



## Massachusetts Cannabis Control Commission

### Marijuana Retailer

#### General Information:

License Number: MR281907  
Original Issued Date: 02/18/2020  
Issued Date: 02/18/2020  
Expiration Date: 02/18/2021

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Western Front, LLC

Phone Number: 617-320-9018  
Email Address: attorneytflaherty@hotmail.com

Business Address 1: 699 Boylston Street  
Business City: Boston  
Business State: MA  
Business Address 2: 12th Floor  
Business Zip Code: 02116  
Mailing Address 1: 699 Boylston Street  
Mailing City: Boston  
Mailing State: MA  
Mailing Address 2: 12th Floor  
Mailing Zip Code: 02116

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

### PRIORITY APPLICANT

Priority Applicant: yes  
Priority Applicant Type: Economic Empowerment Priority  
Economic Empowerment Applicant Certification Number: EE202211  
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: 11.31  
Percentage Of Control: 33.33

**Role:** Manager **Other Role:**  
**First Name:** Marvin **Last Name:** Gilmore **Suffix:** Jr.  
**Gender:** Male **User Defined Gender:**  
**What is this person's race or ethnicity?:** Black or African American (of African Descent, African American, Nigerian, Jamaican, Ethiopian, Haitian, Somali)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 2

**Percentage Of Ownership:** 11.31 **Percentage Of Control:** 33.33  
**Role:** Manager **Other Role:**  
**First Name:** Dennis **Last Name:** Benzan **Suffix:**  
**Gender:** Male **User Defined Gender:**  
**What is this person's race or ethnicity?:** Hispanic, Latino, or Spanish (Mexican or Mexican American, Puerto Rican, Cuban, Salvadoran, Dominican, Colombian)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 3

**Percentage Of Ownership:** 1.68 **Percentage Of Control:** 33.33  
**Role:** Manager **Other Role:**  
**First Name:** Omowale **Last Name:** Moses **Suffix:**  
**Gender:** Male **User Defined Gender:**  
**What is this person's race or ethnicity?:** Black or African American (of African Descent, African American, Nigerian, Jamaican, Ethiopian, Haitian, Somali)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 4

**Percentage Of Ownership:** 12.71 **Percentage Of Control:**  
**Role:** Manager **Other Role:** Manager - Real Property  
**First Name:** Timothy **Last Name:** Flaherty **Suffix:**  
**Gender:** Male **User Defined Gender:**  
**What is this person's race or ethnicity?:** White (German, Irish, English, Italian, Polish, French)  
**Specify Race or Ethnicity:**

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

**Percentage of Control:** **Percentage of Ownership:** 9.91  
**Entity Legal Name:** THC Trust **Entity DBA:** DBA  
**Entity Description:** Christopher Vining, Trustee **City:**  
**Foreign Subsidiary Narrative:**  
**Entity Phone:** 978-790-4139 **Entity Email:** chris@theharvestclubs.org **Entity Website:**  
**Entity Address 1:** 12 Patriot Drive **Entity Address 2:**  
**Entity City:** Andover **Entity State:** MA **Entity Zip Code:** 01810

Entity Mailing Address 1: 12 Patriot Drive

Entity Mailing Address 2:

Entity Mailing City: Andover

Entity Mailing State: MA

Entity Mailing Zip Code:

01810

Relationship Description: THC Trust, Christopher Vining, Trustee, owns 9.91% of the current shares of Western Front, LLC.

#### CLOSE ASSOCIATES AND MEMBERS

No records found

#### CAPITAL RESOURCES - INDIVIDUALS

##### Individual Contributing Capital 1

First Name: Felix

Last Name: Luna

Suffix:

Types of Capital: Monetary/  
Equity

Other Type of  
Capital:

Total Value of the Capital Provided:  
\$500000

Percentage of Initial Capital:  
17.95

Capital Attestation: Yes

#### CAPITAL RESOURCES - ENTITIES

##### Entity Contributing Capital 1

Entity Legal Name: Infrastructure Group LLC

Entity DBA:

Email: brett@infragroupllc.com

Phone: 516-241-3786

Address 1: 10 Rising Hill Road

Address 2:

City: Upper Saddle River

State: NJ

Zip Code: 07458

Types of Capital: Monetary/Equity Other Type of Capital: Total Value of Capital Provided: \$350000 Percentage of Initial Capital: 12.57

Capital Attestation: Yes

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

#### DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

#### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 121 Webster Ave

Establishment Address 2:

Establishment City: Chelsea

Establishment Zip Code: 02150

Approximate square footage of the establishment: 10000

How many abutters does this property have?: 81

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

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	Host Community Agreement.pdf	pdf	5ce57448bbb9651341339223	05/22/2019
Plan to Remain Compliant with Local Zoning	Western Front - Plan to Remain Compliant with Local Zoning.pdf	pdf	5d9dde5fbc90861af114cb1c	10/09/2019
Community Outreach Meeting Documentation	Western Front -Outreach Meeting - 11.19.19 RFI.pdf	pdf	5dd4120c40e348579197d123	11/19/2019

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	Western Front - Positive Impact Plan.pdf	pdf	5db30658c9aebd2b498a97f9	10/25/2019
Plan for Positive Impact	Western Front - Chelsea Collaborative.pdf	pdf	5db3102fba9d562b3e031dd3	10/25/2019

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

Role: Manager Other Role: Owner  
First Name: Dennis Last Name: Benzan Suffix: Esq  
RMD Association: Not associated with an RMD  
Background Question: no

##### Individual Background Information 2

Role: Manager Other Role: Owner  
First Name: Marvin Last Name: Gilmore Suffix: Jr.  
RMD Association: Not associated with an RMD  
Background Question: no

##### Individual Background Information 3

Role: Manager Other Role: Manager - Real Property, Owner  
First Name: Timothy Last Name: Flaherty Suffix:  
RMD Association: Not associated with an RMD  
Background Question: yes

##### Individual Background Information 4

Role: Manager Other Role: Owner  
First Name: Omowale Last Name: Moses Suffix:  
RMD Association: Not associated with an RMD  
Background Question: no

##### Individual Background Information 5

Role: Other (specify) Other Role: Capital Contributor  
First Name: Felix Last Name: Luna Suffix:  
RMD Association: Not associated with an RMD  
Background Question: no

#### ENTITY BACKGROUND CHECK INFORMATION

##### Entity Background Check Information 1

Role: Investor/Contributor Other Role: Owner  
Entity Legal Name: Infrastructure Group LLC Entity DBA:  
Date generated: 12/03/2020

Entity Description: Capital contributor and owner

Phone: 516-241-3786

Email: brett@infragroupllc.com

Primary Business Address 1: 10 Rising Hill Road

Primary Business Address 2:

Primary Business City: Upper Saddle River

Primary Business State: NJ

Principal Business Zip Code: 07458

Additional Information:

#### Entity Background Check Information 2

Role: Other (specify)

Other Role: Owner

Entity Legal Name: THC Trust

Entity DBA:

Entity Description: Christopher Vining, Trustee

Phone: 978-790-4139

Email: chris@theharvestclubs.org

Primary Business Address 1: 12 Patriot Drive

Primary Business Address 2:

Primary Business City: Andover

Primary Business State: MA

Principal Business Zip Code:

01810

Additional Information:

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Articles of Organization	Certificate of Organization.pdf	pdf	5ce4031841a4321320f257b6	05/21/2019
Articles of Organization	Certificate of Amendment - 1.pdf	pdf	5ce4033a58ad7e1336c24aa5	05/21/2019
Articles of Organization	Certificate of Amendment - 2.pdf	pdf	5ce40342bbb9651341338dfb	05/21/2019
Articles of Organization	Certificate of Amendment - 3.pdf	pdf	5ce4034dfe6a8617e208bb3f	05/21/2019
Articles of Organization	Certificate of Amendment - 4.pdf	pdf	5ce40361acc50017edd5f8f9	05/21/2019
Department of Revenue - Certificate of Good standing	Western Front LLC - Certificate of Good Standing[2].pdf	pdf	5d94bdb14e842f1b123bb4c8	10/02/2019
Secretary of Commonwealth - Certificate of Good Standing	Western Front - COGS - Sec of State.pdf	pdf	5d979e0c4e842f1b123bbd41	10/04/2019
Bylaws	Operating Agreement.pdf	pdf	5dbee34540e348579197a50f	11/03/2019

No documents uploaded

Massachusetts Business Identification Number: 001322367

Doing-Business-As Name:

DBA Registration City:

#### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	WF Businesss PlanCCC.pdf	pdf	5d40273abc4ba7387cf4ec4b	07/30/2019
Plan for Liability Insurance	Western Front - Liability Insurance.pdf	pdf	5d9dde75c1731c15b88f3b1b	10/09/2019
Proposed Timeline	Western Front - Timeline.pdf	pdf	5d9dde80c1702815d521bc46	10/09/2019

## OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Inventory procedures	Western Front - Inventory.pdf	pdf	5d9ddebd1b7a141b1db84b95	10/09/2019
Storage of marijuana	Western Front - Storage.pdf	pdf	5d9ddec48d8d0715f667549b	10/09/2019
Prevention of diversion	Western Front - Preventing Diversion.pdf	pdf	5d9ddec79b12e15e03da7a6	10/09/2019
Restricting Access to age 21 and older	Western Front - Restricting Access.pdf	pdf	5d9dded28d8d0715f667549f	10/09/2019
Separating recreational from medical operations, if applicable	Western Front - Separating Recreational.pdf	pdf	5d9ddedee87dc81b070010b8	10/09/2019
Plan for obtaining marijuana or marijuana products	Western Front - Plan for Obtaining Marijuana .pdf	pdf	5d9ddee0b107e415ca910dcd	10/09/2019
Security plan	Western Front - Security.pdf	pdf	5dbb0a55ba9d562b3e033073	10/31/2019
Storage of marijuana	Western Front - Storage.pdf	pdf	5dbb0abb6b4e192b1d273c0b	10/31/2019
Transportation of marijuana	Western Front - Transportation.pdf	pdf	5dbb121d90352a2b339aecfa	10/31/2019
Quality control and testing	Western Front - Quality Control and Testing.pdf	pdf	5dbb19a8ec4af12b5426c8e7	10/31/2019
Dispensing procedures	Western Front - Dispensing.pdf	pdf	5dbb1a5d6b4e192b1d273c7c	10/31/2019
Personnel policies including background checks	Western Front - Personnel Policies Including Background Checks (UPDATED).pdf	pdf	5dbb1ad00724b82ff99cfcaa	10/31/2019
Record Keeping procedures	Western Front - Record Keeping Procedures.pdf	pdf	5dbb1d7ecdbfc22fc658e4f8	10/31/2019
Maintaining of financial records	Western Front - Financial Records.pdf	pdf	5dbb1dde0724b82ff99cfcc5	10/31/2019
Qualifications and training	Western Front - Qualifications and Training.pdf	pdf	5dbb1e710724b82ff99cfcca	10/31/2019
Diversity plan	Western Front - Diversity Plan - 12.17.2019.pdf	pdf	5df8e5babb37d053183dd7e3	12/17/2019

## MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

## ATTESTATIONS

I certify that no additional entities or individuals meeting the requirement set forth in 935 CMR 500.101(1)(b)(1) or 935 CMR 500.101(2)(c)(1) have been omitted by the applicant from any marijuana establishment application(s) for licensure submitted to the Cannabis Control Commission.: I Agree

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

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

**Notification: I Understand**

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

I 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

**HOURS OF OPERATION**

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

### 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 application being deemed incomplete. Instructions to 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

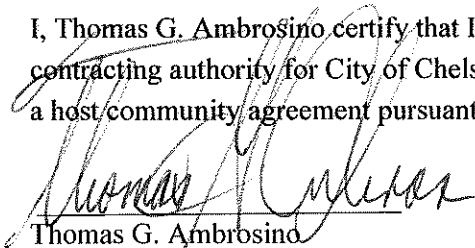
I, Dennis A. Benzan, certify as an authorized representative of Western Front LLC that the application has executed a host community agreement with City of Chelsea pursuant to G.L.c.94G§3(d) on September 21, 2018.



Signature of Authorized Representative of Applicant

#### Host Community- City of Chelsea

I, Thomas G. Ambrosino certify that I am the contracting authority or have been duly authorized by the contracting authority for City of Chelsea to certify that the applicant and the City of Chelsea has executed a host community agreement pursuant to G.L.c.94G§ 3(d) on September 21, 2018.



Thomas G. Ambrosino  
City Manager



### **PLAN TO REMAIN COMPLIANT WITH LOCAL ZONING**

Western Front, LLC (“Western Front”) will remain compliant at all times with the local zoning requirements set forth in the Chelsea’s Zoning Ordinance. In accordance with City of Chelsea Zoning Ordinance Article 13 – Table of Principal Use Regulations, Western Front’s proposed Marijuana Retailer facility is located in the Shopping Center Zoning District designated for Marijuana Retailer facilities by Special Permit. Western Front was awarded a Special Permit and Major Site Plan Review approval on April 9, 2019.

In compliance with 935 CMR 500.110(3), the property is not located within 500 feet of an existing public or private school providing education to children in kindergarten or grades 1 through 12.

As required by Chelsea’s Code of Ordinances, Article XI, Section 14-459, Western Front has obtained a license to operate a marijuana establishment from the City of Chelsea Licensing Commission. Western Front will apply for any other local permits required to operate a Marijuana Retailer facility at the proposed location.

Western Front has already attended several meetings with various municipal officials and boards to discuss Western Front’s plans for a proposed Marijuana Retailer facility and has executed a Host Community Agreement with Chelsea. Western Front will continue to work cooperatively with various municipal departments, boards, and officials to ensure that Western Front’s Marijuana Retailer facility remains compliant with all local laws, regulations, rules, and codes with respect to design, construction, operation, and security.

## 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, Dennis Benzan, (*insert name*) attest as an authorized representative of Western Front, 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 October 17, 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 October 3, 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 September 30, 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 October 4, 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.



need to:  
File the original with the Court; and  
Mail a copy to all interested parties at least five (5) business days before the hearing.  
The minor (or an adult on behalf of the minor) has the right to request that counsel be appointed for the minor.  
If you are a parent of the minor child who is the subject of this proceeding you have a right to be represented by an attorney. If you want an attorney and cannot afford to pay for one and if you give proof that you are indigent, an attorney will be assigned to you. Your request for an attorney should be made immediately by filling out the Application of Appointment of Counsel form. Submit the application form in person or by mail at the court location where your case is going to be heard.  
A minor over age 14 has the right to be present at any hearing, unless the Court finds that it is not in the minor's best interests.  
**THIS IS A LEGAL NOTICE:** An important court proceeding that may affect your rights has been scheduled. If you do not understand this notice or other court papers, please contact an attorney for legal advice.  
Date: August 13, 2019  
Felix D. Arroyo  
Register of Probate  
10/3/19  
C

**IT'S A  
WIN WIN WIN WIN  
WIN WIN WIN WIN  
WIN WIN WIN WIN  
WIN WIN WIN WIN  
WIN WIN WIN WIN  
WIN WIN WIN WIN**

## SITUATION

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CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_

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THE LYNN JOURNAL

GAZETTE

REVERE JOURNAL

WINTHROP SUN-TRANSCRIPT

## Community Outreach Meeting

Notice is hereby given that a **COMMUNITY OUTREACH MEETING** for a proposed Cannabis Establishment is scheduled for **Thursday, October 17, 2019 at 6PM at 500 BROADWAY, THIRD FLOOR CONFERENCE ROOM, CHELSEA, MA 02150**. The location for the proposed Cannabis Retail Dispensary is 121 Webster Ave. Chelsea, MA 02150.

There will be an opportunity for the public to ask questions.

Please contact Timothy Flaherty, Esq. with any inquiries at (617) 227-1800, Western Front LLC.

Esta noticia es para informarles que habra una **REUNION DE LA COMUNIDAD** en donde se les informara de la propuesta para establecer un negocio de Canabis. La reunion esta programada para **Jueves, 17 de Octubre, 2019 a las 6PM en el 500 BROADWAY, SALA DE CONFERENCIAS EN EL TERCER PISO, CHELSEA, MA 02150**. La direccion propuesta para vender Canabis sera en la 121 Webster Avenue, Chelsea MA 02150.

Durante la reunion el publico tendra la oportunidad de hacer preguntas.

Por favor llamar a **Lic. Timothy Flaherty**, con cualquiera pregunta (617) 227-1800, Western Front LLC.

CITY OF CHELSEA  
LAW DEPARTMENT  
2019 SEP 30 AM 11 16  
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ANNA M. & DEVERAUX  
2019 SEP 30 AM 11:15  
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<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

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<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

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Total \$

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Street \$

City \$

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

7018 0680 0001 4478 2969

Postmark Here  
 OCT - 4 2019  
 USPS 44

## **Community Outreach Meeting**

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Durante la reunion el publico tendra la oportunidad de hacer preguntas.

## **POSITIVE IMPACT PLAN**

### **Overview**

Western Front, LLC (“Western Front”) is dedicated to serving and supporting areas of disproportionate impact, which the Cannabis Control Commission has identified as the following:

1. Past or present residents of the geographic “areas of disproportionate impact,” which have been defined by the Commission and identified in its Guidance for Identifying Areas of Disproportionate Impact;
2. Commission-designated Economic Empowerment Priority applicants;
3. Commission-designated Social Equity Program participants;
4. Massachusetts residents who have past drug convictions; and
5. Massachusetts residents with parents or spouses who have drug convictions are classified as areas of disproportionate impact.

To support such populations, Western Front has created the following Plan to Positively Impact Areas of Disproportionate Impact (the “Plan”) and has identified numerous goals and priorities.

### **Goals**

Western Front seeks to:

1. Providing mentoring, professional, and technical services for individuals and businesses facing systemic barriers; and
2. Providing business assets (time, organization skills, finances) towards endeavors in the City of Chelsea, a geographical location designated as a disproportionately impacted area that will have a positive impact on the members of that community or the community as a whole.

### **Programs**

Our commitment is an essential part of the company’s ethos. Specifically, Western Front will:

1. Donate \$5,000 annually to the Chelsea Collaborative, an organization in Chelsea, Massachusetts. The mission of the Chelsea Collaborative is to empower Chelsea residents to enhance the social and economic health of the community and its people; and to hold institutional decision makers accountable to the community. The Chelsea Collaborative implements a collection of community initiatives – developed and led by residents – to address persistent issues of inequity, which negatively impact the well-being of Chelsea



residents, particularly those most vulnerable among us such as children, immigrants, and refugees. Their initiatives meet the basic needs of Chelsea residents, foster leadership and citizenship among newcomers, develop the next generation of leaders, respond effectively to crises, and create systemic change that increases equity and justice for years to come. They work with the Chelsea community through direct services and case management in the short-term, and through community organizing targeting systems of power that perpetuate inequity in the long-term. The Chelsea Collaborative will accept any funds contributed to it by Western Front, LLC as outlined in the enclosed correspondence.

2. Western Front will develop a workforce training program with an annual training open to residents of Chelsea and other areas of disproportionate impact. Western Front will conduct at least one industry-specific educational seminar annually across one or more of the following topics: marijuana business training, marijuana compliance, or resume writing / interviewing. Seminars will be publicized within local newspapers such as the Chelsea Record, distributed at local career agencies and community centers such as the Chelsea Collaborative; and circulated to marijuana advocacy organizations. Western Front will seek to have 20 participants.

### Measurements

The Community Engagement Officer will administer Western Front's Plan to Positively Impact Areas of Disproportionate Impact ("Plan"). The Community Engagement Officer will be responsible developing specific initiatives, creating partnerships and achieving measurable outcomes to ensure that Western Front meets the Plan's goals. Western Front will audit the plan annually upon renewal of its Provisional Certificate and will disclose and track measurement metrics. Metrics tracked will include the following:

1. Funds donated to the Chelsea Collaborative; and
2. Number of trainings offered and number of attendees.

### Disclosures

Western Front 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 Western Front will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

As identified above, Western Front will donate to the Chelsea Collaborative and acknowledges that the Chelsea Collaborative has been contacted and will receive the donation described herein.

## **BOARD OF DIRECTORS**

### **President:**

**Rosalba Medina**

Detective, Domestic Violence Unit  
Chelsea Police Department

### **Vice-President: Rev. Edgar**

**Gutierrez-Duarte**, St. Lukes – San Lucas  
Episcopal Church

### **Treasurer:**

### **Past Presidents:**

**Lee Staples**

Macro Professor,  
Boston University School of Social Work

**Gregory Maheras**

Director, J. Maheras Co, Inc.

**Stacey Picardo**

Attorney, Suffolk County District Attorney

**Suyapa Perez,**

Chelsea Community Activist

**Carol Resnek**

Teacher, Chelsea High School

**Ellen Rovner**

Anthropologist, Brandeis Women's Studies  
Center, Brandeis University

**Alejandrina Rodriguez**

Green Roots and Beautification Committee

**Magaly Valentin**

HR Business Partner,  
Mass General Hospital, Chelsea Resident

### **STAFF**

Gladys Vega

Executive Director  
Dinanyili Paulino  
Chief Operating Officer

Bookkeeper

Maria Estrella

Yessenia Alfaro

Membership and Leadership  
engagement Manager

Sylvia Ramirez

Workforce Development Manager

Katherine McInerney

Development Director

Elizabeth De Jesus

Case Manager and welcome Coordinator  
-Americorp-Vol

Norieliz De Jesus

Community Organizer Director

Daisy Gonzalez

Immigration and Civic Engagement  
Program Coordinator

Adult Ed Teacher

Oscar Preciado

ESL Teacher

Nicholas

Citizenship Teacher

Caroline Bird

Mayra Balderas-Americorp-Vol

Employment & Training Coordinator

Youth Navigator

Flor Palacios

Office Caretaker



# Chelsea Collaborative

Empowering people, building our community

October 20, 2019

To Whom It May Concern:

The mission of the Chelsea Collaborative is to empower Chelsea residents to enhance the social and economic health of the community and its people; and to hold institutional decision-makers accountable to the community. We implement a collection of community initiatives – developed and led by residents – to address persistent issues of inequity, which negatively impact the well-being of Chelsea residents, particularly those most vulnerable among us such as children, immigrants, and refugees.

