized number of Managers is increased, or (d) if at a Members' meeting the Members fail to elect the full authorized number of Managers. However, no reduction of the authorized number of Managers shall have the effect of removing any Manager prior to the expiration of his or her term of office. Vacancies are to be filled by election at a special meeting of the Members in accordance with Section 6 of this Agreement.

6.19 Resignation. Any Manager may resign effective upon the delivery of written notice to any Member, unless the notice specifies a later effective date.

6.20 General Manager. If the Members elect more than one Manager, the Members shall designate one of the Managers as the General Manager. The General Manager shall preside at all meetings of the Members. The General Manager shall have the general powers and duties of management typically vested in the office of president of a corporation, and such other powers and duties as may be prescribed by the Members.

6.21 Powers. The Manager shall have general supervision, direction, and control of the business of the LLC. In addition, subject to the provisions of the state of organization's law, any limitations in the Certificate of Organization and this Agreement relating to actions requiring approval by the Members, the Managers may make all decisions and take all actions on behalf of the LLC not otherwise provided for in this Agreement including but not limited to the following:

- (a) select and remove all officers, agents, and employees of the LLC; prescribe any powers and duties for the Officers that are consistent with law, with the Certificate of Organization, and with this Agreement; fix the Officers' compensation; and require from the Officers security for faithful service;
- (b) change the principal business office from one location to another; qualify the LLC to do business in any State, territory, dependency, or country; conduct business within or outside the United States; and designate any place within the United States for the holding of any Members' or Managers' meetings;
- (c) borrow money and incur indebtedness on behalf of the LLC, and cause to be executed

and delivered for the LLC's purposes, in the LLC name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities;

- (d) call a meeting, annual or special, of the Members at any time upon notification as set forth in paragraphs 6.5 and 6.6 above;
- (e) enter into, make, and perform contracts, leases and other agreements which bind the LLC that are necessary and appropriate in the ordinary course of business of the LLC;
- (f) open and maintain bank and investment accounts and designate authorized persons to sign checks or drafts or give instructions concerning those accounts;
- (g) maintain the assets of the LLC;
- (h) collect sums due and owing to the LLC;
- (i) pay the debts and obligations of the LLC;
- (j) acquire, use, and dispose of assets during the ordinary course of business;
- (k) issue authorized Membership Units to such persons for such consideration as the Manager may, in good faith deem reasonable, necessary or advisable.

6.22 Limitation on Powers. Except by the unanimous written agreement of the Members, neither a Manager nor any Officer of the LLC shall have the authority to:

- (a) enter into any agreement, contract, or commitment on behalf of the LLC which would obligate any Member to find additional capital, to guarantee a loan, or to increase a Member's personal liability either to the LLC or to a third party;
- (b) materially alter the business of the LLC, deviate from any approved business plan of the LLC as set forth in this Agreement, or perform any action which would make it impossible to carry on the business of the LLC;
- (c) perform any action that is contrary to this Agreement;
- (d) place title to any LLC asset or property in the name of a nominee or sell, lease, pledge, hypothecate, or grant a security interest in any LLC asset or property, except in the ordinary course of business;
- (e) commingle LLC funds with the funds of any other person or entity;
- (f) confess a judgment against the LLC;

(g) attempt to dissolve the LLC;

(h) authorize any new or additional Membership Units not already authorized by this Agreement.

6.23 Place of Manager Meetings. Regular meetings of the Managers may be held without notice, at any time and at any place within the United States that is designated by the Managers. In the absence of the designation of a place, regular meetings shall be held at the principal office of the LLC. Special meetings of the Managers shall be held at any place that has been designated in the notice of the meeting or, if not stated in the notice, at the principal office of the LLC. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as all Managers participating in such meeting can hear one another, and all such Managers shall be deemed to be present in person at such meeting.

6.24 Annual Manager Meeting. Immediately following each annual meeting of Members, the Managers shall hold a regular meeting for purposes of organization, the election of Officers, if any, and the transaction of other business. Notice of such meeting shall not be required.

6.25 Other Regular Manager Meetings. Other regular meetings of the Managers may be held without call at such time as determined by the Managers. Such regular meetings may be held without notice.

6.26 Special Manager Meetings. Special meetings of the Managers for any purpose or purposes may be called at any time by the General Manager or a majority of the Managers. Notice of the time and place of special meeting shall be delivered personally or by telephone to each Manager or sent by first class mail or telegram, charges prepaid, addressed to each Manager at his or her address as it is shown upon the records of the LLC at least four (4) working days prior to the time of the holding of the meeting. The notice need not specify the purpose of the meeting nor the place if the meeting is to be held at the principal office of the LLC.

6.27 Manager Quorum. A majority of the authorized number of Managers shall constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Managers present at a meeting duly held at which a quorum is present shall be regarded as the act of the Managers. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Managers, if any action taken is approved by at least a majority of the required quorum for such meeting.

6.28 Manager Voting. Every act or decision done or made by a majority of the Managers present at a meeting duly held at which a quorum is present shall be regarded as the act of

the Managers.

6.29 Waiver of Notice. The transactions of any meeting of the Managers, however called and noticed or wherever held, shall be as valid as though conducted at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the Managers not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes thereof. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the LLC books and records. Notice of a meeting shall also be deemed given to any Manager who attends the meeting without objecting to the lack of notice.

6.30 Adjournment. A majority of the Managers present, regardless of whether constituting a quorum, may adjourn any meeting to another time and place.

6.31 Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of such time and place shall be given, prior to the time of the adjourned meeting, to the Managers who were not present at the time of the adjournment.

6.32 Action without Manager Meeting. Any action required or permitted to be taken by the Managers may be taken without a meeting, if all Managers individually or collectively consent in writing to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the Managers. Such written consent or consents shall be filed with the LLC's books and record.

6.33 Fees and Compensation of Managers. Managers may receive such compensation, if any, for their services, and such reimbursement of expenses as may be fixed or determined by the Members/Manager. Nothing herein contained shall be construed to preclude any Manager from serving the LLC in any other capacity as an Officer, agent, employee, or otherwise, and receiving compensation for such services.

6.34 Liability to Third Parties. No Manager shall be liable for the debts, obligations, or liabilities of the LLC to a third party unless the Manager agrees in writing to be liable.

6.35 Standard of Care; Liability. Each Manager shall exercise such powers and otherwise perform such duties in good faith, in the matters such Manager believes to be in the best interests of the LLC, and with such care including reasonable inquiry, using ordinary prudence, as a person in a like position would use under similar circumstances. A Manager is not a fiduciary, and shall not owe a fiduciary duty to the Members, or to any particular Member, but shall only be judged by a standard of reasonable care and the business judgment rule. In performing the duties of a Manager, a Manager shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in which case prepared or presented by:

- (a) one or more Officers or employees of the LLC who the Manager believes to be reliable and competent in the matters presented;
- (b) counsel, independent accountants, or other persons as to matters which the Manager believes to be within such person's professional or expert competence; or
- (c) a Committee upon which the Manager does not serve, as to matters within its designated authority, which Committee the Manager believes to merit confidence, so long as in any such case, the Manager acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

6.36 Committees.

- (a) **Manager Committees.** The Managers may, by resolution adopted by a majority of the authorized number of Managers, designate one or more committees, each consisting of one or more Managers, to serve at the pleasure of the Managers. The Managers may designate one or more Managers as alternate members of any committee. Any such committee, to the extent provided in the resolution of the Managers, shall have all the authority of the Managers.
- (b) **Meetings and Actions of Manager Committees.** Meetings and actions of Manager Committees shall be governed by the above paragraphs applicable to meetings and actions of the Managers as to place of meetings, regular meetings, special meetings, waiver of notice, quorum, adjournment, notice of adjournment, and action by written consent without a meeting, with such changes in the context of those paragraphs as are necessary to substitute the committee and its members for the Managers, except that: (i) the time of regular committee meetings may be determined either by resolution of the Managers or by resolution of the committee; (ii) special committee meetings may also be called by resolution of the Managers; (iii) notice of special committee meetings shall also be given to all alternate members; and (iv) alternate members shall have the right to attend all meetings of the committee. The Managers may adopt rules, not inconsistent with this Agreement, for the governance of Manager Committees.

