



Massachusetts Cannabis Control Commission

Marijuana Microbusiness

General Information:

License Number: MB281675
Original Issued Date: 09/16/2020
Issued Date: 09/16/2020
Expiration Date: 09/16/2021

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Root 2 Naturals, LLC

Phone Number: 781-858-9759
Email Address: pmpace88@gmail.com

Business Address 1: 201 Daniel Shays Highway
Business City: Athol
Business State: MA
Business Zip Code: 01331
Mailing Address 1: PO Box 80420
Mailing City: STONEHAM
Mailing State: MA
Mailing Zip Code: 02180
Business Address 2:
Mailing Address 2:

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

PRIORITY APPLICANT

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

RMD INFORMATION

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

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 33.33
Percentage Of Control: 33.33
Role: Owner / Partner
Other Role:

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

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 33.33 Percentage Of Control: 33.33
Role: Owner / Partner Other Role:
First Name: Paul Last Name: Pace Suffix:
Gender: Male User Defined Gender:
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)
Specify Race or Ethnicity:

Person with Direct or Indirect Authority 3

Percentage Of Ownership: 33.33 Percentage Of Control: 33.33
Role: Owner / Partner Other Role:
First Name: Frank Last Name: Pace Suffix:
Gender: Male User Defined Gender:
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)
Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Paul	Last Name: Pace	Suffix:	
Types of Capital: Monetary/ Equity	Other Type of Capital:	Total Value of the Capital Provided: \$364813.46	Percentage of Initial Capital: 75

Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Cultivation Environment: Indoor Establishment Activities: Both Cultivating and Manufacturing
Establishment Address 1: 201 Daniel Shays Highway
Establishment Address 2:
Establishment City: Athol Establishment Zip Code: 01331

Approximate square footage of the Establishment: 3500 How many abutters does this property have?: 3

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

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	HCA cert form Athol - Root 2 Naturals 10-15-19.pdf	pdf	5df1491d40e3485791980b44	12/11/2019
Community Outreach Meeting Documentation	Root 2 Naturals Community Outreach Documentation packet ABC.pdf	pdf	5eda7144c6c85217ea374a27	06/05/2020
Plan to Remain Compliant with Local Zoning	Updated Plan to Remain Compliant with Local Zoning by JV (1).pdf	pdf	5ee25830721f40180b731b5a	06/11/2020

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

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Other	NEVA PIP letter for Root 2 Naturals LLC.pdf	pdf	5ee258da1c2dbc24d01a15c3	06/11/2020
Plan for Positive Impact	Revised Positive Impact Plan - Root 2 Naturals.pdf	pdf	5ee258dcc6c85217ea375982	06/11/2020

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Owner / Partner Other Role:
First Name: Paul Last Name: Pace Suffix:
RMD Association: Not associated with an RMD
Background Question: no

Individual Background Information 2

Role: Owner / Partner Other Role:
First Name: Paul Last Name: Pace Suffix:
RMD Association: Not associated with an RMD
Background Question: no

Individual Background Information 3

Role: Owner / Partner Other Role:
First Name: Frank Last Name: Pace Suffix:
RMD Association: Not associated with an RMD
Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

No records found

Date generated: 12/03/2020

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	201deptrevcert.pdf	pdf	5dae232e90352a2b339acc28	10/21/2019
Secretary of Commonwealth - Certificate of Good Standing	201secstacert.pdf	pdf	5dae234cd5c8962b282dabb0	10/21/2019
Articles of Organization	201certorg.pdf	pdf	5dae23f073225f2fcd764fba	10/21/2019
Bylaws	201bylaw.pdf	pdf	5dae2417b35b62300f5d850d	10/21/2019
Secretary of Commonwealth - Certificate of Good Standing	r2nunemploy.pdf	pdf	5ec31a08504715348b1e2a9e	05/18/2020

No documents uploaded

Massachusetts Business Identification Number: 001390014

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Proposed Timeline	Root 2 Naturalstimelineupdated1.pdf	pdf	5ec310e8cb1edf34af2dece3	05/18/2020
Business Plan	R2Nbusinessplanupdated1.pdf	pdf	5ec310fff16b5934c591b947	05/18/2020
Plan for Liability Insurance	Root 2 Naturals - Plan to Obtain Liability Insurance (1).pdf	pdf	5ee25968c6c85217ea375991	06/11/2020

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Sample of unique identifying marks for branding	r2nbrandmark.pdf	pdf	5df14fb39c1081532b9a97f1	12/11/2019
Inventory procedures	r2ninventory.pdf	pdf	5df15052ea4df3530e648a67	12/11/2019
Security plan	r2nsecurityupdated1.pdf	pdf	5ec311b85fa02a2d3651dfcf	05/18/2020
Storage of marijuana	r2nstorageupdated1.pdf	pdf	5ec311e2504715348b1e2a8a	05/18/2020
Transportation of marijuana	r2ntransportupdated1.pdf	pdf	5ec312021cd17834bad63584	05/18/2020
Restricting Access to age 21 and older	R2nrestrictaccessupdated1.pdf	pdf	5ec31228ce51fd2d12e5e2cb	05/18/2020
Prevention of diversion	r2ndiversionplanupdated1.pdf	pdf	5ec312595f1314349d5f986a	05/18/2020
Personnel policies including background checks	r2npersonelpolupdated1.pdf	pdf	5ec3128b5f1314349d5f986e	05/18/2020
Record Keeping procedures	r2nrecordsupdated1.pdf	pdf	5ec312b97d78332d19fc87a8	05/18/2020
Maintaining of financial records	r2nfinrecupdated1.pdf	pdf	5ec312e1cb1edf34af2decec	05/18/2020
Qualifications and training	r2nqualiftrainupdated1.pdf	pdf	5ec313070f6f0d34840b4317	05/18/2020
Types of products	R2NTypesofproductsupdated1.pdf	pdf	5ec3137fcb1edf34af2decf2	05/18/2020
Production methods	r2nproductionmethodsupdated1.pdf	pdf	5ec3139f7dc0413492817468	05/18/2020

Policies and procedures for cultivating	Revised and updated Cultivation Plan.pdf	pdf	5ee256a5f5e90617d832d07d	06/11/2020
Diversity plan	Revised - Diversity and Inclusion Plan (2).pdf	pdf	5ee259a1c6c85217ea375995	06/11/2020
Quality control and testing	Root 2 Naturals - Quality Control and Testing.pdf	pdf	5ee25a048e2a8b24c980ed50	06/11/2020
Quality control and testing	Revised Safety Plan for Root 2 Naturals RFI (1).pdf	pdf	5ee25a06f5e90617d832d091	06/11/2020

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

I certify that to the best knowledge of any of the individuals listed within this application, there are no background events that have arisen since the issuance of the establishment's final license that would raise suitability issues in accordance with 935 CMR 500.801.:

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

HOURS OF OPERATION

Monday From: 8:00 AM	Monday To: 4:00 PM
Tuesday From: 8:00 AM	Tuesday To: 4:00 PM
Wednesday From: 8:00 AM	Wednesday To: 4:00 PM
Thursday From: 8:00 AM	Thursday To: 4:00 PM
Friday From: 8:00 AM	Friday To: 4:00 PM
Saturday From: 8:00 AM	Saturday To: 12:00 PM
Sunday From: 8:00 AM	Sunday To: 12:00 PM

Host Community Agreement Certification Form

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

Applicant

I, Paul Pace, (*insert name*) certify as an authorized representative of Root 2 Naturals, LLC (*insert name of applicant*) that the applicant has executed a host community agreement with Athol (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on October 15, 2019 (*insert date*).



Signature of Authorized Representative of Applicant

Host Community

I, Shaun A. Suhoski, Town Manager, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for the Town of Athol (*insert name of host community*) to certify that the applicant and the Town of Athol (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on October 15, 2019 (*insert date*).



Signature of Contracting Authority or
Authorized Representative of Host Community

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, Paul Pace, (*insert name*) attest as an authorized representative of Root 2 Naturals, 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 August 7, 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 July 24, 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 July 17, 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 July 17, 2019 (*insert date*), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).

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

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

ATTACHMENT A

BUSINESS & SERVICE DIRECTORY

413-772-0148 978-249-3535

clasinfo@recorder.com classified@atholdailynews.com

Monday - Friday 8:00 am - 5:00 pm



Automotive Services

THE GARAGE— 1 Barre Rd. Junctions 122 & 32, Petersham. 978-724-3237. Full service auto repair.

Building & Remodeling

DENNIS BRAMHALL BUILDER
Custom Homes, Barns,
Garages, Remodeling
CSL #070066, HIC #131173
(978)544-1579

KK BUILDERS-Custom homes, garages, additions and decks. Everything from floors to roofs. Fully insured CSL #090278, HIC #151230. Karl Knechtel (978)944-3004.

Chimney Services

CLEAN SWEEP - Chimney service. Cleaning, masonry, repairs, liner installs. Inspection 978-544-8848.

Construction

BRAMHALL CONSTRUCTION
MCS #062508, HIC #117243
Call Jon Bramhall 978-544-7221

Electrician

Rich Harrington
Electrician
25 Years Experience
New & Old Construction
Generator Back-up Systems
Service Upgrades
Fully Insured. Free Estimates.
Lic. #E38511
(978)413-1578

Furniture Refinishing & Repair

Home Improvement

BARDSLEY RENOVATIONS
Home Improvement Contractor
Roofing, Windows, Garage Doors,
Additions, Siding, Seamless Gutters
Call 978-544-8342
CSL #186007, HIC #128980

Lamp Repairs

JUST THINGS
Complete lamp repair, lamps &
lamp parts sold. Giant tag sale.
Call Arthur, 413-498-5943

Painting

BOB'S PAINTING - Interior/exterior.
Free estimates. Insured. 40+ years
experience 978-413-5538.

CAPONE PAINTING & Wallpapering.
Custom ceilings. Exterior power
washing and more 978-894-5107.

Plumbing

BARTLETT'S PLUMBING & HEATING
Gas & Oil, Lic. #30155
978-249-0004
Emergencies 978-843-9840

PLUMBING & HEATING-Service &
Repair. Boiler & Hot Water Heater
Replacement. Call Bruce Raulston,
Lic. J#23699, 978-249-3339 or
978-413-4498.

Rubbish Removal

KK ROLL OFF CONTAINERS—
Construction, demo, roof debris,
household debris. Karl Knechtel

MERCHANDISE

Hay/Feed/Fertilizer

HAY FOR SALE \$5 PER BALE. 2 milos
from Berkshire East Ski area.
(413)339-4319

Wanted To Buy

COINS, POSTCARDS— Pre 1973
baseball cards. Stamps, local
history. 978-249-0158

HIGHEST PRICES— For old stuff.
Cellars, barns and attics.
978-544-8683.

Wood For Sale

**SEASONED
SCREENED FIRE WOOD**
18' Cut, split & delivered
Atard Bros. (413)665-8041

LOG LENGTH FIREWOOD— Hayes
Forest Products. Call for delivery
978-644-8801. Visa/M/C accepted.

**REAL ESTATE
FOR RENT**

Apartments Unfurnished

Athol - 2 bedrooms 1.5 bath,
washer and dryer hookups. \$850 a
month. Off street parking. Call
978-840-3253.

Houses

ATHOL— Newly renovated 3 bdrm. New
appl. no util. incl. \$1400/ mo. First &
last 2 mos. req. 978-490-9822.

Legals

MORTGAGEE'S NOTICE OF SALE OF REAL ESTATE

By virtue and in execution of the Power of Sale contained in a certain Mortgage given by John H. Jeffers and Angela Marie Douglas to Mortgage Electronic Registration Systems, Inc., as nominee for, LoanDepot.com, LLC, its successors and assigns, dated March 21, 2016 and recorded with the Franklin County Registry of Deeds at Book 6831, Page 241 as affected by a Loan Modification recorded on June 18, 2018 in Said Registry of Deeds at Book 7209, Page 290, subsequently assigned to Lakeview Loan Servicing, LLC by Mortgage Electronic Registration Systems, Inc., as

**REAL ESTATE
FOR RENT**

Storage Space Rent

REGAL STORAGE CENTERS LLC
Self Storage Units — Moving boxes
32 Brown St. Athol
978-249-2600

**AUTOMOTIVE
& BOATS**

Automobiles For Sale

1989 SAAB 900T
Convertible, white, black top, tan
leather, 5 speed. All work done -
tires, hood, brakes, etc. Very nice.
Pics available. \$4000/B.O.
413-885-2525

Legals

PUBLIC MEETING NOTICE

Notice is hereby given that a
Community Outreach Meeting for a
proposed marijuana microbusiness
establishment to be operated by
Root 2 Naturals, LLC, is scheduled
for Wednesday, August 7, 2019,
10:00 AM, at 201 Daniel Shays
Highway, Athol, Massachusetts.
The proposed establishment will be
located at that address. There will
be an opportunity for the public to
ask questions.

31870

July 19, 2019

Legals

**DEPARTMENT
AGRICULTURE**

AGENCY: USD

Development, Rural U

ACTION: Town of De

of Finding of No Signi

SUMMARY: Rural Ut

(RUS) has made a F

Significant Impact (

respect to a request

financing assistance to

Deerfield for the upg

South Deerfield

Treatment Plant loca

Sunderland Road, Dea

FURTHER INFORM

obtain copies of the E

or for further informa

Jennifer Lerch, Prog

451 West Street, Sult

MA, 413-253-4316,

@usda.gov. The EA an

be available for public

location,

S U P P L E M E

INFORMATION: Th

include the construct

preliminary treatm

(headworks), upgrac

existing biological

system, and ancilla

Upgrades to the biol

include modifications

aeration basins an

clarifier, and construc

60-foot diameter

clarifier. A new RA

station and UV a

proposed, as well as

to the solids hand

Ancillary upgrades i

plant water syste

upgrades, and modifi

existing operations

proposed constructi

take place within the

around the WWTF

considered by RUS

include No Action

technologies. The a

discussed in the EA.

reviewed and approv

the proposed project.

The availability of the

review was announce

the Greenfield Reco

June 2019. A 14-

period was annou

newspaper notices. T

available for public

USDA office in Amhe

were no comments.

EvansCutler Attorneys

90 Conz Street

Northampton, Massachusetts 01060

www.evanscutler.com

Richard M. Evans
evans@evanscutler.com
413-586-1349

Michael D. Cutler
cutler@evanscutler.com
617-816-6056

July 17, 2019

The Town Clerk
Town of Athol
584 Main Street
Athol, MA 01331

The Planning Board
Town of Athol
584 Main Street
Athol, MA 01331

The Board of Selectmen
Town of Athol
584 Main Street
Athol, MA 01331

And owners of land directly opposite on any public or private street or way, and to the abutters within 300 feet of the property line of 201 Daniel Shays Highway, Athol

To the Town Clerk, the Planning Board, the Board of Selectmen and Neighbors:

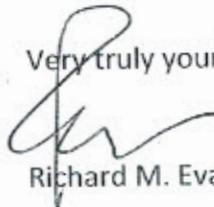
Notice is hereby given that Root 2 Naturals, LLC, will hold a Community Outreach Meeting for a proposed marijuana microbusiness establishment to be located at 201 Daniel Shays Highway, Athol, Massachusetts, on Wednesday, August 7, at 10:00 AM, at 201 Daniel Shays Highway, Athol. There will be an opportunity for the public to ask questions.

A copy of the notice to be published in the *Athol Daily News* is below.

Your attendance and participation are cordially invited.

Please note: A similar notice sent to you for a meeting held on Thursday, July 11, erroneously mentioned retail. Since no retail operations will occur at this location, we are re-noticing and re-holding the meeting lest any question arise. The meeting content is unchanged. Thank you.

Very truly yours,



Richard M. Evans

PUBLIC MEETING NOTICE

Notice is hereby given that a Community Outreach Meeting for a proposed marijuana microbusiness establishment to be operated by Root 2 Naturals, LLC, is scheduled for Wednesday, August 7, 2019, 10:00 AM, at 201 Daniel Shays Highway, Athol, Massachusetts. The proposed establishment will be located at that address. There will be an opportunity for the public to ask questions.

EvansCutler Attorneys

90 Conz Street

Northampton, Massachusetts 01060

www.evanscutler.com

Richard M. Evans
evans@evanscutler.com
413-586-1349

Michael D. Cutler
cutler@evanscutler.com
617-816-6056

July 17, 2019

The Town Clerk
Town of Athol
584 Main Street
Athol, MA 01331

The Planning Board
Town of Athol
584 Main Street
Athol, MA 01331

The Board of Selectmen
Town of Athol
584 Main Street
Athol, MA 01331

And owners of land directly opposite on any public or private street or way, and to the abutters within 300 feet of the property line of 201 Daniel Shays Highway, Athol

To the Town Clerk, the Planning Board, the Board of Selectmen and Neighbors:

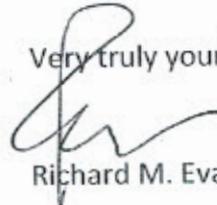
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Richard M. Evans

PUBLIC MEETING NOTICE

Notice is hereby given that a Community Outreach Meeting for a proposed marijuana microbusiness establishment to be operated by Root 2 Naturals, LLC, is scheduled for Wednesday, August 7, 2019, 10:00 AM, at 201 Daniel Shays Highway, Athol, Massachusetts. The proposed establishment will be located at that address. There will be an opportunity for the public to ask questions.