Our initiatives meet the basic needs of Chelsea residents, foster leadership and citizenship among newcomers, develop the next generation of leaders, respond effectively to crises, and create systemic change that increases equity and justice for years to come.

We work with our community through direct services, substance abuse prevention training and referrals with specific focus on our youth from ages 14 to 21 years old. We also provide case management in the short-term, and through community organizing targeting systems of power that perpetuate inequity in the long-term.

The Chelsea Collaborative will accept \$5,000 every year to the organization provided by Western Front, LLC as part of their efforts to positively impact the community of which they are apart.

Sincerely, Gladys Vega, Executive Director of the Chelsea Collaborative



**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

[Special Filing Instructions](#)

**Certificate of Organization**

(General Laws, Chapter )

**Identification Number:** 001322367

**1. The exact name of the limited liability company is:** WESTERN FRONT, LLC

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

No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 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 APPLY FOR A RETAIL MARIJUANA ESTABLISHMENT LICENSE ISSUED BY THE CANNABIS CONTROL COMMISSION.

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

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

Name: TIMOTHY R. FLAHERTY, ESQ.  
 No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

**I, TIMOTHY R. FLAHERTY 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:**

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
MANAGER	MARVIN E GILMORE JR	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	SHERIECE M PERRY	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	LORAYNE M ANTONIO	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	CHRISTOPHER C. VINING	699 BOYLSTON STREET BOSTON, MA 02116 USA

MANAGER	BIENVENIDO BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	DENNIS A BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	LISA A NATALE	699 BOYLSTON STREET BOSTON, MA 02116 USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 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:**

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

**9. Additional matters:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 12 Day of April, 2018,**  
MARVIN E. GILMORE

*(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:

April 12, 2018 11:37 AM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, stylized 'G' at the end.

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



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

Minimum Fee: \$100.00

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

**Certificate of Amendment**

(General Laws, Chapter )

**Identification Number:** 001322367

**The date of filing of the original certificate of organization:** 4/12/2018

**1.a. Exact name of the limited liability company:** WESTERN FRONT, LLC

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

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

No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

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

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

Name: TIMOTHY R. FLAHERTY, ESQ.  
 No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
MANAGER	OMOWALE MOSES	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	MARVIN E GILMORE JR	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	DENNIS A BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA

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

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

SOC SIGNATORY

TIMOTHY RICHARD FLAHERTY ESQ.

699 BOYLSTON STREET  
BOSTON, MA 02116 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:**

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

**9. Additional matters:**

**10. State the amendments to the certificate:**

AMEND ARTICLE 6 TO REMOVE 6 OF THE 9 INITIAL MANAGERS

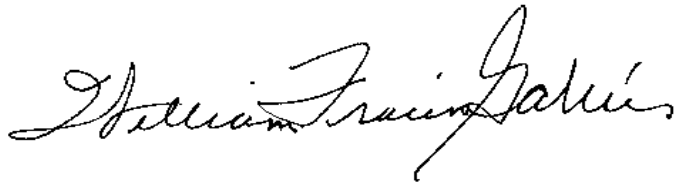
**11. The amendment certificate shall be effective when filed unless a later effective date is specified:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 27 Day of September, 2018,**  
/S/ DENNIS A BENZAN , Signature of Authorized Signatory.

THE COMMONWEALTH OF MASSACHUSETTS

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

September 27, 2018 11:58 AM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, stylized 'G' at the end.

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*





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

Minimum Fee: \$100.00

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

**Certificate of Amendment**

(General Laws, Chapter )

**Identification Number:** 001322367

**The date of filing of the original certificate of organization:** 4/12/2018

**1.a. Exact name of the limited liability company:** WESTERN FRONT, LLC

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

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

No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

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

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

Name: TIMOTHY R. FLAHERTY, ESQ.  
 No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
MANAGER	MARVIN E GILMORE JR	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	SHERIECE M PERRY	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	LORAYNE M ANTONIO	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	BIENVENIDO BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	DENNIS A BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	OMOWALE MOSES	699 BOYLSTON STREET BOSTON, MA 02119 USA

**7. The name and business address of the person(s) in addition to the manager(s), authorized to execute**

documents to be filed with the Corporations Division, and at least one person shall be named if there are no managers.

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

9. Additional matters:

10. State the amendments to the certificate:

THE REMOVED INDIVIDUALS (VINING & NATALE) HAVE ELECTED, AT THIS TIME, TO NOT PARTICIPATE. THE WESTERN FRONT, LLC HAS ALSO ADDED OMOUALE MOSES TO THE MANAGEMENT TEAM.

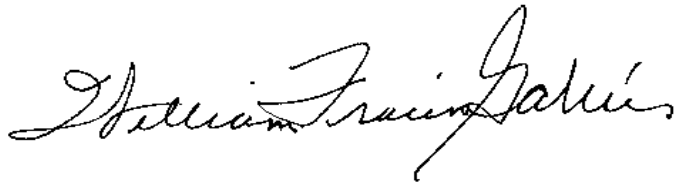
11. The amendment certificate shall be effective when filed unless a later effective date is specified:

**SIGNED UNDER THE PENALTIES OF PERJURY, this 12 Day of April, 2018,**  
MARVIN E. GILMORE , Signature of Authorized Signatory.

THE COMMONWEALTH OF MASSACHUSETTS

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

April 12, 2018 06:12 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



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

Minimum Fee: \$100.00

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

**Certificate of Amendment**

(General Laws, Chapter )

**Identification Number:** 001322367

**The date of filing of the original certificate of organization:** 4/12/2018

**1.a. Exact name of the limited liability company:** WESTERN FRONT, LLC

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

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

No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

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

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

Name: TIMOTHY R. FLAHERTY, ESQ.  
 No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
MANAGER	MARVIN E GILMORE JR	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	SHERIECE M PERRY	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	LORAYNE M ANTONIO	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	DENNIS A BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	OMOWALE MOSES	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	LINCOLN ERICK PEART	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	ARTEMISA MONTERIO	699 BOYLSTON STREET BOSTON, MA 02119 USA

MANAGER	ZUNILDA PENA	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	DERRICK E ALLEN	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	GEORGE CRAMER	699 BOYLSTON STREET BOSTON, MA 02119 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

**9. Additional matters:**

**10. State the amendments to the certificate:**

THE REMOVED INDIVIDUAL (BIENVENIDO BENZAN), HAS ELECTED, AT THIS TIME, TO NOT PARTICIPATE. THE WESTERN FRONT, LLC HAS ADDED THE FOLLOWING MEMBERS; PEART, MONTERIO, PENA, ALLEN AND CRAMER.

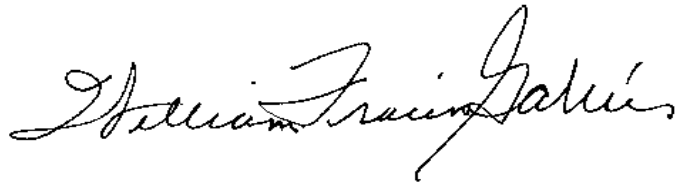
**11. The amendment certificate shall be effective when filed unless a later effective date is specified:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 13 Day of April, 2018,**  
**MARVIN E. GILMORE , Signature of Authorized Signatory.**

THE COMMONWEALTH OF MASSACHUSETTS

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

April 13, 2018 04:00 PM

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

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



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

Minimum Fee: \$100.00

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

**Certificate of Amendment**

(General Laws, Chapter )

**Identification Number:** 001322367

**The date of filing of the original certificate of organization:** 4/12/2018

**1.a. Exact name of the limited liability company:** WESTERN FRONT, LLC

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

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

No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

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

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

Name: TIMOTHY R. FLAHERTY, ESQ.  
 No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
MANAGER	OMOWALE MOSES	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	LINCOLN ERICK PEART	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	ARTEMISA MONTERIO	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	ZUNILDA PENA	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	DERRICK E ALLEN	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	GEORGE CRAMER	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	MARVIN E GILMORE JR	699 BOYLSTON STREET BOSTON, MA 02116 USA

MANAGER	SHERIECE M PERRY	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	DENNIS A BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

**9. Additional matters:**

**10. State the amendments to the certificate:**

LORAYNE ANTONIO HAS ELECTED, TO NOT PARTICIPATE, AT THIS TIME.

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

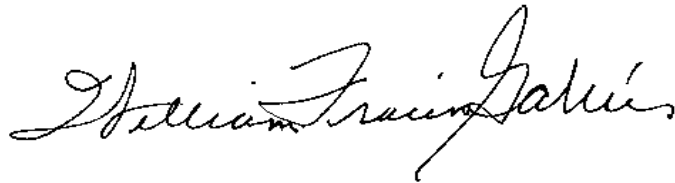
**SIGNED UNDER THE PENALTIES OF PERJURY, this 14 Day of April, 2018,**  
MARVIN E. GILMORE , Signature of Authorized Signatory.



THE COMMONWEALTH OF MASSACHUSETTS

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

April 14, 2018 06:04 PM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, stylized 'G' at the end.

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



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

Minimum Fee: \$100.00

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

**Certificate of Amendment**

(General Laws, Chapter )

**Identification Number:** 001322367

**The date of filing of the original certificate of organization:** 4/12/2018

**1.a. Exact name of the limited liability company:** WESTERN FRONT, LLC

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

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

No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

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

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

Name: TIMOTHY R. FLAHERTY, ESQ.  
 No. and Street: 699 BOYLSTON STREET  
12TH FLOOR  
 City or Town: BOSTON State: MA Zip: 02116 Country: USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
MANAGER	OMOWALE MOSES	699 BOYLSTON STREET BOSTON, MA 02119 USA
MANAGER	MARVIN E GILMORE JR	699 BOYLSTON STREET BOSTON, MA 02116 USA
MANAGER	DENNIS A BENZAN	699 BOYLSTON STREET BOSTON, MA 02116 USA

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

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

SOC SIGNATORY

TIMOTHY RICHARD FLAHERTY ESQ.

699 BOYLSTON STREET  
BOSTON, MA 02116 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:**

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	TIMOTHY RICHARD FLAHERTY ESQ.	699 BOYLSTON STREET BOSTON, MA 02116 USA

**9. Additional matters:**

**10. State the amendments to the certificate:**

AMEND ARTICLE 6 TO REMOVE 6 OF THE 9 INITIAL MANAGERS

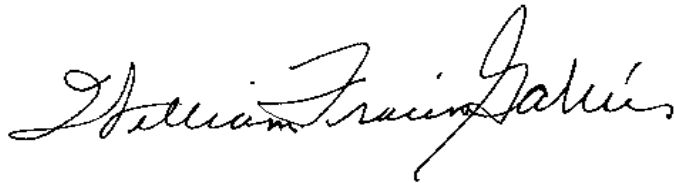
**11. The amendment certificate shall be effective when filed unless a later effective date is specified:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 27 Day of September, 2018,**  
/S/ DENNIS A BENZAN , Signature of Authorized Signatory.

THE COMMONWEALTH OF MASSACHUSETTS

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

September 27, 2018 11:58 AM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, stylized 'G' at the end.

WILLIAM FRANCIS GALVIN

*Secretary of the Commonwealth*



mass.gov/dor

## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



MARVIN E GILMORE JR  
WESTERN FRONT, LLC  
699 BOYLSTON ST FL 12  
BOSTON MA 02116-2848

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

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

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

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

### *What if I have questions?*

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

### *Visit us online!*

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



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

William Francis Galvin  
Secretary of the  
Commonwealth

October 1, 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

**WESTERN FRONT, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **April 12, 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; that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156C, § 70 for said Limited Liability Company's dissolution; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are:  
**OMOWALE MOSES, MARVIN E GILMORE JR, DENNIS A BENZAN**

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **OMOWALE MOSES, MARVIN E GILMORE JR, DENNIS A BENZAN, TIMOTHY RICHARD FLAHERTY ESQ.**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **TIMOTHY RICHARD FLAHERTY ESQ.**



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

**WESTERN FRONT, LLC**  
**LIMITED LIABILITY COMPANY OPERATING AGREEMENT**

**DATED AS OF SEPTEMBER 20, 2018**

THE COMPANY INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH INTERESTS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM AND COMPLIANCE WITH THE OTHER SUBSTANTIAL RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

THE COMPANY INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT ARE ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER AND REPURCHASE OPTIONS SET FORTH IN THIS AGREEMENT.

**THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT** ("Agreement") of Western Front, LLC, a Massachusetts limited liability company (the "Company"), is made as of September 20, 2018 by and among the persons named on Schedule 1 hereto as the Members of the Company. The parties hereto, intending to be legally bound, agree as follows:

## **ARTICLE 1. ORGANIZATION**

**1.1 Formation of Limited Liability Company.** On April 12, 2018, Western Front, LLC (the "Company") was organized as a limited liability company pursuant to the Act by the filing of a Certificate of Organization (the "Certificate") with the Secretary of State of the Commonwealth of Massachusetts as required by the Act.

**1.2 Name.** The name of the Company shall be Western Front, LLC, provided that the Management Committee (defined below) may select and utilize various trade names from time to time.

**1.3 Offices.** The registered office of the Company in the Commonwealth of Massachusetts is the office named in the Certificate or such other office (which need not be a place of business of the Company) as the Management Committee may designate. The registered agent of the Company in the Commonwealth of Massachusetts is the initial registered agent named in the Certificate or such other Person or Persons as the Management Committee may designate in the manner provided by law. The principal office of the Company shall initially be Western Front, LLC, c/o Attorney Timothy Flaherty, 699 Boylston Street, 12th Floor, Boston, MA 02116, or at such other place as the Management Committee may designate, which need not be in the Commonwealth of Massachusetts. The Company may have such other offices as the Management Committee may designate.

**1.4 Purpose.** The purpose of the Company is to own and operate, as a licensed economic empowerment entity, directly or indirectly through a Subsidiary and/or joint ventures, retail cannabis establishments and to engage in related functions (each a "Location", and together the "Locations"), and to exercise all of the rights and performance of all of the obligations that relate to such activities, and to engage in such other activities directly related to the foregoing business as may be necessary, advisable or appropriate (collectively, the "Business").

**1.5 Fiscal Year.** The fiscal year of the Company shall be the calendar year or such other fiscal year as the Management Committee shall determine.

**1.6 Term.** The Company was formed on the date of filing of the Certificate and its period of existence shall be perpetual until termination and dissolution thereof in accordance with the provisions of Article 9 of this Agreement.

**1.7 Capitalized Terms.** Capitalized terms used but not defined herein shall have the meanings ascribed to them in Section 10.1 of this Agreement.

## **ARTICLE 2. CAPITAL CONTRIBUTIONS AND CAPITAL ACCOUNTS**



## **2.1 Initial Capital Contributions: Units.**

a. The membership interests of the Members shall be represented by issued and outstanding Units, which shall initially be classified Class A, Class A-1, Class B and Class C. No type, class or series of Units shall be certificated unless otherwise determined by the Management Committee. The total number of Units which the Company is authorized to issue and the authorized capital of the Company shall initially consist of 200,000 Units. The Units issued hereunder will be designated by the Management Committee, at the time of issuance, as either shares of Class A, Class A-1, Class B or Class C Units. Each Member listed on Schedule 1 has made, or contemporaneously with the execution of this Agreement will make, a capital contribution to the Company in the amount set forth on Schedule 1 and is deemed to own the Units set forth opposite such Member's name on Schedule 1.

b. The Company is hereby authorized to sell up to 40,000 Class B Units for a per unit price of \$50 for a total capital raise of \$2,000,000, the proceeds of which shall be used for start-up costs and general operating expenses. The Company is further authorized to reserve 60,000 Class C Units for sale in connection with an anticipated capital raise of \$7,000,000 in 2019. Notwithstanding the foregoing, the Management Committee may adjust the terms of these proposed equity sales as it deems to be in the best interest of the Company and its Members.

**2.2 No Additional Capital Contributions.** The Members shall not be required to make any additional capital contributions.

**2.3 Capital Accounts.** Separate and individual Capital Accounts shall be established and maintained by the Company for each Member in accordance with the rules of Treasury Regulation Section 1.704-1(b)(2)(iv). The Capital Account of each Member shall be credited with the Member's capital contributions (at fair market value with respect to contributed property, net of any liabilities assumed by the Company in connection with such contribution or to which such contributed property is subject) and shall be appropriately adjusted to reflect each Member's allocations of Net Profits and Net Losses, the fair market value of property distributed (net of any liabilities assumed by such Member or any liabilities to which such property is subject) to the Member and such other adjustments as shall be required by Code Section 704 and the Treasury Regulations promulgated thereunder.

**2.4 Limited Liability.** No Manager or Member shall be personally liable to satisfy any judgment, decree, or order of a court for, or be personally liable to satisfy in any other manner, any debt, obligation, or liability (whether arising in contract, tort or otherwise) of the Company solely by reason of being a Manager or Member.

**2.5 No Interest on or Right to Withdraw Capital Contributions; Negative Capital Accounts.** No interest shall be paid by the Company and no Member shall have the right to receive interest on capital contributions or on the balance in any capital account and no Member shall have the right to withdraw the Member's capital contribution or to demand or receive a return of the Member's capital contribution or to otherwise withdraw as a Member. No Member shall be required to pay to any other Member or the Company any deficit or negative balance that may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

**2.6 Additional Units.** No Member shall have the right to make additional capital contributions to the Company without the consent of the Management Committee and the Consent of the Members (defined below). Subsequent to the initial issuance of Units, additional Units may be authorized, issued and sold by the Company to any Person, whether or not already a Member, in such number, amount and upon such terms and conditions as are determined by the Management Committee with the Consent of the Members (the "Additional Units"); provided however, that no Additional Units shall be issued and sold unless such Additional Units shall have first been offered to the Members pursuant to Section 2.7 below. Any Person purchasing Additional Units shall become a Member of the Company for all purposes upon signing a counterpart to this Agreement.

**2.7 Pre-Emptive Rights.**

(a) Subject to the exclusion provided for in subsection (d) below, before the Company may issue and sell Additional Units to any Person (including an existing Member, but excluding any issuances which are made on a *pro rata* basis to all Members) (the "Proposed Purchaser") the Company must first make a bona fide offer (the "Offer") to sell such Additional Units to all of the existing Members in accordance with this Section 2.7. The Company shall provide written notice to each Member, which shall set forth (i) the identity of the Proposed Purchaser, (ii) the total number of Additional Units subject to the Offer and such Member's *pro rata* portion thereof, (iii) the purchase price thereof, which must be stated in United States dollars (the "Offer Price"), and (iv) all other terms of the Offer, including the closing date, which shall not be earlier than twenty (20) days or later than one hundred twenty (120) days after the date notice of the Offer (the "Notice Date") is given by the Company to the Members (collectively items (i) through (iv), the "Offer Terms"); provided, however, that any of the foregoing requirements may be waived with the written consent of all Members. Each Member shall have fifteen (15) business days ("Preemptive Period") to elect to purchase all or a portion of such Member's *pro rata* portion as set forth in the Offer, by providing written notice to the Company (e-mail being sufficient) of such election. The Offer Terms, including the Offer Price, made to the Members pursuant to this Section 2.7 shall be no less favorable (and in the case of the Offer Price, no greater) than the terms on which such Additional Units are to be sold to the Proposed Purchaser. For purposes of this Section 2.7, a Member's "pro rata portion" shall be the product of the total Additional Units being offered in connection with an Offer multiplied by a fraction (i) the numerator of which is the number of Units such Member owns as of the Notice Date and (ii) the denominator is the aggregate number of Units owned by all the Members as of the Notice Date.

(b) If any Member does not exercise such Member's option to purchase all or a part of its *pro rata* portion of the Additional Units pursuant to Section 2.7(a) (such remainder, the "Remaining Additional Units"), then within five (5) days of the expiration of the Preemptive Period, the Company shall notify any Member that has elected to purchase all of its *pro rata* portion pursuant to Section 2.7(a) of the opportunity to purchase all or a portion of such Remaining Additional Units. Such Member shall have fifteen (15) days to elect to purchase all such Remaining Additional Units. If more than one Member is eligible to purchase Remaining Additional Units pursuant to this Section 2.7(b), such Members shall be entitled to purchase their ratable portion of such Remaining Additional Units, determined based on the ratio of Units held by such Member relative to the Units held by all such eligible Members.

(c) If any Member does not exercise such Member's option to purchase any Additional Units or Remaining Additional Units pursuant to Section 2.7(a) or 2.7(b) (or if any such Member fails to pay the Offer Price in the time frame set forth for payment in the Offer notice), the Company may sell any such unpurchased Additional Units to the Proposed Purchaser; provided, that such sale shall occur not later than one hundred eighty (180) days after the Notice Date and only in accordance with the Offer Terms (except with regard to the sale price which may exceed the Offer Price). In the event a sale contemplated by the preceding sentence is not consummated within one hundred eighty (180) days, any sale beyond such time shall again be subject to this Section 2.7.