6.37 Officers.

- (a) The Manager may, from time to time, create or terminate one or more Offices for purposes of managing the business of the Company or any part thereof, and may appoint such persons as the Manager sees fit to serve as Officers of such Offices, at the pleasure of the Manager. The LLC presently has the following Offices, managed by the following Officers:
 - i. Chief Executive Officer
 - ii. Chief Financial Officer
 - iii. Chief Operating Officer
 - iv. Chief Information Systems Officer:
- (b) Election of Officers. The Officers of the LLC shall be chosen by the Managers, and each shall serve at the pleasure of the Managers, subject to the rights, if any, of any Officer under any contract of employment.
- (c) Subordinate Officers, etc. The Managers may appoint, and may empower the President to appoint, such other Officers as the business of the LLC may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in this Agreement or as the Managers may determine.
- (d) Removal and Resignation of Officers.
 - (1) Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, either with or without cause, by the Managers, at any regular or special meeting thereof, or by any Officer upon whom such power of removal may be conferred by the Managers.
 - (2) Any Officer may resign at any time by giving written notice to the Managers. Any such resignation shall take effect upon the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any such resignation is without prejudice to the rights, if any, of the LLC under any contract to which the Officer is a party.
- (e) Vacancies in Offices. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in this Agreement for regular appointments to such office.

(j) Subordinate Officers. The Managers may appoint, and may empower the President or Chief Financial Officer to appoint, subordinate officers as required by the LLC's business, whose duties shall be as provided in this Agreement or as determined from time to time by the Managers, the President, or the Chief Financial Officer.

(k) Compensation. Salaries of Officers employed by the LLC shall be determined by the Managers or established under employment agreements approved by the Managers. No Officer shall be prevented from receiving this salary because he or she is also a Manager and/or Member of the LLC.

SECTION 7: TRANSFER AND ASSIGNMENT OF LLC INTERESTS

7.1 Transfer or Assignment of Member's Interest. No Member may transfer or assign his or her LLC Interest, any Membership Unit, or any part thereof, except as otherwise provided in this Agreement. For purposes of this Agreement transfer shall mean sale, exchange, assignment, alienation, disposition, gift, pledge, hypothecation, encumbrance, or grant of security interest in the LLC Interest or Membership Unit.

7.2 Consent to Transfer. No transfer or assignment of an LLC Interest, Membership Unit, or any part thereof, will be valid without the express written consent of the Manager, and of a majority of the LLC Interests, excluding the Member proposing to transfer or assign. If an LLC Interest or Membership Unit is transferred or assigned without the consent of a majority of the LLC Interests, the transferee shall have no rights in, nor may participate in, the management or operation of the business and affairs of the LLC nor have the right to become a Member of the LLC. Any transfer or assignment of an LLC Interest without the proper consent shall only affect a transfer or assignment of the Member's Financial Interest, and the transferring Member shall still be bound to the terms of this Agreement. If a transfer or assignment does obtain the required consent, then the transferee shall be admitted as an additional Member pursuant to this Agreement.

SECTION 8: BOOKS AND RECORDS

8.1 Maintenance of Books and Records. The LLC shall establish and maintain appropriate books and records of the LLC in accordance with generally accepted accounting principles. There shall be kept at the principal office of the LLC and the registered office of the LLC, if different, the following LLC documents:

- (a) a current list of the name and business or residence address of each Member and his or her Capital Contribution and LLC Interest;
- (b) a current list of the name and business or residence address of each Manager, if any;
- (c) a copy of the Certificate of Organization and this Agreement and any amendments

thereto;

- (d) copies of the LLC's federal, state, and local income tax or information returns, if any, for the past six fiscal years;
 - (e) copies of the financial statements of the LLC, if any, for the past six fiscal years;
 - (f) originals or copies of all minutes, actions by written consent, consents to action, and waivers of notice to Members, Member votes, actions and consents; and
 - (g) any other information required to be maintained by the LLC pursuant to the state of organization's LLC statute.
- 8.2 Annual Accounting. Within ninety days after the close of each fiscal year of the LLC, the LLC shall cause to be prepared and submitted to each Member a balance sheet and income statement for the preceding fiscal year of the LLC (or portion thereof) in conformity with generally accepted accounting principles and provide to the Members all information necessary for them to complete federal and state tax returns.

8.3 Inspection and Audit Rights. Each Member has the right, upon reasonable request, for purposes reasonably related to the interest of that Member, to inspect and copy during normal business hours any of the LLC books and records. Such right may be exercised by the Member or his or her agent or attorney. Any Member may require a review and/or audit of the books, records, and reports of the LLC.

8.4 Bank Accounts. All funds of the LLC shall be deposited in the LLC's name in such banks as determined by the Manager. All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the LLC, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by the Manager.

8.5 Fiscal Year. The LLC's fiscal year shall end on December 31.

8.6 Accounting Method. For financial reporting purposes, the books and records of the LLC shall be kept on the cash (or accrual) method of accounting applied in a consistent manner and shall reflect all transactions of the LLC and be appropriate and adequate for the purposes of the LLC.

SECTION 9: TAXATION

9.1 Tax Year. The LLC's taxable year shall end on December 31.

9.2 Tax Matters Partner. The Manager, if there is only one, otherwise, a Manager appointed by the majority of the Managers, if there is more than one Manager shall serve as Tax Matters

Partner pursuant to Code § 6231 to represent the LLC. The Tax Matters Partner, on behalf of the LLC, shall oversee the LLC tax affairs in the overall best interests of the LLC and make all elections for federal income tax purposes. The Tax Matters Partner shall have all necessary federal and state income and information tax returns prepared and filed on behalf of the LLC. The determination of the Tax Matters Partner as to adjustments to the financial reports, books, records, and returns of the LLC, in the absence of fraud or gross negligence, shall be final and binding upon the LLC and all of the Members.

SECTION 10: INDEMNIFICATION

- 10.1 Definitions: Agents, Proceedings, and Expenses. For the purposes of this Agreement, "Agent" means any person who is or was a Member, Manager, Officer, employee, or other agent of this LLC; "Proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "Expenses" means any and all costs, fees, and expenses including but not limited to court costs and attorney's fees.

- 10.2 Actions Other Than by the LLC. The LLC shall indemnify and hold harmless any person or Agent who was or is a party, or is threatened to be made a party, to any Proceeding (other than an action by or in the right of this LLC) by reason of the fact that such person is or was an Agent of this LLC, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such Proceeding, if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of this LLC, and, in the case of a criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonable believed to be in the best interests of this LLC or that the person had reasonable cause to believe that his or her conduct was unlawful.

10.3 Actions by the LLC.

- (a) This LLC shall indemnify any person or Agent who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action by or in the right of this LLC to procure a judgment in its favor by reason of the fact that the person is or was an Agent of this LLC, against expenses actually and reasonably incurred by that person or Agent in connection with the defense or settlement of that action if that person or Agent acted in good faith, in a manner that person or Agent believed to be in the best interests of this LLC, and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances.
- (b) No indemnification, however, shall be made under this Section: (i) with respect to any claim, issue or matter as to which that person or Agent shall have been adjudged to be liable to this LLC in the performance of that person's or Agent's duty to the

LLC, unless the court in which that action was brought shall determine upon application that the person or Agent is fairly and reasonably entitled to indemnity for the expenses which the court shall determine; (ii) for amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or (iii) for expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval.

10.4 Successful Defense by Agent. To the extent that an Agent of this LLC has been successful on the merits in defense of any Proceeding, the agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the Proceeding.

10.5 Required Approval. Any indemnification under this Section shall be made by the LLC only if authorized upon a determination by a majority vote of the LLC Interests of Members who were not parties to the proceeding at a duly held meeting of the Members at which a quorum is present.

10.6 Advance of Expenses. Expenses incurred in defending any Proceeding may be advanced by the LLC (subject to Manager approval) before the final disposition of the Proceeding upon receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it shall be determined ultimately that the Agent is entitled to be indemnified.

10.7 Other Contractual Rights. Nothing contained in this Section shall affect any right to indemnification to which Agents of this LLC or any subsidiary may be entitled by contract, by vote of the Members, as a matter of law or equity, or otherwise.

10.8 Insurance. The LLC may, upon a determination by the Members, purchase and maintain insurance on behalf of any Agent of the LLC against any liability which might be asserted against or incurred by the Agent in such capacity, or which might arise out of the Agent's status as such, regardless of whether the LLC would have the power to indemnify the Agent against that liability.

10.9 Amendment to State of Organization's Laws. In the event that the state of organization's law regarding indemnification of members, managers, directors, officers, employees, and other agents of an LLC, as in effect at the time of adoption of this Agreement, is subsequently amended to in any way that increases the scope of permissible indemnification beyond that set forth herein, the indemnification authorized by this Section shall be deemed to be coextensive with the maximum afforded by the state of organization's law as so amended.