156 DANIEL SHAYS HIGHWAY

111 WEST MYRTLE ST
ORANGE MA 01364

[REDACTED]
149 DANIEL SHAYS HWY
ATHOL MA 01331

PO BOX 237
ATHOL MA 01331

[REDACTED]
336 GAGE RD
ATHOL, MA 01331

[REDACTED]
67 DANIEL SHAYS HWY
ATHOL, MA 01331

[REDACTED]
454 BROOKSIDE RD
ATHOL MA 01331

[REDACTED]
534 MAIN ST
ATHOL, MA 01331

[REDACTED]
WEST BROOK ACRES
ATHOL, MA 01331

[REDACTED]
11 GLENDALE AV
ATHOL, MA 01331

TOWN OF ATHOL
584 MAIN ST
ATHOL, MA 01331

[REDACTED]
412 BROOKSIDE RD
ATHOL, MA 01331

[REDACTED]
444 BROOKSIDE RD
ATHOL, MA 01331

[REDACTED]
444 BROOKSIDE RD
ATHOL, MA 01331

[REDACTED]
149 DANIELS SHAYS HWY
ATHOL MA 01331

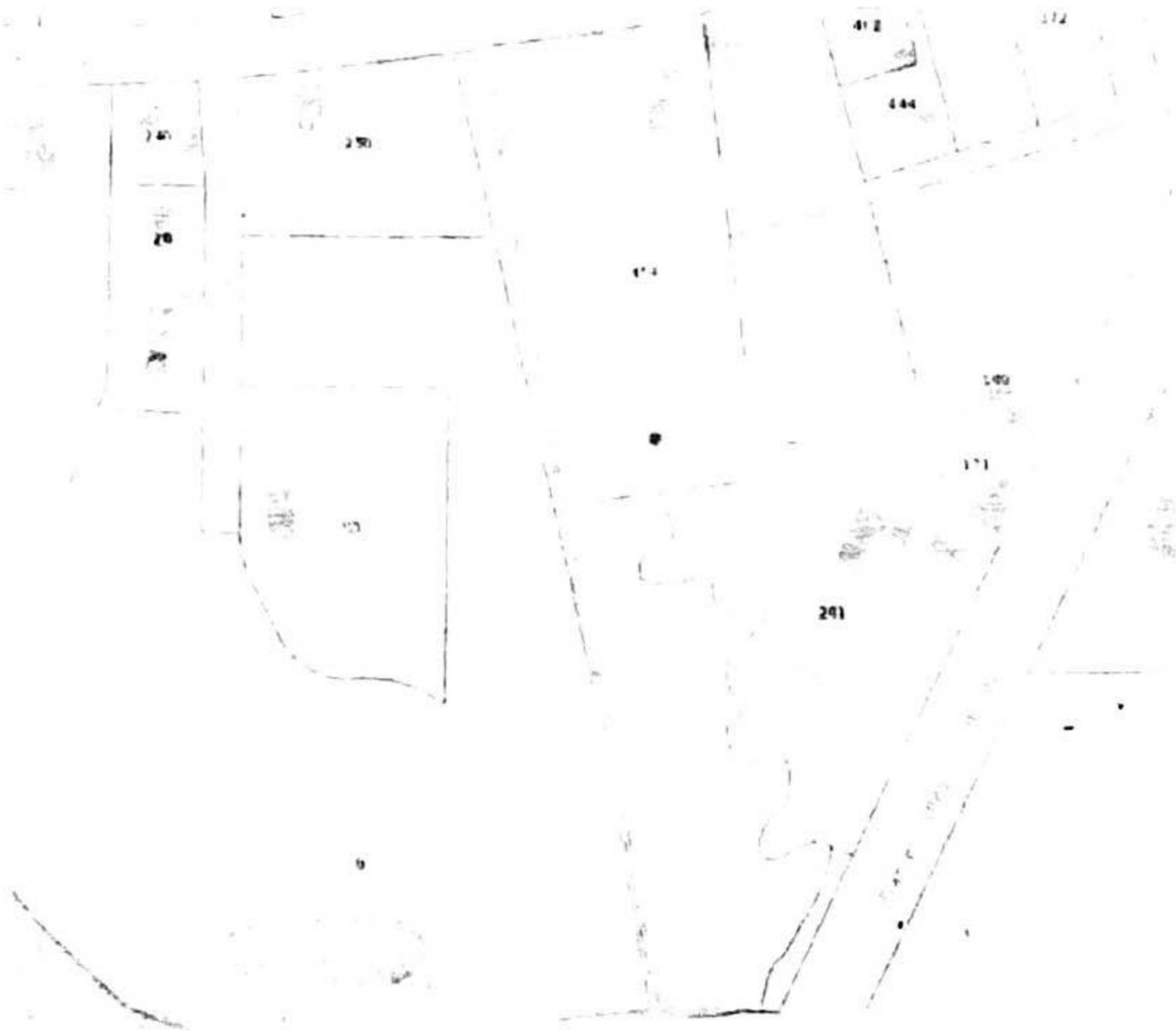
[REDACTED]
149 DANIEL SHAYS HWY
ATHOL, MA 01331

11/17/07

7/17/19

Orange abutters within 300' of 201 Daniel Shays Highway, Athol:

10/250	[REDACTED] 250 Brookside Road Orange, MA 01364	✓
11/53	[REDACTED] 53 Brookside Drive Orange, MA 01364	✓
12/9	[REDACTED] 250 Causeway Street, Suite 400 Boston, MA 02114	✓



PLAN TO REMAIN COMPLIANT WITH LOCAL ZONING

Root 2 Naturals, LLC has received a special permit and change of use designation from the Athol Board of Planning and Community Development (the “BPCD”) and Root 2 Naturals shall operate within its specified terms. Moreover, Root 2 Naturals, LLC will be in regular contact with town officials and will comply with all zoning requirements.

The Special Permit Decision has been recorded with Worcester County Registry of Deeds on 11/8/2019 in Book 61393, Page 186. The special permit was approved unanimously on 10/2/19 and contains the necessary findings by the “BPCD” establishing that the applicant met the requirements for the decision to be issued and the applicant has been granted per law the two-year time period to commence its operations.

The conditions contained in the decision are consistent with those contained in the bylaw and 935 CMR 500 and include specific conditions, as follows: 1) that required permitting for an on-site septic system pursuant to Title V be completed and 2) compliance Board of Health Regulations for use of on-site private well. The Applicant has also received an Order of Conditions (DEP 96-84) for the Plan of Proposed Subsurface Sewage Disposal System and the Order has been recorded in the Worcester Registry at Book 61901 Page 112 on 2/18/20 and the necessary certificate of compliance for the Order will be obtained.

As with all projects, a building permit for construction will be applied for based on engineering/architectural plans properly stamped and signed and a certificate of use and occupancy will need to be issued following the improvements and prior to commencing operation.

Root 2 Naturals - Athol

POSITIVE IMPACT PLAN

Goal: Provide financial support to New England Veterans Alliance (“NEVA”) because it is an entity that offers support, education and/or job training to Massachusetts residents disproportionately impacted by the War on Drugs. The amount of this donation will depend on the financial growth and profitability of the company. As sales and profits increase, Root 2 Naturals LLC (“Root 2 Naturals”) will revisit its program donation goals to consider more generous donations as business allows.

Goal: Donate a total of \$5,000.00 annually¹ to the organization as more particularly described below.

Program: The donation to be made to New England Veterans Alliance is intended to enhance its ability to cultivate veterans through alternative therapeutic programs.

\$5,000.00 annual donation

Measurement and Accountability: At the end of each year, Root 2 Naturals will conduct an analysis and create a report on the amounts and percentages of donations and other financial support that the company has given to the program outlined above. Root 2 Naturals will continue to assess the viability and impact of financial donations made, and annually review donation goals amounts.

Root 2 Naturals acknowledges and is aware, and will adhere to, the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.

Any actions taken, or programs instituted by Root 2 Naturals, will not violate the Commission’s regulations with respect to limitations on ownership or control or other applicable state laws.

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

¹ Upon renewal of licensure, with the renewal application to be submitted at least 60-days prior to the anniversary date of the grant of provisional licensure.



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



ROOT 2 NATURALS, LLC
201 DANIEL SHAYS HWY
ATHOL MA 01331-9605



Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, ROOT 2 NATURALS, LLC is in compliance with its tax obligations under Chapter 62C of the Massachusetts General Laws.

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

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

What if I have questions?

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

Visit us online!

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

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

Edward W. Coyle, Jr., Chief
Collections Bureau



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

William Francis Galvin
Secretary of the
Commonwealth

September 20, 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

ROOT 2 NATURALS, LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **June 24, 2019.**

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

I also certify that the names of all managers listed in the most recent filing are: **PAUL M PACE, FRANK P PACE, PAUL V PACE**

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **PAUL M PACE, FRANK P PACE, PAUL V PACE**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **PAUL M PACE, FRANK P PACE, PAUL V PACE**



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



**The Commonwealth of Massachusetts
William Francis Galvin**

Minimum Fee: \$500.00

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

Certificate of Organization

(General Laws, Chapter)

Identification Number: 001390014

1. The exact name of the limited liability company is: ROOT 2 NATURALS, LLC

2a. Location of its principal office:

No. and Street: 201 DANIEL SHAYS HIGHWAY
City or Town: ATHOL State: MA Zip: 01331 Country: USA

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

No. and Street: 201 DANIEL SHAYS HIGHWAY
City or Town: ATHOL State: MA Zip: 01331 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:

APPLYING FOR LICENSE WITH THE CCC

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: PAUL V PACE
No. and Street: 14 PINE ST
City or Town: WOBURN State: MA Zip: 01801 Country: USA

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	PAUL M PACE	201 DANIEL SHAYS HIGHWAY ATHOL, MA 01331 USA
MANAGER	FRANK P PACE	201 DANIEL SHAYS HIGHWAY ATHOL, MA 01331 USA
MANAGER	PAUL V PACE	201 DANIEL SHAYS HIGHWAY ATHOL, MA 01331 USA

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

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	PAUL M PACE	201 DANIEL SHAYS HIGHWAY ATHOL, MA 01331 USA
REAL PROPERTY	FRANK P PACE	201 DANIEL SHAYS HIGHWAY ATHOL, MA 01331 USA
REAL PROPERTY	PAUL V PACE	201 DANIEL SHAYS HIGHWAY ATHOL, MA 01331 USA

9. Additional matters:

SIGNED UNDER THE PENALTIES OF PERJURY, this 24 Day of June, 2019,
PAUL V PACE

(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:

June 24, 2019 02:28 PM

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

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

Root 2 Naturals, LLC

A Member-Managed Limited Liability Company

MASSACHUSETTS LLC OPERATING AGREEMENT

THIS OPERATING AGREEMENT is made and entered into effective 9/20/2019 (Month Day, Year), by and among: Paul V Pace, Paul M Pace, and Frank P Pace (collectively referred to in this agreement as the "Members").

SECTION 1

THE LIMITED LIABILITY COMPANY

1.1 Formation. Effective 9/20/2019 (Month Day, Year), the Members form a limited liability company under the name Root 2 Naturals, L.L.C. (the "Company") on the terms and conditions in this Operating Agreement (the "Agreement") and pursuant to Chapter 156C Massachusetts Limited Liability Company Act (State Law) of the State of Massachusetts (the "Act"). The Members agree to file with the appropriate agency within the State of Massachusetts charged with processing and maintaining such records all documentation required for the formation of the Company. The rights and obligations of the parties are as provided in the Act except as otherwise expressly provided in this Agreement.

1.2 Name. The business of the Company will be conducted under the name Root 2 Naturals, L.L.C., or such other name upon which the Members may unanimously agree.

1.3 Purpose. The purpose of the Company is to engage in any lawful act or activity for which a Limited Liability Company may be formed within the State of Massachusetts.

1.4 Office. The Company will maintain its principal business office within the State of Massachusetts at the following address:

201 Daniel Shays Highway, Athol, MA 01331

1.5 Registered Agent. Paul V Pace is the Company's initial registered agent in the State of Massachusetts, and the registered office is

14 Pine St. Woburn, MA 01801

1.6 Term. The term of the Company commences on 9/20/2019 (Month Day, Year) and shall continue perpetually unless sooner terminated as provided in this Agreement.

1.7 Names and Addresses of Members. The Members' names and addresses are attached as Schedule 1 to this Agreement.

1.8 Admission of Additional Members. Except as otherwise expressly provided in this Agreement, no additional members may be admitted to the Company through issuance

by the company of a new interest in the Company without the prior unanimous written consent of the Members.

SECTION 2 CAPITAL CONTRIBUTIONS

2.1 Initial Contributions. The Members initially shall contribute to the Company capital as described in Schedule 2 attached to this Agreement.

2.2 Additional Contributions. No Member shall be obligated to make any additional contribution to the Company's capital without the prior unanimous written consent of the Members.

2.3 No Interest on Capital Contributions. Members are not entitled to interest or other compensation for or on account of their capital contributions to the Company except to the extent, if any, expressly provided in this Agreement.

SECTION 3 ALLOCATION OF PROFITS AND LOSSES; DISTRIBUTIONS

3.1 Profits/Losses. For financial accounting and tax purposes, the Company's net profits or net losses shall be determined on an annual basis and shall be allocated to the Members in proportion to each Member's relative capital interest in the Company as set forth in Schedule 2 as amended from time to time in accordance with U.S. Department of the Treasury Regulation 1.704-1.

3.2 Distributions. The Members shall determine and distribute available funds annually or at more frequent intervals as they see fit. Available funds, as referred to herein, shall mean the net cash of the Company available after appropriate provision for expenses and liabilities, as determined by the Managers. Distributions in liquidation of the Company or in liquidation of a Member's interest shall be made in accordance with the positive capital account balances pursuant to U.S. Department of the Treasury Regulation 1.704.1(b)(2)(ii)(b)(2). To the extent a Member shall have a negative capital account balance, there shall be a qualified income offset, as set forth in U.S. Department of the Treasury Regulation 1.704.1(b)(2)(ii)(d).

3.3 No Right to Demand Return of Capital. No Member has any right to any return of capital or other distribution except as expressly provided in this Agreement. No Member has any drawing account in the Company.

SECTION 4 INDEMNIFICATION

The Company shall indemnify any person who was or is a party defendant or is threatened to be made a party defendant, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Manager, employee or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the

Company, and with respect to any criminal action proceeding, has no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of "no lo Contendere" or its equivalent, shall not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was lawful

SECTION 5

POWERS AND DUTIES OF MANAGERS

5.1 Management of Company.

5.1.1 The Members, within the authority granted by the Act and the terms of this Agreement shall have the complete power and authority to manage and operate the Company and make all decisions affecting its business and affairs.

5.1.2 Except as otherwise provided in this Agreement, all decisions and documents relating to the management and operation of the Company shall be made and executed by a Majority in Interest of the Members.

5.1.3 Third parties dealing with the Company shall be entitled to rely conclusively upon the power and authority of a Majority in Interest of the Members to manage and operate the business and affairs of the Company.

5.2 *Decisions by Members.* Whenever in this Agreement reference is made to the decision, consent, approval, judgment, or action of the Members, unless otherwise expressly provided in this Agreement, such decision, consent, approval, judgment, or action shall mean a Majority of the Members.

5.3 *Withdrawal by a Member.* A Member has no power to withdraw from the Company, except as otherwise provided in Section 8.

SECTION 6

SALARIES, REIMBURSEMENT, AND PAYMENT OF EXPENSES

6.1 **Organization Expenses.** All expenses incurred in connection with organization of the Company will be paid by the Company.

6.2 **Salary.** No salary will be paid to a Member for the performance of his or her duties under this Agreement unless the salary has been approved in writing by a Majority of the Members.

6.3 **Legal and Accounting Services.** The Company may obtain legal and accounting services to the extent reasonably necessary for the conduct of the Company's business.

SECTION 7

BOOKS OF ACCOUNT, ACCOUNTING REPORTS, TAX RETURNS, FISCAL YEAR, BANKING

7.1 **Method of Accounting.** The Company will use the method of accounting previously determined by the Members for financial reporting and tax purposes.

7.2 Fiscal Year; Taxable Year. The fiscal year and the taxable year of the Company is the calendar year.

7.3 Capital Accounts. The Company will maintain a Capital Account for each Member on a cumulative basis in accordance with federal income tax accounting principles.

7.4 Banking. All funds of the Company will be deposited in a separate bank account or in an account or accounts of a savings and loan association in the name of the Company as determined by a Majority of the Members. Company funds will be invested or deposited with an institution, the accounts or deposits of which are insured or guaranteed by an agency of the United States government.