(d) This section shall not apply to Units reserved for (i) an equity incentive plan approved under this Agreement, or otherwise issued to employees, consultants, advisors and the like for purposes compensation and (ii) the Class B and Class C Units approved for sale under Section 2.1.

**2.8 Investment Representations and Acknowledgments.** Each of the Members represents and acknowledges to the Company as of the date hereof (or, with regard to any later-admitted Member, as of the date such Member executes a counterpart signature or joinder to this Agreement), with respect to the issuance of Units to such Member, as follows:

(a) The Units are being purchased for the Member's own account and for investment and not with a view to or for resale in connection with any distribution or public offering of the Units within the meaning of the Securities Act of 1933, applicable state securities laws, and other applicable securities laws and rules (collectively the "Securities Laws").

(b) The Member has such knowledge and experience in financial and business matters that the Member is capable of evaluating the merits and risks of the purchase of the Units.

(c) All documents, records, and books pertaining to the Company and the purchase of the Units have been made and are available to the Member and representatives of the Member, and the Member has had an opportunity to ask questions of and receive answers from all persons related to the Company concerning the Company and the Units.

(d) The Units have not been registered under any of the Securities Laws and cannot be resold or otherwise disposed of and must be held indefinitely unless they are subsequently registered under the Securities Laws or an exemption from registration is available.

(e) The exemption under Rule 144 under the Securities Act of 1933 may not be available for the resale of the Units.

(f) The Company is under no obligation and does not intend to register the Units under the Securities Laws or to effect compliance with any exemption from registration under the Securities Laws in the future.

**2.9 Drag-Along.**

(a) Notwithstanding anything to the contrary contained in this Agreement, in the event that the sale of the Company (whether by merger, reorganization, consolidation, sale

of all or substantially all of the Company's assets or sale, directly or indirectly, of all of the outstanding Units) to an unaffiliated third-party is approved by the Consent of the Members (an "Approved Sale"), each and every one of the other Members (each, a "Drag-Along Member") agrees to sell in such Approved Sale all Units held by such Drag-Along Member for the same form and amount of consideration per class of Unit and otherwise on the same terms and conditions upon which all other Members sell their Units.

(b) Each Member hereby waives, to the extent permitted by applicable law, all rights to object to or dissent from such Approved Sale and hereby agrees to consent to and raise no objections against such Approved Sale. The Company and the Members hereby agree to cooperate fully in any Approved Sale and not to take any action prejudicial to or inconsistent with such Approved Sale.

(c) At least twenty (20) days prior to the anticipated closing date of an Approved Sale, the Company shall provide a written notice (the "Drag-Along Notice") of the Approved Sale to the Drag-Along Members. The Drag-Along Notice must set forth the consideration per Unit (per Unit class, if applicable) to be paid in such Approved Sale and the other terms and conditions of the Approved Sale and include copies of the documents to be executed by such Drag-Along Members (collectively, "Ancillary Documents"), which may include, but not be limited to, transfer agreements, sale agreements, escrow agreements, consents, assignments, releases and waivers. Not later than 15 days after receipt of the Drag-Along Notice, each of the Drag-Along Members shall deliver to the Management Committee an unconditional agreement in writing to sell all of such Drag-Along Member's right, title and interest in such Drag-Along Member's Units pursuant to this Section 2.9 simultaneously with the consummation of such Approved Sale in exchange for delivery to such Drag-Along Member of the consideration therefor and all Ancillary Documents required to be executed in connection with such Approved Sale (the release of which may be conditioned upon consummation of the Approved Sale). Each Member will be obligated to (i) pay its respective pro rata share of the expenses incurred by the Members in connection with any such Approved Sale to the extent not paid or reimbursed by the Company or unaffiliated third-party purchaser; provided, that no Member shall be obligated to make any out-of-pocket expenditure prior to the consummation of the Approved Sale, and (ii) shall be responsible for such Member's *pro rata* share in any purchase price adjustments, indemnification or other obligations that the sellers of Units, other equity interests or assets are required to provide in connection with such sale so that proceeds will be distributed as if they had been distributed after giving effect to such adjustments, indemnification and other obligations (other than any such obligations that relate specifically to a particular Member, such as indemnification with respect to representations and warranties given by a Member individually regarding such Member's title to and ownership of Units); provided, that all representations, warranties, covenants and indemnities shall be made by the Members severally and not jointly and no Member will be obligated in connection with an Approved Sale to agree to indemnify or hold harmless the transferees with respect to an amount in excess of the net cash proceeds paid to such Member in connection with such Approved Sale. In connection with any Approved Sale, each Member appoints the members of the Management Committee or its designee as its representative to make all decisions in connection with any sale agreement (including the right to resolve any potential indemnification claims or other disputes on behalf of all Members). In the event that any Member receives a Drag-Along Notice pursuant to this Section 2.9(c), such Member agrees to use its commercially reasonable efforts, to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable, under applicable laws and regulations (including, without limitation, to

ensure that all appropriate legal and other requirements are met and all consents of third parties are obtained), to consummate the proposed transactions contemplated by this Section 2.9. If any such vote is required by applicable law, each Member agrees that, in addition to any of the requirements of the immediately preceding sentence, such Member shall vote all of its Units in favor of the transaction. The Members hereby appoint the members of the Management Committee or its designee as its attorney in fact to enter into any agreements to effectuate this Section 2.9(c). If the closing of the Approved Sale does not occur within 90 days following the date of the Drag-Along Notice, on the terms set forth therein, the Company and the Members may not then effect a transaction subject to this Section 2.9 without again fully complying with the provisions of this Section 2.9(c).

### **ARTICLE 3. CASH FLOW PAYMENTS; ALLOCATIONS AND DISTRIBUTIONS**

**3.1 Allocation of Net Profits and Net Losses.** Except as otherwise required by law, Net Profits and Net Losses shall be allocated in proportion to the Members' respective ownership of Units. The intent of the foregoing allocation is to comply with Treasury Regulations Section 1.704-1(b) and to ensure that the Members receive allocations of Net Profits and Net Losses pursuant to this Section 3.1 in accordance with their relative economic interests in the Company.

**3.2 Special Allocations.** Notwithstanding Section 3.1, appropriate adjustments shall be made to the allocations to the extent required to comply with the "qualified income offset," "minimum gain chargeback," "partner nonrecourse debt minimum gain chargeback," "nonrecourse deductions" and "partner nonrecourse deductions" rules of the Treasury Regulations promulgated pursuant to Code Section 704(c). To the extent permitted by such Treasury Regulations, the allocations in such year and subsequent years shall be further adjusted so that the cumulative effect of all of the allocations shall be the same as if all such allocations were made pursuant to the allocation provisions hereof without regard to this section.

**3.3 Tax Allocations.** The income, gains, losses, credits, and deductions recognized by the Company shall be allocated among the Members, for U.S. federal, state, and local income tax purposes, to the extent permitted under the Code and the Treasury Regulations, in the same manner that each such item is allocated to the Members' Capital Accounts, except as provided in Sections 3.3(a) and (b).

(a) If property is contributed to the Company by a Member, and there is a difference between the basis of such property to the Company for U.S. federal income tax purposes and the Gross Asset Value at the time of its contribution, then items of income, gain, deduction and loss with respect to such property, as computed for U.S. federal income tax purposes (but not for book purposes), shall be allocated (in any permitted manner determined by the Management Committee) among the Members so as to take account of such book/tax difference as required by Code Section 704(c).

(b) If property (other than property described in Section 3.3(b)) of the Company is reflected in the Capital Accounts of the Members and on the books of the Company at a Gross Asset Value that differs from the adjusted basis of such property for U.S. federal income tax purposes by reason of a revaluation of such property, then items of income, gain, deduction and loss with respect to such property, as computed for U.S. federal income tax

purposes (but not for book purposes), shall be allocated among the Members in a manner that takes account of the difference between the adjusted basis of such property for U.S. federal income tax purposes and its Gross Asset Value in the same manner as differences between the adjusted basis and fair market value are taken into account in determining the Members' share of tax items under Code Section 704(c).

### **3.4 Distributions from Operations.**

(a) Except for Tax Distributions under Section 3.5, distributions to Members shall be made from Cash Flow in such amounts and at such times as the Management Committee shall determine as follows: to the Members, *pro rata*, in proportion to their respective ownership of Units.

(b) For purposes of this section, neither a reimbursement to a Manager or a Member for an expenditure properly considered as a cost or expense of the Company, nor the payment by the Company of any fee to a Manager or Member, nor the payment to a Manager or Member of any principal or interest on any loan, shall be considered a distribution to a Member.

(c) All distributions, upon dissolution or otherwise, shall be made solely from the Property and no Member (even if the Member has a deficit balance in the Member's capital account) or Manager shall be personally liable for any such return. Any securities or other assets distributed to the Members shall be valued at their fair market value as determined in good faith by the Management Committee.

### **3.5 Tax Distributions.**

(a) The Management Committee shall cause the Company to distribute to each Member at least annually, within ninety (90) days after the end of its fiscal year, an amount of cash at least sufficient to reimburse the Members for any income taxes payable in respect of his or its distributive share of the Company's income during the preceding fiscal year (such distributions, "Required Minimum Tax Distributions"). The Company accountant shall determine a single income tax rate (state and federal) which shall be applied for the purposes of this paragraph to all Members, regardless of their individual tax rate.

(b) Any distribution made pursuant to Section 3.5(a) which exceeds the amount of the Required Minimum Tax Distribution for any tax year shall not affect the determination of the Required Minimum Tax Distribution for any subsequent tax year. Notwithstanding anything to the contrary in this Section 3.5, the Company shall be under no obligation to make any Required Minimum Tax Distribution if such distribution (i) is then prohibited under applicable law, (ii) is then prohibited under any agreement to which the Company is a party or (iii) would materially impair the Company's ability to conduct its affairs or the Business.

**3.6 Distributions Other Than From Operations.** All cash from a Capital Transaction shall be distributed to the Members according to the order and priority set forth in Section 3.4 above.

## **ARTICLE 4. MANAGEMENT: RIGHTS, POWERS AND OBLIGATIONS OF THE MANAGER**

#### **4.1 Management and Control in General.**

(a) **Powers of Managers.** Subject to Section 4.1(b), the business of the Company shall be exercised by or under the direction of the Management Committee, and the Members shall have no right (unless otherwise granted by the Management Committee) to act on behalf of or bind the Company. Subject to Section 4.1(b), the Management Committee will have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take all such actions as it deems necessary or appropriate to accomplish the purposes of the Company as set forth herein. Each of the Managers shall have all the rights, powers and obligations of a manager as provided in the Act and as otherwise provided by law, provided, that a Manager shall only have the right to exercise such authority upon (i), if applicable, receipt of the required approvals set forth in Section 4.1(b) below, and (ii) having been so authorized by the Management Committee. Once authorized pursuant to the immediately preceding sentence, any Manager may act to bind the Company and to sign contracts on behalf of the Company.

(b) **Rights Reserved to Members.** Notwithstanding anything to the contrary in this Agreement, in no event shall the Management Committee take or cause to be taken on behalf of the Company, any Location, any entity of which the Company then is an owner or operator, or any Affiliate of the Company (including, for the sake of clarity, all operating Subsidiaries that the Company may own, operate or otherwise control from time to time, directly or indirectly) any of the following actions without the prior written consent of the Members holding at least a majority of the then outstanding Units (the "Consent of the Members"):

(i) a merger, consolidation, internal corporate restructuring or similar transaction;

(ii) the admission of additional Members (other than any admission incident to permissible transfers of Units or the authorized sale(s) of Class B and/or Class C Units);

(iii) entering into or amending, enforcing (or waiving enforcement of rights thereunder) or terminating any contract, agreement or other arrangement between the Company (or any direct or indirect Subsidiary thereof), and any Member, Manager, officer, employee or agent, any Affiliate of the foregoing (or any of such Affiliate's directors, managers, equityholders, officers, employees or agents), on the other hand; provided, that this item (iii) shall not apply with regard to employment agreements, offer letters or similar agreements executed in the ordinary course of business;

(iv) filing any bankruptcy or any similar proceeding seeking protection from creditors;

(v) changing the purpose, the Business, format of operation or name of the applicable entity;

(vi) entering into any written or oral contract, agreement (including employment agreements), guaranty or other arrangement or financial commitment that creates an obligation, liability or any other form of indebtedness in an amount equal to or greater than \$100,000;

(vii) (A) selling an interest of the Company's direct or indirect equity in any Location, subsidiary entity, any Affiliate of the Company or any other entity in which the Company has an interest or (B) selling, leasing or otherwise disposing of all or any part of its business, property or assets, whether now or hereafter acquired;

(viii) amending, terminating, assigning or transferring (in whole or in part) the rights under any material agreement (including, without limitation, any real property lease, operating lease and joint venture agreement) or waiving any rights thereunder;

(ix) granting security interests, liens or mortgages in or on any asset whether now, directly or indirectly, owned or hereafter acquired;

(x) amending, modifying, supplementing or terminating any charter, organizational or governing document of the Company or any direct or indirect Subsidiary;

(xi) authorizing continuation upon a dissolution;

(xii) (A) issuing, selling, combining or reclassifying any additional Units or other equity interests of the Company (or any direct or indirect Subsidiary) or any securities convertible into or exchangeable for such Units or other equity interests of the Company (or any direct or indirect Subsidiary) or (B) activating any capital call rights (other than sale(s) of Class B and/or Class C Units authorized under Section 2.1);

(xiii) make, or permit any Subsidiary to make, any loan or advance to, or own any stock or other securities of, any Subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(xiv) adopt any employee incentive equity or option plan;

(xv) committing or agreeing to enter into any of the agreements or undertake any of the actions described in clauses (i) to (xiv) above.

No Member shall unreasonably withhold, condition or delay its consent to any of the foregoing matters.

#### **4.2 Number and Appointment of Managers; Removal.**

(a) The Company shall initially have five (5) Managers (the "Management Committee"), who will be appointed as set forth below.

(i) Class A Unitholders shall appoint, voting as a class, three (3) members of the Management Committee, two (2) of which shall qualify as minority status under applicable law;

(ii) Class A-1 Unitholders shall appoint, voting as a class, one (1) member of the Management Committee, which shall qualify as minority status under applicable law; and

(iii) Class B Unitholders shall appoint, voting as a class, one (1) member of the Management Committee.



Each class of Unitholders as delineated above shall be solely and exclusively responsible to elect the Manager(s) representing their class.

(b) All decisions of the Management Committee shall require the affirmative vote of a majority of the Managers (and for the avoidance of doubt, in the case of the actions described in Section 4.1(b) will also require the Consent of the Members). The Managers shall discuss and negotiate in good faith to reach consensus on all decisions, including the use of non-binding mediation.

(c) Any Manager of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager will take effect upon receipt of notice thereof or at such later time as will be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective. Subject to Article 6, the resignation of a Manager who is also a Member will not affect the Manager's rights as a Member.

(d) A Manager may be removed at any time for any reason by the Person(s) who appointed such Manager as described in Section 4.2(a). A Manager may also be removed for "cause" by the Consent of the Members. For purposes of this section, "cause" shall mean (i) a conviction or a plea of no contest to any federal or state crime, excluding routine motor vehicle charges not involving the use of alcohol or drugs by the Manager; (ii) fraud, negligence or intentional misconduct with respect to the Company; or (iii) repeated or continued willful failure to perform his agreed-upon duties to the Company. Subject to Article 6, the removal of a Manager who is also designated by a Member will not constitute a withdrawal of a Member.

(e) Any vacancy occurring for any reason in the number of Managers of the Company will be filled by the appointment of new Managers by the Person(s) entitled to appoint Managers for such vacant seats as described in Section 4.2(a) within sixty (60) days of the occurrence of the vacancy. If a replacement Manager is not appointed within this period, the Management Committee acting unanimously may fill the vacant seat (such a Manager appointed by the Management Committee, a "Temp Manager"); provided, that (i) the Members entitled to appoint a Manager to fill the seat held by a Temp Manager may at any time upon fifteen (15) days' notice to the Management Committee appoint a Manager to replace such Temp Manager and (ii) upon delivery to the Management Committee of such notice the Temp Manager shall automatically be deemed to have resigned as a Manager.

(f) A Manager shall not be required to be a Member, a resident of Massachusetts, or a natural person.

(g) Except as otherwise provided herein, no Member will take part in the day-to-day management, or the operation or control, of the business and affairs of the Company. Except and only to the extent expressly provided for in this Agreement or as delegated by the Manager, no Person other than the Officers (defined below) will be an agent of the Company or have any right, power or authority to transact any business in the name of the Company or to act for or on behalf of or to bind the Company.

**4.3 Employment of Others, Including Affiliates.** The Management Committee shall have the right to appoint officers and agents of the Company and establish their compensation and duties. Nothing contained in this Agreement shall preclude the employment by the Company of any Manager or Member or any agent or third party to operate and manage

all or any portion of the Company or its businesses or to provide any service relating to the business of the Company, subject to the control of the Management Committee. Subject to Section 4.1(b), the Company (or any Subsidiary thereof) may engage Affiliates of any Manager or Member to render services to the Company; provided that any such engagement shall be upon terms and conditions no less favorable to the Company than could be obtained from an independent third party and (ii) the consent of the unaffiliated Members shall be required prior to any such engagement. Neither the Company nor any of the Members shall have, as a consequence of the relationship created hereby, any right in or to any income or profits derived by a Manager or Member or an Affiliate of any of the Manager or Members from any business arrangements with the Company which are consistent with this Section.

**4.4 Costs and Expenses; Manager Compensation.** The Company shall pay all costs and expenses arising from or relating to the organization of the Company, the development of the Business and the commencement and continuation of Company operations. No Manager shall be entitled to compensation for its role as Manager unless approved by the Consent of the Members.

**4.5 Title to Property.** Title to Property shall be taken in the name of the Company.

**4.6 Liability of Managers.** No Manager or any Affiliate of a Manager, or their respective officers, shareholders, controlling persons, directors, agents and employees, shall be liable, responsible or accountable in damages or otherwise to the Company or to any of the Members, their successors or permitted assigns, for any act or failure to act in connection with the affairs of the Company, unless it is proved, by clear and convincing evidence, in a final, non-appealable decisions of a court of competent jurisdiction that its act or failure to act was undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company. Any action taken in good faith in reliance upon and in accordance with the advice or opinion of counsel shall be conclusively deemed not to constitute an undertaking with deliberate intent to cause injury to, or with reckless disregard for the best interests of, the Company.

**4.7 Indemnification.** The Company shall, to the fullest extent permitted by law, indemnify or agree to indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether or not such Person is acting by or in the right of the Company, by reason of the fact that such Person is or was a Manager, officer, employee or agent of the Company or any Manager, or is or was serving at the request of the Company as a manager, director, trustee, officer, employee or agent of another limited liability company, corporation, partnership, joint venture, trust, or other enterprise or employee benefit plan, against expenses (including attorney fees), judgments, penalties, fines and amounts paid in settlement incurred in connection with any such action, suit or proceeding; provided that such indemnification shall not be available if the acts or omissions giving rise to such costs shall be determined by a court of competent jurisdiction to have been performed or omitted in willful misconduct, gross negligence or fraud.

**4.8 [Intentionally Omitted].**

**4.9 Insurance.** The Company may purchase and maintain directors and officers insurance, to the extent and in such amounts as the Management Committee deems reasonable, on behalf of the Management Committee, Officers and such other Persons as the

Management Committee will determine, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the activities of the Company or such indemnities, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement. In addition, the Company and any Subsidiary may obtain key person life insurance on such individuals and in such amounts as may be approved by the Consent of the Members from time to time.

**4.10 Fiduciary Duties of Members.** Except as may be expressly provided for herein, this Agreement is not intended to, and does not, create or impose any fiduciary duty on any Member. To the greatest extent permitted by law (including under the Act), each Member hereby waives any and all fiduciary duties owed by any other Members in its capacity as a Member that, absent such waiver, may be implied by law or equity, and in doing so, recognize, acknowledge and agree that the Members' duties and obligations to one another and to the Company are only as expressly set forth in this Agreement, any other express agreements to which they are a party.

**4.11 Devotion of Time.** A Manager is not obligated to devote all of their time or business efforts to the affairs of the Company but shall devote whatever time, effort and skill is reasonably necessary for the profitable operation of the Company and the proper performance of the Manager's duties.

## **ARTICLE 5. MEETINGS; VOTING AND OFFICERS**

### **5.1 Meetings of Members.**

(a) **Notice of Meetings.** Meetings of Members may be called by (i) the Management Committee or (ii) the Members holding at least twenty percent (20%) of the outstanding Units held by all Members that are entitled to vote at such meeting. Unless otherwise waived by the Members, written notice of any meeting, stating the time, place and purpose of the meeting, shall be given either by personal delivery or email 48 hours in advance.

(b) **Quorum.** Presence in person of Members owning a majority of the then outstanding Units of the class entitled to vote at such meeting shall constitute a quorum. Such Members may adjourn such meeting from time to time. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

(c) **Actions.** The affirmative vote of Members owning a majority of the Units of the class entitled to vote at such meeting who are present at a duly constituted meeting shall, unless a greater vote is required by the Act, this Agreement or the Certificate, be the duly adopted act of the class of Members entitled to vote.