SECTION 11: LLC CERTIFICATES

[intentionally omitted]

SECTION 12: TERMINATION AND DISSOLUTION

12.1 Dissolution. The LLC shall be dissolved upon the occurrence of any of the following events:

- (a) the expiration of the period fixed in the Certificate of Organization;
- (b) the written consent of at least two-thirds of the LLC Interests;
- (c) the death, withdrawal, resignation, expulsion, bankruptcy or dissolution of a Member, or the occurrence of any other event which terminates the Member's continued membership in the LLC, unless the business of the LLC is continued by the consent of a majority (or all) of the remaining LLC Interests within ninety (90) days of the happening of that event.

12.2 Notice of Winding Up. Upon the occurrence of any of the events specified above, the LLC shall execute and file a Notice of Winding Up, if required, with the Corporations Division of the Secretary of the Commonwealth for the Commonwealth of Massachusetts.

12.3 Conduct of Business. Upon the occurrence of any of the events specified above, a majority of the members (excluding those members who caused the dissolution event) shall appoint one or more of the Manager to act as liquidator and wind up all LLC business and affairs. However, the LLC shall continue to exist until Articles of Dissolution have been filed with the Corporations Division of the Secretary of the Commonwealth for the Commonwealth of Massachusetts or until a decree dissolving the LLC has been entered by a court of competent jurisdiction.

12.4 Distribution of Net Proceeds. Upon the occurrence of any of the events specified above and the completion of the winding up of all LLC business and affairs, the assets of the LLC shall be promptly liquidated and distributed in the following order:

- (a) to the payment of creditors, excluding Members, in the order of priority as provided by law;
- (b) to the payment of loans or advances made by the Members;
- (c) to the Members in proportion to their Capital Accounts after adjustments for all allocations of net profits and net loss.

Where the distribution consists both of cash and noncash assets, the cash shall be distributed first, in descending order, to the above categories. With respect to the noncash assets, which distribution values are to be based on the fair market value of the noncash asset as determined in good faith by the liquidator, the liquidator may sell the noncash assets and distribute the cash proceeds or distribute the assets in kind, in descending order,

to the above categories.

- 12.5 Termination. The LLC shall be terminated upon the distribution of all assets. The Manager shall cause the LLC to file Articles of Dissolution with the Corporations Division of the Secretary of the Commonwealth for the Commonwealth of Massachusetts or take any other actions necessary to terminate the LLC.

SECTION 13: AMENDMENTS

- 13.1 Amendments by Members. This Agreement may be adopted, amended, altered, or repealed by the vote or written consent of two-thirds of the LLC Interests at a meeting of the Members at which a quorum is present, with the consent of a majority of the Managers.

SECTION 14: GENERAL PROVISIONS

- 14.1 Entire Agreement/Modification. This Agreement contains the entire understanding of the parties with respect to the subject matter of the agreement, and it supersedes all prior understandings and agreements, whether written or oral, and all prior dealings of the parties with respect to the subject matter hereof. This Agreement, in whole or in part, cannot be changed, modified, extended, or discharged orally and no waiver of compliance with any provision or condition hereof and no consent provided for herein shall be effective unless evidenced by an instrument in writing duly executed by the party against whom enforcement of any waiver, change, modification, extension, or discharge is sought. Further, no consent or waiver, express or implied, to or of any breach or default shall constitute a consent or waiver to or of any other breach.

- 14.2 Partition. Each Member agrees that he or she has no right, and irrevocably waives any and all such rights, to have the assets of the LLC partitioned, or to file a complaint, or institute and maintain any proceeding at law or equity to have the assets of the LLC partitioned.

- 14.3 Further Actions. Each of the Members agrees to execute, acknowledge, and deliver such additional documents, and take such further actions, as may reasonably be required from time to time to carry out each of the provisions and the intent of this Agreement, and every agreement or document relating hereto, or entered into in connection herewith.

- 14.4 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

- 14.5 Successor and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, legal representatives, and assigns. This Agreement may not be assigned by any party without the express written consent of the

other parties.

14.6 Notices. All notices, requests, demands, and other communications made hereunder shall be in writing and shall be deemed duly given if delivered or sent by telex, facsimile, or posted by registered or certified mail, postage prepaid to the last address appearing for the party in question on the records of the LLC, and shall be deemed given when so delivered, sent or posted.

14.7 Attorney's Fees. In the event of any litigation, arbitration or other dispute arising as a result of or by reason of this Agreement, the prevailing party in any such litigation, arbitration or other dispute shall be entitled to, in addition to any other damages assessed, its reasonable attorney's fees, and all other costs and expenses incurred in connection with settling or resolving such dispute.

14.9 Construction. Throughout this Agreement, the masculine, feminine, or neuter genders shall be deemed to include the masculine, feminine, and neuter and the singular, the plural, and vice versa. The section headings of this Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret, or construe the intentions of the parties.

14.10 Execution and Counterparts. This Agreement may be executed in several counterparts each of which shall be deemed to be an original, and all such counterparts when taken together shall constitute one and the same instrument.

14.11 Governing Law. This agreement shall be governed by, and interpreted in accordance with the laws of the Commonwealth of Massachusetts. The parties hereby agree that any legal action or proceeding shall be brought in the courts of the Commonwealth of Massachusetts. The parties further agree to submit to the jurisdiction of the Commonwealth of Massachusetts and consent to the service of process in accordance with applicable procedures and rules of said jurisdiction.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of this ____ day of February, 2018.

RIVERRUN GARDENS, LLC

By: _____

EDWARD X. DESOUSA, Manager

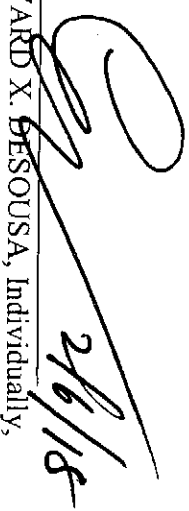
EDWARD X. DESOUSA, Individually,
as Member


EDWARD M. DESOUSA, Individually,
as Member

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of this 6th day of February, 2018.

RIVERRUN GARDENS, LLC

By: 
EDWARD X. DESOUSA, Manager


EDWARD X. DESOUSA, Individually,
as Member


EDWARD M. DESOUSA, Individually,
as Member 2-6-2018

Edward DeSousa

From: Bob Hundertmark <bob@jhlaw.net>
Sent: Tuesday, February 06, 2018 12:07 PM
To: 'Edward DeSousa'
Subject: RiverRun Gardens LLC
Attachments: RiverRun Gardens Certificate of Organization.pdf; RiverRun Gardens Operating Agreement.doc

Okay –

RiverRun Gardens, LLC has legal existence as of February 2, 2018. Since this is a Multiple Member Limited Liability Company, it going to be taxed as a partnership, you're going to have to get an EIN and you're going to have to file tax returns. You should talk to your CPA about that. You should also talk to him about the structure and method about getting money out of Global Drawback and into RRG. I'm thinking you're way better off getting the money from GD individually (either as a loan or a distribution) and lending it to RRG. This should give you "basis" in RRG, and also would avoid GD being a person of influence under the licensing statute. We don't want to drag GD into that.

I've also attached a proposed Operating Agreement. People think these are "boilerplate" and while they may start out that way, they should be reviewed and modified, which I've done to this extensively.

Essentially, you're the Manager, can do pretty much anything, you and Eddie are 50/50, if there's a deadlock, the Manager (you) has the tie-breaker. There's 100,000 shares authorized, 70,000 issued, 30,000 more that you, as Manager, can issue for whatever compensation you deem reasonable. Worst case supermajority is 2/3's so you and Eddie can carry the day.

Take a look, let me know what you think, when we finalize it, I'll have initial votes and an Exhibit A outlining the ownership ready, they'll all be signed together.

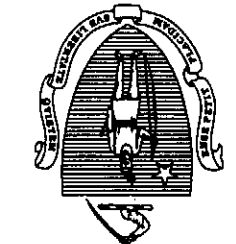
Robert J. Hundertmark
Attorney At Law
10 Cedar Street - Suite 26
Woburn MA 01801
781-932-6611
781-932-6662 (FAX)

NOTICE / DISCLAIMER:

UNLESS THIS EMAIL EXPRESSLY & SPECIFICALLY PROVIDES OTHERWISE WITHIN THE BODY OF THIS EMAIL, NEITHER THIS EMAIL NOR ANY ATTACHMENT TO THIS EMAIL SHALL BE CONSTRUED AS (1) CONSTITUTING AN ELECTRONIC TRANSACTION OR A CONSENT TO AN ELECTRONIC TRANSACTION, (2) CREATING A BINDING OFFER, ACCEPTANCE, OR CONTRACT ON BEHALF OF THE SENDER OR ANY THIRD PARTY, OR (3) IMPLYING OR REPRESENTING THAT THE SENDER HAS ANY LEGAL AUTHORITY TO ACT ON BEHALF OF, OR BIND A THIRD PARTY.