SECTION 8

TRANSFER OF MEMBERSHIP INTEREST

8.1 Sale or Encumbrance Prohibited. Except as otherwise permitted in this Agreement, no Member may voluntarily or involuntarily transfer, sell, convey, encumber, pledge, assign, or otherwise dispose of (collectively, "Transfer") an interest in the Company without the prior written consent of a majority of the other non-transferring Members determined on a per capita basis.

8.2 Right of First Refusal. Notwithstanding Section 8.1, a Member may transfer all or any part of the Member's interest in the Company (the "Interest") as follows:

8.2.1 The Member desiring to transfer his or her Interest first must provide written notice (the "Notice") to the other Members, specifying the price and terms on which the Member is prepared to sell the Interest (the "Offer").

8.2.2 For a period of 30 days after receipt of the Notice, the Members may acquire all, but not less than all, of the Interest at the price and under the terms specified in the Offer. If the other Members desiring to acquire the Interest cannot agree among themselves on the allocation of the Interest among them, the allocation will be proportional to the Ownership Interests of those Members desiring to acquire the Interest.

8.2.3 Closing of the sale of the Interest will occur as stated in the Offer; provided, however, that the closing will not be less than 45 days after expiration of the 30-day notice period.

8.2.4 If the other Members fail or refuse to notify the transferring Member of their desire to acquire all of the Interest proposed to be transferred within the 30-day period following receipt of the Notice, then the Members will be deemed to have waived their right to acquire the Interest on the terms described in the Offer, and the transferring Member may sell and convey the Interest consistent with the Offer to any other person or entity; provided, however, that notwithstanding anything in Section 8.2 to the contrary, should the sale to a third person be at a price or on terms that are more favorable to the purchaser than stated in the Offer, then the transferring Member must reoffer the sale of the Interest to the remaining Members at that other price or other terms; provided, further, that if the sale to a third person is not closed within six months after the expiration of the 30-day period describe above, then the provisions of Section 8.2 will again apply to the Interest proposed to be sold or conveyed.

8.2.5 Notwithstanding the foregoing provisions of Section 8.2, should the sole remaining Member be entitled to and elect to acquire all the Interests of the other Members of the Company in accordance with the provisions of Section 8.2, the acquiring Member may assign the right to acquire the Interests to a spouse, lineal descendent, or an affiliated entity if the assignment is reasonably believed to be necessary to continue the existence of the Company as a limited liability company.

8.3 Substituted Parties. Any transfer in which the Transferee becomes a fully substituted Member is not permitted unless and until:

8.3.1 The transferor and assignee execute and deliver to the Company the documents and instruments of conveyance necessary or appropriate in the opinion of counsel to the Company to effect the transfer and to confirm the agreement of the permitted assignee to be bound by the provisions of this Agreement; and

8.3.2 The transferor furnishes to the Company an opinion of counsel, satisfactory to the Company, that the transfer will not cause the Company to terminate for federal income tax purposes or that any termination is not adverse to the Company or the other Members.

8.4 Death, Incompetency, or Bankruptcy of Member. On the death, adjudicated incompetence, or bankruptcy of a Member, unless the Company exercises its rights under Section 8.5, the successor in interest to the Member (whether an estate, bankruptcy trustee, or otherwise) will receive only the economic right to receive distributions whenever made by the Company and the Member's allocable share of taxable income, gain, loss, deduction, and credit (the "Economic Rights") unless and until a majority of the other Members determined on a per capita basis admit the transferee as a fully substituted Member in accordance with the provisions of Section 8.3.

8.4.1 Any transfer of Economic Rights pursuant to Section 8.4 will not include any right to participate in management of the Company, including any right to vote, consent to, and will not include any right to information on the Company or its operations or financial condition. Following any transfer of only the Economic Rights of a Member's Interest in the Company, the transferring Member's power and right to vote or consent to any matter submitted to the Members will be eliminated, and the Ownership Interests of the remaining Members, for purposes only of such votes, consents, and participation in management, will be proportionately increased until such time, if any, as the transferee of the Economic Rights becomes a fully substituted Member.

8.5 Death Buy Out. Notwithstanding the foregoing provision of Section 8, the Members covenant and agree that on the death of any Member, the Company, at its option, by providing written notice to the estate of the deceased Member within 180 days of the death of the Member, may purchase, acquire, and redeem the Interest of the deceased Member in the Company pursuant to the provision of Section 8.5.

8.5.1 The value of each Member's Interest in the Company will be determined on the date this Agreement is signed, and the value will be endorsed on Schedule 3

attached and made a part of this Agreement. The value of each Member's Interest will be redetermined unanimously by the Members annually, unless the Members unanimously decide to redetermine those values more frequently. The Members will use their best efforts to endorse those values on Schedule 3. The purchase price for a decedent Member's interest conclusively is the value last determined before the death of such Member; provided, however, that if the latest valuation is more than two years before the death of the deceased Member, the provisions of Section 8.5.2 will apply in determining the value of the Member's Interest in the Company.

8.5.2 If the Members have failed to value the deceased Member's Interest within the prior two-year period, the value of each Member's Interest in the Company on the date of death, in the first instance, will be determined by mutual agreement of the surviving Members and the personal representative of the estate of the deceased Member. If the parties cannot reach an agreement on the value within 30 days after the appointment of the personal representative of the deceased Member, then the surviving Members and the personal representative each must select a qualified appraiser within the next succeeding 30 days. The appraisers so selected must attempt to determine the value of the Company Interest owned by the decedent at the time of death based solely on their appraisal of the total value of the Company's assets and the amount the decedent would have received had the assets of the Company been sold at that time for an amount equal to their fair market value and the proceeds (after payment of all Company obligations) were distributed in the manner contemplated in Section 8. The appraisal may not consider and discount for the sale of a minority Interest in the Company. In the event the appraisers cannot agree on the value within 30 days after being selected, the two appraisers must, within 30 days, select a third appraiser. The value of the Interest of the decedent in the Company and the purchase price of it will be the average of the two appraisals nearest in amount to one another. That amount will be final and binding on all parties and their respective successors, assigns, and representatives. The costs and expenses of the third appraiser and any costs and expenses of the appraiser retained but not paid for by the estate of the deceased Member will be offset against the purchase price paid for the deceased Member's Interest in the Company.

8.5.3 Closing of the sale of the deceased Member's Interest in the Company will be held at the office of the Company on a date designated by the Company, not be later than 90 days after agreement with the personal representative of the deceased Member's estate on the fair market value of the deceased Member's Interest in the Company; provided, however, that if the purchase price are determined by appraisals as set forth in Section 8.5.2, the closing will be 30 days after the final appraisal and purchase price are determined. If no personal representative has been appointed within 60 days after the deceased Member's death, the surviving Members have the right to apply for and have a personal representative appointed.

8.5.4 At closing, the Company will pay the purchase price for the deceased Member's Interest in the Company. If the purchase price is less than \$1,000.00,

the purchase price will be paid in cash; if the purchase price is \$1,000.00 or more, the purchase price will be paid as follows:

(1) \$1,000.00 in cash, bank cashier's check, or certified funds;

(2) The balance of the purchase price by the Company executing and delivering its promissory note for the balance, with interest at the prime interest rate stated by primary banking institution utilized by the Company, its successors and assigns, at the time of the deceased Member's death. Interest will be payable monthly, with the principal sum being due and payable in three equal annual installments. The promissory note will be unsecured and will contain provisions that the principal sum may be paid in whole or in part at any time, without penalty.

8.5.5 At the closing, the deceased Member's estate or personal representative must assign to the Company all of the deceased Member's Interest in the Company free and clear of all liens, claims, and encumbrances, and, at the request of the Company, the estate or personal representative must execute all other instruments as may reasonably be necessary to vest in the Company all of the deceased Member's right, title, and interest in the Company and its assets. If either the Company or the deceased Member's estate or personal representative fails or refuses to execute any instrument required by this Agreement, the other party is hereby granted the irrevocable power of attorney which, it is agreed, is coupled with an interest, to execute and deliver on behalf of the failing or refusing party all instruments required to be executed and delivered by the failing or refusing party.

8.5.6 On completion of the purchase of the deceased Member's Interest in the Company, the Ownership Interests of the remaining Members will increase proportionately to their then existing Ownership Interests.

SECTION 9

DISSOLUTION AND WINDING UP OF THE COMPANY

9.1 Dissolution. The Company will be dissolved on the happening of any of the following events:

9.1.1 Sale, transfer, or other disposition of all or substantially all of the property of the Company;

9.1.2 The agreement of all of the Members;

9.1.3 By operation of law; or

9.1.4 The death, incompetence, expulsion, or bankruptcy of a Member, or the occurrence of any event that terminates the continued membership of a Member in the Company, unless there are then remaining at least the minimum number of Members required by law and all of the remaining Members, within 120 days after the date of the event, elect to continue the business of the Company.

9.2 Winding Up. On the dissolution of the Company (if the Company is not continued), the Members must take full account of the Company's assets and liabilities, and the assets will be liquidated as promptly as is consistent with obtaining their fair value, and

the proceeds, to the extent sufficient to pay the Company's obligations with respect to the liquidation, will be applied and distributed, after any gain or loss realized in connection with the liquidation has been allocated in accordance with Section 3 of this Agreement, and the Members' Capital Accounts have been adjusted to reflect the allocation and all other transactions through the date of the distribution, in the following order:

9.2.1 To payment and discharge of the expenses of liquidation and of all the Company's debts and liabilities to persons or organizations other than Members;

9.2.2 To the payment and discharge of any Company debts and liabilities owed to Members; and

9.2.3 To Members in the amount of their respective adjusted Capital Account balances on the date of distribution; provided, however, that any then outstanding Default Advances (with interest and costs of collection) first must be repaid from distributions otherwise allocable to the Defaulting Member pursuant to Section 9.2.3.

SECTION 10

GENERAL PROVISIONS

10.1 **Amendments.** Amendments to this Agreement may be proposed by any Member. A proposed amendment will be adopted and become effective as an amendment only on the written approval of all of the Members.

10.2 **Governing Law.** This Agreement and the rights and obligations of the parties under it are governed by and interpreted in accordance with the laws of the State of Massachusetts (without regard to principles of conflicts of law).

10.3 **Entire Agreement; Modification.** This Agreement constitutes the entire understanding and agreement between the Members with respect to the subject matter of this Agreement. No agreements, understandings, restrictions, representations, or warranties exist between or among the members other than those in this Agreement or referred to or provided for in this Agreement. No modification or amendment of any provision of this Agreement will be binding on any Member unless in writing and signed by all the Members.

10.4 **Attorney Fees.** In the event of any suit or action to enforce or interpret any provision of this Agreement (or that is based on this Agreement), the prevailing party is entitled to recover, in addition to other costs, reasonable attorney fees in connection with the suit, action, or arbitration, and in any appeals. The determination of who is the prevailing party and the amount of reasonable attorney fees to be paid to the prevailing party will be decided by the court or courts, including any appellate courts, in which the matter is tried, heard, or decided.

10.5 **Further Effect.** The parties agree to execute other documents reasonably necessary to further effect and evidence the terms of this Agreement, as long as the terms and provisions of the other documents are fully consistent with the terms of this Agreement.

10.6 **Severability.** If any term or provision of this Agreement is held to be void or unenforceable, that term or provision will be severed from this Agreement, the balance of the Agreement will survive, and the balance of this Agreement will be reasonably construed to carry out the intent of the parties as evidenced by the terms of this Agreement.

10.7 **Captions.** The captions used in this Agreement are for the convenience of the parties only and will not be interpreted to enlarge, contract, or alter the terms and provisions of this Agreement.

10.8 **Notices.** All notices required to be given by this Agreement will be in writing and will be effective when actually delivered or, if mailed, when deposited as certified mail, postage prepaid, directed to the addresses first shown above for each Member or to such other address as a Member may specify by notice given in conformance with these provisions to the other Members.

IN WITNESS WHEREOF, the parties to this Agreement execute this Operating Agreement as of the date and year first above written.

MEMBERS:

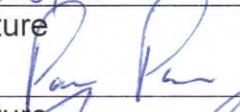
Paul V Pace

Printed/Typed Name


Signature

Paul M Pace

Printed/Typed Name


Signature

Frank P Pace

Printed/Typed Name


Signature

Listing of Members - Schedule 1

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

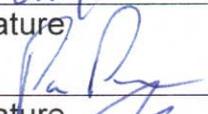
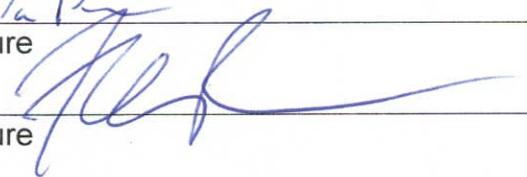
FOR Root 2 Naturals, L.L.C.

LISTING OF MEMBERS

As of the 20th (Day) day of September, 2019 (Month, Year), the following is a list of Members of the Company:

NAME	ADDRESS
<u>Paul V Pace</u>	<u>201 Daniel Shays Highway</u> <u>Athol, MA 01331</u>
<u>Paul M Pace</u>	<u>201 Daniel Shays Highway</u> <u>Athol, MA 01331</u>
<u>Frank P Pace</u>	<u>201 Daniel Shays Highway</u> <u>Athol, MA 01331</u>

Authorized by Member(s) to provide Member Listing as of this (Day) day of (Month, Year).

<u>Paul V Pace</u>	<u></u>
Printed/Typed Name	Signature
<u>Paul M Pace</u>	<u></u>
Printed/Typed Name	Signature
<u>Frank P Pace</u>	<u></u>
Printed/Typed Name	Signature

Listing of Capital Contributions - Schedule 2
LIMITED LIABILITY COMPANY OPERATING AGREEMENT
FOR Root 2 Naturals, L.L.C.
CAPITAL CONTRIBUTIONS

Pursuant to ARTICLE 2, the Members' initial contribution to the Company capital is stated to be \$100. The description and each individual portion of this initial contribution is as follows:

NAME	CONTRIBUTION	% OWNERSHIP
Paul V Pace	\$ <u>100</u>	<u>33.33</u> %
Paul M Pace	\$ <u>100</u>	<u>33.33</u> %
Frank P Pace	\$ <u>100</u>	<u>33.33</u> %

SIGNED AND AGREED this 20th (Day) day of September, 20 19 (Month, Year).

Paul V Pace

Printed/Typed Name

Signature

Paul M Pace

Printed/Typed Name

Signature

Frank P Pace

Printed/Typed Name

Signature

Listing of Valuation of Members Interest - Schedule 3
LIMITED LIABILITY COMPANY OPERATING AGREEMENT
FOR Root 2 Naturals, L.L.C.

VALUATION OF MEMBERS INTEREST

Pursuant to ARTICLE 8, the value of each Member's interest in the Company is endorsed as follows:

NAME	VALUATION ENDORSEMENT
Paul V Pace	\$__ 100_____
Paul M Pace	\$__ 100_____
Frank P Pace	\$__ 100_____

SIGNED AND AGREED this _____ (Day) day of _____, 20____ (Month, Year).

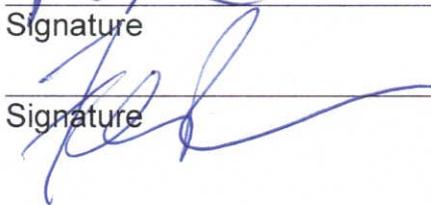
Paul V Pace
Printed/Typed Name


Signature

Paul M Pace
Printed/Typed Name


Signature

Frank P Pace
Printed/Typed Name


Signature



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DEPARTMENT OF UNEMPLOYMENT ASSISTANCE

Charles D. Baker
GOVERNOR

Karyn E. Polito
LT. GOVERNOR



207904577

Rosalin Acosta
SECRETARY

Richard A. Jeffers
DIRECTOR

Root 2 Naturals, LLC
14 PINE ST
WOBURN, MA 01801-3224

EAN: 22164865
May 12, 2020

Certificate Id:37985

The Department of Unemployment Assistance certifies that as of 5/12/2020 ,Root 2 Naturals, LLC is current in all its obligations relating to contributions, payments in lieu of contributions, and the employer medical assistance contribution established in G.L.c.149,§189.

This certificate expires in 30 days from the date of issuance.

Richard A. Jeffers, Director

Department of Unemployment Assistance



Root 2 Naturals, LLC is applying for an Adult-Use micro-business cannabis cultivation and manufacturer license and will be conducting business from a 3,500-sq. ft. facility in Athol, Massachusetts.

Root 2 Naturals, LLC will have the ability to vegetate and flower at least 3,000 plants, will grow up to 6 different strains of cannabis, and will have the ability to grow from seedling to finished product as well as produce solvent less concentrates.

Root 2 Naturals, LLC plans to operate only in the adult-use recreational cannabis market.

Executive Summary

Root 2 Naturals, LLC is a new veteran led family-run local Massachusetts Company intends to penetrate the Adult-Use cannabis cultivation and manufacture market in our home state. Root 2 Naturals, LLC is applying for a Micro Business cultivation and manufacturer license and intends to start with an existing two building site totaling approximately 3,500 sq. ft. of building on 2.2 acres of land. Root 2 Naturals, LLC intends to start its business from 201 Daniel Shays Highway, Athol, MA 01331.