(d) **Action by Members Without Meeting.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by the Members holding not less than the minimum number of Units that would be necessary to authorize or take such action at a meeting at which all of the Members were present and voting. Prompt notice of the taking of the action

without a meeting by less than a unanimous consent shall be given to all Members, but the failure to provide such notice shall not affect the validity of the action.

(e) **Telephonic Meetings.** The Members may participate in and act at any meeting of the Members through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the Persons so participating.

(f) **Proxies.** Any Person who is entitled to attend or vote at a meeting or to execute consents, waivers, or releases may be represented or vote at such meeting, execute consents, waivers, and releases, and exercise any of its other rights by proxy or proxies appointed by a writing signed by such person or its duly appointed attorney-in-fact.

(g) **Place of Meeting.** All meetings of Members shall be held at the place stated in the notice of meeting, which may be within or without the Commonwealth of Massachusetts.

(h) **Waiver of Notice.** When any notice is required to be given to any Member, a waiver thereof in writing executed by the Member, whether before, at or after the time stated therein, shall be equivalent to the giving of such notice. The attendance of any Member at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by such Member of notice of such meeting.

(i) **Electronic Transmissions.** An electronic transmission, including but not limited to an email, consenting to an action to be taken and transmitted by a Member or proxy holder, or by a person or persons authorized to act for a Member or proxy holder, shall be deemed to be written, signed and dated for the purposes of this Section 5.1, provided that any such electronic transmission sets forth, or is delivered with information from which the Company can determine, (i) that the electronic transmission was transmitted by the Member or proxy holder or by a person or persons authorized to act for the Member or proxy holder, and (ii) the date on which such Member or proxy holder or authorized person or persons transmitted such electronic transmission. The date on which the electronic transmission is transmitted shall be considered to be the date on which it was signed.

## **5.2 Meetings of Managers.**

(a) **Notice of Meetings.** Meetings of the Management Committee may be called by any Manager. Written notice of any meeting, stating the time and place of the meeting, shall be given either by personal delivery or by mail not less than two (2) days nor more than thirty (30) days before the date of the meeting to each Manager. If mailed, such notice shall be sent to the Managers in accordance with Section 10.2.

(b) **Quorum; Actions.** A majority of the members of the Management Committee shall be required for a quorum for transaction of business at any meeting of the Management Committee. The Management Committee may only act upon the approvals set forth in Section 4.2(b).

(c) **Action by Managers Without Meeting.** Any action required or permitted to be taken at a meeting of the Management Committee may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all of the Managers.

(d) **Telephonic Meetings.** The Managers may participate in and act at any meeting of the Managers through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the Persons so participating.

(e) **Place of Meeting.** All meetings of Managers shall be held at the place stated in the notice of meeting, which may be within or without the Commonwealth of Massachusetts.

(f) **Waiver of Notice.** When any notice is required to be given to any Manager, a waiver thereof in writing executed by the Manager, whether before, at or after the time stated therein, shall be equivalent to the giving of such notice. The attendance of any Manager at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by such Manager of notice of such meeting.

(g) **Electronic Transmissions.** An electronic transmission, including but not limited to an email, consenting to an action to be taken and transmitted by a Manager shall be deemed to be written, signed and dated for the purposes of this Section 5.2, provided that any such electronic transmission sets forth, or is delivered with information from which the Company can determine, (i) that the electronic transmission was transmitted by the Manager, and (ii) the date on which such Manager transmitted such electronic transmission. The date on which the electronic transmission is transmitted shall be considered to be the date on which it was signed.

### **5.3 Record Date and Closing Unit Transfer Books.**

(a) **Record Date.** For any lawful purpose, including without limitation the determination of the Members who are entitled to receive notice of or to vote at any meeting of Members or to receive payment of any distribution, the Management Committee may fix a record date which shall not be a date earlier than the date on which the record date is fixed and shall not be more than sixty (60) days preceding the date of the meeting of Members or the date fixed for the payment of the distribution, as the case may be. When a determination of Members entitled to vote at any meeting of Members has been made as provided herein, such determination shall apply to any adjournment thereof.

(b) **Closing Unit Transfer Books.** The Management Committee may close the Company's Unit Journal (as defined below) against transfers of Units during the whole or any part of the period between the record date and the date fixed for the payment of any distribution.

(c) **Adjournments.** When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof.

**5.4 Officers.** The Management Committee shall have the authority to appoint, oversee and remove officers of the Company from time to time. One individual may hold two or more offices. The officers of the Company shall be chosen by the Management Committee and, unless otherwise determined by the Management Committee, may include a President, Vice-President, Treasurer and a Secretary with such powers and duties as are customary to such officers and such additional powers and duties as the Management Committee may from time to time designate (hereinafter "Officers"). The compensation of all Officers of the Company shall be fixed by the Management Committee, unless that function shall have been delegated otherwise. The Officers of the Company shall hold office until such time as they die, resign or their successors are chosen and qualify in their stead. If the office of any Officer or Officers becomes vacant for any reason, the vacancy may be filled by the Management Committee. All of the officers of the Company shall at all times be and remain subject to the direction and control of the Management Committee. The powers granted to the Management Committee hereunder are subject to Section 4.1(b).

## **ARTICLE 6.**

### **TRANSFERS OF UNITS; ADMISSION OF NEW MEMBERS**

**6.1 General Restriction.** Each and every Unit heretofore and hereafter issued is and shall be held, owned and transferred subject to the terms and conditions contained herein. Subject to Section 4.1, no Units shall Transferred, for consideration or otherwise, whether voluntarily, involuntarily, or by operation of law, and no purported Transferee shall be recognized as a member of the Company for any purpose whatsoever unless and until the Transferee has signed a counterpart signature page to this Agreement and one of the following conditions is satisfied: (i) a majority of the non-Transferring Members consent to the proposed Transfer or (ii) such Units have been Transferred, sold, or released from restriction upon Transfer in accordance with the provisions of this Agreement. A Transfer, or attempt to Transfer, subject to the provisions of this Agreement shall be deemed to occur whenever any Units are Transferred or are attempted to be Transferred, voluntarily, involuntarily, or by operation of law, irrespective of whether any change in the record ownership of the Units occurs.

### **6.2 Disposition of Units.**

(a) No Member may directly or indirectly Transfer all or a portion of its Units ("ROFR Units") to any third party (including any other Member or affiliate thereof) without first providing written notice (a "ROFR Notice") of such intended transaction to the Company and to each other Member, including (1) the identity of the proposed transferee, (2) the total number of Units contemplated to be transferred, (3) the purchase price thereof, which must be stated in United States dollars (the "ROFR Price"), and (4) all other terms on which such Units are proposed to be transferred to the proposed Transferee. With respect to any ROFR Units that are proposed to be Transferred from time to time, the Company and the Members shall have the following rights:

(i) Within twenty (20) days following the receipt of a ROFR Notice, the Company shall have an option to purchase all (but not less than all) of the ROFR Units offered in such ROFR Notice. The Company's option shall be exercisable upon the approval of the Members (other than the transferring Member) holding at least fifty-one (51%) percent of the Units then outstanding (not including the Units held by the transferor Member).

(ii) If the Company fails to exercise its option pursuant to Section 6.2(a)(i) then within twenty (20) days (the “Member ROFR Period”) following the earlier of (i) the expiration of such option period or (ii) such time as the Company’s option is not elected to be exercised and the Members are notified in writing (e-mail being sufficient) of such non-election by the Company, the Members (other than the transferring Member) shall be entitled to purchase all or a portion of its *pro rata* portion of the ROFR Units of the transferor Member. Each Member electing to purchase its *pro rata* portion of the ROFR Units shall notify in writing the Company and the transferring Member of such election prior to the expiration of the Member ROFR Period.

(iii) If a Member does not elect to purchase all or a portion its *pro rata* portion of the ROFR Units, then upon the expiration of the Member ROFR Period, any Member electing to exercise its rights under Section 6.2(a)(ii) to purchase the entirety of its *pro rata* portion shall be notified by the Company of the opportunity to purchase all or a portion of such remaining ROFR Units (“Remaining ROFR Units”). Such Member shall have fifteen (15) days to elect to purchase all such Remaining ROFR Units. If more than one Member is eligible to purchase Remaining ROFR Units pursuant to this Section 6.2(a)(iii) such Members shall be entitled to purchase their ratable portion of such Remaining ROFR Units, determined based on the ratio of Units held by such Member relative to the Units held by all such eligible Members.

(b) If either the Company or the other Members elect to exercise their options pursuant to Section 6.2(a), then:

(i) the purchase price shall be equal to the lesser of (A) the price disclosed in the ROFR Notice or (B) the price provided for in Section 6.5(a) of this Agreement, at the option of the purchasing Member; and

(ii) the payment terms shall be upon either (A) the terms set forth in the ROFR Notice or (B) the terms provided for in Section 6.5(a) of this Agreement, at the option of the purchasing Member.

(c) If the Company and the other Members fail to exercise their options under this Section 6.2, then the Transferor shall be free to transfer ownership of his or her Units in accordance with terms of such Transfer set forth in the ROFR Notice given to the Company and the other Members; provided, that the purchaser of such Units shall take them subject to the terms and restrictions imposed by this Agreement and shall become a party hereto; and provided further that if the proposed Transfer is not consummated within thirty (30) days of the later of (i) such time as the rights of the Company and the Members to elect to purchase any ROFR Units pursuant to Section 6.2(a) has expired or (ii) all such possible elections pursuant to Section 6.2(a) have been made, the Transferor Member’s right to sell such Units shall be deemed to have lapsed, and any sale of such Member’s Units without again complying Section 6.2(a) shall be null and void and deemed to be in violation of this Agreement.

### **6.3 Other Transfers.**

(a) Any one or more of the following events or conditions shall be deemed to constitute an offer to sell Units held by any Member:

(i) the filing of a petition in bankruptcy by or against the Member;

(ii) an adjudication that the Member (to the extent a Member is an individual) is an insane or incompetent person;

(iii) any assignment by the Member for the benefit of its creditors;

(iv) to the extent a Member is an individual, any direct or indirect Transfer, award, or confirmation of any such Units to the Member's spouse pursuant to a decree of divorce, dissolution, or separate maintenance, or pursuant to a property settlement or separation agreement;

(v) sale upon the execution or in foreclosure of any pledge, hypothecation, lien or charge; or

(vi) any other event which, were it not for the provisions of this Agreement, would cause any such Units to be sold, assigned, pledged, encumbered, awarded, confirmed, or otherwise Transferred, for consideration or otherwise, to any person, whether voluntarily, involuntarily, or by operation of law under circumstances that would not bring such event within Section 6.2 of this Agreement.

(b) Upon the occurrence of any event specified in Section 6.3(a) (except Section 6.3(a)(iv)), the remaining Members and the Company shall have the right to purchase such Units on the same terms and conditions as if such Member had made an offer to sell such Units pursuant to Section 6.2 (for the avoidance of doubt, the price for such Units shall be the price set forth in Section 6.5(a)). Upon the occurrence of an event specified in Section 6.3(a)(iv), first the Member (within the twenty (20) day period provided in Section 6.3(c)) and then the remaining Members and the Company shall have the right to purchase such Units from the Member's spouse in accordance with Section 6.2.

(c) Within twenty (20) days after the occurrence of an event described in Section 6.3(a), the Member or his or her trustee in bankruptcy, personal representative, guardian, executor, or administrator (as appropriate) shall give notice to the Company and the other Members of such event, specifying the date of such event, describing in reasonable detail the nature of the event, the Units affected, and the price or value of the Units, if any, offered by any person or decreed by a court in connection with such event. Such notice shall be deemed to be the Offer Notice for purposes of Section 6.2. If the Company and the other Members have not received this notice upon the expiration of the thirty-day period, any Member, Manager or officer of the Company who has knowledge of such event may give notice to the Company and the other Members at any time after the end of such period, and the notice shall be deemed to be the Offer Notice for all purposes of this Agreement.

#### **6.4 [Intentionally Omitted].**

#### **6.5 Purchase Price and Terms for the Purchase and Sale of Units**

(a) For purposes of this Agreement, subject to Section 6.5(b), the value of all of the outstanding Units shall be the amount set forth in the Certificate of Value prepared upon the end of the immediately preceding fiscal year. The parties hereto shall execute, upon signing this Agreement and annually within ninety (90) days following the close of each fiscal year, a Certificate of Value setting forth the value of all of the outstanding Units as of such time. The form of such Certificate of Value being Exhibit A attached hereto. The Members shall use



reasonable, good faith efforts to unanimously agree on the value of all of the outstanding Units to be set forth on a Certificate of Value. In the event that the Members are unable to come to such agreement within ninety (90) days of the close of the applicable fiscal year (the "Member Valuation Period"), they shall retain an appraisal firm (the "Appraiser") unaffiliated with the Company or any Manager or Officer or holder of Units (at the Company's sole expense) to determine the fair market value of the Units using valuation methodologies customary in the valuation of the equity of businesses such as the Company and in the same manner as set forth in Sections 6.5(b); provided, that following the expiration of the Member Valuation Period and in connection with the submission of the matter to the appraisal firm each Member shall propose their final assessment of the value of all of the outstanding Units, and in no event shall the valuation as determined by the appraisal firm (i) exceed the highest such final valuation or (ii) be less than the lowest such final valuation proposed by a Member.

(b) The value of all of the outstanding Units shall be determined by utilizing the following appraisal process:

(i) The Appraiser shall be required to complete their valuation work within twenty (20) business days of being retained. The Company shall promptly furnish to the Appraiser(s) such information concerning its financial condition, earnings, capitalization and business prospects as the Appraiser may reasonably request. The Appraiser will be instructed to solicit the views of the Members regarding all relevant matters, including the value of the Units, and the value and prospects of the Company.

(ii) The Appraiser shall determine the fair market value of the Units as of a recent date selected by the Appraiser using valuation methodologies customary in the valuation of the equity of businesses such as the Company. The Appraiser shall be instructed to express their valuation opinion in the form of a single value for the Units that in the opinion of the Appraiser most closely approximates the fair market value thereof in light of the methodologies used by the Appraiser in valuing such shares. If the Appraiser shall fail to express its assessment of the value of the Units in a single value but instead expresses its assessment as one or more ranges of values, then the Appraiser shall be deemed to have expressed as its single value for each the midpoint of the highest and lowest values of all ranges expressed. The value of the Units as determined by the Appraiser in accordance with the foregoing procedure shall be disclosed in writing to the Company and holders of Units promptly following the completion of the appraisal. The fair market value of the Units determined in accordance with the foregoing procedure shall be final, binding and nonappealable on the Company, the Management Committee and the holders of the Units and their estates.

(c) For the avoidance of doubt, the purchase price of the Units of a Member shall be determined by multiplying the value of all of the outstanding Units by a fraction, the numerator of which is the number of Units owned by the Member and the denominator of which is the total number of Units outstanding.

(d) [Intentionally deleted].

(e) In the event the selling Member, his or her estate, or any transferee shall not be paid in full in cash at the closing of a sale, then any note given by the purchasing party, in addition to terms customarily found in similarly situated notes, shall provide as follows:

(i) The note shall require payment of the principal amount in twenty (20) equal consecutive quarterly installments together with interest per annum at the prime rate effective on the date of the note.

(ii) The note shall allow the prepayment of all or any part of the principal amount at any time without penalty.

(iii) As security for the note, the purchasing party or parties shall execute a pledge of the Units being purchased and sold in favor of any holder of the note.

(iv) The note shall be executed by all purchasing parties as makers, and all purchasing parties shall be jointly and severally liable for full payment according to its terms.

(v) The payment of reasonable costs of collection, court costs, and attorneys' fees incurred upon any default by the maker.

(vi) No dividends shall be declared or paid upon the outstanding Units of the Company until the purchase price of the Units on any corporate purchase shall be paid in full; provided, however, that this prohibition on dividends shall not apply to tax distributions.

(f) Except as may otherwise be agreed amongst the selling party and the purchasing party, the selling party shall Transfer the Units to the purchasing party at closing free and clear of all encumbrances except those, if any, arising out of this Agreement.

**6.6 Permitted Transfers.** This Article 6. does not apply to or preclude any transfer made (a) by any Member pursuant to an Approved Sale, (b) by any Member, other than an individual, of Units to or among any Affiliate(s) of such Member (including any Person controlled by such Member), provided that any ownership interests in any such Affiliate(s) will be subject to the transfer restrictions of this Agreement as if such interests were Units of the Company, or (c) for legitimate estate or tax planning purposes. As a condition to any permitted transfer of Units, any transferee (other than any transferee that is already a Member) of Units will be required to become a party to the Agreement by executing a joinder to this Agreement in a form reasonably acceptable to the Management Committee.

## **ARTICLE 7. ADDITIONAL PROVISIONS CONCERNING MEMBERS**

**7.1 No Employment Rights.** Neither the relationship among the Members or between the Members and the Company nor anything contained in this Agreement shall be construed to create any right of a Member to be employed by the Company or any of its Affiliates. Any right of a Member to be employed by the Company or any of its Affiliates other than as an employee terminable at-will and any agreement relating to the terms and conditions of employment or the termination of employment shall be invalid and unenforceable unless they are set forth in a duly authorized written agreement signed by the applicable company. Each Member hereby expressly waives any implied rights to be employed by the Company or any of its Affiliates except to the extent set forth in such a written agreement.

**7.2 No Redemption or Repurchase Rights.** No redemption or repurchase of any Units of a Member by the Company shall imply, or be construed to create, a right by any other

Member to require the Company to redeem or repurchase any or all of such Member's Units. The Company shall have no obligation to purchase Units except as expressly set forth in a duly authorized written agreement signed by the Company.

**7.3 Other Activities; No Usurpation of Opportunity.** Subject to Section 7.6, the Management Committee, Members and their Affiliates may engage in or possess an interest in other business ventures or investments of any kind, independently or with others. The fact that any Manager, Member or Affiliate may avail itself of such opportunities, either by itself or with other Persons and not offer such opportunities to the Company or any of its Affiliates or to any other Member, shall not subject such Manager, Member or Affiliate to liability to the Company or to any other Member on account of lost opportunity. Neither the Company nor any Member shall have any right by virtue of this Agreement or the relationship created hereby in or to such opportunities, or to the income or profits derived therefrom, and the pursuit of such opportunities, shall not be actionable or in violation of this Agreement.

**7.4 No Claim to Company's Books, Records or other Assets.** Except as otherwise provided for in this Agreement, as a Member of the Company, each Member acknowledges that such Member has no claim or rights with respect to any of the Company's contracts, documents, books and records, memoranda, files, lists or records of customers or prospective customers, name, telephone numbers, good will, patents, trademarks, trade names, copyrights, other intellectual property rights, or any other asset, tangible or intangible. At the time such Member ceases to hold any Units, each Member shall deliver to the Company all contracts, documents, books and records, memoranda, files, lists, work-papers, notes, instructions, manuals, guides, computer software programs or media, and all other similar and dissimilar written or soft-copy repositories containing any information concerning the Company, including confidential information, and all copies thereof in such Member's possession or under such Member's control, whether prepared by such Member, the Company, or anyone else, except that such Member may retain copies of records needed for tax purposes.

**7.5 Confidential Information.** Each Member agrees that, except as specifically authorized by the Company in writing, and except information which is generally known, such Member shall not either while such Member holds any Units or at any time after such Member ceases to hold any Units directly or indirectly use, disseminate, disclose, discuss, lecture upon, or write or publish articles or other similar or dissimilar materials concerning any information disclosed to or conceived or known by such Member during, as a result of, or through such Member's involvement with the Company about (i) the other Members businesses, partners and other activities, (ii) the Company's business, (iii) the terms of this Agreement, or (iv) the Company's customers, prospective customers, suppliers, products, processes, services, methods, formulas, techniques, trade secrets, financial condition, plans, prospects, policies, or procedures, or uses or improvements thereof or know-how related thereto (all of the foregoing collectively the "Confidential Information"). With respect to Confidential Information of a Member (as opposed to Confidential Information of the Company), the disclosing Member needs only the consent of the other Member to disclose such information. Notwithstanding the first sentence of this paragraph, this confidentiality provision shall not apply to: (1) information which is in the public domain through no fault of the disclosing party; (2) information received where such disclosure was not in violation of any obligation by the disclosing party to the other party; or (3) information required to be disclosed by court order or applicable laws provided that the disclosing party gives the other Member reasonable advance notice of such disclosure and

works in good faith with the other Member to obtain in camera or other confidential treatment with respect to such disclosure.

**7.6 Non-Solicit; Non-Compete.** This Section 7.6 shall apply only to those Members holding, either directly or with an Affiliate, greater than 5% of the Company's outstanding Units.

(a) During the period beginning on the date of this Agreement and ending on the second (2nd) anniversary of (x), with respect to a Member, the last date when such Member holds any Units or (y) with respect to any member of the Management Committee ceases to be a member thereof, neither such Member (or any Affiliate thereof) nor any such former member of the Management Committee (or any Affiliate thereof) will in any capacity or in association with any other Person:

(i) engage in, directly or indirectly, or have any other interest in, be employed by, advise or consult with act as a sales associate, broker, contractor, or manager, in whole or in part, for a Competitor; provided, that nothing in this Section 7.6 shall prohibit such Member or former Management Committee member or any of their respective Affiliates from having an interest in, directly or indirectly up to five percent (5%) of the aggregate voting securities of any Person that is a publicly traded Person.