THIS E-MAIL AND/OR ANY ATTACHMENT TO THIS EMAIL MAY CONTAIN CONFIDENTIAL OR PRIVILEGED MATERIAL, INFORMATION AND/OR ATTORNEY WORK PRODUCT, AND IS INTENDED FOR THE SOLE USE OF THE ABOVE ADDRESSEE. ANY REVIEW, COPYING, PRINTING, DISCLOSURE, DISTRIBUTION, OR OTHER USE BY ANY OTHER PERSON OR ENTITY IS STRICTLY PROHIBITED.

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



William Francis Galvin
Secretary of the
Commonwealth

March 18, 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

RIVERRUN GARDENS, LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on February 2,
2018.

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

I also certify that the names of all managers listed in the most recent filing are:
EDWARD X. DESOUSA

I further certify, the names of all persons authorized to execute documents filed with this
office and listed in the most recent filing are: **EDWARD X. DESOUSA, ROBERT J.
HUNDERTMARK ESQ.**

The names of all persons authorized to act with respect to real property listed in the most
recent filing are: **EDWARD X. DESOUSA**

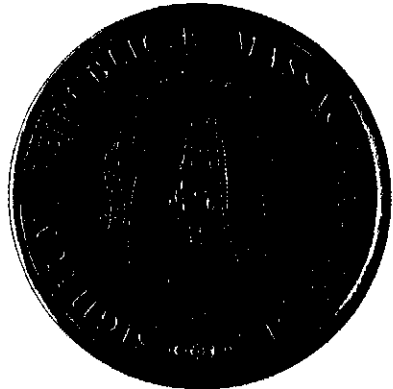
In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

William Francis Galvin
Secretary of the Commonwealth



INSURANCE

RiverRun Gardens will obtain all the required insurance per CCC regulations. We will obtain a minimum of;

General Liability - of no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually.

Product Liability of no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually.

RiverRun Gardens is currently leasing warehouse space for our establishment and has general liability and building insurance per the attached policy; which will be increased and modified upon our license approval. (Attachment A)

RiverRun Gardens had also obtained insurance required by the CCC for our previous location per attached quotation. (Attachment B).

RiverRun is obtaining and negotiating with three separate Insurance brokers (See Exhibit 1) for the actual insurance as required when we obtain a license. Those agents are;

- Gilbert Insurance - Mark S. Gilbert, 137 Mani St. Reading, MA 01867
- DiVirgilio Financial Group - Michael Conlon, 270 Broadway, Lynn, MA 01904
- Foster Insurance- Ryan Logan, 321 Lunenburg St. Fitchburg, MA 01420

RiverRun Gardens LLC certifies that we will have insurance as required upon license approval from the Cannabis Control Commission



Edward X DeSousa

Managing Partner

5/7/19

Name

Title

Date



Exhibit
1

137 Main Street
Reading, MA 01867-3923
781-942-2225
FAX: 781-942-2226
Toll Free 1-888-942-2225
<http://www.gilbertinsurance.com>

5/7/19

RE: Commercial Insurance for RiverRun Gardens, LLC

Gilbert Insurance Agency, Inc. is currently pursuing commercial insurance for RiverRun Gardens, LLC.

We have submitted applications or will be submitting applications for the cannabis cultivation operation to the following wholesale insurance brokerages:

XS Brokers, SafeHerb, Cannasure & CannGenn

We will obtain commercial general liability insurance & product liability insurance of no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually.

Sincerely,

A handwritten signature in dark ink, appearing to read "David Gilbert", is written over the word "Sincerely,".

David Gilbert, CIC



NATIONAL CANNABIS
INSURANCE SERVICES

River Run Gardens, LLC

Quotation				Effective TBD		
Coverage	Limits	Deductible	Rate	Exposure	Basis*	Premium Company
<u>General Liability</u>	\$1,000,000	\$0	-	5,224	SF	\$1,799 Conifer Insurance Company
<u>Product Liability</u>	\$1,000,000	\$0	\$4.17	\$1,800,000	R	\$7,500 Conifer Insurance Company
<u>Property</u>	\$850,000	\$2,500	\$1.92	\$850,000	V	\$1,632 Conifer Insurance Company
Total Estimated Annual Premium						\$10,931

Taxes & Fees

Policy Fee						\$250
Surplus Lines Tax						4%

Estimated Taxes and Fees \$250

* Exposure Basis Key	R = Gross Revenue	V = Values	F = Flat	SF = Square Footage
----------------------	-------------------	------------	----------	---------------------

Attachment (A)
page 1 of 7

River Run Gardens, LLC

Effective Date: TBD

Terms & Conditions

(A) 2 of 7

Payment Terms

Insuring Companies:

Total Premium:	Conifer
Billing Company:	\$11,181
Downpayment Percentage:	Conifer
Downpayment Amount:	25%
Installments #:	\$2,795.26
Installment Amount:	3
	\$2,795.26

Downpayment due within 5 days of binding, remaining installments due 60, 120, 210 days.

Coverages Not Subject to Audit

- | | |
|----------------------|----|
| 1) Property | 3) |
| 2) General Liability | 4) |

Special Terms & Conditions

1. Coverage will be bound upon receipt of:

- * Signed Application
- * Signed TRIA Form
- * Signed Marijuana Risk Warranty Form
- * Signed Surplus Lines Placement Notice
- * Completed EFT Form (optional)
- * Downpayment
- * Copy of the insured's active license

This represents your binder of insurance. The insurance is subject to the terms, conditions and limitations of the policy(s) in current use by the Company(s).

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

Program Specifications

A 3 of 7

Date _____

Discussed With _____

Quote Date _____

Proposal Summary

01/01/18 Edition

Coverage Proposed For	First Named Insured	River Run Gardens, LLC
	Street Address	18 Graf Road Units 25 & 26
	City, State, Zip	Newburyport, MA 01950
Policy Term	M/D/YY to M/D/YY	TBD to
<u>Policy</u>	<u>Additional Named Insureds</u>	<u>Relationship</u>

Coverage Applicable

Basis for Premium Calculation

<u>General Liability</u>	Square Footage (office):	300
	Square Footage (grow facilities):	4924
	Square Footage (total):	5224
<u>Product Liability</u>	Gross Sales:	\$1,800,000
<u>Property</u>	Projected Property Values:	
	Real Property	
	Personal Property	\$50,000
	Business Interruption	\$500,000
	Tenants Improvements	\$300,000
	Equipment	
	Total Property Values:	\$850,000

*The coverages shown on these Program Specifications are not a complete summary of the Insurance Policy.
The Insured is subject to the Terms, Conditions, Limitations, and Exclusions of the Insurance Policy.
Please take the time to thoroughly review the Policy and contact us with any questions or concerns.

Program Specifications

A 447

Date _____

Discussed With _____

Quote Date _____

Proposed Coverage	Classification	Limit	Deductible
-------------------	----------------	-------	------------

Commercial General Liability

97047

General Aggregate	\$2,000,000	
Products & Completed Operations Aggregate	Excluded	
Personal and Advertising Injury	\$1,000,000	
Per Occurrence	\$1,000,000	\$0
Damage to Premises Rented to You	\$100,000	\$0
Medical Expense	\$1,000	\$0

Endorsements/Enhancements:

X If Applicable

Employers Liability For Monopolistic States (specify below)	Limit	Deductible
States: _____		
• Each Accident		
• Each Employee		
• Policy Limit		
Pesticide and Herbicide Applicators		
Defense Outside Limits		
Hired and Non Owned Autos		
Additional Insured		
• Automatic - Where required by contract		
• Designated Individual or Organization		

Limitations / Exclusions:

X If Applicable

Contractual Liability Limitation (CG 2139)	
Designated Location	
Firearms	X
Health Hazard	
Dog Bite	
CGL Minimum Premium	%
CGL Exposure Basis	SF

Terms & Conditions / Deductible Options:

Program Specifications

A 517

Date _____

Discussed With _____

Quote Date _____

Proposed Coverage	Classification	Limit	Deductible
-------------------	----------------	-------	------------

Products and Completed Operations

General Aggregate		\$1,000,000	\$0
Per Occurrence		\$2,000,000	\$0

Endorsements/Enhancements:

X If Applicable

Product Withdrawal			
Vendor Certificate			
Defense Outside Limits			

Limitations/Exclusions:

X If Applicable

Insurance Specified Herbal Products	
Vaporizing Equipment and Components	
Foreign Products Liability	
Impairment	
Health Hazard	
Biological or Chemical Materials	X
Seepage/Pollution/Contamination	X

Claims Made Policy	X
Retro-Active Date	Inception

Terms & Conditions / Deductible Options:

