



Massachusetts Cannabis Control Commission

Marijuana Retailer

General Information:

License Number: MR281967
Original Issued Date: 02/04/2020
Issued Date: 01/14/2021
Expiration Date: 02/04/2022

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Berkshire Welco, LLC

Phone Number: 413-644-6192 Email Address: hr@thepass.co

Business Address 1: 1375 North Main Street Business Address 2:

Business City: Sheffield Business State: MA Business Zip Code: 01257

Mailing Address 1: 490 Main Street Mailing Address 2:

Mailing City: Great Barrington Mailing State: MA Mailing Zip Code: 01230

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: 35 Percentage Of Control: 50

Role: Executive / Officer Other Role:

First Name: Christopher Last Name: Weld 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: 20 Percentage Of Control: 50

Role: Executive / Officer Other Role:

First Name: Michael Last Name: Cohen Suffix:

Gender: Male User Defined Gender:

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

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

Close Associates or Member 1

First Name: Nial Last Name: DeMena Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Chief Strategy Officer part-time

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Michael Last Name: Cohen Suffix:

Types of Capital: Monetary/
Equity Other Type of
Capital: Total Value of the Capital Provided:
\$1800000 Percentage of Initial Capital:
65.35

Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 1375 Main St.

Establishment Address 2:

Establishment City: Sheffield Establishment Zip Code: 01257

Approximate square footage of the establishment: 2600 How many abutters does this property have?: 6

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

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Community Outreach Meeting Documentation	BW - Community Outreach Meeting Attestation (1375 Main St.).pdf	pdf	5bc407e24253fa027574f506	10/14/2018

Certification of Host Community Agreement	BW - Host Community Certification (1).pdf	pdf	5bc407f21cc320027b4b2bbe	10/14/2018
Plan to Remain Compliant with Local Zoning	COMPLIANT ZONING PLAN.pdf	pdf	5bc4082a8266760285ba6f3d	10/14/2018

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.: \$55438.25

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Positive Impact Plan w-Letter (REVISED SEPT 2019).pdf	pdf	5da08be2b107e415ca9115fd	10/11/2019

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

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

Individual Background Information 2

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

Individual Background Information 3

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

ENTITY BACKGROUND CHECK INFORMATION

No records found

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Bylaws	Bylaws.pdf	pdf	5bc40e4748682102a3cf6740	10/14/2018
Articles of Organization	CorpSearchView.PDF	pdf	5bc40e572f2ea102ad5b83b6	10/14/2018
Secretary of Commonwealth - Certificate of Good	scan0002.pdf	pdf	5da086fa4e842f1b123bcecf	10/11/2019

Standing				
Department of Revenue - Certificate of Good standing	Cert of Good Standing.pdf	pdf	5da0870b2e767115bf439494	10/11/2019

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	j.Cert. of Good Standing MADOR.pdf	pdf	5fa57343dd2d7407bedeb866	11/06/2020
Department of Unemployment Assistance - Certificate of Good standing	j.UI Certificate of Compliance (1).pdf	pdf	5fa573b5dd2d7407bedeb86b	11/06/2020
Secretary of Commonwealth - Certificate of Good Standing	Berkshire Welco, LLC Letter of Good Standing .pdf	pdf	5fbbf8bddfc9f07cd9479a8	11/23/2020

Massachusetts Business Identification Number: 001317151

Doing-Business-As Name: The Pass

DBA Registration City: Sheffield

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	LIABILITY INSURANCE OBTAINMENT PLAN.pdf	pdf	5bc40e754253fa027574f50e	10/14/2018
Business Plan	(Retail) Business Plan.pdf	pdf	5bc549f52f2ea102ad5b857f	10/15/2018
Proposed Timeline	(Retail) TIMELINE.pdf	pdf	5da0891bb107e415ca9115e8	10/11/2019
Plan for Liability Insurance	1.Berkshire WELCO Schedule of Insurance (2).pdf	pdf	5fa579710daeb60847faba87	11/06/2020

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Maintaining of financial records	(RETAIL) FINANCIAL RECORDKEEPING.pdf	pdf	5bc5c12a2d28790c5008134f	10/16/2018
Record Keeping procedures	(RETAIL) RECORDKEEPING PLAN.pdf	pdf	5bc5c65dc4bce20c0e8e1dbb	10/16/2018
Restricting Access to age 21 and older	(RETAIL) AGE 21+ RESTRICTING PLAN.pdf	pdf	5bc5c80d629ac50c14735db7	10/16/2018
Dispensing procedures	(RETAIL) Dispensing Procedures.pdf	pdf	5bc5c95ba5b0140c1e4b9779	10/16/2018
Security plan	[RETAIL] SECURITY PLAN.pdf	pdf	5bc5cb6af70a1a0c28f76449	10/16/2018
Prevention of diversion	[RETAIL] DIVERSION PREVENTION Plan.pdf	pdf	5bc5cd9ea18c210c32431a4c	10/16/2018
Storage of marijuana	(RETAIL) STORAGE PLAN.pdf	pdf	5bc5d08c658c0f0c3ca7a5a1	10/16/2018
Quality control and testing	(RETAIL) QA-QC and TESTING Plan.pdf	pdf	5bc635124253fa027574f8c9	10/16/2018
Qualifications and training	(RETAIL) QUALIFICATIONS + TRAINING.pdf	pdf	5bc8f8a03fbe330c461d2568	10/18/2018
Personnel policies including background checks	(RETAIL) PERSONNEL POLICIES AND PROCEDURES.pdf	pdf	5bc8f9232d28790c50081c2c	10/18/2018
Inventory procedures	(RETAIL) INVENTORY MGMT Plan.pdf	pdf	5bc9edad2d28790c50081cf1	10/19/2018

Plan for obtaining marijuana or marijuana products	(RETAIL) Marijuana and Marijuana Product Procurement Plan.pdf	pdf	5bc9ee15a18c210c324323d3	10/19/2018
Transportation of marijuana	Retail Transportation Plan - (Revised Sept 2019).pdf	pdf	5d7a8467d4b61e1ddc08e0a8	09/12/2019
Diversity plan	Diversity Plan (REVISED DEC 2019).pdf	pdf	5de6a77b40e348579197f519	12/03/2019
Maintaining of financial records	Opening_Cash Management SOP (1) (1).pdf	pdf	5fb441876e60eb07f57f3d3a	11/17/2020
Inventory procedures	Inventory SOP (1) (1).pdf	pdf	5fb441898cc05c081b1b8d93	11/17/2020
Record Keeping procedures	Record Keeping.pdf	pdf	5fb445298cc05c081b1b8d9e	11/17/2020
Personnel policies including background checks	Employee Management.pdf	pdf	5fb445327083620840287d80	11/17/2020
Security plan	Security.pdf	pdf	5fb4453f0daeb60847fadbc6	11/17/2020
Diversity plan	p.Diversity Plan - Updated OCT 2020.pdf	pdf	5fb4460a8cc05c081b1b8da2	11/17/2020

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

ATTESTATIONS

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

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

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

Notification: I Understand

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

Progress or Success Goal 1

Description of Progress or Success: We have and are currently working with a number of Minority owned business for reviewing our policies to ensure compliance and developing methods for developing a diverse workforce. We also have existing blanket purchase orders for supplies, and we are working with Gwendolyn VanSandt of the Bridge to establish Staff Diversity Training and Train the trainer opportunities.

We are also in discussions with both the Northern Berkshire Coalition and the Southern Berkshire Youth Coalition to develop curriculum for our

educational program. In the interim we have sponsored numerous events to fulfill a portion of our education commitment. We have also established the non profit outlined in our plan and are in the final stages of development of our Public Service Announcement.

Although COVID-19 has limited some progress with the Veteran and transitional workforce, we continue to work toward expanding our community outreach and fulfilling our commitments through community partnership.

Our Impact plan has been updated to remove the Mass Hire commitment due to their limitations in ability to work within the industry.

COMPLIANCE WITH DIVERSITY PLAN Diversity Progress or Success 1

Description of Progress or Success: We have started developing our Diversity Committee, which will represent all divisions of the business. The group will be comprised of a employees of members of all minority groups including Asian American, Latin American, African American, etc. We also will have a well distributed number of women and members of the LGBT+ community.

We are set to hold our first formal Diversity and Inclusion Leadership program which will include all members of the Diversity Committee and Executive and Supervisory Leadership Teams. We will be provided train the training opportunities to further support our ongoing dedication and commitment to ensuring to maintain and encourage a diverse and inclusive workplace.

As stated in our Positive Impact update we have partnered with many MBE's to further support this initiative. I have attached our current staffing statistics and are proud to say that we are well on our way to meeting our stating objectives company wide.

HOURS OF OPERATION

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

Community Outreach Meeting Attestation Form

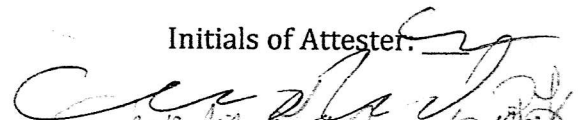
The applicant must complete each section of this form and initial each page before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant appear in italics. Please note that submission of information that is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

I, Christopher Welch, (insert name) attest as an authorized representative of Berkshire Welco LLC (insert name of applicant) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on March 27, 2018 (insert date).
2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on March 14, 2018 (insert date), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document*).
3. A copy of the meeting notice was also filed on March 14, 2018 (insert date) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).
4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on March 12, 2018 (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.



Berkshire Eagle, The**Attachment B**

Publication Name:

Berkshire Eagle, The

Publication URL:

www.berkshireeagle.com/

Publication City and State:

Pittsfield, MA

Publication County:

Berkshire

Notice Popular Keyword Category:

Notice Keywords:

Sheffield Berkshire Welco

Notice Authentication Number:

201807121536107396784**1267673597**

Notice URL:

[Back](#)

Notice Publish Date:

Wednesday, March 14, 2018

Notice Content

Community Outreach Hearing LEGAL NOTICE In accordance with 935 CMR 500.101.B(2)(e), Berkshire Welco, LLC, will hold a Community Outreach Hearing on MARCH 27th 2018 at 7:00 PM at 21 DEPOT SQUARE, 2ND FL., SHEFFIELD, MA 01257 concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, et. seq. The address of the proposed activity is 1375 N. Main St., Sheffield, MA 01257. Interested residents may hear about the proposal and ask questions at the Community Outreach Hearing. CHRIS WELD, CEO MICHAEL COHEN, PRESIDENT 03/14/18

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**Notification to Abutters under the Adult Use of Marijuana Regulations of the
Cannabis Control Commission, 935 CMR 500**

In accordance with 935 CMR 500.101.B(2)(e), you are hereby notified of the following:

The applicant, Berkshire Welco, LLC, has filed a Notice of Community Outreach Hearing with the City of Sheffield concerning the proposed operation of a Marijuana Establishment pursuant to G. L. c. 94G and 935 CMR 500, *et. seq.* . The address of the proposed activity is:

1375 N. Main St., Sheffield, MA 01257

You are receiving this Notice because you are an abutter of the proposed address of the Marijuana Establishment; owner of land directly opposite on any public or private street or way; or an abutters to the abutters within three hundred feet of the property line of the proposed Marijuana Establishment as they appear on the most recent applicable tax list.


There will be a Community Outreach Hearing at which time interested residents may hear about the proposal and ask questions on MARCH 27th, 2018 at 7PM EST on the 2nd floor at 21 DEPOT SQUARE, SHEFFIELD, MA 01257

3/9/2018

TOWN OF SHEFFIELD
CERTIFIED ABUTTER LISTSUBJECT: 1375 NORTH MAIN ST, SHEFFIELD MA
MAP 32 BLOCK 2 LOT 5.0

Parcel Number	Property Address	Owner Name	Owner Address	Owner State	Owner City	Owner Zip
032-0001-0031-0	1434 N MAIN ST	LAMANNO BARBARA	P O BOX 232	MA	SHEFFIELD	01257
032-0002-0004-0	1347 N MAIN ST	TOMCAT LLC	63 WEST STREET	MA	MOUNT WASHINGTON	01258
032-0002-0006-0	1399 N MAIN ST	SIKORSKY CONSTRUCTION LLC	30 BLUE HILL RD	MA	GT BARRINGTON	01230
032-0002-0007-0	1419 N MAIN ST	GAGE THOMAS A	P O BOX 538	MA	SOUTH EGREMONT	01258
032-0002-0010-0	LIME KILN RD	MA DEPT OF TRANSPORTATION	10 PARK PLAZA	MA	BOSTON	02116
032-0002-0011-0	0 LIME KILN RD	BATACCHI ARTHUR J JR	221 LIME KILN RD	MA	SHEFFIELD	01257

Certified Abutter List in accordance with MGL Chapter 40A, Section 11.


 Tammy L. Blackwell, MAA
 Principal Assessor

4454 8991 0000 0042 707

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

SOUTH EGREMONT, MA 01258

Certified Mail Fee	\$3.45	0230
Extra Services & Fees (check box, add fee as appropriate)	\$2.75	07
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.50	
Total Postage and Fees	\$6.70	



Sent To Thomas A. Gage
Street and Apt. No., or PO Box No. PO Box 538
City, State, ZIP+4® South Egremont, MA 01258

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

SHEFFIELD, MA 01257

Certified Mail Fee	\$3.45	0230
Extra Services & Fees (check box, add fee as appropriate)	\$2.75	07
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.50	
Total Postage and Fees	\$6.70	



Sent To Barbara Lamanno
Street and Apt. No., or PO Box No. PO Box 232
City, State, ZIP+4® Sheffield, MA 01257

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

SOUTH EGREMONT, MA 01258

Certified Mail Fee	\$3.45	0230
Extra Services & Fees (check box, add fee as appropriate)	\$2.75	07
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.50	
Total Postage and Fees	\$6.70	



Sent To Tomcat, LLC
Street and Apt. No., or PO Box No. 63 West St.
City, State, ZIP+4® Mt. Washington, MA 01258

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

GREAT BARRINGTON, MA 01230

Certified Mail Fee	\$3.45	0230
Extra Services & Fees (check box, add fee as appropriate)	\$2.75	07
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.50	
Total Postage and Fees	\$6.70	



Sent To Sikorsky Construction, LLC
Street and Apt. No., or PO Box No. 30 Blue Hill Rd.
City, State, ZIP+4® Great Barrington, MA 01230

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

BOSTON, MA 02116

Certified Mail Fee	\$3.45	0230
Extra Services & Fees (check box, add fee as appropriate)	\$2.75	07
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.50	
Total Postage and Fees	\$6.70	



Sent To MA Dept. of Transportation
Street and Apt. No., or PO Box No. 10 Park Plaza
City, State, ZIP+4® Boston, MA 02116

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

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SHEFFIELD, MA 01257

Certified Mail Fee	\$3.45	0230
Extra Services & Fees (check box, add fee as appropriate)	\$2.75	07
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.50	
Total Postage and Fees	\$6.70	



Sent To Arthur Butacchi, Jr.
Street and Apt. No., or PO Box No. 221 Lime Kiln Rd.
City, State, ZIP+4® Sheffield, MA 01257

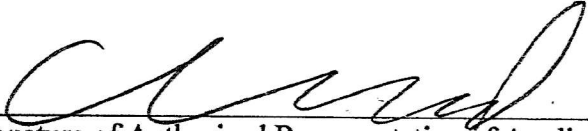
Attachment C (3/3)

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, Christopher Weld, (*insert name*) certify as an authorized representative of Berkshire Welco LLC (*insert name of applicant*) that the applicant has executed a host community agreement with Sheffield (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on March 26, 2018 (*insert date*).



Signature of Authorized Representative of Applicant

Host Community

I, David A. Smith, Jr, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Sheffield (*insert name of host community*) to certify that the applicant and Sheffield (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on March 26, 2018 (*insert date*).



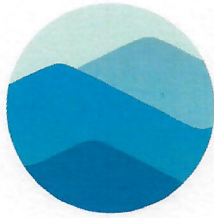
Signature of Contracting Authority or Authorized Representative of Host Community

Plan to Remain Compliant with Local Zoning

The Pass will remain compliant at all times with the local zoning requirements set forth in the Town of Sheffield's Zoning By-Laws. 1375 Main Street is in the General Business District, which is "intended to be used for light manufacturing and agricultural purposes." We have confirmed with the Town that The Pass's cultivating activities are allowed as a right under the Zoning Code and the Pass will receive a zoning determination as part of the building permit.

The Pass has already convened a Community Outreach Meeting for its proposed Marijuana Retail, Marijuana Cultivation, and Marijuana Product Manufacturing licenses and has also executed a Host Community Agreement with the Town. The Pass will continue to work cooperatively with various municipal departments, boards, and officials to ensure that the Pass' marijuana establishment remains compliant with all local laws, regulations, rules, and codes with respect to design, construction, operation, and security.

The Pass has also retained the law firm of Foley Hoag LLP to assist with compliance including with zoning requirements.



THE PASS

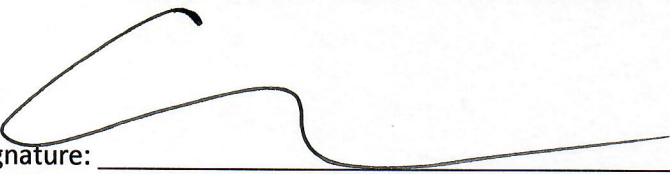
BERKSHIRES

Retail license # MR281967 Renewal

Business Documentation for Retail License

To our knowledge the Town of Sheffield has not incurred any additional municipal costs as result of our license. We have called the Town Administrator on numerous occasions to validate the fact and get any supporting documentation that either agrees with this statement or otherwise supports any costs that may have been incurred. We continue to contact the Town and will submit any documentation provide to us at that time.

I, Christopher Weld, I affirm that all the information provided within is true and accurate. I further affirm that all required attestations written above have been made voluntarily, and by signing below, certify that I do in fact make these true and accurate attestations.

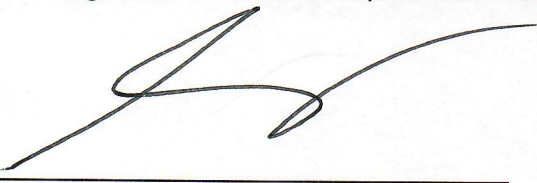
Signature: _____


Name Printed: Christopher Weld

Date: November 6, 2020

AUTHENTICATION BY NOTARY PUBLIC

On this day of November 6, 2020, before me, the undersigned notary public, personally appeared Christopher Weld , proved to me through satisfactory evidence of identification to be the person whose name is signed above and that he/she did so voluntarily for its stated purpose.



Notary Public Signature

NOTARY STAMP/SEAL



Plan to Positively Impact Areas of Disproportionate Impact

The Plan below will apply to both to 'The Pass' cultivating (for which it has a provisional license), manufacturing and retail locations all at the same site in Sheffield:

I. Promoting Education About the Harms of Cannabis Use Among Youth

Goal: Establish a Program in Berkshire County with a Specific Emphasis on Pittsfield and North Adams to Educate Children About the Harms of Cannabis Use before the Age of 21.

Program Details: Although still inconclusive, scientific studies have shown that cannabis use among those 21 and under can harm brain function and development. What Pot Really Does to the Teen Brain?, *Scientific American*, December 1, 2017. In addition, children are more likely than adults to undertake reckless behaviors while using cannabis such as driving under the influence. In order to promote education about the harmful effects of youth cannabis consumption, The Pass has been working with the Berkshire legislative delegation, Cannabis Control Commissioner Flanagan and certain school officials to establish a program to educate children about the dangers of cannabis use. See attached letter from Senator Hinds.

The Pass plans to establish a non-profit – All Berkshire Benefit, LLC filed on May 10, 2019 - to manage the education efforts, to develop the curriculum, and to hire facilitators to undertake the education within the schools. Due to the importance of this effort, The Pass has also been working with other cannabis businesses in the Berkshires to raise funds for the effort. Currently, The Pass expects that at least nine cannabis businesses including The Pass will fund the effort. Those businesses are: Theory Wellness (Great Barrington), Berkshire Roots (Pittsfield), Mass Yield (Pittsfield), Climb Cannabis (Pittsfield), Herbal Pathways (Pittsfield), Slang LLC (Pittsfield), Berkshire Welco (Sheffield), BCWC LLC (Sheffield), Ten - Ten LLC (Sheffield). Each will pledge to give \$3,000 a year once they begun sales. The Pass will make its donation after its first month of sales and is asking the other cannabis businesses to make their donations after their first month of sales. The plan is to initially focus the education on high schools and then move to middle schools.

The Pass plans that at least half the youth seminars on cannabis education take place in North Adams and Pittsfield, two areas of disproportionate impact. The Pass has already reached out to education officials in North Adams and Pittsfield to discuss this effort. That said, the non-profit should provide at least 2 educational seminars in the high schools in the first year and at least 5 educational seminars in the high schools in the second year.

The Pass will create a Public Service Announcement (PSA) and will use the All Berkshire Benefit entity to create a website to host the PSA and other educational content. The Pass in the effort to engage the community will commit to 100,000 paid impressions within Berkshire County aimed at parents in the prevention of underage cannabis use and abuse. We expect that this will enable a matching organic 100,000 impressions for the market segments. Using the webhosting data, we will collect and monitor these figures. In the future, we can use the data analytics and even more targeted marketing to hit specific regional areas or update the content to boost engagement with the educational material.

Metrics and Timeframe:

Because the ultimate goal is limit cannabis use among youth, The Pass believes that the All Berkshire Benefit will undertake an initial base line survey to determine cannabis use among students in high school in the Berkshires during the first two years of the program. Thereafter, the non-profit will survey students in high school every year thereafter to determine if cannabis use among this group has decreased. The survey results will also be used by the non-profit to make changes in the education in order to be more effective. This data will be used in crafting content and targeted messaging and paid impressions in subsequent iterations of the PSA and website.

- II. Increase Job Employment Opportunities for Those Who Reside in Areas of Disproportionate Impact and Those Who Have Past Drug Convictions or are Spouses or Children have those who have Drug Convictions

Goal: To make those who reside in areas of disproportionate impact, Massachusetts residents who have past drug convictions or whose parents or spouses have drug convictions (“Targeted Employees”) a sizable portion of The Pass’ workforce. In the first year of operations, we plan for 10% of our employees to be Targeted Employees, 5% who have had past drug convictions and 5% whose parents or spouses have drug convictions. In the second year of operations, we plan for 15% of our employees to be Targeted Employees, 7.5% who have had past drug convictions and 7.5% whose parents or spouses have drug convictions. Both goals are ambitious based on geographic limitations in the Berkshires.

Program Details: The closest area of disproportionate impact to The Pass’ operations in Sheffield is Pittsfield. Pittsfield is approximately 19 miles away from our facilities and is approximately a 40 minute drive with no public transportation operations. In addition, a number of potential marijuana establishments have targeted Pittsfield for their locations, which means those who live in Pittsfield may be more likely to work at the facilities in that city rather than in Sheffield. Our ability to positively impact Pittsfield may be challenged because of the great distance between Sheffield and Pittsfield, but The Pass is excited about the plan discussed herein.

First, we plan to work with following social engagement organizations (“Partner Organizations”) in order to find Targeted Employees:

- MassHire Berkshire Career Center - A partnership between Berkshire Training & Employment Program and the Massachusetts Division of Career Services, chartered by the MassHire Berkshire Workforce Board. The Career Center provides quality programs and services to employers, job seekers, and its community partners, and also regularly hosts/organizes job fairs and employment workshops.

We will work with these organizations to organize job fairs and to search for suitable Targeted Employees while supporting their other efforts. We expect to work with the Partner Organizations to have ten job fairs focused on Targeted Employees prior to the Pass opening.

To the extent we are gaining a critical mass of employees who live in an area of disproportionate impact, we will consider instituting an employee shuttle from that area in order to ease the commutes of these employees.

The Pass has retained THC Staffing Group as an outside check on the company’s internal policies and attainment of goals. THC Staffing Group is a national staffing organization that does diverse recruiting for the cannabis industry. They will review the following written policies and documentation:

- Hiring
- Training
- Retention
- Workplace Culture
- Ant-Retaliation and Harassment Reporting
- Internal Investigations
- Agreements: NDA, Arbitration, Non-competes
- Pay Equity
- Promotion and Demotion
- Termination and Layoffs

These conclusions will be written in a report and sent to the Executive management team for purposes of auditing and evaluating the plans and their results.

They will also offer suggestions for incorporating diverse workforce into the company's strategic business plans, examining specific company goals and how they can be compatible for the objectives and for ongoing workforce hiring, retention, and development.

THC Staffing Group will concurrently write a Community Engagement Assessment which will include hiring-related community outreach policies and goals and how those can be better met in relation to the stated goals and objectives described herein.

Metrics and Timeframe: In each year of operations, The Pass will determine the number of employees hired who have drug convictions and the number of employees whose parents or spouses have drug convictions.

III. Required Acknowledgements:

- 1) The organizations and entities named herein have been contacted and can receive donations from the organizations described herein or have agreed to work with The Pass to further the goals described herein.
- 2) The Pass 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.
- 3) Any actions taken, or programs instituted, by The Pass will not violate the Cannabis Control Commission's regulations with respect to limitations on ownership or control or applicable state laws.



The Commonwealth of Massachusetts
MASSACHUSETTS SENATE

SENATOR ADAM G. HINDS

*Berkshire, Hampshire, Franklin
and Hampden District*

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Chairman

JOINT COMMITTEE ON TOURISM,
ARTS AND CULTURAL DEVELOPMENT

Vice Chairman

JOINT COMMITTEE ON
ECONOMIC DEVELOPMENT
AND EMERGING TECHNOLOGIES

September 11, 2018

Mr. Shawn Collins, Executive Director
Cannabis Control Commission
101 Federal Street, 13th Floor
Boston, MA 02110

Re: Berkshire Welco

Dear Mr. Collins:

I write to register my support for the application submitted by Berkshire Welco now under consideration by the Commission. I believe this proposal to be strong, and I hope it will be rated favorably.

Berkshire Welco's \$8 million proposal is expected to support 20 employees in Sheffield, a rural community in southern Berkshire County. I am pleased with the company's proactive educational program which utilizes local schools and physicians and believe their plan for full vertical integration will enable Berkshire Welco to quickly hit the ground running with cultivation, processing, and retail sales.

I believe the company has identified an ideal location for their business which allows them to cater to customers in the Berkshire market, as well as visitors from nearby New York and Connecticut. Research shows that out-of-state visitors comprise half of the marijuana sales in Denver. This new economic sector may thrive in southern Berkshire County, which already hosts many seasonal visitors and tourist attractions.

I urge you to give Berkshire Welco's application strong consideration. Thank you in advance for your attention to this matter. Please do not hesitate to contact my office if I can provide any additional information or assistance.

Sincerely,

A handwritten signature in blue ink that reads "Adam Hinds".

ADAM G. HINDS, *State Senator*

Berkshire, Hampshire, Franklin & Hampden District

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
BERKSHIRE WELCO, LLC

A Massachusetts Limited Liability Company

Dated as of June 14, 2018

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**AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT OF
BERKSHIRE WELCO, LLC**

This Amended and Restated Limited Liability Company Agreement of Berkshire Welco, LLC (the “Company”) is entered into as of June __, 2018 (the “Effective Date”), by and among the persons identified from time to time as “Members” on Schedule A attached hereto.

WHEREAS, the Company was formed by Michael Cohen and Christopher Weld on March 12, 2018, with such formation being made pursuant to the Massachusetts Limited Liability Company Act, M.G.L. Chapter 156C, as amended from time to time (the “Massachusetts Act”), by filing a Certificate of Organization of the Company with the office of the Secretary of the Commonwealth of The Commonwealth of Massachusetts (as it may be amended at any time and from time to time, the “Certificate of Organization”), and such Members have entered into a Limited Liability Company Agreement, dated May 8, 2018 (the “Prior Agreement”), with the other Members made party thereto;

WHEREAS, pursuant to Section 15.3 of the Prior Agreement, the Prior Agreement may be amended by (i) the approval of each Major Member (as defined in the Prior Agreement) and (ii) Manager Approval (as defined in the Prior Agreement);

WHEREAS, the Company’s Board of Managers has determined that it is in the best interest of the Company and its existing Members to, and has voted to amend and restate the Prior Agreement to set forth the respective rights and obligations of the Members and to provide for the governance and management of the Company and its affairs and for the conduct of the business of the Company; and

WHEREAS, the undersigned parties to this Agreement include each Major Member;

NOW, THEREFORE, in consideration of the premises, representations and warranties and the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree that the Prior Agreement is amended and restated in its entirety as of the date hereof to read as follows:

**ARTICLE 1.
DEFINED TERMS**

Section 1.1 Definitions. In addition to the capitalized terms defined above and elsewhere in this Agreement, certain capitalized terms used herein shall have the meanings set forth in Schedule C hereto.

**ARTICLE 2.
GENERAL PROVISIONS**

Section 2.1 Organization; Continuation of the Company.

The Company has been formed by the filing of its Certificate of Organization with the Massachusetts Secretary of the Commonwealth pursuant to the Massachusetts Act. The Certificate of Organization may be amended or restated with respect to the address of the registered office of the Company in Massachusetts, the name and address of its registered agent in Massachusetts or to make corrections as may be required by the Massachusetts Act as provided in the Massachusetts Act. The Members hereby agree to continue the Company as a limited liability company under and pursuant to the provisions of the Massachusetts Act and agree that the rights, duties and liabilities of the Members shall be as provided in the Massachusetts Act, except as otherwise provided herein.

Section 2.2 Company Name.

(a) The name of the Company is “Berkshire Welco, LLC.” All business of the Company shall be conducted under the Company name. The Managers shall promptly execute, file and record such certificates as are required by any applicable limited liability company act, fictitious name act or similar statute.

(b) The Company shall at all times have all rights in and to the Company name. The Company may use the Company name or any portion thereof in connection with any other partnership, limited liability company or business activity entered into by the Company. Upon the dissolution of the Company pursuant to the provisions of Article 12 or otherwise, except as otherwise provided herein or by applicable law, or by Manager Approval, no further business shall be done in the Company name except for the completion of any transactions in process and the taking of such action as shall be necessary for the performance and discharge of the obligations of the Company, the winding up and liquidation of its affairs and the distribution of its assets.

Section 2.3 Principal Place of Business; Agent for Service of Process.

(a) The principal office and place of business of the Company shall initially be 264 Main Street, 3rd Floor, Great Barrington, Massachusetts 01230, or such other address as may be determined from time to time by Manager Approval.

(b) The registered office of the Company in The Commonwealth of Massachusetts shall be 264 Main Street, 3rd Floor, Great Barrington, Massachusetts 01230, and the registered agent for service of process on the Company pursuant to the Massachusetts Act shall initially be Michael Cohen or, in either case, as may be designated by Manager Approval.

Section 2.4 Qualification in Other Jurisdictions.

The Managers shall cause the Company to be qualified or registered under applicable laws of any jurisdiction in which the Company owns property or engages in activities and shall be authorized to execute, deliver and file any certificates and documents necessary to effect such qualification or registration, including, without limitation, the appointment of agents for service of process in such jurisdictions, if such qualification or registration is necessary or desirable to permit the Company to own property and engage in the Company’s business in such jurisdictions.

Section 2.5 Purposes and Powers of the Company.

The purposes of the Company are to engage in any lawful business, purpose or activity for which limited liability companies may be organized under the Massachusetts Act.

Section 2.6 Fiscal Year.

The fiscal year of the Company shall be the calendar year, or such other fiscal year as may be designated by Manager Approval and permitted by the Code.

ARTICLE 3. TERMS AND CONDITIONS APPLICABLE TO MEMBERS

Section 3.1 Members.

The Members of the Company shall be the Persons identified on Schedule A hereto, as may be amended from time to time, each of whom shall be a “Member” within the meaning of the Massachusetts Act. The name, mailing address, and email address of each Member shall be as listed in Schedule A. Each Member shall promptly notify the Company of any change in the information required to be set forth for such Member on Schedule A. Any Manager may update Schedule A from time to time as necessary to accurately reflect the information therein. Any such revision to Schedule A shall not be deemed an amendment to this Agreement. Any reference in this Agreement to Schedule A shall be deemed a reference to Schedule A as in effect from time to time. The Members shall have only such rights with respect to the Company as specifically provided in this Agreement and as required by the Massachusetts Act (other than waivable provisions of the Massachusetts Act that conflict with the rights expressly granted to such Members under this Agreement). No Person shall be admitted as a new Member of the Company unless and until the Board of Managers has approved the admission of such Person as a new Member and such Person has executed this Agreement or a counterpart hereto and such other documents or agreements as the Board of Managers may request reasonably in connection with such admission.

Section 3.2 Limited Liability Company Interests Generally.

Except as otherwise specifically provided herein, no Member shall (i) be entitled to receive any interest or other return on such Member’s Capital Contributions, (ii) be entitled to withdraw all or any portion of any Capital Contribution or to receive any distribution from the Company, (iii) have the status of a creditor with respect to distributions from the Company, (iv) have the right to demand or receive property other than cash in return for its Capital Contributions, or (v) have any priority over any other Member with respect to the return of Capital Contributions, allocations of profits and losses or distributions. No property of the Company shall be deemed to be owned by any Member individually, but shall be owned by and title thereto shall be vested solely in the Company. The Units shall constitute personal property. The rights and interest of each Member in and to the future profits and income of the Company are limited to those set forth in this Agreement.

Section 3.3 Voting and Management Rights.

(a) No Member, in his, her, or its capacity as such, shall have (i) the right to vote or to participate in the management, operation or control of the business affairs of the Company or to vote to have the Company dissolved and its affairs wound up, except as expressly provided for herein, or (ii) any right, power or authority to transact any business in the name of the Company, to act for or on behalf of the Company or in its name, or to bind the Company.

(b) Except as otherwise expressly provided herein, no action of the Company or the Managers shall require approval by the Members. To the fullest extent permitted by the Massachusetts Act, to the extent that the Massachusetts Act would require a consent or approval by the Members, the consent or approval of the Managers pursuant to the terms of this Agreement shall be sufficient and no consent or approval by the Members shall be required.

(c) Whenever action is required or permitted by this Agreement to be taken by the Members, including any consent or approval thereof, unless otherwise specified herein, such action shall be deemed valid if and only if taken by Member Approval.

(d) Managers shall be elected pursuant to Member Approval, subject to the terms and conditions of Section 5.1(c).

Section 3.4 Liability of Members.

(a) A Member who receives a distribution made in violation of the Massachusetts Act shall be liable to the Company for the amount of such distribution to the extent, and only to the extent, provided by the Massachusetts Act.

(b) Except as provided under the Massachusetts Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member. Without limiting the foregoing, (i) no Member in its capacity as such shall have any liability to restore any negative balance in such Member's Capital Account and (ii) the failure of the Company to observe any formalities or requirements relating to exercise of the Company's powers or management of its business or affairs under this Agreement or the Massachusetts Act shall not be grounds for imposing personal liability on any Member for liabilities of the Company.

Section 3.5 Powers of Members.

Except as otherwise expressly provided herein, no Member shall in his or her capacity as a Member take part in the day-to-day management, operation or control of the business and affairs of the Company or have any right, power or authority to transact any business in the name of the Company or to act for, or on behalf of, or to bind the Company.

Section 3.6 No Right to Division of Assets.

Each Member waives all rights, at law, in equity or otherwise, to require a partition or division into individually owned interests of all or any portion of the assets of the Company.

Section 3.7 Member's Investment.

Each Member hereby represents and warrants to the Company and acknowledges that (a) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company and making an informed investment decision with respect thereto, (b) it is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time and understands that, except in connection with a Permitted Transfer in accordance with the applicable terms of this Agreement, it has no right to withdraw and/or have its Units repurchased by the Company, (c) it has acquired or is acquiring Units in the Company for investment only and not with a view to, or for resale in connection with, any distribution to the public or public offering thereof, (d) unless it holds only Incentive Units, it is an "accredited investor" as defined in Rule 501 under the Securities Act, (e) it understands that the Units in the Company have not been registered under the securities laws of any jurisdiction and cannot be disposed of unless they are subsequently registered and/or qualified under applicable securities laws, or in accordance with an applicable exemption therefrom, and the provisions of this Agreement have been complied with, and (f) the execution, delivery and performance of this Agreement does not require it to obtain any consent or approval that has not been obtained and do not contravene or result in a default under any provision of any existing law or regulation applicable to it, any provision of its charter, by-laws or other governing documents (if applicable) or any agreement or instrument to which it is a party or by which it is bound.

Section 3.8 Rights to Information.

(a) The Board of Managers shall deliver or cause the appropriate officer(s) of the Company to deliver to each Major Investor the following information (which shall be deemed, for the avoidance of doubt, to be Confidential Information subject to the terms and conditions of Section 3.9):

(i) as soon as reasonably practicable, but in no event more than one hundred twenty (120) days after the end of each fiscal year of the Company, a report of the activities of the Company (consolidated with any Company subsidiary) for the preceding fiscal year, including a comparison to the amounts budgeted for such fiscal year and a statement of all fees paid and distributions made to the Members during such fiscal year, and unaudited financial statements for such fiscal year of the Company consisting of a balance sheet, a statement of income and a statement of cash flows, which financial statements shall be prepared in accordance with the books and records of the Company and shall fairly present, in all material respects, the Company's financial position and performance in relation to such fiscal year;

(ii) as soon as reasonably practicable, but in any event within thirty (30) days after the end of each of the first three (3) quarters of each fiscal year of the

Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet as of the end of such fiscal quarter (consolidated with any Company subsidiaries);

(iii) as soon as reasonably practicable following approval thereof by the Board of Managers, but in no event later than 30 days prior to the commencement of each fiscal year of the Company, the proposed capital and operating budget of the Company and any Company subsidiary for such fiscal year for such fiscal year; and

(iv) such other information relating to the financial condition, business, prospects, or company affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 3.8(a)(iv) to provide information (A) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (B) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

(b) Each Major Investor shall have the right to visit and inspect any of the properties of the Company or any Company subsidiary, and to discuss the affairs, finances and accounts of the Company or any such subsidiary with the Company's officers, and to review such information, in each case as is reasonably requested pursuant to written notice provided not less than one week in advance, during the Company's normal business hours from time to time as may be reasonably requested not more than once during any six-month period; provided, however, that the Company shall not be obligated under this Section 3.8(b) with respect to (i) any person or entity the Board of Managers reasonably determines is a competitor of the Company; (ii) information which the Board of Managers determines, in consultation with the Company's legal counsel, is attorney-client privileged and should not, therefore, be disclosed or (iii) information that could result in disclosure of a trade secret (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company) or violation of applicable law, in each case as reasonably determined by the Board of Managers.

(c) Notwithstanding anything to the contrary herein, a Member that holds no Units other than Incentive Units shall not be entitled to be provided any information from or about the Company, other than the information required to be reported on such Member's federal Form K-1 and any equivalent state income tax information forms. Each Member that holds no Units other than Incentive Units acknowledges and agrees that the contents of Schedules A and B are confidential and that the Board of Managers shall be entitled, in its sole discretion, to restrict any such Member's access to some or all of such Schedules. The Members hereby acknowledge that, pursuant to Section 10 of the Massachusetts Act, the rights of a Member holding only Incentive Units to obtain information from the Company shall be limited to only those rights provided for in this Section 3.8(c) and that any other rights provided under Section 10 of the Massachusetts Act shall not be available to the Members holding only Incentive Units or applicable to the Company with respect to such Members.

(d) Any information disclosed to any Member pursuant this Section 3.8 shall be subject to the terms and conditions of Section 15.1. The rights of Members under this Section 3.8 shall terminate and be of no further force or effect upon a Sale of the Company.

Section 3.9 Confidential Information.

(a) The Company and each Member shall not use or disclose to third parties any Confidential Information received from the Company or from any other Member (including, without limitation, the status of such other Member as a Member of the Company) for any purpose other than (i) for the benefit of the Company, as determined in good faith by the Board of Managers, (ii) the use of Confidential Information by a Member in connection with such Member's monitoring or exercising its rights with respect to its investment in the Company, (iii) as required by law, legal process, order of court, government authority or arbitrator or in connection with any legal proceedings to which a Member (or any assignee) and the Company are parties, (iv) to legal counsel and accountants for Members or any assignee, and (v) in connection with the enforcement of this Agreement or rights under this Agreement. Notwithstanding the foregoing, a Member that is an entity holding Series A Investor Units may in addition disclose Confidential Information to (I) any former partners, members or others who retain an economic interest in the Member, (II) any current or prospective partners, members or other equity owners or managers, officers or employees of, or lenders to, the Member or any subsequent partnership, fund or other entity under common investment management with such Member, (III) any management company of the Member or any director, officer, manager or employee thereof, and (IV) any employee, officer or representative of the Member or any of the Persons identified in the foregoing clauses (I) through (III) with a bona fide need to know such information in connection with any purpose permitted in the foregoing clauses (i) through (viii) (each of the Persons identified in the foregoing clauses (I) through (IV), a "Permitted Disclosee"); provided that any Permitted Disclosee to whom confidential information is disclosed shall be subject to confidentiality restrictions substantially similar to the restrictions applicable to the Member hereunder.

(b) The restrictions imposed by this Section 3.9 shall continue to apply to a former Member following the date of becoming a former Member, notwithstanding such Member's withdrawal from the Company or transfer of its Units.

(c) Notwithstanding the foregoing:

(i) the restrictions on disclosure set forth in this Section 3.9 shall not apply to any Confidential Information to the extent that such information can be shown to have been: (A) generally available to the public other than as a result of a breach of the provisions of this Agreement; (B) already in the possession of the receiving Person, without any restriction on disclosure, prior to any disclosure of such information to the receiving Person by or on behalf of the Company or any Member pursuant to the terms of this Agreement or otherwise, as evidenced by written records; (C) lawfully disclosed, without any restriction on additional disclosure, to the receiving Person by a third party who is not known by the receiving party to be subject to confidentiality restrictions; (D) independently developed by the receiving Person without use of any Confidential Information, as evidenced by written records; or (E) required by law or government regulation to be disclosed, provided that, the Member shall notify the Company of

any such disclosure requirement as soon as practicable and reasonably cooperate with the Company (at the Company's cost) if the Company seeks a protective order or other remedy in respect of any such disclosure; and furnish only that portion of the Confidential Information which the Member is legally required to disclose; and

(ii) nothing in this Agreement prohibits, or is intended in any manner to prohibit, a report of a possible violation of federal law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General, or making other disclosures that are protected under whistleblower provisions of federal law or regulation. No Person subject to the restrictions set forth in this Section 3.9 shall require the prior authorization of anyone at the Company or the Company's legal counsel to make any such reports or disclosures, and no such Person is required to notify the Company that it has made such reports or disclosures. Additionally, nothing in this Agreement is intended to interfere with or restrain the immunity provided under 18 U.S.C. section 1833(b) for confidential disclosures of trade secrets to government officials, or lawyers, solely for the purpose of reporting or investigating a suspected violation of law; or in a sealed filing in court or other proceeding.