(ii) employ as an employee, or engage or retain as a consultant or otherwise, any Person who is then or at any time during the twelve (12) month period prior to such contemplated employment or engagement was an employee of or consultant to the Company or any Location; provided, that this Section 7.6(a)(ii) shall not prevent a Member or former Management Committee member or any of their respective Affiliates from employing as an employee or engaging or retaining as a consultant or otherwise an employee, former employee or consultant of the Company or any Location who responds to a general solicitation that is a public solicitation of prospective employees and not directed specifically to any Company or Company employees; or

(iii) solicit, recruit or attempt to solicit or recruit any employee or consultant who is then or at any time during the twelve (12) month period prior to such contemplated employment or engagement was an employee or consultant of the Company or any Location to leave the employ of the Company or any Location or to become employed as an employee of, or engaged or retained as a consultant by, any other Person; provided, that this Section 7.6(a)(iii) shall not prevent a Member or former Management Committee member or any of their respective Affiliates from soliciting, recruiting or attempting to solicit or recruit, any employee, former employee or consultant of the Company or any Location who responds to a general solicitation that is a public solicitation of prospective employees and not directed specifically to any Company or Company employees or contractors.

(b) The Members (on their own behalf or on behalf of their respective delegates to the Management Committee) acknowledge and agree that all of the conditions and restrictions established in this Section 7.6 are reasonable, taking into account the circumstances surrounding this Agreement. The Members further acknowledge and agree that the Company and/or the Locations and the non-offending Members would be irreparably damaged if a party breaches, or threatens to commit a breach of, any of the covenants set forth in this Section 7.6 (the "Restrictive Covenants") and that any such breach or threatened breach could not be adequately compensated in all cases by monetary damages alone. Accordingly, in addition to any other right or remedy to which the aggrieved party may be entitled, at law or in equity, the

Company, the Locations and the non-offending Members shall be entitled to have the Restrictive Covenants specifically enforced against each breaching party by any court of competent jurisdiction, including immediate temporary, preliminary and permanent injunctive relief and, to the extent permitted by law, without the necessity of furnishing any bond or other undertaking.

(c) If any court of competent jurisdiction at any time deems the Restrictive Covenants, or any part thereof, unenforceable because of the duration or geographical scope of such provisions, the other provisions of this Section 7.6 will nevertheless stand and to the full extent consistent with law continue in full force and effect, and it is the intention and desire of the parties that the court treat any provisions of this Agreement which are not fully enforceable as having been modified to the extent deemed necessary by the court to render them reasonable and enforceable, and that the court enforce them to such extent.

**7.7 Informational Rights.** In addition to the information required to be provided pursuant to Article 8., the Management Committee shall keep the Members reasonably informed on a timely basis of any material fact, information, litigation, employee relations or other matter that could reasonably be expected to have a material impact on the operations or financial position of the Company and any Location. The Management Committee shall provide all material information relating to the Company or any Location as any Member may reasonably request from time to time.

## **ARTICLE 8. REPORTS AND TAX MATTERS**

### **8.1 Books, Records and Reports.**

(a) The Company shall maintain at its principal office each of the following: (i) a current list of the full names, in alphabetical order, and last known business or residence addresses of the Members; (ii) a copy of the Certificate, all amendments to the Certificate and executed copies of any powers of attorney pursuant to which the Certificate or amendments thereto have been executed; (iii) a copy of this Agreement and any amendments hereto and executed copies of any written powers of attorney pursuant to which this Agreement and any amendments hereto have been executed; (iv) copies of all federal, state and local income tax returns and reports of the Company for its three most recent fiscal years; and (v) copies of any financial statements of the Company for the three most recent fiscal years. The Company books and records may be kept under such permissible method of accounting as the Management Committee may determine. As provided pursuant to Section 9 of the Act, the foregoing books and records, together with such other information as a Member shall be entitled to review pursuant to Section 9 of the Act, shall be available for inspection and copying by any Member, at its cost and expense, or its duly authorized representative, during ordinary business hours of the Company.

(b) The Management Committee shall cause the Company to prepare and file income tax returns with the appropriate authorities. Within ninety (90) days after the close of each fiscal year of the Company, the Management Committee shall send to each person who was a Member at any time during such fiscal year such information as will be sufficient to prepare documents which may be required to be filed by such Members under applicable federal, state and local income tax laws.

(c) The Company shall deliver to the Members:

(i) As soon as practicable, but in any event within sixty (60) days after the end of each fiscal year of the Company: (A) a balance sheet as of the end of such year, (B) statements of income and of cash flows for such year, and (C) a statement of members' equity as of the end of such year; and

(ii) as soon as practicable, but in any event within thirty (30) days after the end of each of the first three (3) quarters of each fiscal year of the Company, statements of income and cash flows for such fiscal quarter, and a balance sheet as of the end of such fiscal quarter.

If, for any period, the Company has any Subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated Subsidiaries.

**8.2 Record of Unit Ownership.** The Management Committee shall maintain a journal of ownership of all of the outstanding Units containing the name and address of each Member and the number and class, if any, of Units held (the "Unit Journal"). The Unit Journal shall be conclusive evidence of the ownership of the Units and status as a Member absent manifest error.

**8.3 Withholding.** Notwithstanding any other provision of this Agreement, each Member hereby authorizes the Company to withhold and to pay over, or otherwise to pay, any withholding or other taxes payable by the Company or any of its Affiliates (pursuant to any provision of U.S. federal, state or local or non-U.S. law) with respect to such Member or as a result of such Member's participation in the Company; and if and to the extent that the Company shall be required to withhold or pay any such withholding or other taxes, such Member shall be deemed for all purposes of this Agreement to have received a payment from the company as of the time such withholding or other tax is required to be paid, which payment shall be deemed to be a distribution with respect to such Member's Units. To the extent that the aggregate amount of such payments to a Member for any period exceeds the aggregate distributions that such Member would have received for such period, the Company shall notify such Member as to the amount of such excess and such Member shall make a prompt payment to the Company of such amount (together with interest thereon at the option of the Management Committee). For the avoidance of doubt, any tax or other obligations attributable to tax payable by the Company referred to in this Section 8.3 shall include, without limitation, any "imputed underpayment" imposed on the Company under Section 6225 of the Code and any associated interest or penalties, any taxes, interest or penalties payable by the Company under any similar provisions of state or local tax laws. The provisions of this Section 8.3 shall survive the dissolution of the Company and the withdrawal of any Member or the transfer of any Member's Units.

**8.4 Tax Matters Partner.** Timothy Flaherty shall be the "tax matters partner" for purposes of Section 6231 of the Code (prior to its amendment by the Bipartisan Budget Act of 2015 ("BBA")) and the "partnership representative" as provided in Section 6223(a) of the Code (as amended by the BBA) for any tax period subject to the provisions of such Section 6223 of the Code (in either capacity, the "Tax Matters Partner"). The Tax Matters Partner shall be reimbursed for all reasonable out-of-pocket expenses incurred as a result of its duties as Tax Matters Partner, provided that such indemnification shall not be available if the acts or

omissions giving rise to such costs shall be determined by a court of competent jurisdiction to have been performed or omitted in willful misconduct, gross negligence or fraud. In the event the Tax Matters Partner resigns as Tax Matters Partner or ceases to hold any Units, such Tax Matters Partner shall thereupon cease to be the Tax Matters Partner, and such Member as appointed by the Management Committee shall become the Tax Matters Partner.

**8.5 Elections.** In the event of a distribution of property made in the manner provided in Section 734 of the Code, or in the event of a transfer of any Unit permitted by this Agreement made in the manner provided in Section 743 of the Code, the Tax Matters Partner (subject to the approval of the Management Committee) may, but shall not be required to, file an election under Section 743 of the Code in accordance with the procedures set forth in the Treasury regulations promulgated thereunder.

**8.6 Tax Classification.** It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a “partnership” for U.S. federal, state and local income and franchise tax purposes. In accordance therewith, (a) no Member shall file any election with any taxing authority to have the Company treated otherwise, and (b) each Member hereby represents, covenants, and warrants that it shall not maintain a position inconsistent with such treatment.

## **ARTICLE 9. DISSOLUTION AND TERMINATION**

**9.1 Dissolution of the Company.** The Company shall be dissolved upon the earlier occurrence of any of the following events:

- (a) the written consent of the members holding at least 75% of the then outstanding Units (the “Supermajority”); or
- (b) the entry of a certificate of cancellation under Section 14 of the Act.

**9.2 Liquidation and Winding Up.**

(a) Upon dissolution of the Company, the Management Committee, shall serve as liquidator of the Company (the “Liquidator”). The Liquidator shall, with reasonable speed, wind up the affairs of the Company and liquidate the Property. The Liquidator shall have unlimited discretion to determine the time, manner and terms of any sale of Property having due regard to the activity and condition of the relevant market and general financial and economic conditions and shall be authorized to continue the business of the Company in order to maximize its value as a going concern for eventual sale.

(b) Upon completion of the winding up of the affairs and business of the Company, the assets of the Company shall be distributed by the Liquidator in the following manner and order of priority:

- (i) First, such assets shall be applied to the payment of debts and liabilities of the Company (including any loans from a Manager or Member to the Company) and the payment of expenses of the winding up of the affairs and business of the Company;

(ii) Second, such assets shall be applied to the setting up of any reserves (to be held by the Liquidator) which the Liquidator may deem necessary or appropriate for any contingent or unforeseen liabilities or obligations of the Company; and

(iii) Finally, the remainder, if any, of such assets shall be distributed to the Members in accordance with the provisions of Section 3.6.

(c) If any Member shall be indebted to the Company, then until payment of such indebtedness by such Member, the Liquidator shall retain such Member's distributive share of Property and apply the same to the payment of such indebtedness.

(d) The Liquidator shall comply with all requirements of the Act and other applicable law pertaining to the dissolution, winding up and liquidation of a limited liability company.

## **ARTICLE 10. MISCELLANEOUS PROVISIONS**

**10.1 Definitions.** As used in this Agreement, the following terms shall each have the meaning set forth in this Article (unless the context otherwise requires).

"Act" shall mean the Massachusetts Limited Liability Company Act, as now in effect or as hereafter amended or revised, and any references to sections of the Act shall include any successor provisions of similar tenor or effect.

"Affiliates" of a Person shall mean any Person directly or indirectly controlling, controlled by or under common control with such Person.

"Agreement" shall mean this Limited Liability Company Operating Agreement, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

"Capital Transaction" means any transaction the proceeds of which are not includable in determining Cash Flow, including, without limitation, a financing or a refinancing of any mortgage on, the receipt of insurance proceeds in the event of a loss, or the sale or other disposition of, or an eminent domain taking of all or substantially all of, any assets of the Company, but excluding the receipt by the Company of capital contributions or the proceeds of loans from any Member.

"Cash Flow" shall mean the gross cash receipts of the Company from its operations less the portions thereof which are used or reserved to pay Company debts, expenses and other obligations, to make capital expenditures or to facilitate the Company's future operations.

"Code" shall mean the Internal Revenue Code of 1986, as now in effect or as hereafter amended.

"Competitor" shall mean any Person engaged, directly or indirectly, in the same or similar business as the Business.



"Depreciation" shall mean, for each fiscal year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such fiscal year, except that (a) with respect to any asset the Gross Asset Value of which differs from its adjusted tax basis for federal income tax purposes at the beginning of such fiscal year and which difference is being eliminated by use of the "remedial method" as defined by Treasury Regulations Section 1.704-3(d), Depreciation for such fiscal year shall be the amount of book basis recovered for such fiscal year under the rules prescribed by Treasury Regulations Section 1.704-3(d)(2), and (b) with respect to any other asset the Gross Asset Value of which differs from its adjusted tax basis for federal income tax purposes at the beginning of such fiscal year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such fiscal year bears to such beginning adjusted tax basis; provided, however, that in the case of clause (b) above, if the adjusted tax basis for federal income tax purposes of an asset at the beginning of such fiscal year is zero, then, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Management Committee.

"Gross Asset Value" shall mean, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows: (i) the initial Gross Asset Value of any asset contributed by a Member to the Company is the gross fair market value of such asset as determined by the Management Committee and such Member at the time of contribution; (ii) the Gross Asset Value of all Company assets may be adjusted to equal their respective gross fair market values, as determined by the Management Committee, as of the following times: (a) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a *de minimis* capital contribution; (b) the distribution by the Company to a Member of more than a *de minimis* amount of property as consideration for an interest in the Company; (c) the grant of an interest in the Company as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a Member capacity, or by a new Member acting in a Member capacity or in anticipation of becoming a Member; and (d) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that the adjustments pursuant to the foregoing clauses (a), (b), (c) and (d) shall be made only if the Management Committee reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company; (iii) the Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution as determined by the Management Committee and (iv) the Gross Asset Value of all property shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such property pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and clause (vi) of the definition of Net Profits and Net Losses. If the Gross Asset Value of a Company asset has been determined or adjusted pursuant to clause (i), (ii) or (iv) above, such Gross Asset Value shall thereafter be adjusted by Depreciation taken into account with respect to such asset for purposes of computing Net Profits or Net Losses.

"Member" shall mean each Person who holds any Units.

"Net Profits" and "Net Losses" shall mean, for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such Fiscal Year or period,

determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss) with the following adjustments (without duplication): (i) any income of the Company that is exempt from federal income tax and to the extent not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition, shall be added to such income or loss; (ii) any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and to the extent not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition, shall be subtracted from such taxable income or loss; (iii) in the event the Gross Asset Value of any Company asset is adjusted pursuant to clauses (ii) or (iii) of the definition of Gross Asset Value herein, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Profits or Net Losses; (iv) gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value; (v) in lieu of depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year; (vi) to the extent an adjustment to the adjusted tax basis of any asset pursuant to Code Section 734(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Account balances as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or an item of loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Net Profits and Net Losses; and (vii) any items which are specially allocated pursuant to this Agreement shall not be taken into account in computing Net Profits or Net Losses.

"Person" shall mean and include an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

"Property" shall mean, at any time, all property, whether real or personal, interests, assets or rights owned or held by or on behalf of the Company at such time.

"Subsidiary" shall mean means, with respect to any Person, any corporation, limited liability company, partnership, association or business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (b) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof.

"Transfer" shall mean any sale, transfer, assignment, pledge, mortgage, exchange, hypothecation, grant of a security interest or other disposition or encumbrance of an interest (whether with or without consideration, whether voluntarily or involuntarily or by operation of law). The terms "Transferee," "Transferor," "Transferred," and other forms of the word "Transfer" shall have the correlative meanings.

"Units" shall mean units of ownership interest in the Company into which the Members' ownership interests in the Company are divided. The initial Units are set forth opposite each Member's name on Schedule 1, and thereafter the Units held by a Member shall be reflected in the Unit Journal. Unless otherwise specifically stated to the contrary, references to Units herein shall mean both Common and Preferred.

**10.2 Notices.** All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given and received on date of delivery if delivered personally or by facsimile, or on the second day after deposit in the United States mail if mailed by prepaid first-class registered or certified mail, addressed to such Member or Manager at such Member's or Manager's address in the records of the Company.

**10.3 Governing Law.** This Agreement shall be governed by and construed in accordance with the substantive laws of the Commonwealth of Massachusetts, without regard to conflicts of law principles. For purposes of any action or proceeding involving this agreement, each Member hereby expressly submits to the jurisdiction of all federal and state courts located in the Commonwealth of Massachusetts and consents that any order, process, notice of motion or other application to or by any of said courts or a judge thereof may be served within or without such court's jurisdiction by registered mail or by personal service, provided a reasonable time for appearance is allowed (but not less than the time otherwise afforded by any law or rule), and waives any right to contest the appropriateness of any action brought in any such court based upon lack of personal jurisdiction, improper venue or *forum non conveniens*.

**10.4 Successors and Assigns.** This Agreement and all the terms and provisions hereof shall be binding upon and shall inure to the benefit of the Members and their respective heirs, executors, administrators, successors and permitted assigns. Any person acquiring or claiming an interest in the Company, in any manner whatsoever, shall be subject to and bound by all the terms, conditions and obligations of this Agreement to which its predecessor in interest was subject or bound, without regard to whether such person has executed this Agreement or a counterpart hereof or any other document contemplated hereby. No person shall have any rights or obligations relating to the Company greater than those set forth in this Agreement, and no person shall acquire an interest in the Company or become a Member except as permitted by the terms of this Agreement.

**10.5 Counterparts.** This Agreement may be executed in any number of identical counterparts, each of which, for all purposes, shall be deemed an original, and all of which constitute, collectively, one and the same Agreement. In addition, this Agreement may contain more than one counterpart signature page and may be executed by the affixing of the signature of each of the Members to one of such counterpart signature pages, and all such counterpart signature pages shall be read as one and shall have the same force and effect as though all the signers had signed the same signature page.

**10.6 Additional Assurances.** Upon the request of the Company, each Member agrees to the extent commercially reasonable to perform all further acts and execute, acknowledge and deliver any documents which the Company deems reasonably necessary to effectuate the provisions of this Agreement.

**10.7 Entire Agreement; Amendment of Agreement.** This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter hereof and

supersedes any and all prior negotiations, understandings and agreements in regard hereto. Neither the Certificate nor this Agreement may be amended or modified, except with the consent of the Supermajority, except that the Management Committee alone may effect (i) amendments to Schedule 1 from time to time to reflect changes in the Members of the Company, and (ii) non-substantive amendments needed to correct typographical errors. Notwithstanding the foregoing, this Agreement may not be amended or modified, except with the written consent of all Members, if such proposed modification or amendment will adversely affect the interests of any one Member disproportionately to other Members.

**10.8 Partition.** Each of the parties hereto irrevocably waives during the term of the Company any right that such party may have to maintain any action for partition with respect to the Property.

**10.9 No Waiver.** Failure or delay of any party in exercising any right or remedy under this Agreement, or any other agreement between the parties, or otherwise, will not operate as a waiver thereof. The express waiver by any party of a breach of any provision of this Agreement by any other party shall not operate or be construed as a waiver of any subsequent breach by such party. No waiver will be effective unless and until it is in written form and signed by the waiving party.

**10.10 Gender and Number.** Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

**10.11 Headings.** The captions in this Agreement are inserted for convenience of reference only and shall not affect the construction of this Agreement. References in this Agreement to any Article, Section, Paragraph, Subparagraph or Schedule are to the same contained in this Agreement.

**10.12 Validity and Severability.** The invalidity, illegality or unenforceability of any provision of this Agreement or the application thereof to any person or circumstance, to any extent, for any reason, shall not affect the validity, legality, or enforceability of the remainder of such provision, or any other provision hereof or the application of any provision to any other person or circumstance, and such provision under this Agreement shall be reformed to the extent necessary to effectuate the foregoing, it being intended that the rights and obligations of the parties hereto be enforceable to the fullest extent permitted by law.

**10.13 No Third Party Rights.** This Agreement and the covenants and agreements contained herein are solely for the benefit of the parties hereto. No other person shall be entitled to enforce or make any claims, or have any right pursuant to the provisions of this Agreement.

**10.14 Conflict Waiver.** Each Member acknowledges that Daniel A. DiPietro, Esq., who will be a Member of the Company and acts as counsel to the Company, prepared this Agreement at their joint request and that:

(a) each has been advised that a conflict may exist among the interests of the different Members;

(b) each has been advised by the Company's counsel to seek the advice of independent counsel;

(c) each has had the opportunity to seek the advice of independent counsel;  
and

(d) each hereby waives any claim of conflict of interest arising out of, and agrees that it does not object to, the preparation of this document by Daniel A. DiPietro, Esq. on behalf of the Company.

***[signature pages follow]***

# **Western Front, LLC**

## **Business Plan**



**CCC Adult-use Application for 121 Webster Avenue, Chelsea**

**May 1, 2019**

## **Confidentiality Agreement**

The undersigned reader acknowledges that the information provided by Western Front in this business plan is confidential; therefore, reader agrees not to disclose it without the express written permission of Western Front.

It is acknowledged by reader that information to be furnished in this business plan is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader, may cause serious harm or damage to Western Front.

Upon request, this document is to be immediately returned to Western Front.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (type or print)

\_\_\_\_\_  
Date

# Table of Contents

## **1.0 Executive Summary**

1.1 Overview	5
1.2 Objectives	5
1.3 Mission	6
1.4 Vision	6
1.5 Core Values	6
1.6 Keys to Success	7

## **2.0 Organization Summary**

2.1 Legal Entity	7
2.2 Startup Summary	7
2.3 Start-Up Funding	8
2.4 Long-Term Viability	8

## **3.0 Products and Services**

3.1 Product and Service Philosophy	8
3.2 Product Line	9
3.3 Services	10

## **4.0 Market Perspective**

4.1 Industry Analysis	11
4.2 Market Assessment	13
4.3 Market Segmentation / Customer Profile	14



## **5.0 Strategy and Implementation Summary**

5.1 SWOT Analysis	15
5.1.1 Strengths	15
5.1.2 Weaknesses	15
5.1.3 Opportunities	15
5.1.4 Threats	16
5.2 Marketing and Sales	16
5.2.1 Branding and Positioning	16
5.2.2 Competition	17
5.2.3 Pricing Strategy	17
5.2.4 Marketing Objectives	18
5.2.5 Marketing / Promotional Strategy	18
5.2.6 Sales Strategy	20
5.3 Operations	20
5.3.1 Operations Manual	20
5.3.2 Cultivation	21
5.3.3 Site Security	21
5.3.4 Information Security	21
5.4 Location / Facility	21
5.4.1 Site Selection	22
5.4.2 Site Design	22
5.4.3 Site Build Out	22
5.4.4 Site Financing	22

## **6.0 Management and Organization**

6.1 Executive Team	22
6.2 Board of Directors	22
6.3 Personnel Plan	23
6.3.1 General Philosophy	23

6.3.2 Employee Handbook	23
6.3.3 Organization	23
6.3.4 Recruitment	24
6.3.5 Training	24
6.3.6 Personnel	25
 <b>7.0 Illustrations of Proposed Dispensary</b>	
7.2 RMD Center	27
7.3 RMD Center	28
7.4 Grow Center	29
7.5 Grow Center	30

## **1.0 Executive Summary**

### **1.1 Overview**

Western Front, LLC (WF) seeks licensure by the Commonwealth of Massachusetts' Cannabis Control Commission (CCC) to operate three adult-use retail dispensaries and a cultivation and manufacturing facility. The first proposed retail location is located at 121 Webster Avenue, Chelsea. Western Front is an CCC-certified Economic Empowerment Applicant in good standing with the Massachusetts Secretary of State and has priority status for licensure.