Root 2 Naturals, LLC is to be organized/formed as a Limited Liability Company (LLC)/Corporation. Root 2 Naturals, LLC is a company that will be built on a solid foundation and we will elevate our business brand as a premiere adult-use cannabis cultivator and manufacturer within Massachusetts.

Main Goals

- ✓ Obtaining the Massachusetts Adult-Use Cannabis Microbusiness cultivation and manufacturer license and to build a successful commercial all natural and organic input cultivation and solvent-less concentrate manufacture Micro Business facility.

Mission

- ✓ To grow one of the best and most distinguished Adult-Use cannabis products sustainably and organically, to manufacture connoisseur grade solvent-less concentrates, and to establish an innovative cannabis brand with affordable prices to Adult Use dispensaries and manufacturers of Massachusetts.

Products & Services

Root 2 Naturals, LLC will have the ability to organically grow plants and manufacture solvent-less concentrates. We will grow up to 6 different strains of cannabis, and will have the ability to grow from seed to finished product. Root 2 Naturals, LLC will dry and process all cannabis flowers and concentrates into Massachusetts compliant labeled and inventoried sealed containers.

Objectives

- Year 1: Securing the license to start cultivation and manufacturing in the state of Massachusetts.
- Year 3: Have a recognizable brand and distribute our product line throughout Massachusetts and explore potential Massachusetts delivery license.
- Year 5: The Root 2 Naturals brand is now a trusted and consistent brand.
- Year 7: We intend to double capacity through expansion.

Market Opportunities

According to the report by Arcview Market Research and BDS Analytics: “The Road Map to a \$57 Billion Worldwide Market”¹, spending on legal cannabis worldwide is expected to hit \$57 billion by 2027. The Adult Use recreational cannabis market will cover about 67% of the spending in the cannabis industry.

The North America legal cannabis market amounted to \$12 billion in 2018, growing by 30 percent on the year. The largest market was the United States, which totaled \$10.4 billion. It was followed by Canada with \$1.6 billion.

In 2008 Massachusetts voters decriminalized the possession of small amounts of cannabis.

In November 2016, Massachusetts voters approved Question 4, the initiative to legalize the recreational use of cannabis and first retail cannabis business was opened in Massachusetts in November 2018.

Cannabis stores sold about \$9.3 million worth of cannabis products during the first month and in February 2019 total legal cannabis sales exceeded \$40 million, according to figures released by the Cannabis Control Commission.

It is expected over 700,000 customers potentially interested in using recreational cannabis and the adult-use cannabis market in Massachusetts is projected to become a \$1 billion industry by 2020. Research from multiple cannabis data and investment firms predict Massachusetts can become such a travel destination.

Start-up Summary

Table 1. Start-up expenses, \$

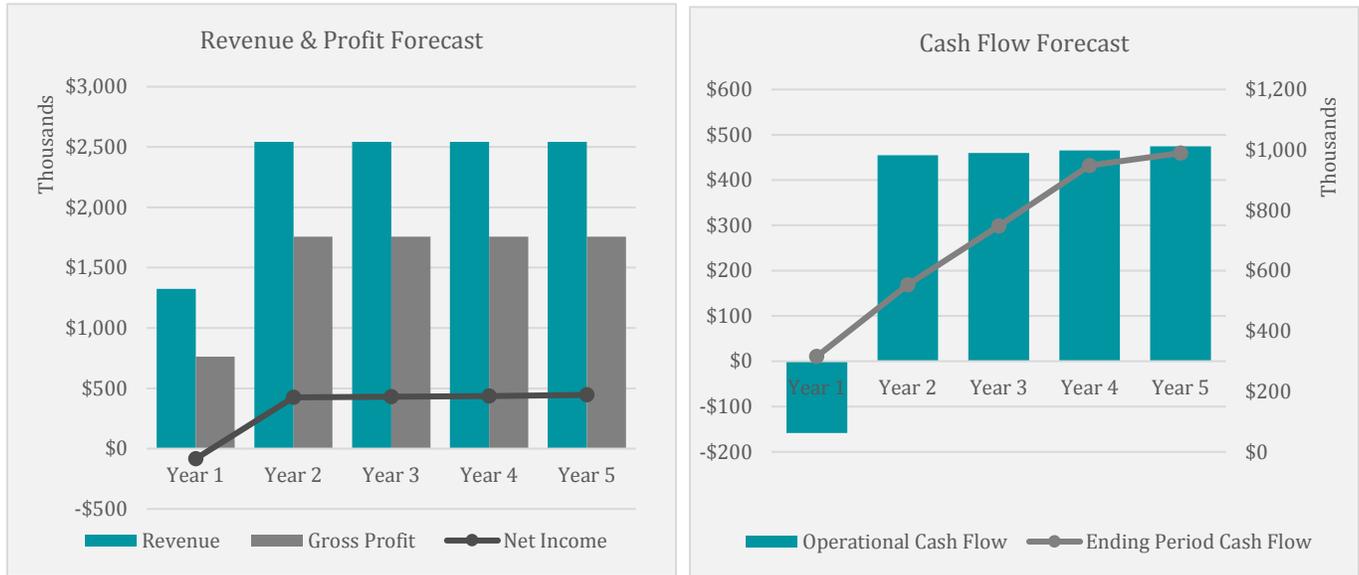
	\$
CAPEX	
Land/Cleaning/Septic	165,000
Building for Cultivation, build out	60000
Growing Equipment/AC	75000
Alarm & Security System	6,000
Monitoring - Video & Camera System	25,000
Computer System	4,000
Other	5,000
Other	10000
Other	0
TOTAL	350000

Financial Summary

Root 2 Naturals, LLC will fund its startup costs largely through personal savings/investments. From a total investment of \$400,000, Root 2 Naturals, LLC is expected to generate in excess of \$676,000 in gross revenues with net income of nearly \$338,000 in Year 2, its first full year of operations. Revenues are expected to grow to nearly \$700,000 in Year 3 and \$750,000 in Year 5. After the first year of operations, it is expected that

¹ <https://arcviewgroup.com/research/reports/>

Root 2 Naturals, LLC will be able to trim expenses through realizing business efficiencies such as automated dry/cure machines, automated trimming, and automated irrigation while gaining operational experience and industry knowledge.



Direct and Indirect Social Impacts

Root 2 Naturals, LLC will create at least 3 new jobs in its first year of operations with over \$100,000 in salaries. Root 2 Naturals also intends a percentage of sales to be allocated to the town via a Host Community Agreement. Moreover, we have developed detailed Diversity and Positive Impact plans that we feel embrace the spirit of the law, and are included separately.

Cannabis Market

The global legal cannabis market amounted to \$9.5 billion in 2017, growing by 37 percent on the year, according to the report “The Road Map to a \$57 Billion Worldwide Market”².

Spending on legal cannabis worldwide is expected to hit \$57 billion by 2027, while cannabis market in the United States and Canada is estimated to be about \$46.5 billion and other \$10.5 billion would go to other markets.

The largest growth rate is predicted within the rest-of-world markets, from \$52 million spent in 2017 to a projected \$2.5 billion in 2027.

The recreational cannabis market will cover about 67% of the spending in the cannabis market.

² <https://arcviewgroup.com/research/reports/>

North American Cannabis Market

The North America legal cannabis market amounted to \$12 billion in 2018, growing by 30 percent on the year. The largest market was the United States, which totaled \$10.4 billion. It was followed by Canada with \$1.6 billion.

The report from cannabis industry analysts Arcview Market Research, in partnership with BDS

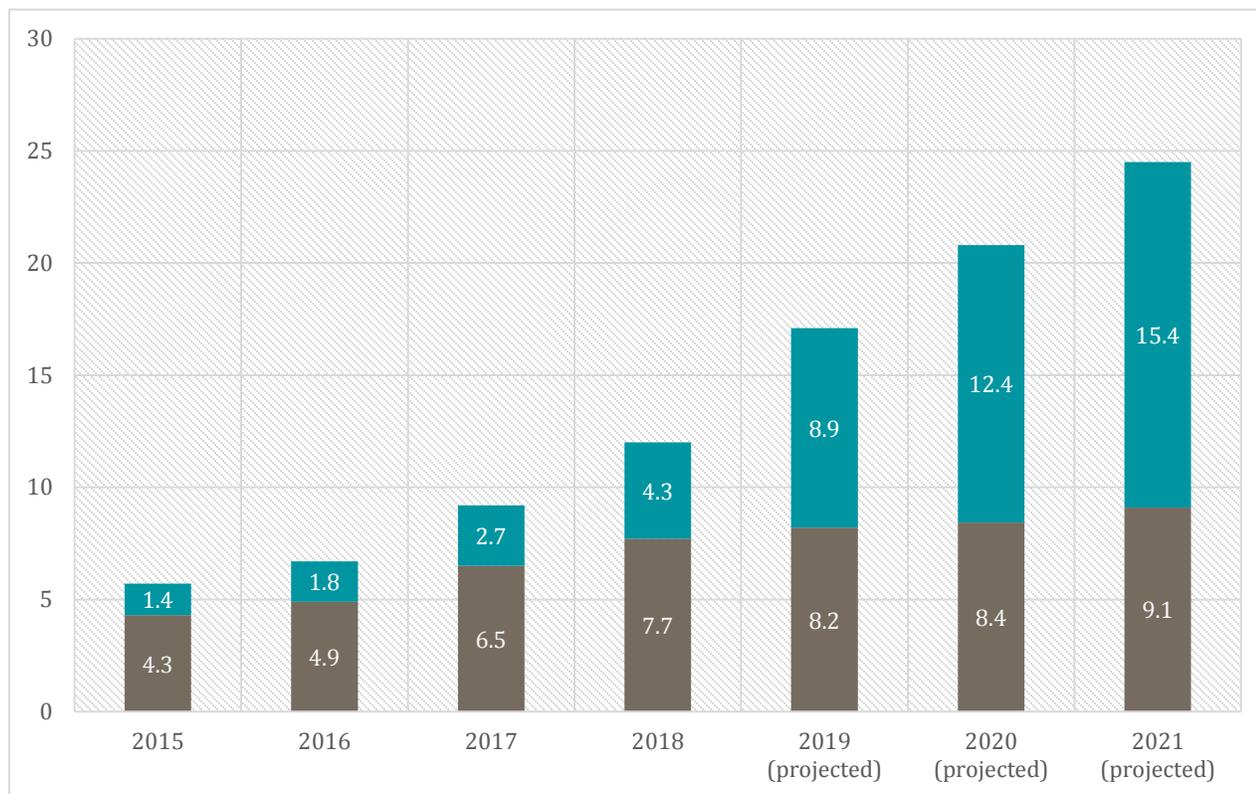


Figure 1. Medical and recreational cannabis sales forecast, billion \$

Analytics³, forecasts that the entire legal cannabis market in North America to reach \$24.5 billion in sales – a 28% annual growth rate by 2021 – as more countries and states legalize cannabis for recreational use and existing markets mature and will grow to \$47.3 billion six years later.

The U.S. Cannabis Market

In 2018, 62% of Americans report supporting cannabis legalization, double what it was in 2000 (31%)⁴. Although the use of cannabis is illegal under the federal law and the federal government classifies cannabis as a schedule 1 drug, more than 60% of the U.S. states have legalized it in some form. Ten states – Alaska, California, Colorado, Maine, Michigan (2018), Nevada, Massachusetts, Oregon, Vermont and Washington – have legalized the recreational use of marijuana. As a result, there are 16

³ <https://bdsanalytics.com/>

⁴ Pew Research Survey, <http://www.pewresearch.org/fact-tank/2018/10/08/americans-support-marijuana-legalization/>

States that allow Cannabidiol (CBD) while 10 States and the District of Columbia allow cannabis for recreational use.

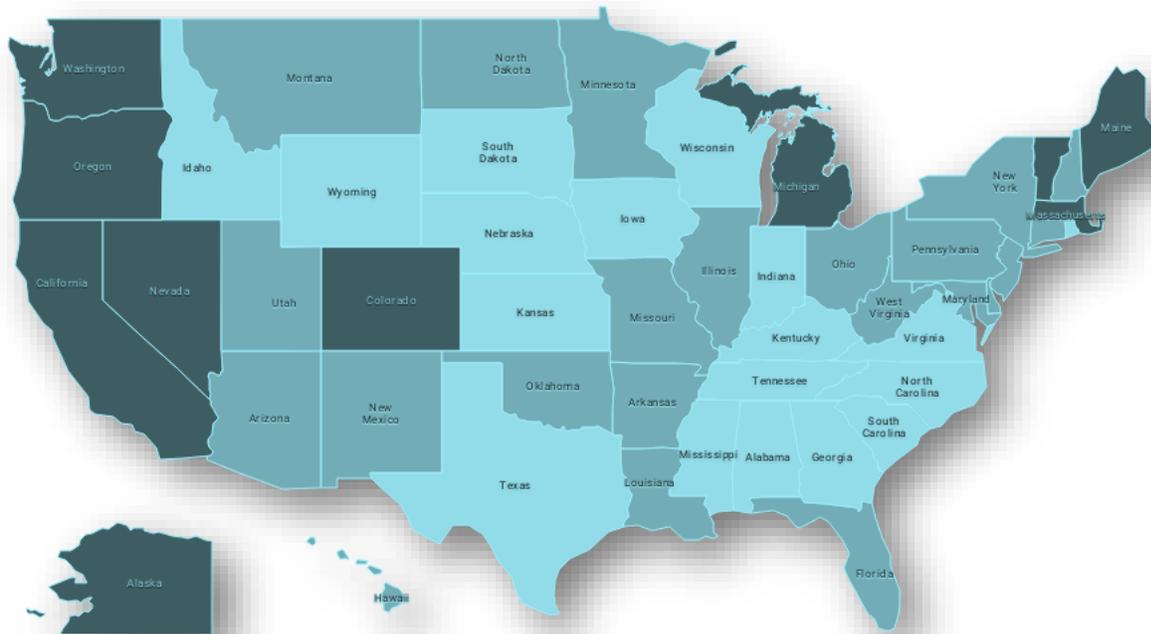
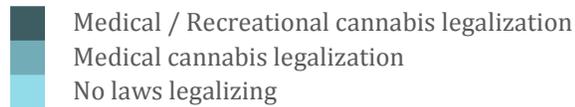


Figure 2. U.S. legalization map



There are about 10,000 active licenses for cannabis businesses in the U.S., according to Statista⁵. This includes cultivation, extraction and manufacturing, retail, distribution and testing licenses. The industry employed 121,000 people in 2017 and 259,000 people in 2018. If cannabis market continues its growth trend, the number of workers in that industry could reach about 500,000 by 2022, according to New Frontier Data.

⁵ <https://www.statista.com/statistics/596641/us-cannabis-businesses-number/>

Wholesale Pricing Benchmarks

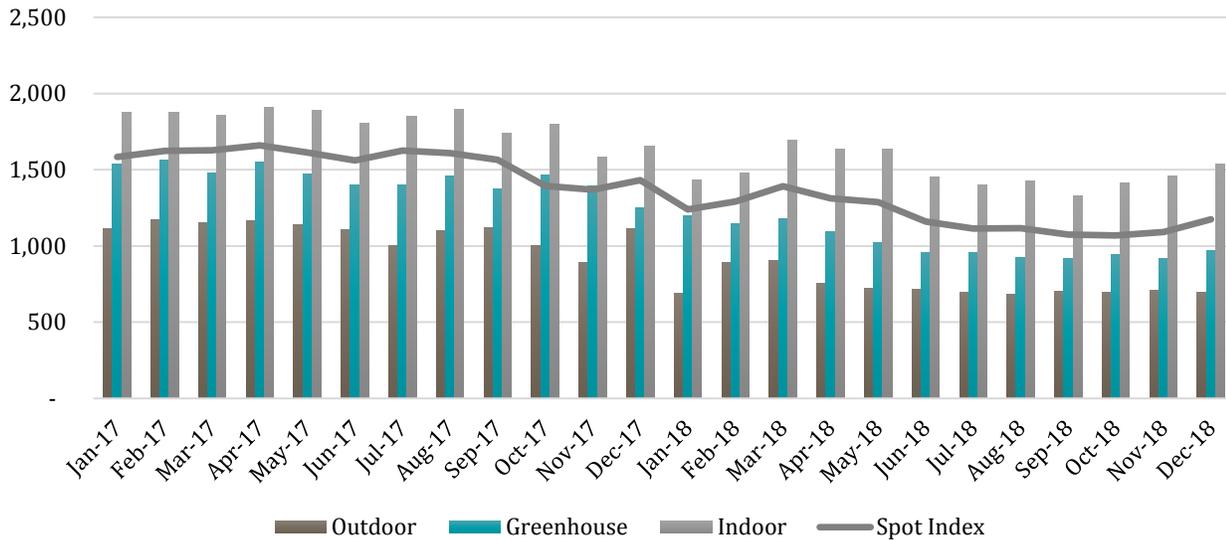


Figure 3. U.S. Wholesale flower prices, \$/pound 2017-2018

The U.S. Spot⁶ fell by 21.8% from the opening to the closing week of 2018. Additionally, for Q4, the national composite rate averaged \$1,094 per pound, off by 32.8% compared to the quarterly average price of \$1,417 per pound, documented in the same period in 2017. Yet, Q4 2018's mean going rate is off by only 2.2% from Q3's quarterly average price of \$1,119 per pound. Rising rates in California, Colorado, and Oregon in the wake of the fall harvest period worked to mitigate the quarter-over-quarter downturn.