ARTICLE 4. CAPITAL STRUCTURE

Section 4.1 Units.

The Members' share of the profits and losses of the Company and their right to receive distributions of the Company's assets, as well as certain other rights of the Members in the Company (which rights, collectively shall be the equivalent of each such Member's "limited liability company interest" in respect of the Company under the Massachusetts Act), shall be represented by "Units" (each, a "Unit" and, collectively, the "Units"). The Units shall be divided into two categories of Units, designated "Common Units" and "Series A Investor Units," which categories of Units each shall have the respective powers, privileges, preferences and rights, and the qualifications, limitations or restrictions thereon, as set forth in this Agreement. Each of the Common Units and the Series A Investor Units shall be referred to herein as a "class" of Units.

Section 4.2 Authorized Capital.

The total number of Units that the Company shall have the authority to issue is 1,000,000, of which:

(a) 680,000 Units are hereby designated as Common Units; and

(b) 320,000 Units are hereby designated as Series A Investor Units, all of which Series A Investor Units may be issued on or after the Effective Date to the Members in amounts specified on Schedule A, in consideration of the Capital Contributions set forth on Schedule A and pursuant to and in accordance with the terms and conditions of one or more Investor Unit Subscription Agreements, dated on or after the Effective Date, by and among the Company and the Members party thereto (each, an "Series A Investor Unit Subscription Agreement"), *provided that*, the Company shall not issue or sell any Series A Investor Units after December 31, 2018.

(c) If the Company at any time after the Effective Date and prior to December 31, 2018 issues additional Series A Investor Units (other than any Price Adjustment Units) in exchange for a per-Unit Capital Contribution less than the per-Unit Capital Contribution last made in respect of any issuance by the Company of Series A Investor Units, then the Company shall concurrently with such issuance issue to each Member holding Series A Investor Units that number of additional Series A Investor Units (such additional Series A Investor Units at the time of their issuance, the “Price Adjustment Units”) which is required in order for such Member’s aggregate Capital Contribution, on a per-Unit basis taking into account (1) all previously issued Series A Investor Units together with (2) all such Price Adjustment Units, to equal the per-Unit Capital Contribution received by the Company for such issue of the additional Series A Investor Units. The total number of Units and Series A Investor Units authorized for issuance by the Company pursuant to Section 4.2 shall each increase automatically, without further action on the part of the Managers or Members, to the extent required to accommodate the issuance pursuant to this Section 4.2(c) of any Price Adjustment Units which otherwise would not be authorized hereunder. In addition, if the Company issues and sells any Series A Investor Units after the date of this Agreement subject to any terms or conditions that are more favorable to the terms and conditions applicable to the Series A Investor Units purchased by Members as of the date of this Agreement (other than price per Unit), the terms and conditions applicable to such Members’ Units shall automatically be modified and amended to reflect such more favorable terms (taking into account any required ownership thresholds and other contingencies which may need to be met).

(d) Subject to the terms and conditions of this Agreement, the Board of Managers may authorize the Company to create and, for such consideration as the Board of Managers may deem appropriate, issue such Units or additional classes or series of Units, having such designations, preferences and relative, participating or other special rights, powers and duties, as the Board of Managers shall determine, including, without limitation: (i) the right of any such class or series of Units to share in distributions from the Company; (ii) the allocation to any such class or series of Units of items of Company income, gains, losses and deductions; (iii) the rights of any such class or series of Units upon dissolution or liquidation of the Company; and (iv) the right of any such class or series of Units to vote on matters relating to the Company and this Agreement. The Members understand and agree that rights afforded to any additional classes or series of Units (including, without limitation, rights to distributions from the Company) may result in a reduction and/or dilution in the rights of then outstanding Units. The Board of Managers may, subject to Article 8 and Section 15.3 of this Agreement, amend any provision of this Agreement, and authorize any Person to execute, swear to, acknowledge, deliver, file and record, if required, such documents, to the extent necessary or desirable to reflect the admission of any additional Member to the Company or the authorization and issuance of such class or series of Units, and the related rights and preferences thereof.

Section 4.3 Incentive Units.

(a) If the Board of Managers intends that the grant of Common Units to a Person providing services to the Company qualify as a “profits interest” for tax purposes (each such Common Unit, an “Incentive Unit”), the Company and each Member agree to treat such Incentive Units as a separate “profits interest” within the meaning of Rev. Proc. 93-27, 1993-2 C.B. 343 or any future Internal Revenue Service guidance or other authority that supplements or

supersedes the foregoing Revenue Procedure, and it is the intention of the Members that distributions to each Incentive Unit under this Agreement, including pursuant to Article 7 and Article 12, shall be limited to the extent necessary so that the Incentive Units of such Member qualify as a “profits interest” under Rev. Proc. 93-27, and this Agreement shall be interpreted accordingly.

(b) Upon the grant of Incentive Units to a Member in connection with the performance of services by such Member, the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross Fair Market Values, as provided in the definition of Gross Asset Value, and the Company’s Profit and Company’s Loss arising from such adjustment shall be allocated to the existing Members in accordance with the Allocation Exhibit. The foregoing is intended to reflect the intent of the parties hereto that such grant (aside from the portion of the new interest acquired in exchange for any Capital Contribution made by such Member) shall be treated as the issuance of a profits interest for United States federal income tax purposes.

(c) In connection with the issuance of any Incentive Unit, the Board of Managers shall set a threshold dollar amount with respect to such Incentive Unit (each, “Threshold Amount”). The Threshold Amount with respect to each Incentive Unit will be determined by the Board of Managers and will be an amount equal to the value of each Common Unit that is not an Incentive Unit as of the grant of such Incentive Unit, determined based upon the amount of distributions that the holders of such a Common Unit would be entitled to receive in a hypothetical liquidation of the Company on the date of issuance of such Incentive Unit in which the Company sold its assets for their Fair Market Value, satisfied its liabilities (excluding any nonrecourse liabilities to the extent the balance of such liabilities exceeds the Fair Market Value of the assets that secure them) and distributed the net proceeds to the holders of Units in liquidation of the Company. The determination of the Board of Managers of the Threshold Amount shall be final, conclusive and binding on all Members.

(d) In accordance with Rev. Proc. 2001-43, 2001-2 CB 191, the Company shall treat a Member holding Incentive Units as the owner of such Incentive Units from the date they are granted, and shall file its Internal Revenue Service Form 1065, and issue appropriate Schedule K-1s to such Member, allocating to such Member his or her distributive share of all items of income, gain, loss, deduction and credit associated with such Incentive Units as if they were fully vested. Each Member agrees to take into account such distributive share in computing his or her United States federal income tax liability for the entire period during which he or she holds any Incentive Units. The Company and each Member agree not to claim a deduction (as wages, compensation or otherwise) for the fair market value of such Incentive Units issued to a Member, either at the time of grant of the Incentive Units or at the time the Incentive Units become substantially vested. The undertakings contained in this paragraph shall be construed in accordance with Section 4 of Rev. Proc. 2001-43.

(e) The Board of Managers shall have the right to amend this Agreement without the approval of any Member upon publication of final regulations in the Federal Register (or other official pronouncement) to (i) direct and authorize the election of a “safe harbor” under Proposed Treasury Regulation Section 1.83-3(l) (or any similar provision) under which the fair market value of a membership interest that is transferred in connection with the performance of services is treated as being equal to the liquidation value of that interest, (ii) to provide for an

agreement by the Company and all of its Members to comply with all the requirements set forth in such regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to all interests transferred in connection with the performance of services while the election remains effective, and (iii) to provide for any other related amendments; provided, in any case that (x) such amendment shall not change the relative economic interest of the Members, reduce any Member's share of distributions, or increase any Member's liability hereunder and (y) the Company shall provide a copy of such amendment to the Members at least ten (10) days prior to the effective date of any such amendment.

(f) Without limitation of any other provision herein, no transfer of any Incentive Units in the Company by a Member, to the extent permitted by this Agreement, shall be effective unless prior to such transfer, the transferee, assignee or intended recipient of such Incentive Units shall have agreed in writing to be bound by the provisions of this Agreement relating to Incentive Units, in form satisfactory to the Board of Managers.

(g) The foregoing provisions relating to the grant of Incentive Units, together with any grant document pursuant to which Incentive Units are issued to a Member in such Person's capacity as an employee or service provider of the Company, are intended to qualify as a compensatory benefit plan within the meaning of Rule 701 of the Securities Act and the issuance of Incentive Units pursuant hereto is intended to qualify for the exemption from registration under the Securities Act provided by Rule 701; provided that the foregoing shall not restrict or limit the Company's ability to issue any Incentive Units pursuant to any other exemption from registration under the Securities Act available to the Company and to designate any such issuance as not being subject to Rule 701.

(h) Incentive Units may be issued subject to vesting, forfeiture and repurchase pursuant to separate agreements, the provisions of which may be determined, altered or waived (unless otherwise specified in such agreements) in the sole discretion of the Board of Managers. Any Person holding a Unit subject to a vesting arrangement, including, without limitation, any Incentive Unit, shall make a timely Code Section 83(b) election in accordance with Treasury Regulation 1.83-2 with respect to each such Unit (to the extent applicable).

(i) Distributions pursuant to Article 7 shall be made with respect to all Incentive Units, whether vested or unvested. Any distributions pursuant to Section 7.3 (excluding, for the avoidance of doubt, Tax Distributions that are treated as advances on distributions pursuant to Section 7.3) with respect to unvested Incentive Units shall be held by the Company until such Incentive Units vest, at which time any such retained distributions shall be released to the holder of such then vested Incentive Units. Any retained distributions pursuant to the foregoing sentence that are forfeited as a result of the forfeiture without vesting of the applicable Incentive Units shall thereafter be distributed under Section 7.3.

ARTICLE 5.
MANAGEMENT OF THE COMPANY

Section 5.1 Managers.

(a) The business of the Company shall be managed by a Board of Managers (the “Board of Managers”) who may exercise all the powers of the Company, except as otherwise provided by law or by this Agreement, and by any committees that the Board of Managers may from time to time establish. Each member of the Board of Managers shall be a “Manager” for all purposes under the Massachusetts Act. Subject to the terms and conditions of this Agreement, at least a majority of the Board of Managers then in office must vote or consent in favor of an action in order to bind the Company with respect to such action. Subject to Section 5.2(b), each individual Manager shall have any right, power or authority to bind the Company, including to the extent such Manager has been designated as an officer of the Company, such Manager acting in his or her capacity as an officer shall have the authority to bind the Company for limited liability company actions under such officer’s control. A Manager shall be held to the same standards of fiduciary duty with respect to the Company to which a director of a corporation organized under the laws of The Commonwealth of Massachusetts is held with respect to such corporation. Any determination of whether a Manager has breached his or her fiduciary duty to the Company shall be made by reference to whether, under Massachusetts law as it then exists, a director of a Massachusetts corporation would be held to have breached his or her fiduciary duty to such corporation under similar facts. Notwithstanding the foregoing, or any other provision of this Agreement to the contrary (but subject to any particular written agreement between the Company and any Manager), it is expressly understood and agreed that a Manager shall not be required to devote his entire time or attention to the business of the Company.

(b) The Board of Managers shall consist of one or more Managers. As of the Effective Date, the authorized number of Managers shall be three. In the event of a vacancy in the Board of Managers, the remaining Managers, except as otherwise provided by law, may exercise the powers of the full Board of Managers until the vacancy is filled, provided that in the event of a vacancy in one of the seats appointed pursuant to Section 5.1(c)(i), Section 5.1(c)(ii) or Section 5.1(c)(iii), such seat may only be filled by a Manager designated by the parties entitled pursuant to such Section to designate a Manager to fill such seat.

(c) From and after the date of this Agreement, each Member shall vote, or cause to be voted, all Units and all other voting securities of the Company presently owned or hereafter acquired by such Member, or over which such Member has voting control, at any meeting of the Members called for the purpose of filling positions on the Board of Managers, or to execute a written consent in lieu of a meeting of the Members, for purpose of filling positions on the Board of Managers and to elect and continue in office as Managers the following:

(i) for so long as Michael Cohen, together with his Affiliates (if any), holds at least 100,000 Units, one individual designated by Michael Cohen, who shall be Michael Cohen unless otherwise agreed in writing by Michael Cohen and Christopher Weld;

(ii) for so long as Christopher Weld, together with his Affiliates (if any), holds at least 100,000 Units, one individual designated by Christopher Weld, who shall be Christopher Weld unless otherwise agreed in writing by Michael Cohen and Christopher Weld; and

(iii) for so long as there remain outstanding no fewer than 100,000 Series A Investor Units, one individual appointed by holders of a majority of then-outstanding Series A Investor Units and reasonably agreeable to the Company.

(d) In the event that the Member or Members that has or have the right to designate a Manager pursuant to clause Section 5.1(c) requests that the Manager so designated by such Member or Members be removed (with or without cause), by written notice to the other holders of Units, then in such case, such Manager shall be removed and each Member hereby agrees to vote all Units, and all other voting securities of the Company over which such Member has voting control, to effect such removal upon such request. Any Manager may be removed by the affirmative vote or written consent of holders of a majority of the Units then outstanding, provided that no Manager specified in either Section 5.1(c)(i), Section 5.1(c)(ii) or Section 5.1(c)(iii) may be removed without the consent of the Members who have the right pursuant to such Section to designate such Manager, so long as such Members hold such right. Each Member agrees not to vote any Units, or any voting securities over which such Member has voting control, to remove any Manager other than in accordance with this Section 5.1(d).

(e) Except as otherwise provided by law or by this Agreement, Managers shall hold office until their successors are elected and duly qualified or until their earlier death, disability, resignation or removal. Any Manager may resign by delivering his written resignation to the Company. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

Section 5.2 Powers and Duties of the Managers.

(a) Subject to the provisions of Section 5.2(b), the Board of Managers shall have and may exercise on behalf of the Company all of its rights, powers, duties and responsibilities under Section 5.1 or as otherwise provided by law or this Agreement:

(i) to manage the business and affairs of the Company and for this purpose to employ, retain or appoint any officers, employees, consultants, agents, brokers, professionals or other Persons in any capacity with the Company for such compensation and on such terms as the Board of Managers deems necessary or desirable and to delegate to such Persons such of its duties and responsibilities as the Board of Managers shall determine, and to remove such Persons or revoke their delegated authority on such terms or under such conditions as the Board of Managers shall determine;

(ii) to merge or consolidate the Company or any Subsidiary with or into any other entity or otherwise effect the sale of the Company and its business;

(iii) to acquire or invest in other entities or businesses;

(iv) to enter into, execute, deliver, acknowledge, make, modify, supplement or amend any documents or instruments in the name of the Company;

(v) to borrow money or otherwise obtain credit and other financial accommodations on behalf of the Company on a secured or unsecured basis and to perform or cause to be performed all of the Company's obligations in respect of its indebtedness or guarantees and any mortgage, lien or security interest securing such indebtedness; and

(vi) subject to the provisions of Section 5.2(b), to issue additional Units or other rights or other interests in the Company and to designate additional classes of interest in the Company as provided herein.

(b) Notwithstanding the foregoing, the Company shall not take the following actions without having first obtained the consent of the Board of Managers, which consent must include the consent of the Managers elected pursuant to Sections 5.1(c)(i) and (ii):

(i) pledge or grant a security interest in any assets of the Company or any Subsidiary, except in the ordinary course of business when all such pledges or grants in the ordinary course of business (excluding pledges or grants provided for in the Operating Plan) do not secure indebtedness of more than \$50,000 in the aggregate;

(ii) issue any Units;

(iii) enter into any agreements, including but not limited to leases, that obligate the Company or any Subsidiary to make aggregate annual payments in excess of \$50,000, unless provided for in the Board-approved operating plan of the Company;

(iv) establish or amend any employee incentive plan or similar equity compensation plan (except as set forth in this Agreement) or grant any equity compensation;

(v) acquire any asset or assets with a value in excess of \$50,000 in a single transaction or a series of related transactions, unless provided for in the Board-approved operating plan of the Company;

(vi) make any loan or advance to any person, including, any employee or manager, except advances and similar expenditures in the ordinary course of business or under the terms of an employee equity compensation plan approved by the Board of Managers;

(vii) incur any aggregate indebtedness in excess of \$50,000 that is not already included in the operating plan of the Company approved by the Board of Managers, other than trade credit incurred in the ordinary course of business;

(viii) change the principal business of the Company, enter new lines of business, or exit the current line of business; or

(ix) enter into any corporate strategic relationship involving the payment, contribution or assignment by the Company or to the Company of assets greater than \$50,000.

Section 5.3 Reliance by Third Parties.

Any Person dealing with the Company, the Managers or any Member may rely upon a certificate signed by all of the Managers as to: (i) the identity of any Managers or Members; (ii) any factual matters relevant to the affairs of the Company; (iii) the Persons who are authorized to execute and deliver any document on behalf of the Company; or (iv) any action taken or omitted by the Company, the Managers or any Member.

Section 5.4 Board Voting Rights; Meetings; Quorum.

(a) Each Manager shall be entitled to one (1) vote with respect to any matter before the Board of Managers or committee thereof. At any meeting of the Board of Managers, the presence of a majority of the total number of Managers then in office shall constitute a quorum.

(b) Regularly scheduled meetings of the Board of Managers may be held at such time, date and place as a majority of the Managers may from time to time determine. Special meetings of the Board of Managers may be called, orally, in writing or by means of electronic communication, by any Manager, designating the time, date and place thereof.

(c) Notice of the time, date and place of all meetings of the Board of Managers shall be given to each Manager by the appropriate officer of the Company or one of the Managers calling the meeting. Notice shall be given to each Manager in person or by telephone, facsimile or electronic mail sent to his business or home address or email address, as applicable, at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to his business or home address at least seventy-two (72) hours in advance of the meeting. The attendance of a Manager at a meeting shall constitute a waiver of notice of such meeting by such Manager, except where a Manager attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because such meeting is not lawfully called or convened. A notice or waiver of notice of a meeting of the Board of Managers need not specify the purposes of the meeting.

Section 5.5 Actions of the Board of Managers.

(a) Except as provided in this Agreement, or required by law, any vote or approval of a majority of the Managers present at any meeting of the Board of Managers at which a quorum is present shall be the act of the Board of Managers.

(b) Any action required or permitted to be taken at any meeting of the Board of Managers may be taken without a meeting if a written consent thereto is signed (including by means of an authorized electronic, stamped or other facsimile signature or email message) by all of the Managers then in office and filed with the records of the meetings of the Board of Managers. Such consent shall be treated as a vote of the Board of Managers for all purposes.

Section 5.6 Reimbursement of Managers.

The Company shall promptly reimburse in full each Manager who is not an employee of the Company or any Subsidiary for all such Manager's reasonable out-of-pocket expenses incurred in connection with attending any meeting of the Board of Managers or a committee thereof or any Board of Managers or committee thereof of any Subsidiary.

Section 5.7 Transactions with Interested Persons.

Unless entered into in bad faith, no contract or transaction between the Company or any Subsidiary and one of its or their Managers, officers or Members or Affiliates of the foregoing, or between the Company or any Subsidiary and any other Person or Affiliates of such Person in which one or more of its or any Subsidiary's Managers, officers or Members have a financial interest or are directors, managers, partners, members, stockholders, officers or employees, shall be voidable solely for this reason or solely because said Member, Manager or officer was present or participated in the authorization of such contract or transaction if (i) the material facts as to the relationship or interest of said Person and as to the contract or transaction were disclosed or known to the Board of Managers and the contract or transaction was authorized by a majority of the votes held by disinterested members of the Board of Managers (if any) or (ii) the contract or transaction was entered into on terms and conditions that were fair and reasonable to the Company as of the time it was authorized, approved or ratified. Subject to compliance with the provisions of this Section 5.7, no Member, Manager or officer interested in such contract or transaction, because of such interest, shall be considered to be in breach of this Agreement or liable to the Company, any other Member, Manager or other Person for any loss or expense incurred by reason of such contract or transaction or shall be accountable for any gain or profit realized from such contract or transaction.

Section 5.8 Limitation of Liability of Managers.

No Manager shall be obligated personally for any debt, obligation or liability of the Company or of any Member, whether arising in contract, tort or otherwise, by reason of being or acting as Manager of the Company. A Manager shall be fully protected in relying in good faith upon the Company's records and upon such information, opinions, reports or statements by any of the Company's Members, Managers, employees, consultants, advisors or agents, or by any other Person as to matters such Manager reasonably believes are within such other Person's professional or expert competence and who has been selected in good faith and with reasonable care by such Manager, including, without limitation, information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits or losses of the Company. No Manager shall be personally liable to the Company or its Members for any action undertaken or omitted in good faith reliance upon the provisions of this Agreement unless the acts or omissions of the Manager were not in good faith or involved gross negligence or intentional misconduct. Any Person alleging any act or omission as not taken or omitted in good faith shall have the burden of proving by a preponderance of the evidence the absence of good faith.

Section 5.9 Other Agents.

From time to time, the Board of Managers acting by Manager Approval may appoint agents of the Company (who may be designated as officers of the Company), with such powers and duties as shall be specified by such Manager Approval. Such agents (including those designated as officers) may be removed by Manager Approval.

ARTICLE 6. CAPITAL CONTRIBUTIONS

Section 6.1 Amount and Payment.

(a) As of the Effective Date, the Members holding Common Units have made Capital Contributions in the aggregate amount of \$16,172.84, in exchange for such Common Units, as set forth on Schedule A attached hereto; and the Members holding Series A Investor Units have made Capital Contributions in the aggregate amount of \$[REDACTED], as set forth on Schedule A attached hereto.

(b) With Manager Approval, and pursuant to the terms and subject to the conditions of this Agreement, the Company may accept additional Capital Contributions in connection with the issuance of additional Units, including Series A Investor Units, at a price per Unit to be determined pursuant to Manager Approval at the time of the sale and issuance of Units, up to the total number of authorized Units, to existing Members and in connection with the admission of other Persons as additional Members, in each case pursuant to Article 8.

(c) Any Capital Contributions that the Members have made in exchange for their Units and the number of Units held by each Member shall be set forth on Schedule A, which Schedule shall be updated by the Board of Managers from time to time to reflect changes in the information set forth therein made in accordance with the terms of this Agreement and such Series A Investor Unit Subscription Agreement(s) as may be agreed by the Board of Managers pursuant to Manager Approval from time to time. Schedule A shall be held confidentially by the Board of Managers, and may not be disclosed to any Member other than a holder of Series A Investor Units or a Major Member and, in each case, its Affiliates, without the prior consent of the Board of Managers.

Section 6.2 Interest.

The Members shall not be entitled to receive any interest on any Capital Contribution to the Company.

Section 6.3 Withdrawal.

Except as otherwise specifically provided herein, a Member shall not be entitled to withdraw any Capital Contribution or portion thereof or to receive any Guaranteed Payment or distribution from the Company.

ARTICLE 7.
CAPITAL ACCOUNTS; ALLOCATIONS; DISTRIBUTIONS

Section 7.1 Capital Accounts.

For each Member, the Company shall establish and maintain a separate Capital Account as more fully described in Schedule B.

Section 7.2 Allocations.

Allocations of Profit and Loss, and allocations for tax purposes of items of income, gain, loss, deduction and expense and tax credits, shall be made to and among the Members in accordance with Schedule B attached hereto (the “Allocation Exhibit”). Certain other tax matters, including provisions concerning limited liability company interests that change throughout the Fiscal Year and the allocation of tax items, are also governed by the Allocation Exhibit.

Section 7.3 Distributions.

(a) To the extent allowed by applicable law, the Company may make distributions of Distributable Cash to the Members pursuant to the terms and subject to the conditions of this Agreement, at such times and in such amounts as may be determined by Manager Approval and subject to any limitations applicable to Profits Interests, including applicable Threshold Amounts. Any such distributions shall be made in the following order and priority:

(i) First, to each Member holding Series A Investor Units, an amount in respect of each such Series A Investor Unit equal to the product of (A) (1) the Daily Annual Investor Distribution Rate *multiplied by* (2) the number of calendar days since the later of the Effective Date or the date of the most recent distribution under this Section 7.3(a)(i), *multiplied by* (B) the amount of the Capital Contribution made in respect of such Series A Investor Unit, which distributions under this Section 7.3(a)(i) shall be due and payable each year out of Distributable Cash, if any, on or about January 15th of each calendar year following the Effective Date or, in the event there is insufficient Distributable Cash available on such date to make such distributions under this Section 7.3(a)(i), immediately prior to any distribution under Section 7.3(a)(ii), in each case until such time as the total distributions made in respect of such Series A Investor Unit pursuant to this Section 7.3(a)(i) equals the Capital Contribution made in respect of such Series A Investor Unit, *provided that*, the proceeds of any voluntary or involuntary liquidation, dissolution and winding up of the affairs of the Company or Deemed Liquidation Event shall first be distributed to the Members holding outstanding Series A Investor Units, if any, to the extent of and in proportion to, such Members’ Unreturned Capital Amount determined with respect to the outstanding Series A Investor Units then held by each such Member (distributions made pursuant to this Section 7.3(a)(i), “Preferred Distributions”); and

(ii) Second, following the payment of any Preferred Distributions then due and payable, but not already made, pursuant to Section 7.3(a)(i), 100% to the Members in proportion to the number of Units held by each.

(b) Notwithstanding the foregoing, the Company shall make, with respect to each Fiscal Year of the Company, distributions of Distributable Cash, if any, to the Members in an amount equal to the respective Projected Tax Liability of each Member for such tax year, to enable the Members to pay income taxes on Profit allocated to them with respect to such tax year (any such distribution, a “Tax Distribution”). The amount of the Tax Distributions to which a Member otherwise would be entitled with respect to a Fiscal Year shall be reduced dollar-for-dollar by the amount of any other cash distributions received by such Member (or such Member’s predecessor in interest) for such Fiscal Year (other than any distributions received that are Tax Distributions with respect to a prior Fiscal Year). All Tax Distributions made to a Member shall be treated as advances of distributions to be made to that Member (or that Member’s successor in interest) pursuant to Section 7.3 (including pursuant to Section 12.2) of this Agreement, as applicable, and shall reduce such future distributions dollar for dollar. The aggregate amount of Tax Distributions with respect to any Fiscal Year may be reduced, on a pro rata basis, or not made, if and to the extent the Board of Managers determines that the Company has insufficient Distributable Cash to make such Tax Distributions in full.

Section 7.4 Guaranteed Payments

Payments may be paid to Members for services performed for the benefit of the Company by such Members at the time of any regular payment of wages to employees of the Company, in accordance with the Company’s payroll methodology, or at such other times as may be determined by Manager Approval in the sole discretion of the Managers, it being understood that the payments made pursuant to this Section 7.4 shall be treated as “guaranteed payments” within the meaning of Section 707(c) of the Code (the “Guaranteed Payments”).

Section 7.5 Withholding; Tax Documentation.

Notwithstanding anything to the contrary in this Agreement, the Company may withhold from any allocation, distribution or other payment made to any Member any amount required to be withheld under the Code or any other applicable federal, state, local or foreign law. All amounts so withheld with regard to any distribution or payment shall be treated as amounts distributed or paid to such Member. If no distribution or payment is being made to a Member in an amount sufficient to pay the Company’s withholding obligation with respect to such Member, any amount that the Company is obligated to pay shall be deemed an interest-free advance from the Company to such Member, payable by such Member by withholding by the Company from any subsequent distributions or payments to such Member or within ten days after receiving written request for payment from the Company. Each Member agrees to timely complete and deliver to the Managers any form, document or provide such other information reasonably requested by the Company for tax purposes.

ARTICLE 8.
ISSUANCE OF ADDITIONAL UNITS; ADMISSION OF ADDITIONAL MEMBERS

Section 8.1 Additional Issuances; Additional Members.

(a) A Member may purchase or be granted additional Units in the Company or a Person who is not already a Member of the Company may be admitted as a Member of the Company by Manager Approval.

(b) The Capital Contribution (if any) and other terms with respect to such additional Units or such additional Member shall be determined by Manager Approval.

ARTICLE 9.
WITHDRAWAL AND RESIGNATION OF MEMBERS; PURCHASE RIGHTS AMONG MAJOR MEMBERS

Section 9.1 Withdrawal and Resignation.

No Member may withdraw or resign from the Company except (i) in the case of Major Members, pursuant to a purchase of its and all of its Affiliates' Units in accordance with the terms of this Article 9 or (ii) pursuant to Manager Approval. Any Member who attempts to resign or withdraw from the Company in violation of the foregoing provision shall cease to be a Member of the Company and shall forfeit any right to distributions or payments from the Company, including, without limitation, any right to any payment pursuant to Section 32 of the Massachusetts Act.

Section 9.2 Purchase Right in the Event of a Material Disagreement.

In the event there is a material disagreement between the Managers appointed by the Major Members relating to any matter requiring consent of both such Managers, and such material disagreement is not resolved by the dispute resolution process set forth in Section 9.4, each Major Member shall have the right to elect to purchase all of the Units of the other Major Member in accordance with the buy-out procedure set forth in Section 9.3 below. If each of the Major Members elects to purchase all of the Units of the other Major Member, the Major Members shall agree on random, unbiased means (which may include a coin toss) of determining who shall be the Electing Member for purposes of Section 9.3.

Section 9.3 Purchase Price and Process.

(a) The purchase price for Units of a Major Member purchased pursuant to Section 9.2 (the "Buyout Purchase Price") shall be equal to the amount that would be distributed to the selling Major Member if the assets and business of the Company were sold at fair market value and the Company were dissolved immediately prior to sale. Fair market value of the Company's assets and business shall be determined by mutual agreement of the Members (including pursuant to the engagement of such independent third-party valuation firm as the Major Members may mutually agree upon), with such agreement to take place within thirty days after the date (the "Election Date") on which a Major Member (the "Non-Electing Major Member") has received an election to acquire all of its Units from the other Major Member (the

“Electing Major Member”) under Section 9.2. If the Major Members are able to agree with respect to fair market value within thirty days after the Election Date, the purchase and sale of the applicable Units shall take place on the date that is sixty days after the Election Date, or the next Business Day if such date is not a Business Day.

(b) In the event that the Major Members cannot agree on the fair market value of the Company’s assets and business within thirty days after the Election Date, the Electing Major Member shall have the right to serve notice to the Non-Electing Major Member (the “Value Notice”) setting forth the Electing Major Member’s determination as to the fair market value of the Company’s assets and business and each Major Member’s respective share thereof, providing a Buyout Purchase Price for each Major Member’s Units. If the Non-Electing Major Member does not receive the Value Notice within thirty days after the Election Date, the Company shall dissolve in accordance with the terms of this Agreement.

(c) If the Non-Electing Major Member receives the Value Notice within thirty days after the Election Date, the Non-Electing Major Member shall have the right either (i) to sell all of its Units at the Buyout Purchase Price for such Units contained in the Value Notice or (ii) to purchase all of the Electing Major Member’s Units for the applicable Buyout Purchase Price for such Units contained in the Value Notice. To exercise this purchase right, the Non-Electing Major Member must send a written notice to the Electing Major Member within fifteen days after the Non-Electing Major Member’s receipt of the Value Notice. If the Non-Electing Major Member exercises its purchase right within the required time period, the purchase and sale of the applicable Units shall take place on the date that is forty-five days after the Non-Electing Major Member’s receipt of the Value Notice, or the next Business Day if such date is not a Business Day. If the Non-Electing Major Member does not exercise its purchase right within the required time period, the Electing Major Member shall purchase all of the Units of the Non-Electing Major Member on the date that is thirty days after the Non-Electing Major Member’s receipt of the Value Notice, or the next Business Day if such date is not a Business Day.

(d) Any purchase of Units pursuant to this Article 9 shall be evidenced by such assignments, instruments of conveyance, bills of sale or other transfer documents as either of the Major Members may reasonably request. The aggregate Buyout Purchase Price shall be paid on the date specified for such purchase in this Article 9 by delivery of a promissory note in the amount of such aggregate Buyout Purchase Price. The promissory note shall be secured by a security interest in all Units held by the purchasing Major Member, with such security interest to be granted pursuant to documents reasonably satisfactory to the selling Major Member. The principal amount of such promissory note shall bear interest, payable annually, at the lowest rate per annum then required by the Code in order to avoid the imputation of interest, and shall be payable in not more than three equal annual installments. Each note shall provide as follows: that the maker shall have the right to prepay the principal or any portion thereof at any time or times without premium or penalty; that upon default for thirty days in any payment of principal or interest, or in the event of bankruptcy or insolvency of the maker, or if the maker shall make any assignment for the benefit of creditors, the entire balance of principal and interest then remaining unpaid on the note shall become due and payable forthwith at the option of the holder of the note; and that presentment, protest and notice of protest shall be waived.

(e) Notwithstanding any other provision of this Article 9, any purchaser of Units under this Article 9 shall, as a condition to such purchase, (i) assume all of the liabilities, obligations and/or guarantees of the selling Major Member which relate to the business of the Company, (ii) indemnify the selling Major Member for the liabilities, obligations and guarantees so assumed and (iii) obtain the release of all guarantees, letters of credit and documents granting security interests in the Units which the selling Major Member shall have provided in connection with the Company or its business. Such assumption, indemnification and release shall be evidenced by instruments and other documents reasonably satisfactory, in form and substance, to the selling Major Member.

(f) Upon the effectiveness of a purchase pursuant to this Article 9, (i) the selling Major Member shall be deemed to have withdrawn and resigned from the Company and shall cease to be a Member of the Company, (ii) the selling Major Member's Capital Account shall be re-allocated to the purchasing Major Member, (iii) any Managers appointed solely by the selling Major Member shall be deemed to have resigned as Managers as of such date and (iv) the purchasing Major Member shall be deemed substituted for the selling Major Member for the purposes of the appointment of Managers pursuant to Section 5.1(c)(i) or Section 5.1(c)(ii), as applicable.

(g) If the purchase of Units under this Article 9 is not completed by reason of the failure of either Major Member to comply with the terms of this Article 9, then (i) the complying Major Member shall be entitled to specific performance of the purchase and (ii) if the selling Major Member is the non-complying Major Member, upon compliance by the purchasing Major Member with the terms of this Article 9, including the payment of the aggregate Buyout Purchase Price in accordance with Section 9.3, the purchasing Major Member shall be entitled to treat itself for all purposes as, and thereafter shall be, the owner of the Units which were to be purchased under this Article 9.

Section 9.4 Dispute Resolution between Major Members.

The Major Members will attempt in good faith to resolve any controversy or claim between them and arising out of or relating to this Agreement promptly by negotiations between such Major Members. Should the dispute not be resolved through the aforementioned process, the Major Members agree first to try in good faith to settle the dispute (other than disputes with respect to the fair market value of the Company's assets and business under Article 9) by non-binding mediation administered by the American Arbitration Association under its Commercial Mediation Rules. If the matter has not been resolved within thirty days of submission to non-binding mediation, either Major Member may initiate buy/sell procedures to the extent permitted by Section 9.2 above.

ARTICLE 10. DURATION OF THE COMPANY

Section 10.1 Duration.

The Company shall continue until it is dissolved and its affairs wound up, which shall occur on the earlier of the happening of any of the following events:

(a) Written Manager Approval and written approval of Members holding a majority of then-outstanding Common Units and a majority of the then-outstanding Series A Investor Units with respect to such dissolution and winding up.

(b) The death, incapacitation, retirement, resignation, expulsion, or bankruptcy of all of the Members or the occurrence of any event which terminates the continued membership of all of the Members in the Company.

(c) The entry of a decree of judicial dissolution under Section 44 of the Massachusetts Act.

ARTICLE 11.
RESTRICTIONS ON TRANSFER; RIGHT OF FIRST REFUSAL; RIGHT OF CO-SALE; DRAG-ALONG RIGHTS; AND PRE-EMPTIVE RIGHTS

Section 11.1 Prohibited Transfers.

(a) Except as otherwise specifically provided herein, no Member shall, directly or indirectly, sell, exchange, transfer (by gift or otherwise), assign, distribute, pledge, create a security interest, lien or trust with respect to, or otherwise dispose of or encumber any Units owned by such Member or any interest in or option on or based on the value of the Units (any of the foregoing being referred to as a “Transfer”) without first complying with the terms of this ARTICLE XI. Any purported Transfer of Units in violation of the provisions of this ARTICLE XI shall be void and of no force and effect whatsoever, and the Company shall not record any such event on its books or treat any such transferee as the owner of such Units for any purpose. Any Transfer permitted by this Agreement shall be termed a “Permitted Transfer” and the transferee of any Permitted Transfer shall be termed a “Permitted Transferee.”

(b) Notwithstanding anything herein to the contrary, the following Transfers shall be limited only by Section 11.2: (i) a Transfer by any Member to the spouse, children or siblings (and siblings’ children) of such Member (or to the beneficial owners of such Member, if such Member is not a natural person) or to a trust, family limited partnership, family limited liability company or similar family entity for the benefit of any of them; (ii) a Transfer upon the death of any Member, to such Member’s heirs, executors or administrators or to a trust under such Member’s will, or between such Member and such Member’s guardian or conservator; (iii) with respect to any Member that is not a natural person, a Transfer to another Person that is a general or limited partner, retired partner, member, retired member, stockholder or Affiliate of such Member; or (iv) a Transfer by a Member exercising such Member’s rights under Section 11.4.

Section 11.2 Effective Date and Requirements of Transfer.

(a) Any valid Transfer of a Member’s Units, or part thereof, pursuant to the provisions of this Agreement, shall be effective as of the close of business on the day in which such Transfer occurs (including fulfillment of all conditions and requirements with respect thereto). The Company shall, from the effective date of such Transfer, thereafter make all further distributions, on account of the Units (or part thereof) so assigned to the Permitted Transferee of such interest, or part thereof.

(b) Every Transfer permitted hereunder shall be subject to the following requirements (in addition to any other requirements contained in this Agreement):

(i) If not already a Member, the transferee shall execute a counterpart to this Agreement thereby agreeing to be bound by all the terms and conditions of this Agreement;

(ii) The transferee shall establish that the proposed Transfer will not cause or result in any violation of law, including without limitation, federal or state securities laws, and that the proposed Transfer would not cause or require (A) the Company to be an investment company as defined in the Investment Company Act of 1940, as amended or (B) the registration of the Company's securities under federal securities laws;

(iii) The transferee shall establish to the satisfaction of the Board of Managers that the proposed Transfer would not adversely affect the classification of the Company as a partnership for U.S. federal or any applicable state or local income tax purposes or cause the Company to be treated as a publicly traded partnership under the Code, unless agreed to in writing by Manager Approval;

(iv) The transferee shall not be any entity which, in the determination of the Board of Managers, is a competitor of the Company; and

(v) The transferee shall not be any customer, distributor or supplier of the Company, if the Board of Managers should reasonably determine that such Transfer would result in such customer, distributor or supplier receiving information that would place the Company at a competitive disadvantage with respect to such customer, distributor or supplier.

(c) Any Transfer that the Board of Managers reasonably determines may have a consequence described in Section 11.2(b) shall not be permitted.

(d) Provided that the Board of Managers has reasonably determined that the proposed Transfer will not have a consequence described in Section 11.2(b), any Permitted Transferee who is not admitted as a Member shall be treated as an Assignee hereunder. Permitted Transferees of Units who are not admitted as Members ("Assignees") shall be entitled to distributions and allocations made with respect to the Units Transferred, and an appropriate portion of the Capital Account of the transferor, but shall have no other rights under this Agreement except as specifically set forth herein.

Section 11.3 Right of First Refusal.

(a) If a Member (a "Transferring Member") proposes to Transfer any Units of the Company other than pursuant to a Transfer permitted under Section 11.1(b), the Transferring Member shall promptly give written notice (the "Transfer Notice") of such proposed Transfer to the Company and to the Major Investors other than such Transferring Member (such Major Investors, the "Designated Members"). The Transfer Notice shall describe in reasonable detail the proposed Transfer, including, without limitation, the number and class of Units to be Transferred (the "Transfer Units"), the nature of such Transfer, the cash consideration to be paid per Transfer Unit (which shall be the sole form of consideration) (the "Transfer Purchase Price Per Unit"), the name and address of each prospective purchaser or transferee (each, a "Proposed

Transferee”), and the number of Transfer Units to be Transferred to each Proposed Transferee. The Transferring Member shall enclose with the Transfer Notice a copy of a written offer, letter of intent or other written document signed by the Proposed Transferee(s) setting forth the proposed terms and conditions of the Transfer.

(b) For a period of fifteen (15) days following the date (the “Transfer Notice Date”) on which the Transfer Notice is given by the Transferring Member to the Company and each Designated Member (the “Company Acceptance Period”), the Company shall have the right to purchase all or any portion of the Transfer Units on the same terms and conditions as set forth in the Transfer Notice. If the Company desires to exercise its right to purchase all or any portion of the Transfer Units, it shall give written notice (the “Company Purchase Notice”) to the Transferring Member, no later than the expiration of the Company Acceptance Period.

(c) If the Company does not intend to exercise its right to purchase all of the Transfer Units that are offered by a Transferring Member, the Company must deliver a notice (the “Company Notice”) to the Transferring Member and to each Designated Member, informing them of its decision not to purchase all of the Transfer Units that are offered by such Transferring Member, no later than the expiration of the Company Acceptance Period. For a period of fifteen (15) days following the date (the “Company Notice Date”) on which the Company Notice is given by the Company to each Designated Member (the “Member Acceptance Period”), each Designated Member shall have the right to purchase its pro rata share of the Transfer Units not purchased by the Company (the “Remaining Transfer Units”) on the same terms and conditions as set forth in the Transfer Notice. If a Designated Member desires to exercise its right to purchase all or any portion of its pro rata share of the Remaining Transfer Units, it shall give written notice (the “Member Purchase Notice”) to the Transferring Member, with a copy to the Company, no later than the expiration of the Member Acceptance Period. Each Designated Member’s pro rata share of the Remaining Transfer Units shall be equal to a fraction, the *numerator* of which is the number of Units owned by such Designated Member on the Transfer Notice Date and the *denominator* of which is the total number of outstanding Units owned by all of the Designated Members on the Transfer Notice Date.