Our mission extends well beyond simply providing cannabis; we seek to achieve social and economic justice while being a great neighbor in the communities we serve. Because Western Front is a locally owned and operated cannabis company (The entire Board of Managers, namely, Marvin Gilmore, Dennis Benzan and Omowale Moses, were all born and raised in Cambridge, all attended and graduated from the Cambridge Public Schools, and all are Cambridge residents) there is an intimate understanding of the special character and important history of Massachusetts. Western Front will seek to be a leader in the emerging legal marijuana industry and to set the standard for excellence while providing the highest quality cannabis with outstanding customer service. The staff at our modern facilities will emphasize safe and responsible consumption of our products while ensuring the customer experience is positive, educational and dignified. The WF Team is always mindful of our responsibilities to communities that have been disproportionately harmed by the war on drugs and we have made a commitment to ensure compliance with all applicable laws and regulations with ongoing education and training.

### **1.2 Objectives**

During the first year, business goals for Western Front are to:

1. Open the first Western Front dispensary in Chelsea
2. Find locations and obtain Host Community Agreements for the two additional dispensaries
3. Find location and obtain Host Community Agreements for a Cultivation and Manufacturing facility (to commence building construction in 2020)
4. Be the leading provider of lowest-cost and highest quality product
5. Have the best staff in the business who provide excellent customer service
6. Develop and maintain a loyal following
7. Be debt-free and cash-flow positive
8. Develop community outreach programs that support veterans, people from communities of disproportional impact and fight the opioid epidemic
9. Support other Economic Empowerment Applicants and the CCC's Social Equity Program

### **1.3 Mission**

Achieve social and economic justice through the emerging legal marijuana industry while providing the highest quality products with the best customer service in a safe and responsible manner while being the best possible neighbor in the communities we serve.

In November of 2016, nearly 80% of Cambridge voters approved Question 4, the ballot initiative to legalize the adult use of marijuana. In July of 2017, Chapter 55 of the Acts of 2017, *An Act to Ensure Safe Access to Marijuana*, was adopted with requirements that people from communities that have been disproportionately harmed by marijuana law enforcement are included in the new legal marijuana industry. These programs were developed in responses to evidence which demonstrates that certain populations, particularly Black and Latinos, have been disproportionately impacted by high rates of arrest and incarceration for marijuana and other drug crimes as a result of state and federal drug policy. Criminalization has had long-term ill effects, not only on the individuals arrested and incarcerated, but on their families and communities. Western Front is committed to addressing these harms and achieving social and economic justice for those communities that have been negatively impacted by the war on drugs.

#### **1.4 Vision**

Western Front will be a community-oriented organization that provides qualified people with safe access to high quality cannabis in a safe and responsible manner. Western Front will serve as an industry-leading operator that maintains the highest standards of professional operation and truly serves the needs of their customers and the Commonwealth and creating opportunities and jobs that support the communities in which we serve.

#### **Western Front's Commitments:**

- Remain in compliance with all state and local regulations.
- Maintain a great working relationship with all government authorities, including law enforcement and health officials.
- Maintain financial viability to support our ongoing mission to serve our customers, our community and other stakeholders.
- Maintain a physical environment and organizational culture where all are treated with respect, compassion and care.
- Be a good neighbor to residents and businesses by engaging community leaders and citizen groups as a responsible service provider.
- Educate our customers on the proper and responsible use of cannabis. Serve our community, both customers and non-customers alike through charitable community events and services.

#### **1.5 Core Values**

Western Front believes in and is committed to:

1. Highest Quality Products- we will cultivate (wholesale) and provide safe, high-quality cannabis and other adult-use products subject to careful processing and testing by an independent laboratory.
2. Compassion- serving our customers professionally with sensitivity to their needs in a clean environment where they are secure.
3. Responsiveness- in our dealings with our customers, employees, unitholders and the community.
4. Transparency- our financial data is regularly audited by an independent accounting firm.

5. Community Service- conducting varied and ongoing outreach activities to serve the needs of customers and others in our community.
6. Education- providing facts and information to help people understand the responsible and effective use of cannabis. - by working with the community, the city and police department as a responsible service provider.
7. Social Equity- as an Economic Empowerment applicant, we truly understand the needs of areas of disproportionate impact and are passionate about helping these communities.

## **1.6 Keys to Success**

Important keys to our success include:

- We will position Western Front as a responsible business in the community and develop close working relationships with civic, business and government leaders and their staffs.
- Highly detailed planning and execution is critical.
- We will put in place the staffing, training and infrastructure required to cultivate (wholesale) safe, high-quality product, and apply best practices to cannabis dispensary operations.
- Financials, especially cash flow, must be well planned and managed, and kept to high standards commensurate with our for-profit status and visibility in the industry.

## **2.0 Organization Summary**

### **2.1 Legal Entity**

Our entity is recorded with the Massachusetts Secretary of State under the name Western Front, LLC. We do business under the name Western Front.

The organization is governed by a five-person Board of Managers, with its Chief Executive Officer overseeing daily operations and serving as WF's President.

### **2.2 Startup Summary**

Following are some of the milestones Western Front has accomplished thus far:

1. LOI (lease) 121 Webster Ave., Chelsea. Host Community Agreement.
2. Successful community meeting.
3. Banking relationship with authorization to deposit marijuana related money.
4. Engaged a qualified team to serve as managers with expertise in legal, financial, compliance, security, operations and more.
5. Prepared to open two more dispensaries in Cambridge and likely, Boston.
6. Secured funds to ensure ongoing operations as a compliant, sustainable organization that can fully deliver on its mission.

### **2.3 Start-Up Funding**

Management has secured commitments in excess of \$2 million for operating costs, build-out of one/two new dispensaries, planning for cultivation facility and working capital.

## **2.4 Long-Term Viability**

Western Front will ensure its long-term viability through a continuing focus on three key pillars of operation:

1. Staying true to its mission: Western Front mission is to achieve social and economic justice through the emerging legal marijuana industry while providing the highest quality products with the best customer service in a safe and responsible manner while being the best possible neighbor in the communities we serve. Management will actively use our mission as a yardstick by which to measure our actions and performance.
2. Involving stakeholders. Successful organizations are those where stakeholders feel a sense of ownership and pride, and actively participate in shaping the direction and future of the organization. We will conduct ongoing efforts to seek feedback from customers, employees, advisors, government officials and the general community on key matters involving Western Front. Examples will include periodic surveys, open meetings and actively encouraging submission of feedback.
3. Financial viability. Western Front cannot fulfill our mission unless we have sufficient resources to continue operations. We are committed to providing services at a fair market value and generating a surplus. Our Board of Directors will review our financial performance on a regular basis and take appropriate action to ensure that we meet these commitments. We will also involve qualified advisors to help us achieve prudent financial management and efficient operations. These advisors have solid records of operational and financial success using a similar model.

## **3.0 Products and Services**

### **3.1 Product and Service Philosophy**

Based on the core values of Western Front, product sales are firmly grounded in a service model. While there may be some differences in product quality from one dispensary to another, cannabis is largely a commodity, so product differentiation rests primarily on how products are sold. Western Front will work diligently to general outline of how Western Front plans to approach product quality and service.

### **Strict Quality Control Guidelines**

In states where dispensaries sell cannabis grown from collective members, studies have shown that some samples contain fungus, molds and other unwanted microbes that can adversely customers buy them. In addition, potency can vary widely from one strain of cannabis to another. Many of these issues can be eliminated through cultivation methods and proper quality control processes. However, as an additional measure, we will implement laboratory testing to control contaminants and standardize potency, these capabilities are made available through independent analytical laboratories. This will enable us to sell only the highest quality product and enable customers to know what to expect from

their purchase, including an objective measure of the amount needed to appropriately address their wants.

### **Zero Tolerance on Product Performance Issues**

Any product found to have a potential problem shall not be provided to, unless and until it passes further review and inspection.

### **3.2 Product Line**

Western Front's product line will include the following:

- Dried Cannabis Flowers: "buds" that can be smoked or consumed with a vaporizer.
- Concentrates and Extracts: such as hashish, rosin, wax and shatter are manufactured by separating the trichomes (semi-transparent granular hair-like outgrowths) from the cannabis flowers to create a concentrated dose of this specific part of the cannabis plant.
- Preparations: Pre-rolled joints, tinctures, transdermals, salves, sublingual applications, etc.
- Edibles: products cooked with butter or oil that has been infused with cannabis (e.g. bars or cookies). Edible cannabis usually takes longer to take effect (20 minutes to an hour or more) and the effects generally last longer than smoking or vaporizing.
- Accessories and Implements of Usage: Grinders, vaporizers, glassware, rolling papers, etc.

### **3.3 Services**

Western Front places an emphasis on education and providing ample information to help customers choose products appropriately and understand how to use them safely, effectively and responsibly.

Other than services stated, Western Front also provides a wide range of other services designed to help customers maintain a healthy lifestyle. The list includes workshops, support groups, classes and other programs, including:

- Product Counseling
- Cooking with Cannabis Classes
- Nutrition Classes
- Art and Music Therapy Classes on wellness strategies, oncology and veteran's issues
- Resource Services (referrals for a wide variety of essential life, social and economic services), chronic pain support and an educational drop-in time for those new to cannabis
- Counseling services focusing on proper practices and avoiding substance misuse and abuse

## **4.0 Perspective and Industry Analysis**

### **4.1 Industry Analysis**

## **History of the Medical Cannabis Industry**

The legal medical cannabis industry in California began in 1996 when a referendum known as Proposition 215 was approved by 56% of California voters. Subsequently the Compassionate Use Act of 1996 codified the rights of authorized patients to possess and cultivate the medicine under the California Health & Safety Code Section 11362.5. In 2004, SB 420 clarified how much medicinal cannabis patients could grow and possess, and it allowed local governments to set additional guidelines.

In August 2008, the California attorney general issued guidelines for the security and non-diversion of cannabis for medical use, further clarifying the legalities of medical cannabis in dispensaries. Since 1996, additional states have followed; cannabis is now legal in one form or another in over 28 other states.

## **Momentum Continues**

Despite opposition and the challenges that dispensaries face, medical cannabis use appears to be here to stay. Growth factors include significant support among the general population and gradual acceptance in the medical community. The medical community has been slow to embrace cannabis as a medicine, but it appears to be just a matter of time. There is a considerable body of evidence that medical cannabis is as good if not better for treating certain conditions than many chemically produced medications.

NORML statistics show that cannabis is used to treat a range of conditions from chronic to acute and terminal:

- 40% chronic pain
- 22% AIDS-related
- 15% mood disorders
- 23% all other categories

Specific conditions for which medical cannabis is currently used as a treatment include:

- AIDS, Alzheimer's Disease, Appetite, Nausea, Arthritis, Asthma, Breathing Disorders, Cancer, Crohn's Disease, Gastrointestinal Disorders, Epilepsy and Seizures, Glaucoma, Migraines, Multiple Sclerosis, Muscle Spasms, Pain, Analgesia, Stress and Anxiety.

According to ASA, more than 6,500 reports and journal articles from around the world support the medical value of cannabis. Hundreds of medical studies have shown cannabis is effective at pain management, treatment of stress and anxiety, cancer treatment and many other conditions where cannabis can ease other symptoms with virtually no harmful side effects. In contrast, many of the standard pharmaceuticals currently used to treat these conditions pose unpleasant or potentially harmful side effects.

After careful scrutiny and substantial consideration of the evidence over decades, dozens of public health organizations have endorsed medical cannabis use. The list is impressive. Supporters include the National Association of People Living with AIDS, AIDS Action Council, American Public Health Association, American Academy of Family Physicians, American Nurses Association, Federation of American Scientists, Kaiser Permanente, New England Journal of Medicine, National Association for Public Health Policy, California Medical Association, Whitman-Walker Clinic, Lymphoma Foundation of America, and many more.



The American Medical Association revised its policy in November 2009 calling for an easing of federal classifications that make it extremely difficult to study the impact of medical cannabis.

### **Friendlier Federal Policies Will Further Industry Growth**

In October 2009, Attorney General Eric Holder reinforced a commitment as he directed federal prosecutors to stop pursuing cases against medical cannabis patients whose conduct was otherwise lawful under state law. Those guidelines were contained in a memo from Deputy Attorney General David Ogden that was sent to United States attorneys.

With a more relaxed legal climate in place, it is likely that the medical cannabis dispensary industry will experience a surge in growth. Some or all of the following trends are expected to occur:

- The climate of fear that the DEA raids has caused will abate, increasing consumer comfort in visiting dispensaries.
- New dispensaries will open as demand increases due to a tolerant climate.
- Existing dispensaries will see an increase in business.
- Additional localities will address cannabis as federal tolerance improves and pressure increases to find new sources of tax revenues in a challenging economy.
- Some dispensaries will become industry leaders and seek industry dominance as they improve operating efficiency and open additional stores.

## **4.2 Market Assessment**

As noted earlier in the Industry Analysis, the cannabis industry is still in its infancy and is relatively undeveloped compared to most industries. Quantifying the market (the number of customers and/or potential revenue) is difficult to quantify because there is no source of comprehensive data about dispensary operations. The stigma associated with cannabis use, along with the threat of possible sensitive data that might be openly published and accessible in other types of markets is not available.

### **Massachusetts Emerging Recreational Cannabis Market**

In November 2016 the people of Massachusetts overwhelmingly passed Chapter 55, An Act to Ensure Safe Access to Marijuana. Providing an avenue through which consumers can gain access to safe, quality cannabis. retail sales began on/ or around 2018.

### **Market Size- Massachusetts**

Because there is no authoritative source of industry data for the cannabis market in Massachusetts, management is relying on estimates that place the number of potential customers at 1,600,000. However, our management believes that the potential market in Massachusetts is probably well above this number.

The Marijuana Policy Project (MPP) estimates that, for every 1,000 residents in the U.S., 25% on average are cannabis consumers. If this average is assumed to be more representative of the probable marijuana users would number 1,600,000 (assuming current population of 6,500,000).

#### **4.3 Market Segmentation / Customer Profile**

Constructing a detailed profile of Western Front customers is challenging because of not only protect customer data, but most avoid the appearance of even collecting it given the privacy issues that customers face and the risks they perceive with the legality of visiting a cannabis dispensary.

However, some data is available from anonymous surveys conducted for dispensaries from 2012 - 2018. While Western Front's customer base may vary due to local or regional differences, the following data provides a general glimpse of what its customers base can be expected to look like.

- Gender: Two out of three consumers are male (67%).
- Age: Median age is approximately 24 to 36 years old. More than 25% are age 40+.
- Zip Code: The largest concentration of consumers lives within a 30-minute driving range to the dispensary.
- Employment: Respondents are employed (33%-41%), with another 16%-18% are self-employed. Around 11% are retired, and 12%-15% are disabled and/or on disability.
- Occupation: Those who work outside the home are concentrated in white collar occupations (management, professionals, service, sales and office workers).
- Last Visit: More than a third of reported visiting their dispensary within the prior month, and nearly two thirds said their last visit was within 90 days.

### **5.0 Strategy and Implementation Summary**

#### **5.1 SWOT Analysis**

The SWOT analysis provides us with an opportunity to examine the internal strengths and weaknesses Western Front must address. It also allows us to examine the opportunities presented to Western Front as well as potential threats that lie beyond its control.

##### **5.1.1 Strengths**

The following strengths are internal to Western Front:

- Qualified, professional management team with impressive backgrounds.
- Consumer centered approach with strong emphasis on proper and safe usage.
- Sophisticated merchandising approach: packaging, labeling, display, etc.
- Ideal locations in high density communities with access to transit and major roadways.
- An amazing team of cannabis advocates who are passionate about marijuana.
- Strong Board of Managers who are focused on fulfilling our mission.
- Dedication to be the best possible neighbor in the communities we serve

- Good working relationships with law enforcement
- Access to sufficient capital and investment in systems and technology

### **5.1.2 Weaknesses**

The following weaknesses are internal to Western Front:

- Lack of comprehensive market data
- Limited ability to market our products to the public under the regulations.
- Difficulty gaining market share from dispensaries that were first-to-market
- Difficulty maintaining a full spectrum of products in inventory
- Length of time it takes to get new products to market

### **5.1.3 Opportunities**

The following are opportunities Western Front can leverage:

- Capitalize on growing public acceptance of cannabis.
- Federal administration policies toward legal dispensaries are more tolerant.
- There is still a significant underserved market in Massachusetts.
- Build alliances with cannabis providers and others in the marijuana industry.
- Generate awareness through external programs and third-party support.
- Limited competition at first as competitors have significant barriers to entry.
- Develop house brands and new products for retail and wholesale.

### **5.1.4 Threats**

The following represents potential threats facing our industry:

- Negative perceptions of cannabis by a large percent of the public. We will continue to monitor trends and work to effect change by implementing best practices, maintaining good community relations and education.
- Tension between federal and state government regarding legalities of cannabis is not fully resolved. We will continue to remain compliant with all state and local ordinances to avoid undue scrutiny.
- Irresponsible users of cannabis create negative press and perceptions.
- Western Front could experience a crop failure or other catastrophe.
- Irresponsible competitors may generate a negative image for the industry.

## **5.2 Marketing and Sales**

### **5.2.1 Branding and Positioning**

Western Front's approach is focused on proper and safe usage, and a balanced lifestyle. We believe the overwhelming portion of those seeking cannabis will be from all walks of life, incomes and ages.

Western Front approach is designed to better meet the needs of customers who seek a modern, clean, safe and professionally managed facility. General differentiators that appeal to consumers will include the following:

- **Focus on -** Western Front emphasizes safe and proper usage; not the drug culture. We are a consumer-focused company whose mission is to help our customers use marijuana safely and achieve the highest possible quality of life.
- **Service Orientation -** Western Front staff is comprised of user and nonusers of marijuana, some of whom have survived an illness with the help of medical cannabis. We are truly committed to quality service and providing a high degree of information to customers in a consultative format.
- **Higher Quality Cannabis -** Western Front will focus on cultivating (wholesaling) safe, high-quality cannabis grown organically. Independent laboratories test product for contaminants and to determine potency.
- **Reliance on Merchandising -** Western Front will take a personalized approach to dispensing cannabis so service is tailored to individual needs. This includes giving customers a variety of choices in neatly arranged display cases, packaging product in attractive containers and allowing customers to see product up close while making a purchase decision.
- **Use of Current Technology -** Western Front utilizes point-of-sale software and new technology to help manage its transactions and track inventory. This technology provides more information and control to help us make better decisions about how to better serve customers.

### **5.2.2 Competition**

Despite recreational marijuana laws being passed in 2016, less than 10 marijuana dispensaries have opened in the Commonwealth. Many more applicants wait for final certification in the pipeline. These new applicants will pose competition as they try to get our market share. Western Front will differentiate ourselves from the competition by focusing on training our team to deliver the best possible customer service and offering the best products at fair prices. We strive to be the least-cost producer of cannabis and will offer a full spectrum of premium products.

Indirectly, Western Front faces competition from illegal sales of cannabis, although this is very difficult to quantify because it is a prohibited activity.

### **5.2.3 Pricing Strategy**

Western Front pricing will be intentionally set at or above the midpoint of the scale locally, largely due to the higher quality of product it will offer to consumers. In order to prevent diversion of product to the illegal market, Western Front will set its pricing at the mid-point range of current (illegal) market prices for cannabis in Massachusetts. Diversion refers to the phenomenon that occurs when dispensaries price their products below prevailing rates for cannabis purchases. This creates an incentive for customers to purchase cannabis and resell it for a profit at the higher market rate. Western Front will discourage

diversion through our pricing strategies and train our team to look for signs of diversion. Pricing will reflect the type of product, quantity purchased and quality. We will charge an average price of \$45 for an eighth ounce, which is in line with current market pricing that ranges between \$40 and \$50 per eighth ounce.