- ✓ 2016 U.S. Spot Index average = \$1,789
- ✓ 2017 U.S. Spot Index average = \$1,562
- ✓ 2018 U.S. Spot Index average = \$1,194

The seasonal impact of the fall harvest remains undeniable, driving prices to their annual low in November the last three years:

- ✓ 2016 low was \$1,386 on November 11th
- ✓ 2017 low was \$1,368 on November 17th
- ✓ 2018 low was \$1,047 in November 9th

The volume of wholesale flower sold in the U.S. cannabis market grew 22% in 2017

- ✓ Estimated 3.0 million pounds in 2016
- ✓ Estimated 3.7 million pounds in 2017

The U.S. wholesale market for cannabis flower was \$5.7 billion in 2017

- ✓ 77% the size of the U.S. wholesale wheat market of \$7.4 billion

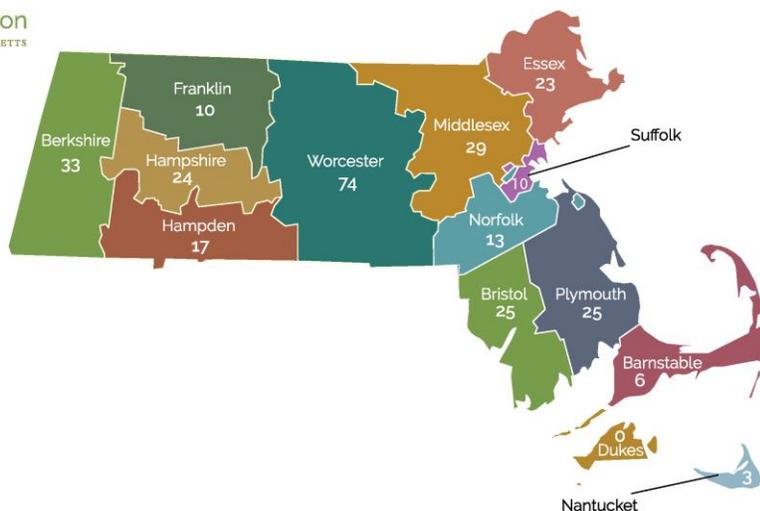
Cannabis Market in Massachusetts

In 2008 Massachusetts voters decriminalized the possession of small amounts of cannabis and in 2012.

⁶ <https://reports.cannabisbenchmarks.com>

In November 2016, Massachusetts voters approved Question 4, the initiative to legalize the recreational use of cannabis for adults 21 years of age and older. In December 2016, the Massachusetts state legislature voted to delay sales of recreational cannabis for six months. Originally, licensing for cannabis shops was set to begin in January 2018, but the delay moved the date and first retail cannabis business opened in Massachusetts in November 2018.

The map below reflects the number of pending applications. As of February 2019, there are over 300 pending applications, including 130 retailer, 87 cultivator, 44 manufacturer, 12 microbusiness, 11 transporter and 4 testing licenses. The review process includes a background check and a 60-day window during which the municipality in which the business hopes to locate must certify that the applicant has met all local requirements.



As of February 21, 2019

Cannabis Control Commission (CCC) Deadlines⁷

<i>March 15, 2018</i>	CCC shall promulgate rules and regulations for the issuance of licenses.
<i>April 1, 2018</i>	Accept applications for licenses.
<i>April 1-15, 2018</i>	Review applications of operating medical establishments and businesses that demonstrate experience in or business practices that promote economic empowerment in communities disproportionately impacted, for grant or denial of license.
<i>May 1, 2018</i>	Independent Testing Laboratory regulations and rules promulgated. Regulations for Nantucket and Duke counties promulgated.
<i>June 1, 2018</i>	CCC received first applications including 51 the most completed to review.
<i>November 20, 2018</i>	First Retail Marijuana Establishments opened in Massachusetts.

Cannabis stores sold about \$9.3 million worth of cannabis products during the first month and in February 2019 total legal cannabis sales exceeded \$40 million, according to figures released by the Cannabis Control Commission.

⁷ <https://mass-cannabis-control.com/>

It is expected over 700,000 customers potentially interested in using of a recreational cannabis and adult-use cannabis market in Massachusetts is projected to become a \$1 billion industry by 2020. Research from multiple cannabis data and investment firms predict Massachusetts can become such a travel destination.

Cannabis Taxes

Under the new law, recreational cannabis is taxed 17 to 20%. The baseline tax is 17%, which is determined from a combination of a 6.25% sales tax and a 10.75% special excise tax on adult use. Cities and towns can choose to add a 3% tax on top of the 17%, tallying up to a 20% tax on retail cannabis.

Marketing & Sales Strategy

Marketing Plan

Google, Facebook and Twitter all have advertising policies that restrict the promotion of the sale of cannabis. Google’s policy prohibits ads that promote “substances that alter mental state for the purpose of recreation.” Facebook restricts any “illegal, prescription, or recreational drugs.” And Twitter bans “illegal drugs” as well as substances that cause “legal highs.” Instagram and Facebook have decided to go a step further by removing pages of cannabis related businesses.

The most effective strategies for legal marijuana companies are direct marketing at industry conferences and other events, building communities around marijuana -related concerns such as health and wellness. The marketing and sales strategy of Root 2 Naturals, LLC will be based on generating long-term personalized relationships with manufactures and dispensaries by offering unique products.

Marketing and advertising campaign includes:

- Meeting with manufactures and dispensaries
- E-mail Marketing
- Business events and conferences
- Business and industry associations
- Brand development
- Brochures
- Website development with search engine optimization
 - Keywords
 - Fresh content
- Cannabis industry platforms and directories.

Table 2. Cannabis business directories

WEEDMAP https://weedmaps.com/	Marijuana dispensary finder on the planet. With over 7,750 listings throughout the U.S., Canada, and Europe.	WeedMaps has 7.96 million total visits each month.
LEAFY https://www.leafly.com/	Leafy is a cannabis information resource for finding the right strains and products. Services include: cannabis finder, online store, branding, doctors' portal.	Leafy has 226.27 thousand total visits each month.
https://www.cannasaver.com/	Canna-Saver is website for cannabis and related coupons.	Cannasaver has 310.04 thousand total visits each month.
http://cannabiscouponcodes.com/	Website with cannabis coupon codes.	Cannabiscouponcodes has 81.49 thousand total visits each month.

Competition

In every business there is competition, however, we believe we possess several strengths that will allow us to remain visible on our customer bases' radar at all times. The recreational cannabis industry is known to be highly competitive in the U.S and in most parts of the world.

In this industry, most of the competitive dynamics center around the quality of cannabis cultivated, the service offered, the location where the cultivation will be done. The branding of Root 2 Naturals, LLC will play a significant role as we seek to differentiate ourselves as a boutique organically grown cannabis flower and solvent-less concentrate brand. Even though competition is stiff, especially from the big, well-backed enterprises, smaller enterprises can still get their fair share of the market if they stay true to the competitive dynamics and provide consistent and unique cannabis. It is a fact that small cannabis cultivation operations may struggle with larger based cannabis cultivation operations when it comes to pricing power and brand recognition, hence the reason we will always go out of our way to deliver excellent client service and superior products. It is through top-notch client service and superior organically grown and solvent-less concentrate products that we intend secure a fair share of the available market.

Target Customers

Main customers are retail dispensaries and manufactures.

Sales Forecast

As growing stage is anticipated to start 10/20/2020, sales of in house product are projected to be started from 1/1/2021 and they will significantly increase from the second year. Sales of extracts and infusions from purchased material are anticipated to start from 10/20/2020.

Growth rate for revenue is about 5% for the second year.

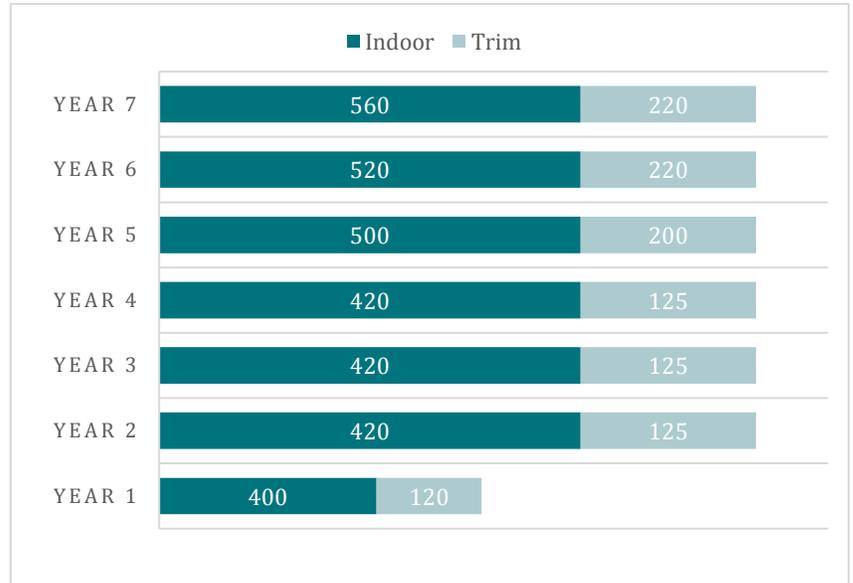


Table 3. Sales Forecast for first three years, \$

Figure 4. Sales forecast, lbs.

	\$	1m	2m	3m	4m	5m	6m
Year 1		0	0	0	0	0	112650
Year 1		7m	8m	9m	10m	11m	12m
Year 1		0	112650		112650		112650
Year 2		1m	2m	3m	4m	5m	6m
Year 2			112650		112650		112650
Year 2		7m	8m	9m	10m	11m	12m
Year 2			112650		112650		112650
Year 3		1m	2m	3m	4m	5m	6m
Year 3			112650		112650		112650
Year 3		7m	8m	9m	10m	11m	12m
Year 3			112650		112650		112650

Operating Plan Summary

(Full details in Policy and Operations Manual)

While most businesses in any industry try to keep startup costs as low as possible, that isn't necessarily the best way to proceed when opening a grow. Creating a cost-efficient cultivation site often involves investing in technology and processes that may result in a big near-term hit.

Yields and quality of plants grown under artificial lights mostly depend on:

1. the seed variety,
2. whether the plants are grown from seeds or clones,
3. after how many days of growing the plants are put into flowering, and
4. Optimization of the climatic conditions of the grow-room.

Cultivation Facility

The cultivation premises will be located in a 3,500-sq. ft. between 2 buildings and will be adequate to house and grow up to 3,000 plants and produce solvent less extractions and infusions.

Our cultivation & processing areas will include:

- Vegetative /Seedling/Mother Growth Room
- Flowering Rooms
- Automated Drying/Curing Systems
- Packaging and Processing Area
- Extraction area

Our company will grow from seeds/clones as well as purchase wholesale material for manufacture.

Warehouse Design

- A. A warehouse environment provides with maximum control, and therefore the most reliable consistent cannabis crops can be produced in a properly designed warehouse grow room.
- B. Without natural light, warehouse grow rooms depend on intelligent grow lights which need to replicate the parts of the sunlight spectrum that the marijuana plants need at each stage of growth. Lighting is a key component in an integrated system.
- C. Air filtration and circulation systems are essential for controlling heat buildup and eliminating exhaust odors. It is critical that the air circulation in a marijuana warehouse is designed in conjunction with the grow lights because lighting systems emit large amounts of heat. If any exhaust air is released outdoors it shall be done at a minimum discharge elevation of 10' and be thoroughly treated through various filters to eliminate odor.
- D. There are various irrigation systems for growing cannabis appropriate for growing in a warehouse: including drip irrigation, hydroponic flood benches, or trough benches.
- E. The irrigation system should be designed in conjunction with a nutrient management system for maximizing the production yield of the cannabis plants.
- F. Environmental computer. The computer control systems for a cannabis warehouse control and monitor all the nutrients, lights, air circulation, and irrigation needs of the plants
- G. De-humidification to optimize growing environment

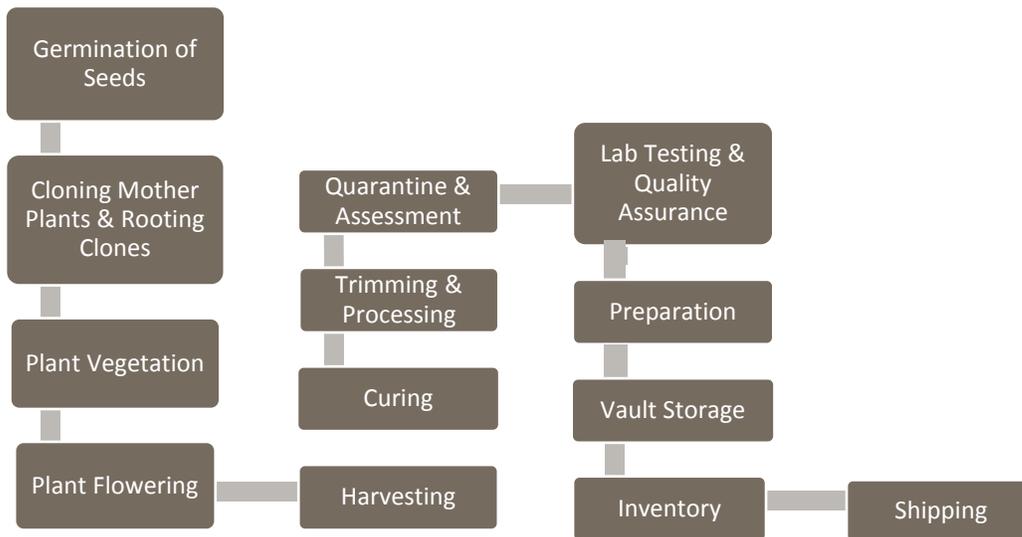
Root 2 Naturals will use rolling benches and tiered growing tables which are highly recommended for any commercial cannabis grow operation. They provide up to 50% more plant space by eliminating the need for a dedicated aisle. With a crop, as valuable as marijuana, this directly equates to higher profits and maximum space efficiency.

Phases of Production

Germination of seeds, gendering plants, male/female, or feminized plants (2 weeks)

- 1st stage: taking and rooting clones (2 weeks)
- 2nd stage: clone/vegetation (1 week)
- 3rd stage: vegetation (2 weeks)
- 4th stage: flowering (8 weeks)
- 5th stage: processing/trimming (3 days)
- 6th stage: drying and curing (11 days)
- Total elapsed time: approximately 15 weeks

Figure 5. Phases of Production - Cultivation



Product Timeline and Production Schedule

As growing stage is anticipated to start from 10/20/2020, sales of in house grown product are projected to be started from the 1/1/2021 and they will significantly increase from the second year. Manufacture of solvent-less concentrate products and infusions will start immediately with base materials purchased from other wholesalers.

Root 2 Naturals, LLC will have the ability to vegetate at least 3,000 plants and flowers concurrently, will grow up to 5 different strains of cannabis, and will have the ability to grow from seedling to finished product. Root 2 Naturals intends to grow 5-7 exclusive strains that other growers do not have.

Table 4. Growing Assumptions, first six months

	M1	M2	M3	M4	M5	M6
Sq. ft. available for "mother"	-	100	100	100	100	100
Sq. ft. available for clones'	-	150	150	150	150	150
Sq. ft. available for vegetative	-	500	500	500	500	500
Sq. ft. available for flowering	-	1500	1500	1500	1500	1500
Number of "mother" plants	-	6	6	6	6	6
Number of clones	-	-	-	500	500	500
Number of Veg Plants	-	-	-	1000	1000	1000
Number of Flower Plants	-	-	-	-	500	500
Yields, pounds	-	-	-	-	-	70
Purchased Trim/Flower, pounds	4	4	5	5	5	5

Exterior Lighting

The main objectives of our security lighting system are to illuminate dark areas and detect and recognize movement in the protected area. The best vision with outdoor lighting is obtained from downward directed and shielded security lighting that is constantly on, supplemented with instant-on lighting triggered by motion detectors.

Root 2 Naturals, LLC will ensure that sufficient lighting requirements are met between dusk and dawn. We will add external security lighting, including high flood spot lights to both facilities. Each facility and all walkways of each facility will be well illuminated to maximize visibility. Lighting will be operated automatically by a photo-sensor, ensuring that lighting will at all times be optimal for video capture.