Program Specifications

(A) 677

Date _____

Discussed With _____

Quote Date _____

Proposed Coverage	Form	Limit	Deductible
-------------------	------	-------	------------

Property Coverage

Real Property (Buildings)			
Personal Property (Contents)		\$50,000	\$2,500
Finished Stock			
Business Interruption / Extra Expense		\$500,000	\$0
Tenants Improvements		\$300,000	\$2,500
Merchandise (Non-Cannabis Products)			
Equipment Breakdown			

Equipment Coverage

Indoor Grow Equipment and Tools			
Outdoor Grow Equipment and Tools			
EDP (Hardware / Software / Data & Media)			

Endorsements/Enhancements:

X If Applicable

Causes of Loss			
- Basic Form			
- Broad Form			
- Special Form	X		
Valuation Basis			
- Replacement Cost			
- Actual Cash Value			
- Agreed Amount			
- Co-Insurance Clause	80%	Building & Contents	
- Co-Insurance Clause	25%	Business Income/Ordinary Payroll Incl.	
Transit			

Additional Coverage Parts

X If Applicable

Limit

Deductible

*Flood			
Earthquake			
Coastal Wind			
Building Ordinance Coverage			
Backup of Sewers and Drains			
Accounts Receivable			
Employee Dishonesty			
Money & Securities			
Outdoor Property			
- Fence, Radio/TV, Antennas/Satellite Dishes/Sign			
Outdoor Property			
- Trees, Shrubs or Plants			
Personal Effects and Property of Others			
Property Off-Premises			
Spoilage			
Valuable Papers and Records			
- Other than Electronic Data			

Program Specifications

Page 1 of 7

Date _____

Discussed With _____

Quote Date _____

Proposed Coverage

Form

Policy Limit

Underlying

Excess Liability

Not Quoted

Per Occurrence Limit

Aggregate Limit (Other Than Auto)

Endorsements/Enhancements:

X If Applicable

Claims Reported on a Occurrence Basis

Following Form

Concurrency Endorsement

Defense Costs - Outside Of Limits

Minimum Earned Premium

Annual Minimum Premium

Exposure Basis

Drop Down Coverage - Exhausted Underlying

Retroactive Date

Claims made policy only

Exclusions

X If Applicable

Total Pollution Exclusion

UM/UIM, Medical Payments, PIP

Schedule Of Underlying Policies

Insurance Co.

Limit

Policy Period

Terms & Conditions / Deductible Options:

Suggested Limits

NEW

Renewal of Number

POLICY DECLARATIONS

No. CL 2742443

Mount Vernon Fire Insurance Company
1190 Devon Park Drive, Wayne, Pennsylvania 19087
A Member Company of United States Liability Insurance Group

Direct Bill Policy

B
pay 1/4

NAMED INSURED AND ADDRESS:

RIVER RUN GARDENS LLC
50 MAIN ST STE 200
NORTH READING, MA 01864

POLICY PERIOD: (MO. DAY YR.) From: 01/29/2019 To: 01/29/2020

12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS SHOWN ABOVE

FORM OF BUSINESS: Limited Liability Company

BUSINESS DESCRIPTION: Vacant without Renovation

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE
WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Commercial Liability Coverage Part

PREMIUM
\$375.00

TOTAL:

\$375.00

Coverage Form(s) and Endorsement(s) made a part of this policy at time of issue

See Endorsement EOD (1/95)

Agent: GILBERT INSURANCE AGENCY, INC. (5572)

Issued: 01/31/2019 4:20 PM

By:

Thomas P. Kenney
Authorized Representative

UPD (08-07)

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS,
COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF,
COMPLETE THE ABOVE NUMBERED POLICY.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy No. CL 2742443

Effective Date: 01/29/2019
12:01 AM STANDARD TIME

LIMITS OF INSURANCE

Each Occurrence Limit	\$1,000,000
Personal & Advertising Injury Limit (Any One Person/Organization)	Excluded
Medical Expense (Any One Person)	\$5,000
Damages To Premises Rented To You (Any One Premises)	\$100,000
Products/Completed Operations Aggregate Limit	Excluded
General Aggregate Limit	\$2,000,000

LIABILITY DEDUCTIBLE

\$0

LOCATION OF THE PREMISES (S), BUSINESS, POLICY OR OCCUPY

Location	Address	Territory
1	5 Perkins Way, Unit 8, Newburyport, MA 01950	016

Loc	Classification	Code No.	Premium Basis	Pr/Co	Rate		Advance Premium	
					All Other	Pr/Co	All Other	
1	Vacant Buildings - not factories - Other than Not-For-Profit - Leased	68606	7,000 Per 1,000 Total Area	Excluded	24.300	Excluded		\$275 MP
1	Additional Insured - Managers or Lessors of Premises	49950	1 Per Additional Insured	Excluded	100.000	Excluded		\$100

TOTAL PREMIUM FOR GENERAL LIABILITY COVERAGE PART:

\$375

(This Premium may be subject to adjustment.) MP - minimum premium

Coverage Form(s)/Part(s) and Endorsement(s) made a part of this policy at time of issue:

See Form EOD (01/95)

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

EXTENSION OF DECLARATIONS

Policy No. CL 2742443

Effective Date: 01/29/2019

12:01 AM STANDARD TIME

FORMS AND ENDORSEMENTS

The following forms apply to the Commercial Liability coverage part

Endt#	Revised	Description of Endorsements
CG0001	12/07	Commercial General Liability Coverage Form
CG0068	05/09	Recording And Distribution Of Material Or Information In Violation Of Law Exclusion
CG0203	03/08	Massachusetts Changes - Cancellation And Nonrenewal
CG2011	04/13	Additional Insured - Managers or Lessors of Premises
CG2104	11/85	Exclusion - Products-Completed Operations Hazard
CG2107	05/14	Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability - Limited Bodily Injury Exception Not Included
CG2109	06/15	Exclusion - Unmanned Aircraft
CG2136	03/05	Exclusion - New Entities
CG2138	11/85	Exclusion - Personal And Advertising Injury
CG2139	10/93	Contractual Liability Limitation
CG2147	12/07	Employment-Related Practices Exclusion
CG2173	01/15	Exclusion Of Certified Acts Of Terrorism
IL0017	11/98	Common Policy Conditions
IL0021	09/08	Nuclear Energy Liability Exclusion Endorsement
L 278VAC	12/14	Independent Contractors/Subcontractors Exclusion
L-232s	09/05	Classification Limitation Endorsement
L-395	11/05	Vacant Building Protection Warranty
L-500	02/11	Bodily Injury Exclusion - All Employees, Volunteer Workers, Temporary Workers, Casual Laborers, Contractors, And Subcontractors
L-532 VAC	12/14	Exclusion - Construction Operations
L-540	11/09	Exclusion - Exterior Work Over 50 Feet
L-599	10/12	Absolute Exclusion for Pollution, Organic Pathogen, Silica, Asbestos and Lead with a Hostile Fire Exception
L-685	05/10	Premises Limitation Endorsement
L-783	10/12	Amendment of Liquor Liability Exclusion
LLQ 100 MA	07/06	Who Is An Insured Clarification Endorsement
LLQ368	08/10	Separation Of Insureds Clarification Endorsement
Notice-Unmanned Aircraft-GL	05/16	Advisory Notice To Policyholders
NTP MA	01/10	Massachusetts Notice To Policyholders
TRIADN	02/15	Policyholder Disclosure Notice of Terrorism Insurance Coverage
Jacket	09/10	Commercial Insurance Policy Jacket



RiverRun Gardens

Business Plan

May 2019

Edward DeSousa 978-207-1251

ed@riverrungardens.com

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Executive Summary

Summary

RiverRun Gardens is proposing to enter into the cannabis cultivation market, in the Commonwealth of Massachusetts. RiverRun Gardens is applying for a micro-business cultivation license and intends to either lease warehouse space to cultivate cannabis for the recreational market.

Main Goals

- Own and operate a cannabis cultivation facility in the Commonwealth of Massachusetts.
- To build a successful cultivation business and construct a recognizable brand in a rapidly growing industry.
- To be fully compliant with all state and local municipalities and be primed and ready for national expansion as federal laws adjust and evolve to the benefit of the cannabis industry.
- To become one of the best high-grade cannabis wholesalers in the state of Massachusetts to dispensaries and manufacturers.

Mission

To provide a locally owned, organically grown product that is superior in all ways. We will provide excellent employment compensation and benefits to our team members. A portion of our sales will be donated to local organizations such as homeless shelters, Veterans, and Schools.

Main Objective

Obtaining a Massachusetts Micro-Business Cultivation license, keeping on point with the company goals, acting as a guideline for us to follow as we grow larger.