#### **5.2.4 Marketing Objectives**

The following summarizes general objectives for the dispensary in the next few years of operation:

- **Increase Public Education** - Prevailing attitudes about cannabis are continuing to relax. Prior issues with legality and social stigma have constrained the market. Western Front can attract new customers by continuing to educate the public about cannabis as a safe alternative to traditional medicines.
- **Heighten Standards and Recruit New Customers** - Western Front plans to increase customers visits and revenue growth as it improves operations and expands services and product offerings.
- **Expand Provider Alliances** - As legal concerns abate in the provider community, Western Front will undertake additional proactive alliance and referral strategies that will result in additional customers.
- **Increase Brand Awareness** - One of the early challenges for a dispensary is generating awareness and earning high brand loyalty. Our design and service-based programs, based on best practices of leading successful dispensaries, will make us a destination for consumers throughout Massachusetts.
- **Maintain Outreach Efforts** - By working with community groups and participating in community events, Western Front will better serve the community. It will build awareness, relationships and cooperation that will lead to increased referrals and customer growth. We have dedicated a line item in our budget for investment in worthy outreach programs to help customers and give back to the community. In addition to assisting organizations like the Massachusetts Patient Advocacy Alliance (MPAA), the board will meet regularly to discuss distribution of these community outreach funds and support causes reflective of our mission. MPAA will be the primary recipient of the community outreach funds from Western Front. Funds will also be distributed to community organizations and the needs of the host communities. A focus will also be made on supporting locally based organizations that deliver primary health care services to low-income and indigent people.

#### **5.2.5 Marketing / Promotional Strategy**

Leading dispensaries elsewhere have found that word of mouth and a media campaign are two of the most important ways to attract customers and build awareness. Western Front will leverage these and other proven methods as it undertakes the following initiatives to accomplish its stated marketing objectives.

**Nonprofit Partnerships and Community Participation** - Nonprofit Partnerships, paid sponsorships and exhibitor opportunities offer Western Front visibility and can often present significant exposure well

beyond the paid cost of the opportunity. Sponsorships will be specifically targeted at venues where cannabis use is already widely accepted and/or where the need for cannabis is great.

Industry Activism - Additional participation includes formal activism, which helps promote Western Front in industry circles as well as forwards cannabis as a legal, safe alternative form of treatment.

Examples of this include:

- MPAA - Massachusetts Patient Advocacy Alliance. A high priority will be placed on supporting this group, which is at the forefront of bringing about compassionate care for Massachusetts residents in need.
- NORML - National Organization for the Reform of Marijuana Laws
- DPA - Drug Policy Alliance
- LEAP - Law Enforcement Against Prohibition
- MPP- Marijuana Policy Project, a political lobbying group
- SSDP - Students for Sensible Drug Policy
- MCSC - Medical Cannabis Safety Council

Public Relations - Managed coverage in local media is another way Western Front will work to increase awareness and positive information about its services. Periodic press releases will be furnished to local press, including the Massachusetts newspapers, community newsletters, hospice and consumer bulletin boards to highlight.

Consumer Marketing - Western Front will actively work to increase customers as well as encourage customer loyalty and purchasing behavior by marketing to our customer base. Because of the relationship between Western Front and customers, marketing must be permission-based and noninvasive. However, tasteful communications to customers that educate and gently promote are appropriate providing they respect privacy and do not violate any laws. Messaging will include on-site promotional material, such as signage, flyers, newsletters, etc. as well as occasional emailed communications to customers who have specifically opted in.

Viral Marketing - Satisfied customers can be the most effective means to promote Western Front, particularly with its strong brands. Therefore, additional effort will be directed at better leveraging its customer population to evangelize on Western Front's behalf. Western Front will develop a formal referral program that encourages current customers to pass on information to a friend. This is particularly important on intake forms when consumers are asked to indicate how they heard about a dispensary.

Alliances - Alliances represent a substantial opportunity for Western Front to increase awareness and enjoy a stream of referrals. Not only is there little cost associated with alliances, but strong alliance programs will continue to produce over time. Western Front plans to establish strong alliances with various hospices and human service groups.

In addition to expanding these alliance networks, Western Front is developing a strategy to reach out to a variety of organizations and health providers who are in contact with prospective customers. Examples include physicians, chiropractors, cancer support groups, AIDS organizations, senior centers, etc. A key part of this initiative will be educating alliance partners on the benefits, legalities and processes involved

with referring people for medical cannabis use. The time is particularly ideal now that federal pressure on the industry is easing.

### **5.2.6 Sales Strategy**

As a service-based organization focused on the consumer experience, our approach to sales must clearly reflect that orientation. Accordingly, sales will be highly consultative and focused on care, not retail product selling in the traditional sense. A strong emphasis will be placed on customer service and product knowledge to ensure that are provided with accurate, useful information.

Therefore, our staff will be highly trained on a continuing basis to advise customers on the types of product and how to choose appropriately to meet their needs.

At the same time, the dispensary must also operate efficiently to remain financially viable and deliver on its long-term mission. Therefore, the dispensary will provide ongoing training to its staff to ensure that they are properly prepared to provide excellent service and do so with expediency. Western Front will monitor their performance by tracking transaction data for sales staff and occasionally deploying.

Western Front makes an effort to hire advocates that are registered patients and use cannabis for personal health conditions so they can relate to customers and share what strategies have been successful for them. Individual feedback, coupled with regular department meetings, will be used as training opportunities to continually improve sales staff capabilities.

## **5.3 Operations**

### **5.3.1 Operations Manual**

Western Front has adopted a comprehensive operation manual to guide virtually every aspect of daily operations for each department (available for review upon request). The manual details policies and procedures; provide an excellent basis for training and address a wide variety of topics, including:

- Processing and Storage - how product will be handled, acquired, and stored safely, and by whom
- Information Technology - covers Western Front main data system and electronic data systems, access, security, back-up procedures, etc.
- Dispensing Procedures - step-by-step guidance for providing quality service and dispensing product to customers
- Security - spells out how Western Front will maintain a safe environment to protect patients and employees, both inside Western Front and in adjacent areas. See additional detail under Section 5.3.3.
- Emergency Procedures - provides specific protocols in case of medical, police or other emergencies to ensure rapid response involving the appropriate personnel and/or outside authorities.

### **5.3.2 Cultivation (2020)**

Cannabis will be grown utilizing multiple disciplines, including organic hydroponics and soil-grown, flood and drain tables, nutrient film technique and other techniques. The facility will maintain a variety of strains of cannabis to be dispensed in access to the cultivation area.

Best-in-class practices and technology will be implemented to ensure the highest quality and safest product is grown for our customers. Carbon dioxide enrichment will be employed to aid in photosynthesis to maximize plant yield and efficiency. Indoor air quality will be monitored in real time as well, and HEPA filtration will be employed throughout the structure to maintain a mold free environment for the safety of staff and the health of the plants. No expense will be spared to mitigate any odor and noise pollution. The facility will employ negative air pressurization to eliminate air exchange from the cultivation area to the dispensary. All exhausted air will be emitted from the building after undergoing carbon (charcoal) filtration and ozone treatment for the neutralization of odor (volatile organic compounds). This level of environmental and biological control will ensure the medicine cultivated will be of the highest level of purity possible.

The water used for cultivation will be purified via reverse osmosis (RO), providing the plants with a pure base for the nutrient solution necessary for photosynthesis. Only the highest quality fertilizers will be used in the facility with an emphasis on organic fertilization. Lighting will be supplied in the forms of T-5 fluorescent and LED in appropriate phases of the plants' life cycle which is the most sustainable and environmentally friendly method of providing light to plants.

The cultivation facility will be light tight, with no visibility from outside the building. As previously noted, exhausted air will be treated by carbon scrubbing and ozone be blacked out, making the contents and activities inside not visible to patients in the dispensary, or persons outside of the building.

### **5.3.3 Site Security**

- Private and Confidential: See supplemental info

### **5.3.4 Information Security**

- Private and Confidential: See supplemental info

## **5.4 Location / Facility**

- Retail establishment for retail adult-use sales:
  - 121 Webster Ave., Chelsea;
  - 2 additional locations to be determined.
- Cultivation and Manufacturing Facility, to be determined.

### **5.4.1 Site Design**

M C Andrews, Inc.

### **5.4.2 Site Build Out**

M C Andrews, Inc.



### **5.4.3 Site Financing**

- Investors

## **6.0 Management and Organization**

### **6.1 Executive Team**

- Marvin E. Gilmore, Jr., Founder
- Dennis Benzan, Founder, Chief Executive Officer
- Timothy Flaherty, Legal Counsel
- Sheriece Perry, Founder

### **6.2 Board of Managers**

Western Front is governed by a five-person Board of Managers:

- Marvin E. Gilmore, Jr., Chair
- Dennis Benzan
- Omowale Moses
- To be determined
- To be determined

### **6.3 Personnel Plan**

#### **6.3.1 General Philosophy**

Because of its customer-focused mission, Western Front will maintain a high staff-to-customer ratio to provide a consistent level of quality service. As customer numbers increase, Western Front will adjust staffing to maintain this capability.

Western Front has adopted a comprehensive staffing plan to guide recruitment, hiring, training and managing its employees. Highlights of the plan feature:

- Precisely defined responsibilities and accountability plans
- Clearly understood chains of authority
- Well paid, well qualified, well trained personnel
- High customer/ staff ratio
- Professional recruiting practices

#### **6.3.2 Employee Handbook**

The Employee Handbook is furnished to all employees upon being hired, addresses:

- Section 1: The Way We Work
- Section 2: Your Pay and Progress
- Section 3: Paid Time Off and Other Benefits
- Section 4: On the Job (covers various aspects of conduct policy and procedures)
- Section 5: Safety in the Workplace

### **6.3.3 Organization**

The following shows how Western Front current management structure is organized:

- Board of Managers
- C- Level Executives
- Vice Presidents
- Managers: Operations, Dispensary, etc.
- Employees

### **6.3.4 Recruitment**

Western Front recruiting efforts will be primarily directed at candidates with the following qualifications:

- Chelsea residents (per our HCA, we will employ at least 75% Chelsea employees)
- African American and Hispanic Chelsea residents
- Health-related educational and professional backgrounds
- Interest and aptitude for working with consumers
- Social Equity Program participants
- Other Economic Empowerment applicants
- Minor criminal record for marijuana convictions
- Experience in retail venues; restaurant and service industries.

### **6.3.5 Training**

Qualified candidates will be hired on a three-month probationary status. During this period, they will participate in a rigorous training process, and be evaluated for suitability in a restricted-access cannabis environment. Training will include the employee handbook, other reading materials, lectures by qualified professionals, hands-on training and quizzes. The program will consist of the following modules:

- Legal- Legal training will cover all laws relating to marijuana, and especially those related to medical cannabis. Legal obligations of licensed cannabis dispensaries will be emphasized. Other topics will include the rules and regulations of the dispensary, sexual harassment and diversity training, effective interaction with law enforcement personnel, and rights of patients.
- Medical- Medical training will include disabled rights and sensitivity, how to identify and interact with a having a medical emergency, the proper uses and benefits of medical cannabis, and an introduction to the other medical treatments offered by Western Front.

- Sales- Staff will be trained to focus on. The focus will be on assisting in making appropriate decisions about how to choose the type of product which is right for them. Staff will be provided with ongoing training in product information as well as general service philosophy. Training will be facilitated by experts in cultivation, extraction, testing and others.
- Safety- In addition to its focus on safety, security training will include identify verification, compliance training, counterfeit detection, warning signs of possible diversion, panic alarm procedures, perimeter and entrance control, robbery response techniques, conflict resolution techniques and diversion detection techniques.

### **6.3.6 Personnel**

Western Front will employ over 30 full-time employees. Within the next 16 months we will grow to over 80 employees to staff Western Front cultivation facility. Individual job descriptions have been developed for each position in the organization. The purpose is to ensure that all personnel are clear about their role and responsibilities, and understand how their position contributes to the safe, efficient operation of Western Front. Management positions include the following:

- Board of Managers - Oversee the entire dispensary operation and ensure that Western Front successfully delivers on its mission and business objectives.
- Chief Executive Officer - Organize and supervise day-to-day operations.
- Production Manager - Supervise the safe processing, retail packaging, acquisition, delivery and inventory of new supplies of product.
- Sales Manager - Oversee retail package handling, display, dispensing and proper storage of product.
- Security and Compliance Manager - Monitor all areas of operations to ensure the safety of patients, staff, and neighbors and compliance with all laws and regulations.
- Customer Services Manager - Oversee the provision of all services related to customers service and ensure that the dispensary maintains regulatory compliance and provide for effective customer advocacy procedures.
- Cultivation Manager - Responsible for the cultivation, extraction and manufacturing facility. Responsible for strain selection, grow plans and management of cultivation, trimming, drying, curing and processing teams.

### **PLAN FOR OBTAINING LIABILITY INSURANCE**

Western Front, LLC (“Western Front”) plans to contract with Evanston Insurance Company to maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually and product liability coverage for no less than \$1,000,000 per occurrence & \$2,000,000 in aggregate annually. The policy deductible will be no higher than \$5,000 per occurrence. Western Front will consider additional coverage based on availability & cost-benefit analysis. If adequate coverage is unavailable at a reasonable rate, Western Front will place in escrow at least \$250,000 to be expended for liabilities coverage. Any withdrawal from such escrow will be replenished within 10 business days. Western Front will keep reports documenting compliance with 935 CMR 500.105(10).

## PLAN FOR RESTRICTING ACCESS TO AGE 21 AND OLDER

Pursuant to 935 CMR 500.050(5)(b), Western Front, LLC (“Western Front”) will only be accessible to consumers 21 years of age or older with a verified and valid, government-issued photo ID. Upon entry into the premises of the marijuana establishment by an individual, a Western Front agent will immediately inspect the individual’s proof of identification and determine the individual’s age, in accordance with 935 CMR 500.140(2).

In the event Western Front discovers any of its agents intentionally or negligently sold marijuana to an individual under the age of 21, the agent will be immediately terminated, and the Commission will be promptly notified, pursuant to 935 CMR 500.105(1)(l). Western Front will not hire any individuals who are under the age of 21 or who have been convicted of distribution of controlled substances to minors, pursuant to 935 CMR 500.030(1).

Pursuant to 935 CMR 500.105(4), Western Front will not engage in any marketing, advertising or branding practices that are targeted to, deemed to appeal to or portray minors under the age of 21. Western Front will not engage in any advertising, marketing and branding by means of television, radio, internet, mobile applications, social media, or other electronic communication, billboard or other outdoor advertising, including charitable, sporting or similar events, unless at least 85% of the audience is reasonably expected to be 21 years of age or older as determined by reliable and current audience composition data.

Western Front will not manufacture or sell any edible products that resemble a realistic or fictional human, animal or fruit, including artistic, caricature or cartoon renderings, pursuant to 935 CMR 500.150(1)(b). In accordance with 935 CMR 500.105(4)(a)(5), any marketing, advertising and branding materials for public viewing will include a warning stating, **“For use only by adults 21 years of age or older. Keep out of the reach of children. Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of marijuana. Please Consume Responsibly.”** Pursuant to 935 CMR 500.105(6)(b), Western Front packaging for any marijuana or marijuana products will not use bright colors, resemble existing branded products, feature cartoons or celebrities commonly used to market products to minors, feature images of minors or other words that refer to products commonly associated with minors or otherwise be attractive to minors. Western Front’s website will require all online visitors to verify they are 21 years of age or older prior to accessing the website, in accordance with 935 CMR 500.105(4)(b)(13).

**PLAN FOR SEPARATING RECREATIONAL FROM MEDICAL OPERATIONS**

Western Front, LLC (“Western Front”) does not seek to participate in the Medical Use of Marijuana Program at this time.

## **QUALITY CONTROL AND TESTING**

### **Quality Control**

Western Front, LLC (“Western Front”) will comply with the following sanitary requirements:

1. Any Western Front agent whose job includes contact with marijuana or nonedible marijuana products, including cultivation, production, or packaging, is subject to the requirements for food handlers specified in 105 CMR 300.000, and all edible marijuana products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000, and with the requirements for food handlers specified in 105 CMR 300.000.
2. Any Western Front agent working in direct contact with preparation of marijuana or nonedible marijuana products will conform to sanitary practices while on duty, including:
  - a. Maintaining adequate personal cleanliness; and
  - b. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
3. Western Front’s hand-washing facilities will be adequate and convenient and will be furnished with running water at a suitable temperature. Hand-washing facilities will be located in Western Front’s production areas and where good sanitary practices require employees to wash and sanitize their hands, and will provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
4. Western Front’s facility will have sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;
5. Western Front will ensure that litter and waste is properly removed and disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal will be maintained in an adequate manner pursuant to 935 CMR 500.105(12);
6. Western Front’s floors, walls, and ceilings will be constructed in such a manner that they may be adequately kept clean and in good repair;
7. Western Front’s facility will have adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
8. Western Front’s buildings, fixtures, and other physical facilities will be maintained in a sanitary condition;
9. Western Front will ensure that all contact surfaces, including utensils and equipment, will be maintained in a clean and sanitary condition. Such surfaces will be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils will be so designed and of such material and workmanship as to be adequately cleanable;

10. All toxic items will be identified, held, and stored in a manner that protects against contamination of marijuana products. Toxic items will not be stored in an area containing products used in the cultivation of marijuana. Western Front acknowledges and understands that the Commission may require Western Front to demonstrate the intended and actual use of any toxic items found on Western Front's premises;
11. Western Front will ensure that its water supply is sufficient for necessary operations, and that any private water source will be capable of providing a safe, potable, and adequate supply of water to meet Western Front's needs;
12. Western Front's plumbing will be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the marijuana establishment. Plumbing will properly convey sewage and liquid disposable waste from the marijuana establishment. There will be no cross-connections between the potable and wastewater lines;
13. Western Front will provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair;
14. Western Front will hold all products that can support the rapid growth of undesirable microorganisms in a manner that prevents the growth of these microorganisms; and
15. Western Front will store and transport finished products under conditions that will protect them against physical, chemical, and microbial contamination, as well as against deterioration of finished products or their containers.

Western Front's vehicles and transportation equipment used in the transportation of marijuana products or edibles requiring temperature control for safety will be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the marijuana products or edibles from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR 1.908(c).

Western Front will ensure that Western Front's facility is always maintained in a sanitary fashion and will comply with all applicable sanitary requirements.

Western Front will follow established policies and procedures for handling voluntary and mandatory recalls of marijuana products. Such procedures are sufficient to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by Western Front to remove defective or potentially defective marijuana products from the market, as well as any action undertaken to promote public health and safety.

Any inventory that becomes outdated, spoiled, damaged, deteriorated, mislabeled, or contaminated will be disposed of in accordance with the provisions of 935 CMR 500.105(12), and any such waste will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations.



## Testing

Western Front will not sell or otherwise market marijuana or marijuana products that are not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. No marijuana product will be sold or otherwise marketed for adult use that has not first been tested by an Independent Testing Laboratory and deemed to comply with the standards required under 935 CMR 500.160.

Any Independent Testing Laboratory relied upon by Western Front for testing will be licensed or registered by the Commission and (i) currently and validly licensed under 935 CMR 500.101: *Application Requirements*, or formerly and validly registered by the Commission; (ii) accredited to ISO 17025:2017 or the most current International Organization for Standardization 17025 by a third-party accrediting body that is a signatory to the International Laboratory Accreditation Accrediting Cooperation mutual recognition arrangement or that is otherwise approved by the Commission; (iii) independent financially from any Medical Marijuana Treatment Center, Marijuana Establishment or Licensee; and (iv) qualified to test marijuana and marijuana products, including marijuana-infused products, in compliance with M.G.L. c. 94C, § 34; M.G.L. c. 94G, § 15; 935 CMR 500.000: *Adult Use of Marijuana*; 935 CMR 501.000: *Medical Use of Marijuana*; and Commission protocol(s).

Testing of Western Front's marijuana products will be performed by an Independent Testing Laboratory in compliance with a protocol(s) established in accordance with M.G.L. c. 94G, § 15 and in a form and manner determined by the Commission, including but not limited to, the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products*. Testing of Western Front's environmental media will be performed in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the Commission.

Western Front's marijuana will be tested for the cannabinoid profile and for contaminants as specified by the Commission including, but not limited to, mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides. Western Front acknowledges and understands that the Commission may require additional testing.

Western Front's policy of responding to laboratory results that indicate contaminant levels are above acceptable limits established in the protocols identified in 935 CMR 500.160(1) will include notifying the Commission (i) within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch and (ii) of any information regarding contamination as specified by the Commission immediately upon request by the Commission. Such notification will be from both Western Front and the Independent Testing Laboratory, separately and directly, and will describe a proposed plan of

action for both the destruction of the contaminated product and the assessment of the source of contamination.

Western Front will maintain testing results in compliance with 935 CMR 500.000 *et seq* and the record keeping policies described herein and will maintain the results of all testing for no less than one year. Western Front acknowledges and understands that testing results will be valid for a period of one year, and that marijuana or marijuana products with testing dates in excess of one year shall be deemed expired and may not be dispensed, sold, transferred or otherwise conveyed until retested.

All transportation of marijuana to and from Independent Testing Laboratories providing marijuana testing services will comply with 935 CMR 500.105(13). All storage of Western Front's marijuana at a laboratory providing marijuana testing services will comply with 935 CMR 500.105(11). All excess marijuana will be disposed in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to Western Front for disposal or by the Independent Testing Laboratory disposing of it directly. All Single-servings of marijuana products will be tested for potency in accordance with 935 CMR 500.150(4)(a) and subject to a potency variance of no greater than plus/minus ten percent (+/- 10%). Any marijuana or marijuana products submitted for retesting prior to remediation will be submitted to an Independent Testing Laboratory other than the laboratory which provided the initial failed result. Marijuana submitted for retesting after documented remediation may be submitted to the same Independent Testing Laboratory that produced the initial failed testing result prior to remediation.