Perimeter Security

We will secure the perimeter of our facilities to prevent unauthorized intrusion. With our cultivation facility, we plan to use the following critical elements to secure the perimeter of our building: security fencing and electronic surveillance (alarmed camera surveillance and electronic intrusion detection). The cultivation facility will have privacy fencing around the location with locked gate entries. Any new fencing will be installed in such a way that no gaps will be left between the fencing and areas where it butts up against the building or yard.

The perimeter of each building will be secured by video surveillance and adequate outside security lighting. In addition, during non-operational hours, all entryways and exits will be externally covered by metal roll ups. American Alarm motion detectors will monitor the inside of all exterior doors and windows. These are separate sensors from our video camera motion detectors.

Internal Access-Point Control

Movement within each facility will be tightly controlled. All main access doors and doors to the cultivation rooms will require key cards and electronic passcodes. Keys will be secured and not be left in a location accessible to unauthorized personnel. Access to combination numbers, passwords, or biometric security systems will be allowed only to authorized personnel. Only permitted employees will be allowed to enter into the cultivation facility.

Limited Access to Secured Areas and Visitors

Root 2 Naturals, LLC will have limited access areas. Root 2 Naturals, LLC will ensure that the secured areas are accessible only to licensee, licensee representatives, and authorized personnel, service personnel or distributors. These areas will be restricted to employees or agents.

Employees will always visibly display an employee identification badge. Limited access areas will be clearly described by the filing of a diagram. All limited access areas will also have a sign that will be a minimum of 12” x 12” and will state “Do Not Enter—Limited Access Area—Access Limited to Authorized Personnel Only”. Keys will be secured and not be left in a location accessible to unauthorized personnel.

All outside personnel will always be escorted. All visitors must be logged in and out of a log maintained on premise. All outside visitors will obtain and display a visitor identification badge. All visitors are required to return their visitor identification badge before exiting the premises.

Video Surveillance

We will install a comprehensive electronic security system with video surveillance/recording capability, third-party monitoring, intrusion detection, and panic buttons. All security equipment and recordings will be maintained in a secure location. Access to surveillance areas will be limited to essential personnel.

We will employ state-of-the art external and internal cameras, each with a minimum resolution capacity of 704 x 480 pixels per sq. inch. This is sufficient to allow facial identification of anyone in or nearing the facility. The video camera system will be able to produce a clear, color still photo. All cameras are equipped with motion detection and will have infrared technology for low light conditions, capable of identifying activity at night or in unlit rooms.

External video surveillance will cover all areas of possible ingress and egress. Cameras will be angled to identify any person entering or exiting the premises. Additional cameras will be angled in all areas that contain marijuana, at all points of entry and exit, and in the parking lot.

Internal video surveillance will cover the waiting room, reception office, and cultivation rooms. This covers all areas where cannabis is present or handled, including all point-of-sale locations, and all means of access to such areas. Video cameras will also be directed to all safes, vaults, and sales areas. Video surveillance will cover external and internal areas 24/7.

Video cameras will record 24 hours per day, not to be destroyed or altered. Video footage will be retained for at least 90 days. The date and time stamp will be embedded in all recordings. The security/camera system will have the ability to remain operational during a power outage.

Electrical backup will be provided by a Propane or diesel fueled standby generator unit sufficient to supply backup power to our cameras and computers. We have both on and off-site storage enabling us to store at least 60 days of video surveillance recording. A failure notification system will provide both audible and visible notifications if there is any failure in the electronic monitoring system.

Third-Party Monitoring

We anticipate contracting with American Alarm to help deter, detect, and document security events at each facility from a remote location. American Alarm will monitor for fire and for security breach of doors or windows. Trained professionals from their monitoring centers will be able to access our security surveillance system at all times and will report and document any suspicious activity. Our internal security personnel will work with vendor to establish guidelines for what entails suspicious activity and to ensure regulatory compliance.

There will be triggers around the facility to alert our monitoring team of a possible intrusion or unauthorized access. Triggers can be:

- ✓ Motion-sensor surveillance cameras
- ✓ Motion-sensor laser beams
- ✓ Unauthorized electronic access
- ✓ Security and fire alarms

Intrusion and Motion Detection

Our alarm system will have motion detectors covering entryways and exits, hallways, cultivation rooms, storage rooms, and windows. American Alarm motion detectors will be utilized to monitor the interior side of all exterior windows and doors. The alarm system will be backed up by a secondary power source in case of power outages.

Burglary Alarm System

We shall install, maintain, and use a professionally monitored robbery and burglary alarm system; which meet the following requirements:

- ✓ At a minimum, the system shall provide coverage of all facility entrances and exits, rooms with exterior windows, rooms with exterior walls or walls shared with other facility tenants, roof hatches, skylights, and storage room(s) that contain safe(s);
- ✓ The system shall include at least one (1) holdup alarm for staff use; and
- ✓ The system shall be inspected, and all devices tested annually by a qualified alarm vendor.

Panic Buttons and Internal Communications

Panic buttons will be installed. The panic/hold-up alarm will be connected to local law enforcement authorities. The alarm will have a failure notification system that alerts employees within five minutes of failure.

Fire Security

The Cultivation Facility will comply with all local fire code requirements. Fire Prevention is a vital aspect of cultivation safety. As part of Root 2 Naturals, LLC commitment to the safety of our employees, we have developed a comprehensive Fire Plan to address how fires will be prevented and managed/contained if they do occur. Knowing that people are our most valuable resources, all

employees will be trained and required to conduct themselves with consistent due diligence to prevent fires from occurring.

Tracking Solution

Root 2 Naturals intends to use special seed-to sales tracking solution for the cannabis cultivation business, which allows licensed operators to remain compliant while helping to identify key data points to streamline and optimize inventory management at each phase of the operation:

- (A) Custom Compliance-Focused Reporting
- (B) Track Waste, Destruction, Account for Conversion and Moisture Loss
- (C) Real-Time Product and Strain Recalls
- (D) Easily Track Clones Back to Mothers
- (E) Transport Manifests with All Required Info, including Transport Product with Ease
- (F) Compliance-Focused Labels

Seed to sale tracking is also a useful component of diversion prevention as noted in the Diversion Plan.

The solution also includes the following modules:

- Yield Forecasting** – Monitoring and analyzing the harvest data to optimize for larger yields.
- Grower-Centric** – Customizing workflows to support the weighing of multiple plant by-products (wet or dry), plus multiple data collection points and ability to grade product quality upon curing.
- Analyze Efforts** – Monitoring Nutrients applied, log Strain Notes detailing light and watering cycles, plus review Past Harvest Data to optimize your future yields.

(PLEASE SEE POLICY AND OPERATIONS MANUAL FOR MORE DETAILS)

Organizational Structure

Root 2 Naturals, LLC is a business that will be built on a solid foundation. The company is organized as a Limited Liability Company and will recruit only qualified people for various job positions in our company. We hope to leverage on their expertise and our own to build our business brand to be well accepted in the town of Athol as well as the state.

Financial Plan

Direct and Operating Expense Breakdown

Table 5. Direct costs, \$

\$	Year 1	Year 2	Year 3
Cultivation Electricity	78000	78000	80000
Cultivation Water	2400	2400	2400
Labor	186000	186000	186000
Growing Solutions	6000	6000	6000
Seeds/Clones	8000	5000	4500
Packaging	3000	3000	3000
Transport	3500	3500	3500
Lab testing	3500	3500	3500

Other Direct Cultivation Costs	0	0	0
Grow Light Bulbs	1200	1200	1200
Other Supplies	1000	1000	1000
Other costs			
Taxes			
Cultivation Taxes			
Total	292600	289600	291100

Operating Expenses

Table 6. Operating costs, \$

	\$	Year 1	Year 2	Year 3
G&A Expenses - Initial & General Costs				
Legal Fees & Licensing for setting up		10000	3000	3000
Website/Ecommerce platform development		500	500	500
Other initial expenses		0	0	0
General expenses from the second year		0	0	0
Licensing, renewal		2500	2500	2500
Insurance		24000	24000	24000
		0	0	0
		0	0	0
Other general expenses		0	0	0
G&A Expenses - Cultivation				
		292600	292600	292600
Building		500	500	500
Building Maintenance, including utilities (non-production)		1000	1000	1000
Equipment Maintenance		1000	1000	1000
Administrative expenses, including phone and internet		1500	1500	1500
Inventory Control Systems, Security & Other Software Services		1500	1500	1500
Other G&A Expenses				
Other G&A Expenses				
Other G&A Expenses				
Property Taxes		2500	2500	2500
Community Service (% of sales)				
SG&A Expenses - Marketing & Sales Expenses				
Marketing Expenses, including PR, Branding, Online and Offline advertising				
Other Marketing & Sales Expenses				
Brokers and Sellers Fees				
SG&A Expenses - Misc.				
Salaries & Benefits				

TOTAL	337600	330600	330600
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Profit & Loss Forecast

Table 7. Income Statement, \$

\$	YEAR 1	YEAR 2	YEAR 3
Revenue	675600	675600	675600
COGS - Cost of Goods Sold	337600	330600	330600
Gross Profit	338000	345000	345000

Root 2 Naturals LLC - Athol

PLAN TO OBTAIN LIABILITY INSURANCE

Root 2 Naturals (“Root 2 Naturals”) will work with Milner Insurance Agency, Inc., who is an insurance broker licensed in the Commonwealth of Massachusetts or another insurance broker licensed in the Commonwealth of Massachusetts to obtain insurance that meets or exceeds the requirements set forth in 935 CMR 500.105 (10).

Pursuant to 935 CMR 500.105(10) Root 2 Naturals shall obtain and maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, and product liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, or such amount as otherwise approved by the Commission. The deductible for each policy shall be no higher than \$5,000 per occurrence.

Pursuant to 935 CMR 500.105(10)(b) if Root 2 Naturals is unable to obtain minimum liability insurance coverage as required by 935 CMR 500.105(10)(a), Root 2 Naturals will place in escrow a sum of no less than Two Hundred and Fifty Thousand and 00/100 (\$250,000.00) or such other amount approved by the Commission, to be expended for coverage of liabilities. If Root 2 Naturals is unable to obtain minimum liability insurance coverage as required by 935 CMR 500.105(10)(a) Root 2 Naturals will properly document such inability through written records that will be retained in accordance with the Company’s Record Retention Policy. If the Liability Insurance Escrow Account is used to cover such liabilities, it will be replenished within ten (10) business days of such expenditure.

Root 2 Naturals will submit reports documenting compliance with 935 CMR 500.105(10) in a manner and form determined by the Commission pursuant to 935 CMR 500.000.

Root 2 Naturals, LLC
201 Daniel Shays Highway
Athol, MA 01331

Restricting Access to Age 21 and Older

Root 2 Naturals, LLC will be a wholesale only operation selling cannabis and cannabis products only to Massachusetts licensed marijuana establishments. All employees, wholesale consumers, and visitors must be 21 years old and older. All persons approved to be on premises must be 21 years old and older and positively verified via State issued photo Identification prior to entering.

Root 2 Naturals, LLC
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Athol, MA 01331

Personnel Policies

Equal Opportunity

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Root 2 Naturals, LLC are based on merit, qualifications, and abilities. Root 2 Naturals, LLC complies with all Equal Employment Opportunity Commission (EEOC) guidelines. Root 2 Naturals, LLC does not discriminate in employment opportunities or practices on the basis of: race, national origin or ethnic background; height and weight; credit rating or economic status; religious affiliation or beliefs; citizenship; marital status, civil partnership or number of children; age; gender, gender identity or expression; sexual orientation; security/background checks for certain religious or ethnic groups; U.S. Military or veteran status; disability or medical condition; or questions and examinations. Americans with Disabilities Act (ADA) And The ADA Amendments Act (ADAAA) The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act, known as the ADAAA, are federal laws that prohibit employers with 15 or more employees from discriminating against applicants and individuals with disabilities and that when needed provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position. It is the policy of Root 2 Naturals, LLC to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our company policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, termination, compensation, training or other terms, conditions and privileges of employment. Root 2 Naturals, LLC will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to Root 2 Naturals, LLC. Contact the Human Resource representative with any questions or requests for accommodation.

Root 2 Naturals, LLC, in its commitment to diversity, equity, and positively impacting communities and people disproportionately affected by cannabis prohibition, has developed a Diversity Plan and Positive Impact Plans separate from this document.

Root 2 Naturals, LLC has established written policies and procedures governing the qualifications, recruitment, hiring, and training of operators, employees, and subcontractors working at the facility. We will keep a confidential information plan which describes how confidential information will be maintained. The company will maintain a staffing plan and records in compliance with 935 CMR 500.105(9) as further broken down below under Personnel Records.

Anticipated Staffing Plan

We will be staffed Monday through Friday 8:00 a.m. – 4:00 p.m. and Saturday and Sunday from 8:00 a.m. – 12:00 p.m with a minimum staffing level of 2 employees at all times while open.

Personnel Records

We shall retain while employed and for 12 months after termination of employment a record for each employee including the following (Per 935 CMR 500.105 (9):

- All documentation submitted to the CCC pursuant to 935 CMR 500.030(2);
- Documents showing verification of the employee's references;
- Copies of background checks performed;
- The job description which includes duties, authority, responsibilities, qualifications, and supervision;
- Documents showing 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 its presenters;
- A staffing plan that demonstrates accessible business hours and safe cultivation conditions;
- Personnel policies and procedures;
- Records reflecting periodic performance evaluations;
- Records of any disciplinary action taken; and
- Notice of completed responsible vendor and eight-hour related duty training.

Payroll Services

In addition to processing the organizations regular payroll for both exempt, and non-exempt employees, Margolis Shapiro & Company Boston, MA will ensure compliance with federal and state regulations in regards to payroll taxes by managing withholdings for federal, social security, Medicare, state and local taxes, and also provide year end W-4 processing.

Employee Handbook

Root 2 Naturals, LLC will provide an employee handbook that outlines company specific policies, and matches company culture, while still maintaining regulatory compliance with local, state, and federal law.

Team Meetings

Team meetings will be implemented organization-wide and will provide opportunities for team members to receive updated training as required and to discuss current trends and ideas on how to make processes more effective or efficient. Team meetings will, at the

very least, be held once a week for each facility and weekly meetings will be held between all facility managers.

Shift Meetings

Shift meetings will be held on a daily basis between team members and the facility manager. A shift meeting will be held prior to the start of business each day to discuss workflow and goals for the shift. A meeting will also be held at the closure of business to discuss the day's operations and to determine if shift goals were achieved.

Employee Background Checks

All employees subject to CORI background check and any other checks as proscribed by the Cannabis Control Commission (CCC) in accordance with 935CMR 500.030.

Alcohol, Smoke, And Drug Free Workplace Policy

The use and consumption of alcohol or drugs on the premises is expressly forbidden. Tobacco use by employees at the workplace must be done during employees' break time and only in designated smoking area outside the building and 20 feet away from any building entrance.

Employee Dismissal Policy

Should any employee be found to have diverted marijuana, engaged in unsafe or illegal practices, or who has been convicted or entered a plea of guilty to a felony charge for distribution of a drug to a minor will immediately be dismissed. All employee identification and access cards/keys will be taken and the employees asked to leave the premises.

Root 2 Naturals, LLC
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Logs and Record Keeping

Facility and Business Records

Root 2 Naturals, LLC will maintain, manual or computerized, all records in accordance with generally accepted accounting principles. Written operating procedures will be maintained as required by 935 CMR 500.105(1). The facility shall keep and maintain upon the permitted premises for a six-year period true, complete, legible and current books and records, including but not limited to the following (Per 935 CMR 500.105(9)):

- Asset and liabilities records;
- Monetary transactions;
- Books of accounts, which shall 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;
- Inventory tracking including transport of Company cannabis and manufactured cannabis products;
- Marijuana waste disposal records as required under 935 CMR 500.105(12);
- Sales and compliance with regulations;
- Financial records including Company income, expenses, bank deposits and withdrawals, and audit reports;
- Logs of entry and exit for facility facilities; and
- Employee records.

Security recordings will be retained a minimum of one year. If the establishment closes, all records will be kept for a minimum of two years at its expense and in a form and location acceptable to the CCC (Per CMR 500.105(9)).

The facility will prepare quarterly reports. Reports shall include, but are not limited to:

- Records of entry and exit for all individuals who entered the facility;
- Amounts by category of cannabis products manufactured and offered for sale by the facility;
- Amounts by category of cannabis and manufactured cannabis products sold by the facility;

- A list of all cannabis, manufactured cannabis products, or unusable cannabis materials that have been destroyed or will be destroyed by the facility;
- A summary of the financial statement;
- Laboratory results of all tests that were conducted;
- Description of any breach or halt in the facility's security system and tracking system; and
- Any additional/other information requested by the CCC.

Human Resources/Personnel Records

We shall retain while employed and for 12 months after termination of employment a record for each employee including the following (Per 935 CMR 500.105 (9)):

- All documentation submitted to the CCC pursuant to 935 CMR 500.030(2);
- Documents showing verification of the employee's references;
- Copies of background checks performed;
- The job description which includes duties, authority, responsibilities, qualifications, and supervision;
- Documents showing 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 its presenters;
- A staffing plan that demonstrates accessible business hours and safe cultivation conditions;
- Personnel policies and procedures;
- Records reflecting periodic performance evaluations;
- Records of any disciplinary action taken; and
- Notice of completed responsible vendor and eight-hour related duty training.