(d) Each Designated Member may, in such Designated Member’s Purchase Notice, offer to purchase more than such Designated Member’s pro rata share of the Remaining Transfer Units (any such Designated Member, an “Oversubscribing Member”) at the Transfer Purchase Price Per Unit. If less than all of the Designated Members elect to purchase their pro rata share of the Remaining Transfer Units (the “Unsubscribed Units”), the right to purchase the Unsubscribed Units shall be allocated pro rata among the Oversubscribing Members (based on the number of outstanding Units owned by each Oversubscribing Member) up to the number of Remaining Transfer Units specified in such Oversubscribing Member’s Purchase Notice or on such other basis as such Oversubscribing Members may agree.

(e) If the Company and the Designated Members elect to purchase all or any portion of the Transfer Units, the Transferring Member shall, promptly following the expiration of the Member Acceptance Period, give written notice (the “Closing Notice”) to the Company and each Designated Member that has elected to purchase Transfer Units (such Designated Members, the “ROFR Purchasers”). The Closing Notice shall set forth (i) a date of closing, which date shall not be earlier than five (5) days and not later than fifteen (15) days following the

date on which the Closing Notice is given, (ii) the number of Transfer Units to be purchased by the Company and each ROFR Purchaser, and (iii) the total purchase price payable by the Company and each ROFR Purchaser (which, with respect to a Person, shall be equal to product of the number of Transfer Units that such Person has elected to purchase (including any Unsubscribed Units) and the Transfer Purchase Price Per Unit). At the closing, the Company and each ROFR Purchaser shall purchase the Transfer Units (including any Unsubscribed Units) that the Company or such ROFR Purchaser has elected to purchase by wire transfer of immediately available funds to an account designated by the Transferring Member against delivery of satisfactory evidence from the Company and the Transferring Member of the Transfer of the Transfer Units to the Company or such ROFR Purchaser in accordance with the provisions of this Agreement; provided, however, neither the Company nor any ROFR Purchaser shall have any liability to purchase or pay for more than the number of Transfer Units it has elected to purchase pursuant to these provisions. The Company and the ROFR Purchasers may request waivers of any liens on, and evidence of good title to, the Transfer Units.

(f) The rights of first refusal of any Member under this Section 11.3 may be assigned by a Member to an assignee that (i) is a subsidiary, parent, general partner, limited partner, retired partner, member or retired member of a Member that is a corporation, partnership or limited liability company, (ii) is a Member's family member or trust for the benefit of an individual Member, or (iii) is an Affiliate of such Member.

Section 11.4 Right of Co-Sale.

(a) If the Company and the Designated Members do not purchase all of the Transfer Units pursuant to Section 11.3, the Transferring Member, within five (5) days after the expiration of the Member Acceptance Period, shall deliver to each Designated Member, with a copy to the Company, a written notice (the "Co-Sale Notice") that each such Designated Member shall have the right (the "Co-Sale Right"), in accordance with the terms and conditions set forth in this Agreement, to participate with the Transferring Member in the Transfer of the Transfer Units not purchased by the Company and the Designated Members pursuant to the provisions of Section 11.3 hereof (the "Available Units") for an amount of consideration in respect of each such Designated Member's Units equal to the Transfer Purchase Price Per Unit (the "Co-Sale Purchase Price") on the terms and conditions set forth in the Transfer Notice described above and in accordance with this Section 11.4. The Co-Sale Notice shall set forth the date of closing of the proposed sale of the Available Units by the Transferring Member to the Proposed Transferee, which date shall not be earlier than ten (10) days and not later than fifteen (15) days following the date on which the Co-Sale Notice is given. To the extent one or more of the Designated Members exercise their Co-Sale Right, the number of Available Units that the Transferring Member may sell to the Proposed Transferee shall be correspondingly reduced.

(b) If a Designated Member desires to exercise its Co-Sale Right, such Designated Member shall give written notice (the "Inclusion Notice") to the Transferring Member, with a copy to the Company, within five (5) days after the Co-Sale Notice is given (the "Co-Sale Election Period"). The Inclusion Notice shall indicate the number of Units such Designated Member wishes to sell under its Co-Sale Right up to the number of Available Units. The maximum number of Units that each Designated Member may sell under its Co-Sale Right shall be equal to the product obtained by multiplying (i) the aggregate number of Available Units

covered by the Co-Sale Notice by (ii) a fraction, the numerator of which is the number of outstanding Units owned by such Designated Member on the Transfer Notice Date and the denominator of which is the total number of outstanding Units owned by the Transferring Member and all Designated Members on the Transfer Notice Date (such Units with respect to each Designated Member, the “Co-Sale Right Units”). Any Designated Member that is covered by an Inclusion Notice delivered by a Designated Member to the Transferring Member, with a copy to the Company, within the Co-Sale Election Period is referred to hereinafter as a “Co-Sale Participant.”

(c) At the closing of the sale of Available Units by the Transferring Member to the Proposed Transferee, each Co-Sale Participant shall deliver to the Proposed Transferee satisfactory evidence from the Company and such Co-Sale Participant in accordance with the provisions of this Agreement of the number of Co-Sale Right Units which such Co-Sale Participant has elected to sell. Upon receipt of such evidence, and concurrently with the purchase of Available Units from the Transferring Member, the Proposed Transferee shall remit to each Co-Sale Participant, by wire transfer of immediately available funds (or other means acceptable to such Co-Sale Participant), the Co-Sale Purchase Price with respect to the Co-Sale Right Units. Each Member shall be entitled to the same form of consideration, payment terms and security in connection with any transaction effected in accordance with this Section 11.4. To the extent that any Proposed Transferee refuses to purchase Co-Sale Right Units from a Co-Sale Participant, the Transferring Member shall not sell to such Proposed Transferee any Available Units unless and until, simultaneously with such sale, such Transferring Member purchases the Co-Sale Right Units from the Co-Sale Participant in accordance with this Section 11.4.

(d) In the event that no Designated Member exercises its Co-Sale Right, then the Transferring Member may Transfer all of the Available Units to the Proposed Transferee on the terms and conditions set forth in the Transfer Notice. Any proposed Transfer that is not completed within forty-five (45) days of the expiration of the Member Acceptance Period or that would be on terms and conditions more favorable to the Proposed Transferee than those described in the Transfer Notice shall again be subject to the rights of first refusal and co-sale described herein and shall again require compliance by a Transferring Member with the procedures described herein in connection therewith.

(e) Neither the Transfer of Available Units by the Transferring Member nor the Transfer of Co-Sale Right Units by a Designated Member shall be effective unless, contemporaneously with such Transfer, the Proposed Transferee executes a counterpart to this Agreement, thereby agreeing to be bound all the terms and conditions of this Agreement.

(f) The covenants set forth in Section 11.3 and this Section 11.4 shall terminate and be of no further force or effect upon a Sale of the Company.

Section 11.5 Effect of Failure to Comply.

(a) Transfer Void; Equitable Relief. Any Transfer not made in compliance with the requirements of this Agreement shall be null and void ab initio, shall not be recorded on the books of the Company or its transfer agent and shall not be recognized by the Company. Each party hereto acknowledges and agrees that any breach of this Agreement would result in

substantial harm to the other parties hereto for which monetary damages alone could not adequately compensate. Therefore, the parties hereto unconditionally and irrevocably agree that any non-breaching party hereto shall be entitled to seek protective orders, injunctive relief and other remedies available at law or in equity (including, without limitation, seeking specific performance or the rescission of purchases, sales and other transfers of Transfer Units not made in strict compliance with this Agreement).

(b) Violation of First Refusal Right. If any Transferring Member becomes obligated to sell any Transfer Units to the Company or any Designated Member under this Agreement and fails to deliver such Transfer Units in accordance with the terms of this Agreement, the Company and/or such Designated Member may, at its option, in addition to all other remedies it may have, send to such Transferring Member the purchase price for such Transfer Units as is herein specified and transfer to the name of the Company or such Designated Member (or request that the Company effect such transfer in the name of the Designated Member) on the Company's books the Transfer Units to be sold.

(c) Violation of Co-Sale Right. If any Transferring Member purports to sell any Transfer Units in contravention of the Co-Sale Right (a "Prohibited Transfer"), each Designated Member who desires to exercise its Co-Sale Right under Section 11.4 may, in addition to such remedies as may be available by law, in equity or hereunder, require such Transferring Member to purchase from such Designated Member the type and number of Units that such Designated Member would have been entitled to sell to the Proposed Transferee under Section 11.4 had the Prohibited Transfer been effected pursuant to and in compliance with the terms of Section 11.4. The sale will be made on the same terms and subject to the same conditions as would have applied had the Transferring Member not made the Prohibited Transfer, except that the sale (including, without limitation, the delivery of the purchase price) must be made within ninety (90) days after the Designated Member learns of the Prohibited Transfer, as opposed to the timeframe proscribed in Section 11.4. Such Transferring Member shall also reimburse each Designated Member for any and all reasonable and documented out-of-pocket fees and expenses, including reasonable legal fees and expenses, incurred pursuant to the exercise or the attempted exercise of the Designated Member's rights under Section 11.4.

Section 11.6 Drag-Along Right.

(a) Drag-Along Right.

(i) Definitions. A "Sale of the Company" shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from the Members Units representing more than fifty percent (50%) of the total outstanding voting power of all outstanding Units of the Company (a "Unit Sale" and the Members proposing any Unit Sale, collectively, the "Selling Members"); or (b) a transaction that qualifies as a Deemed Liquidation Event.

(ii) Actions to be Taken. In the event that (A) the Major Members, (B) the Board of Managers, and (C) the Investor Majority each approve a Sale of the Company in writing, specifying that this Section 11.6(a) shall apply to such transaction (such Sale of the Company, an "Approved Sale"), then each Member hereby agrees:

(A) if such Approved Sale and/or any related transaction requires Member approval, with respect to all Units that such Member owns or over which such Member otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all such Units in favor of the approval of, and adopt, such Approved Sale and such related transaction(s) (together with any related amendment to this Agreement required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company;

(B) if such Approved Sale is a Unit Sale, to sell the same proportion of Units beneficially held by such Member as is being sold by the Selling Members to the Person to whom the Selling Members propose to sell their Units in such Approved Sale, and, except as permitted in clause (vi) below, on the same terms and conditions as the Selling Members;

(C) to execute and deliver all related documentation and take such other action in support of such Approved Sale as shall reasonably be requested by the Company or the Selling Members in order to carry out the terms and provision of this Section 11.6(a), including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, and any similar or related documents (other than any non-competition agreement or covenant that would bind the Member or its Affiliates after consummation of the Approved Sale);

(D) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Units owned by such party or Affiliate in a voting trust or subject any Units to any arrangement or agreement with respect to the voting of such Units, unless specifically requested to do so by the acquirer in connection with such Approved Sale;

(E) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Approved Sale; and

(F) if the consideration to be paid in exchange for the Units pursuant to such Approved Sale under this Section 11.6(a) includes any securities and due receipt thereof by any Member would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities or (y) the provision to any Member of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Member in lieu thereof, against surrender of the Units which would have otherwise been sold by such Member, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Member would otherwise receive as of the date of the issuance of such securities in exchange for the Units.

(iii) In the event of an Approved Sale, the Company shall give written notice to each Member (the "Approved Sale Notice"). The Approved Sale Notice shall set forth

(A) the name and address of the proposed acquirer in the Approved Sale (the “Proposed Acquirer”), (B) the terms and conditions of the Approved Sale, including the price and consideration to be paid by the Proposed Acquirer and the terms and conditions of payment, (C) any other material facts relating to the Approved Sale, and (D) the anticipated date and location of the closing of the Approved Sale. Unless prohibited by contract, the Company shall enclose with the Approved Sale Notice a copy of any term sheet, letter of intent, agreement or other written document with respect to the terms and conditions of the Approved Sale. Subject to the conditions and limitations set forth in this Agreement, each Member will take all actions deemed necessary or appropriate by the Board of Managers and the Selling Members in connection with the Approved Sale.

(iv) Exceptions. Notwithstanding the foregoing, a Member will not be required to comply with Section 11.6(a)(ii) above in connection with any Approved Sale unless:

(A) any representations, warranties, covenants, indemnities and agreements made by such Member shall be made by such Member severally, and not jointly, and such representations and warranties shall be limited to those related to authority, ownership and the ability to convey title to each such Member’s Units, including but not limited to representations and warranties that (A) such Member holds all right, title and interest in and to the Units such Member purports to hold, free and clear of all liens and encumbrances, (B) the obligations of such Member in connection with the Approved Sale have been duly authorized, if applicable, (C) the documents to be entered into by such Member have been duly executed by such Member and delivered to the Proposed Acquirer and are enforceable against such Member in accordance with their respective terms and (D) neither the execution and delivery of documents to be entered into by such Member in connection with the Approved Sale, nor the performance of such Member’s obligations thereunder, will cause a breach or violation by such Member of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;

(B) such Member shall not be liable for the inaccuracy of any representation or warranty made by any other Person in connection with the Approved Sale, other than for the inaccuracy of any representation or warranty made by the Company in connection with the Approved Sale (and except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Member of any of identical representations, warranties and covenants provided by all Members);

(C) the liability for indemnification, if any, of such Member in the Approved Sale and for the inaccuracy of any representations and warranties made by the Company in connection with such Approved Sale, is several and not joint with any other Person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Member of any of identical representations, warranties and covenants provided by all Members), and is pro rata in proportion to the amount of consideration paid to such Member in connection with such Approved Sale;

(D) liability shall be limited to such Member's pro rata share (determined based on the respective proceeds payable to each Member in connection with such Approved Sale in accordance with the provisions of this Agreement) of a negotiated aggregate indemnification amount that applies equally to all Members but that in no event exceeds the amount of consideration actually paid and/or payable to such Member in connection with such Approved Sale, except with respect to claims related to fraud by such Member, the liability for which need not be limited as to such Member;

(E) upon the consummation of the Approved Sale: (A) except as provided in Section 11.6(a)(ii)(F), each holder of each class or series of Units will receive the same form of consideration for their Units of such class or series as is received by other holders in respect of their Units of such same class or series of Units;

(F) except as provided in Section 11.6(a)(ii)(F), the aggregate consideration receivable by all holders of the Series A Preferred Units, Series Seed Preferred Units, Common Units and Incentive Units shall be allocated among such holders of each respective series of Units in accordance with Section 7.3(a) above; and

(G) as part of the Approved Sale, there is no requirement to enter into a non-competition agreement or covenant binding any Investor or its Affiliates following the consummation of the Approved Sale.

(v) Irrevocable Proxy and Power of Attorney. As security for the performance of the obligations of each Member under this Section 11.6 in connection with an Approved Sale, after the requisite approval of such Approved Sale has been obtained pursuant to Section 11.6 above, each Member hereby grants to the Company, with full power of substitution and resubstitution, an irrevocable proxy to vote all Units then held by such Member at all meetings of the Members held or taken after the date of this Agreement with respect to an Approved Sale or to execute any written consent in lieu thereof, and hereby irrevocably appoints the Company, with full power of substitution and resubstitution, as such Member's attorney-in-fact with authority to sign any documents with respect to any such vote or any actions by written consent of the Members taken after the date of this Agreement with respect to such Approved Sale consistent with the provisions of this Section 11.6. This proxy shall be deemed to be coupled with an interest and shall be irrevocable. This proxy shall terminate upon the consummation of, or termination of, negotiations with respect to, the applicable Approve Sale.

Section 11.7 Preemptive Rights.

(a) Subject to the terms and conditions of this Section 11.7, the Company hereby grants to each Major Investor who is then an "accredited investor" within the meaning of Regulation D promulgated under the Securities Act (any such Member, a "Qualified Member") a right to purchase for cash a portion of the New Securities that the Company may, from time to time, propose to sell and issue after the date hereof. If the Company proposes to issue any New Securities, it shall first have received a bona fide, arms' length written offer to purchase such New Securities from one or more Persons (each, a "Prospective Purchaser"). The Company shall offer to sell to each Qualified Member its pro rata share of the New Securities in accordance with the procedure set forth below.

(b) The Company shall give each Qualified Member a written notice (the “Offer Notice”), which shall describe (i) the number of New Securities for which the Company has received a bona fide, arms’ length written offer and the name(s) of the Prospective Purchaser(s) and (ii) the price and a summary of the terms and conditions upon which the Prospective Purchaser(s) have offered to purchase such New Securities. The Offer Notice shall be accompanied by a copy of the written offer, letter of intent or other written document signed by the Prospective Purchaser(s) setting forth the proposed terms and conditions of the sale. The date on which the Company gives the Offer Notice is hereinafter referred to as the “Notice Date.”

(c) For a period of twenty (20) days following the Notice Date (the “Offer Acceptance Period”), each Qualified Member shall have the right to purchase (the “Purchase Right”), at the price and on the terms and conditions stated in the Offer Notice, up to such Qualified Member’s pro rata share of the New Securities. Any Qualified Member that desires to exercise its Purchase Right shall give written notice (the “Offer Acceptance Notice”) to the Company within the Offer Acceptance Period. The Offer Acceptance Notice shall state that such Qualified Member desires to exercise its Purchase Right and the number of New Securities that such Qualified Member elects to purchase upon exercise of such Purchase Right up to such Qualified Member’s full pro rata share. Failure by a Qualified Member to give the Offer Acceptance Notice within the Offer Acceptance Period shall be deemed, without any further action by the Company or the Qualified Member, the irrevocable waiver of such Qualified Member’s Purchase Right with respect to the New Securities set forth in the Offer Notice and any other securities issuable, directly or indirectly, upon conversion, exercise or exchange of such New Securities. For purposes of this Section 11.7, a Qualified Member’s pro rata share of the New Securities shall equal to the number of New Securities multiplied by the quotient of (x) the number of outstanding Units then held by such Qualified Member plus divided by (y) the total number of Units then outstanding.

(d) Each Qualified Member may, in such Qualified Member’s Offer Acceptance Notice, offer to purchase more than its pro rata share of the New Securities. If less than all of the Qualified Members elect to purchase their pro rata share of the New Securities (the “Unsubscribed New Securities”), the Unsubscribed New Securities shall be allocated pro rata (based on the number of outstanding Units owned by each Qualified Member that offers to oversubscribe) among the Qualified Members that offer to oversubscribe up to the number of New Securities specified in such Qualified Member’s Acceptance Notice or on such other basis as such Qualified Members may agree.

(e) Following the expiration of the Offer Acceptance Period, the Company shall be entitled, during the period of sixty (60) days following the expiration of the Offer Acceptance Period (the “Unrestricted Period”), to sell to the Prospective Purchaser(s) up to the full amount of the New Securities set forth in the Offer Notice on the terms set forth in the Offer Notice, less the number of New Securities, if any, which the Qualified Members have elected to purchase upon exercise of their Purchase Rights in accordance with this Section 11.7 (the “Remainder Securities”). The Company shall give five (5) days’ prior written notice to each Qualified Member that has elected to purchase New Securities of any such sale to a Prospective Purchaser, which sale shall be at the price and upon terms and conditions no more favorable to the Prospective Purchaser(s) than those described in the Offer Notice. At and upon the closing

of the sale of such Remainder Securities to such Prospective Purchaser(s), which shall include full payment to the Company, the Qualified Members shall purchase from the Company, and the Company shall sell to the Qualified Members, the New Securities elected to be purchased pursuant to this Section 11.7 on the terms specified in the Offer Notice.

(f) If the Company does not complete the sale of the Remainder Securities to the Prospective Purchaser(s) within the Unrestricted Period, the Purchase Right provided hereunder shall be deemed to be revived and such Remainder Securities shall not be sold unless the Company shall comply with this Section 11.7 as if the Prospective Purchaser(s) had made a new offer to purchase such New Securities. In the event that the closing of the sale of all of the Remainder Securities to the Prospective Purchaser(s) does not occur during the Restricted Period, each Qualified Member shall have the right, but not the obligation, to purchase the New Securities, if any, such Qualified Member elected to purchase pursuant to this Section 11.7.

(g) The rights of the Qualified Members to purchase New Securities under this Section 11.7 may be modified or waived by the Board of Managers with the consent of the Investor Majority.

(h) The covenants set forth in this Section 11.7 shall terminate and be of no further force or effect upon a Sale of the Company.

Section 11.8 Substitution of Members. A transferee of a Unit shall have the right to become a substitute Member only with the consent of the Board of Managers; except that, notwithstanding the foregoing, a Permitted Transferee to whom Units are Transferred by a Member shall, upon the effectiveness of such Transfer in accordance with the terms of this Agreement, be automatically admitted as a substitute Member with respect to the Units so Transferred. The admission of a substitute Member shall not result in the release of the Member who assigned the Unit from any liability that such Member may have to the Company.

ARTICLE 12. LIQUIDATION OF THE COMPANY

Section 12.1 General.

(a) Upon the dissolution of the Company, the Company shall be liquidated in an orderly manner in accordance with this Article and the Massachusetts Act. The liquidation shall be conducted and supervised by the Managers or, if none, by the Members, or, if none, by the personal representative (or its nominee or designee) of the last remaining Member (the Managers, Members or such other Person, as applicable, being referred to in this Article as the "Liquidating Agent"). The Liquidating Agent shall have all of the rights, powers, and authority with respect to the assets and liabilities of the Company in connection with the liquidation of the Company that the Members have with respect to the assets and liabilities of the Company during the term of the Company, and the Liquidating Agent is hereby expressly authorized and empowered to execute any and all documents necessary or desirable to effectuate the liquidation of the Company and the transfer of any assets of the Company. The Liquidating Agent shall have the right from time to time, by revocable powers of attorney, to delegate to one or more Persons any or all of such rights and powers and such authority and power to execute documents

and, in connection therewith, to fix the reasonable compensation of each such Person, which compensation shall be charged as an expense of liquidation. The Liquidating Agent is also expressly authorized to distribute Company property to the Members subject to liens.

(b) The Liquidating Agent shall liquidate the Company as promptly as shall be practicable after dissolution. Without limitation of the rights, powers, and authority of the Liquidating Agent as provided in this Article, the Liquidating Agent may, in its discretion, either distribute in kind or sell securities and other non-cash assets. Any securities or other non-cash assets which the Liquidating Agent may sell shall be sold at such prices and on such terms as the Liquidating Agent may, in its good faith judgment, deem appropriate.

Section 12.2 Final Allocations and Distributions.

In settling accounts upon dissolution, winding up and liquidation of the Company, the assets of the Company shall be applied and distributed as expeditiously as possible in the following order:

(a) To pay (or make reasonable provision for the payment of) all creditors of the Company, including, to the extent permitted by law, Members or other Affiliates that are creditors, in satisfaction of liabilities of the Company in the order of priority provided by law, including expenses relating to the dissolution and winding up of the Company, discharging liabilities of the Company, distributing the assets of the Company and terminating the Company as a limited liability company in accordance with this Agreement and the Act); and

(b) To the Members in accordance with Section 7.3(a) (taking into account, for the avoidance of doubt, any distributions previously made under Section 7.3(b) that were treated as advances on distributions under Section 7.3(a)).

ARTICLE 13. POWER OF ATTORNEY

Section 13.1 General.

(a) Each Member irrevocably constitutes and appoints each Manager and the Liquidating Agent the true and lawful attorney-in-fact of such Member to execute, acknowledge, swear to and file any of the following: (i) the Certificate of Organization and all other certificates and other instruments deemed advisable by Manager Approval to carry out the provisions of this Agreement and applicable law or to permit the Company to become or to continue as a limited liability company; (ii) this Agreement and all instruments that the Managers acting by Manager Approval deem appropriate to reflect a change or amendment to or modification of this Agreement made in accordance with this Agreement; (iii) all conveyances and other instruments or papers deemed advisable by Manager Approval or the Liquidating Agent to effect the dissolution and termination of the Company; (iv) all fictitious or assumed name certificates required or permitted to be filed on behalf of the Company; (v) all other certificates, instruments or papers that may be required or permitted by law to be filed on behalf of the Company and any amendment or modification of any certificate or other instrument referred to in this Section 13.1(a); and (vi) any agreement, document, certificate or other instrument that any Member is required to execute and deliver hereunder or pursuant to applicable law that such Member has

failed to execute and deliver within ten days after written request from the Managers pursuant to Manager Approval.

(b) The foregoing power of attorney is (i) coupled with an interest, (ii) irrevocable and durable, (iii) shall not be terminated or otherwise affected by any act or deed of any Member (or by any other Person) or by operation of law, whether by the legal incapacity of a Member or by the occurrence of any other event or events, and (iv) shall survive the transfer by a Member of the whole or any part of such Member's Units, except that, where the transferee of the whole of such Member's Units is to be admitted as a Member, the power of attorney of the transferor shall survive such transfer for the sole purpose of enabling the applicable attorney-in-fact to execute, swear to, acknowledge and file any instrument necessary or appropriate to effect such admission.

(c) Each Member agrees to execute, upon five days' prior written notice from the Managers acting by Manager Approval or any Liquidating Agent, as applicable, a confirmatory or special power of attorney containing the substantive provisions of this Article 13, which shall be in form satisfactory to the Persons or Person providing such notice.

ARTICLE 14. DUTIES, EXCULPATION AND INDEMNIFICATION

Section 14.1 Duties of Manager, Tax Matters Person and Liquidating Agent.

Each Manager, Tax Matters Person and Liquidating Agent shall exercise in good faith such Person's judgment in carrying out such Person's functions and, otherwise, shall owe no duties (including fiduciary duties) to the Company or any Member in such capacity. The Members hereby agree that this Section 14.1 and the other provisions of this Agreement, to the extent that they restrict or eliminate duties of any Manager, Tax Matters Person or Liquidating Agent otherwise existing at law or in equity, modify such duties to such extent, as permitted by applicable law.

Section 14.2 Exculpation; Liability of Covered Persons.

(a) To the fullest extent permitted by applicable law, none of the Managers, Tax Matters Person, Liquidating Agents, or any other Persons who were, at the time of the act or omission in question, a Manager, Tax Matters Person or Liquidating Agent (each, a "Covered Person") shall have any liability to the Company or to any Member for any loss suffered by the Company that arises out of any action or inaction of such Covered Person if such Covered Person, in good faith, determined that such course of conduct was in, or not opposed to, the best interests of the Company and such course of conduct did not constitute gross negligence, fraud or willful misconduct of such Covered Person.

(b) No Covered Person shall have any personal liability for the repayment of the positive balance in the Capital Account of a Member. To the greatest extent permitted by applicable law, no Covered Person shall be liable to any Member by reason of any federal or other income tax laws or the interpretations thereof as they apply to the Company and such Member, or any changes thereto.

(c) The Members hereby agree that this Section 14.2 and the other provisions of this Agreement, to the extent that they restrict or eliminate liabilities of the Covered Persons otherwise existing at law or in equity, modify such liabilities to such extent.

Section 14.3 Indemnification of Covered Persons.

(a) To the maximum extent permitted by applicable law and subject to the other provisions of this Section 14.3, the Company shall indemnify and hold harmless Covered Persons, from and against any claim, loss, expense, liability, action or damage (including, without limitation, any action by a Member or assignee thereof against a Covered Person) due to, arising from or incurred by reason of any action, inaction or decision performed, taken, not taken or made by Covered Persons or any of them in connection with the activities and operations of the Company, or any subsidiary of the Company, as the case may be, provided (i) such action, inaction or decision is within the scope of the authority of such Covered Persons as provided herein, (ii) such Covered Person acted in good faith and in a manner such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company or any subsidiary of the Company, as the case may be, and (iii) with respect to any criminal proceeding, such Covered Person had no reasonable cause to believe the conduct of such Covered Person was unlawful. The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not, by itself, create a presumption that the Covered Person did not act in good faith and in a manner which the Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company or any subsidiary of the Company, as the case may be, or that the Covered Person had reasonable cause to believe that such Covered Person's conduct was unlawful (unless there shall have been a final adjudication in the proceeding that the Covered Person did not act in good faith and in a manner which such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company or any subsidiary of the Company, as the case may be, or that the Covered Person did have reasonable cause to believe that such Covered Person's conduct was unlawful). Any Covered Person may consult with independent counsel selected by the Covered Person (which may be counsel for the Company or any Affiliate) and any opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by such Covered Person hereunder in good faith and in accordance with the opinion of such counsel. Any indemnification under this Section 14.3 shall include reasonable attorneys' fees incurred by Covered Persons in connection with the defense of any such action including, to the extent permitted by applicable law, all such liabilities under United States federal and state securities acts. The reasonable expenses incurred by Covered Persons in connection with the defense of any such action shall be paid or reimbursed as incurred, upon receipt by the Company of an undertaking by such Covered Person to repay such expenses if it shall ultimately be determined that such Covered Person is not entitled to be indemnified hereunder, which undertaking may be accepted without reference to the financial ability of such Covered Person to make repayment. Such indemnification shall only be made to the extent that such Persons are not otherwise reimbursed from insurance or other means. Such indemnification shall only be paid from the assets of the Company, and no Member shall have any personal liability on account thereof.

(b) Notwithstanding the provisions of Section 14.3(a), a Covered Person shall not be entitled to be indemnified or held harmless from and against any claim, loss, expense,

liability, action or damage due to or arising from the Covered Person's gross negligence, fraud or willful misconduct.

(c) The provisions of this Section 14.3 shall be in addition to and not in limitation of any other rights of indemnification and reimbursement or limitations of liability to which a Covered Person may be entitled under the charter documents of any subsidiary of the Company or otherwise. The provisions of this Section 14.3 shall apply whether or not at the time of reimbursement the Covered Person entitled to reimbursement is then a Covered Person. Notwithstanding any repeal of this Section 14.3 or other amendment hereof, its provisions shall be binding upon the Company (subject only to the exceptions above set forth) as to any claim, loss, expense, liability, action or damage due to or arising out of matters which occur during or are referable to the period prior to any such repeal or amendment of this Section 14.3.

ARTICLE 15. MISCELLANEOUS PROVISIONS

Section 15.1 Books and Accounts.

(a) Complete and accurate books and accounts shall be kept and maintained for the Company in accordance with generally accepted accounting principles, using such method of accounting as shall be determined by Manager Approval, and shall include separate accounts for each Member. Each Member, at such Member's own expense, shall at reasonable times and upon reasonable prior written notice to the Company have access to such copy of the Agreement and of the Certificate of Organization and such books of account, but only to the extent such books of account reasonably relate to such Member's Units and not the Units of any other Member. The Members hereby acknowledge that the rights of a Member to obtain information from the Company shall be limited to only those rights provided for in this Section 15.1(a), except as otherwise specifically required by the Massachusetts Act.

(b) Within a period of time after the end of each Fiscal Year of the Company as determined by Manager Approval, the Company shall provide to each Member a Form K-1 for such Member with respect to such Fiscal Year.

(c) All funds received by the Company shall be deposited in the name of the Company in such account or accounts, all securities owned by the Company may be deposited with such custodians, and withdrawals therefrom shall be made upon such signature or signatures on behalf of the Company, as may be determined from time to time by Manager Approval.

(d) Each Member agrees to maintain the confidentiality of the Company's records and affairs, including the terms of this Agreement, pursuant to the terms and subject to the conditions of Section 3.9.

Section 15.2 Notices.

All notices, demands, solicitations of consent or approval, and other communications hereunder shall be in writing and shall be sufficiently given if personally delivered or sent by postage prepaid, registered or certified mail, return receipt requested, or by overnight courier, addressed as follows: if intended for the Company or the Managers in their capacity as such, to

the Company's principal place of business determined pursuant to Section 2.3, and if intended for any Member to the address of such Member set forth on Schedule A or at such other address as any Member may designate by written notice. Notices shall be deemed to have been given (i) when personally delivered, (ii) if mailed, on the earlier of (A) three days after the date on which deposited in the mails, and (B) the date on which received, or (iii) if sent by overnight courier, on the date on which received; provided, that notices of a change of address shall not be deemed given until the actual receipt thereof. The provisions of this Section 15.2 shall not prohibit the giving of written notice in any other manner, including facsimile transmission and email; any written notice given in any other manner shall be deemed given only when actually received.

Section 15.3 Waivers; Amendments.

The operation or effect of any provision of this Agreement may only be waived, and this Agreement may only be amended, in accordance with this Section 15.3. The operation or effect of any provision of this Agreement may be waived, and this Agreement may be amended, pursuant to receipt by the Company of each of (i) approval of each Major Member; (ii) approval by the Investor Majority and (iii) Manager Approval, *provided that* (A) this Agreement may be amended by Manager Approval, to the extent required to conform to actions properly taken by the Company, the Managers, or any of the Members in accordance with this Agreement, including, without limitation, amendments to Schedule A to reflect changes made pursuant to the terms of this Agreement, (B) for so long as Michael Cohen holds any Units, any amendment to Section 5.1(c)(i) shall require the approval of Michael Cohen, (C) for so long as Christopher Weld holds any Units, any amendment to Section 5.1(c)(ii) shall require the approval of Christopher Weld, (D) for so long as there remain outstanding not less than 100,000 Series A Investor Units, any amendment to Section 5.1(c)(iii) shall require the approval of the holders of a majority of the then-outstanding Series A Investor Units, (E) until such time as the Unreturned Capital Amount in respect of all outstanding Series A Investor Units is \$0.00, any amendment or waiver of Section 7.3 shall require the approval of a majority of any then-outstanding Series A Investor Units, and (F) except as otherwise set forth herein, no waiver or amendment pursuant to this Section 15.3 shall, without a Member's consent, create personal liability for such Member or require additional capital from such Member.

Section 15.4 Applicable Law; Jurisdiction.

(a) This Agreement is governed by and shall be construed in accordance with the law of The Commonwealth of Massachusetts, exclusive of its conflict-of-laws principles. In the event of a conflict between the provisions of this Agreement and any provision of the Certificate or the Massachusetts Act, the applicable provision of this Agreement shall control, to the extent permitted by law.

(b) The parties to this Agreement hereby consent to the jurisdiction of the courts of The Commonwealth of Massachusetts and agree to litigate any and all claims exclusively in the courts of The Commonwealth of Massachusetts in connection with any matter or dispute arising under this Agreement or between or among them regarding the affairs of the Company.

Section 15.5 Binding Effect.

This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, executors, administrators, successors, and assigns of the parties hereto; provided, that this provision shall not be construed to permit any assignment or transfer which is otherwise prohibited hereby.

Section 15.6 Severability.

If any one or more of the provisions contained in this Agreement, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and all other applications thereof shall not in any way be affected or impaired thereby.

Section 15.7 Entire Agreement.

This Agreement sets forth the entire understanding among the parties relating to the subject matter hereof and supersedes any and all prior contracts or agreements with respect to such subject matter, whether oral or written, including the Prior Agreement. No promises, covenants or representations of any character or nature other than those expressly stated herein have been made to induce any party to enter into this Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Limited Liability Company Agreement as of the date first written above.

THE COMPANY:

BERKSHIRE WELCO, LLC

By: *michael cohen*
Name: Michael Cohen
Its: Manager

And
By: *chris weld*
Name: Christopher Weld
Its: Manager

MEMBERS HOLDING COMMON UNITS:

 michael cohen
Michael Cohen

 chris weld
Christopher Weld

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Limited Liability Company Agreement as of the date first written above.

**MEMBERS HOLDING
SERIES A INVESTOR UNITS:**

[To be added]

SIGNATURE PAGE TO AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT OF BERKSHIRE WELCO, LLC

**Schedule A to Amended and Restated Limited Liability Company Agreement
of Berkshire Welco, LLC**

Members

Name and Address	Common Units Held	Capital Contribution Made in Respect of Common Units	Threshold Amount In Relation to Any Common Unit that is an Incentive Unit	Series A Investor Units Held	Capital Contribution Made in Respect of Series A Investor Units
Michael Cohen 24 Benton Ave. Great Barrington, MA 01230	200,000	\$6,172.84	N/A		
Christopher Weld 1640 Home Rd. Great Barrington MA , 01230	324,000	\$10,000.00	N/A		
<i>[Addition of Holders of Approximately 96,000 Incentive Units to be Determined]</i>					
<i>[Series A Investor Unit Holders to be Added]</i>					
Totals:	524,000	\$16,172.84			

(1) Member holds only Common Units that are Incentive Units.

Date of last revision of this Schedule A: June ___, 2018

Schedule B to Limited Liability Company Agreement
of Berkshire Welco, LLC

Allocation Exhibit

1. **Definitions.** Each capitalized term used but not otherwise defined in this Allocation Exhibit shall have the meaning set forth in this Section 1 or, if not so defined, in the Agreement.

“**Adjusted Capital Account Balance**” shall mean with respect to any Member, such Member’s Capital Account balance maintained in accordance with this Agreement, as of the end of the relevant fiscal year or other allocation period, after giving effect to the following adjustments:

(a) increase such Capital Account by any amounts that such Member is obligated to restore pursuant to any provision of this Agreement, is treated as obligated to restore pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(c), or is deemed obligated to restore pursuant to the penultimate sentences of Treasury Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(b) decrease such Capital Account by the items described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4) through (d)(6).

The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Treasury Regulation Sections 1.704-1(b)(2)(ii)(d) and 1.704-2 and shall be interpreted consistently therewith.

“**Adjusted Taxable Profit**” and “**Adjusted Taxable Loss**” mean, as to any transaction or fiscal period, the taxable income or loss of the Company for United States federal income tax purposes, and each item of income, gain, loss or deduction entering into the computation thereof, with the following adjustments:

(a) Any tax-exempt income or gain of the Company that is not otherwise taken into account in computing Adjusted Taxable Profit or Adjusted Taxable Loss shall be deemed to increase the amount of such taxable income or decrease the amount of such loss;

(b) Any expenditures of the Company described in Section 705(a)(2)(B) of the Internal Revenue Code (or treated as such) and not otherwise taken into account in computing Adjusted Taxable Profit or Adjusted Taxable Loss shall decrease the amount of such taxable income or increase the amount of such loss; and

(c) In the event the Gross Asset Value of any Company asset is adjusted, (i) the amount of such adjustment (including an adjustment resulting from a distribution of such asset but excluding an adjustment resulting from a contribution of such asset) shall be taken into account in the same manner as gain or loss from the disposition of such asset for purposes of computing Adjusted Taxable Profit or Adjusted Taxable Loss, (ii) gain or loss resulting from any disposition of such asset with respect to which gain or loss is recognized for United States

federal income tax purposes shall be computed by reference to the Gross Asset Value of such asset, and (iii) in lieu of the cost recovery or similar deductions taken into account with respect to any asset with a Gross Asset Value which differs from its adjusted basis under the Internal Revenue Code, such deductions shall be an amount equal to the Depreciation with respect to such asset.

“Company Minimum Gain” has the meaning set forth for “partnership minimum gain” in Treasury Regulation Section 1.704-2(d) and (g).

“Depreciation” means, for each fiscal year of the Company or other period, an amount equal to the depreciation, depletion, amortization or other cost recovery deduction allowable under the Internal Revenue Code with respect to an asset for such fiscal year or other period; provided, however, that if the Gross Asset Value of an asset differs from its adjusted basis for United States federal income tax purposes at the beginning of such fiscal year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the United States federal income tax depreciation, amortization or other cost recovery deduction with respect to such asset for such fiscal year or other period bears to such beginning adjusted tax basis; and provided further that if the United States federal income tax depreciation, amortization or other cost recovery deduction for such fiscal year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by Manager Approval.

“Gross Asset Value” means, with respect to any asset, such asset’s adjusted basis for United States federal income tax purposes, except as follows:

(a) the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by Manager Approval, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of Company assets as consideration for a membership interest in the Company, including, without limitation, in connection with the withdrawal of a Member; (iii) the grant of a membership interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by a new or existing Member acting in a Member capacity or in anticipation of becoming a Member; (iv) in connection with the issuance by the Company of a noncompensatory option (other than an option for a de minimis interest); and (v) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (i) through (iv) of this sentence shall not be made if the Managers, acting by Manager Approval, determine that such adjustments are not necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(b) the Gross Asset Value of any Company asset (other than cash) distributed in kind to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution, as determined by Manager Approval;

(c) the initial Gross Asset Value of any asset contributed to the Company shall be adjusted to equal its gross fair market value at the time of its contribution, as determined by Manager Approval; and

(d) the Gross Asset Value of Company assets shall otherwise be determined or adjusted, in the discretion of the Managers, acting by Manager Approval, as required or permitted for purposes of maintaining Capital Accounts under relevant Treasury Regulations.

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraph (a), (c) or (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Adjusted Taxable Profit or Adjusted Taxable Loss and as otherwise required by Treasury Regulation Section 1.704-1(b)(2)(iv)(g).

“Member Nonrecourse Debt” has the same meaning as the term “partner nonrecourse debt” set forth in Treasury Regulation Section 1.704-2(b)(4).

“Member Nonrecourse Debt Minimum Gain” means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if the Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i).

“Nonrecourse Deductions” shall have the meaning set forth in Treasury Regulation Sections 1.704-2(b)(1) and 1.704-2(c).

“Nonrecourse Liability” shall have the meaning set forth in Treasury Regulation Section 1.704-2(b)(3).

“Treasury Regulations” means the United States income tax regulations, including temporary regulations, promulgated under the Internal Revenue Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

2. Capital Accounts. A capital account shall be maintained for each Member (a “Capital Account”) that shall be:

(a) increased by (i) any Capital Contributions made to the Company by such Member pursuant to this Agreement and (ii) any amounts in the nature of income or gain allocated to the Capital Account of such Member pursuant to this Schedule B based on such Member’s ownership of membership interests;

(b) decreased by (i) the cash and fair market value of other property distributed to the Member and (ii) any amounts in the nature of loss or expense allocated to the Capital Account of such Member pursuant to this Schedule B based on such Member’s ownership of membership interests; and

(c) otherwise adjusted in accordance with this Agreement and for such other matters as the Managers, acting by Manager Approval, may reasonably determine appropriate, in

all events in accordance with applicable provisions of the Internal Revenue Code and Treasury Regulations, including without limitation Treasury Regulation Section 1.704-1(b)(2)(iv).

3. General Allocations.

(a) General Application. The rules set forth below in this Section 3 of this Schedule B shall apply for the purposes of determining each Member's allocable share of the items of income, gain, loss or expense of the Company comprising Adjusted Taxable Profit or Adjusted Taxable Loss for each fiscal year or other period, determining special allocations of other items of income, gain, loss and expense, and adjusting the balance of each Member's Capital Account to reflect these general and special allocations. For each fiscal year or other period, any required special allocations in Section 4 of this Schedule B shall be made immediately prior to the general allocations of Section 3(b) of this Schedule B.

