



# Massachusetts Cannabis Control Commission

## Marijuana Retailer

### General Information:

License Number: MR282038  
Original Issued Date: 02/09/2021  
Issued Date: 02/09/2021  
Expiration Date: 02/09/2022

## ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: ACK Natural, LLC

Phone Number: 617-331-0709      Email Address: jcrowford@publicpolicylaw.com

Business Address 1: 50 Commonwealth Ave, Suite 1      Business Address 2:

Business City: Boston      Business State: MA      Business Zip Code: 02108

Mailing Address 1: 50 Commonwealth Ave, Suite 1      Mailing Address 2:

Mailing City: Boston      Mailing State: MA      Mailing Zip Code: 02108

## 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: ACK Natural, LLC

Department of Public Health RMD Registration Number:

Operational and Registration Status: Obtained Provisional Certificate of Registration only

To your knowledge, is the existing RMD certificate of registration in good standing?: yes

If no, describe the circumstances below:

## PERSONS WITH DIRECT OR INDIRECT AUTHORITY

### Person with Direct or Indirect Authority 1

Percentage Of Ownership: 33.3      Percentage Of Control: 33.3

Role: Owner / Partner      Other Role:

First Name: Michael      Last Name: Sullivan      Suffix:

Gender: Male      User Defined Gender:

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

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 33.3

Percentage Of Control: 33.3

Role: Owner / Partner

Other Role:

First Name: Douglas

Last Name: Leighton

Suffix:

Gender: Male

User Defined Gender:

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

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 3

Percentage Of Ownership: 33.3

Percentage Of Control: 33.3

Role: Owner / Partner

Other Role:

First Name: Zachary

Last Name: Harvey

Suffix:

Gender: Male

User Defined Gender:

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

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

No records found

CAPITAL RESOURCES - ENTITIES

Entity Contributing Capital 1

Entity Legal Name: ACK Natural, LLC

Entity DBA:

Email:

dleighton@dutchesscapital.com

Phone:

617-331-0709

Address 1: 50 Commonwealth Ave, Suite 1

Address 2:

City: Boston

State: MA

Zip Code: 02108

Types of Capital: Monetary/Equity

Other Type of

Total Value of Capital Provided:

Percentage of Initial Capital:

Capital:

\$900000

100

Capital Attestation: Yes

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

First Name: Zachary

Last Name: Harvey

Suffix:

Marijuana Establishment Name: TYCA Green, Inc.

Business Type: Marijuana Retailer

Marijuana Establishment City: Clinton

Marijuana Establishment State: MA

Individual 2

**First Name:** Zachary                      **Last Name:** Harvey                      **Suffix:**  
**Marijuana Establishment Name:** TYCA Green, Inc.      **Business Type:** Marijuana Cultivator  
**Marijuana Establishment City:** Clinton                      **Marijuana Establishment State:** MA

**Individual 3**

**First Name:** Zachary                      **Last Name:** Harvey                      **Suffix:**  
**Marijuana Establishment Name:** TYCA Green, Inc.      **Business Type:** Marijuana Product Manufacture  
**Marijuana Establishment City:** Clinton                      **Marijuana Establishment State:** MA

**Individual 4**

**First Name:** Zachary                      **Last Name:** Harvey                      **Suffix:**  
**Marijuana Establishment Name:** ACK Natural, LLC      **Business Type:** Marijuana Cultivator  
**Marijuana Establishment City:** Nantucket                      **Marijuana Establishment State:** MA

**Individual 5**

**First Name:** Zachary                      **Last Name:** Harvey                      **Suffix:**  
**Marijuana Establishment Name:** ACK Natural, LLC      **Business Type:** Marijuana Product Manufacture  
**Marijuana Establishment City:** Nantucket                      **Marijuana Establishment State:** MA

**Individual 6**

**First Name:** Douglas                      **Last Name:** Leighton                      **Suffix:**  
**Marijuana Establishment Name:** ACK Natural, LLC      **Business Type:** Marijuana Cultivator  
**Marijuana Establishment City:** Nantucket                      **Marijuana Establishment State:** MA