Tracking/Logging Workflow and Pertinent Data

All workflow will be tracked and recorded for daily review by the facility manager. The following logs will be utilized by designated facility employees to track workflow through the facility.

Information Recording Logs

The compliance manager shall work with each section manager (cultivation and processing) to ensure that all logs are utilized and maintained to track all facility workflow.

- Visitor Log
The company compliance manager is responsible for ensuring any authorized personnel visiting the facility use a visitor log. The visitor log will be located inside the main secured entrance to the facility.

- Cleaning Log
The facility manager is responsible for overseeing the use of a daily cleaning log to track cleaning within all zones of the facility.
- Maintenance Log
A facility maintenance log will be utilized to track maintenance and upkeep on all equipment within the facility.
- Light Intensity Log
To ensure all grow lighting is maximized, the light produced by each lamp must be checked on a monthly basis by the facility staff. The facility cultivation manager shall work with each zone manager to measure lighting throughout each growing zone in the facility.
- Pest Control Log
Plant growth zone managers will be responsible for tracking and logging all pest and disease control measures within the facility.
- Feed Schedule Change Log
Plant growth zone managers will be responsible for tracking feeding schedules in all growth zones for which they are responsible. Any change or variance in the respective plant-zone feed schedule must be noted and brought to the attention of the facility manager.
- Transplant Log
The transfer log tracks all plant movement throughout the facility. The vegetative manager is responsible for tracking plant movements before flowering begins.
- Harvest Log
All flowering zone harvest schedules are tracked on the facility harvest log. The flowering zone management team is responsible for updating this log.
- Daily Inspection Log
All zone managers are responsible for performing daily inspections and communicating all variances to the facility manager. All zones must comply with the information designated in the growing environment and quality control section. The daily inspection log includes:
 - Room temperature: zone manager
 - Humidity: zone manager
 - CO2: zone manager
 - Electrical and lighting: zone manager
 - Pest and disease: zone manager
 - Photoperiod: zone manager
- Curing Log
A curing log shall be maintained by the processing manager to track the time specific strains, and batches that are in the curing area. In addition to time, environmental conditions such as temperature and humidity are also recorded.

- Testing Log

A testing log shall be maintained by the processing manager to keep track of all batches, their respective test dates, and test results.
- Finished Batch Log

The following information shall be collected in order to maintain records for tracking purposes, as well as relaying all pertinent data to the facility to which any part of a batch is sold. For each batch of cannabis cultivated, the following information shall be collected:

 - The batch number;
 - Whether the batch originated from cannabis seeds or cannabis cuttings;
 - The strain of the cannabis seeds or cannabis cuttings planted;
 - The number of cannabis seeds or cannabis cuttings planted;
 - The date on which the cannabis seeds or cuttings were planted;
 - A list of all chemical additives used in the cultivation, including, without limitation nonorganic pesticides, herbicides and fertilizers;
 - The number of cannabis plants grown to maturity;
 - Harvest information, including, without limitation:
 - The date of harvest;
 - The final yield weight of processed usable cannabis;
 - and
 - The name and cannabis establishment agent license number of the facility responsible for the harvest.
- Waste Log

Root 2 Naturals, LLC will keep waste records for at least three years.

Seed to Sale Tracking

All cannabis tracking shall begin when a seed or part of the parent plant is removed and a propagating plant or clone is created. At this point, a unique plant identification number shall be assigned, labeled, and recorded which then will be used to track the history and data through propagation, vegetation, flower, harvest, processing, curing, and final packaged inventory.

Each plant shall be tracked by its physical grid location in the premises at all times. All significant dates and observations will be recorded as key data points in Marijuana Enforcement Tracking Reporting Compliance (METRC) for referencing needs throughout the plant's life cycle. This information can be used to recall any contaminated medium, nutrient, or issue that may occur during the stages listed above and allows for easy removal from production or inventory of any product that does not meet the requirements of the state.

An inventory of cannabis in the cultivation stage shall be conducted each week. During the cultivation process, physical location will be broken up into a grid system and each square will have a designated number of plants per grid area.

Auditing the inventory of all plants shall be effectively and efficiently accomplished with spot checks done daily to mitigate any diversion during cultivation, processing and/or packaging, as well as detecting any human error that may have occurred while entering information during the plant's life cycle.

After the flowering cycle has been completed and the plant is harvested, inventory shall be transitioned from the flowering zone to the processing team, and prepared for trimming. During this transfer, all product will be scanned, tracked and logged. At this point, a pre-trimming weight will be determined and logged.

After being weighed and logged, all flowers will be cleaned, trimmed, and prepared for drying. Each batch is transferred with the entirety of the batch. All green waste from the trimming process shall be weighed, logged, and disposed of according to our policy for managing waste from cannabis plants.

After drying and curing, each batch shall be tested. Once a batch has passed all CCC regulated testing protocol and our standards set forth by business management, it shall be released for packaging and labeling. Before being transferred to packaging, the entire batch will be weighed again, scanned, and logged into METRC.

As each package is wrapped and processed, each individual package will be weighed again and reconciled against the total batch weight. Once packaged, all product shall be scanned and logged into the vault or secure storage area until transfer to another facility.

Seed to sale tracking is a useful component of diversion prevention as noted in the Diversion Plan.

Root 2 Naturals, LLC
201 Daniel Shays Highway
Athol, MA 01331

Financial Records

Per 935 CMR 500.105(9), Root 2 Naturals, LLC will maintain the following business records:

- Asset and liabilities records;
- Monetary transactions;
- Books of accounts;
- Sales records; and
- Salary and wages paid to each employee.

Financial records including income, asset and liabilities records, monetary transactions, expenses, bank deposits and withdrawals, sales records including the quantity, form, and cost of marijuana products salary and wages paid to each employee books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers; and audit reports will be retained both physical and electronic for a minimum of six years. Electronic data will be encrypted and stored on secure servers in secure storage areas under 24-hour video surveillance.

Root 2 Naturals, LLC
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Positions, Qualifications, and Training

Root 2 Naturals, LLC anticipates the following positions:

- Director of Production
- Director of Manufacturing
- Cultivation Manager
- Vegetation Agent
- Flowering Agent
- Processing Manager
- Processing Agent
- Packaging Agent
- Office Administrator

Qualifications for each position are summarized below. The company will ensure that employees are trained on job specific duties prior to performing job functions. All new employees will complete the Responsible Vendor Program within 90 days of being hired. The Responsible Vendor Program documentation will be retained for four (4) years.

Director of Production

The Director of Production will drive the long-range strategic planning process for operations by overseeing and managing all production operations, including production itself, and inventory control. The Director of Production will be responsible for the life cycle management of the products, maintaining quality, safety, and regulatory compliance relating to the production facilities. Additionally, the Director of Production will be involved in the development of operations-related plans, capacity, budgets, infrastructure, policies, and procedures.

Required experience, qualifications and education consists of a minimum of a Bachelor's degree, or ten to twelve years related experience and/or training, or equivalent combination of education and experience. Must be able to pass applicable background checks, and agree to comply with policies, procedures and confidentiality requirements as set forth by the employer.

Director of Manufacturing

The Director of Manufacturing will be responsible and accountable for leading the manufacture group of the organization through the development and execution of the business plan that achieves the consumables market by delivering innovative products to customers. Additionally, the Director of Manufacturing will have close oversight over analytics, formulations, and extractions. Specifically, the Director of Manufacturing will oversee the preparation, propagation, compounding, conversion, or processing of a substance containing cannabis or its principal psychoactive constituent tetrahydrocannabinol.

Required experience, qualifications and education consists of a minimum of a Bachelor's degree, or ten to twelve years related experience and/or training, or equivalent combination of education and experience. Must be able to pass applicable background checks, and agree to comply with policies, procedures and confidentiality requirements as set forth by the employer.

Cultivation Manager

The Cultivation Manager is responsible for executing protocols and standard operating procedures for all phases of cultivation, including: propagation, vegetative, flowering and harvest. Must maintain cleanliness standards and oversee daily inspections and inventory management. Must be able to maintain safe working practices and report occurrences of diversion and loss or workplace hazards immediately.

Required experience, qualifications and education consists of a minimum of a bachelor or associate degree. The individual's background should be within management, preferably in the agricultural field, and needs to be able to oversee a team of individuals to ensure all plants are ready and harvesting on schedule.

Vegetation Agent

The Vegetation Agent ensures that the vegetative area is always clean, and that all production goals are on schedule. Vegetative agents shall care for all plants in the vegetative growth phase, following precise nutrient regimens and pest-prevention procedures, in order to maximize plant health and prepare crops for the flowering phase.

Required experience, qualifications and education consists of a minimum of a high school diploma or an equivalent. The individual should have an interest in understanding the vegetative stage of the cultivation of cannabis. They need to be able to collaborate with team members to ensure success of their area.

Flowering Agent

The Flower Zone Agent is responsible for executing protocols and standard operating procedures for all phases of cultivation, including: propagation, vegetative, flowering, and harvest. Must maintain cleanliness standards and report any pest or other infestation in a timely manner, and maintain safe working practices and report occurrences of diversion and loss or workplace hazards immediately.

Required experience, qualifications and education consists of a minimum of high school diploma or an equivalent. The individual needs to have experience in agriculture and managing a team for at least two-three years. He or she needs to be able to identify problem areas and report to the team and management effectively, and must be able coordinate with team members to ensure product standards.

Processing Manager

The Processing Manager oversees all phases of processing beginning at plant harvest. Phases include curing, trimming, marijuana-infused-products (MIP) production, processing, and packaging. Additional responsibilities include quality control and damaged product/waste disposal. Must be proficient with tracking and monitoring

systems. Post-production is the highest risk phase for diversion and loss, and this position will work closely with the Director of Security to maintain regulatory compliance and prevent loss. The Processing Manager is responsible for manifesting all finished products from cultivation facility inventory into the facility inventory, and must ensure the production outputs are in line with the workflow.

Required experience, qualifications and education consists of a minimum of a high school diploma or an equivalent. Experience working within a manufacturing or agricultural setting and managing staff. Experience studying cannabinoid products and developments; possess critical thinking skills and the ability to adjust plans based on needs presented in real time; and finally, be well-versed in regulations.

Processing Agent

The Processing Agent is responsible for curing, trimming, processing into MIP and packaging of all cannabinoid products. Experience and qualifications include the ability to perform repetitive tasks for a continuous period.

Required experience, qualifications and education consists of a minimum of a high school diploma or an equivalent. Basic labor skill set required, with experience working within a manufacturing or agricultural setting preferred.

Packaging Agent

The Packaging Agent is responsible for packaging all products produced by the facility. The Packaging Agent will also ensure that the cannabis-infused-products portion of the facility is always clean and sanitary and that all production goals are on schedule.

Required experience, qualifications and education consists of a minimum of a high school diploma or an equivalent. The individual should have an interest in understanding the packaging of the cultivation of cannabis, and be able to collaborate with team members to ensure success of their area.

Office Administrator

The Office Administrator is responsible for coordinating office activities and operations to secure efficiency and compliance to company policies. Support budgeting and bookkeeping procedures. Create and update records and databases with personnel, financial and other data. Track stocks of office supplies and place orders when necessary. Submit timely reports and prepare presentations/proposals as assigned.

Required experience, qualifications and education consists of a minimum of a high school diploma or an equivalent. Basic labor skill set required, with experience working within a manufacturing or agricultural setting preferred.

(Job Titles, Responsibilities, Qualifications Subject to Change to Meet Operational Requirements)

Training

The company will ensure that employees are trained on job specific duties prior to performing job functions. Each employee will receive a minimum of eight (8) hours of ongoing training every year. Root 2 Naturals, LLC will provide training upon hire, as well as annual training to each employee including but not limited to:

- Health, safety, and sanitation standards as required by the Cannabis Control Commission (CCC);
- Responsible Vendor training;
- Security procedures;
- Prohibitions and enforcement; and
- Confidentiality and all other provisions that apply to the individual's scope of employment.

DIVERSITY PLAN

Root 2 Naturals LLC (“Root 2 Naturals”) is committed to actively promoting diversity, inclusion, and cultural competency, by implementing programmatic and operational procedures and policies that will help to make Root 2 Naturals a leader and champion of diversity, both in the Town of Athol and throughout the broader Massachusetts cannabis industry.

Root 2 Natural’s commitment to diversity is reflected in the following Goals, which shall be pursued through the Programs outlined herein, and the progress of which shall be judged by the Measurements/ Metrics as stated below, and adjusted as needed if necessary:

Goal One: Achieve at least 50% of our staffing needs from: women (10%), minorities (10%), veterans (10%), persons with disabilities (10%) and members of the LGBTQ+ community (10%).

Programs to Achieve Diversity Goal One:

- Advertise employment opportunities in publications or other mediums that target the above listed demographics, explicitly stating that we encourage the above listed demographics to apply. We will specifically state that we are looking to employ women, minorities, or persons with disabilities, veterans and members of the LGBTQ+ community. Each quarter, we will advertise employment and recruitment opportunities including but not limited to the following publications: The Sentinel & Enterprise, the Amherst Bulletin, the Spencer New Leader, The Greenfield Recorder, The Rainbow Times, ZipRecruiter and Indeed.com.
- Provide on-site interactive workshops, annually (at minimum), covering such topics as the prevention of sexual harassment, racial and cultural diversity, and methods of fostering an inclusive work atmosphere.
- Increase diversity of the make-up of our staff by actively seeking out minorities, women, veterans, people with disabilities, and/or members of the LGBTQ+community, both through in-house hiring initiatives and participation in online diversity job boards including but not limited to <https://diversityjobs.com/> and <https://www.pdnrecruits.com/> and in-person job fairs at least annually and as staffing needs merit.
- Establish clearly written policies regarding diversity and a zero-tolerance policy for discrimination and/or sexual harassment, which shall be incorporated into our employee handbook.

Measurements:

- *Qualitative Metrics:* Perform annual evaluation of inclusion/diversity initiatives to ensure diversity is one of Root 2 Natural LLC’s strengths and remains a primary focus. This may include anonymous employee surveys or other private submission opportunities so that we can attempt to avoid any sort of reluctance for our employees to inform management how we are truly doing in pursuit of our diversity plan goals. The results of the surveys shall be compared to prior years’ results to allow Root 2 Naturals to adjust our programs in the event that our goals are not being achieved.
- *Quantitative Metrics:* We will strive to achieve at least 50% of our staffing needs from

Root 2 Naturals LLC

women, minorities, veterans, people with disabilities and members of the LGBTQ+ community. The personnel files shall be evaluated on a semi-annual basis to determine how many employees are women, and minorities, veterans, people with disabilities and members of the LGBTQ+ community that occupy positions within the company and that number shall be divided by Root 2 Natural's total staffing at its Athol facility to determine the percentage achieved.

Root 2 Naturals acknowledges that it shall show progress or success of our plan at least annually as an express condition of renewal of its licensure, with the submission of a renewal application to be submitted no later than 60 days prior to the date of the anniversary of the issuance of provisional licensure, and every year thereafter.

Root 2 Naturals will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of Marijuana Establishments.

Root 2 Naturals acknowledges that any actions taken, or programs instituted will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.

Root 2 Naturals - Athol

QUALITY CONTROL AND TESTING

Pursuant to 935 CMR 500.160, Root 2 Naturals LLC (“Root 2 Naturals”) will not sell or market any marijuana product that has not been tested by licensed Independent Testing Laboratories. Testing of marijuana products shall be performed by an Independent Testing Laboratory in compliance with the Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-infused Products, as amended in November 2016 and published by the Massachusetts Department of Public Health. Every marijuana product sold will have a set of specifications which define acceptable quality limits for cannabinoid profile, residual solvents, metals, bacteria, and pesticides.

Root 2 Naturals shall implement a written policy for responding to laboratory results that indicate contaminant levels that are above acceptable levels established in DPH protocols identified in 935 CMR 500.160(1) and subsequent notification to the Commission of such results. Results of any tests will be maintained by Root 2 Naturals for at least one year. All transportation of marijuana to or from testing facilities shall comply with 935 CMR 500.105(13) and any marijuana product returned to Root 2 Naturals by the testing facility will be disposed of in accordance with 935 CMR 500.105(12). Root 2 Naturals shall never sell or market adult use marijuana products that have not first been tested by an Independent Testing Laboratory and deemed to comply with the standards required under 935 CMR 500.160.

Root 2 Naturals’s policies include requirements for handling of marijuana, pursuant to 935 CMR 500.105(3), including sanitary measures that include, but are not limited to: hand washing stations; sufficient space for storage of materials; removal of waste; clean floors, walls and ceilings; sanitary building fixtures; sufficient water supply and plumbing; and storage facilities that prevent contamination. All Root 2 Naturals staff will be trained and ensure that marijuana and marijuana products are handled with the appropriate food handling and sanitation standards. Root 2 Naturals will ensure the proper equipment and storage materials, including adequate and convenient hand washing facilities; food-grade stainless steel tables; and temperature- and humidity- control storage units, refrigerators, and freezers.