## **PERSONNEL POLICIES INCLUDING BACKGROUND CHECKS**

### **Overview**

Western Front, LLC (“Western Front”) will securely maintain personnel records, including registration status and background check records. Western Front will keep, at a minimum, the following personnel records:

- Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
- A personnel record for each marijuana establishment agent;
- A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
- Personnel policies and procedures; and
- All background check reports obtained in accordance with 935 CMR 500.030.

### **Agent Personnel Records**

In compliance with 935 CMR 500.105(9), personnel records for each agent will be maintained for at least twelve (12) months after termination of the agent’s affiliation with Western Front and will include, at a minimum, the following:

- All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
- Documentation of verification of references;
- The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
- 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;
- Documentation of periodic performance evaluations;
- A record of any disciplinary action taken;
- Notice of completed responsible vendor and eight-hour related duty training; and
- Results of initial background investigation, including CORI reports.

Personnel records will be kept in a secure location to maintain confidentiality and be only accessible to the agent’s manager or members of the executive management team.

### **Agent Background Checks**

- In addition to completing the Commission’s agent registration process, all agents hired to work for Western Front will undergo a detailed background investigation prior to being granted access to a Western Front facility or beginning work duties.
- Background checks will be conducted on all agents in their capacity as employees or volunteers for Western Front pursuant to 935 CMR 500.030 and will be used by the Director of Security, who will be registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration and the

Commission for purposes of determining the suitability of individuals for registration as a marijuana establishment agent with the licensee.

- For purposes of determining suitability based on background checks performed in accordance with 935 CMR 500.030, Western Front will consider:
  - a. All conditions, offenses, and violations are construed to include Massachusetts law or like or similar law(s) of another state, the United States or foreign jurisdiction, a military, territorial or Native American tribal authority, or any other jurisdiction.
  - b. All criminal disqualifying conditions, offenses, and violations include the crimes of attempt, accessory, conspiracy, and solicitation. Juvenile dispositions will not be considered as a factor for determining suitability.
  - c. Where applicable, all look-back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802 commence upon the date of disposition; provided, however, that if disposition results in incarceration in any institution, the look-back period will commence upon release from incarceration.
- Suitability determinations will be made in accordance with the procedures set forth in 935 CMR 500.800. In addition to the requirements established in 935 CMR 500.800, Western Front will:
  - a. Comply with all guidance provided by the Commission and 935 CMR 500.802: Tables B through D to determine if the results of the background are grounds for Mandatory Disqualification or Presumptive Negative Suitability Determination.
  - b. Consider whether offense(s) or information that would result in a Presumptive Negative Suitability Determination under 935 CMR 500.802. In the event a Presumptive Negative Suitability Determination is made, Western Front will consider the following factors:
    - i. Time since the offense or incident;
    - ii. Age of the subject at the time of the offense or incident;
    - iii. Nature and specific circumstances of the offense or incident;
    - iv. Sentence imposed and length, if any, of incarceration, if criminal;
    - v. Penalty or discipline imposed, including damages awarded, if civil or administrative;
    - vi. Relationship of offense or incident to nature of work to be performed;
    - vii. Number of offenses or incidents;
    - viii. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
    - ix. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including, but not limited to, professional or educational certifications obtained; and
    - x. Any other relevant information, including information submitted by the subject.

- c. Consider appeals of determinations of unsuitability based on claims of erroneous information received as part of the background check during the application process in accordance with 803 CMR 2.17: Requirement to Maintain a Secondary Dissemination Log and 2.18: Adverse Employment Decision Based on CORI or Other Types of Criminal History Information Received from a Source Other than the DCJIS.
- All suitability determinations will be documented in compliance with all requirements set forth in 935 CMR 500 et seq. and guidance provided by the Commission.
- Background screening will be conducted by an investigative firm holding the National Association of Professional Background Screeners (NAPBS®) Background Screening Credentialing Council (BSCC) accreditation and capable of performing the searches required by the regulations and guidance provided by the Commission.
- References provided by the agent will be verified at the time of hire.
- As a condition of their continued employment, agents, volunteers, contractors, and subcontractors are required to renew their Program ID cards annually and submit to other background screening as may be required by Western Front or the Commission.

### Personnel Policies and Training

As outlined in Western Front's Record Keeping Procedures, a staffing plan and staffing records will be maintained in compliance with 935 CMR 500.105(9) and will be made available to the Commission, upon request. All Western Front agents are required to complete training as detailed in Western Front's Qualifications and Training plan which includes but is not limited to the Western Front's strict alcohol, smoke and drug-free workplace policy, job specific training, Responsible Vendor Training Program, confidentiality training including how confidential information is maintained at the marijuana establishment and a comprehensive discussion regarding the marijuana establishment's policy for immediate dismissal. All training will be documented in accordance with 935 CMR 105(9)(d)(2)(d).

Western Front will have a policy for the immediate dismissal of any dispensary agent who has:

- Diverted marijuana, which will be reported the Police Department and to the Commission;
- Engaged in unsafe practices with regard to Western Front operations, which will be reported to the Commission; or
- 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.

## **RECORDKEEPING PROCEDURES**

### **General Overview**

Western Front, LLC (“Western Front”) has established policies regarding recordkeeping and record-retention in order to ensure the maintenance, safe keeping, and accessibility of critical documents. Electronic and wet signatures are accepted forms of execution of Western Front documents. Records will be stored at Western Front in a locked room designated for record retention. All written records will be available for inspection by the Commission upon request.

### **Recordkeeping**

To ensure that Western Front is keeping and retaining all records as noted in this policy, reviewing Corporate Records, Business Records, and Personnel Records to ensure completeness, accuracy, and timeliness of such documents will occur as part of Western Front’s quarter-end closing procedures. In addition, Western Front’s operating procedures will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis.

- **Corporate Records**: are defined as those records that require, at a minimum, annual reviews, updates, and renewals, including:
  - Insurance Coverage:
    - Directors & Officers Policy
    - Product Liability Policy
    - General Liability Policy
    - Umbrella Policy
    - Workers Compensation Policy
    - Employer Professional Liability Policy
  - Third-Party Laboratory Contracts
  - Commission Requirements:
    - Annual Agent Registration
    - Annual Marijuana Establishment Registration
  - Local Compliance:
    - Certificate of Occupancy
    - Special Permits
    - Variances
    - Site Plan Approvals
    - As-Built Drawings
  - Corporate Governance:
    - Annual Report
    - Secretary of Commonwealth Filings
- **Business Records**: Records that require ongoing maintenance and updates. These records can be electronic or hard copy (preferably electronic) and at minimum include:

- Assets and liabilities;
- Monetary transactions;
- Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
- Sales records including the quantity, form, and cost of marijuana products;
- Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over the Western Front.
- Personnel Records: At a minimum will include:
  - Job descriptions for each agent and volunteer position, as well as organizational charts consistent with the job descriptions;
  - A personnel record for each marijuana establishment agent. Such records will be maintained for at least twelve (12) months after termination of the agent's affiliation with Western Front and will include, at a minimum, the following:
    - All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
    - Documentation of verification of references;
    - The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
    - 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;
    - Documentation of periodic performance evaluations; and
    - A record of any disciplinary action taken.
    - Notice of completed responsible vendor and eight-hour related duty training.
  - A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
  - Personnel policies and procedures; and
  - All background check reports obtained in accordance with 935 CMR 500.030: Registration of Marijuana Establishment Agents 803 CMR 2.00: Criminal Offender Record Information (CORI).
- Handling and Testing of Marijuana Records
  - Western Front will maintain the results of all testing for a minimum of one (1) year.
- Inventory Records

- The record of each inventory will include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the agents who conducted the inventory.
- Seed-to-Sale Tracking Records
  - Western Front will use seed-to-sale tracking software to maintain real-time inventory. The seed-to-sale tracking software inventory reporting will meet the requirements specified by the Commission and 935 CMR 500.105(8)(e), including, at a minimum, an inventory of marijuana plants; marijuana plant-seeds and clones in any phase of development such as propagation, vegetation, flowering; marijuana ready for dispensing; all marijuana products; and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal.
- Sales Records for Marijuana Retailer
  - Western Front shall maintain records that it has performed a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate the sales data and produce such records on request to the Commission.
- Incident Reporting Records
  - Within ten (10) calendar days, Western Front will provide notice to the Commission of any incident described in 935 CMR 500.110(9)(a), by submitting an incident report in the form and manner determined by the Commission which details the circumstances of the event, any corrective action taken, and confirmation that the appropriate law enforcement authorities were notified within twenty-four (24) hours of discovering the breach or incident .
  - All documentation related to an incident that is reportable pursuant to 935 CMR 500.110(9)(a) will be maintained by Western Front for no less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities within Western Front's jurisdiction on request.
- Visitor Records
  - A visitor sign-in and sign-out log will be maintained at the security office. The log will include the visitor's name, address, organization or firm, date, time in and out, and the name of the authorized agent who will be escorting the visitor.
- Waste Disposal Records
  - When marijuana or marijuana products are disposed of, Western Front will create and maintain an electronic record of the date, the type and quantity disposed of or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Western Front agents present during the



disposal or other handling, with their signatures. Western Front will keep disposal records for at least three (3) years. This period will automatically be extended for the duration of any enforcement action and may be extended by an order of the Commission.

- Security Records

- A current list of authorized agents and service personnel that have access to the surveillance room will be available to the Commission upon request.
- Recordings from all video cameras which shall be enabled to record twenty-four (24) hours each day shall be available for immediate viewing by the Commission on request for at least the preceding ninety (90) calendar days or the duration of a request to preserve the recordings for a specified period of time made by the Commission, whichever is longer.
- Recordings shall not be destroyed or altered and shall be retained as long as necessary if Western Front is aware of pending criminal, civil or administrative investigation or legal proceeding for which the recording may contain relevant information.

- Transportation Records

- Western Front will retain all transportation manifests for a minimum of one (1) year and make them available to the Commission upon request.

- Vehicle Records

- Records that the Western Front's vehicle is properly registered, inspected, and insured in the Commonwealth and shall be made available to the Commission on request.

- Agent Training Records

- Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual indicating the date, time, and place he or she received the training, the topics discussed and the name and title of the presenter(s).

- Responsible Vendor Training

- Western Front shall maintain records of Responsible Vendor Training Program compliance for four (4) years and make them available to inspection by the Commission and any other applicable licensing authority on request during normal business hours.

- Closure

- In the event Western Front closes, all records will be kept for at least two (2) years at Western Front's expense in a form (electronic, hard copies, etc.) and location acceptable to the Commission. In addition, Western Front will communicate with the Commission during the closure process and accommodate any additional requests the Commission or other agencies may have.

- Written Operating Policies and Procedures: Policies and Procedures related to Western Front's operations will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis. Policies and Procedures will include the following:
  - Security measures in compliance with 935 CMR 500.110;
  - Employee security policies, including personal safety and crime prevention techniques;
  - A description of Western Front's hours of operation and after-hours contact information, which will be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000.
  - Storage of marijuana in compliance with 935 CMR 500.105(11);
  - 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;
  - Price list for Marijuana and Marijuana Products, and alternate price lists for patients with documented Verified Financial Hardship as defined in 501.002: *Definitions*, as required by 935 CMR 501.100(1)(f);
  - Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.105(8) and (9);
  - Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
  - A staffing plan and staffing records in compliance with 935 CMR 500.105(9)(d);
  - Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
  - Alcohol, smoke, and drug-free workplace policies;
  - A plan describing how confidential information will be maintained;
  - Policy for the immediate dismissal of any dispensary agent who has:
    - Diverted marijuana, which will be reported to Law Enforcement Authorities and to the Commission;
    - Engaged in unsafe practices with regard to Western Front operations, which will be reported to the Commission; or
    - 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.
  - A list of all board of directors, members, and executives of Western Front, and members, if any, of the licensee must be made available upon request by any individual. This requirement may be fulfilled by placing this information on Western Front's website.

- Policies and procedures for the handling of cash on Western Front premises including but not limited to storage, collection frequency and transport to financial institution(s), to be available upon inspection.
- Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.
- Policies and procedures for energy efficiency and conservation that will include:
  - 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;
  - Consideration of opportunities for renewable energy generation, including, where applicable, submission of building plans showing where energy generators could be placed on site, and an explanation of why the identified opportunities were not pursued, if applicable;
  - Strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and
  - Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25 § 21, or through municipal lighting plants.
- Policies and procedures to promote workplace safety consistent with applicable standards set by the Occupational Safety and Health Administration, including plans to identify and address any biological, chemical or physical hazards. Such policies and procedures shall include, at a minimum, a hazard communication plan, personal protective equipment assessment, a fire protection plan, and an emergency action plan.
- Application Renewal Records
  - Western Front shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should state that, in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

### Record-Retention

Western Front will meet Commission recordkeeping requirements and retain a copy of all records for two (2) years, unless otherwise specified in the regulations.

## **MAINTAINING OF FINANCIAL RECORDS**

Western Front's ("Western Front") operating policies and procedures ensure financial records are accurate and maintained in compliance with the Commission's Adult Use of Marijuana regulations (935 CMR 500). Financial records maintenance measures include policies and procedures requiring that:

- Confidential information will be maintained in a secure location, kept separate from all other records, and will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided however, the Commission may access this information to carry out its official duties.
- All recordkeeping requirements under 935 CMR 500.105(9) are followed, including:
  - Keeping written business records, available for inspection, and in accordance with generally accepted accounting principles, which will include manual or computerized records of:
    - Assets and liabilities;
    - Monetary transactions;
    - Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
    - Sales records including the quantity, form, and cost of marijuana products; and
    - Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over the Western Front.
- All sales recording requirements under 935 CMR 500.140(5) are followed, including:
  - Utilizing a point-of-sale (POS) system approved by the Commission, in consultation with the DOR, and a sales recording module approved by DOR;
  - Conducting a monthly analysis of its equipment and sales data, and maintaining records, available to the Commission upon request, that the monthly analysis has been performed;
  - Complying with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements;
  - Adopting separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales;
  - Maintaining such records that would allow for the Commission and the DOR to audit and examine the point-of-sale system used in order to ensure compliance with Massachusetts tax laws and 935 CMR 500; and
  - If colocated with a medical marijuana treatment center, maintaining and providing the Commission on a biannual basis accurate sales data collected by the licensee during the six (6) months immediately preceding this application for the purpose

of ensuring an adequate supply of marijuana and marijuana products under 935 CMR 500.140(10).

- Additional written business records will be kept, including, but not limited to, records of:
  - Compliance with liability insurance coverage or maintenance of escrow requirements under 935 CMR 500.105(10) and all bond or escrow requirements under 935 CMR 500.105(16);
  - Fees paid under 935 CMR 500.005 or any other section of the Commission's regulations; and
  - Fines or penalties, if any, paid under 935 CMR 500.360 or any other section of the Commission's regulations.
- Application Renewal Records
  - Western Front shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should state that, in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

## **QUALIFICATIONS AND TRAINING**

Western Front, LLC (“Western Front”) will ensure that all employees hired to work at a Western Front facility will be qualified to work as a marijuana establishment agent and properly trained to serve in their respective roles in a compliant manner.

### **Qualifications**

In accordance with 935 CMR 500.030, a candidate for employment as a marijuana establishment agent must be 21 years of age or older. In addition, the candidate cannot have been convicted of a criminal offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States, or foreign jurisdiction, or a military, territorial, or Native American tribal authority.

Western Front will also ensure that its employees are suitable for registration consistent with the provisions of 935 CMR 500.802. In the event that Western Front discovers any of its agents are not suitable for registration as a marijuana establishment agent, the agent’s employment will be terminated, and Western Front will notify the Commission within one (1) business day that the agent is no longer associated with the establishment.

### **Training**

As required by 935 CMR 500.105(2), and prior to performing job functions, each of Western Front’s agents will successfully complete a comprehensive training program that is tailored to the roles and responsibilities of the agent’s job function. Agent training will at least include the Responsible Vendor Training Program and eight (8) hours of on-going training annually.

All of Western Front’s current Owners, managers, and employees that are involved in the handling and sale of marijuana at the time of licensure or renewal of licensure will have attended and successfully completed the mandatory Responsible Vendor Training Program operated by an education provider accredited by the Commission to provide the annual minimum of three (3) hours of required training to marijuana establishment agents to be designated a “Responsible Vendor”. Once Western Front is designated a “Responsible Vendor”, all new employees involved in the handling and sale of marijuana will successfully complete a Responsible Vendor Training Program within 90 days of the date they are hired. After initial successful completion of a Responsible Vendor Training Program, each Owner, manager, and employee involved in the handling and sale of marijuana will successfully complete the program once every year thereafter to maintain designation as a “Responsible Vendor”.

Western Front will also encourage administrative employees who do not handle or sell marijuana to take the “Responsible Vendor” program on a voluntary basis to help ensure compliance. Western Front’s records of Responsible Vendor Training Program compliance will be

maintained for at least four (4) years and made available during normal business hours for inspection by the Commission and any other applicable licensing authority on request.

As part of the Responsible Vendor Training Program, Western Front's agents will receive training on a variety of topics relevant to marijuana establishment operations, including but not limited to the following:

1. Marijuana's effect on the human body, including:
  - Scientifically based evidence on the physical and mental health effects based on the type of Marijuana Product;
  - The amount of time to feel impairment;
  - Visible signs of impairment; and
  - Recognizing signs of impairment
2. Diversion prevention and prevention of sales to minors, including best practices;
3. Compliance with all tracking requirements;
4. Acceptable forms of identification, including:
  - How to check identification;
  - Spotting false identification;
  - Patient registration cards formerly and validly issued by the DPH or currently and validly issued by the Commission; and
  - Common mistakes made in verification
5. Other key state laws and rules affecting Owners, managers, and employees, including:
  - Local and state licensing and enforcement;
  - Incident and notification requirements;
  - Administrative and criminal liability;
  - License sanctions;
  - Waste disposal;
  - Health and safety standards;
  - Patrons prohibited from bringing marijuana onto licensed premises;
  - Permitted hours of sale;
  - Conduct of establishment;
  - Permitting inspections by state and local licensing and enforcement authorities;
  - Licensee responsibilities for activities occurring within licensed premises;
  - Maintenance of records;
  - Privacy issues; and
  - Prohibited purchases and practices.

## **DIVERSITY PLAN**

### **Overview**

Western Front, LLC (“Western Front”) believes in creating and sustaining a robust policy of inclusivity and diversity. Western Front recognizes that diversity in the workforce is key to the integrity of a company’s commitment to its community. Western Front is dedicated to promoting equity in its operations for diverse populations, which the Commission has identified as the following:

1. Minorities;
2. Women;
3. Veterans;
4. People with disabilities; and
5. People who identify as LGBTQ+.

To support such populations, Western Front has created the following Diversity Plan (the “Plan”) and has identified and created goals/programs to promote equity in Western Front’s operations.

### **Goals**

In order for Western Front to promote equity for the above-listed groups in its operations, Western Front has established the following goals:

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

### **Diversity Recruitment and Sourcing**

Western Front’s recruitment efforts are designed to maintain a steady flow of qualified diverse applicants. Western Front will seek to ensure 50% of its employees identify from diverse backgrounds as identified by the Commission. Measures that Western Front will take include:

- Advertising employment opportunities and career fairs in diverse publications or other mediums, including bilingual newspapers, networking groups for those who identify as minorities, women, veterans, people with disabilities, and people who are LGBTQ+, and posting job options on public boards. At least one (1) advertisement will occur whenever a job becomes available;
- Advertising employment opportunities and career fairs with organizations serving minorities, women, people who identify as LGBTQ+, veterans, and persons with disabilities for employment referrals, whenever a job becomes available;
- Providing briefings to representatives from recruitment sources concerning current and future job openings whenever a job opening becomes available;



- Encouraging employees from diverse groups to refer applicants for employment; and
- Participating in or hosting job fairs with a focus on attracting individuals falling into the above-listed demographics. Western Front hopes to host at least one (1) job fair annually in the City of Chelsea.

### Employee Retention, Training and Development

Perhaps the most critical element of maintaining a diverse and inclusive workforce is keeping the pathways to professional development and promotion open for all employees. Therefore, Western Front's mentoring, training, and professional development programs are structured with the intention of finding, fostering, and promoting diverse employees.

Western Front will offer promotions, career counseling, and training to provide employees with opportunity for growth and to decrease turnover. Western Front will ensure that all employees are given opportunities for promotion by communicating opportunities, training programs, and clearly-defined job descriptions. Western Front will ensure that all employees receive opportunities for career counseling, counsel employees on advancement opportunities, and provide training programs to assist them in career development. Training programs will be both internal and external to the company and cannabis industry, and may include topics such as: marijuana cultivation techniques, product manufacturing techniques, retail practices, compliance, writing, management training, and industry seminars provided at annual conferences such as MJBizCon. Western Front anticipates hosting employee educational trainings at least twice annually.

### Measuring Progress

The Director of Human Resources at Western Front will be responsible for auditing the Diversity Plan annually upon Provisional Certificate Renewal. The audit report setting forth the Company's performance in fulfilling the goals of the Plan will contain:

- Number of employees identifying as from diverse backgrounds;
- Number of promotions for people falling into the above-listed demographics since initial licensure;
- Number of and type of educational trainings held for employees.

### Acknowledgements

- Western Front 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 Western Front will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.