**Individual 7**

**First Name:** Douglas                      **Last Name:** Leighton                      **Suffix:**  
**Marijuana Establishment Name:** ACK Natural, LLC      **Business Type:** Marijuana Product Manufacture  
**Marijuana Establishment City:** Nantucket                      **Marijuana Establishment State:** MA

**Individual 8**

**First Name:** Michael                      **Last Name:** Sullivan                      **Suffix:**  
**Marijuana Establishment Name:** ACK Natural, LLC      **Business Type:** Marijuana Cultivator  
**Marijuana Establishment City:** Nantucket                      **Marijuana Establishment State:** MA

**Individual 9**

**First Name:** Michael                      **Last Name:** Sullivan                      **Suffix:**  
**Marijuana Establishment Name:** ACK Natural, LLC      **Business Type:** Marijuana Product Manufacture  
**Marijuana Establishment City:** Nantucket                      **Marijuana Establishment State:** MA

**MARIJUANA ESTABLISHMENT PROPERTY DETAILS**

**Establishment Address 1:** 17-19 Spearhead Drive  
**Establishment Address 2:**  
**Establishment City:** Nantucket                      **Establishment Zip Code:** 02554  
**Approximate square footage of the establishment:** 11700                      **How many abutters does this property have?:** 61  
**Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?:** Yes

**HOST COMMUNITY INFORMATION**

**Host Community Documentation:**

Document Category	Document Name	Type	ID	Upload Date
Certification of Host Community Agreement	ACK Natural HCA Certification.pdf	pdf	5d5adbafc544c91e011c44f7	08/19/2019
Plan to Remain Compliant with Local Zoning	Plan to Remain Compliant with Local Zoning 8.20.19.pdf	pdf	5d7fe2078906c11df69cbbd3	09/16/2019
Community Outreach Meeting Documentation	Community Outreach Attestation Forms 9.16.19_Redacted.pdf	pdf	5e5fe0829e668e468af06429	03/04/2020

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

#### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	ACK Plan for Positive Impact RFI 1.pdf	pdf	5e5fe09a73b705467fec953f	03/04/2020

#### ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

Role: Owner / Partner      Other Role:  
 First Name: Michael      Last Name: Sullivan      Suffix:  
 RMD Association: RMD Owner  
 Background Question: no

##### Individual Background Information 2

Role: Owner / Partner      Other Role:  
 First Name: Douglas      Last Name: Leighton      Suffix:  
 RMD Association: RMD Owner  
 Background Question: yes

##### Individual Background Information 3

Role: Owner / Partner      Other Role:  
 First Name: Zachary      Last Name: Harvey      Suffix:  
 RMD Association: RMD Owner  
 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	ACK Natural LLC - Executed Operating	pdf	5d5adbe338be9e227ac50aad	08/19/2019

	Agreement-c copy.pdf				
Secretary of Commonwealth - Certificate of Good Standing	ACK Natural LLC Cert of Good Standing SOS.pdf	pdf	5d5adbefc544c91e011c4504	08/19/2019	
Articles of Organization	ACK Natural LLC - MA Certificate of Organization-c.pdf	pdf	5d5d61d48470d4229ba42aa6	08/21/2019	
Department of Revenue - Certificate of Good standing	ACK DOR Cert of Good Standing.pdf	pdf	5d80047038be9e227ac55209	09/16/2019	

No documents uploaded

Massachusetts Business Identification Number: 001314951

Doing-Business-As Name:

DBA Registration City:

### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	ACK liability Insurance Plan.pdf	pdf	5d5adc02d4b61e1ddc08a246	08/19/2019
Business Plan	ACK Natural Business Plan 2019 CCC.pdf	pdf	5d5adc0baf9d6f1dd589f510	08/19/2019
Proposed Timeline	ACK Proposed Timeline_Retail.pdf	pdf	5d80048d8470d4229ba46bca	09/16/2019

### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for obtaining marijuana or marijuana products	ACK Plan for Obtaining Marijuana or Marijuana Products.pdf	pdf	5d8004aa3aff472290ba1bc2	09/16/2019
Restricting Access to age 21 and older	ACK Restricting Access to Age 21 or Older.pdf	pdf	5d8004bc9f9d6f1dd58a3ef6	09/16/2019
Prevention of diversion	ACK Prevention of Diversion.pdf	pdf	5d8004ced4b61e1ddc08eb58	09/16/2019
Storage of marijuana	ACK Storage of Marijuana.pdf	pdf	5d8004db7e918b22a66c1689	09/16/2019
Transportation of marijuana	ACK Transportation of Marijuana.pdf	pdf	5d8004e6c544c91e011c8d70	09/16/2019
Inventory procedures	ACK Inventory Procedures.pdf	pdf	5d8004f10473c3226f35dc0d	09/16/2019
Quality control and testing	ACK Procedures for Quality Control and Testing of Product.pdf	pdf	5d8004fc816d7b225d15ad5b	09/16/2019
Personnel policies including background checks	ACK Personnel Policies.pdf	pdf	5d80050e271f0d1dcaf33153	09/16/2019
Record Keeping procedures	ACK Record Keeping Procedures.pdf	pdf	5d80051a3aff472290ba1bc6	09/16/2019
Maintaining of financial records	ACK Maintaining of Financial Records.pdf	pdf	5d80052ec544c91e011c8d74	09/16/2019
Qualifications and training	ACK Qualifications and Training.pdf	pdf	5d8005353567ed1db89e392d	09/16/2019
Security plan	ACK Security Plan RFI 1.pdf	pdf	5e5fe0db8b5ea5469520d979	03/04/2020
Separating recreational from medical operations, if applicable	ACK Plan for Separating Medical and Adult-Use RFI 1 FINAL.pdf	pdf	5e6279e1fd7e6446b62a4f64	03/06/2020

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

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

**ADDITIONAL INFORMATION NOTIFICATION**

Notification: I Understand

**COMPLIANCE WITH POSITIVE IMPACT PLAN**

No records found

**COMPLIANCE WITH DIVERSITY PLAN**

No records found

**HOURS OF OPERATION**

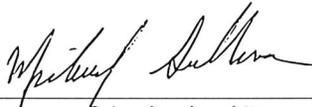
Monday From: 10:00 AM	Monday To: 7:00 PM
Tuesday From: 10:00 AM	Tuesday To: 7:00 PM
Wednesday From: 10:00 AM	Wednesday To: 7:00 PM
Thursday From: 10:00 AM	Thursday To: 7:00 PM
Friday From: 10:00 AM	Friday To: 7:00 PM
Saturday From: 10:00 AM	Saturday To: 7:00 PM
Sunday From: 10:00 AM	Sunday To: 7:00 PM

## Host Community Agreement Certification Form

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

### Applicant

I, Michael Sullivan, (*insert name*) certify as an authorized representative of ACK Natural LLC (*insert name of applicant*) that the applicant has executed a host community agreement with Nantucket (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on 4/11/2019 (*insert date*).



Signature of Authorized Representative of Applicant

### Host Community

I, Gregg Tivnan, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Nantucket (*insert name of host community*) to certify that the applicant and Town of Nantucket (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on May 1, 2019 (*insert date*).



Signature of Contracting Authority or  
Authorized Representative of Host Community

### **Plan to Remain Compliant with Local Zoning**

The purpose of this plan is to outline how ACK Natural, LLC (“ACK”) is and will remain in compliance with local codes, ordinances and bylaws for the physical address of the marijuana establishment at is 17-19 Spearhead Drive, Nantucket, MA 02554, which shall include, but not be limited to, the identification of any local licensing requirements for the adult use of marijuana.

17-19 Spearhead Drive is located within the Town’s Commercial Industrial (“CI”) zone which is a permissible zoning district for a marijuana establishment and marijuana treatment center with a special permit. In accordance with Section (1)(a) of the definition of Marijuana Establishment, Recreational of §139-2 of Nantucket’s Zoning Bylaw, this structure will be a co-located standalone facility. As required by Section (1)(b) of the aforementioned definition, this property is separated from state-certified public or private schools and state-licensed day-care centers by more than 500 feet, measured between lot lines. The property also meets the similar requirements of Section (1) and (2) of the definition of Marijuana Treatment Center, Medical of §139-2 of Nantucket’s Zoning Bylaw. The property is also sufficiently separated from any existing medical marijuana treatment centers or adult-use marijuana establishments currently operating on Nantucket. There are no other codes, ordinances, or bylaws relative to the marijuana establishment.