Company Summary

RiverRun Gardens intends to start cultivation by end of third quarter, 2019

Location

RiverRun Gardens premises will be located in Newburyport, Massachusetts

Products and Services

RiverRun Gardens sole focus will be on cultivation of cannabis. After a couple years of successful operation, we will expand services to manufacturing.

Customers

RiverRun Gardens looks to establish itself as a wholesaler for cannabis in Massachusetts. We intend to sell our product to manufacturers and recreational stores.

Financial Forecast

MA will be a \$1.2 billion dollar industry. Other states show that flower is about 53% of their sales, 30% are in concentrates and the remaining is edibles. We are going after the concentrate & edible market.

RiverRun Gardens intends to become the premier cultivator of craft cannabis to grab a large share of cannabis flower sales.

Required Funds

RiverRun Gardens is a self-funded organization consisting of a father and son team. There is an investor, who is related to the family as well as room for additional investors, if we want to bring them onboard.

Company and Financing

Management

Edward M. DeSousa **Managing Partner**

20 years' experience in information technology. Edward is also a cannabis advocate and medical patient.

Edward's role is to manage the day to day operations including overseeing the mater grower, client relations and marketing.

Edward X. DeSousa **Managing Partner**

Over 25 years as a small business owner, Edward has excelled in the field of transportation import and exports.

Edward's role is to manage the financial being of the organization.

Managing Partner

The roles of Managing Partner is going to be filled by Edward M. DeSousa and Edward X. DeSousa. Both part owners of RiverRun Gardens, LLC. The Managing Partners will ultimately be responsible for all positions within the organization.

- Leader:
 - Advises the Board ○ Advocates / promotes organization and stakeholder change related to organization mission
 - Supports motivation of employees in organization products/programs and operations
 - Visionary / Information Bearer ○ Ensures staff and Board have sufficient and up-to-date information ○ Looks to the future for change opportunities ○ Interfaces between Board and employees ○ Interfaces between organization and community
- Decision Maker ○ Formulates policies and planning recommendations to the Board ○ Decides or guides courses of action in operations by staff
- Manager
 - Oversee operations of the organization ○ Implements plans ○ Manages human resources of the organization ○ Manages financial and physical resources
- Board Developer ○ Assists in the selection and evaluation of board members ○ Makes recommendations, supports Board during orientation and self-evaluation ○ Supports Board's evaluation of Chief Executive

Horticulturist and Master Grower

The role of Horticulturist is held by Jim Blanchette.

The role of Master grower is held by Steven Belanger

Responsible for managing the day-to-day operations of a large cannabis cultivation facility. Provides support for all cultivation agents, including schedules, training, policy and procedure updates, industry news, and product information. Oversees and manages all cultivation employees to perform the tasks necessary to grow various strains of high-quality cannabis in a large-scale indoor cultivation.

- Management - Oversee and manage all cultivation employees to perform the tasks necessary to grow various strains of high-quality cannabis in a large-scale indoor cultivation.
- Train staff in all the tasks in the cultivation facility including:
 - Develop and maintain cultivation warehouse protocols and nutrient regiment ○ Manage plant scheduling to project all garden needs on a daily, weekly and monthly schedule to keep the garden green and expenses low.

- Responsible for delegating tasks to cultivation staff in order to maintain a compliant and clean facility.
- Cultivation Responsibilities - Catalogue and analyze strains and individual plants from clone to harvest.
 - Execute preventative maintenance to eliminate mold, powdery mildew, spider mites, root aphids, fungus gnats, etc.
 - Maintain a clean and organized work environment. ○ Maintain a first class fertigation control system. ○ Produce safe quality marijuana for adult use.
 - Help identify and react to all incidents.
- Development - Research techniques to expand knowledge of individual strains, highyield recipes, controlled stress environments, different lighting systems, and setups.
 - Assist state and local government officials and law enforcement with inventory, sales, and compliance audits.
 - Have a basic and updated knowledge of all garden operations.
 - Have an understanding of all tools and equipment needed to run the cultivation facility. ○ Implement safety practices and considerations. ○ General facility maintenance and troubleshooting as necessary. ○ Maintain odor control measures, plant sprays, and feeding protocol. ○ Maintain access to limited access areas.

Exit Strategy

Our 2-year plan will be to brand, market and sell our products all over MA and be a leader within the industry. With our plan, we will continue to grow exponentially year after year. When we hit our goals, it will bring a lot of attention from potential buyers who will want our methods of operation and our brand name. Careful planning, strong morals and a lot of knowledge will lead the way into a very profitable future.

Mission Statement

To provide a locally owned, organically grown product that is superior in all ways. We will provide excellent employment compensation and benefits to our team members. A portion of our sales will be donated to local organizations such as homeless shelters, Veterans, and Schools.

Locations and Facilities

The company plans to purchase or lease a building that can be constructed suitable for cultivation. RiverRun Gardens, looks to establish itself in the North Shore region of Massachusetts.

Competitors

RiverRun will be competing with an array of companies that produce cannabis flower, however only a handful will be small enterprises. To separate ourselves from our competition, we will produce cannabis flower utilizing a no-till organic regimen. We feel this is greatly different from the large automated methods that will be used by larger facilities. Also, since we are under 10,000 square feet of canopy, we can use more traditional sources of lighting at 50 watts per square foot, where larger operations must adhere to 36 watts per square foot.

Marketing and Sales

Overview

RiverRun Gardens will market its products as an organic flower which gives consumers a controlled and memorable experience. The price point of this product is not only competitive with others on the market but can likely be priced below what is already on the market. This price point will be adjusted based on product strength and margin, but still stands below competition for a high-grade product.

Positioning

The positioning of RiverRun Gardens is going to be among premium organic cannabis flower. This means that we will maintain a high standard for quality and strict sourcing.

Pricing

Premium products will be priced just below similar products in this category. This will maintain the image of the product while also being a go to choice consumers looking to get the best value.

Distribution

Currently going to use the network of contacts that Ed has gained over years of business coupled with past experience building working relationships with sources that can sell our products. We will use this

relationship building expertise and generate business through providing superior products and top shelf customer service.

SWOT Analysis

Strengths

The process has been proven to work and produce high quality cannabis flower on multiple grows.

Weaknesses

There will be huge demands on the market. We will need to wait a couple of months in order to run at full capacity. **Opportunities**

There is potential to sell trim to manufacturers which would also increase consumer awareness.

Threats

Federal Laws

Competitors who are willing to put out a cheap product both in value and quality and those who may choose these items due to a lack of product knowledge.

Competitive Edge

The company plans to compete on several vectors:

High Quality:

No-till organically grown cannabis flower, without the use of pesticides

Price point:

Price will be based on quality of our product vs competitors on the market today.

Operational efficiency:

Process has been honed over time and produces consistent results.

Strategic Alliances

RiverRun Gardens has made significant relationships within the Massachusetts market and maintains a strong relationship with other small cultivators and storefronts. These alliances provide the company with preferential pricing and assurances of product quality and consistency.

Financial Plan

RiverRun Gardens has the ability to produce a little over 1,400 pounds of cannabis flower per year. If everything moves on schedule, RiverRun will be able to produce income within its fourth month of operation.

Sales Forecast

Sales Forecast Table

		2020		2021		2022	
<hr/>							
Unit Sales							
Flower		200lbs		1417lbs		1417lbs	
Price Per Unit							
Flower		\$2,000/lb		\$1,500/lb		\$1,000/lb	
Sales							
Flower	\$400,000	\$2,125,500	\$1,417,000	\$400,000	\$2,125,500	\$1,417,000	
Total Sales							

Pursuant to 935 CMR 500.030(1)(a), all employees of RiverRun Gardens, LLC will have reached age 21 or over prior to registration as a marijuana establishment agent. In addition, and pursuant to 935 CMR 500.110(1)(a), under no circumstances will anyone under the age of 21 be allowed to enter our facility or accompany a transportation vehicle during delivery of product.

All visitors to the operating facility will be asked to present either state or federal identification, showing they are over the age of 21, with said protocol intended to positively identify any individuals seeking access to the facility. Should any visitor be under the age of 21, they will not be granted access under any circumstances.

A log of all visitors will be recorded and stored for a minimum of seven (7) years.

RiverRun Gardens only works with other licensed entities in Massachusetts which must obey the same age restriction rules.