(b) General Allocations. The items of income, expense, gain and loss comprising Adjusted Taxable Profit or Adjusted Taxable Loss for a fiscal year or other period, shall be allocated among the Members during such fiscal year or other period in a manner that will, as nearly as possible, cause the Capital Account balance of each Member at the end of such fiscal year or other period to equal:

(i) the amount of the hypothetical distribution (if any) that such Member would receive if, on the last day of the fiscal year or other period, (A) all Company assets, including cash, were sold for cash equal to their Gross Asset Values, as determined by Manager Approval, taking into account any adjustments thereto for such fiscal year or other period, (B) all Company liabilities were satisfied in cash according to their terms (limited, with respect to each Nonrecourse Liability), to the Gross Asset Value, as determined by Manager Approval, of the assets securing such liability), and (C) the net proceeds thereof (after satisfaction of such liabilities) were distributed in full in accordance with Section 12.2, minus

(ii) the sum of (A) the amount, if any, which such Member is obligated (or deemed obligated) to restore to such Member's Capital Account, (B) such Member's share of the Company Minimum Gain determined pursuant to Treasury Regulations Section 1.704-2(g), and (C) such Member's share of Member Nonrecourse Debt Minimum Gain determined pursuant to Treasury Regulations Section 1.704-2(i)(5), all computed immediately prior to the hypothetical sale described in Section 3(b)(i) of this Schedule B.

(c) The Managers, acting by Manager Approval, may modify the allocations otherwise provided for in this Section 3 of this Schedule B or offset prior allocations provided for in Section 4 of this Schedule B, including by specially allocating items of gross income, gain, deduction, loss or expense among the Members, so that such modifications or offsets will cause the Capital Accounts of the Members to reflect more closely the Members' relative economic interests in the Company.

4. Special Allocations. The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback. In the event that there is a net decrease during a fiscal year or other period in either Company Minimum Gain or Member Nonrecourse

Debt Minimum Gain, then notwithstanding any other provision of this Schedule B, each Member shall receive such special allocations of items of Company income and gain as are required in order to conform to Treasury Regulation Section 1.704-2.

(b) Qualified Income Offset. Subject to Section 4(a) of this Schedule B, but notwithstanding any provision of this Schedule B to the contrary, items of income and gain shall be specially allocated to the Members in a manner that complies with the “qualified income offset” requirement of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3).

(c) Deductions Attributable to Member Nonrecourse Debt. Any item of Company loss or expense that is attributable to Member Nonrecourse Debt shall be specially allocated to the Members in the manner in which they share the economic risk of loss (as defined in Treasury Regulation Section 1.752-2) for such Member Nonrecourse Debt.

(d) Allocation of Nonrecourse Deductions. Each Nonrecourse Deduction of the Company shall be allocated among the Members in accordance with the partners’ interests in the partnership within the meaning of Treasury Regulations Sections 1.704-2(b)(1) and 1.704-1(b)(3).

(e) Loss Limitation. Adjusted Taxable Losses allocated to a Member pursuant to this Schedule B shall not exceed the maximum amount of Adjusted Taxable Losses that can be allocated to such Member without causing such Member to have a negative Adjusted Capital Account Balance at the end of any fiscal year or other allocation period in which any other Member does not have a negative Adjusted Capital Account Balance.

(f) The allocations set forth in Section 4(a) through Section 4(e) of this Schedule B (the “Regulatory Allocations”) are intended to comply with Treasury Regulation Sections 1.704-1(b) and 1.704-2 and shall be interpreted consistently with this intention. Any terms used in such provisions that are not specifically defined in this Agreement shall have the meaning, if any, given such terms in such Treasury Regulations.

(g) If during any taxable year of the Company there is a change in any Member’s membership interest in the Company, allocations of income or loss for such taxable year shall take into account the varying interests of the Members in the Company in a manner consistent with the requirements of Section 706 of the Internal Revenue Code. Any Member that is transferred a membership interest from another Member but not the corresponding portion of such other Member’s Capital Account shall not be entitled to any allocation or distribution arising from Company operations prior to the date of such transfer, unless otherwise determined by Manager Approval or required by the Internal Revenue Code.

5. **Tax Allocations.**

(a) Section 704(b) Allocations. Subject to Section 5(b) and Section 5(c) of this Schedule B, each item of income, gain, loss, or deduction for United States federal income tax purposes that corresponds to an item of income, gain, loss or expense that is either taken into account in computing Adjusted Taxable Profit or Adjusted Taxable Loss or is specially allocated pursuant to Section 4 of this Schedule B (a “Book Item”) shall be allocated among the Members

in the same proportion as the corresponding Book Item is allocated among them pursuant to Section 3 or Section 4 of this Schedule B.

(b) Section 704(c) Allocations. In the event any property of the Company is credited to the Capital Account of a Member at a value other than its tax basis, then allocations of taxable income, gain, loss and deductions with respect to such property shall be made in a manner which will comply with Sections 704(b) and 704(c) of the Internal Revenue Code. Such allocations also shall be made by the Company to any former Member to the extent applicable, as determined by Manager Approval. The allocation to a Member of items of taxable income, gain, loss, and deduction of the Company also shall be adjusted to reflect any election under Section 754 of the Internal Revenue Code.

(c) Capital Accounts. The tax allocations made pursuant to this Section 5 of this Schedule B shall be solely for tax purposes and shall not affect any Member's Capital Account or share of non-tax allocations or distributions under this Agreement.

6. Tax Matters Partner; Partnership Representative.

(a) For tax years prior to January 1, 2018, the "tax matters partner" (within the meaning of Section 6231(a)(7) of the Internal Revenue Code, as in effect prior to the effective date provided in Section 1101(g)(1) of the Bipartisan Budget Act of 2015 (P.L. 114-74)) of the Company (the "Tax Matters Person") shall be designated by the Managers.

(b) For tax years beginning on or after January 1, 2018, the Tax Matters Person shall be designated the "partnership representative" with the sole authority to act on behalf of the Company with respect to tax matters, with all of the rights, duties and powers provided for the Tax Matters Person by the Internal Revenue Code, including subchapter C of chapter 63 of the Internal Revenue Code, but subject to the restrictions and limitations contained in this Agreement. Each Member hereby consents to such designation and agrees that, upon the request of the Managers, such Member shall execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. In the event that the Company is responsible for the payment of any "imputed underpayment" in respect of an administrative adjustment pursuant to Section 6225(a) of the Internal Revenue Code, or any similar provision of any state or local tax laws, the Managers shall determine by Manager Approval, in their discretion, the treatment, including the relative obligations of the Members and former Members with respect to any amounts paid by the Company to any taxing authority with respect to such "imputed underpayment" such that the amount of such "imputed underpayment" is borne by the Members and former Members who would have borne the tax liability in the "reviewed year", as defined in Section 6225(d)(1) of the Internal Revenue Code. Each Member and former Member hereby agrees to satisfy in full such obligations as so determined by the Managers.

(c) The Tax Matters Person shall have the sole discretion to determine all matters, and shall be authorized to take any actions necessary, with respect to preparing and filing any tax return of the Company and any audit, examination or investigation (including any judicial or administrative proceeding) of the Company by any taxing authority, whether to elect into the provisions of the Bipartisan Budget Act of 2015 prior to their effective date and whether

to make an election under Section 6226 of the Internal Revenue Code or any similar provision of any state or local tax laws with respect to any audit or other examination of the Company.

(d) Each Member and former Member shall promptly upon request furnish to the Tax Matters Person any information that the Tax Matters Person may reasonably request in connection with (i) preparing or filing any tax returns of the Company, (ii) any tax election of the Company (and the Company's and Member's or former Member's compliance with any such election) or (iii) any audit, examination or investigation (including any judicial or administrative proceeding) of the Company by any taxing authority. No Member shall, without the consent of the Tax Matters Person, (A) file a request for administrative adjustment of Company items, (B) file a petition with respect to any Company item or other tax matters involving the Company, or (C) enter into a settlement agreement with any taxing authority with respect to any Company items.

(e) Without limiting the foregoing, the Tax Matters Person shall represent the Company (at the expense of the Company) in connection with all examinations of the affairs of the Company by any U.S. federal, state, local or foreign tax authorities, including any resulting administrative and judicial proceedings relating to the determination of items of income, deduction, allocation and credit of the Company and the Members, and to expend funds of the Company for professional services and costs associated therewith.

(f) For tax years prior to January 1, 2018, the Tax Matters Person shall be a Member who is permitted to act as a "tax matters partner" pursuant to the Internal Revenue Code. For tax years beginning on or after January 1, 2018, the Tax Matters Person shall be a Person who is permitted to act as a "partnership representative" pursuant to the Internal Revenue Code. The Tax Matters Person may resign at any time by giving written notice to the Company and the Members and complying with any applicable provisions of the Internal Revenue Code and Treasury Regulations relating to such resignation. The Tax Matters Person may be removed at any time by Manager Approval if such complies with any applicable provisions of the Internal Revenue Code and Treasury Regulations relating to such removal. Upon the resignation or removal of the Tax Matters Person, a new Tax Matters Person shall be selected by the Managers. The initial Tax Matters Person shall be Michael Cohen.

7. Tax Elections and Other Tax Decisions. Subject to the provisions of this Schedule B, the Managers, acting by Manager Approval, shall have the authority to make any tax elections and other tax decisions with respect to the Company, to approve any returns regarding any foreign, federal, state or local tax obligations of the Company, and to make all determinations regarding the allocations contemplated by Schedule B.

8. Tax Consequences. The Members are aware of the income tax consequences of the allocations made by this Schedule B and hereby agree to be bound by the provisions of this Schedule B and this Agreement in reporting their shares of the Company's income and loss for income tax purposes.

**Schedule C to Limited Liability Company Agreement
of Berkshire Welco, LLC**

Defined Terms

Affiliate: means, with respect to any Person, any Person that controls, is controlled by or is under common control with such Person.

Agreement: means this Limited Liability Company Agreement, as amended, modified, supplemented or restated from time to time.

Allocation Exhibit: the meaning set forth in Section 7.2.

Approved Sale: the meaning set forth in Section 11.6(a).

Approved Sale Notice: the meaning set forth in Section 11.6(a)(iii).

Assignee: the meaning set forth in Section 11.2(d).

Available Units: the meaning set forth in Section 11.4(a).

Board of Managers or Board: means the Board of Managers described in Section 5.1(a) of this Agreement.

Buyout Purchase Price: the meaning set forth in Section 9.3(a).

Capital Account: the meaning set forth in Section 2 of the Allocation Exhibit.

Capital Contributions: means, with respect to any Member, the aggregate amount of cash or other property contributed to the capital of the Company by such Member.

Certificate of Organization: the meaning set forth in the recitals of this Agreement.

Closing Notice: the meaning set forth in Section 11.3(e).

Code: means the Internal Revenue Code of 1986, as amended from time to time, and any applicable regulations promulgated thereunder by the United States Treasury Department.

Common Units: the meaning set forth in Section 4.1.

Company: the meaning set forth in the first paragraph of this Agreement.

Company Acceptance Period: the meaning set forth in Section 11.3(b).

Company Notice: the meaning set forth in Section 11.3(c).

Company Notice Date: the meaning set forth in Section 11.3(c).

Company Purchase Notice: the meaning set forth in Section 11.3(b).

Confidential Information: means all documents and information, whether written or oral (including, without limitation, confidential and proprietary information with respect to customers, sales, marketing, production, costs, business operations and assets), of the Company.

Covered Person: the meaning set forth in Section 14.2(a).

Co-Sale Election Period: the meaning set forth in Section 11.4(b).

Co-Sale Notice: the meaning set forth in Section 11.4(a).

Co-Sale Participant: the meaning set forth in Section 11.4(b).

Co-Sale Purchase Price: the meaning set forth in Section 11.4(a).

Co-Sale Right: the meaning set forth in Section 11.4(a).

Co-Sale Right Units: the meaning set forth in Section 11.4(b).

Massachusetts Act: the meaning set forth in the recitals of this Agreement.

Daily Annual Investor Distribution Rate: means a percentage equal to fifteen percent (15.0%) *divided by* 365, or 0.000410958%.

Deemed Liquidation Event: shall refer to any of the following events:

(ii) a merger or consolidation in which

(A) the Company is a constituent party or

(B) a subsidiary of the Company is a constituent party and the Company issues Units pursuant to such merger or consolidation,

except for any such merger or consolidation involving the Company or any subsidiary of the Company in which the Units outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for securities that represent, immediately following such merger or consolidation, at least a majority of the voting power of (1) the surviving or resulting company or (2) if the surviving or resulting company is a wholly owned subsidiary of another company immediately following such merger or consolidation, the parent company of such surviving or resulting company; or

(iii) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any subsidiary of the Company of all or substantially all the assets of the Company and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Company if substantially all of the assets of the Company and its subsidiaries taken as a whole are held by

such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Company.

Depreciation: the meaning set forth in Section 1 of the Allocation Exhibit.

Designated Members: the meaning set forth in Section 11.3(a).

Distributable Cash: means the excess of all cash on hand at the beginning of such period plus all cash receipts of the Company in such period from any source whatsoever, including normal operations, sales of assets, proceeds of borrowings, Capital Contributions of the Members, proceeds from any capital transaction, and all other sources minus the sum of the following amounts for the relevant period:

- (a) Ongoing Expenses;
- (b) payments of interest, principal and premium and points and other costs of borrowing under any indebtedness of the Company; and
- (c) amounts set aside as reserves for working capital, budgeted capital expenditures, investments in geographic expansion contemplated or approved by the Board of Managers, other capital or operating investments contemplated or approved by the Board of Managers, contingent liabilities, replacements or any other expenditures deemed by the Board of Managers to be necessary or appropriate in relation to the current and anticipated future needs of the Company.

Effective Date: the meaning set forth in the first paragraph of this Agreement.

Electing Major Member: the meaning set forth in Section 9.3(a).

Election Date: the meaning set forth in Section 9.3(a).

Exempted Securities: means (i) up to 320,000 Series A Investor Units; (ii) any Price Adjustment Units; (iii) up to 130,000 Incentive Units, or such greater number of Incentive Units as may be approved for issuance pursuant to any amendment to this Agreement made in accordance with the terms and conditions hereof; (iv) any equity securities of a Company subsidiary issued to the Company; (v) Units issued by reason of a Unit subdivision or combination, or a distribution of Units made ratably to Members pursuant to Manager Approval; (vi) Common Units actually issued upon the exercise of options or warrants to acquire Common Units or Common Units actually issued upon the conversion or exchange of securities convertible into Common Units, in each case provided such issuance is pursuant to the terms of such option, warrant or convertible security.

Gross Asset Value: the meaning set forth in Section 1 of the Allocation Exhibit.

Guaranteed Payments: the meaning set forth in Section 7.4.

Incentive Unit: the meaning set forth in Section 4.3(a).

Inclusion Notice: the meaning set forth in Section 11.4(b).

Initial Managers: means Michael Cohen and Christopher Weld.

Investor Majority: means Members holding a majority of the Series A Investor Units then outstanding.

Liquidating Agent: the meaning set forth in Section 12.1(a).

Loss: the meaning set forth in Section 1 of Schedule B.

Major Investor: means any Member holding Series A Investor Units that has, together with its Affiliates, made Capital Contributions in respect of such Units of at least \$100,000.

Major Member: means each of (i) Michael Cohen or (ii) Christopher Weld, in each case for so long as such Member holds any Units of the Company.

Manager: means the Initial Managers and each other Person who may be designated or elected from time to time by the Members in accordance with Section 5.1 to serve as a Manager hereunder, in each case, as long as such person shall serve, and in such person's capacity, as a Manager hereunder.

Manager Approval: means approval by a majority of the Managers then in office.

Massachusetts Act: the meaning set forth in the recitals of this Agreement.

Member: means any Person named as a member of the Company on Schedule A hereto and any Person admitted as an additional Member or as a substitute Member pursuant to the terms and subject to the conditions of this Agreement, in such Person's capacity as a member of the Company. For all purposes other than as expressly set forth herein, the Members shall be treated as a single class.

Member Acceptance Period: the meaning set forth in Section 11.3(c).

Member Approval: Means the vote or affirmative written consent of the Members holding a majority of the Units then-outstanding, voting together as a single class.

Member Purchase Notice: the meaning set forth in Section 11.3(c).

New Securities means any equity securities (or securities exercisable for or convertible into equity securities) of any kind or class issued by the Company after the date hereof, other than any Exempted Securities issued after the Effective Date.

Non-Electing Major Member: the meaning set forth in Section 9.3(a).

Notice Date: the meaning set forth in Section 11.7(b).

Offer Acceptance Notice: the meaning set forth in Section 11.7(c).

Offer Acceptance Period: the meaning set forth in Section 11.7(c).

Offer Notice: the meaning set forth in Section 11.7(b).

Ongoing Expenses: means all direct expenses incurred by or on behalf of the Company in connection with administering the Company and carrying on its business, including all legal and accounting fees.

Oversubscribing Member: the meaning set forth in Section 11.3(d).

Permitted Transfer: the meaning set forth in Section 11.1(a).

Permitted Transferee: the meaning set forth in Section 11.1(a).

Person: shall include any corporation, association, joint venture, partnership, limited partnership, limited liability company, business trust, institution, foundation, pool, plan, government or political subdivision thereof, government agency, trust or other entity or organization or a natural person.

Preferred Distributions: the meaning set forth in Section 7.3(a)(i).

Price Adjustment Units: the meaning set forth in Section 4.2(c).

Profit: the meaning set forth in Section 1 of Schedule B.

Prohibited Transfer: the meaning set forth in Section 11.5(c).

Projected Tax Liability: means, with respect to any Member and any tax year of the Company, the amount of taxable income and gain allocated to such Member for federal income tax purposes in the Company's tax return filed or to be filed with respect to such tax year, multiplied by the highest combined marginal rate applicable to income of an individual for federal and Massachusetts income tax purposes, taking into account (i) any nondeductibility for state tax purposes of any item that is deductible for federal tax purposes, and (ii) any deductibility for federal tax purposes of state income taxes.

Proposed Acquirer: the meaning set forth in Section 11.6(a)(iii).

Proposed Transferee: the meaning set forth in Section 11.3(a).

Prospective Purchaser: the meaning set forth in Section 11.7(a).

Purchase Right: the meaning set forth in Section 11.7(c).

Qualified Member: the meaning set forth in Section 11.7(a).

Exhibit. Regulatory Allocations: the meaning set forth in Section 4(f) of the Allocation

Remainder Securities: the meaning set forth in Section 11.7(e).

Remaining Transfer Units: the meaning set forth in Section 11.3(c).

ROFR Purchasers: the meaning set forth in Section 11.3(e).

Sale of the Company: the meaning set forth in Section 11.6(a).

Securities Act: means the United States Securities Act of 1933, as amended.

Selling Members: the meaning set forth in Section 11.6(a).

Series A Investor Units: the meaning set forth in Section 4.1.

Series A Investor Unit Subscription Agreement: the meaning set forth in Section 4.2(b).

Tax Distribution: the meaning set forth in Section 7.3(a).

Tax Matters Person: the meaning set forth in Section 6 of the Allocation Exhibit.

Threshold Amount: the meaning set forth in Section 4.3(c).

Transfer: the meaning set forth in Section 11.1(a).

Transfer Notice: the meaning set forth in Section 11.3(a).

Transfer Notice Date: the meaning set forth in Section 11.3(b).

Transfer Purchase Price Per Unit: the meaning set forth in Section 11.3(a).

Transfer Units: the meaning set forth in Section 11.3(a).

Transferring Member: the meaning set forth in Section 11.3(a).

Treasury Regulations: means the Treasury regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including the corresponding provisions of any future regulations).

Unit: the meaning set forth in Section 4.1.

Unit Sale: the meaning set forth in Section 11.6(a).

Unrestricted Period: the meaning set forth in Section 11.7(e).

Unreturned Capital Amount: means, with respect to any Member holding Series A Investor Units at any time, the excess of (x) such Member's Capital Contributions in respect of such Series A Investor Units over (y) the aggregate amount of Preferred Distributions previously made to such Member in respect of such Series A Investor Units.

Unsubscribed New Securities: the meaning set forth in Section 11.7(d).

Unsubscribed Units: the meaning set forth in Section 11.3(d).

Value Notice: the meaning set forth in Section 9.3(b).

D

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

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

Limited Liability Company

Certificate of Organization

(General Laws Chapter 156C, Section 12)

Federal Identification No.: _____

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

Berkshire Welco, LLC

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

264 Main Street, 3rd Floor, Great Barrington, MA 01230

- (3) The general character of the business:

Product sales and any other lawful business.

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

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

NAME	ADDRESS
Michael Cohen	264 Main Street, 3rd Floor Great Barrington, MA 01230

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

NAME	ADDRESS
Michael Cohen	264 Main Street, 3rd Floor Great Barrington, MA 01230
Christopher Weld	264 Main Street, 3rd Floor Great Barrington, MA 01230

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

NAME ADDRESS


None in addition to the managers.

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

NAME	ADDRESS
Michael Cohen	264 Main Street, 3rd Floor Great Barrington, MA 01230

Christopher Weld	264 Main Street, 3rd Floor Great Barrington, MA 01230
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- (9) Additional matters:

Signed by *(by at least one authorized signatory)*: 

Consent of resident agent:

I Michael Cohen

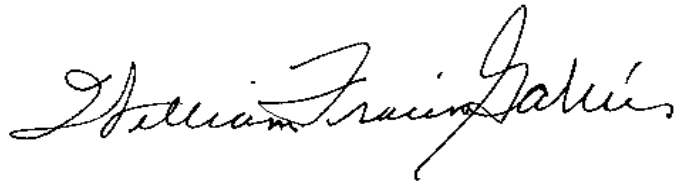
resident agent of the above limited liability company, consent to my appointment as resident agent pursuant to G.L. c 156C § 12*

**or attach resident agent's consent hereto.*

THE COMMONWEALTH OF MASSACHUSETTS

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

March 12, 2018 11:12 AM

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

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



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

William Francis Galvin
Secretary of the
Commonwealth

September 27, 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

BERKSHIRE WELCO, LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **March 12, 2018.**

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

I also certify that the names of all managers listed in the most recent filing are:
MICHAEL COHEN, CHRISTOPHER WELD

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **MICHAEL COHEN, CHRISTOPHER WELD**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **MICHAEL COHEN, CHRISTOPHER WELD**

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



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



MICHAEL COHEN
BERKSHIRE WELCO, LLC
264 MAIN ST STE 3
GREAT BARRINGTON MA 01230-2248

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, BERKSHIRE WELCO, 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



000015

Liability Insurance Obtainment Plan

The Pass is well connected in the industry and has begun formalizing a relationship with the cannabis insurer out of Cleveland, OH call Cannasure.

Cannasure provides liability insurance coverage for cannabis operators and has been a reputable staple of the cannabis industry for the last eight years.

Members of the team know Patrick McManamon the owner of Cannasure personally and are currently overseeing an array of liability coverage options.

Once licensed, The Pass will select a coverage of its choosing and bind the policy to the organization.

The aforementioned policy will accord with 935 CMR 500.101(2)(e)(6) and 935 CMR 500.105(10) and include (a) general and product liability insurance coverage of no less than \$1 million per occurrence and \$2 million in aggregate annually; (b) the deductible for each policy will be no greater than \$5,000 per occurrence; (c) policy will include director and officer insurance, too.

Summary of The Pass Business Plan: Retail

Overview

The Pass expects to open a dispensary in Sheffield, MA at the end of Q1 2019 that will be collocated with our cultivation and manufacturing operations. It will require CapEx of approximately \$686,000 which will be relatively modest, due to its collocation with our other operations. The funds for this dispensary will come from equity funds raised from investors. The dispensary is expected to be cash flow positive from opening.

Product

The dispensary will primarily source products that are grown and produced internally but will also sell some third-party products including hardware and consumables. The costs of the product to be sourced internally is captured within the cultivation and production numbers on the company's P&L and thus those costs will not appear here.

Costs to Become Operational

The startup cost from licensure to opening of the dispensary is broken down by expense:

- Variable Cost of Goods Sold until opening (COGs): \$0
- Fixed General and Administrative Costs (G&A): \$15,000
- Capital Expenditures (CapEx): \$686,000
- Wages and Benefits: \$89,000
- Total Startup Cost: \$790,000

The lease expense is an estimated \$7,500 per month for the first xxx years of the lease. Annually, the leasehold is approximately \$90,000.

Licensing fees for the application for \$3000; annual licensing fees amount to \$5000 (. Total state licensing fees to become operational equal \$53000.

Site buildout including engineering and architectural costs, fixtures, finishes, security costs, site control and POS equipment are estimated for the site at \$615,000.

Legal and application expenses associated with opening the dispensary are estimated at \$72,000.

Wages and Benefits for a full time Dispensary Manager, Assistant Manager, Front Desk, two Customer Consultants and two Delivery People prior to opening are estimated at \$89,000. The business will be overseen by our President and our CEO.

Figure 1: Itemized Expenses Until Opening

Item	Expenses Through Dispensary Opening
Lease	\$22,500
Licensing / Application Fees (Incl. Legal)	\$72,000

Site Buildout	\$465,000
Site Control	\$150,000
Costs of Goods (COGs)	\$0
Fixed General and Administrative	\$15,000
Wages and Benefits	\$89,000
<u>Total</u>	\$813,500

NEED UPDATED NUMBERS FOR BELOW

The Pass is showing a balance from Michael Cohen and from various equity capital investors of \$2,754,378 across two bank accounts which is enough to secure and begin operations on 5000 ft² of retail space at our Sheffield, MA dispensary at 1375 Main St. The Pass plans to secure up to \$8M in equity capital over the next 12mos that will give the entity 100% of the total costs to operate in working capital and to expand.

Figure 2: Capitalization: To-Date and Projected to First Major Harvest

<u>Capital Sources</u>	<u>Capital (\$)</u>
Investor Capital	\$2,754,378
Expected Additional Capital	\$4,000,000
Total Capital: Projected	\$6,754,378

Working Capital

The Pass is showing a balance of approximately \$1,800,000 i.e. “Working Capital below.” That amount is approximately 3.38x above the total outlay described in the previous subsection and enough to buffer the company against delays or losses. See Figure 3 (below).

Figure 3: Working Capital

<u>Capital Sources</u>	<u>Capital (\$)</u>
Capitalization: To-Date	\$2,754,378
Capitalization: Projected	\$4,000,000
Total Capitalization (Fig. 2)	\$6,754,378
Total Startup Expenses Dispensary (Fig. 1)	\$813,500

Working Capital (Fig. 2 – Fig. 1)	\$5,940,878
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Three Year Profit and Loss Statement

Over the period of 2H 2018 through 2021 will be a period of investment and substantial growth for The Pass. We have secured capital of approximately \$2,754,378 million dollars and expect to raise an additional \$4 million by the end of 2018 (which is ongoing). That is enough capital to fund the buildout of approximately 5000 ft² on 1375 Main St of the company’s Sheffield, MA dispensary. After all of this capital spending the company will still retain approximately **\$5,940,878** of working capital capability.

Figure 4: Dispensary Operating Assumptions (Approx.)

	(9 Mos.)2019	2020	2021
Avg. Daily Visitors	135	140	165
Avg. Spend (The Pass Products) \$	100	95	90
Avg. Spend (Third Party Products) \$	22.00	21.90	21.80
Total Revenue	\$4,500,000	\$6,000,000	\$6,700,000

We expect that our dispensary in Sheffield, MA will open in March of 2019. We are expecting to have 135 daily visitors in 2019, 140 in 2020 and 165 in 2021 and expect to be open 364 days per year. In 2019, we are expecting visitors to spend \$100 on products sourced from our cultivation and manufacturing operations and \$22 in third party products. In 2020 we expect \$95 in internally sourced products and \$21.90 in third-party products and in 2021 we expect \$90 in internally sourced products and \$21.80 in third-party products. In 2019 we are expecting total revenues of approximately \$4.5 million (for nine months of operations), approximately \$6.0 million in 2020 and approximately \$6.7 million in 2021. We expect the dispensary to be profitable and cash flow positive from opening.

Figure 5: Projected 3YR P&L Breakdown

	FY2019	FY2020	FY2021
Wholesale revenue:			
Dry flower	2,862,347	3,531,257	3,232,812
Vapor	1,907,753	3,203,450	3,871,220
Shatter/Wax	572,326	800,862	967,805

Oils	572,326	889,847	1,161,366
Merchandise	120,709	171,946	188,433
Wholesale Licensing	330,750	1,543,500	2,674,114
Total Wholesale	6,366,210	10,140,823	12,095,750
Retail revenue:			
Dry flower	2,350,600	5,549,292	5,869,908
Vapor	2,056,775	5,403,258	6,359,067
Shatter/Wax	881,475	2,190,510	2,445,795
Oils	587,650	1,460,340	1,630,530
Merchandise	123,029	301,166	336,459
Retail Licensing	759,500	768,600	905,850
Total Retail	6,759,029	15,673,166	17,547,609
Total Revenue	13,125,239	25,813,988	29,643,359

We expect to begin selling product and open our first dispensary in early 2019 and ramp to more full production by the beginning of 2020. Overall, we expect to generate **\$13,125,239** in revenues in 2019, **\$25,813,988** in 2020 and **\$29,643,359** in 2021.

Figure 6: 3YR. EBITDA

Revenue	2019	2020	2021
Wholesale	6,366,210	10,140,823	12,095,750
Retail	6,759,029	15,673,166	17,547,609
Total Revenue	13,125,239	25,813,988	29,643,359
COGS	2,106,366	3,518,097	4,152,652
Gross Profit	11,018,873	22,295,931	25,490,707
Operating Expenses	3,841,517	4,548,006	4,940,456
EBITDA	7,177,356	17,747,885	20,550,250

After losing a modest amount \$345,000 in 2018 during our start-up phase, we expect to be significantly EBITDA positive from 2019-2021, despite assumptions of decreasing pricing due to increased competition.

2019. In 2019, we expect to generate **\$13,125,239** in total revenue, spend \$2,106,366 in direct Cost of Goods Sold (COGs), have operating expenses of \$3,841,517 which yields EBITDA of **\$7,177,356**.

2020. In 2020, we expect to generate **\$25,813,988** in total revenue, spend \$3,518,097 in direct Cost of Goods Sold (COGs), have operating expenses of \$4,548,006 which yields EBITDA of **\$17,747,885**.

2021. In 2021, we expect to generate **\$29,643,359** in total revenue, spend \$4,152,652 in direct Cost of Goods Sold (COGs), have operating expenses of \$4,940,456 which yields EBITDA of **\$20,550,250**.

Timeline: The Pass Retail Establishment

ACTIVITIES	Date	Days from Permit
Receive Permit	10-01-2018	
Hold Preconstruction Meeting with Municipality	10-10-2018	9
Construction Documents Approved by Municipality	10-15-2018	14
Commence Site Development Work	10-16-2018	15
Purchase Transport Vehicles	10-16-2018	15
HR Manager Solidify Placement Efforts and Diversity Goals	10-16-2018	15
HR Manager Commence Placement Efforts: Local, Regional, State	10-16-2018	15
Plan Diversity Career Fair	10-16-2018	15
Commence Construction: 1375 Main	10-17-2018	16
Schedule Purchase/Delivery of Retail Equipment	10-17-2018	16
Complete Construction: 1375 Main	12-30-2018	90
Obtain Certificate of Occupancy	01-01-2019	91
Modify/Upgrade Transportation Vehicle	01-02-2019	92
Purchase Retail Furnitures, Fixtures, and Equipment (FF&E)	01-03-2019	93
Install/Test/Audit Security Equipment, P&Ps, and Alarm Systems	01-04-2019	94

Hold Diversity Career Fair	01-08-2019	98
Install/Test/Audit Equipment and P&Ps	01-09-2019	99
Complete Hiring of Key Staff	01-10-2019	100
Complete Training of Staff	01-15-2019	105
Receipt of FF&E	01-15-2019	105
Install FF&E	01-16-2019	106
Equipment Calibration	01-17-2019	107
Mock Training	01-18-2019	108
Mock Disposal, Emergency Recall and Safety Training	01-19-2019	109
Final Operational Training	01-21-2019	111
Approved for Operations by Department	01-22-2019	112
Startup Inventory Logged into ETS	01-22-2019	112
Fully Operational	05-01-2019	212

Staffing Plan

Diversity and Career Fair. In October of 2018, The Pass will organize a diversity employment focused career fair focused on local and regional job candidates for the positions of:

Customer Consultant (4x)

Front Desk Greeter

Assistant Manager

Retail Manager

HR Manager

Chief Financial Officer

Controller

We expect full employment of each position by January 10, 2019.

The Pass has employed: President, Chief Executive Officer, Chief Strategy Officer, and Operations Consultant.

Support of Local Advocacy Groups. Applicant will work to promote National Association for the Advancement of Colored People (NAACP), the Veterans of Foreign Wars (VFW), the Americans Civil Liberties Union (ACLU), the Minority Cannabis Business Association (MCBA), the Cannabis

Cultural Association (CCA), Woman Grow and other diversity and cause-based advocacy groups and will extend recruitment efforts through the local chapters of these organization to foster better working relationships and, too, as a means of finding new job candidates and service providers that will assist the organization in reaching its diversity placement goals.

Summary of Insurance

Prepared: 3/10/2020
 Coverages as of: 2/19/2020

For: Berkshire WELCO LLC DBA Find The Pass
 1345 North Main St.
 Sheffield, MA 01257

By: Wheeler & Taylor, Inc
 333 Main St.
 Great Barrington, MA 01230

Coverage	Company	Policy Number	Eff date	Exp date	Premium
Worker's Comp.	Protective Insurance Company	SS-2306962-02	2/19/2020	2/19/2021	\$3,397.00

Locations

1 -1375 North Main St Sheffield, MA 01257

Part 1 – States: MA

Increased Employers Liability Coverage	Limits
Each accident	\$1,000,000
Disease – Policy limit	\$1,000,000
Disease – Each Employee	\$1,000,000

Payrolls

Location	Class Code	Categories/Duties/Classifications	Estimated Annual Remuneration/Payroll
1	0035	Farming -cultivating	\$75,000.00
1	4825	Drug Manufacturing	\$75,000.00
1	8017	Retail	\$75,000.00
1	8810	Clerical	\$360,000.00

Individuals Included/Excluded

State	Location	Name	DOB	Title	Ownership %	Inc/Exc	Class Code
MA	1	Chris Weld		Member	100%	I	8810

Liability	7 8 9	\$1,000,000	Bl ea accident
Personal injury protection	7	\$8,000	Ea person
Medical payments	7	\$5,000	Ea person
Uninsured motorist	7	\$250,000	Bl ea person
		\$500,000	Bl ea accident
Underinsured motorist	7	\$250,000	Bl ea person
		\$500,000	Bl ea accident

Hired/borrowed liability	Yes	States: MA If any basis: Yes
Non-owned auto liability	Yes	States: MA Employees: 5

COVERED AUTO SYMBOLS		
(1) ANY AUTO	(4) OWNED AUTOS OTHER THAN PRIVATE PASSENGER	(7) AUTOS SPECIFIED ON SCHEDULE
(2) ALL OWNED AUTOS	(5) ALL OWNED AUTOS WHICH REQUIRE NO-FAULT COVERAGE	(8) HIRED AUTOS
(3) OWNED PRIVATE PASSENGER AUTOS	(6) OWNED AUTOS SUBJECT TO COMPULSORY U.M. LAW	(9) NON-OWNED AUTOS

Vehicle Schedule/Coverages:

Veh #10 2014 Ram 3500 Pickup Truck 3C63R3AJ9EG137850

Coverages:

Liability	included
No fault	included
Medical payments	included
Uninsured motorist	included
Underinsured motorist	included
Comprehensive	\$1,000 deductible Full glass
Collision	\$1,000 deductible

Veh #11 2019 BriMar Trailer 58CB1EE25KC002305

Coverages:

Liability	included
No fault	included
Medical payments	included
Uninsured motorist	included
Underinsured motorist	included
Comprehensive	\$1,000 deductible Full glass
Collision	\$1,000 deductible

Veh #12 2017 Nissan NV2002 Van 3N6CM0KN4HK693702

Coverages:

Liability	included
No fault	included
Medical payments	included
Uninsured motorist	included
Underinsured motorist	included
Comprehensive	\$1,000 deductible
	Full glass
Collision	\$1,000 deductible

Veh #13 2015 Ford TCN Van

NM0LS7FX0F1224616

Coverages:

Liability	included
No fault	included
Medical payments	included
Uninsured motorist	included
Underinsured motorist	included
Comprehensive	\$1,000 deductible
	Full glass
Collision	\$1,000 deductible

Summary of Insurance

Prepared: 3/10/2020

Coverages as of: 2/19/2020

For: Berkshire WELCO LLC DBA Find **By:** Wheeler & Taylor, Inc
The Pass

1345 North Main St.
Sheffield, MA 01257

333 Main St.
Great Barrington, MA 01230

Coverage	Company	Policy Number	Eff date	Exp date	Premium
Commercial General Liability	Topa Insurance Company	CTK-0004163-00	12/13/2019	12/13/2020	\$91,886.00

Loc 2, Building 1
175 North Main St., Sheffield, MA 01257

Claims Basis: Occurrence

General Aggregate applies per: Policy

Coverage	Limits
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Damage to Rented Premises (Each Occurrence)	\$100,000
Medical Expense (Any One Person)	\$5,000
Employee Benefits	\$1,000,000

Other Coverage:

Property Damage Deductible:
 Bodily Injury Deductible:
 Deductible:

Hazard Schedule

Loc #	Hazard #	Classification	Class Code	Exposure	Premium Basis
2	1	Sales Retail/Wholesale	15699	18,000,000	Gross Sales - Per
2	2	Payroll		0	\$1,000/Sales Payroll - Per
2	3	Employees when they Open		20	\$1,000/Pay Other

Forms and Endorsements:

Additional Interests:

International Liability Exposure Supplement:

Coverage	Limits
Foreign Sales	Occurrence Aggregate Excess
Contract cost	Occurrence Aggregate Excess
Contingent auto	Occurrence Excess
Employers liability	Number of foreign owned autos: Occurrence Excess
Employers responsibility	Medical AD&D
Employers medical and AD&D	Number of employees: Number of trips: Duration (average length of stay):

Summary of Insurance

Prepared: 3/10/2020

Coverages as of: 2/19/2020

For: Berkshire WELCO LLC DBA Find The Pass 1345 North Main St. Sheffield, MA 01257	By: Wheeler & Taylor, Inc 333 Main St. Great Barrington, MA 01230
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Coverage	Company	Policy Number	Eff date	Exp date	Premium
Commercial General Liability	Topa Insurance Company	CTL-0002144-00	12/13/2019	12/13/2020	\$46,688.00

Loc 1, Building 1
 1345 North Main St., Sheffield, MA 01257

General Aggregate applies per: Policy

Coverage	Limits
General Aggregate	\$4,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury Each Occurrence	
Damage to Rented Premises (Each Occurrence)	
Medical Expense (Any One Person)	
Employee Benefits	
PROFESSIONAL LIABILITY SUBLIMI	\$50,000

Other Coverage:

Property Damage Deductible:
 Bodily Injury Deductible:
 Deductible:

Hazard Schedule

Loc #	Hazard #	Classification	Class Code	Exposure	Premium Basis
1	1	Mutiple Operations	15699	18000000	Gross Sales - Per \$1,000/Sales

Contract cost	Occurrence Aggregate
Contingent auto	Excess Occurrence Excess
Employers liability	Number of foreign owned autos: Occurrence Excess
Employers responsibility Employers medical and AD&D	

Summary of Insurance

Prepared: 3/10/2020

Coverages as of: 2/19/2020

For: Berkshire WELCO LLC DBA Find By: Wheeler & Taylor, Inc

The Pass

1345 North Main St.

Sheffield, MA 01257

333 Main St.

Great Barrington, MA 01230

Coverage	Company	Policy Number	Eff date	Exp date	Premium
Cyber Liability	Topa Insurance Company	CTK-0004163-00	12/13/2019	12/13/2020	\$91,886.00

Summary of Insurance

Prepared: 3/10/2020

Coverages as of: 2/19/2020

For: Berkshire WELCO LLC DBA Find The Pass
1345 North Main St.
Sheffield, MA 01257

By: Wheeler & Taylor, Inc
333 Main St.
Great Barrington, MA 01230

Coverage	Company	Policy Number	Eff Date	Exp Date	Premium
Property	Topa Insurance Company	CTK-0004163-00	12/13/2019	12/13/2020	\$91,886.00

Loc 1, Building 1

1345 North Main St. Sheffield, MA 01257

Subjects of Insurance	Limits	Valuation
Business Personal Property	\$50,000	Replacement Cost
Cause of Loss	Special (Including theft)	
Coins %	80%	
Deductible	5,000	

Loc 2, Building 1

1375 North Main St. Sheffield, MA 01257

Subjects of Insurance	Limits	Valuation
Business Personal Property	\$500,000	Replacement Cost
Cause of Loss	Special (Including theft)	
Coins %	80%	
Deductible	5,000	
Business Personal Property	\$1,500,000	Replacement Cost
Cause of Loss	Special (Including theft)	
Coins %		
Deductible	5,000	

Business Income with Extra Expense \$3,000,000

Cause of Loss Special (Including theft)
Coins %
Deductible 5,000

Loc 2, Building 2

1375 North Main St. Sheffield, MA 01257

Subjects of Insurance	Limits	Valuation
Building	\$1,500,000	Replacement Cost

Cause of Loss Special (Including theft)
Coins % 80%
Deductible 5,000

Business Personal Property	\$75,000	Replacement Cost
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Cause of Loss Special (Including theft)
Coins % 80%
Deductible 5,000

Business Personal Property	\$1,500,000	
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Cause of Loss Special (Including theft)
Coins %
Deductible 5,000

Business Income with Extra Expense	\$2,000,000	
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Cause of Loss Special (Including theft)
Coins %
Deductible 5,000

Business Personal Property	\$393,600	
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Cause of Loss Special (Including theft)
Coins %
Deductible 5,000

Loc 2, Building 3

1375 North Main St. Sheffield, MA 01257

Subjects of Insurance	Limits	Valuation
Business Personal Property	\$25,000	Replacement Cost
Cause of Loss	Special (Including theft)	
Coins %	80%	
Deductible	5,000	
Building	\$400,000	Replacement Cost
Cause of Loss	Special (Including theft)	
Coins %	80%	
Deductible	5,000	
Business Income with Extra Expense	\$2,000,000	
Cause of Loss	Special (Including theft)	
Coins %		
Deductible	5,000	
Business Personal Property	\$1,500,000	
Cause of Loss	Special (Including theft)	
Coins %		
Deductible	5,000	
Business Personal Property	\$196,800	
Cause of Loss	Special (Including theft)	
Coins %		
Deductible	5,000	

Loc 3, Building 1

93 Ashley Falls Rd. Sheffield, MA 01257

Subjects of Insurance	Limits	Valuation
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Summary of Insurance

Prepared 3/10/2020
 Coverages as of 2/19/2020

For: **Berkshire WELCO LLC DBA Find The
 Pass
 1345 North Main St.
 Sheffield,MA 01257**

By: **Wheeler & Taylor, Inc
 333 Main St.
 Great Barrington, MA 01230**

Coverage	Company	Policy Number	Eff date	Exp date	Premium
Commercial Umbrella	Topa Insurance Company	CTX-0001129-00	12/13/2019	12/13/2020	\$8,500.00

Named Insured Schedule:

Berkshire WELCO LLC DBA Find The Pass

Limits of Liability

Each Occurrence \$4,000,000
 Retained Limit

Employee Benefits Liability

Claims Made Form-- Retro Date

Each Employee
 Aggregate
 Retained Limit

Underlying Liability Limits

Auto	\$1,000,000	CSL Each Accident BI Each Accident BI Each Person PD Each Accident
General Liability	\$1,000,000 \$2,000,000 \$2,000,000 \$1,000,000 \$300,000 \$15,000	Each Occurrence General Aggregate Prod Comp Ops Aggregate Personal & Adv Injury Damage to Rented Premises Medical Expense
Employers Liability	\$1,000,000 \$1,000,000 \$1,000,000	Each Accident Disease-Policy Limit Disease-Each Employee

Financial Recordkeeping

Accounting and Bookkeeping. All accounting and bookkeeping will be performed by CohnReznick in accordance to the Operating Agreement in and in compliance with federal, state, and local tax laws using QuickBooks Online for instant and real-time account updates and management of the Chart of Accounts (CofA). These practices will be reviewed quarterly or upon changes or updates to 935 CMR 500 and will be audited yearly to ensure best practices and ensure our accounting, bookkeeping, auditing and tax compliance is deployed efficiently throughout the business.