In addition to ACK remaining compliant with existing Zoning Ordinances; ACK will continuously engage with Town of Nantucket officials to remain up to date with local zoning ordinances to remain fully compliant.

## 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, Michael Sullivan, (*insert name*) attest as an authorized representative of ACK Natural 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 June 28, 2019 (*insert date*).
2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on June 20, 2019 (*insert date*), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document*).
3. A copy of the meeting notice was also filed on June 18, 2019 (*insert date*) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).
4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on June 20, 2019 (*insert date*), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).

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

### Island Scorecard

BRANT POINT RUNNERS	
Ken Galkiewicz	23:12
Laura O'Brian	**23:32
Liza Ilatton	24:43
Christina Boling	**25:24
Jen McCormick	25:32
Jared Smith	25:59
Lisa Brunetti	26:32
Leah Kohl	26:34
Sallyanne Avallin	*40:43

Runners meet Tuesdays rain or shine at 5:15 p.m. at the corner of North Beach and Easton streets for a 5:30 p.m. start. The SK (3.1 miles) run over a mostly flat course with one hill and some moderate grades. Runners of all abilities from beginners to veterans are welcome. There are no entry fees. For information call (508) 228-0206.

\*Season Best \*\* Personal Course Record  
CR Course Record

Course records: Steve O'Brien, 15:42; Lindsay Wilkins, 17:59.

HARVEY FOUNDATION GOLF TOURNAMENT	
June 15	
Micamer Golf Course	at 5:15 p.m.
First: Richard Barragan, Steve McGovern, Greg Mitchell, Marc Silver	Second: Will Mac, Joe Barragan, Adam Webb, Matt Hittin
Third: Jerry McGovern, Marie McGovern, Ellen Gabler, The Dabchick	

DISC GOLF	
June 16	
John Harris and Marco Saravento	-16 (52)
Iben Hale and Ken Kautler	-16 (57)
Bryan Larlee and Chris Montgomery	-15 (53)
Zach Wozar and Derek Smith	-14 (54)
Robert McGrath and Jackson Milne	-10 (58)
Erik Anderson and David Wideman	-1 (64)

\*Won on fourth playoff hole

**CO-ED VOLLEYBALL DAY**

Registration is now open for the 29th Co-Ed Beach Volleyball Day, Sunday, Aug. 4 at Jetties Beach, to benefit the Nantucket Food Pantry and Andy Hanson Memorial Fund. The registration fee is \$250 per team, and due by Aug. 2. Teams must have at least two women among the six on the court at all times. For a registration form or more information, e-mail organizer Linda Wilkins at [caulinda@comcast.net](mailto:caulinda@comcast.net)

**SUMMER LACROSSE LEAGUE**

The Nantucket Lacrosse Club is looking for players of high school, college and adult age to take part in the first season of a men's league that will begin July 1 and run through the second week of August. Games will be played at the turf fields off Nabsheet Farm Road. For more information about the league or to sign up, visit [www.nlacrosseclub.com](http://www.nlacrosseclub.com) or e-mail [nlacrosseclub@gmail.com](mailto:nlacrosseclub@gmail.com).

SALT MARSH BRIDGE	
June 16	
North/South	East/West
First: Sandra Paladanis and Sandy Jackson	First: Jay Wertheimer and Carlo Vittarini
Second: Joyce Levy and Ned Singer	Second: Nancy Serafine and Philippa Rubin
Third: Barbara Kirk and Carole Weymer	Third: Elizabeth Jacobson and Grace Hildy
Fourth: Charlene Thurston and Betsy Brian	Fourth (tie): Anne Bucci and Duane Beaulieu