Root 2 Naturals’s Director of Compliance will provide quality control oversight over all marijuana products sold to licensed adult-use cannabis retail establishments within the Commonwealth of Massachusetts. All Root 2 Naturals staff will immediately notify the Director of Compliance of any actual or potential quality control issues, including marijuana product quality, facility cleanliness/sterility, tool equipment functionality, and storage conditions. All issues with marijuana products or the facility will be investigated and immediately rectified by the Director of Compliance, including measures taken, if necessary, to contain and dispose of unsafe products. The Director of Compliance will closely monitor product quality and consistency, and ensure expired products are removed and disposed.

All Root 2 Naturals staff will receive relevant quality assurance training and provide quality assurance screening of marijuana flower, to ensure it is well cured and free of seeds, stems, dirt, and contamination, as specified in 935 CMR 500.105(3)(a), and meets the highest quality standards. All staff will wear gloves when handling marijuana and marijuana products, and exercise frequent hand washing and personal cleanliness, as specified in 935 CMR 500.105(2). Marijuana products will be processed in a secure access area of Root 2 Naturals.

Root 2 Naturals management and inventory staff will continuously monitor quality assurance of marijuana products and processes, and prevent and/or mitigate any deficiencies, contamination, or other

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issues which could harm product safety.

Any spoiled, contaminated, dirty, spilled, or returned marijuana products are considered marijuana waste and will follow Root 2 Naturals procedures for marijuana waste disposal, in accordance with 935 CMR 500.105(12). Marijuana waste will be regularly collected and stored in the secure-access, locked inventory vault.

Pursuant to 935 CMR 500.105(11)(a)-(e), Root 2 Naturals shall provide adequate lighting, ventilation, temperature, humidity, space and equipment, in accordance with applicable provisions of 935 CMR 500.105 and 500.110. Root 2 Naturals will have a separate area for storage of marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, unless such products are destroyed. Root 2 Naturals storage areas will be kept in a clean and orderly condition, free from infestations by insects, rodents, birds and any other type of pest. The Root 2 Naturals storage areas will be maintained in accordance with the security requirements of 935 CMR 500.110.

All testing results will be maintained by Root 2 Naturals for no less than one year in accordance with 935 CMR 500.160(3).

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

SAFETY PLAN

Root 2 Naturals, LLC (the “Company”) is a marijuana establishment as defined by 935 CMR 500.002. The Company sets forth the following standard operating procedures for the safety plan of all marijuana and marijuana-infused products pursuant to the Cannabis Control Commission’s (the “Commission”) regulations at 935 CMR 500.101(1). The regulations require that the marijuana establishment provide a detailed summary of operating policies and procedures including a safety plan for the Manufacture and production of Marijuana Products including, but not limited to, sanitary practices in compliance with 105 CMR 590.000: State Sanitary Code Chapter X – Minimum Sanitation Standards for Food Establishments. Root 2 Naturals, LLC is committed to safely providing quality products.

Quality Control, Sanitation, Safety and Health Standards

Health, safety and sanitation are critical components of the manufactured cannabis products facility and all applicable laws and regulations must be strictly adhered to. General health, safety and sanitary standards will be discussed in this section.

A facility shall comply with state and county health, safety, and sanitation regulations prescribed in 105CMR 590.000 and 935 CMR 500.101(1) and may be subject to inspection to affirm that no health or safety concerns are present which may contaminate the products.

State Regulations

The manufactured cannabis products facility will be in full compliance with all applicable state and local laws and regulations regarding health, safety and sanitation. It will be the responsibility of the manufactured cannabis products facility manager to insure the creation and implementation of policies for regulatory compliance.

General Standards

Manufactured cannabis

- The facility shall manufacture cannabis products such as bubble hash, hash, oils and oil extracts, tinctures.
- The facility will establish and maintain a written policy and procedure that includes, but is not limited to:
 - Safe and appropriate use of manufacturing equipment;
 - Safe and appropriate storage of materials used to produce manufactured cannabis products;

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- Effective training and monitoring of employees and subcontractors who participate in the production of manufactured cannabis products;
- Adequate protocols for laboratory testing of manufactured cannabis products;
- Safe and appropriate storage and disposal or destruction of manufactured cannabis products at all stages of production and sale;

General Sanitary Requirements

Our cannabis products facilities will take all reasonable measures and precautions to ensure the following:

- That any person who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination for whom there is a reasonable possibility of contact with preparation surfaces for cannabis or cannabis-infused product shall be excluded from any operations which may be expected to result in such contamination until the condition is corrected;
- That hand-washing facilities shall be adequate and convenient and be furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the licensed premises and/or in cannabis-infused product preparation areas and where good sanitary practices require employees to wash and/or sanitize their hands, and provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
- That all persons working in direct contact with preparation of cannabis or cannabis product shall conform to hygienic practices while on duty, including but not limited to:
 - Maintaining adequate personal cleanliness;
 - Washing hands thoroughly in an adequate hand-washing area(s) before starting work, prior to engaging in the production of a cannabis concentrate or manufacture of a cannabis-infused product and at any other time when the hands may have become soiled or contaminated; and
 - Refraining from having direct contact with preparation of cannabis or manufactured cannabis product if the person has or may have an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination, until such condition is corrected.
- Litter and waste will be properly removed and the operating systems for waste disposal will be maintained in an adequate manner so that they do not constitute a source of contamination in areas where cannabis is exposed.

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- Floors, walls and ceilings will be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair.
- There will be adequate lighting in all areas where cannabis is stored and where equipment or utensils are cleaned.
- There will be adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to minimize the development of odor and minimize the potential for the waste becoming an attractant, harborage or breeding place for pests.
- Any buildings, fixtures and other facilities will be maintained in a sanitary condition.
- Toxic cleaning compounds, sanitizing agents, and solvents used in the production of cannabis concentrates shall be identified, held and stored in a manner that protects against contamination of cannabis, and in a manner that is in accordance with any applicable local, state or federal law, rule, regulation or ordinance.
- All contact surfaces, including utensils and equipment used for the preparation of cannabis or cannabis-infused product shall be cleaned and sanitized as frequently as necessary to protect against contamination. Equipment and utensils shall be designed and shall be of such material and workmanship as to be adequately cleanable, and shall be properly maintained.
- The water supply shall be sufficient for the operations intended and shall be derived from a source that is a regulated water system. Private water supplies shall be derived from a water source that is capable of providing a safe, potable and adequate supply of water to meet the facility's needs.
- Plumbing shall be of adequate size and design, and adequately installed and maintained, to carry sufficient quantities of water to the required locations throughout the facility. Plumbing shall properly convey sewage and liquid disposable waste from the facility. There shall be no cross connections between the potable and waste water lines.
- All operations in the receiving, inspecting, transporting, segregating, preparing, producing, packaging and storing of cannabis and manufactured cannabis products shall be conducted in accordance with adequate sanitation principles.
- Each facility center shall provide its employees with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.
- Cannabis that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
- Permitted facility centers shall immediately allow the CCC to inspect the premises and all utensils, fixtures, furniture, machinery and devices used for preparing manufactured cannabis products.

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- A facility center that prepares manufactured cannabis products for sale or distribution at a dispensing organization shall be under the operational supervision of a certified food service sanitation manager.

Per 935 CMR 500.130 Root 2 Naturals, LLC will ensure that production of edible marijuana products will take place in compliance with the following:

- (a)** All Edible Marijuana Products shall be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: *State Sanitary Code Chapter X: Minimum Sanitation Standards for Food Establishments*, and with the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*; and
- (b)** Any Marijuana Product that is made to resemble a typical food or Beverage product must be packaged and labelled as required by 935 CMR 500.105(5) and (6) as outlined in our Types of Product Plan.
- (c)** Root 2 Naturals, LLC will meet all applicable environmental laws, regulations, permits and other applicable approvals including, but not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7:00: *Air Pollution Control*, and to use additional best management practices as determined by the Commission in consultation with the working group established under St. 2017, c. 55, § 78(b) or applicable departments or divisions of the EOEEA to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts.
- (d)** When selling or otherwise transferring marijuana to another Marijuana Establishment, Root 2 Naturals, LLC will provide documentation of its compliance, or lack thereof, with the testing requirements of 935 CMR 500.160, and standards established by the Commission for the conditions, including time and temperature controls, necessary to protect Marijuana Products against physical, chemical, and microbial contamination as well as against deterioration of finished products during storage and transportation.

Product Recall Plan

If the facility's cannabis or manufactured cannabis product proves to be non-conforming upon retest the facility will initiate a recall in accordance with the guidelines put forth by the CPSC. Manufacturers, importers, distributors and retailers of consumer goods are liable for the products they provide to consumers and face the potential of product recalls for potentially dangerous or hazardous products. The same is true for Root 2 Naturals, LLC as a manufacturer and/or retailer of consumer cannabis products. As a result, the company may need to conduct a product recall in the future. For consumer products, the

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recall process is regulated by the CPSC, for all intents and purposes Root 2 Naturals, LLC recall plan will follow the guidelines of the CPSC.

Firms often learn of potential product safety problems at an early stage. For this reason, companies involved in the manufacture, importation, distribution, or sale of consumer products should develop a system for maintaining and reviewing information about their products that might suggest that their product has a defect or poses an unreasonable risk. Such information includes, but is not limited to, consumer complaints, reports of production problems, product testing, or other critical analyses of products.

Experts have shown that one of the best ways to ensure that a product recall is effective is to have a recall plan already in place and to execute the plan as quickly as possible. A well-thought out, well-executed recall plan can save lives and prevent injuries in addition to limiting damage to our company's brand and bottom line.

The CPSC has compiled resources to assist companies that manufacture, import, distribute, retail, or otherwise sell consumer products. The CPSC has developed a Recall Handbook that can be utilized in case a product recall needs to be ordered. The Recall Handbook details how to recognize potentially hazardous consumer products as soon as possible. The book explains how to develop and implement a "*corrective action plan*" (called a CAP) to address the hazards; it explains the CPSC's Fast Track Program.

The Recall Handbook also discusses how to communicate recall information to consumers and how to monitor product recalls. The Consumer Product Safety Commission's Recall Handbook will be a valuable tool utilized by Root 2 Naturals, LLC if the need for a product recall ever arises.

The Recall Handbook should be referenced to determine exact protocol for recall and the requirements from the Consumer Product Safety Commission. The Recall Handbook can be obtained online from <http://www.cpsc.gov/PageFiles/106141/8002.pdf>. Root 2 Naturals, LLC will carefully review the Recall Handbook in order to: become familiar with their reporting requirements under sections 15(b) and 37 of the Consumer Product Safety Act, and Section 102 of the Child Safety Protection Act, Pub. L. 103-267; help learn how to recognize potentially hazardous consumer products as soon as possible; and develop and implement "*corrective action plans*" that address the hazards if we discover we have manufactured, imported, distributed, or retailed such products.

Recall Regulations

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Root 2 Naturals shall establish, maintain and comply with the policies and procedures contained in the Operations and Management Practices Plan, approved by the CCC, for the production, security, storage, inventory and distribution of cannabis products. The policies and procedures shall include methods for identifying, recording and reporting diversion, theft and loss, and for correcting all errors and inaccuracies in inventories. We will include in our written policies and procedures a process for the following:

- Handling mandatory and voluntary recalls of cannabis or manufactured cannabis products. The procedure shall be adequate to deal with:
 - Recalls due to any action initiated at the request of the CCC and any voluntary action to remove from the market defective or potentially defective cannabis or cannabis infused products, or any product that has failed laboratory testing as required by this Part or has been found to have a reasonable probability that its use or exposure will cause serious adverse health consequences; and
 - Any action undertaken to promote public health and safety by replacing existing cannabis or manufactured cannabis products with improved products or packaging.

Recall

We will establish a policy for communicating a recall for cannabis or a cannabis-derived product that has been shown to present a reasonable or a remote probability that use of or exposure to the product will cause serious adverse health consequences. Our policy will include:

A mechanism to contact all customers who have, or likely have, obtained the product from the facility. The communication will include the following information on the policy for return of the recalled product:

- A mechanism to contact us;
- Communication with the CCC within 24 hours; and
- Outreach as necessary and appropriate.

Any recalled cannabis product will be disposed of in accordance with waste disposal procedures.

When to Recall Cannabis Products

As a manufacturer, distributor, and/or retailer of consumer products, Root 2 Naturals, LLC has a legal obligation to immediately report the following types of information to the Consumer Product Safety Commission:

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1. A defective product that could create a substantial risk of injury to consumers;
and
2. A product that creates an unreasonable risk of serious injury or death.

How to Recall Cannabis Products

Root 2 Naturals, LLC will develop a recall plan following guidance from the Recall Handbook provided by the CPSC. Once the need for a product recall has been determined, Root 2 Naturals, LLC will proceed with the product recall Corrective Action Plan (CAP). If the need for a product recall arises, we will have inventory management systems in place to determine and pinpoint which products to recall, how many of those products are in the supply chain, and will be able to determine exactly where those products are within the supply chain. The inventory management systems and procedures required by State Regulations will ensure a streamlined recall process if ever necessary.

- **Corrective Action Plan (CAP)**
A corrective action plan is defined as improvements to an organization's processes taken to eliminate causes of non-conformities or other undesirable situations. The goal of a corrective action plan should be to retrieve as many hazardous products from the distribution chain and from consumers as is possible in the most efficient, cost-effective manner. The CAP will outline the procedures and steps Root 2 Naturals, LLC needs to take once a product recall is required.
- **Step One: Industry Notification**
If cannabis or manufactured cannabis products are believed to need to be recalled, Root 2 Naturals, LLC will contact all wholesale partners and dispensing organizations to make them aware of the situation and the need for product recall. Root 2 Naturals, LLC will also contact the CCC within 24 hours of obtaining reportable information. As the wholesaler of the product needing to be recalled, contacting the end users of the recalled product; cannabis consumers, will prove difficult if not impossible. At this stage of the recall, dispensing organizations will need to ensure that they have a proper recall process in place to contact the end users of the product being recalled.
- **Step Two: Public Notification**
Facility center will post notifications about the product recall on its website as well as making partnering facility centers and dispensing organizations aware of the product recall. The actual recalling processes will be handled by the dispensing organizations with help and support from the facility center.

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As the dispensing organization issuing a recall notice it will be important to reach the end users or the recalled product. Root 2 Naturals, LLC will post notification about the recall on Root 2 Naturals, LLC websites and social media as well as post written notices of the recall on location for customers to view. The recall notice will include all pertinent information regarding the product being recalled, contact information and other information relating to the recall. Information will include but not be limited to:

- Product name
- Product batch number
- Dispensing date range of recalled product
- Dispensing organization locations

Once the recall notification has been issued to all applicable dispensing organizations and cannabis consumers, Root 2 Naturals, LLC will wait to receive recalled products from dispensing organizations. Once recalled products have been received, Root 2 Naturals, LLC will properly dispose of all recalled products.

- Step Three: Procurement

The dispensing organization issuing a product recall to cannabis consumers will need to be ready to obtain and secure recalled products from consumers.

Consumers should be able to bring in the products being recalled to the dispensing organization's location. It will be at the dispensing organization's discretion whether to issue a refund, replace the recalled product at no cost, or to take other measures.

- Step Four: Documentation and Record Retention

Root 2 Naturals, LLC will maintain all documentation and records regarding any and all product recalls issued.

- Step Five: Disposal

Root 2 Naturals, LLC will ensure that any and all recalled cannabis products are disposed of according to all state and local regulations. Root 2 Naturals, LLC will follow waste destruction and disposal procedures outlined below for proper disposal of recalled cannabis and manufactured cannabis.

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Emergency Protocol

Root 2 Naturals, LLC will establish emergency procedures and protocols to be implemented organization wide. Employees of the organization will be fully trained on emergency protocols. Emergencies protocols will be developed for robbery or theft, fire emergency, chemical spill and for other emergencies as needed.

Robbery or Theft

- If being robbed at gunpoint or if you feel your life is in danger, comply with all requests from the perpetrator. Give them whatever they ask for.
- Try to signal for help through security panic buttons provided or through the panic button or police services button located on the alarm panel.
- Contact police as soon as possible.
- Notify any required state or local authorities.
- If any marijuana is stolen, we will secure, inventory, and document all remaining product.

Fire Emergency

- If a fire is small and isolated, try to exhaust the fire with one of the fire extinguishers
- In case of a fire emergency, dial 911 for Fire Department or push the symbol on the alarm panel for fire emergency.

Chemical Spill

- Try to use the chemical spill kit for smaller incidents of chemical spill.
- If the chemical spill is large or you do not know how to handle the situation, get the facility manager to handle the situation.

Other Emergencies

- Contact 911 for break-ins or burglaries.
- Contact any required state or local authority in cases of theft, break-ins or burglaries