Business Records. All business records will be the responsibility of the Executive Management Team (EMT) and will be filed and tracked electronically. All physical documents will be kept on file as well as scanned and filed electronically. Electronic records will consist of the following:

Assets and liabilities; current and historical ownership /“cap table”; investor lists; insurance and escrow requirements; licensing fees, penalties assessed, renewal fees, CCC change fees; monetary transactions; chart of accounts including journals, ledgers, supporting documents, agreements, checks, invoices, vouchers, signed forms, vendor contracts, supplier agreements; employee compensation, executive compensation, bonus, benefit, or item of value paid to any individual affiliated with The Pass; quantity amount sold over the initial twelve month (12mo.) period and each three month (3mo.) period thereafter; retail projections based on wholesale and retail market rates per inventory on-hand; and any and all other documentation the EMT elects to track and file or deems pertinent.

Business records will be reviewed quarterly by the EMT. They will be used in profit forecasts, P&L statements, and to assess the financial health of the Marijuana Product Manufacturer.

Introduction

The Pass is a retail establishment license candidate applying at 1375 Main St. in Sheffield, MA. The Pass's Recordkeeping Plan describes procedures for ensuring the maintenance of real-time records that will be available for inspection by the CCC upon request. The Pass's Executive Management Team (EMT) is assigned responsibility for recordkeeping and will maintain a current organizational chart and job descriptions for each employee position.

Compliance

The Pass will utilize a real-time seed to sale electronic tracking system (ETS) approved by the CCC, i.e. METRC. Furthermore, The Pass will log, verify, and monitor:

- Receipt of cannabis product and amount delivered to licensed Marijuana Establishment(s).
- The validity of an identification card presented by visitors, vendors, employees, and agents.
- Proper packaging and labeling of marijuana goods sold at retail.
- The recall of defective cannabis.

The Pass will maintain a log of dispensary hours of operation.

Hours of Operations are M-S 8am-8pm

The Pass will maintain records in accordance with policies and procedures. Measures are established herein for the maintenance of records relevant to operating procedures, including each of the following areas:

- Inventory Records
- Sanitation and Safety Records
- Adverse Event Records
- Materials Records
- Security and Security Inspection Records
- Transportation Records
- Diversity and Placement Records
- Personnel Records
- Visitor Records
- Business Records
- Quality Control Records
- CCC Reporting Records
- CCC Records

The Pass will make available to the CCC and its agents all books, records, papers, documents, data, or other physical or electronic information that relates to The Pass's business, including financial data, sales data, shipping data, pricing data, and employee data. The Pass will provide copies of these records to the CCC and its agents as needed per request.

The Pass will keep records sufficient to provide reports to the CCC:

- The amount of cannabis purchased by each licensed Marijuana Establishment(s) during the period for which the report is being submitted.
- The per-dose price of an amount of cannabis purchased by licensed Marijuana Establishment(s).

The Pass will maintain data and records on an ongoing basis in support of being able to submit ongoing, up to date, accurate reporting of operational, financial, or any other reporting information that the CCC deems necessary to carry out its responsibilities

Responsibility, Maintenance, Review of Records and Recordkeeping

The Retail Manager is responsible for all day-to-day recordkeeping requirements and the proper integration of those requirements into policies and procedures. The Pass shall maintain current versions and version history of all operating procedures herein:

- Real-time ETS inventory records;
- Real-time materials records: pesticides, solvents, chemicals, etc.;
- Employee Qualification and Training Plan;
- Diversity and Affirmative Action Plans;
- Workplace Safety Plan;
- Personnel Records: background check, fingerprints, photo ID, JDs, responsibilities, admin. actions, training history, compensation, performance reviews, termination records;
- Business records: assets and liabilities; insurance and escrow requirements; monetary transactions; chart of accounts including journals, ledgers, supporting documents, agreements, checks, invoices, vouchers, signed forms, vendor contracts, supplier agreements, employee compensation, executive compensation, bonus, benefit, or item of value paid to any individual affiliated with applicant;
- Adverse Event records: workplace injuries, contamination, quarantine, recalls, adverse loss, failure mode analysis records, workplace accidents, reports of misconduct, OSHA violations, or CCC actions taken against any employee or against the organization;
- Visitor Records;
- CCC Reporting Records: annual report, quarterly reports, amounts sold, per-dose price.

The EMT will perform an annual comprehensive review of all facility records in coordination with the Retail Manager. New policies, procedures, or operating plans will be recorded in the version history. Change logs will document all changes, amendments, modifications, or CCC guidelines.

All records will be kept electronically and will have backups saved offsite on a physical memory storage device or on a cloud-based secure webserver. All or any part of these records will be made available to the CCC upon request within two (2) business days. All records will be stored for at least four (4) years.

Recordkeeping and Maintenance of Logs.

Inventory Records. The Retail Manager will be responsible for all inventory records. The Pass shall maintain the following records in its electronic tracking system:

- Purchase records including product type, point-of-origin including first and secondary point of contact of seller and license and agent ID
- Unalterable POS records
- Monthly software audit records
- Damaged, defective, expired, or contaminated cannabis awaiting return

The Pass will conduct monthly inventory reviews, software audits, and annual comprehensive inventories of all products sold or in storage in the retail establishment accordance with the inventory controls and procedures in The Pass's inventory management SOP. An electronic record of each inventory shall be created and maintained for each monthly and annual inventory performed which includes;

- The date of the inventory
- A summary of the inventory findings
- The identification numbers and titles of the individuals conducting the inventory

Sanitation and Safety Records. The Pass will comply with internal sanitation SOPs by ensuring that trash is properly removed in a timely fashion. A record of trash removal will be maintained in the cleaning log along with other routine scheduled cleaning. Floors, walls, and ceilings shall be inspected weekly and maintained in good repair. A record of the inspection and any maintenance activity will be maintained in the maintenance log. Lavatories will be cleaned weekly or more frequently if necessary to maintain sanitary conditions. A record of the cleaning and maintenance of lavatories will be kept in the cleaning log and will be available for inspection by the CCC or its authorized agents upon request.

Cleaning and sanitization procedures shall be of the frequency such that it is necessary to protect against contamination. All facility areas will be kept in a clean and orderly condition and free from infestation of pests. Cleaning and sanitation procedures will be performed on a quarterly basis and entered into the ETS log. The on-duty Retail Manager or EMT will determine any maintenance schedule or inspection schedule changes should they be deemed necessary to maintain compliance. Any changes will be kept in the change log. Any changes made to the procedures will be noted in the version history. Any adverse events will be kept in log and will be added to the adverse event records.

The Retail Manager will determine any maintenance schedule or inspection schedule changes should they be deemed necessary to maintain compliance. Any changes will be kept in the change log. Any changes made to the procedures will be noted in the version history. Any adverse events will be kept in log and will be added to the adverse event records.

The EMT will be responsible for maintaining all workplace safety records. These include emergency reporting and response protocols, OSHA guidelines, material handling protocols consistent with the toxicity and hazard posed by the materials stored onsite, verification of proper handling and storage of materials, safety checks, records of all employee safety training and related documentation, and a

documented history of any reports or violations of safety protocols or procedures or any failed safety checks of any kind—whether they be related to the operation or malfunctioning of equipment or visual spot checks.

Adverse Event Records. Maintenance of the adverse event log will be the duty of the Security Director. Such events include but are not limited to: workplace injuries, contamination, quarantine, recalls, adverse loss, failure mode analysis records, workplace accidents, reports of employee misconduct, OSHA violations, or CCC actions taken against any employee or against the organization, or any adulteration or unapproved changes to the logs or records.

Materials Records. An electronic material record will be kept and maintained by the EMT. On duty managers are responsible for maintaining CCC material logs that will be compiled in real-time in the ETS record and will compose the material log. CCC material logs will include the following records;

- Sanitizing agents
- Any other inventory of materials used in the maintenance and sanitation of the facility

The Assistant Retail Manager, Retail Manager, or authorized agents will at the time of receiving new materials, enter the new material into the ETS record and notify the Retail Manager that (i) a new material has entered the facility and (ii) the new material has been recorded into the corresponding ETS log.

It is sole responsibility of the Retail Manager to maintain compliance with all materials and all material logs and corresponding safety, sanitation, and storage measures they require.

Security and Security Inspection Records. The Security Director alongside approved members of the The Pass's EMT will have sole access to all security records. All records and recordings will be kept at the facility in the dedicated security Limited Access Area (LAA) accessible to only the security manager so as to prevent adulteration, tampering, or unauthorized use of security apparatuses.

Security records and recordings held in the dedicated security LAA will be stored securely inside of a locked cabinet to protect from theft, adulteration, or loss. These will be kept for a minimum of four (4) years or, in the instance of notice of an official investigation, held until the investigation is resolved or notice of resolution is sent and recorded.

The Security Director will be responsible for the ongoing compliance and maintenance of all security systems such as alarms, cameras, surveillance equipment, electronic surveillance monitoring, notification systems and equipment, as well as all software audits to ensure no sales logs are altered or tampered with. All records pertaining to the inspection, servicing, alteration, and upgrade of the security system will be logged and maintained and kept on file for four (4) years. These records will be available to the CCC and its agents within two (2) business days following a request.

Within two (2) business days following a request, The Pass will provide up to four screen captures of an unaltered copy of a video surveillance recording to the CCC, its authorized agents, law enforcement, or other Federal, State, or local government officials if necessary to perform the government officials' functions and duties. If The Pass has been notified in writing by the CCC or

its authorized agents, law enforcement, or other Federal, State or local government officials of a pending criminal or administrative investigation for which a recording may contain relevant information, The Pass shall retain an unaltered copy of the recording for four (4) years or until the investigation or proceeding is closed or the entity conducting the investigation or proceeding notifies the dispensary that it is not necessary to retain the recording, whichever is longer.

The Pass will maintain a current list of authorized employees and service employees or contractors who have access to any security and surveillance areas. This list will be made available to the CCC or it's authorized agents upon request.

All records and HD face-capture photographs will be available upon request and delivered to the CCC in no more than two (2) days. All records will have both an electronic and physical backup system.

The Security Director will be responsible for all security and security inspections and logs. Content of logs is listed below:

Cannabis handling or storage areas; entrances and exits both inside and outside vantage points; all LAAs; rooms with exterior windows, exterior walls, roof hatches, or skylights, storage rooms and safes.

Alarm logs will include any instance, length, date/time, and location of events below:

Triggered duress alarm; triggered panic alarm; triggered smoke or fire alarm; triggered holdup alarm; triggered security alarm; triggered silent security alarm.

Security notification logs will include any failure notifications or notifications sent by 24/7 monitoring company.

Records of security inspections and equipment testing, and inspections will be logged in the ETS by the Security Director at the conclusion of the following required testing and maintenance:

Comprehensive annual test and inspection of all security systems, devices, motion detectors, alarms, notification systems and apparatuses by a CCC approved third-party alarm and security system vendors. Monthly maintenance inspections of all equipment to ensure all security apparatuses are functioning normally and are up-to-date.

Any failure of inspections—monthly or annual—will be recorded into the security inspection log as well as the adverse event log.

Transportation Receipt Records and Transport Manifests. Two designated employees will be responsible for all recordkeeping on all receipt of deliveries. All driver IDs and color copies of IDs as well as current registration, proof of insurance, and inspection stickers will be kept on or inside the vehicle at all times.

The Pass shall generate a transport manifest that accompanies every transport vehicle and contains:

- Name, address of each licensed Marijuana Establishment;

- Name and contact information of the licensed Marijuana Establishment employee who has direct knowledge of the transport;
- Name, address, and permit number licensed Marijuana Establishment including the contact information of the employee of the delivery recipient who has direct knowledge of the delivery;
- The quantity, by weight of each harvest batch and harvest lot contained in the transport, along with the identification number for each harvest batch and harvest lot;
- The date/time of departure;
- The date/time of arrival;
- Make, model, and license plate number of the transport vehicle;
- The identification number of each member of the delivery team accompanying the transport;
- When a delivery team delivers cannabis to multiple licensed Marijuana Establishments, the transport manifest will correctly reflect the specific cannabis for each in transit. Each recipient shall provide the dispensary with a receipt for the cannabis received;
- The Pass will provide a copy of the transport manifest to the recipient receiving the product described in the transport manifest. In the event of multiple deliveries, a separate manifest for each recipient will be prepared to maintain confidentiality;
- Records of each transport manifest and any receipts for transport will be maintained and filed so as to be able to provide a copy to the CCC, its authorized agents, law enforcement, or other Federal, State or local government officials if necessary to perform the government officials' functions or duties.

Additionally, the manifests must match the cannabis in transit. A receipt will be printed and a duplicate copy recorded and stored in the electronic transport log and ETS. Individual manifests that match each of the receiving parties' distinct manifest will be printed and a duplicate electronic copy will be stored in the electronic transport log and ETS.

If The Pass discovers a discrepancy in the transport manifest upon delivery or suspects or uncovers evidence of theft or diversion of product, The Pass will halt delivery and immediately report to the Security Director, and, upon Security Director's request and reconciliation, to the appropriate law enforcement authorities and CCC. A record of all such instances will be made and archived by The Pass and will include all pertinent details including communication of the event to the CCC and or law enforcement.

If the dispensary discovers a discrepancy in the transport manifest, it will conduct an investigation. Amend the standard plan of operation, if necessary, to prevent future discrepancies between quantity and/or description of inventory delivered and the delivery manifest. Written records of all preliminary investigative reports will be sent to the CCC within seven (7) days of the adverse event and an electronic copy of the written final findings of the investigation report will be sent to the CCC within thirty (30) days and will be stored in the adverse event log and security log as well as CCC Report Log. The Security Director will be responsible for investigating, reporting, and recording into the corresponding logs all notices and communications regarding transport or adverse transport events.

Diversity and Placement Records. The EMT and Human Resource Manager will be responsible for the Diversity Plan and the Affirmative Action Plan and all records that entail employee placement records, utilization analyses, workforce analyses, and historical change log of diversity

programs. DBEs and qualified vendors including the amounts spent on said vendors will also be recorded in real-time in the Diversity Log. These will be kept electronically. All mandatory cultural competency and unconscious bias training by designated EMT and management and proof of completion of training as well as official attendance records will be stored in the electronic Diversity Log.

Spending on diversity initiatives and diverse outreach programs as well as the resulting efficacy of those programs will be recorded by the EMT or Human Resource Manager as necessary. Recommendations and perceived programmatic weaknesses generated at the annual review of Diversity Plan, Diversity Log, and Affirmative Action Plan as well as corrective action decided upon by the EMT will be recorded in the Diversity and Affirmative Action Plans and accounted for in the version history can change logs.

Personnel Records. The Security Director in coordination with EMT will be responsible for day-to-day activities including maintaining and updating personnel records and delegation of responsibilities to CCC managers. Personnel files will be generated at the time of hiring. These will include electronic records of each of the items listed hereunder:

Name, address, contact information, emergency contact information, previous work experience, CV or resume, gender, race, other miscellaneous publicly available information, background check results, fingerprints, benefits summary, interviewer report, name and EID of employee responsible for hiring said employee, EID number of employee, employment history—administrative actions, violations, reports of misconduct, performance history, quarterly performance reviews, and any other relevant employment data;

The Security Director will be the designated recall coordinator. Recalled or quarantined or contaminated product will be described, identified, weighed, and secured in red bags inside the waste disposal LAA inside the marked quarantine storage area. All entry into the quarantine storage will be restricted to the recall coordinator (Security Director). All quarantined or recalled product entered into storage will be entered into the quarantine or recall log. The EID number of the storing employee will be logged as well as a description of the reasons for entry and reasons for recall, contamination, or quarantine—whether voluntary or mandatory. All notices sent to and from the CCC regarding recalled waste disposal or quarantined waste will be entered into the quarantine log and waste storage log and in the ETS. Duplicate electronic records of correspondences will be kept in CCC reporting log. All logs and changes to logs will be kept for at least four years (4 yrs.).

Visitor Records. The Pass shall require visitors, including vendors and contractors requiring access to a limited access area in the dispensary facility to present government-issued identification, sign a visitor log, and wear a visitor identification badge that is visible to others at all times while in a limited access area. The visitor log will be signed upon entering and exiting limited access areas. A copy of the government-issued identification will be made and stored with the visitor log. The Pass will maintain a record of the log and the identification for four (4) years and will make them available for inspection at the request of the CCC and law enforcement, local law enforcement, and any other State or local government officials upon request if necessary to perform the government officials' functions and duties. The log will include:

- The full name of each visitor
- ID scan
- Age check and verification
- The visitor identification badge number
- The time of arrival
- The time of departure
- The purpose of the visit
- Each area visited
- The name of each employee visited

CCC Records. The Security Director in coordination with the EM will be responsible for logging in the CCC a record of all official correspondences with the CCC. Log will be composed of the following:

Permit granting, renewal, suspension, or denials of permits or permit renewals; any program updates released online; diversity evaluations or recommendations from CCC; any program expansions in regions, number of permits granted; all applications and permits on file with the CCC or issued by the CCC to the applicant; any mandates regarding action pertaining to recalls or quarantine issues by CCC; all reports sent by The Pass to CCC as to changes in fact or circumstance with respect to changes in control, ownership, site location, facilities changes, equipment changes, changes in operations, application, or activities; any and all notices of discontinuance; inspection and investigation notices, results, actions, recommendations or penalties; CCC reporting on the financial and operational facts on the program; any changes in advertising or marketing restrictions.

Age 21+ Restricting Plan

No Dispensing to Anyone Under 21 Years of Age

The Pass is applying for a Marijuana Retail Establishment license for 5000 ft² at the 1375 Main St. site in Sheffield, MA. The license does allow for dispensing to adults or people over the age of 21. Therefore, to ensure safety and compliance with the municipal and state law under 935 CMR 500 and under the regulations promulgated and updated from time-to-time by the regulating state agency the Cannabis Control Commission (CCC), The Pass, it's Executive Management Team (EMT) and it's Security Director will limit all activities to dispensing of cannabis

The Pass acknowledges that in order to dispense cannabis to adults over the age of 21 in the Commonwealth of Massachusetts, they must first apply and obtain a retail license for doing so, which is an discrete and separate form of licensure.

Security

The Pass will hire an experience Security Director to oversee anti-diversion and security policies as well as age-restricting enforcement. To ensure the Security Director has the ability to cover all the personnel within the facility as well as all corners of the facility, the facility will be equipped with myriad security features.

Security features of the facility's premises will include:

- High definition (1080-p) outdoor pan-tilt-zoom cameras and supplemental outdoor security lighting, designed and installed in an overlapping layout with no blind spots;
- Primary and backup motion and seismic alarm sensors with battery backups enabling at least 12 hours of operation in the event of power outage;
- Prominent signs, posted every twenty feet around the facility, reading: "No Unauthorized Access. Alarm System Armed. You Are Under Video Surveillance";
- No large bushes, trees or objects that could provide concealment or unauthorized access will be allowed closer than fifty feet from the facility's perimeter;
- All entrances and exists to the facility will be equipped with motion and seismic alarm sensors and heavy-duty steel doors that automatically close and securely lock;
- The personnel entrance is only accessible using RFID key codes or through escorted access;
- Entrance will have a trained employee who will restrict access to the service area;
- All rooms having windows are to be protected by fixed 1080p Cameras;
- The roof will be equipped with pan-tilt-zoom security cameras, motion sensors, supplemental security.

Applicant's operations zone will feature a secure storage limited access areas (LLAs). It shares no exterior walls and is accessible only by the Retail Manager, Security Director and authorized personnel. Signage will be posted in block letters that read "MARIJUANA PRODUCT STORAGE" and "Do Not Enter—Limited Access Area—Access Limited to Authorized Personnel

and Escorted Visitors”. These zones will be biometrically locked and require pin pad entry and RFID card to open..

Security features of the facility’s outdoor premises will include:

- High definition (1080-p) outdoor pan–tilt–zoom cameras and supplemental outdoor security lighting, designed and installed in an overlapping layout with no blind spots;
- Primary and backup motion and seismic alarm sensors with battery backups enabling at least 12 hours of operation in the event of power outage;
- Prominent signs, posted every twenty feet around the facility, reading: “No Unauthorized Access. Alarm System Armed. You Are Under Video Surveillance”;
- No large bushes, trees or objects that could provide concealment or unauthorized access will be allowed closer than fifty feet from the facility’s perimeter;
- All entrances and exists to the will be equipped with motion sensors and heavy-duty 12’ tall steel fencing with heavy gauge bolt locks.
- IR laser detection systems at the height of the fencing to send alerts to the Security Director should an unauthorized person(s) attempt to climb the fence.
- Posted operational hours during which time only authorized agents are allowed inside of locked perimeter fencing.

Perimeter fencing and season security when the outdoor cultivation is operational will ensure no one under the age of 21+ or no one person period diverts or procures cannabis from the retail establishment off hours.

Deterrence

The main engine of The Pass’s plan to restrict access to those age 21+ is to deter the events from occurring in the first place. Employees, outside vendors, customers, or visitors should be able to see signs posted on the premises indicating the threat of surveillance and the threat of reporting suspicious behavior. Moreover, secured Limited Access Areas (LAAs), biometric locks, hidden cameras, training, clear and vigilant incident reporting, onsite presence of Security Director, and cooperation with local Sheffield PD, the electronic tracking system (ETS), as well as 360-degree pan-tilt cameras that can take HD images and time-stamped footage over all areas where cannabis is handled, evidence to the potential diversion threats, such an activity will inevitably be caught and prosecuted, likely while it is happening or shortly thereafter. Building in a culture of security is important to preventing diversion and The Pass will integrate that mindset in the following ways:

- Spot check security compliance training led by Security Director.
- Random screening of employees and visitors.
- ID/Age Verification
- Adherence to policies and procedures.
- Mock drills to ensure employees are trained and act according to plan.
- Hidden cameras to ensure all those in facility are behaving when “unwatched.”
- Training on the alarm systems, and on when and how to use them.

- Regular semi-annual audits of Security Policies and Procedures.
- Regular audits of Inventory Logs and ETS.
- Regular audits of Security and Surveillance Systems.
- Regular audits of Alarm Systems.
- Regular audits of POS software to ensure no tampering

Training and deterrence as well as comprehensive security plans enabled by a knowledge of the parameters of the scope of our retail establishment license will ensure no one under the age of 21 handles, procures, or diverts cannabis nor are they allowed into the facility.

Quality Control and Quality Assurance Policies and Procedures

Sanitation and Safety best practices are paramount to the successful long-term operations of a Manufacturer. Among the areas addressed in The Pass Standard Operating Procedures are: contamination prevention, pest prevention, and cannabis handler restrictions. The Pass is committed to providing the highest quality cannabis possible.

The Pass is committed to continuous improvement and will remain at the forefront of technologies and methodologies that contribute positively to growing only the highest quality cannabis.

The Pass has also developed a procedure for maintaining the quality, security, and inventory control of cannabis via use of a specially designed Metro Dispensing Cart. The Pass's standard operating procedures and commitment to the hiring and training of the best employees will support the goal of providing the safest and most sanitary products to the adult-use marketplace.

Quality Assurance, Quality Control, and Product Testing.

Quality assurance, quality control, and product testing in the marijuana industry is crucial to the success not only of the program, but in maintaining the health and safety of the adult use consumers. With no federal oversight, state regulatory agencies are tasked with ensuring this product's safety to their constituents. Official testing will be conducted by the state-licensed 3rd party analytical labs like MCR Labs. The Pass's Quality Assurance and Quality Control program is based upon industry best practices and will ensure its useable adult-use (AU) marijuana and its subsequent products meet and/or exceed Massachusetts's requirements for testing product quality and safety.

Function of Quality Assurance and Quality Control (QA / QC). Although Quality Assurance ("QA") and Quality Control ("QC") are independent, both are interrelated functions. QA is process begins when the product enters the dispensing facility. The ultimate goal of QA is to ensure consumer safety. Conversely, QC is product oriented, comprised of in-process testing and testing of the final product.

QA will accept that the product is safe, meets state standards as labeled and as reported upon intake of all cannabis products.

For example, The Retail would establish as part of the Q/A and Q/C process that the temperature of a refrigerated edible good remains at the proper storage temp indicated on the label throughout storage and through the sale of the product to ensure no microbial contamination takes place.

In the event instances of nonconformance or deviations occur, the Retail Manager will conduct an investigation using a root cause analysis method. The procedure will follow a Failure Mode Effects Analysis ("FMEA"). Each potential "failure mode" will be logged and an effect analysis, e.g. reasons for failure, will be correspondingly logged and rank prioritized based on severity and frequency. The goal is to limit the number of failure modes and to prevent the severity of these as well as the frequency over time by studying the effect or reason and consequences of such failure, which could range from contamination to recalls. It is used in a number of industries to address process inefficiencies and improve QA/QC functionality in-house. Therefore, when deviations or nonconformities occur, "failure modes," the QA team will then review the investigation and make appropriate changes and validate the process to ensure compliance with regulations.

Another way to view the roles of QA and QC is when there is deviation in the QC process (e.g., a test was performed by QC outside of *its* validated processes). In such a case, the QC team would conduct the investigation into what went wrong, while the QA team would review that investigation for compliance.

Quality Assurance Policy, Goal, and Objective. It is The Pass's policy to efficiently operate and maintain its facilities and products in accordance with best operating practices following all applicable local and state requirements and regulations. The Pass is committed to collecting all necessary data to demonstrate that its operations and handling of adult-use (AU) marijuana are contaminate free and in compliance with state standards. The Pass will maintain and utilize an appropriate tracking, labeling, and record keeping system to ensure batch quality and consumer safety.

The Pass is also committed to ensuring that all environmental control systems are operating within acceptable limits and that adult-use (AU) marijuana is received in a safe and sanitary manner and contaminate free. The Pass will implement a sanitation and handling plan to ensure adult-use (AU) marijuana is properly handled and free of foreign matters. The Pass will observe testing results to ensure adult-use (AU) marijuana is free of mold, rot and other fungal and bacterial diseases and other potential contaminants prior to sale.

Quality Control Activities and Testing. QC activities are designed and performed to ensure that operations are monitored and products are adequate, appropriate, and contaminate free. Application of these activities is broad in range, from establishing sanitary measures to data handling and reporting procedures. QC activities rely upon qualified and well-trained staff.

A complete set of Standard Operating Procedures with protocols for maintaining a safe and sanitary environment will be established, and all staff/personnel appropriately trained in these procedures and methods in an ongoing basis.

The section below includes many of the steps to be implemented to account for product variability and to establish testing standards. A complete list will be produced along with the SOPs.

An electronic system will be utilized to store and retrieve consumer information, or any records related to the sale of all products. One system will contain all consumer records stored in a compliant manner in order ensure confidentiality of all adult use consumers. The second system, the Electronic Inventory Tracking System (ETS) will contain all the information necessary to ensure full traceability of all purchased and sold adult-use (AU) marijuana products.

The Retail Manager will conduct an initial (and subsequent, weekly) inventory in conjunction with the tracking of all adult-use (AU) marijuana products via the electronic tracking system. All goods will be managed using this system, to provide traceability of the adult-use (AU) marijuana material as it moves through the intake, storage, and sales floor within the facility. These records will have an online and offline back up; they will be maintained for a period of at least two years.

Distribution and Document Control

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

Product testing in the marijuana industry is crucial to consumer safety, and The Pass will follow all required Department testing, labeling, packaging, and consumer education protocols.

Labelling.

All products will be labeled with graphics and required text in 935 CMR 500.105(5) according to grams, of sodium, sugar, carbohydrates and total fat per serving, number of servings, doses per serving, net weight, net quantity of usable marijuana in ounces, solvents and processes used in the creation of the edibles, directions for use, and whether or not the product needs to be refrigerated or contains known allergens.

Compliance

The Pass shall maintain its facilities in a sanitary condition to limit the potential for contamination or adulteration of the cannabis grown, stored or transported in/from the facilities. Below is a comprehensive list of QA/QC activities in which the The Pass will engage:

- Ensure that trash is removed properly and at regular intervals to guard against pest infestation.
- Floors, walls, and ceilings shall be kept in good condition and good repair..
- Toxic materials will be labeled and stored so as to prevent the contamination of cannabis and in accordance with applicable laws and regulations.
- Ensure that all employees working directly with cannabis conform to sanitary practices while on duty including:
 - Maintaining adequate personal hygiene.
 - Washing hands thoroughly in adequate hand washing facilities before starting work and at any other times when their hands may have become soiled or contaminated and at all times before handling cannabis.
- The Pass will provide its employees and visitors with adequate and convenient hand-washing facilities furnished with running water at a temperature suitable for sanitizing hands:
 - Hand washing facilities will be located where good sanitary practices require employees to wash and sanitize their hands.
 - Effective nontoxic sanitizing cleansers and sanitary towel service.
- The Pass will provide its employees and visitors with adequate, readily accessible lavatories that are maintained in a sanitary condition and in good repair.

- The Pass’s facilities shall comply with all other applicable State and local building code requirements.

Contamination Prevention through Controlled Environment. Transportation and storage of cannabis at The Pass’s Manufacturing facility, including all sites therein, will be accomplished via the Metro Dispensary Cart. A cart and vault are specifically designed to meet all of the needs of dispensing medicine in a secure and sanitary manner. The design specifications include drawers with “egg crate” adjustable dividers, a Seal Lock Bar which allows a seal to be put on each drawer after being filled and inspected, and a Lock Alert Keyless Touchpad with programmable codes for transportation agents and supervisors which can be changed daily.

The cart will be inspected and stocked then sealed and locked for transportation from storage to retail. Each morning the cart will be loaded with cannabis products and then transported to the MA licensed Marijuana Establishment sales floor. From there, they will be locked in cabinets behind the counter awaiting sale. When the agent unloads cannabis the drawer seal will be broken by utilization of the key code. The drawers will then be closed and locked. This procedure will be repeated throughout the day as deliveries are made to licensed Marijuana Establishment(s) from storage. At the end of business, the cart will be transported back-of-house for inspection, inventory management, restocking, and sanitation.

Contamination Prevention through Sanitation Safeguards. All necessary precautions must be taken during the dispensing of cannabis to prevent contamination of cannabis and its packaging materials. These safeguards include, but are not limited to:

- Cleaning and sanitizing all equipment, containers, and other contact surfaces on a schedule that proactively prevents contamination.
- Controlling all potential vectors of contamination through documented procedures (SOPs), engineering controls (facility / equipment design), and routine maintenance (cleaning and replacement of consumable contamination prevention materials).
- Using sanitary handling procedures as per The Pass SOPs.
- Providing sanitary facilities with clean water appropriate for attending to the personal hygiene efforts of staff and visitors.
- Storing packaged cannabis products appropriately to prevent contamination and adulteration through the use of engineering controls that maintain the appropriate temperature, light, and moisture of the environment that cannabis products are stored in.
- Preventing cross-contamination and mix-ups between contaminated or adulterated marijuana and clean marijuana by having a designated storage cart for storing waste cannabis products such as damaged or recalled product.

Personal Hygiene and Cannabis Handler Restrictions. Pre-employment training will be provided to ensure that proper hygienic practices are employed by all staff in the facility. Employees will be required to maintain adequate personal cleanliness, including the practice of thorough hand washing for a minimum of 30 seconds before entering the facility for the work day and returning from a break, as well as after the use of the bathroom or any situation in which they expose themselves to an environment that may be a source of contamination. Frequent handwashing is the best means of controlling and containing contamination of hand contact with soiled or contaminated surfaces.

Antibacterial liquid soap or liquid detergent designed to remove contaminants, bacteria, and pathogens from the skin will be provided at all handwashing facilities and bathroom facilities. Single use towels or sanitary drying methods will be employed to sufficiently dry hands before returning to work. This a personal hygiene good practice and hand drying should never be done with common use towels or physical means that is not of a sanitary nature. Adequate supplies of both soap and hand towels will be maintained through regular inspections of bathroom and handwashing facilities.

Handwashing. The facility is built to provide adequate and readily-accessible toilet facilities for all employees and visitors. Handwashing facilities will be located in all areas that require good sanitary practices for employees to maintain clean and sanitary hand conditions. Plumbing has been adequately designed to ensure proper operations and consumer product safety. The potable water system both meets and exceeds the EPA's primary drinking water regulations of 40 CFR 141. The potable water system is under continuous pressure, preventing possibility of contamination. Running water will be supplied at a suitable temperature to aid in the cleansing of soiled and contaminated hands to ensure sanitary conditions after handwashing. All drains are adequately designed for the amount of water flowing through them and are directly connected to the sewer with air-break or mechanical seal to prevent backflow.

As part of operations, periodic maintenance and regular cleaning will be scheduled in accordance with any and all CCC regulations. This will include a checklist for date, time, and initials for twice daily checks of all bathroom areas, verifying sanitary conditions exist, and are adequately stocked with toilet paper, soap, and single use paper towels or operational hand-drying devices.

Physical Barriers. Professional hygiene and attire will be utilized by all authorized employees dispensing cannabis medicine on behalf of The Pass. Employees will practice suitable personal hygiene and wear Tyvek or disposable suits, booties, and hairnets consistent with the sanitary practice according to The Pass SOPs governing personal hygiene and dress.

Employees will be required to immediately seek first aid in the event a cut or breakage of the skin occurs. At no time will an employee be allowed to handle products while an open wound exists in an area of the body that poses a risk to contamination. Employees will immediately remove themselves from dispensing areas and notify management if an incident occurs that risks contamination of products due to cuts or lacerations of the skin.

Massachusetts Food Handler Restrictions. In accordance with food handlers restrictions, employees will be restricted from food handling under the following conditions or ailments until they are resolved. A person suffering from Amebiasis until the etiologic organism is eradicated as proven by two consecutive negative stool specimens, obtained at least 24 hours apart, as verified by a physician. If antiparasitic treatment has been given, the specimens may not be collected sooner than 48 hours after treatment was completed. A person suffering from enterohemorrhagic E. coli until the etiologic organism is eradicated as proven by two consecutive negative stool specimens, obtained at least 24 hours apart, as verified by a physician. If antibacterial treatment has been given, the specimens may not be collected sooner than 48 hours after treatment was completed. A person suffering from shigellosis until the etiologic organism is eradicated as proven by two consecutive negative stool specimens, obtained at least 24 hours apart, as verified by a physician. If antibacterial treatment has been given, the specimens may not be collected sooner than 48 hours after treatment was completed. A person suffering from typhoid fever or paratyphoid fever until the etiologic organism has been eradicated as proven by three negative successive stool specimens collected at

intervals of at least 24 hours nor earlier than 48 hours after receiving the last dose of a chemotherapeutic drug effective against *Salmonella typhi* or *paratyphi*, and no earlier than 1 month after onset. A person suffering from Hepatitis A, viral hepatitis, or jaundice of unspecified etiology until 1 week following the onset of jaundice, or 2 weeks following symptom onset or IgM antibody positivity if jaundice is not present, as verified by a physician. A person suffering from persistent diarrhea until resolved or judged to be noninfective by a physician.

Operation, Cleaning, and Maintenance of Equipment.

1. All equipment involved in the transportation or storage of cannabis shall have Operation, Cleaning, and Maintenance outlined within its own Associated Document. It shall include precautions and protective equipment required for operation.
2. Each piece of equipment shall have a fully developed step-by-step guide to its operation.
3. Maintenance instructions shall be documented in a step-by-step guide within the Associated Document.
4. Maintenance schedules and descriptions of the maintenance shall be documented within the assigned equipment logbook.

Waste Management

All waste will be removed on a schedule that prevents infestation of pests. This schedule requires that waste be removed from the facilities at least once per day, more if necessary, and be disposed of properly.

Non-Hazardous Waste. All non-hazardous waste generated by The Pass will be stored, collected, and destroyed or removed from property.

Hazardous Waste. Any hazardous waste will be managed in accordance with all Federal and State laws, rules, and regulations related to hazardous waste. This includes sections 3001-3024 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C.A. §§ 6921-6939g), the Solid Waste Management Act (35 P.S. §§ 6018.101-6018.1003) and regulations promulgated thereunder.

Cannabis Waste. Cannabis waste will be stored and sent back to seller.

Packaging and Labeling Narrative

Regulatory Compliance. In accordance with CCC 935 CMR 500.150, The Pass will audit each form of marijuana products prepared for sale. The original seal of a package may not be broken, except for quality control testing at an approved laboratory, for adverse loss investigations conducted by the CCC or by a dispensary that purchased the marijuana product.

The Pass will ensure all sold cannabis and cannabis products will possess child resistant features so as to protect the contents from unauthorized access by minors. Each package will be sealed with tamper-proof or tamper-evident tape such that any breach of the packaging will be obvious and unmistakable. The packaging will be opaque so as to protect the contents from exposure to light to protect and preserve the quality and efficacy of the active ingredients of the product. The packaging will be resealable so as to provide convenient access and storage to the consumer while protecting the integrity of the product.

The packaging selected is suitable for minimizing the exposure of the product contained to moisture, light, and oxygen. Each package of marijuana will contain a unique identifier indicating the specific lot of processed cannabis – batch production records (BPRs) that is contained in the packaging.

The packaging and labeling has been designed so as to not appear to resemble the trademarked, characteristic or product-specialized packaging of any commercially available food or beverage products.

The packaging and labeling has been designed so as to not contain any statement, artwork, or design that could reasonably lead an individual to believe that the package contains anything other than marijuana.

The packaging and labeling has been designed so as to not contain any seal, flag, crest, coat of arms, or other insignia that could reasonably mislead an individual to believe that the product has been endorsed, manufactured, or approved for use by any state, county, or municipality or any agency thereof.

The packaging and labeling has been designed so as to not contain any cartoon, color scheme, image, graphic, or feature that might make the package attractive to children.

The packaging will be labeled according to grams, of sodium, sugar, carbohydrates and total fat per serving, number of servings, doses per serving, net weight, net quantity of usable marijuana in ounces, solvents and processes used in the creation of the edibles, directions for use, and whether or not the product needs to be refrigerated or contains known allergens.

Prior to packaging the first marijuana product The Pass will obtain written approval of the content of the labeling for packaged marijuana products for dispensing. A representative sample package and label for each type and form of marijuana will be provided to an internal review/audit team and receive approval prior to transportation to a retail marijuana establishment for sale.

Each label will be easily readable with black print on a white background using a font that is suitably large and clear for ease of reading.

Each label will be made of weather-resistant and tamper-resistant materials.

Each label will be conspicuously located on each package of marijuana. The label will contain the name, address, and permit of the growing/processing facility that the marijuana was cultivated and processed in. The label will list the form, quantity, and weight in ounces of marijuana included in the package. The label will list the amount of individual doses contained within the package and the species and percentage of cannabinoids such as THC and CBD.

Labels will contain an identifier that is unique to a particular harvest batch of marijuana, including the number assigned to each harvest lot or process lot in the harvest batch. The label will include the date the marijuana was packaged.

The label will state the employee identification number of the agent responsible for preparing the package and packaging the marijuana. The label will also contain the employee identification number of the employee shipping the package, if different than the employee who packaged the marijuana.

The label will have the name and address of the dispensary to which the package will be sold. The label will list the expiration date of the marijuana contained within the package. The label will include instructions for proper storage of the marijuana within the package, known allergens, refrigeration instructions (when applicable), and directions for use (when applicable).

Each package label will contain warnings as indicated in 935 CMR 500.105(5) including;

“The impairment effects of edible products may be delayed by two hours or more. This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN”

And

THC Warning Graphic

And

Not Safe For Kids Warning Graphic

The Pass will inspect each label to ensure that the label is easily readable and text is no less than 1/16 inches in size, is conspicuously placed on the package, includes the name, address and permit number of the Manufacturing facility, lists the form and quantity (ounces.) of marijuana, and contains the following warning – “The impairment effects of edible products may be delayed by two hours or more. This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN” – lists the amount of individual doses contained within the package (if package contains multiple servings), and the species and percentage of cannabinoids such THC and CBD, contains the warning – “The marijuana in this package should be kept in the original container in which it was dispensed.” – the name and address of the dispensary, lists a use by or expiration date, lists the packaging date, includes instructions for proper storage of the marijuana in the package, contains any other information regarding refrigeration, nuts or other allergens, and any instructions for safe use, and, if an extract or oil use of the word “concentrate” or “extract” and any processing solvents or techniques were used. The inspection step will include a checklist and verification confirmation in the form of the initials of the agent responsible for the verification step in addition to their agent registration number.