FARAWAY ISLAND BRIDGE	
June 17	
North/South	East/West
First: Sandra Paladanis and Nancy Jackson	First: Carol Christensen and Jane Louise
Second: Rosalie Kennedy and Barbara Kirk	Second: Patty Abramson and Philippa Rubin
Third (tie): Alison Hart and Jay Piggis	Third: Deborah S. Piere and Bessie Connelly
April Barrett and Carlo Vittarini	Fourth: Roberta Sylla and Malton Martin

**NOTICE OF PUBLIC HEARING**

In accordance with MGL Chapter 131, Section 40, and pursuant to Regulation 310CMR10.05, et seq., and with Nantucket By-Law Chapter 136, Section 3D, the Nantucket Conservation Commission will hold a Public Hearing Wednesday July 3rd, 2019 at 5:00 pm, in the meeting room on the second floor of the Public Safety Facility located at 4 Fairgrounds Road to consider the Request for Determination filed by the Nantucket Pond Coalition for restoration and reseeded at Long Pond, White Goose Cove and Massachusetts Bridge Assessors Map: N/A Parcels: N/A

G31 NANTUCKET CONSERVATION COMMISSION

**NOTICE OF PUBLIC HEARING**

In accordance with MGL Chapter 131, Section 40, and pursuant to Regulation 310CMR10.05, et seq., and with Nantucket By-Law Chapter 136, Section 3D, the Nantucket Conservation Commission will hold a Public Hearing Wednesday July 3rd, 2019 at 5:00 pm, in the meeting room on the second floor of the Public Safety Facility located at 4 Fairgrounds Road to consider the Request for Determination filed by Amanda P. Olin to connect to town sewer at 52 Meadow View Drive. Assessors Map: 56 Parcels: 176.

G32 NANTUCKET CONSERVATION COMMISSION

**NOTICE OF PUBLIC HEARING**

In accordance with MGL Chapter 131, Section 40, and pursuant to Regulation 310CMR10.05, et seq., and with Nantucket By-Law Chapter 136, Section 3D, the Nantucket Conservation Commission will hold a Public Hearing Wednesday July 3rd, 2019 at 5:00 pm, in the meeting room on the second floor of the Public Safety Facility located at 4 Fairgrounds Road to consider the Notice of Intent filed by A. & B. Rowley Trust for invasive species removal within resource area buffer zones at 14 & 20 Shawwemo Parcels: 2.1 & 179.

G34 NANTUCKET CONSERVATION COMMISSION

**NOTICE OF PUBLIC HEARING**

In accordance with MGL Chapter 131 to Regulation 310CMR10.05, et seq. and pursuant to Law Chapter 136, Section 3D, the Commission will hold a Public Hearing Wednesday July 3rd, 2019 at 5:00 pm, in the meeting room on the second floor of the Public Safety Facility located at 4 Fairgrounds Road to consider the Notice of Intent filed by Grant L. for an after the fact permit for landscaping work within the buffer zone to a resource area at 11 Medolite Creek Road Assessors Map: 20 Parcels: 3.1

G33 NANTUCKET CONSERVATION COMMISSION

**NOTICE OF PUBLIC HEARING**

In accordance with MGL Chapter 131, Section 40, and pursuant to Regulation 310CMR10.05, et seq., and with Nantucket By-Law Chapter 136, Section 3D, the Nantucket Conservation Commission will hold a Public Hearing Wednesday July 3rd, 2019 at 5:00 pm, in the meeting room on the second floor of the Public Safety Facility located at 4 Fairgrounds Road to consider the Amended Order of Conditions SF48-3037 filed by 46 Shimmoo Pond Road Normie Trust for updates to landscaping and opportunities within the buffer zone to a resource area at 46 Shimmoo Pond Road Assessors Map: 43 Parcels: 77

G35 NANTUCKET CONSERVATION COMMISSION

**PUBLIC NOTICE**

A PUBLIC HEARING of the NANTUCKET PLANNING BOARD is scheduled for 5:00 PM, MONDAY, JULY 8, 2019 in the PUBLIC SAFETY FACILITY COMMUNITY ROOM (FIRST FLOOR) at 4 FAIRGROUNDS ROAD, Nantucket, MA 02554. The complete application materials detailing the proposal and the requested waivers may be reviewed at the Planning Board office at 2 Fairgrounds Road, Nantucket, MA 02554 between the hours of 7:30 AM and 4:30 PM, Monday through Friday. Written comments for the meeting must be received by MONDAY, JULY 1, 2019 to be provided to the Planning Board in advance of the meeting, and may be addressed to the Planning Board at the above address, faxed to (508) 228-7298, or emailed to [hbackus@nantucketma.gov](mailto:hbackus@nantucketma.gov).