RIVERRUN GARDENS LLC
POLICIES AND PROCEDURES FOR MAINTAINING FINANCIAL RECORDS
PURSUANT TO 935 CMR 500.101(3)(C)(7)

In his capacity as Managing Partner, Edward X. DeSousa shall be responsible for maintaining RiverRun Garden LLC's (the "Company" or "RiverRun Gardens") financial records, hard copies of which shall be maintained on Company premises in locked fireproof file cabinets accessible only to the Managing Partners and other authorized personnel to be housed within a Limited Access Area within the facility. Electronic files shall be backed up daily on an internal server and/or a cloud based storage system with enterprise grade encryption protections. All financial records shall be maintained in accordance with Generally Accepted Accounting Principles ("GAAP") and will be maintained via Intuit QuickBooks software.

The Company shall ensure that all business records are maintained in such a manner as to ensure accuracy and transparency and will clearly reflect all financial transactions and the financial condition of the Company. Business records will not be accessible to non-management employees. All business and financial records shall be kept for a minimum of seven (7) years.

The Company will allow the Commission to examine Company's records and will deliver or otherwise make available Company financial records to authorized agents of the Commission upon request.

Business records shall include manual or computerized records of:

- Assets and liabilities;
- Monetary transactions, including daily reconciliation of cash-on-hand;
- Books of Accounts, which shall include journals, ledgers and supporting documents, including agreements, checks, invoices and vouchers;
- Sales records including the quantity, form and the cost of the product;
- Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any affiliated individual, including members of the nonprofit corporation, if any;
- Contracts for services performed or received;
- Purchase invoices, bills of lading, manifests, sales records, copies of bills of sale, and any supporting documents, including items and/or services purchased, from whom items were purchased, and date of purchase;
- Bank statements and canceled checks for all accounts; and
- Accounting and tax records related to the Company, and records of any theft, loss, diversion or other unaccountability.

Susan Rubin is an external accountant that is contracted with the Company to serve as bookkeeper and verify work done by Mr. DeSousa. RiverRun Gardens will also utilize the services of James L. Hickey, CPA PC, on a contract basis, for quarterly accounting for tax purposes.

No other employee or individual will be allowed to view, modify, or make any financial decisions without prior permission from either Edward M. or Edward X. DeSousa. RiverRun Gardens, will comply with all request at the municipal, state or federal level to view records.

RIVERRUN GARDENS LLC

Procedures for Quality Control and Testing of Product

Pursuant to 935 CMR 500.160, RiverRun Gardens LLC (“RiverRun”) will not sell or market any marijuana product that is not capable of being tested by licensed Independent Testing Laboratories. RiverRun shall implement a written policy for responding to laboratory results that indicate contaminant levels that are above acceptable levels established in DPH protocols identified in 935 CMR 500.160(1) and subsequent notification to the Commission of such results. Results of any tests will be maintained by RiverRun for at least one year. All transportation of marijuana to or from testing facilities shall comply with 935 CMR 500.105(13) and any marijuana product returned to RiverRun by the testing facility will be disposed of in accordance with 935 CMR 500.105(12). RiverRun shall never sell or market adult use marijuana products that have not first been tested by an Independent Testing Laboratory and deemed to comply with the standards required under 935 CMR 500.160.

RiverRun’s policies include requirements for handling of marijuana, pursuant to 935 CMR 500.105(3), including sanitary measures that include, but are not limited to: hand washing stations; sufficient space for storage of materials; removal of waste; clean floors, walls and ceilings; sanitary building fixtures; sufficient water supply and plumbing; and storage facilities that prevent contamination.

Pursuant to 935 CMR 500.105(11)(a)-(e), RiverRun shall provide adequate lighting, ventilation, temperature, humidity, space and equipment, in accordance with applicable provisions of 935 CMR 500.105 and 500.110. RiverRun will have a separate area for storage of marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, unless such products are destroyed. RiverRun storage areas will be kept in a clean and orderly condition, free from infestations by insects, rodents, birds and any other type of pest. The RiverRun storage areas will be maintained in accordance with the security requirements of 935 CMR 500.110.

All testing results will be maintained by RiverRun for no less than one year in accordance with 935 CMR 500.160(3).

Pursuant to 935 CMR 500.160(9), no marijuana product shall be sold or marketed for sale that has not first been tested and deemed to comply with the Independent Testing Laboratory standards.

RIVERRUN GARDENS LLC

Personnel Policies

RiverRun Gardens LLC (“RiverRun”) has drafted and instituted these personnel policies to provide equal opportunity in all areas of employment, including hiring, recruitment, training and development, promotions, transfers, layoff, termination, compensation, benefits, social and recreational programs, and all other conditions and privileges of employment, in accordance with applicable federal, state, and local laws. RiverRun shall make reasonable accommodations for qualified individuals with demonstrated physical or cognitive disabilities, in accordance with all applicable laws. In accordance with 935 CMR 500.101(2)(e)(8)(h), RiverRun is providing these personnel policies, including background check policies, for its adult-use Microbusiness Marijuana Establishment that will be located in the City of Newburyport, MA.

Management is primarily responsible for seeing that equal employment opportunity policies are implemented, but all members of the staff share the responsibility for ensuring that, by their personal actions, the policies are effective and apply uniformly to everyone. Any employee, including managers, that RiverRun determines to be involved in discriminatory practices are subject to disciplinary action and may be terminated. RiverRun strives to maintain a work environment that is free from discrimination, intimidation, hostility, or other offenses that might interfere with work performance. In keeping with this desire, we will not tolerate any unlawful harassment of employees by anyone, including any manager, co-worker, vendor or clients.

In accordance with 935 CMR 500.105 (1), General Operational Requirements for Marijuana Establishments, Written Operating Procedures, as a Marijuana Establishment, RiverRun has and follows a set of detailed written operating procedures for each location. RiverRun has developed and will follow a set of such operating procedures for each facility. RiverRun’s operating procedures shall include, but are not necessarily limited to the following:

- (a) Security measures in compliance with 935 CMR 500.110;
- (b) Employee security policies, including personal safety and crime prevention techniques;
- (c) A description of the Marijuana Establishment’s hours of operation and after-hours contact information, which shall be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000.
- (d) Storage of marijuana in compliance with 935 CMR 500.105(11);
- (e) Description of the various strains of marijuana to be cultivated, processed or sold, as applicable, and the form(s) in which marijuana will be sold;
- (f) Procedures to ensure accurate record-keeping, including inventory protocols in compliance with 935 CMR 500.105(8) and (9);
- (g) Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
- (h) A staffing plan and staffing records in compliance with 935 CMR 500.105(9);
- (i) Emergency procedures, including a disaster plan with procedures to be followed in case of fire or

other emergencies;

(j) Alcohol, smoke, and drug-free workplace policies;

(k) A plan describing how confidential information will be maintained;

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

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

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

3. Been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the

laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.

(m) A list of all board members and executives of a Marijuana Establishment, and members, if any, of the licensee must be made available upon request by any individual. 935 CMR 500.105(1)(m) requirement may be fulfilled by placing this information on the Marijuana Establishment's website. (n) Policies and procedures for the handling of cash on Marijuana Establishment premises including but not limited to storage, collection frequency, and transport to financial institution(s).

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

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

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

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

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

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

In accordance with 935 CMR 500.105(2), all of RiverRun's current owners, managers and employees that are involved in the handling and sale of marijuana will successfully complete Responsible Vendor Training Program, and once designated a "responsible vendor" require all new employees involved in handling and sale of marijuana to complete this program within 90 days of hire. This program shall then be completed annually and those not selling or handling marijuana may participate voluntarily. RiverRun shall maintain records of responsible vendor training compliance, pursuant to 935 CMR 500.105(2)(b). Responsible vendor training shall include: discussion concerning marijuana effect on the human body; diversion prevention; compliance with tracking requirements; identifying acceptable forms of ID, including medical patient cards; and key state and local laws.

All employees of RiverRun will be duly registered as marijuana establishment agents and have to complete a background check in accordance with 935 CMR 500.030(1). All marijuana establishment agents will complete a training course administered by RiverRun and complete a Responsible Vendor Program in compliance with 935 CMR 500.105(2)(b). Employees will be required to receive a minimum of eight hours of on-going training annually pursuant to 935 CMR 500.105(2)(a).

In accordance with 935 CMR 500.105 (9), General Operational Requirements for Marijuana Establishments, Record Keeping, RiverRun's personnel records will be available for inspection by the Commission, upon request. RiverRun's records shall be maintained in accordance with generally accepted accounting principles. Written records that are required and are subject to inspection include, but are not necessarily limited to, all records required in any section of 935 CMR 500.000, in addition to the following:

(d) The following RiverRun personnel records:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
2. A personnel record for each of RiverRun's marijuana establishment agents. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with RiverRun and shall include, at a minimum, the following:
 - a. all materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 - b. documentation of verification of references;
 - c. the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
 - d. documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
 - e. documentation of periodic performance evaluations;
 - f. a record of any disciplinary action taken; and
 - g. notice of completed responsible vendor and eight-hour related duty training.
3. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
4. Personnel policies and procedures; and
5. All background check reports obtained in accordance with 935 CMR 500.030.