The Pass will inspect each label to ensure that the label and package to ensure that they do not bear; any resemblance to the trademarked, characteristic or product-specialized packaging of any commercially available for or beverage product, any statement, artwork, or design that could reasonably lead an individual to believe that the package contains anything other than marijuana, any seal, flag, crest, coat of arms, or other insignia that could reasonably mislead an individual to believe that the product has been endorsed, manufactured, or approved for use by any state, county, or municipality or agency thereof, any cartoon, color scheme, image, graphic, or feature that might make the package attractive to children. The inspection step will include a checklist and verification

confirmation in the form of the initials of the The Pass agent responsible for the verification step in addition to their agent registration number.

The Pass Commitment to Quality. The Pass is committed to the quality of the products that it produces at its proposed Manufacturing facility at 1375 Main St. Sheffield, MA. The Pass recognizes that product package plays an integral role in ensuring the consistency, purity, and efficacy of the marijuana products and extracts. The Pass further understands the vital importance that packaging plays in the compliance of marijuana products in the state of Massachusetts and the importance to patient experience in terms of ease of use with consideration given to practical needs such as accurate dosing, accessibility, protection from unauthorized access, and storage. As such The Pass will apply the most rigorous approach to ensuring the quality of its packaging of marijuana products.

Raw Materials and Equipment. The quality assurance of packaging begins with the design specification of the packaging materials, labels, and equipment. To avoid quality or production disruptions each product will be packaged in enclosure systems bearing labels that meet design specifications identified to protect against quality and production problems. The next step in the sourcing of packaging materials, labels, and packaging equipment is to verify the suitability of the supplier through The Pass's **responsible vendor program**. The responsible vendor program is designed to assure the appropriate selection of vendors as well as the ongoing suitability of vendors.

Method. The Pass employs standard operating procedures (SOPs) governing all aspects of the packaging and labeling process. SOPs which impact the packaging and labeling process cover the purchase, receipt, storage, and handling of raw materials and packaged materials, the maintenance, calibration, and sanitation of the equipment used in packaging, the procedure for generating labels, the procedure for packaging and labeling of packages of medical marijuana for dispensing, the sanitation of the environment in which packaging will be performed, and the quality control and quality assurance procedures associated with the packaging and labeling process such as verifying compliance of the packaged and labeled medicine.

An overview of the label generation and verification process follows; Labels will be generated via the ETS. The ETS will contain all of the details for each process lot of material such as strain, weights, potency, form, expiration date, manufacturing details including methods and solvents used, and all other data required by 105(5)-(7). The potency data will be linked from the Department approved analytical laboratory provided data. The weights and counts will be input in real time to the ETS at the time of packaging. Dispensary details will be input at the time of labeling based on demand. Labels will be placed conspicuously upon the packaged product and verified by a second employee. The verification will be logged in the ETS with the verifier's identification number. Labeled packages will be stored in accordance with The Pass's MMJ storage SOP.

Personnel. The Pass will hire the most qualified and dependable agents available consistent with its hiring practices SOP and will train and authorize employees prior to allowing them to package and label medical marijuana products for dispensing. The training will occur on an ongoing basis to ensure that agents involved in packaging and labeling are completely qualified to perform the duties associated with the packaging and labeling of medical marijuana products for dispensing and that these agents remain qualified. See Qualifications and Training Plan for more details. The training will be ongoing and updated as processes evolve. Changes to the process will be kept in the Master Manufacturing

Record, and are subject to EMT approval, SOP revisions, and demonstration of proficiency and authorization prior to agents performing packaging and labeling using the updated packaging and or labeling processes. Any new package and label products will be validated by providing an example to EMT and internal audit team.

Environment. Environmental controls will ensure proper lighting, temperature, humidity, and protection from pests and environmental contamination. Agents will be required to follow strict personal hygiene practices in addition to adherence to contamination minimization protocols regarding dress, entrance/exit procedures, and materials transfer procedures.

Vendor Assurance Program. The supplier of packaging and labeling products to The Pass will be evaluated based on two internal guidance programs. The first guidance program is the diversity plan. The diversity plan will ensure The Pass engages vendors who are local and representative of the diversity of the community. The second guidance program is the vendor assurance program. The vendor assurance program is designed to ensure the supply, quality, and suitability of suppliers to The Pass.

Several qualified suppliers will be selected from the evaluation so as to provide redundancy of supply of packaging and labeling materials ensuring that operations will not be interrupted by supply chain interruptions. Each supplier selected to be an approved vendor will be validated in accordance with The Pass's vendor assurance program.

The vendor assurance program ensures the suitability of a supplier through various quality control measures. The program calls for an initial audit of a supplier which verifies that the supplier's quality program and management is sufficient to ensure the reliability and availability of the products The Pass will source from these providers.

As packaging and labeling is integral to providing safe, convenient, and compliant marijuana the packaging quality will receive the highest degree of scrutiny. As part of the vendor assessment the vendor's quality system will be evaluated as it pertains to process, equipment, personnel, and facilities as appropriate where such factors will have an impact on The Pass's outgoing products, including issues pertaining to packaging and labeling of received goods.

The Pass will verify that the supplier of packaging and labeling materials has received the appropriate certification of their quality system in accordance with the standards organization or other industry related agency that directly apply to their scope of operations. These certifications will be kept on file by The Pass and updated as appropriate as part of The Pass's quality assurance program.

The Pass will perform an initial vendor assessment using a combination of the following; a questionnaire, phone conversations, email communications, and/or on-site audits. Vendor assessments will be performed on a schedule determined by the quality assurance department in concert with the procurement department such as to ensure the ongoing quality and supply of packaging and labeling products to suit The Pass's needs.

The cannabis goods once obtained will be inspected to ensure suitability for intended use. This inspection will include visual, chemical, dimensional, physical, microbial, and performance characteristics in comparison to specification and will be used to ensure the ongoing quality of packaging and labeling supplies and suitability of supplier performance.

Packaging Environment and Storage Considerations. The packaging and labeling material will be stored in such a way as to ensure the integrity of the packaging and labeling throughout the life of its intended use including receipt, storage, processing, shipping, and the duration of the shelf life of the contained marijuana products.

The storage environment will take into consideration any and all potential threats to the integrity, functionality, and quality of the packaging and labeling material including light, temperature, moisture, pests, environmental and microbiological contamination. This will be accomplished through the use of engineering controls to manage and monitor temperature, humidity, and air quality in the packaging and labeling environment as well as procedural practices governing the personal hygiene of agents and the cleaning and sanitation of the work environment.

Training and Performance Evaluation. Ongoing training, internal audits, and performance evaluations will ensure that the retail, audit, hygiene, and intake processes achieves and maintains the highest degree of quality and suitability for maintaining the quality of the packaged and labeled marijuana for dispensing and the ongoing compliance of the packaged and labeled cannabis products.

Quality Assurance. Internal audits of the packaging and labeling process will be conducted on a schedule which assures the consistency and quality of the retail, audit, hygiene, and intake processes and its impact on the consistency and quality of the marijuana contained in the packaging.

Product Defects / Customer Complaints / Product Returns. Quality assurance and quality control are jointly responsible for investigation of any and all cases of defect, product returns, or customer complaints including those that are associated with packaging and labeling. An investigation will be conducted in each case and the results and responses will be maintained by the quality control department in the form of corrective action / preventative action reports as governed by The Pass SOPs. Any non-conformances will be monitored and recorded by the quality assurance department, headed by Retail Manager and The Pass EMT.

Ongoing Commitment. The Pass is committed to providing ongoing excellence in the sale of the highest quality marijuana products. The procurement team in concert with quality assurance will continuously look for and develop improved retail solutions. In each instance new or improved materials or methodologies become available The Pass will validate the suitability of the new process or material.

The Pass: Executive Management Team (EMT)

Co-Founder and CEO: Chris Weld. Founder and CEO of Berkshire Mountain Distillers (BMD) Chris Weld brings award-winning commercial horticulture and manufacturing experience to The Pass. Chris will leverage his expertise in botany – 10-plus years of cultivating botanicals for commercial use in BMD spirits, and commercial organic compliant orchard for a decade – systems and process engineering, and rigorous compliance - 2x/mo. federal filing and 1x/mo. MA filing for BMD - to drive consumer value across all products and fulfill the many technical and operational challenges inherent to commercial cultivation and manufacturing in regulatory-driven industries.

For example, Chris worked in two regulated industries over his lifetime. He has excelled in the highly regulated alcoholic beverage and spirits industry in Massachusetts and nationwide creating craft consumable products for adult use, a skill which he will bring to The Pass. BMD's Greylock Gin named “#1 Craft Gin in the US” by the New York Times and a Gold Medal Winner at SF Spirits Competition. Berkshire Bourbon Whiskey is Gold Medal Winner in Jim Murray's Whiskey Bible. Ragged Mountain Rum is now a Double Gold Medal Winner at SF Spirits Competition. However, before BMD, Chris had a 20-year career in emergency medicine, including a DEA RX number. He was never cited for violations and never had a single infraction. Not only does Chris excel in craft consumer products but he has history of doing so while maintaining strict compliance with changing municipal, state, and federal laws.

Chris's entrepreneurial experience stretches outside of alcohol and spirits. Chris has a design, build, and construction firm with his architect wife Tyler for 15 years and has extensive knowledge of permitting and building codes that will drive The Pass design and buildout. He has a B.A. Biology and Biochem from Skidmore College and a M.A. Emergency Medicine. He lives with his wife and three kids in Great Barrington, MA.

As CEO, Chris is responsible for company operations, including diversity and community impact plans, compliant construction, design and buildout of the cultivation facilities across two sites in Sheffield, profits and losses (P&L), production planning and inventory management (PPIM), equipment and equipment maintenance schedules. company reporting, company compliance, emergency preparedness, and has final accountability on all SOPs and Policies and Procedures. From time to time, he may take on other duties as determined by the EMT.

Co-Founder and President: Michael S. Cohen. Michael is an accomplished entrepreneur and investor who will apply his expertise in building connections between ethical brands and consumers to the emerging cannabis industry. As a mid-90's pioneer of the Internet advertising business, Michael helped establish the value of the Internet as a marketing channel. With cannabis and The Pass, communication and education takes on an outsized role, and Michael will be instrumental in supporting the evolution of the nascent market in Massachusetts. Michael will drive a high-integrity adult-only brand strategy and clear communication and educational outreach for The Pass while overseeing the company's daily operations and investor relations.

Michael is a serial entrepreneur and founder. His first venture was as the Founder and President of iballs Internet Media, which sold to Avenue A (Aquantive) a successful company IPO in 2000 and was later acquired by Microsoft \$6.5B in 2009. His vision grew a small startup into an enormous enterprise value, and will ensure The Pass's ethical adult-use business model maintains integrity while it grows alongside the nascent industry. He looks forward to working with a diverse

workforce, enabling access to new generation of young entrepreneurs, and showing how businesses can best grow His second venture was as founder of East Yoga Center studio in NYC his wife in 2004, which eventually sold 2010. He is also a partner of Modern Green Home (Oza Sabbeth Architecture) in Bridgehampton, NY. Having ethical business leadership in a competitive regulated marketplace is an important quality Michael and The Pass brings to the MA adult-use cannabis landscape.

Michael has overseen brand strategy for such firms as Kodak, IBM, Fila, Mecox Gardens, Weplay, Goodfriend Motors, Edible Communities. As an investor in Merida Capital, he knows what good business fundamentals are in the cannabis space.

Michael has B.A. in English from Tufts University and an MBA in Marketing from Columbia University. He lives in Great Barrington, MA with his wife, three children, five dogs, rabbits, chickens, and horse.

As President, Michael is in charge of the business operations and investor relations. He has dual responsibility for the fiscal health of the company alongside Chris. He is responsible for personnel, HR, accounting and bookkeeping practices, financial recordkeeping, vendor and licensing relationships, compliant and ethical marketing and advertising, and other duties as the EMT may designate from time to time.

Chief Strategy Officer: Nial C. DeMena. Nial DeMena is a technically proficient, resourceful, and cross-disciplinary leader of the cannabis industry. His ability to efficiently distill and disseminate new information, and his hands-on approach to product development design, manufacturing, and commercialization will help drive company strategy and execution from pre-seed to post-sale.

As an entrepreneur, Nial is the Founder and CEO Manna Molecular Science, LLC in which time – less than 2 full years of operation – he has expanded his business into over 10-plus legal cannabis states and beyond a \$20M valuation, employing fifteen in the process. Manna Molecular Science is represented on the NCIA Board of Directors by former NCIA President Ean Seeb of Denver Relief Consulting. He has developed at Manna alongside world-class pharmaceutical scientists – inventor of Mylan’s Fentanyl patch, MIT Ph.D formulation chemist, tenured Pharmaceuticals professor – a successful industry-leading cannabis-infused transdermal patch using semi-autonomous robotics. He continues to run the company and expand evidence-based cannabis medicines and delivery forms for the national and Massachusetts market while serving as CSO to The Pass.

Nial has worked in the legal MA medical spaces, too, as the former COO of Manna Wellness, Director of Community Development for The Greenway Wellness Foundation, and was one of the original Co-Founders of Temescal Wellness, Massachusetts before leaving for Manna Molecular Science. He has a B.A. English, Colby College and a M.A Rhetoric and Technical Writing from Virginia Tech.

He will bring his extensive network and industry leading entrepreneurial expertise to guide and set the compliance and business strategies for The Pass.

Key Personnel

Cultivation and Operations Consultant: Scott Holland. Scott Holland has been a part of the marijuana legalization movement since 1990 when he was a founding member of the Arizona State chapter of NORML. He has been active in the Colorado medical and recreational marijuana industry since 2004 and has helped launch some of the most recognized name brands in the marketplace.

Scott has successful experience in developing and launching several concentrate and edible companies. He parlayed his management skills into a Director of Operations role for the largest operation in Western Colorado where he was responsible for a 25,000 square foot grow and processing operation with a team of 30 employees supporting a chain of dispensaries.

Prior to the evolution of the medical/legal marijuana industry, Scott was a top sales person in the high technology sector while working for General Electric developing Fortune 100 clients in the Defense and Telecom industries.

Scott holds a B.S. in International Marketing with a Minor in Spanish from Arizona State University.

Retail Manager: Retail Manager is responsible for The Pass's front-of-house and back-of-house retail operations: managing ordering, storage and stocking of product; product intake; product transportation manifests; receiving; QA/QC of all goods; end-of-day POS reconciliation; employee and product hygiene; verification processes relating to analytical testing, customer ID, sales data; monthly and yearly POS audits; product recalls and quarantines; training staff, staff handbooks; educational materials, point-of-sale education; displays, branding, visual aesthetics; customer experience, retention, and attrition; OSHA and CCC compliance.

Assistant Retail Manager: Assistant Retail Manager is responsible for the conduct, efficiency, and day-to-day on-the-floor retail operations. They are tasked with overseeing compliant POS transactions, monitoring the dialogue of customer consultants to ensure internal and CCC compliance, decorum, etiquette, dress codes, totaling the sales throughout the day, ensuring no product is diverted or lost or sold to a minor, e.g. under 21, and reconciling the drawers at the end of the day (8pm).

Customer Consultant (4x). Customer Consultants are responsible greeting and educating the Adult-Use consumer. They are responsible for customer engagement and customer shopping experience at The Pass. They must have a working knowledge of all product types, categories, dosages, ingredients, packaging and labeling requirements, safe handling instructions, at home storage instructions, directions for use of any product sold at The Pass, input materials, e.g. concentrates and extracts and the methodologies used to create them, cannabis flower, common cannabinoids (and ratios), terpenes, and all CCC retail regulations, The Pass SOPs, ETS and point-of-sale (POS) software, and other materials as is necessary for conducting business.

Security Director. Security Director is responsible for compliance with CCC regulations and municipal regulations applicable to The Pass's operations. SD will verify and maintain software and technology in place to adequately provide oversight, security, and monitoring in all required areas; advise internal management on the implementation of compliance and security programs; oversee compliant transportation of usable cannabis; monitor compliance systems, policies, and procedures to ensure effectiveness; take responsibility for communications with the CCC and for incident

reporting; oversee emergency policies and procedures. SD will regularly patrol facility and be a strong physical presence in and an assuring face of The Pass

Chief Financial Officer (CFO). The Pass's CFO has final authority for all financial reporting, accounting methods, financial recordkeeping and for reporting to the EMT and CEO on a regular basis. CFO institutes all compliant financial and tax recordkeeping at the local, state, and federal level.

Controller. The controller assists the EMT and CPA with bookkeeping, accounts payable/receivable, payroll administration, tax preparation and filing, and other financial reportage as required by the Board of Directors, CCC, or other authority.

Human Resources Manager. The HR Manager reports to the CEO and President on all matters pertaining to the hiring and staffing policies and procedures, current staffing and training needs, compliance training, CCC personnel regulations and changes thereto. HR Manager has authority of diversity goals and for enacting the organizational and community outreach necessary to meet goals. Individual is charged with day-to-day workplace training and with compliance with federal, state, and municipal law.

Personnel Training Program

All employees hired to work at will be qualified and licensed as a marijuana establishment agent and, additionally, will be properly trained to serve in their respective roles in a manner setting up for success and consistency in regulatory compliance.

All marijuana establishment agents will be 21 years of age or older in compliance with 935 CMR 500.030. Similarly, no marijuana establishment will be hired who has been convicted of a criminal offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States, or foreign jurisdiction, or a military, territorial, or Native American tribal authority.

Additionally, all marijuana establishment agents will meet the requirements of 935 CMR 500.802. In the event that discovers any of its agents become unsuitable for licensure as marijuana establishment agents, will terminate the agent's employment and notify the Commission within 1 business day that the agent is no longer associated with the establishment.

Pursuant to 935 CMR 500.105(2), and before performing any regulated job activities, each of marijuana establishment agents will complete a -specific training program customized for the roles and responsibilities of the agent's job function. This agent training will, at minimum, include the Responsible Vendor Program to be established by the Commission and at least eight (8) hours of on-going training annually.

On or after July 1, 2019, all of current owners, managers, and employees –regardless of function – will have attended and successfully completed a Responsible Vendor Program operated by an education provider accredited by the Commission to provide the annually required responsible vendor training to marijuana establishment agents. All new, non-administrative employees will

complete the Responsible Vendor Program within 90 days of employment. As required, all owners, managers, and employees will subsequently complete the continuing vendor responsibility program courses once every year thereafter.

Records of responsible vendor training program compliance will be maintained for at least four (4) years per Commission regulations.

As part of overall training, marijuana establishment agents will receive training on a variety of topics, including but not limited to the following:

1. Marijuana's physical effect on the human body, including variations in different types of marijuana products and methods of administration, and recognizing the visible signs of impairment;
2. Best practices for diversion prevention and prevention of sales to minors and full training on the components of Diversion Prevention Plan;
3. Compliance with seed-to-sale tracking, storage and inventory management
4. requirements;
5. Training on secondary identification checks, including acceptable forms of
6. identification and recognizing fraudulent documents;
7. All other areas of Responsible Vendor training as determined by the Commission; and
8. Other significant state laws and rules affecting operators, such as:
 - Local and state licensing and enforcement;
 - Incident and notification requirements;
 - Administrative and criminal liability and license sanctions and court sanctions;
 - Waste disposal and health and safety standards;
 - Patrons prohibited from bringing marijuana onto licensed premises;
 - Permitted hours of sale and conduct of establishment;
 - Permitting inspections by state and local licensing and enforcement authorities;
 - Licensee responsibilities for activities occurring within licensed premises;
 - Maintenance of records and privacy issues; and
 - Prohibited purchases and practices.

Our training program is based on the above listed policies and procedures to insure proper and full compliance to the above listed standards. Each employee is to be trained on schedules, system, communication and staffing requirements. They are to be trained on state CCC regulations, and regarding job qualifications such as listed below:

- Facility Entrance/Egress
- Proper Decorum and Behavior on Premises
- Hygienic Practices
- Badging Requirements
- On Duty Responsibilities
- Manufacturing Policies and Procedures (when necessary)
- Storage of Cannabis and Cannabis Products
- Disposal and Waste Management
- Compliant Packaging
- Incident Reporting and Escalation

- Anti-diversion Methods and How to Detect Diversion
- Accidents, Diversions, Losses, “Reportable Occurrences.”
- State and Municipal Inspection Requirements and Policies
- Emergency Preparedness
- Alarm, Security Procedures
- Workplace Safety
- Real-Time Inventory Management Training
- Electronic Tracking System Training
- Transportation Manifests and Transportation Protocols.

Training records for each employee will be maintained for at least four years. Training will be updated and refreshed annually or more frequently as needed, such as in the event of a CCC approved change in protocol. Compliance with procedure will be monitored on an ongoing basis through internal audits and performance reviews. Training will feature full mock “dry runs” prior to operations. These will be graded on a pass/fail basis by the Security Director or departmental Director.

Training and Performance Evaluation. Employees will be fully trained and will demonstrate proficiency in performing all on-duty activities prior to being authorized to perform duties without direct supervision. The training will include training on all equipment being utilized. Ongoing training, internal audits, and performance evaluations will ensure that the processes achieve and maintain the highest degree of quality and suitability for maintaining the quality of the useable marijuana for dispensing and the ongoing compliance of the packaged and labeled products.

PERSONNEL POLICIES AND PROCEDURES

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Scott holds a B.S. in International Marketing with a Minor in Spanish from Arizona State University.

Retail Manager: Retail Manager is responsible for The Pass's front-of-house and back-of-house retail operations: managing ordering, storage and stocking of product; product intake; product transportation manifests; receiving; QA/QC of all goods; end-of-day POS reconciliation; employee and product hygiene; verification processes relating to analytical testing, customer ID, sales data; monthly and yearly POS audits; product recalls and quarantines; training staff, staff handbooks; educational materials, point-of-sale education; displays, branding, visual aesthetics; customer experience, retention, and attrition; OSHA and CCC compliance.

Assistant Retail Manager: Assistant Retail Manager is responsible for the conduct, efficiency, and day-to-day on-the-floor retail operations. They are tasked with overseeing compliant POS transactions, monitoring the dialogue of customer consultants to ensure internal and CCC compliance, decorum, etiquette, dress codes, totaling the sales throughout the day, ensuring no product is diverted or lost or sold to a minor, e.g. under 21, and reconciling the drawers at the end of the day (8pm).

Customer Consultant (4x). Customer Consultants are responsible greeting and educating the Adult-Use consumer. They are responsible for customer engagement and customer shopping experience at The Pass. They must have a working knowledge of all product types, categories, dosages, ingredients, packaging and labeling requirements, safe handling instructions, at home storage instructions, directions for use of any product sold at The Pass, input materials, e.g. concentrates and extracts and the methodologies used to create them, cannabis flower, common cannabinoids (and ratios), terpenes, and all CCC retail regulations, The Pass SOPs, ETS and point-of-sale (POS) software, and other materials as is necessary for conducting business.

Security Director. Security Director is responsible for compliance with CCC regulations and municipal regulations applicable to The Pass's operations. SD will verify and maintain software and technology in place to adequately provide oversight, security, and monitoring in all required areas; advise internal management on the implementation of compliance and security programs; oversee compliant transportation of usable cannabis; monitor compliance systems, policies, and procedures

to ensure effectiveness; take responsibility for communications with the CCC and for incident reporting; oversee emergency policies and procedures. SD will regularly patrol facility and be a strong physical presence in and an assuring face of The Pass

Chief Financial Officer (CFO). The Pass's CFO has final authority for all financial reporting, accounting methods, financial recordkeeping and for reporting to the EMT and CEO on a regular basis. CFO institutes all compliant financial and tax recordkeeping at the local, state, and federal level.

Controller. The controller assists the EMT and CPA with bookkeeping, accounts payable/receivable, payroll administration, tax preparation and filing, and other financial reportage as required by the Board of Directors, CCC, or other authority.

Human Resources Manager. The HR Manager reports to the CEO and President on all matters pertaining to the hiring and staffing policies and procedures, current staffing and training needs, compliance training, CCC personnel regulations and changes thereto. HR Manager has authority of diversity goals and for enacting the organizational and community outreach necessary to meet goals. Individual is charged with day-to-day workplace training and with compliance with federal, state, and municipal law.

Personnel Recordkeeping

HR Manager will be responsible for maintaining and updating personnel records and delegating responsibilities to department managers. Personnel files will be generated at the time of hiring. These will include electronic records of each of the items listed hereunder:

Name, address, contact information, emergency contact information, previous work experience, CV or resume, gender, race, other miscellaneous publicly available information, background check results, fingerprints, benefits summary, interviewer report, name and EID of employee responsible for hiring said employee, EID number of employee, employment history—administrative actions, violations, reports of misconduct, performance history, quarterly performance reviews, and any other relevant employment data; proof and attendance records of training, certification.

Personnel Training Program

All employees hired to work at will be qualified and licensed as a marijuana establishment agent and, additionally, will be properly trained to serve in their respective roles in a manner setting up for success and consistency in regulatory compliance.

All marijuana establishment agents will be 21 years of age or older in compliance with 935 CMR 500.030. Similarly, no marijuana establishment will be hired who has been convicted of a criminal offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States, or foreign jurisdiction, or a military, territorial, or Native American tribal authority.

Additionally, all marijuana establishment agents will meet the requirements of 935 CMR 500.802. In the event that discovers any of its agents become unsuitable for licensure as marijuana establishment agents, will terminate the agent's employment and notify the Commission within 1 business day that the agent is no longer associated with the establishment.

Pursuant to 935 CMR 500.105(2), and before performing any regulated job activities, each of marijuana establishment agents will complete a -specific training program customized for the roles and responsibilities of the agent's job function. This agent training will, at minimum, include the Responsible Vendor Program to be established by the Commission and at least eight (8) hours of on-going training annually.

On or after July 1, 2019, all of current owners, managers, and employees –regardless of function – will have attended and successfully completed a Responsible Vendor Program operated by an education provider accredited by the Commission to provide the annually required responsible vendor training to marijuana establishment agents. All new, non-administrative employees will complete the Responsible Vendor Program within 90 days of employment. As required, all owners, managers, and employees will subsequently complete the continuing vendor responsibility program courses once every year thereafter.

Records of responsible vendor training program compliance will be maintained for at least four (4) years per Commission regulations.

As part of overall training, marijuana establishment agents will receive training on a variety of topics, including but not limited to the following:

1. Marijuana's physical effect on the human body, including variations in different types of marijuana products and methods of administration, and recognizing the visible signs of impairment;
2. Best practices for diversion prevention and prevention of sales to minors and full training on the components of Diversion Prevention Plan;
3. Compliance with seed-to-sale tracking, storage and inventory management
4. requirements;
5. Training on secondary identification checks, including acceptable forms of
6. identification and recognizing fraudulent documents;
7. All other areas of Responsible Vendor training as determined by the Commission; and
8. Other significant state laws and rules affecting operators, such as:
 - Local and state licensing and enforcement;
 - Incident and notification requirements;
 - Administrative and criminal liability and license sanctions and court sanctions;
 - Waste disposal and health and safety standards;
 - Patrons prohibited from bringing marijuana onto licensed premises;
 - Permitted hours of sale and conduct of establishment;
 - Permitting inspections by state and local licensing and enforcement authorities;
 - Licensee responsibilities for activities occurring within licensed premises;
 - Maintenance of records and privacy issues; and
 - Prohibited purchases and practices.

Our training program is based on the above listed policies and procedures to insure proper and full compliance to the above listed standards. Each employee is to be trained on schedules, system, communication and staffing requirements. They are to be trained on state CCC regulations, and regarding job qualifications such as listed below:

- Facility Entrance/Egress
- Proper Decorum and Behavior on Premises
- Hygienic Practices
- Badging Requirements
- On Duty Responsibilities
- Cultivation Policies and Procedures (when necessary)
- Storage of Cannabis
- Disposal and Waste Management
- Compliant Packaging
- Incident Reporting and Escalation
- Anti-diversion Methods and How to Detect Diversion
- Accidents, Diversions, Losses, “Reportable Occurrences.”
- State and Municipal Inspection Requirements and Policies
- Emergency Preparedness
- Alarm, Security Procedures
- Workplace Safety
- Real-Time Inventory Management Training
- Electronic Tracking System Training
- Transportation Manifests and Transportation Protocols.

Training records for each employee will be maintained for at least four years. Training will be updated and refreshed annually or more frequently as needed, such as in the event of a CCC approved change in protocol. Compliance with procedure will be monitored on an ongoing basis through internal audits and performance reviews. Training will feature full mock “dry runs” prior to operations. These will be graded on a pass/fail basis by the Security Director or departmental Director.

Training and Performance Evaluation. Employees will be fully trained and will demonstrate proficiency in performing all on-duty activities prior to being authorized to perform duties without direct supervision. The training will include training on all equipment being utilized. Ongoing training, internal audits, and performance evaluations will ensure that the processes achieve and maintain the highest degree of quality and suitability for maintaining the quality of the useable marijuana for dispensing and the ongoing compliance of the packaged and labeled products.

Diversity and Placement Records. The HR Manager will be responsible for the Diversity Plan and the Affirmative Action Plan. All records that entail employee placement records, utilization and workforce analyses, and historical Change Log of diversity programs. DBEs and qualified vendors including amounts will also be recorded in the Diversity Log electronically. All cultural competency and unconscious bias training and official attendance records will be stored in the electronic Diversity Log.

Spending on diversity initiatives, diverse outreach programs, and program efficacy will be recorded by the HR Manager. Recommendations generated at the annual review of Diversity Plan, Diversity Log, and Affirmative Action Plan will be recorded in the Diversity and Affirmative Action Plans and accounted for in the version history and Change Log.

Personnel Policies Including Background Checks

The Pass will maintain personnel records as a separate category of records due to the sensitivity and importance of information concerning agents, including registration status and background check records. At a minimum, will maintain the following personnel records: 1) job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions; 2) personnel records for each marijuana establishment agent; 3) a staffing plan that will demonstrate accessible business hours and safe conditions; 4) personnel policies and procedures; and 4) all background check reports obtained in accordance with 935 CMR 500.030. will employ marijuana agents to fill the following job roles for its marijuana cultivation facility in Sheffield:

- Director of Production
- Manufacturing Technician (2x)
- Security Director
- Transportation Agents (2x).
- Chief Financial Officer (CFO)
- Controller.
- Human Resources Manager

Marijuana Agent Personnel Records. Personnel records for each marijuana agent (as defined in 935 CMR 500.002) will be maintained for at least twelve (12) months after termination of the agent's affiliation with and will include, at a minimum, the following: 1) all materials submitted to the Commission pursuant to 935 CMR 500.030(2); 2) documentation of verification of references; 3) the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision of the marijuana agent; 4) documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters; 5) documentation of periodic performance evaluations; 6) records of any disciplinary actions taken; 7) notice of completed responsible vendor and eight-hour related duty training; 8) results of initial background investigation, including CORI reports; and 9) documentation of all security related events (including violations) and the results of any investigations and description of remedial actions, restrictions, or additional training required as a result of an incident. These personnel records will be kept in a secure location to maintain confidentiality and be only accessible to the agent's manager or members of the executive management team.

Marijuana Agent Background Checks. In addition to completing the Commission's agent registration process, all agents hired to work for will undergo a detailed background investigation prior to being granted access to marijuana cultivation facility or beginning work duties. Background checks will be conducted on all agents in their capacity as employees or volunteers for the

cultivation facility pursuant to 935 CMR 500.100 and will be used by the Security Director, who will be registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration and the Commission for purposes of determining the suitability of individuals for registration as a marijuana establishment agent with the licensee.

For purposes of determining suitability based on background checks performed in accordance with 935 CMR 500.101(1), will consider: 1) all conditions, offenses, and violations are construed to include Massachusetts law or like or similar law(s) of another state, the United States or foreign jurisdiction, a military, territorial or Native American tribal authority, or any other jurisdiction; 2) all criminal disqualifying conditions, offenses, and violations include the crimes of attempt, accessory, conspiracy, and solicitation. Juvenile dispositions will not be considered as a factor for determining suitability; and 3) where applicable, all look back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802 commence upon the date of disposition; provided, however, that if disposition results in incarceration in any institution, the look back period will commence upon release from incarceration.

The Pass will make employment suitability determinations in accordance with the procedures set forth in 935 CMR 500.800. In addition to the requirements established in 935 CMR 500.800, will: 1) comply with all guidance provided by the Commission and 935 CMR 500.802; 2) consider whether offense(s) or information that would result in a Presumptive Negative Suitability Determination under 935 CMR 500.802. In the event a Presumptive Negative Suitability Determination is made, will consider the following factors:

1. Time since the offense or incident;
2. Age of the subject at the time of the offense or incident;
3. Nature and specific circumstances of the offense or incident;
4. Sentence imposed and length, if any, of incarceration, if criminal;
5. Penalty or discipline imposed, including damages awarded, if civil or
1. administrative;
6. Relationship of offense or incident to nature of work to be performed;
7. Number of offenses or incidents;
8. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
9. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including, but not limited to, professional or educational certifications obtained; and
10. Any other relevant information, including information submitted by the subject; and
11. Consider appeals of determinations of unsuitability based on claims of erroneous information received as part of the background check during the application process in accordance with 803 CMR 2.17: Requirement to Maintain a Secondary Dissemination Log and 2.18: Adverse Employment Decision Based on CORI or Other Types of Criminal History Information Received from a Source Other than the DCJIS.

Upon adverse determination for a particular applicant, will provide the applicant a copy of their background screening report and a pre-adverse determination letter providing the applicant with a copy of their right to dispute the contents of the report, who to contact to do so and the opportunity to provide a supplemental statement. After 10 business days, if the applicant does not

dispute the contents of the report and no applicant-provided statement gives cause to alter the suitability determination, an adverse action letter will be issued providing the applicant information on the final determination made by along with any legal notices required. All suitability determinations will be documented in compliance with all requirements set forth in 935 CMR 500 et seq. and guidance provided by the Commission.

The will cause its background screening to be conducted by an investigative firm holding the National Association of Professional Background Screeners (NAPBS®) Background Screening Credentialing Council (BSCC) accreditation and capable of performing the searches required by the regulations and guidance provided by the Commission. Any references provided by the marijuana agent will be verified at the time of hire. As deemed necessary, individuals in to be hired for key positions with unique and sensitive access (e.g., members of the executive management team) will undergo additional screening, which may include interviews with prior employers and/or colleagues. As a condition of continued employment, agents, volunteers, contractors, and subcontractors are required to renew their Registration Cards (as that term is defined in 935 CMR 500.002) annually and submit to other background screening as may be required by or the Commission.

Staffing Plan and Business Hours

Hiring and Recruitment. Human Resource Manager will engage the executive management team and supervisory staff on a regular basis to determine if vacancies are anticipated and whether specific positions need to be created in response to company needs. The Pass's hiring practices will include but are not limited to the following and apply to all types of working situations including hiring, firing, promotions, harassment, training, wages and benefits:

1. Equal Employment Opportunity Commission (EEOC) Compliance;
2. Diversity Plan;
3. Plan to Positively Impact Areas of Disproportionate Impact;
4. Background Checks and References;
5. Mandatory reporting of criminal convictions (and termination if
1. necessary);
6. State and Federal Family Leave Act;
7. Workplace Safety Laws;
8. State and Federal Minimum Wage Requirements; and
9. Non-Disclosure and Non-Complete Agreements
2. Standards of Employee Conduct

The Pass's mission is to provide a professional workplace free from harassment and discrimination for employees. has a zero-tolerance policy on harassment or discrimination based on sex, race, color, national origin, age, religion, disability, sexual orientation, gender identity, gender expression, or any other trait or characteristic protected by any applicable federal, state, or local law or ordinance. Harassment or discrimination on the basis of any protected trait or characteristic contravenes Code of Conduct. A broad range of behavior could constitute harassment and/or discrimination. In general, harassment is any verbal or physical conduct that: 1) has the purpose or effect of creating an intimidating, hostile, or offensive working environment; 2) as the purpose or effect of unreasonably interfering with an individual's work performance; or 3) adversely and unjustifiably affects an individual's employment opportunities.

Employees are expected to maintain the highest degree of professional behavior. All harassment or discrimination by employees is strictly prohibited. Furthermore, harassing or discriminatory behavior of non-employees directed at employees or customers also is condemned and will be promptly addressed.

Violence and Weapons in the Workplace. Any and all acts of violence in the workplace will result in immediate dismissal of the employee, customer, or parties involved. The Police Department and other law enforcement authorities, as applicable, will be contacted immediately in the case of a violent event. Weapons are not permitted at facility by employees, customers, or any other parties. Agents (including employees) found carrying weapons at facility will be immediately terminated. Vendors or other visitors to the facility found carrying weapons on the premises will be asked to leave and/or the police will be notified accordingly.

At-Will Employment. In the state of Massachusetts, employment is assumed to be at-will unless otherwise stated. At will employment implies that employer and employee alike may terminate the work relationship at any given moment and for any legitimate purpose. Wrongful termination may be more difficult to prove in an at-will arrangement because of the freedom that each party has to end the employment. However, there are still many instances wherein a termination or discharge can be called wrongful, even in an at-will employment.

Workplace Attire. The required attire for registered marijuana agents at facility varies based upon required duties. New hire training will define appropriate attire for each role and the Human Resources Manager will be responsible for ensuring compliance with all requirements is met.

Business Hours. Operating Hours: M-S – 8 AM – 8 PM

Overview of Personnel Policies and Procedures

Standard Employment Practices. The Pass values and thrives off of the contributions of its management and staff positions. intends to be a market leader in workplace satisfaction by offering competitive wage and benefits packages and nurturing a corporate culture that values meaningful work-life balance, complete transparency and accountability and service to the community.

Advancement. The organization will be structured hierarchically with promotional opportunities within each department. Participation in training and bi-annual performance evaluations will be critical for any promotions or pay increases. pledges to be an equal opportunity employer and advancer of its employees. See Diversity Plan for greater detail.

Written Policies. The Pass's written policies will address, inter alia, the Family and Medical Leave Act (FMLA), the Consolidated Omnibus Budget Reconciliation Act (COBRA), equal employment opportunity, discrimination, harassment, the Employee Retirement Income Security Act (ERISA), disabilities, maintenance of personnel files, privacy, email policy, 935 CMR 500.000 et. seq., holidays, hours, sick time, personal time, overtime, performance reviews, disciplinary procedures, working hours, pay rates, overtime, bonuses, veteran preferences, drug testing, personnel policies, military leaves of absence, bereavement leave, jury duty, CORI checks, smoking, HIPAA, patient confidentiality, and compliance hotline.

Investigations. The Pass will develop policies and procedures to investigate any complaints or concerns identified or raised internally or externally in order to stay remain compliant with 935 CMR 500.000 et. seq.

Designated Outside Counsel. The Pass may retain counsel specializing in employment law to assist the Human Resources Manager with any issues and questions.

Job Classifications. Positions at are categorized by rank and by department. executive management team oversees the overall success toward achieving the company's mission. founders, and are responsible for implementation of the mission and the greater executive management team is responsible for ensuring that all departments are properly executing their functions and responsibilities. Job classification is comprised of three rank tiers: Executive Management, Directors, Management/Supervisors, and Non-Management Employee Staff.

Work Schedules. Work schedules will be either part-time, full-time, or salaried, depending of the specific position. Schedules will be set according to the needs of each department as determined by the applicable department director and the supervising executive manager. It is the department Director's responsibility to develop and implement a work schedule that provides necessary duty and personnel coverage but does not exceed what is required for full implementation of operations. The departmental Director will also ensure that adequate coverage occurs on a daily basis and does not lead to unnecessary utilization of overtime coverage.

Mandatory Meetings and Community Service Days. There will be a mandatory reoccurring company-wide meeting on a quarterly basis. All full-time employees will be notified of their required attendance. will also organize and encourage employee participation in community service activities in Sheffield. The Pass pledges to pay employees for up to two community service days per calendar.

Breaks. Daily breaks, including lunch breaks, will comply with the laws of the Commonwealth of Massachusetts.

Performance Reviews. Performance reviews will be conducted by executive or departmental directors. Reviews will be conducted at three-month intervals for new employees during the first year of employment and at 6-month intervals thereafter. A written review will be provided to, and signed by, the employee under review. Reviews must be retained in each employee's personnel file and treated as a personnel record in accordance with The Pass's Recordkeeping Policies. Performance reviews must take into account positive performance factors and areas requiring improvement. Scoring systems may be utilized to help reflect the employee's overall performance.

Leave Policies. The Pass's leave policies will comport with all state and federal law. All full-time employees will receive two 40-hour weeks of paid vacation per annum. Additional leave must be requested at least 2 weeks in advance and approved by the employee's department manager. will determine which holidays will be observed and which departments will not be required to work. will offer paid maternity leave. Additional leave will not be paid and must be approved by the department manager. Internships may either be part-time or full-time depending on the development of internship training program and the company's then-existing staffing needs.

The Pass anticipates observing the following holidays:

- New Year's Day;
- Martin Luther King Day;
- Presidents' Day;
- Memorial Day;
- Independence Day;
- Labor Day;
- Thanksgiving; and
- Christmas Day.

Disciplinary Policies

Purpose. The Pass's discipline policy and procedure is designed to provide a structured corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. The steps outlined below have been designed for consistency with organizational values, best practices, and employment laws. The Pass reserves the right to combine or skip steps depending upon facts of each situation and the nature of the offense – each offense will be reviewed and remediated on a case-by-case basis. The level of disciplinary intervention may also vary. The procedure outlined below is intended to provide guidance to the Human Resources Manager and executive management team and not bind them in any given disciplinary scenario. Some of the factors that will be considered depend upon whether the offense is repeated despite coaching, counseling, and/or training; the employee's work record; and the impact the conduct and performance issues have on organization.

Procedure.

Step 1: Counseling and Verbal Warning. Step 1 creates an opportunity for the immediate supervisor to schedule a meeting with an employee to bring attention to the existing performance, conduct, or attendance issue. The supervisor should discuss with the employee the nature of the problem or violation of company policies and procedures. The supervisor is expected to clearly outline expectations and steps the employee must take to improve performance or resolve the problem. Within five business days, the supervisor will prepare written documentation of a Step 1 meeting. The employee will be asked to sign the written documentation. The employee's signature is needed to demonstrate the employee's understanding of the issues and the corrective action needed.