#41-19 Jonathan D. Hencke, 3 Friendship Lane  
The Owner, Jonathan D. Hencke, is seeking a Special Permit pursuant to Sections 139-8C of the Zoning Bylaw and Chapter 40A of the Massachusetts General Laws (also known as the Zoning Act) to propose to create a secondary residential lot for year-round residents. The site is located at 3 Friendship Lane and is shown as Nantucket Tax Assessor's Map 66 Parcel 248 and on Lot 40 Land Court Plan number 35397-G. Evidence of Owner's Title is registered in Certificate of Title 27307. The site is zoned in Residential-20 (R-20) district.

#42-19 Peter H. Kalzer & Thera K. Kalzer, 24 Surfside Road  
The Owners, Peter H. Kalzer and Thera K. Kalzer, are requesting a Special Permit pursuant to Chapter 40A of the Massachusetts General Laws (also known as the Zoning Act) and Section 139-20.1B(1) and 139-20.1C of the Nantucket Zoning Bylaw to construct a second driveway access. The site is located at 24 Surfside Road and is shown as Nantucket Tax Assessor's Map 55 Parcel 243. Evidence of Owner's title is recorded in Book 165 Page 301 on file at the Nantucket Registry of Deeds. The property is zoned Residential-70 (R-70) district.

## Volunteer: Island nonprofits in need of assistance

(Continued from page 7B)

riers and build tolerance. We are looking for volunteers who like to lead groups, enjoy talking and meeting new people and have a passion for peace building. For more information, e-mail [volunteer@hntusa.org](mailto:volunteer@hntusa.org). To learn about the Surfside hostel, visit [www.hntusa.org/hostels/massachusetts/nantucket/nantucket](http://www.hntusa.org/hostels/massachusetts/nantucket/nantucket)

**Loines Observatory Public Viewing Nights:** Assistants are needed to collect money and help with the positioning and operation of the telescope. Opportunities exist for both long-term and short-term volunteer commitments. Call (508) 228-9273 for information.

**Maria Mitchell Association:** Volunteers are needed to help administrative staff coordinate mailings and assist with special events. Call (508) 228-9198 for details.

**Mentoring Youth Nantucket (MYN):** Now under the Fairwinds-Nantucket's Counseling Center's umbrella, Mentoring Youth Nantucket (MYN) improves and enriches the lives of at-risk island youth through the friendship and guidance of our caring, responsible mentors. MYN offers four programs: Breakfast Buddies at Nantucket Elementary School, Homework Club for elementary-school students, Mentoring and academic tutoring for sixth-graders, and a traditional one-on-one mentorship program. We are currently seeking motivated adults willing to commit one afternoon a week to working with a sixth grader for the remainder of the school year. You do not need to be a teacher to apply, just someone who enjoys working with children and willing to commit to sharing your time. Becoming a mentor is a simple, rewarding way to make a long-lasting positive impact in a child's life. Screening and training are required for all volunteers. For more information, contact program manager Hannah Montgomery at (508)

228-9689 or [hmontgomery@fairwindscenter.org](mailto:hmontgomery@fairwindscenter.org).

**Mitchell House:** Tour guides are needed to lead visitors through the house where Maria Mitchell was born and raised. The house is one of the finest examples of 19th century Quaker architecture on the island. It contains a remarkable collection of artifacts that illustrate daily life in the 1800s, as well as personal belongings of Maria's, including her famous telescope. Call (508) 228-2896.

**Nantucket Boys & Girls Club:** Give back to the community by giving the most valuable thing you can give, time. People need people and kids need people that care about them. Volunteer at the Boys & Girls Club and play a part in mending a child's future. Please contact Phyllis at (508) 228-0158 or stop by the Club at 61 Sparks Ave. If you're interested in doing the world's best good.