(g) Following closure of a Marijuana Establishment, all records must be kept for at least two years at the expense of the Marijuana Establishment and in a form and location acceptable to the Commission. RiverRun understands that in the event that RiverRun were to close, all records will be kept for at least two years at the expense of RiverRun.

RIVERRUN GARDENS LLC

Qualifications and Training

RiverRun LLC (“RiverRun”) shall, pursuant to 935 CMR 500.105(2)(a), ensure that all Microbusiness marijuana establishment agents complete training prior to performing job functions. Training will be tailored to the role and responsibilities of the job function. Dispensary agents will be trained for one week before acting as a dispensary agent. At a minimum, staff shall receive eight hours of on-going training annually. New Microbusiness marijuana establishment agents will receive employee orientation prior to beginning work with RiverRun. Each department managed will provide orientation for dispensary agents assigned to their department. Orientation will include a summary overview of all the training modules.

In accordance with 935 CMR 500.105(2), all current owners, managers and employees of RiverRun that are involved in the handling and sale of marijuana will successfully complete Responsible Vendor Training Program, and once designated a “responsible vendor” require all new employees involved in handling and sale of marijuana to complete this program within 90 days of hire. This program shall then be completed annually and those not selling or handling marijuana may participate voluntarily. RiverRun shall maintain records of responsible vendor training compliance, pursuant to 935 CMR 500.105(2)(b). Responsible vendor training shall include: discussion concerning marijuana’s effects on the human body; diversion prevention; compliance with seed-to-sale tracking requirements; identifying acceptable forms of ID demonstrating the age of majority (21+); and key state and local laws.

All of RiverRun’s employees will be registered as Microbusiness marijuana establishment agents, in accordance with 935 CMR 500.030. All RiverRun employees will be duly registered as Microbusiness marijuana establishment agents and have to complete a background check in accordance with 935 CMR 500.030(1). All registered agents of RiverRun shall meet suitability standards of 935 CMR 500.800.

Training will be recorded and retained in the Microbusiness marijuana establishment agents’ files. RiverRun shall retain all training records for at least one year after a Microbusiness marijuana establishment agents’ termination. Microbusiness marijuana establishment agents will have continuous quality training and a minimum of 8 hours annual on-going training.

RIVERRUN GARDENS LLC

Record Keeping Procedures

RiverRun Gardens LLC's ("RiverRun") records shall be available to the Cannabis Control Commission ("CCC") upon request pursuant to 935 CMR 500.105(9). RiverRun shall maintain records in accordance with generally accepted accounting principles. All written records required in any section of 935 CMR 500.000 are subject to inspection, in addition to written operating procedures as required by 935 CMR 500.105(1), inventory records as required by 935 CMR 500.105(8) and seed-to-sale tracking records for all marijuana products are required by 935 CMR 500.105(8)(e).

Personnel records will also be maintained, in accordance with 935 CMR 500.105(9)(d), including but not limited to, job descriptions for each employee, organizational charts, staffing plans, personnel policies and procedures and background checks obtained in accordance with 935 CMR 500.030. Personnel records will be maintained for at least 12 months after termination of the individual's affiliation with RiverRun, in accordance with 935 CMR 500.105(9)(d)(2). Additionally, business will be maintained in accordance with 935 CMR 500.105 as well as waste disposal records.

Following the closure of the Marijuana Establishment, all records will be kept for at least two years at RiverRun's sole expense and in a form and location acceptable to the Commission, pursuant to 935 CMR 500.105(9)(g).

RiverRun Gardens LLC
Diversity Plan
Pursuant to 935 CMR 500.101(3)(c)(7)(k)

Diversity Goals

Promotion of diversity is one of RiverRun Gardens core values because we recognize the unique contributions and perspectives that people from diverse backgrounds bring to an organization. In developing and nurturing a diverse and inclusive community, we respect and engage across cultural barriers in order to foster meaningful dialogue, and participation, by people from diverse backgrounds. We face and respond thoughtfully to difficult questions. We seek to build bridges and establish relationships. Individually and collectively we critically examine and challenge our biases, assumptions, institutional structures, and worldviews. We understand and seek to mitigate inequities and grow—intellectually and personally—through meaningful diversity experiences.

RiverRun Gardens diversity efforts broaden and deepen our personal and intellectual horizons, preparing all of us to make thoughtful, responsible contributions as individuals, community members and professionals in a diverse, globally integrated world. An essential component of RiverRun Gardens commitment to excellence is our commitment to fostering an inclusive, diverse workplace. Understanding of diversity is broad-based, emphasizing the identity and experiences of groups that have been historically under-represented in higher education, and encompassing age, class, culture, (dis)ability, ethnicity, gender identity, gender expression, immigration status, national origin, race, religion and spirituality, sex and sexual identity, among others. We affirm that diverse experiences are a benefit to our company from an operational performance standpoint and to help make us better citizens of the industry and the Commonwealth.

Goals

By operation of this Diversity Plan, RiverRun Garden seeks to accomplish the following goals of promoting equity in the cannabis industry and within our company:

1. Increase the number of individuals employed by RiverRun that are from the following groups:
a. Minorities; b. Women; c. Veterans; d. People with disabilities; and e. People of all gender identities and sexual orientations. We seek to achieve at least 25% of our staffing needs being filled by people from those identified demographic groups. Our target shall be looked at the following way: 5% women, 15% Veteran and 5% LGBTQ.
2. Providing access and assistance to individuals falling into the above-listed demographics to achieve their goal of entering the adult-use marijuana industry by offering educational assistance to members of the community in Newburyport and surrounding areas looking to gain the requisite skills to enter the cultivation sector of the cannabis industry. RiverRun will seek to offer a paid apprenticeship program for members of the enumerated groups in order to afford them the opportunity to obtain relevant experience in cannabis cultivation, business operations, and regulatory compliance. RiverRun is seeking entry into the cannabis industry to make a difference and we see no better opportunity than offering hands-on training to members of groups that have been historically marginalized, both in the context of cannabis prohibition and by society at large. We aim to staff 25% of our apprentices from members of the demographic categories identified herein. Our target shall be looked at the following way: 5% women, 15% Veteran and 5% LGBTQ.

Programs

In order to effectuate the diversity plan goals enumerated above, RiverRun Gardens shall undertake the following programmatic actions:

1. Within the confines of 935 CMR 500.105(4), we will advertise job opportunities once per quarter, including apprenticeship opportunities, on job board websites, including, but not limited to: www.WorkplaceDiversity.com; www.Diversity.com; and www.pdnrecruits.com. We will make our hiring decisions based on skills and aptitudes and will give additional weight to the candidacy of any job or apprenticeship applicant that fall within the demographic categories listed in this diversity plan.
2. Hold annual recruitment events individually or participating in diversity-focused job fairs in order to attract and hire individuals falling into the above-listed demographic categories.
3. RiverRun Gardens will seek to continue our friendly working relationships with the following cannabis industry diversity-focused networking groups to broaden the scope of the potential employee pool: Elevate Northeast and Cannabis Community Care & Research Network. We feel these organizations help to undue the harms caused by the war on cannabis and a combined workplan will better provide better workforce for RiverRun Gardens and best the potential that Elevate and C3RN provide.

It should be mentioned that as a micro-business, RiverRun Gardens will look to hire when we have the capital to pay a decent living wage. Due to this requirement, it is difficult to define when and how often RiverRun Gardens will be looking to expand its workforce.

Measurements

RiverRun Gardens' stated diversity employment goal of 25% of our staffing needs will be monitored semi-annually by tabulating the personnel records for our full staffing needs and performing the requisite mathematical calculations to determine progress toward achieving that first goal of employing members of the identified demographic categories. We will closely monitor our staffing percentage levels and will employ revised strategies if the programs laid out herein fail to produce our desired diversity plan goals.

Our 50% apprenticeship staffing from the enumerated demographic categories will similarly be measured by reference to our internal personnel records. If we fall short of that 50% goal, we will reevaluate the programs utilized to identify and hire our apprentices in order to achieve that goal.

RiverRun Gardens' Commitment to Diversity

This Diversity Plan will be reviewed on an annual basis and will be amended according to any deficiencies in achieving our diversity goals. We are excited and honored to have the opportunity to promote diversity within our company and in the cannabis industry as a whole. We are committed to meeting or exceeding each and every goal enumerated herein.

RiverRun Gardens will examine its workforce numbers each quarter to ensure we are operating at efficiency.