Step 2: Written Warning. While it is hoped that the performance, conduct, or attendance issues that were identified in Step 1 have been corrected, recognizes that this may not always be the case. A written warning involves a more formal documentation of the performance, conduct, or attendance issues and consequences. During Step 2, the immediate supervisor and a department manager or director will meet with the employee and review any additional incidents or information about the performance, conduct, or attendance issues as well as any prior relevant corrective action plans. Management will outline the consequences for the employee of his or her continued failure to meet performance and/or conduct expectations. A formal performance improvement plan (PIP) requiring the employee's immediate and sustained corrective action will be issued within five business days of a Step 2 meeting. A warning outlining that the employee may be subject to additional discipline up to and including termination if immediate and sustained corrective action is not taken may also be included in the written warning.

Step 3: Suspension and Final Written Warning. There may be performance, conduct, or safety incidents so problematic and harmful that the most effective action may be the temporary removal of the employee from the workplace. When immediate action is necessary to ensure the safety of the employee or others, the immediate supervisor may suspend the employee pending the results of an investigation. Suspensions that are recommended as part of the normal progression of this progressive discipline policy and procedure are subject to approval from a next-level manager and the Human Resources Manager. Depending upon the seriousness of the infraction, the employee may be suspended without pay in full-day increments consistent with federal, state and local wage-and-hour employment laws. Nonexempt/hourly employees may not substitute or use an accrued paid vacation or sick day in lieu of the unpaid suspension. Due to Fair Labor Standards Act (FLSA) compliance issues, unpaid suspension of salaried/exempt employees is reserved for serious workplace safety or conduct issues. The Human Resources Manager will provide guidance so that the discipline is administered without jeopardizing the FLSA exemption status. Pay may be restored to the employee if an investigation of the incident or infraction absolves the employee.

Step 4: Recommendation for Termination of Employment The last and most serious step in the progressive discipline procedure is a recommendation to terminate employment. Generally, will endeavor to exercise the progressive nature of this policy by first providing warnings, a final written warning, and/or suspension from the workplace before proceeding to a recommendation to terminate employment. However, reserves the right to combine and skip steps depending upon the circumstances and severity of each situation and the nature of the offense. Furthermore, employees may be terminated without prior notice or disciplinary action. Management's recommendation to terminate employment must be approved by the Human Resources Manager and department manager or designee. Final approval may be required from the CEO or designee. Notwithstanding the foregoing, nothing in this policy provides any contractual rights regarding employee discipline or counseling nor should anything in this policy be read or construed as modifying or altering the employment-at-will relationship between and its employees.

Appeal Process. Employees will have the opportunity to present information that may challenge information management has used to issue disciplinary action. The purpose of this process is to provide insight into extenuating circumstances that may have contributed to the employee performance and/or conduct issues while allowing for an equitable solution. If the employee does not present this information during any of the step meetings, he or she will have five business days after that meeting to present information.

Performance and Conduct Issues Not Subject to Progressive Discipline. Behavior that is illegal is not subject to progressive discipline and may be reported to the Police Department or other law enforcement authorities. Theft, intoxication at work, fighting and other acts of violence are also not subject to progressive discipline and are grounds for immediate termination.

Documentation. The employee will be provided copies of all progressive discipline documentation, including all performance improvement plans. The employee will be asked to sign copies of this documentation attesting to their receipt and understanding of the corrective action outlined in these documents. Copies of these documents will be placed in the employee's official personnel file.

Separation of Employment.

Separation of employment within an organization can occur for several different reasons. Employment may end as a result of resignation, retirement, release (end of season or assignment), reduction in workforce, or termination. When an employee separates from The Pass, his or her supervisor must contact the Human Resources Manager to schedule an exit interview, typically to take place on employee's last workday.

Types of Separation.

1. Resignation

Resignation is a voluntary act initiated by the employee to end employment with The employee must provide a minimum of two (2) weeks' notice prior to resignation. If an employee does not provide advance notice or fails to actually work the remaining two weeks, the employee will be ineligible for rehire and will not receive accrued benefits. The resignation date must not fall on the day after a holiday.

2. Retirement

An employee who wishes to retire is required to notify his or her department director and the Human Resources Manager in writing at least one (1) month before planned retirement date. It is the practice of to give special recognition to valued employees at the time of their retirement.

3. Job Abandonment

An employee who fails to report to work or contact his or her supervisor for two (2) consecutive workdays will be considered to have abandoned the job without notice effective at the end of the employee's normal shift on the second day. The department manager will notify the Human Resources Manager at the expiration of the second workday and initiate the paperwork to terminate the employee. Employees who are separated due to job abandonment are ineligible to receive accrued benefits and are ineligible for rehire.

4. Termination

Employees of are employed on an at-will basis, and the company retains the right to terminate an employee at any time.

5. Reduction in Workforce

An employee may be laid off due to changes in duties, organizational changes, lack of funds, or lack of work. Employees who are laid off may not appeal the layoff decision through the appeal process.

6. Release

Release is the end of temporary or seasonal employment. The Human Resources Manager, in consultation with the department manager, will inform the temporary or

seasonal worker of their release according to the terms of the individual's temporary employment.

Exit Interview. The separating employee will contact the Human Resources Manager as soon as notice is given to schedule an exit interview. The interview will be on the employee's last day of work or other day, as mutually agreed upon.

Return of Property. The separating employee must return all company property at the time of separation, including but not limited to uniforms, cell phones, keys, facility access cards, computers, and identification cards. Failure to return some items may result in deductions from final paycheck. An employee will be required to sign the Wage Deduction Authorization Agreement to deduct the costs of such items from the final paycheck.

Termination of Benefits. An employee separating from is eligible to receive benefits as long as the appropriate procedures are followed as stated above. Two weeks' notice must be given, and the employee must work the full two work weeks. Any accrued vacation and/or accrued sick leave will be paid in the last paycheck.

Health Insurance. Health insurance terminates on the last day of the month of employment, unless the employee requests immediate termination of benefits. Information about the Consolidated Omnibus Budget Reconciliation Act (COBRA) continued health coverage will be provided. Employees will be required to pay their share of the dependent health and dental premiums through the end of the month.

Rehire. Former employees who left in good standing and were classified as eligible for rehire may be considered for reemployment. An application must be submitted to the Human Resources Manager, and the applicant must meet all minimum qualifications and requirements of the position, including any qualifying exam and current registration with the Commission, when required. Department managers must obtain approval from the Human Resources Manager or designee prior to rehiring a former employee. Rehired employees begin benefits just as any other new employee. Previous tenure will not be considered in calculating longevity, leave accruals, or any other benefits. An applicant or employee who is terminated for violating policy or who resigned in lieu of termination from employment due to a policy violation will be ineligible for rehire.

Compensation. The Pass believes that it is in the best interests of both the organization and its employees to fairly compensate its workforce for the value of the work provided. intends to use a compensation system that will determine the current market value of a position based on the skills, knowledge, and behaviors required of a fully-competent incumbent. The system used for determining compensation will be objective and non-discriminatory in theory, application and practice. The company has determined that this can best be accomplished by using a professional compensation consultant, as needed, and a system recommended and approved by the executive management team.

Selection Criteria.

1. The compensation system will price positions to market by using local, national, and marijuana-industry specific survey data.
2. The market data will primarily include marijuana-related businesses and will include

survey data for more specialized positions and will address significant market differences due to geographical location.

3. The system will evaluate external equity, which is the relative marketplace job worth of every marijuana-industry job directly comparable to similar jobs at factored for general economic variances, and adjusted to reflect the local economic marketplace.
4. The system will evaluate internal equity, which is the relative worth of each job in the organization when comparing the required level of job competencies, formal training and experience, responsibility and accountability of one job to another, and arranging all jobs in a formal job-grading structure.
5. Professional support and consultation will be available to evaluate the compensation system and provide on-going assistance in the administration of the program.
6. The compensation system must be flexible enough to ensure that the company is able to recruit and retain a highly-qualified workforce, while providing the structure necessary to effectively manage the overall compensation program.

Responsibilities. The executive management team will possess final approval authority over compensation system.

1. On an annual basis the executive management team will review and approve, as appropriate, recommended changes to position-range movement as determined through the vendor's market analysis process.
2. As part of the annual budgeting process, the executive management team will review and approve, as appropriate, funds to be allocated for total compensation, which would include base salaries, bonus, variable based or incentive-based pay, and all other related expenses, including benefit plans.

Management Responsibility.

1. The CEO, is charged with ensuring that is staffed with highly qualified, fully-competent employees and that all company programs are administered within appropriate guidelines and within the approved budget.
2. The salary budget will include a gross figure for the following budget adjustments, but the individual determinations for each employee's salary adjustment will be the exclusive domain of the CEO: determining the appropriate head count, titles, position levels, merit and promotional increases and compensation consisting of salary, incentive, bonus, and other discretionary pay for all positions.
3. The CEO will ensure that salary ranges are updated at least annually, that all individual jobs are market priced at least once every two years, and that pay equity adjustments are administered in a fair and equitable manner.

Diversity Plan

The Plan below will apply to both to The Pass' cultivating (for which it has a provisional license), manufacturing and retail locations all at the same site in Sheffield:

Introduction

The Pass (or "the Company") believes in creating and sustaining a robust policy of inclusivity and diversity and that diversity in the workforce is key to the integrity of a company's commitment to its community. This plan is designed to promote equity among minorities, women, veterans, people with disabilities, and LGBTQ+ in operations of our business. The Pass will make every effort to employ and advance in employment qualified and diverse people at all levels within the Company. Based in the rural Berkshires, The Pass may have some challenges to achieving workplace diversity, but the Company is nonetheless committed to diversity in all elements of its operations.

Diversity Goals

The Pass is committed to building a diverse organization that fosters inclusivity. The Pass will develop and maintain a diverse, aware and inclusive working environment through its: 1) targeted recruitment efforts; 2) employee training and development program as well as vendor selection; and 3) the responsible oversight of the Company's Diversity Committee ("the Committee"). The Company's long-term goal is to employ a workforce that is at least 50% composed of diverse individuals (minorities, women, people identifying as LGBTQ+, veterans, and persons with disabilities), and to retain and advance those employees within the Company and use 25% of outside vendors that qualify as diverse.

Diversity Programs

Recruiting a Diverse Workforce

The Pass' recruitment efforts are designed to maintain a steady flow of qualified diverse applicants for employment and will include the following steps:

- Developing partnerships with community organizations serving minorities, women, people of LGBTQ+, veterans, and persons with disabilities for employment referrals. These organizations will likely be based throughout the Berkshires, but we will make special efforts in the City of Pittsfield and the City of North Adams. The Company's initial community partners are identified below;
- Providing quarterly briefings to representatives from recruitment sources concerning current and future job openings;
- Encouraging employees from diverse groups to refer applicants for employment;
- Working with our community partners, participating in career day programs and/or job fairs in Pittsfield and North Adams at least twice a year and encouraging The Pass' diverse employees to participate whenever possible. Pittsfield and North Adams are cities with a more diverse population than other municipalities in the Berkshires. MassHire Berkshire

Career Center and Berkshire Resources for Integration of Diverse Individuals Through Education, described more below, are two organizations that have agreed to work with the Pass on this effort;

- Establishing recruitment efforts at higher learning institutions including Berkshire Community College; and
- Ensuring that job openings are sent to community partners at least quarterly.

Vendor Selection

- Use whenever possible vendors that qualify as diverse.

With respect to community partners, The Pass has already fostered relationships with the following entities, who will work collaboratively with the Company to ensure that the diversity goals expressed in this plan are met or exceeded:

- MassHire Berkshire Career Center - A partnership between Berkshire Training & Employment Program and the Massachusetts Division of Career Services, chartered by the MassHire Berkshire Workforce Board. The Career Center provides quality programs and services to employers, job seekers, and its community partners, and also regularly hosts/organizes job fairs and employment workshops.
- Berkshire Resources for Integration of Diverse Individuals through Education (“BRIDGE”) – A women and minority-run non-profit, grassroots organization dedicated to advancing equity and justice by promoting cultural competence, positive psychology, and mutual understanding and acceptance. BRIDGE’s advocacy efforts have led to the adoption of policies and practices in Berkshire towns and businesses to support equity and justice.

The Pass intends to leverage the vast networks of its community partners to increase visibility of the Company within the diverse communities of the Berkshires and also to better identify diverse individuals for employment at the Company.

The Pass has retained THC Staffing Group as an outside check on the company’s internal policies and attainment of goals. THC Staffing Group is a national staffing organization that does diverse recruiting for the cannabis industry. They will review the following written policies and documentation:

- Hiring
- Training
- Retention
- Workplace Culture
- Ant-Retaliation and Harassment Reporting
- Internal Investigations

- Agreements: NDA, Arbitration, Non-competes
- Pay Equity
- Promotion and Demotion
- Termination and Layoffs

These conclusions will be written in a report and sent to the Executive management team for purposes of auditing and evaluating the plans and their results.

They will also offer suggestions for incorporating diverse workforce into the company's strategic business plans, examining specific company goals and how they can be compatible for the objectives and for ongoing workforce hiring, retention, and development.

Employee Retention, Training and Development

The Pass' diversity awareness training emphasizes the Company's zero-tolerance commitment against harassment and discrimination, and strict adherence to take corrective action should any issues, concerns, or complaints arise. All employees will be required to complete the diversity awareness training program during employee orientation. Training will begin immediately upon hiring, and all new employees will be required to participate in an orientation program that will introduce and stress the importance of the Diversity Plan.

Upon completion of the orientation program, new hires will be equipped to describe, discuss, and implement the Diversity Plan. Following successful completion of the general orientation program, employees will undergo additional diversity training that will be tailored to the employee's specific job function. All employees will also be required to undergo annual diversity training to ensure knowledge of newly determined best practices and policies and continued familiarity and compliance with the Diversity Plan.

Dissemination of information about the Diversity Plan will include the following:

- Inclusion of zero-tolerance policies against harassment, discrimination, bullying, and other actions;
- Postings in suitable areas for employee communication;
- Annual diversity training programs for all employees;
- Quarterly progress evaluation meetings with appropriate personnel; and
- Formal presentations made to management and employees on diversity initiatives.

Diversity Committee Oversight

The Pass will establish the Diversity Committee to assist the executive management team and the Human Resources Manager with the implementation, growth and regular review of the Diversity Plan. The initial members of the Committee will be selected by the executive management team based on their diverse status and their personal commitments to diversity. Additional members of the Committee may be added at the discretion of the executive management team.

The Committee will be responsible for:

- Developing statements, policies, programs, and internal and external communication procedures in support of the goals of the Diversity Plan;
- Assisting in the identification of problematic areas for diversity and inclusion, including receiving, reviewing, and resolving any complaints of discrimination or other non-compliance with regards to fair treatment of all employees;
- Assisting management in arriving at effective solutions to problems regarding issues of diversity and inclusion;
- Designing and implementing internal reporting systems that measure the effectiveness of programs designed to support a Company culture that fosters diversity;
- Keeping the Company informed of diversity plan progress through quarterly reports;
- Reviewing the Diversity Plan with management at all levels of the organization to ensure that the Diversity Plan is understood; and
- Auditing internal and external job postings to ensure information is in compliance with the Diversity Plan and other Company diversity policies and procedures.

Diversity Measurement

The Human Resources Manager will be responsible for auditing the Diversity Plan. The Human Resources manager will develop an annual audit report (“Annual Audit Report”) setting forth the Company’s performance in fulfilling the goals of the Diversity Plan. The Annual Audit Report will contain:

- Employment data, including information on minority, women, disabled, LGBTQ+, and veteran representation in the workforce in all job classifications; average salary ranges; recruitment and training information (all job categories); and retention and outreach efforts;
- The total number and value of all contracts and/or subcontractors awarded for goods and services;
- An identification of each subcontract actually awarded to a member of a diverse group and the actual value of such subcontract;
- A comprehensive description of all efforts made by the Company to monitor and enforce the Diversity Plan;
- Information on diverse group investment, equity ownership, and other ownership or employment opportunities initiated or promoted by the Company;
- Data tracking the Company’s participation at career day programs and/or job fairs in Pittsfield (e.g., identities of Company employees who participated, identities of candidates who expressed interest in employment with the Company through use of a sign-in sheet, documentation of follow-up contacts with interested candidates);
- Other information deemed necessary or desirable to ensure compliance with the rules and regulations governing marijuana establishments in Massachusetts; and
- When available, a workforce utilization report including the following information for each job category:

- The total number of persons employed;
- The total number of men employed;
- The total number of women employed;
- The total number of veterans;
- The total number of individuals identifying as LGBTQ+;
- The total number of service-disabled veterans; and
- The total number of members of each racial minority employed.

The Annual Audit Report will enable the Human Resources Manager to track the Company's progress toward its long-term diversity hiring goal of a workforce at least 50% composed of diverse individuals. The Human Resources Manager, working with the Diversity Committee, will track the Company's progress toward its long-term Diversity Hiring using intermediate diversity hiring targets for years 1-4 of its operation. Those intermediate targets are:

Commencement of Operations: minimum 25% diverse individual employment / 5% diverse vendors

End of Year 1: minimum 30% diverse individual employment / 10% diverse vendors

End of Year 2: minimum 35% diverse individual employment / 15% diverse vendors

End of Year 3: minimum 40% diverse individual employment / 20% diverse vendors

End of Year 4: minimum 45% diverse individual employment / 25% diverse vendors

These short-term metrics and oversight by the Human Resources Manager will ensure that The Pass is regularly evaluating progress toward its diversity hiring goals and employing corrective actions if targets are not met. The Annual Audit Report will include data and commentary discussing the Company's achievement of its intermediate diversity hiring goals and, if necessary, provide for corrective actions if the Company is falling short of those goals. The Human Resources Manager, with support from the Diversity Committee, would be responsible for implementing any such corrective actions.

Diversity Plan Acknowledgments

The Pass pledges to adhere to the requirements set forth in 935 CMR 500.105(4)(a) which provides the permitted advertising, branding, marketing and sponsorship practices for all Marijuana Establishments. The Pass likewise pledges not to employ any of the prohibited practices articulated in 935 CMR 500.105(4)(b). Finally, none of the actions taken or programs instituted by The Pass will violate the Commission's regulations with respect to limitations on ownership or control or any other applicable state laws.

Open Assignments:

1. CC's will arrive at 8:00am in order to open the store.
 - a. Employees will take care of all personal belongings before clocking in (Coats, bags, food, etc.)
2. Once settled in, CC's will clock in via the time clock in the cage
3. After clocked in, CCs will check the brain for daily station, break, and side work assignments on any near open computer
4. CC will then log on to company email address at their station, and check for any unread emails, messages, and announcements from the previous day or current morning
 - a. CCs will also set up their G chat, opening any chats or chat groups necessary for the day, as well as any tabs on their computer they see as helpful to transactions and customer experience
5. Once assignments are understood, CC will virtually assign themselves to the POS via Flowhub
 - i. Sign in to Flowhub/assign myself to a drawer:
 1. Log in to flow hub cashier app (first name last name, no spaces or caps) *Flowhub will not let you take transaction without assigning to a drawer*
 2. Select "Drawers" tab on the top left of the screen, and select the "Count & Open" tab on your assigned drawer for the day. *Double check you are assigning yourself to the correct drawer*
 3. Count the **eaches** of each denomination of bill and coin, and enter it into the correct field in flowhub, verifying there is \$300 in the drawer
 - a. *Drawers should always be counted above the counter, in best sight of cameras possible for safety and compliance*
6. CC will ask management for any change they may need to reset the drawer with smaller bill denominations
7. Once drawer is verified with \$300 and all of the denomination fields are correct, CC will then select "Open Drawer" button on the top right of the screen.
8. CC will then be brought back to the "Drawers" screen and select the round "Plus" button next to their corresponding drawer, and select their own name to assign themselves to the drawer *Make sure to double, triple check the correct drawer is selected, AM vs PM, Pre order 1 vs pre order 2, etc.)
9. Once counted, CC will shut the drawer, and attend to their daily opening assignments
10. Once assignments are completed and signed off on, CCs will return to their stations for the morning meeting, which will start daily about 10 minutes before open
11. After the morning meeting, the doors will open...

Daily Cash Handling Assignments:

1. It is of the utmost importance to Berkshire Welco/The Pass that each transaction is handled with great care and accuracy, each customer will walk out more educated than they walked in, with the correct change and product
 - a. To ensure accuracy, each CC is advised to take their time, and to double, and triple count all of their numbers before, and after the drawer pops during each transaction
2. When handed cash, CCs will count back to the customer, one bill at a time, in a slower manner, in sight of the cameras as best possible, while describing what they're doing
 - a. The CC will then lightly ask the customer to verify the total in cash and denominations that were handed to them, once verified, CC will put cash in the drawer
3. CC will then tell the customer how much change they have coming back via Flowhub, grab it out of the drawer, and count it back to the customer in the same manner as the cash; slowly, one denomination at a time, in best sight of cameras as possible
4. CCs will verify the legitimacy of every bill \$50 and over with designated counterfeit detection pens that will be at each station
 - a. If a bill ever comes back counterfeit, the CC will calmly G chat a member of management, who will notify a member of security, both will come to the station, and make sure the customer is escorted out, and the bill will be taken to the quarantine safe in the vault, and contact authorities

Mid day drops

1. If a CCs' drawer ever exceeds \$2,000 in bills, or the drawer is physically difficult to close with all of the cash in it, the CC will wait until they are done with their transaction, and G chat the management team via their employee email or G chat app on their station computers, asking for a cash drop
 - a. Always use the chat when asking for change or a mid-day cash drop. It is unprofessional to discuss money practices in front of customers. Allow management to completely pull the mid-day cash drop and begin walking away before calling up the next customer; that transition can be filled perfectly by wiping down your station!
 - b. Try to time the chat before the transaction is over, so management team has some time to get things done and come help, patience is key!
2. A member of the management team (Key holder, Supervisor, or Manager) will come to the station, grab all of the \$100s, \$50s, and all of the \$20s but four.
3. The management team member will take the drop to the secure cash counting area and run the drop through the cash counter twice for accuracy and verification
4. Once verified, the management team member will rubber band the drop, sticker it with how much the drop is worth, what station it came from, the CCs initials and their initials,

the drop will then be put in to a bag in the safe in the vault marked "AM/PM drops, xx/xx/xxxx" to be given back to the CC upon counting out

5. The management team member will log the drop on the "Cash drop log" kept in the vault in the safe stating how much drop was for, what station it came from, what CC it came from, the time of day, and the verifying management team members' initials

Change Procedure

1. When a CC is running low on a certain denomination of any bill or coin, they will G chat the retail hub, informing management of what change they need.
 - a. It is important that the CC let the retail management team know they are running low before they are out to avoid any transaction slow downs.
 - b. Always use the chat when asking for change or a mid-day cash drop. It is unprofessional to discuss money practices in front of customers. Allow management to completely pull the mid-day cash drop and begin walking away before calling up the next customer; that transition can be filled perfectly by wiping down your station!
 - c. A management team member will come to the drawer, explain what they are doing to the CC and customer (if the CC is helping a customer), open the drawer, verify that the CC needs the change they asked for, or any other change they may need in the near future.
2. The management team member will take the amount needed in larger bills from the CCs drawer and bring them to the cash counter in back
3. The management team member will run the bills through the cash counter to verify the amount taken from the drawer
4. Once verified, the management team member will grab the subsequent amount needed by the CC in smaller bills, and run that through the cash counter for further verification
5. The larger bills taken from the CC will then go in to a bag in the safe marked "Change order bills"
6. The exchange will be logged in the "ExChange" sheet kept in plain sight in the safe in the vault, the log will consist of Station, budtender, amount taken, amount given in each bill denomination, and management team members' initials

Mid day shift-change procedure:

1. Mid day shift will arrive around 1pm
2. Once settled and clocked in, PM CCs will check the brain for the daily assignments and tasks

- a. Some CCs may not be assigned to a drawer straight away; and may be assigned to help inventory, hospitality, or any other tasks the management team may have for them upon arrival to the retail space
3. If/when a CC is already assigned to a drawer upon arrival of the mid day shift, the CC will grab a management team member and notify them of their arrival, their assignment, and politely ask for a cash drawer
4. The management team member will go to the safe in the vault, and grab a drawer pre loaded with \$300 and hand it to the CC in the cage room
5. The CC will take the drawer up to the counting room to verify that there is \$300 in the drawer
 - a. If there is not \$300 in the drawer, the variance will be logged in a "Daily drawer variance" via Google drive, and a management team member will grab the bills needed from petty cash to ensure the drawer starts at \$300, the CC that verified the drawer previous night will be informed their count was inaccurate
6. Once drawer is verified, the CC will bring the drawer back down to the retail floor
 - a. If there is already a CC running transactions at their assigned station, the PM CC will politely let the AM CC know they are ready to take over when they are
 - i. If the AM CC is in the middle of a transaction, the PM CC will politely wait behind the AM CC until the transaction is over, then make the switch
7. Upon the switch, the AM CC will sign out of all their accounts on the computer, open their drawer via Flowhub
 - a. **How to pop Drawer:**
 - i. Select "completed sales" on top of screen
 - ii. search for yourself, a coworker, or select a random transaction
 - iii. Scroll down on right hand side of the screen
 - iv. Click reprint receipt, drawer will open
8. The CC will then take their cash till completely out of their drawer, double check there are no bills or coins left behind in the drawer, keep the drawer open for the PM CC, and take it in to the cage room
 - a. While AM CC is taking their till to the cage room, PM CC will put their till in the drawer, close it, sign in to flowhub, assign themselves to the drawer (*If CC is unable to sign in to Flowhub or assign themselves to a drawer, please reference section 3.i. Under "opening assignments" within this document*)
 - i. It is of the utmost importance to Berkshire Welco/The Pass that each transaction is handled with great care and accuracy, each customer will walk out more educated than they walked in, with the correct change and product
 - ii. To ensure accuracy, each CC is advised to take their time, and to double, and triple count all of their numbers before, and after the drawer pops during each transaction
9. All AM CCs that are ready to count at that time will be escorted by a management team member from the cage room up to the counting room where the cash counter and computer(s) will be

10. Each CC will log on to the cash closeout sheet via google drive on their computer or phone, find the subsequent date on the bottom tabs, and find their station number within the sheet (On the top left of each closeout grid) *Making sure they are in the correct AM/PM fields*
11. The CC will log in to Flowhub and pull their “projected” cash number from the reporting and enter it in the “expected” field in the cash closeout
 - a. How to pull expected:
 - i. Select “close drawer” on drawers tab in flowhub cashier
 - ii. Pull “expected amount” number from right hand side of screen
12. The AM management team member assigned to help the CCs closeout will grab the bag titled “AM drops xx/xx/xxxx” and hand each CC back their cash drops if they had any
 - a. The cash drop will be counted regularly as though it were a part of the drawer
13. The CCs will run their mixed bills in to the cash counter twice, ensuring accuracy printing a ticket or recording each time to verify the number of each cash denomination (eaches)
 - a. If any of the numbers on the tickets are different, the CC will hand count all of the bills and change for further verification
14. The **count** of each denomination of bill (eaches) will be put in to the subsequent fields on the cash closeout sheet
 - a. Once filled out in its entirety, the cash closeout sheet will calculate if the physical drawer is on or off from the virtual Flowhub expected number, and also calculate the deposit while resetting the drawer to \$300
 - i. *If any variances are found in this stage by the sheet, still continue to build the deposit according to the sheet, this will differentiate the cash and make it easier to find the discrepancy*

Building station deposit

1. The CC will calculate their deposit using the cash closeout sheet via google drive (search “cash closeout” in Gmail search bar)
2. On the very right side of each stations’ section, there is a “Deposit Calculator”
 - a. The calculator will use the same formulas as the cash closeout, the CC will enter eaches of each denomination of bill, until the same deposit number as the cash closeout is shown, and the “difference” field shows zero
 - i. The Deposit calculator will calculate the eaches of each denomination needed to make up the deposit
3. Once the eaches are taken from the drawer, the CC will run the deposit through the counter to verify the physical deposit number vs the electronic deposit number that the cash closeout sheet calculates
 - a. If the numbers do not much, still continue on to step 4
4. The CC will return to their drawer and verify that there is \$300 left within
 - a. If there is \$300 left, the deposit is correct, and the error was electronic

Closing Assignments:

1. *No CC will begin counting their drawers until there are no more customers in the store
 - a. If it is deemed fit, a management team member can inform a CC they can count out early
 - i. In this case, the CC will pull their till from the drawer, and be escorted up by a management team member to count
 - b. If it is deemed fit, a management team member can also inform a CC they can start their side work early, CCs may also take the initiative here and ask a management team member to start their side work early
 - i. In this case, the CC can leave their station and closed drawer to do their assigned nightly task
2. Once store is closed and all customers are seen out, the CCs will check the daily assignments sheet via google drive, and familiarize themselves with their side task before counting out
 - a. It is up to the the discrepancy of the CC whether they want to count out their drawer or do their side work first
3. When ready to count out, each CC will log on to the cash closeout sheet via google drive on their computer or phone, find the subsequent date on the bottom tabs, and find their station number within the sheet (On the top left of each closeout grid) *Make sure they are in the correct AM/PM closeout fields*
4. The CC will log in to Flowhub and pull their projected cash number from the reporting, and enter it in the "expected" field in the cash closeout
5. The PM management team member assigned to help the CCs closeout will grab the bag titled "PM drops xx/xx/xxxx" and hand each CC back their cash drops if they had any
 - a. The cash drop will be counted regularly as though it were a part of the drawer
6. The **count** of each denomination of bill (eaches) will be put in to the subsequent fields on the cash closeout sheet
 - a. Once filled out in its entirety, the cash closeout sheet will calculate if the physical drawer is on or off from the virtual Flowhub expected number, and also calculate the deposit while resetting the drawer to \$300
 - i. *If any variances are found in this stage by the sheet, still continue to build the deposit according to the sheet, this will differentiate the cash and make it easier to find the discrepancy
7. The CC will then start to build their deposit
 - a. If CC needs help building deposit, please visit "building station deposit" within this document
 - i. If the deposit is off, the CC needs to stay with the management team member until drawer is rectified, unless informed by the management team member otherwise
8. If the drawer and deposit are double counted by a fellow CC and accepted by a management team member, the sidework is done and signed off, your station is wiped down, the CC is permitted to leave

- a. If the CC is interested in OT, or got done early, they may ask a management team member if inventory needs any help doing “inventory stuff”
9. When all of the CCs are done, or being helped, the management team can begin to verify and combine the PM deposits
 - a. If management team member needs help to verify and combine, please see “Verifying and combining” in section 7.i. Within this document
 - b. Once a final number is determined for both cash and ATM transactions the second closing cc will blindly double verify both total numbers
 - c. These final numbers are then compared to the POS to ensure accuracy
 - i. If the final numbers do not match the expected POS numbers the CC’s will then start a recount, if the missing money is not discovered in the recount the cc’s will start investigation
10. Once final numbers are double verified the CC’s will report these numbers to Berkshire Welco’s leadership and accounting team in the EOD closing report
11. Once the EOD report has been sent out the CC’s will both prep the daily drop, label it with the date, and totals and both will observe the final safe drop of the cash.

1. Record Keeping

- a. General Record Keeping - Records of Berkshire Welco shall be available for inspection by the Commission, upon request. The records of Berkshire Welco shall be maintained in accordance with generally accepted accounting principles. Written records that are required and are subject to inspection include, but are not necessarily limited to, all records required in any section of 935 CMR 500.000, in addition to the following:
 - i. Written operating procedures as required by 935 CMR 500.105(1);
 - ii. Inventory records as required by 935 CMR 500.105(8);
 1. Real-time inventory shall be maintained as specified by the Commission and in 935 CMR 500.105(8)(c) and (d), including, at a minimum, an inventory of marijuana plants; marijuana plant-seeds and clones in any phase of development such as propagation, vegetation, and flowering; marijuana ready for dispensing; all marijuana products; and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal.
 2. Berkshire Welco shall:
 - a. Establish, utilize, and maintain inventory control systems and procedures for the conduct of inventory reviews, and comprehensive inventories of marijuana products in the process of cultivation, and finished, stored marijuana;
 - b. Conduct a monthly inventory of marijuana in the process of cultivation and finished, stored marijuana;
 - c. Conduct a comprehensive annual inventory at least once every year after the date of the previous comprehensive inventory; and
 - d. Promptly transcribe inventories if taken by use of an oral recording device.
 3. The record of each inventory shall include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the individuals who conducted the inventory.
 4. Berkshire Welco shall tag and track all marijuana seeds, clones, plants, and marijuana products, using a seed-to-sale methodology in a form and manner to be approved by the Commission.
 5. No marijuana product, including marijuana, may be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000.
 - iii. Seed-to-sale tracking records for all marijuana products as required by 935 CMR 500.105(8)(e);
 - iv. The following personnel records:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
 2. A personnel record for each Berkshire Welco agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with Berkshire Welco and shall include, at a minimum, the following:
 - a. all materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 - b. employment agreement, if any;
 - c. Documentation relating to compensation, including a statement of graduated compensation by date and pay rate;
 - d. Documents relating to background investigation, including CORI reports;
 - e. documentation of verification of references;
 - f. the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
 - g. documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
 - h. documentation of periodic performance evaluations;
 - i. a record of any disciplinary action taken; and
 - j. notice of completed responsible vendor and eight-hour related duty training.
 3. A staffing plan that will demonstrate accessible business hours and safe dispensary conditions;
 4. Personnel policies and procedures; and
 5. All background check reports obtained in accordance with 935 CMR 500.030.
 6. Personnel records shall be kept in a secure location to maintain confidentiality and be accessible only to the CEO or designees, all of whom shall be members of the executive management team.
- v. Business records, which shall include manual or computerized records of:
1. Assets and liabilities;
 2. Monetary transactions;
 3. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
 4. Sales records including the quantity, form, and cost of marijuana products; and

5. Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with Berkshire Welco, including members of the nonprofit corporation, if any.
 - vi. Waste disposal records as required under 935 CMR 500.105(12); and
 - vii. Following the closure of Berkshire Welco for any reason, all records shall be kept for at least two years at the expense of Berkshire Welco and in a form and location acceptable to the Commission.
- b. Inventory Record Keeping
- i. The Security Director is responsible for the implementation and enforcement of all inventory management policies and procedures. The Department Directors in coordination with Security Director shall conduct monthly inventory reviews and an annual comprehensive inventory and reconciliation of all cannabis on the premises against current ETS Inventory Log.
 - ii. Each Department Director shall maintain the Inventory Log on the networked ETS to record:
 1. The date of an inventory process;
 2. A summary of the inventory findings;
 3. The names, signatures, and titles of the individuals who conducted the inventory;
 4. A signed attestation that the review was conducted, and no discrepancies were found.
 - iii. The Department Director and Security Director must review any discrepancies and approve all inventory management system adjustments;
 - iv. Discrepancies identified during inventory (diversion, theft, adverse loss, and any criminal action involving an employee or visitor) shall be reported to the Security Director and the CCC;
 - v. All counts shall be recorded in the Inventory Log and entered into the ETS immediately.
 - vi. The Department Directors, in coordination with Security Director, shall conduct monthly inventory reviews. Inventory controls and procedures have been established for conducting:
 1. Monthly inventory reviews;
 2. Annual comprehensive inventories of all cannabis at the facility
 3. Written and electronic records of inventories. Written and electronic records include:
 - a. Date of the inventory;
 - b. Summary of the inventory findings;
 - c. Employee identification numbers and titles;
 - d. Positions of the individuals who conducted the inventory.
- c. Transfer between Marijuana Establishments Recordkeeping

- i. A manifest shall be filled out in triplicate, with the original manifest remaining with Berkshire Welco, a second copy provided to the destination Marijuana Establishment upon arrival, and a copy to be kept with the licensed Berkshire Welco agent during transportation and returned to Berkshire Welco or upon completion of the transportation.
 - ii. Prior to transport, the manifest shall be securely transmitted to the destination Marijuana Establishment by facsimile or email.
 - iii. Upon arrival at the destination Marijuana Establishment, a marijuana establishment agent at the destination Marijuana Establishment shall compare the manifest produced by the agents who transported the marijuana products to the copy transmitted by facsimile or email. This manifest shall, at a minimum, include:
 - 1. the originating Marijuana Establishment name, address, and registration number;
 - 2. the names and registration numbers of the agents who transported the marijuana products;
 - 3. the name and registration number of the marijuana establishment agent who prepared the manifest;
 - 4. the destination Marijuana Establishment name, address, and registration number;
 - 5. a description of the marijuana products being transported, including the weight and form or type of product;
 - 6. the mileage of the transporting vehicle at departure from Berkshire Welco and mileage upon arrival at destination Marijuana Establishment, as well as mileage upon return to Berkshire Welco;
 - 7. the date and time of departure from Berkshire Welco and arrival at destination Marijuana Establishment for each transportation;
 - 8. a signature line for the marijuana establishment agent who receives the marijuana products;
 - 9. the weight and inventory before departure and upon receipt;
 - 10. the date and time that the transported products were re-weighed and re-inventoried;
 - 11. the name of the marijuana establishment agent at the destination Marijuana Establishment who re-weighed and re-inventoried products;
 - 12. the vehicle make, model, and license plate number.
 - iv. The manifest shall be maintained within the vehicle during the entire transportation process, until the delivery is completed.
 - v. Berkshire Welco shall retain all transportation manifests for no less than one year and make them available to the Commission upon request.
- d. Financial Record Keeping
- i. Accounting and Bookkeeping - All accounting and bookkeeping will be performed in accordance to the Operating Agreement and in compliance with federal, state, and local tax laws using QuickBooks Online for instant

and real-time account updates and management of the Chart of Accounts (CofA). These practices will be reviewed quarterly or upon changes or updates to 935 CMR 500 and will be audited yearly to ensure best practices and ensure our accounting, bookkeeping, auditing and tax compliance is deployed efficiently throughout the business.

- ii. Business Records. All business records will be the responsibility of the Executive Management Team (EMT) and will be filed and tracked electronically. All physical documents will be kept on file as well as scanned and filed electronically. Electronic records will consist of the following:
 - 1. Assets and liabilities; current and historical ownership /“cap table”; investor lists; insurance and escrow requirements; licensing fees, penalties assessed, renewal fees, CCC change fees; monetary transactions; chart of accounts including journals, ledgers, supporting documents, agreements, checks, invoices, vouchers, signed forms, vendor contracts, supplier agreements; employee compensation, executive compensation, bonus, benefit, or item of value paid to any individual affiliated with Berkshire Welco; quantity amount sold over the initial twelve month (12mo.) period and each three month (3mo.) period thereafter; retail projections based on wholesale and retail market rates per inventory on-hand; and any and all other documentation the EMT elects to track and file or deems pertinent.
- iii. Business records will be reviewed quarterly by the EMT. They will be used in profit forecasts, P&L statements, and to assess the financial health of the business.
- e. Additional Record Keeping
 - i. Visitor Log
 - ii. Waste Disposal Log
 - iii. Adverse Event Log
 - iv. Change Log
 - v. Master Cash Ledger (Cash Closeout)

2. Customer Management

- a. Customer Eligibility
 - i. A Berkshire Welco agent shall check the identification of any and all customers prior to being allowed entry.
 - ii. Only a valid form of identification (passport, driver’s license, government-issued ID card, or military ID card) shall be accepted.
 - iii. A Berkshire Welco agent shall confirm that the customer’s identity matches the information on their ID card.
 - iv. A Berkshire Welco agent shall confirm the customer’s birthdate as 21 years or older.

- v. A Berkshire Welco agent shall use software, hardware, and training to verify that the ID card presented is real and valid.
 - vi. If a customer is not 21 years of age or older, the individual will be denied entry to the dispensary.
 - vii. If a customer does not have a valid form of identification, the individual will be denied entry to the dispensary.
 - viii. If a customer's form of identification is expired, the individual will be denied entry to the dispensary.
 - ix. If a customer's identity does not match the information/picture provided, a Berkshire Welco agent will contact the manager/supervisor on duty to verify the identity. If after this the agent is not still not positive that the customer's identification is valid, the individual will be denied entry to the dispensary.
 - x. A Berkshire Welco agent shall check and verify the customer's ID card again at the Point-of-Sale.
- b. Denial of Service or Entry
- i. Berkshire Welco reserves the right to deny entry or service to any individual.
 - ii. Customers will be asked to leave the dispensary if they are disruptive and/or compromise the safety of agents, customers, the public, and/or property.
 - 1. Customer shall be escorted off property by a Berkshire Welco agent.
 - iii. If customer refuses to leave the dispensary, a Berkshire Welco supervisor/manager shall immediately contact the Sheffield Police Department.
 - 1. Individual shall be given trespass notice for the dispensary in the presence of a law enforcement official.
 - 2. Picture and information of trespassing individual will be made available to all retail agents and shall be posted in the retail office.
 - 3. Should the individual attempt to re-enter dispensary, police shall be summoned to arrest for Trespass After Notice.
- c. Customer Records
- i. Any and all confidential information collected by Berkshire Welco shall be maintained securely.
 - 1. Any personal information collected for the purposes of performing the transaction will only be stored if given consent by the customer.
 - 2. Digital information shall be maintained on a secure backed-up network.