**Nantucket Community Dinners:** Nantucket Community Dinners are an opportunity for Nantucketers to gather together to share a beautiful meal, to serve and be served, and to take a moment out of our busy and sometimes stressful lives to be united in love. NCD gatherings take place the second Tuesday of each month from October to May, at 6 p.m. at the American Legion Hall on Washington Street. Volunteers are needed the second Monday and second Tuesday of each month to help as prep cooks, table-setters, table hostesses, servers and dishwashers. All are welcome. No experience required. Our motto, "Devoted to One Another," is inspired by Romans 12:10-13. Sponsored by Spiritual Heritage Nantucket. The volunteer, visit: [www.spiritualheritagenantucket.org/volunteer](http://www.spiritualheritagenantucket.org/volunteer)

**Nantucket Community School/Early Childhood Education:** The Community School's Early Childhood Education program is a community organization working together to provide programs and services for the island's

youngest children and their families. To volunteer for an hour or more a week, call (508) 228-7285, ext. 1162.

**Nantucket Cottage Hospital:** simply wouldn't be able to provide such great care without our amazing, tireless volunteers. Our "Blue Coats," as they are called, are often the first people you see when you enter the hospital. We know for a fact how the sight of their familiar faces reassures anxious patients and loved ones. Blue Coats are particularly needed to help with check-in and registration on Tuesdays, but other shifts are available.

In order to become an NCH Blue Coat volunteer, the following is required: Must be 18 years of age or older, complete and submit a volunteer application, make a firm time commitment of at least three hours per week, attend a 5.5-hour orientation training at NCH prior to volunteering that includes training in infection control, fire safety, ergonomics and patient confidentiality, provide a copy of your up-to-date immunization record, and obtain a TB screening from the occupational health department with a follow-up check, a completed CORI (Criminal Offender Record Information) check, provide three references. To obtain an application, call (508) 825-8251.

**The Nantucket Food Pantry:** is seeking additions to its volunteer crew. Do you have one to two hours to spare weekly, bi-weekly or monthly? Would you rather be on call as part of the backup crew? Volunteers help pick up donations, stock shelves, make deliveries, fill grocery bags and/or many other opportunities to help behind the scenes with inventory, administration, technology and communications. Contact [food@assistnantucket.org](mailto:food@assistnantucket.org) to share how your interests may fill our needs.

**Nantucket Ice:** The Nantucket Ice skate guard program is looking for skilled skaters willing to commit to skate guarding (on-ice) one

public skating session per weekend. Volunteers are also needed for special events and activities at the rink, on- and off-ice. These volunteer positions are a rewarding way to interact with children and families in a fun environment. Training provided. Please contact Muffin at [NantucketIce@nantucketice.org](mailto:NantucketIce@nantucketice.org).

**Nantucket Island Safe Harbor for Animals' animal shelter and adoption center:** has volunteer opportunities for all ages and talents. Scheduled care of the animals, casual drop ins to socialize the animals, dog walking, foster care, transporting animals, fundraising, errands, envelope stuffing, IT, PR, events, and much more. Join this great bunch of people and help Nantucket's homeless animals. You may find it benefits you even more than the pets. (508) 825-2287 or [info@ishanimals.org](mailto:info@ishanimals.org)

**Nantucket Island School of Design and the Arts (NISDA):** Volunteers needed to answer phones and mail, work on special projects and fundraisers and assist with the children's program. Call Kathy Kelm at (508) 228-9248 or 228-3648 or write NISDA, P.O. Box 1548, Nantucket, MA 02554.

**Nantucket Lighthouse Basket Museums:** We are currently accepting applications for docents/guides, special events volunteers, garden helpers and administrative assistant volunteers for the upcoming season. Volunteers work flexible shifts in a friendly, team-spirit environment. Training is provided. For more information, call (508) 228-1177.