1. Employee Management

- a. Organizational Chart (See attached Organizational Chart)
- b. Job Descriptions
 - i. Chief Executive Officer: The CEO shall provide overall leadership and vision for Berkshire Welco. The CEO will work with and support the executive management team and employees to assure that Berkshire Welco is setting reasonable business and community benchmarks, achieving its goals, and fulfilling its mission. CEO duties shall include, but not be limited to, the following:
 1. Develop, oversee, and execute a staffing plan and certain hiring protocols;
 2. Develop and implement personnel policies and procedures;
 3. Develop protocols to attract, hire, advance, discipline, and terminate employees and volunteers as needed to support Berkshire Welco's operations;
 4. Ensure compliance with 935 CMR 500.105(2)(b), including all Responsible Vendor Training requirements for employees;
 5. Ensure compliance with all workplace policy laws and requirements;
 6. Ensure compliance with Massachusetts law and regulations, including 935 CMR 500.000 in totality;
 7. Prepare and amend from time to time a Berkshire Welco plan to assure ongoing compliance with the provisions of 935 CMR 500.101(2)(e)(8);
 8. Prepare and amend from time to time a set of detailed written operating procedures to assure ongoing compliance with the provisions of 935 CMR 500.105(1);
 9. Keep and maintain all Berkshire Welco records and making such records available for inspection by the Commission, upon its request, in accordance with 935 CMR 500.105(9);
 10. Working with the executive management team and the Security Officer, implement a plan to prevent the diversion of product in accordance with the applicable regulations, including 935 CMR 500.101 and 935 CMR 500.105;
 11. Working with the executive management team, implement a diversity plan to promote equity among minorities, women, veterans, people with disabilities, and people of all gender identities and sexual orientations;
 12. Ensure that such anti-diversion plan incorporates the use of video monitoring, employee training, written guidance to employees, executive supervision, and physical inspection of the premises, among other tactics;

13. Ensure that each member of the executive management team shall attest by their signature that they have read and understand the requirements of 935 CMR 500.000 in totality, and shall keep a copy of such attestation within the books and records of Berkshire Welco;
 14. Lead Berkshire Welco's interactions with state regulators and municipal officials; and
 15. Working as the team leader, with other executives and employees, to review Berkshire Welco's business and community objectives, and implement plans to achieve those objectives.
- ii. Cultivation Director: The Cultivation Director shall operate and be responsible for maintenance, staffing, and ongoing operation of the cultivation facility. The Cultivation Director's duties shall include, but not be limited to, the following:
1. Implement all policies and procedures relating to the cultivation facility;
 2. Coordinate all cultivation staff work hours, assignments, and collaborations;
 3. Develop a plan to meet the demands of the business;
 4. Coordinate repairs and maintenance;
 5. Supervise and train cultivation employees in an ongoing capacity;
 6. Provide mandatory training for new cultivation employees;
 7. Maintain a record of space allocations;
 8. Work with cultivation staff to promote successful operations in all Berkshire Welco cultivation facilities;
 9. Maintain a database of environmental controls and conditions;
 10. Provide pesticide control strategies and ensure IPM program effectiveness;
 11. Adjust all mechanical systems and cultivation operations for optimum efficiency and production; and
 12. Ensure quality control and testing of marijuana flower in compliance with 935 CMR 500.160.
- iii. Security Director: The Security Director is responsible for implementing security policies and procedures for Berkshire Welco. The Security Director will maintain, implement, review, and amend such policies as required by the business. Security Director's duties shall include, but not be limited to, the following:
1. Ensure compliance with all provisions of 935 CMR 500.110;
 2. Review and ensure proper maintenance of all security apparatus including physical, human, and technological security methods and equipment;
 3. Interact with state inspectors and municipal law enforcement authorities;
 4. Train and supervise security staff;

5. Develop a plan for educating employees on the strict anti-diversion policy at Berkshire Welco;
 6. Develop, review, and supervise the process through which Berkshire Welco will report security incidents;
 7. Prepare reports, in written and electronic form, relative to the maintenance of security at Berkshire Welco, and generate any reports required by regulation to be provided to state regulators or law enforcement;
 8. Maintain current list of all authorized and registered employees working for Berkshire Welco;
 9. Maintain current list of all employees authorized to access designated areas of the facility;
 10. Lead a working group comprised of the CEO, Department Directors, and any other designated personnel to ensure that current policies and procedures are properly implemented, integrated, effective, and relevant to ensure the safety of Berkshire Welco employees and assets;
 11. Work with the Department Directors to ensure that all personnel complete and satisfy all background check requirements prior to performing and Berkshire Welco functionality;
 12. Provide staffing, shift change, and general oversight of security operations; and
 13. In the event of any suspected diversion incident, perform an internal audit, referencing video surveillance, and product tracking software, to locate the time, place, and agent involved with the discrepancy, and document and report in accordance with 935 CMR 500.110(1)(m).
- iv. Production Director: The Production Director is responsible for handling all post-harvest product. The Production Director shall operate and be responsible for maintenance, staffing, and ongoing operation of the production facility. The Production Director's duties shall include, but not be limited to, the following:
1. Handling and transporting all harvested plants from cultivation rooms to the trim room;
 2. Handling, transporting, and disposing of all waste material from cultivation rooms;
 3. Supervision of trim and production capabilities;
 4. Delegation of tasks to Trim Specialists;
 5. Ensuring quality control and testing of marijuana infused products in compliance with 935 CMR 500.160;
 6. Monitoring the status of the dry room and all product in the process of drying;
 7. Recording wet and dry weight for all product including flowers and trim;

8. Overseeing bulk packaging, transfer, and storing in product vault;
 9. Preparation of product for retail and wholesale markets;
 10. In collaboration with Inventory Manager, develop procedures for inventory management, including electronic tracking and the allocation of physical space, shelves, and containers within the premises including inventory protocols in compliance with 935 CMR 500.105(8) and (9); and
 11. In collaboration with Inventory Manager, develop product scheduling to support sales and product development objectives.
- v. Compliance Director: The Compliance Director will ensure compliance with regulations, policies, and procedures. The Compliance Director will create process maps and supporting standard operating procedures (S.O.P.s). Compliance Director duties shall include, but not be limited to, the following:
1. In collaboration with the Security Director, implement and administer background checks on all employees in a manner consistent with Massachusetts law and regulation, including 935 CMR 500.000;
 2. Review background checks prior to any employee commencing work and prior to any employee being granted access to any Berkshire Welco facility in a manner consistent with Massachusetts law and regulation, including 935 CMR 500.100;
 3. Registering each employee with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04 for purposes of determining suitability;
 4. For purposes of further ensuring suitability and in collaboration with the Security Director, the Compliance Manager shall:
 - a. Review any and all conditions, offenses, and violations occurring in Massachusetts or any other state, whether under state law or under the laws of the United States, or the law of any military, territorial, or Native American tribal authority, or any other jurisdiction.
 - b. Review any and all criminal disqualifying conditions, offenses, and violations including the crimes of attempt, accessory, conspiracy, and solicitation.
 - c. Where applicable, ensure all look back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802 commence upon the date of disposition; provided, however, that if disposition results in incarceration in any institution, the look back period will commence upon release from incarceration.
 - d. Exclude from consideration any juvenile dispositions as a factor for determining suitability.

- e. Analyze all background checks to Massachusetts law, including but not limited to 935 CMR 500.800, inclusive of all tables and exhibits.
- f. Not less frequently than monthly, consult the Commission for purposes of determining any change of law, regulation, or guidance and then to determine any change in recommended best practice.
- g. Administer Berkshire Welco background check protocol, in accordance with Massachusetts law and regulation, and any guidance provided by the CCC from time to time, including 935 CMR 500.802 and related tables.
- h. Determine whether grounds exist for Mandatory Disqualification or Presumptive Negative Suitability Determination and, in the event a Presumptive Negative Suitability Determination is made, Berkshire Welco will consider the following factors:
 - i. Time since the incident;
 - ii. Age of the subject at the time of the incident;
 - iii. Nature and specific circumstances of the incident;
 - iv. Sentence imposed and length, if any, of incarceration if criminal;
 - v. Penalty or discipline imposed, including damages awarded, if civil or administrative;
 - vi. Relationship of offense or incident to nature of work to be performed;
 - vii. Number of offenses or incidents;
 - viii. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
 - ix. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including, but not limited to, professional or educational certifications obtained; and
 - x. Any other relevant information, including information submitted by the subject.
- i. Upon finding an adverse determination, the Compliance Manager shall:
 - i. Report the adverse finding to the Security Director
 - ii. Within seven (7) days of such determination, provide the applicant a copy of the background

- screening report and a final adverse determination letter providing the applicant with instructions relative to the right to dispute the contents of the report and rights to supplement or pursue an appeal to the Suitability Review Commission;
 - iii. Document such adverse determination in compliance with all requirements set forth in 935 CMR 500 in totality; and
 - iv. Maintain such determination within Berkshire Welco personnel records.
- vi. Dispensary Manager: The Dispensary Manager shall supervise retail operations, including the handling, transfer, storage, and dispensing of products. Dispensary Manager duties shall include, but not be limited to, the following:
 - 1. Opening the retail space to the public at the appropriate hour;
 - 2. Closing the retail space at the appropriate hour;
 - 3. Supervision of Dispensary Agents;
 - 4. Assuring that all equipment, fixtures, and furniture is in working order;
 - 5. Ensuring that Dispensary Agents comply with all retail security protocols;
 - 6. Develop dispensary procedures in collaboration with CEO and other executives and employees, as required by 935 CMR 500.101(2)(e)(8);
 - 7. Cash management and financial reporting;
 - 8. Generate reports regarding retail sales from each POS station on a daily, monthly, and annual basis, in a form and manner determined by the CEO;
 - 9. In collaboration with the CEO and other designated personnel, ensure that Berkshire Welco remains compliant with all general operational requirements set forth in 935 CMR 500.105; and
 - 10. Reporting to the CEO and other members of the executive management team with respect to retail operations.
 - 11. Provide site inspections to CCC and authorities
- vii. Dispensary Supervisor: Dispensary Supervisors act as an extension of the dispensary managers, assisting in the opening and closing of the store as well as acting as a bridge between the management team and the daily operations of our sales floor.
 - 1. Assisting in all managerial functions to provide support
 - 2. Ensure compliance both on the sales floor and on the surrounding campus
 - 3. Reconciling cash at the end of the day as well as ensuring accuracy in end of day financials
 - 4. Assisting in scheduling for the retail team

5. Audit the safe and place change orders
 6. Provide site inspections to CCC and authorities as needed in the absence of a store manager
- viii. Dispensary Shift Leads: Dispensary shift leads oversee the day to day retail operations of our store and ensure that transactions are being rung out within compliance as well as ensure all employees are given proper breaks.
1. Supporting the dispensary supervisor in day-to-day operations of the store
 2. Make and track change and the flow of cash through the facility, including end of day cash reconciliation.
 3. Maintain a daily break and assignment sheet to ensure all employees are taking their breaks, and logging them to ensure they are being taken.
 4. Report any illegal, or inappropriate behavior to management via their end of day report
- ix. Dispensary Associate: Dispensary Associates participate in all retail functions. Dispensary Associates operate under the direction of the Dispensary Manager, Supervisor, Shift Lead, and Dispensary Associates duties shall include, but not be limited to, the following:
1. Ensuring that access to cannabis products is limited to individuals 21 years of age and older, in accordance with 935 CMR 500.140(3);
 2. Providing access to educational and informational literature;
 3. Ensuring that before checkout, customers confirm their identities and age a second time;
 4. Ensuring that, upon checkout, use of Berkshire Welco's seed-to-sale tracking system is in compliance with 935 CMR 500.105(8);
 5. In accordance with Mass. Gen. Laws ch 94G sec.7, assuring that no customer buy more than one ounce of marijuana flower or five grams of marijuana concentrate in any one transaction;
 6. Ensuring the collection of all taxes at the point and time of sale;
 7. After the customer makes a product selection, collecting the selected product from the product storage area and scanning the barcode into the POS system;
 8. Ensuring that any marijuana products are placed into an approved child-resistant package in compliance with 935 CMR 500.105(5);
 9. Upon sale, generating and affixing a label to the product and confirming that the label reflects the date, strain name, cannabinoid profile, and all applicable warnings as required by 935 CMR 500.105; and
 10. Maintaining a clean, quiet, and orderly sales process while being respectful of customer access, privacy, and safety.

- x. Inventory Manager: At least nightly, the Inventory Manager shall record an inventory count and shall report the findings to the necessary Department Directors. Additional Inventory Management responsibilities shall include, but not be limited to, the following:
 - 1. Develop and implement comprehensive inventory controls;
 - 2. Develop and implement comprehensive reporting policies to meet internal and external reporting requirements;
 - 3. Maintain all inventory records;
 - 4. Training and supervising all Associate Inventory Agents
 - 5. Handle, store, label, and track all inventory; and
 - 6. Working with Department Directors, implement safe and compliant transportation protocols, including but not limited to compliance with 500.050(5)(a)
- xi. Inventory Specialist: Inventory Associates support the daily functionality of the Inventory Manager. Additional Inventory Associate responsibilities shall include, but not be limited to, the following:
 - 1. Maintaining all records relating to inventory, including storage, transfer, audit, package, inventory levels and demand, and other records as required by the business;
 - 2. Documenting the acquisition, sale, disposal, and ending inventory counts on a daily and monthly basis;
 - 3. Ensuring that product is properly packaged, stored, labeled, maintained, and recorded within Berkshire Welco's electronic and physical systems; and
 - 4. Ensuring proper storage and disposal of waste in accordance with 935 CMR 500.105(12).
- xii. Cultivation Manager: Cultivation Managers are responsible for all tasks assigned by the Cultivation Director. Cultivations Managers report directly to the Cultivation Director, or by designation of the Cultivation Director, to Cultivation Associates. Responsibilities shall include, but not be limited to, the following:
 - 1. Nutrition, water, and irrigation;
 - 2. Cleaning and sterilizing;
 - 3. Pruning and potting;
 - 4. Application of pesticide and pest control;
 - 5. Plant and media monitoring for mold and pest;
 - 6. Propagation; and
 - 7. Table and equipment assembly/maintenance.
- xiii. Cultivation Associates: Cultivation Associates participate in daily cultivation tasks. Cultivation Associates operate under the supervision of the Cultivation Director and Cultivation Managers. Responsibilities shall include, but not be limited to, the following:

1. Perform routine maintenance and oversight of cultivation equipment, including tables, lights, HVAC, irrigation, and nutrition systems;
 2. Develop harvest schedules;
 3. At the direction of the Cultivation director, perform all cultivation tasks, including the application of pesticides.
 4. Monitor, inventory, purchase, and store all cultivation supplies and order such supplies as needed; and
 5. Report to the Cultivation Director at the close of business every day.
- xiv. MIP Manager: MIP Managers are responsible for producing marijuana infused products. MIP Manager reports directly to the Production Director. Additional MIP Manager responsibilities shall include, but not be limited to, the following:
1. Receiving daily tasks from the Production director;
 2. Designing, developing, and producing Marijuana Infused Products with suitable characteristics such as dose, look, feel, taste, and texture;
 3. Extracting marijuana and trim;
 4. Maintaining and operating all MIP equipment and machinery;
 5. Storing, curing, and packaging Marijuana Infused Products;
 6. Reporting to the Production Director on a daily basis with respect to quality, quantity, and expected inventory; and
 7. Cleaning and maintaining all furniture, fixtures, and equipment relating to MIP production.
- xv. Trim Specialists: Trim Specialists are responsible for post-harvest trimming of marijuana plants, by both mechanical and manual means. Trim specialists report directly to the Production Director. Additional Trim Specialist responsibilities shall include, but not be limited to, the following:
1. Receiving daily tasks from the Production Director;
 2. Assisting in the harvest of marijuana;
 3. Trimming marijuana plants;
 4. Maintaining a sterile environment in the Trim Room;
 5. Cleaning and maintaining scissors and trim machines; and
 6. Ensuring proper storage and disposal of waste in accordance with 935 CMR 500.105(12)
- c. Registration of Marijuana Establishment Agents
- i. Berkshire Welco shall apply for registration for all of its board members, directors, employees, executives, managers, and volunteers who are associated with Berkshire Welco. The Commission shall issue a registration card to each individual determined to be suitable for registration. All such individuals shall:
 1. Be 21 years of age or older;

2. Not been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority; and
 3. Be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 500.802.
- ii. An application for registration of a marijuana establishment agent shall include:
1. The full name, date of birth, and address of the individual;
 2. All aliases used previously or currently in use by the individual, including maiden name, if any;
 3. A copy of the applicant's driver's license, government-issued identification card, liquor purchase identification card issued pursuant to M.G.L. c. 138, § 34B, or other verifiable identity document acceptable to the Commission;
 4. An attestation that the individual will not engage in the diversion of marijuana products;
 5. Written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport, and dispense marijuana in the Commonwealth;
 6. Background information, including, as applicable:
 - a. A description and the relevant dates of any criminal action under the laws of the Commonwealth, or another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, whether for a felony or misdemeanor and which resulted in conviction, or guilty plea, or plea of nolo contendere, or admission of sufficient facts;
 - b. A description and the relevant dates of any civil or administrative action under the laws of the Commonwealth, another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority relating to any professional or occupational or fraudulent practices;
 - c. A description and relevant dates of any past or pending denial, suspension, or revocation of a license or registration, or the denial of a renewal of a license or registration, for any type of business or profession, by any federal, state, or local government, or any foreign jurisdiction;
 - d. A description and relevant dates of any past discipline by, or a pending disciplinary action or unresolved complaint

by, the Commonwealth, or a like action or complaint by another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority with regard to any professional license or registration held by the applicant; and

7. A nonrefundable application fee paid by Berkshire Welco; and
 8. Any other information required by the Commission.
- iii. A Berkshire Welco executive registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration, shall submit to the Commission a Criminal Offender Record Information (CORI) report and any other background check information required by the Commission for each individual for whom Berkshire Welco seeks a marijuana establishment agent registration, obtained within 30 days prior to submission.
 - iv. Berkshire Welco shall notify the Commission no more than one business day after a marijuana establishment agent ceases to be associated with the establishment. The registration shall be immediately void when the agent is no longer associated with the establishment.
 - v. A registration card shall be valid for one year from the date of issue and may be renewed on an annual basis upon a determination by the Commission that the applicant for renewal continues to be suitable for registration.
 - vi. After obtaining a registration card for a marijuana establishment agent, Berkshire Welco shall notify the Commission, in a form and manner determined by the Commission, as soon as possible, but in any event, within five business days of any changes to the information that the establishment was previously required to submit to the Commission or after discovery that a registration card has been lost or stolen.
 - vii. A Berkshire Welco agent shall carry the registration card associated with Berkshire Welco at all times while in possession of marijuana products, including at all times while at the establishment or while transporting marijuana products.
 - viii. A Berkshire Welco agent affiliated with multiple Marijuana Establishments shall be registered as a marijuana establishment agent by each Marijuana Establishment and shall be issued a registration card for each establishment.
- d. Training - Berkshire Welco shall ensure that all Berkshire Welco agents complete training prior to performing job functions. Training shall be tailored to the roles and responsibilities of the job function of each marijuana establishment agent, and at a minimum shall include a Responsible Vendor Program under 935 CMR 500.105(2)(b). At a minimum, staff shall receive eight hours of on-going training annually. Employee and Employee Training Records including agent training documents will be kept on record for review by management or a CCC agent.

- i. Employees are expected to complete a proprietary online in house training program that covers the following topics:
 - 1. Compliance
 - 2. Cannabis history
 - 3. Cannabis science
 - 4. Customer service and deescalation
 - 5. Cannabis cultivation
 - 6. Cannabis extraction
 - 7. Cannabis consumption
 - 8. CCC Regulations
 - 9. Security
 - 10. Inventory
 - 11. State tracking software and system
 - 12. Open, close, and cash procedures
- e. Training records for each employee will be maintained for at least four years. Training will be updated and refreshed annually or more frequently as needed, such as in the event of a CCC approved change in protocol. Compliance with procedure will be monitored on an ongoing basis through internal audits and performance reviews. Training will feature full mock “dry runs” prior to operations. These will be graded on a pass/fail basis by the Security Director or the appropriate Department Director.
 - i. Employees will be fully trained and will demonstrate proficiency in performing all on-duty activities prior to being authorized to perform duties without direct supervision. The training will include training on all equipment being utilized. Ongoing training, internal audits, and performance evaluations will ensure that the processes achieve and maintain the highest degree of quality and suitability for maintaining the quality of the useable marijuana for dispensing and the ongoing compliance of the packaged and labeled products.
- f. Grounds for Immediate Dismissal
 - i. Berkshire Welco shall enact a policy for the immediate dismissal of any marijuana establishment agent who has:
 - 1. Diverted marijuana, which shall be reported to law enforcement officials and to the Commission
 - 2. Engaged in unsafe practices with regard to operation of Berkshire Welco, which shall be reported to the Commission
 - 3. Been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.
- g. General Employment

- i. Standard Employment Practices - Berkshire Welco offers competitive wage and benefits packages. Berkshire Welco shall develop a workplace culture that values work-life balance, transparent and accessible management, and a work ethic consistent with the cannabis program in Massachusetts.
- ii. Compensation - Compensation shall be negotiated on an individual basis. Berkshire Welco shall determine compensation based on the prevailing wage in the marketplace. Compensation shall account for skill, experience, education, work history, and other lawful criteria as determined by Berkshire Welco. The CEO and executive management team shall determine compensation rates. Berkshire Welco shall at all times comply with applicable state and federal law in determining employee compensation.
- iii. Compliance with Law and Regulation - Berkshire Welco's written policies shall adhere to applicable federal and state laws, including but not limited to the Family and Medical Leave Act, the Consolidated Omnibus Budget Reconciliation Act, the Equal Employment Opportunity Act, the Employee Retirement Income Security Act, the Americans with Disabilities Act, 935 CMR 500.000 in totality, and with laws pertaining to holidays, work hours, personal time, paid time off, confidentiality, and workplace safety. The executive management team oversees company compliance, and the CEO shall implement company policies and procedures.
- iv. Work Schedules - Work schedules shall be part-time or full-time. Schedules will be set and classified according to the demands of the business. Berkshire Welco shall develop and implement work schedules that provide necessary duty and personnel coverage. Berkshire Welco shall determine work schedules to ensure adequate coverage on a daily basis and to diminish the likelihood of duplicate staffing or overtime coverage.
- v. Performance Reviews - At least annually, all employees shall receive performance reviews. A written review, in a form determined by the CEO, shall accompany each employee review. Such review shall be signed by the employee and shall be retained in the personnel files of the company. As determined by the CEO, reviews shall provide a reasonable evaluation of employee performance and may include scoring metrics, narrative content, and other performance methodologies.
- vi. Vacation, Paid Leave, and Family Leave Policies - Berkshire Welco's leave policies will comport with all applicable state and federal statutes. All full-time employees will receive two 40-hour weeks of paid vacation annually. Leave must be requested at least two weeks in advance and approved by the CEO or designee. Berkshire Welco anticipates observing all national holidays and will elect on an annual basis whether to observe state holidays.

- vii. Disciplinary Policy - Berkshire Welco has adopted a disciplinary policy designed to provide a graduated series of corrective actions. This policy, called the "Steps" policy, is intended to improve employee performance, promote the maintenance of a cohesive and productive workplace, and prevent recurring adverse behaviors. In addressing disciplinary matters, Berkshire Welco shall apply the steps described below:
1. Step 1: Individual Advice and Counsel - A member of the executive management team shall individually discuss the subject conduct with the employee. The executive shall identify the offending conduct and clearly outline company expectations for resolution.
 2. Step 2: Written Warning - Within seven (7) days of the discussion in Step 1, the executive will prepare a document characterizing the discussion and will provide a copy of the document to the employee. The employee will sign the document, a copy of which Berkshire Welco will maintain in the personnel file.
 3. Step 3: Final Written Warning - Should the offending conduct persist or reoccur, a member of the executive management team will prepare a document characterizing the offending conduct and will provide a copy of the document to the employee. The document may include witness statements or reference other evidence. The document will state "Final Warning" in prominent text. The employee will sign the document, a copy of which Berkshire Welco will maintain in the personnel file. If the executive finds the offending conduct problematic, disruptive and/or harmful, or jeopardizes the health and/or safety of other employees, the executive may recommend to the CEO that the employee be removed from the workplace. The CEO shall act on any such recommendation within forty-eight (48) hours.
 4. Step 4: Termination of Employment - The last step is termination of employment. Berkshire Welco reserves the right to terminate if, notwithstanding the steps set forth above, employee conduct fails to comport with Berkshire Welco's policies and procedures. Berkshire Welco reserves the right to terminate without prior notice or disciplinary action. The CEO must approve termination in writing, a copy of which Berkshire Welco will maintain in the personnel file.
 5. Note: Nothing in this policy provides any contractual right regarding employee discipline or counseling, nor shall anything in this policy be construed as modifying or altering the at-will employment relationship established between Berkshire Welco and its employees.
- viii. Conduct Not Subject to "Steps" Disciplinary Policy - Illegal behavior is not subject to the "Steps" policy and may be reported to local law

enforcement. Intoxication, sexual harassment, bullying, theft, misappropriation of intellectual property, and like behaviors shall not be subject to the "Steps" policy and may be grounds for immediate termination.

- ix. Separation of Employment - A separating employee may contact the CEO or other supervising authority to schedule an exit interview. Berkshire Welco reserves the right to refuse any such interview. The interview, if any, shall occur on or after the employee's last day of work.
- x. Company Property - A separating employee must return all company property at the time of separation. This shall include, but not be limited to, uniforms, cell phones, keys, computers, and identification cards. Failure to return items may result in deductions from final paycheck. An employee may be required to sign a wage deduction authorization form to facilitate the deduction of the cost of unreturned items from the final paycheck.
- xi. Termination of Employee Benefits - An employee separating from Berkshire Welco is eligible to receive benefits as long as the appropriate procedures are followed. Two weeks notice must be given and the employee must work the full two work weeks. Accrued vacation leave will be paid in the last paycheck. Accrued sick leave will be paid in the last paycheck.
- xii. COBRA Health Insurance - Health insurance terminates on the last day of the month of employment, unless employee requests immediate termination of benefits. Berkshire Welco shall provide information about employee rights under the Consolidated Omnibus Budget Reconciliation Act (COBRA) relative to the continuation of health insurance coverage.
- xiii. Standards Of Conduct - Berkshire Welco is committed to maintaining an environment conducive to the health and wellbeing of customers, employees, and the community. Berkshire Welco shall endeavor to provide a workplace free from harassment, bullying, and discrimination. Berkshire Welco will not tolerate harassment or discrimination on the basis of sex, race, color, national origin, age, religion, disability, sexual orientation, gender identity, or any other trait or characteristic protected by law. Harassment or discrimination on the basis of any protected trait or characteristic is contrary to Berkshire Welco's values and shall provide grounds for discipline, up to and including termination. Berkshire Welco policies shall prohibit any physical or verbal conduct that:
 - 1. Has the purpose or effect of creating an intimidating, hostile, or offensive work environment;
 - 2. Has the purpose or effect of unreasonably interfering with an employee's work performance; or
 - 3. Adversely affects an employee's employment opportunities.
- xiv. Standards of Conduct - All Berkshire Welco employees shall maintain the highest degree of professional behavior. Harassment or discrimination by

or against employees is strictly prohibited, and the CEO shall promptly address any offending conduct.

- xv. At-Will Employment - Unless otherwise specified in a signed writing executed by the CEO and the employee, employment at Berkshire Welco shall be at-will. The employer and employee alike may terminate the work relationship at any given moment and for any legitimate purpose. Each party reserves the right to end the employment.
- xvi. Workplace Attire - Workplace attire must be suitable for each specific role and task. The CEO and executive management team shall determine appropriate attire and shall ensure compliance with all workplace attire requirements.
- xvii. Business Hours: Retail
 - 1. Monday: 9:00am to 8:00pm
 - 2. Tuesday: 9:00am to 8:00pm
 - 3. Wednesday: 9:00am to 8:00pm
 - 4. Thursday: 9:00am to 8:00pm
 - 5. Friday: 9:00am to 8:00pm
 - 6. Saturday: 9:00am to 8:00pm
 - 7. Sunday: 9:00 am to 8:00pm
- h. Alcohol, Drugs & Illegal Substance Abuse
 - i. The Company is committed to providing its employees with a safe and productive work environment. In keeping with this commitment, it maintains a strict policy against the use of alcohol in the workplace and the unlawful use of drugs in the workplace. Consequently, no employee may consume or possess alcohol, or use, possess, sell, purchase, or transfer illegal drugs at any time while on Company premises or while using Company vehicles or equipment, or at any location during work time. No employee may report to work with illegal drugs (or their metabolites) or alcohol in his or her bodily system.
 - ii. "Illegal drug" means any drug that is not legally obtainable or that is legally obtainable but has not been legally obtained. It includes prescription drugs not being used for prescribed purposes, by the person to whom the drugs are prescribed, or in prescribed amounts. To the extent permitted by Massachusetts state law, marijuana is exempted from the definition of "illegal drug". For purposes of this policy as it relates to the use or possession, other than "Work Required Possession". The term "Work Required Possession means the possession for work purposes only, of Cannabis and any of its component or chemical parts, required to perform an employee's job at a duly licensed Company facility engaged in the Cannabis industry.
 - iii. Notwithstanding anything stated in this policy, it shall be a violation of this policy to be impaired on the job or in the workplace, and such impairment shall be a violation of this policy and subject the employee to discipline, up to and including termination of employment.

- iv. In addition to compliance with this policy, each employee is required to comply with all licensing or other regulatory requirements imposed by law to work in a Company facility.
 - v. You must notify your supervisor if you are taking any drug or substance that would render you unable to complete your assigned work in a safe and proper manner.
 - vi. Any violation of this policy will result in disciplinary action, up to and including immediate termination of employment.
 - vii. Employees must cooperate with the Company's investigation of possible violations of this substance abuse policy. As part of this cooperation, employees must report to their supervisor or other management personnel, or Human Resources any known or suspected violations of this policy. An employee's refusal to cooperate with an investigation conducted under this policy will subject him or her to disciplinary action, up to and including termination.
- i. Diversity Plan - Berkshire Welco believes in creating and sustaining a robust policy of inclusivity and diversity and that diversity in the workforce is key to the integrity of a company's commitment to its community. This plan is designed to promote equity among minorities, women, veterans, people with disabilities, and people of all gender identities and sexual orientations in operations of our business. Berkshire Welco will make every effort to employ and advance in employment qualified and diverse people at all levels within the company. Based in the rural Berkshires, Berkshire Welco may have some challenges to achieving workplace diversity, but the Company is committed to diversity in all elements of its operations.
- i. Berkshire Welco is dedicated to creating a diverse culture with a commitment to equal employment for all individuals. Berkshire Welco's recruitment efforts are designed to maintain a steady flow of qualified diverse applicants for employment and include the following steps:
 1. Developing relationships with organizations serving minorities, women, people of all gender identities and sexual orientations, veterans, and persons with disabilities for employment referrals. These organizations will likely be based throughout the Berkshires, but we will make special efforts in the Cities of Pittsfield and North Adams;
 2. Providing briefings to representatives from recruitment sources concerning current and future job openings;
 3. Encouraging employees from diverse groups to refer applicants for employment;
 4. Participating in career day programs in Pittsfield and North Adams and encouraging Berkshire Welco's diverse employees to participate whenever possible;
 5. Establishing recruitment efforts at higher learning institutions including Berkshire Community College; and

6. Ensuring that job openings are sent to community partners.
- ii. Berkshire Welco will offer promotions, career counseling, and training to provide all employees with equal opportunity for growth and to decrease turnover. Berkshire Welco will ensure that all employees are given equal opportunities for promotion by communicating opportunities, training programs, and clearly defined job descriptions.
 - iii. Berkshire Welco' diversity awareness training emphasizes the company's zero-tolerance commitment against harassment and discrimination, and strict adherence to take corrective action should any issues, concerns, or complaints arise. All employees will be required to complete the diversity awareness training program during employee orientation. Training will begin immediately upon hiring, and all new employees will be required to participate in an orientation program that will introduce and stress the importance of the Diversity Plan.
 - iv. Upon completion of the orientation program, new hires will be equipped to describe, discuss, and implement the Diversity Plan. Following successful completion of the general orientation program, employees will undergo additional diversity training that will be tailored to the employee's specific job function. All employees will also be required to undergo ongoing diversity training to ensure knowledge of newly determined best practices and policies and continued familiarity and compliance with the Diversity Plan.
 - v. Dissemination of information of the Diversity Plan will include the following:
 1. Inclusion of the Equal Employment Opportunity and Reasonable Accommodation statement in the Employee Handbook;
 2. Inclusion of zero-tolerance policies for harassment, discrimination, bullying, and other actions;
 3. Postings in suitable areas for employee communication;
 4. Diversity training programs for all employees;
 5. Quarterly progress evaluation meetings with appropriate personnel; and
 6. Formal presentations made to management and employees on diversity initiatives.
 - vi. Berkshire Welco will establish a Diversity Committee (the "Committee") to assist the executive management team and the Human Resources Manager with the implementation, growth and regular review of the Diversity Plan. The initial members of the Committee will be selected by the executive management team based on their diverse status and their personal commitments to diversity. Additional members of the Committee may be added at the discretion of the executive management team. The Committee will be responsible for:

1. Developing Equal Employment Opportunity (EEO) statements, policies, programs, and internal and external communication procedures in support of the goals of the Diversity Plan;
2. Assisting in the identification of problematic areas for EEO, including receiving, reviewing, and resolving any complaints of discrimination or other non-compliance with regards to equal opportunity and fair treatment of all employees;
3. Assisting management in arriving at effective solutions to problems regarding issues of diversity and inclusion;
4. Designing and implementing internal reporting systems that measure the effectiveness of programs designed to support a company culture that fosters diversity;
5. Keeping the company informed of equal opportunity progress through quarterly reports;
6. Reviewing the Diversity Plan with management at all levels of the organization to ensure that the Diversity Plan is understood; and
7. Auditing internal and external job postings to ensure information is in compliance with the Diversity Plan and other Company diversity policies and procedures.

Diversity Plan

The Plan below will apply to both to The Pass' cultivating, manufacturing and retail locations all at the same site in Sheffield:

Introduction

The Pass (or "the Company") believes in creating and sustaining a robust policy of inclusivity and diversity and that diversity in the workforce is key to the integrity of a company's commitment to its community. This plan is designed to promote equity among minorities, women, veterans, people with disabilities, the LGBT+ Community and people of all gender identities and sexual orientations in operations of our business. The Pass will make every effort to employ and advance in employment qualified and diverse people at all levels within the Company. Based in the rural Berkshires, The Pass may have some challenges to achieving workplace diversity, but the Company is nonetheless committed to diversity in all elements of its operations. The Pass' Plan to Positively Impact Areas of Disproportionate Impact will enhance this Diversity Plan.

Diversity Goals

The Pass is committed to building a diverse organization that fosters inclusivity and provides equal opportunity for all of its employees to advance and improve their careers within the Company. The Pass will develop and maintain a diverse, aware and inclusive working environment through its: 1) targeted recruitment efforts; 2) employee training and development program; and 3) the responsible oversight of the Company's Diversity Committee ("the Committee"). The Company's long-term goal is to employ a workforce that is at least 50% composed of diverse individuals (minorities, women, people identifying as LGBTQ+, veterans, and persons with disabilities), and to retain and advance those employees within the Company.

Diversity Programs

Recruiting a Diverse Workforce

The Pass is dedicated to creating a diverse culture with a commitment to equal employment for all individuals. The Pass' recruitment efforts are designed to maintain a steady flow of qualified diverse applicants for employment and will include the following steps:

- Developing partnerships with community organizations serving minorities, women, people of all gender identities and sexual orientations, veterans, and persons with disabilities for employment referrals. These organizations will likely be based throughout the Berkshires, but we will make special efforts in the Cities of Pittsfield and North Adams. The Company's initial community partners are identified below;
- Providing briefings to representatives from recruitment sources concerning current and future job openings;
- Encouraging employees from diverse groups to refer applicants for employment;

- Working with our community partners, participating in career day programs and/or job fairs in Pittsfield and North Adams at least twice per year in each municipality and encouraging The Pass' diverse employees to participate whenever possible;
- Establishing recruitment efforts at higher learning institutions including Berkshire Community College; and
- Ensuring that job openings are sent to community partners.

With respect to community partners, The Pass has already fostered relationships with the following entities, who will work collaboratively with the Company to ensure that the diversity goals expressed in this plan are met or exceeded:

- Berkshire Resources for Integration of Diverse Individuals through Education (“BRIDGE”) – A women and minority-run non-profit, grassroots organization dedicated to advancing equity and justice by promoting cultural competence, positive psychology, and mutual understanding and acceptance. BRIDGE’s advocacy efforts have led to the adoption of policies and practices in Berkshire towns and businesses to support equity and justice.

The Pass intends to leverage the vast networks of its community partners to increase visibility of the Company within the diverse communities of the Berkshires and also to better identify diverse individuals for employment at the Company.

The Pass has retained THC Staffing Group as an outside check on the company’s internal policies and attainment of goals. THC Staffing Group is a national staffing organization that does diverse recruiting for the cannabis industry. They will review the following written policies and documentation:

- Hiring
- Training
- Retention
- Workplace Culture
- Anti-Retaliation and Harassment Reporting
- Internal Investigations
- Agreements: NDA, Arbitration, Non-competes
- Pay Equity
- Promotion and Demotion
- Termination and Layoffs

These conclusions will be written in a report and sent to the Executive Management Team for purposes of auditing and evaluating the plans and their results.

They will also offer suggestions for incorporating diverse workforce into the company's strategic business plans, examining specific company goals and how they can be compatible for the objectives and for ongoing workforce hiring, retention, and development.

Employee Retention, Training and Development

The Pass will offer promotions, career counseling, and training to provide all employees with equal opportunity for growth and to decrease turnover. The Pass will ensure that all employees are given equal opportunities for promotion by communicating opportunities, training programs, and clearly-defined job descriptions. The Pass will instruct managers and supervisors to refer employees seeking career counseling to the Human Resources Manager.

The Pass' diversity awareness training emphasizes the Company's zero-tolerance commitment against harassment and discrimination, and strict adherence to take corrective action should any issues, concerns, or complaints arise. All employees will be required to complete the diversity awareness training program during employee orientation. Training will begin immediately upon hiring, and all new employees will be required to participate in an orientation program that will introduce and stress the importance of the Diversity Plan.

Upon completion of the orientation program, new hires will be equipped to describe, discuss, and implement the Diversity Plan. Following successful completion of the general orientation program, employees will undergo additional diversity training that will be tailored to the employee's specific job function. All employees will also be required to undergo annual diversity training to ensure knowledge of newly determined best practices and policies and continued familiarity and compliance with the Diversity Plan.

Dissemination of information about the Diversity Plan will include the following:

- Inclusion of the Equal Employment Opportunity and Reasonable Accommodation Statement in the Employee Handbook;
- Inclusion of zero-tolerance policies against harassment, discrimination, bullying, and other actions;
- Postings in suitable areas for employee communication;
- Annual diversity training programs for all employees;
- Quarterly progress evaluation meetings with appropriate personnel; and
- Formal presentations made to management and employees on diversity initiatives.

Diversity Committee Oversight

The Pass will establish the Diversity Committee to assist the executive management team and the Human Resources Manager with the implementation, growth and regular review of the Diversity Plan. The initial members of the Committee will be selected by the executive management team based on their diverse status and their personal commitments to diversity. Additional members of the Committee may be added at the discretion of the executive management team.

The Committee will be responsible for:

- Developing Equal Employment Opportunity (“EEO”) statements, policies, programs, and internal and external communication procedures in support of the goals of the Diversity Plan;
- Assisting in the identification of problematic areas for EEO, including receiving, reviewing, and resolving any complaints of discrimination or other non-compliance with regards to equal opportunity and fair treatment of all employees;
- Assisting management in arriving at effective solutions to problems regarding issues of diversity and inclusion;
- Designing and implementing internal reporting systems that measure the effectiveness of programs designed to support a Company culture that fosters diversity;
- Keeping the Company informed of equal opportunity progress through quarterly reports;
- Reviewing the Diversity Plan with management at all levels of the organization to ensure that the Diversity Plan is understood; and
- Auditing internal and external job postings to ensure information is in compliance with the Diversity Plan and other Company diversity policies and procedures.

Diversity Measurement

The Human Resources Manager will be responsible for auditing the Diversity Plan. The Human Resources manager will develop an annual audit report (“Annual Audit Report”) setting forth the Company’s performance in fulfilling the goals of the Diversity Plan. The Annual Audit Report will contain:

- Employment data, including information on minority, women, disabled, LGBTQ+, and veteran representation in the workforce in all job classifications; average salary ranges; recruitment and training information (all job categories); and retention and outreach efforts;
- The total number and value of all contracts and/or subcontractors awarded for goods and services;
- An identification of each subcontract actually awarded to a member of a diverse group and the actual value of such subcontract;
- A comprehensive description of all efforts made by the Company to monitor and enforce the Diversity Plan;
- Information on diverse group investment, equity ownership, and other ownership or employment opportunities initiated or promoted by the Company;
- Data tracking the Company’s participation at career day programs and/or job fairs in Pittsfield and North Adams (e.g., identities of Company employees who participated, identities of candidates who expressed interest in employment with the Company through use of a sign-in sheet, documentation of follow-up contacts with interested candidates);
- Other information deemed necessary or desirable to ensure compliance with the rules and regulations governing marijuana establishments in Massachusetts; and
- When available, a workforce utilization report including the following information for each job category:
 - The total number of persons employed;

- The total number of men employed;
- The total number of women employed;
- The total number of veterans;
- The total number of individuals identifying as LGBTQ+;
- The total number of service-disabled veterans; and
- The total number of members of each racial minority employed.

The Annual Audit Report will enable the Human Resources Manager to track the Company's progress toward its long-term diversity hiring goal of a workforce at least 25% composed of diverse individuals. The Human Resources Manager, working with the Diversity Committee, will track the Company's progress toward its long-term Diversity Hiring using intermediate diversity hiring targets for years 1-4 of its operation. Those intermediate targets are:

Commencement of Operations: minimum 10% diverse individual employment.

End of Year 1: minimum 15% diverse individual employment.

End of Year 2: minimum 20% diverse individual employment.

End of Year 3: minimum 25% diverse individual employment.

End of Year 4: minimum 25% diverse individual employment.

These short-term metrics and oversight by the Human Resources Manager will ensure that The Pass is regularly evaluating progress toward its diversity hiring goals and employing corrective actions if targets are not met. The Annual Audit Report will include data and commentary discussing the Company's achievement of its intermediate diversity hiring goals and, if necessary, provide for corrective actions if the Company is falling short of those goals. The Human Resources Manager, with support from the Diversity Committee, would be responsible for implementing any such corrective actions.

Diversity Plan Acknowledgments

The Pass pledges to adhere to the requirements set forth in 935 CMR 500.105(4)(a) which provides the permitted advertising, branding, marketing and sponsorship practices for all Marijuana Establishments. The Pass likewise pledges not to employ any of the prohibited practices articulated in 935 CMR 500.105(4)(b). Finally, none of the actions taken or programs instituted by The Pass will violate the Commission's regulations with respect to limitations on ownership or control or any other applicable state laws.