**Nantucket Literacy Program:** The Adult Literacy Program needs volunteers, tutors and learners to work one-on-one in adult basic education (basic literacy, ESL and basic math). A commitment of one hour per week for at least three months is required. For information call

VOLUNTEER, PAGE 11B

Sudoku answers									
4	3	6	9	2	8	7	1	5	
5	7	2	8	1	4	3	8	9	
8	1	9	3	7	5	6	4	2	
6	4	8	2	9	1	5	7	3	
1	9	3	7	5	6	4	2	8	
2	5	7	8	4	3	1	9	6	
3	8	4	1	6	2	9	5	7	
9	6	5	4	8	7	2	3	1	
7	2	1	5	3	9	8	6	4	

**PUBLIC NOTICE**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for Friday, June 28th, 2019 at 3:00PM at 17 and 19 Spearhead Drive, Nantucket 02554. The proposed cultivation, product manufacture, and retail marijuana establishment is anticipated to be located at 17 and 19 Spearhead Drive, Nantucket, MA 02554. There will be an opportunity for the public to ask questions.

G38 ACK NATURAL

**PUBLIC NOTICE**

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for Friday, June 28th, 2019 at 3:00PM at 17 and 19 Spearhead Drive, Nantucket 02554. The proposed cultivation, product manufacture, and retail marijuana establishment is anticipated to be located at 17 and 19 Spearhead Drive, Nantucket, MA 02554. There will be an opportunity for the public to ask questions.

G37 JUDITH WEGNER, CHAIRMAN

## Jonathan Capano

---

**From:** Town Manager <townmanager@nantucket-ma.gov>  
**Sent:** Friday, June 21, 2019 11:33 AM  
**To:** Sira Grant  
**Cc:** 'mike\_sullivan81@hotmail.com'  
**Subject:** Notice of Community Outreach Meeting  
**Attachments:** Ack Natural Legal Notice 6.18.19.pdf



Good Morning, Sira.  
The Town is in receipt of the attached legal notice. Thank you.

Best,  
Katie

*Town Administration Staff  
on behalf of Town Manager*  
Town of Nantucket  
16 Broad Street  
Nantucket MA 02554  
508-228-7255  
508-228-7272 Fax

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for Friday, June 28<sup>th</sup>, 2019 at 3:00PM at 17 and 19 Spearhead Drive, Nantucket 02554. The proposed cultivation, product manufacture, and retail marijuana establishment is anticipated to be located at 17 and 19 Spearhead Drive, Nantucket, MA 02554. There will be an opportunity for the public to ask questions.



June 18, 2019

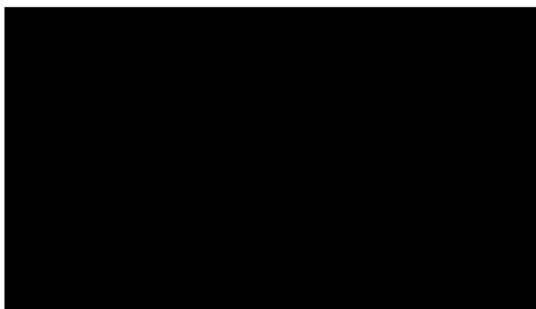
Dear Abutter,

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for Friday, June 28<sup>th</sup>, 2019 at 3:00PM at 17 and 19 Spearhead Drive, Nantucket 02554. The proposed cultivation, product manufacture, and retail marijuana establishment is anticipated to be located at 17 and 19 Spearhead Drive, Nantucket, MA 02554. There will be an opportunity for the public to ask questions.

ACK NATURAL

ith, Costello  
Crawford  
: Policy Law Group

ress Street, Suite 420  
MA 02109



RECEIVED  
BOARD OF ASSESSORS  
JUN 17 2019  
TOWN OF  
NANTUCKET, MA

Town of Nantucket

LIST OF PARTIES IN INTEREST IN THE MATTER OF THE PETITION OF:

PROPERTY OWNER, Arrowshead Drive LLC  
Smith Costello + Crawford  
MAILING ADDRESS 50 Congress Street, Suite 420 Boston, MA 02109  
PROPERTY LOCATION 17.00A.19, Spearhead Dr. in 19  
ASSESSOR MAP PARCEL 69.355 69.356  
SUBMITTED BY Sira Grant Smith, Costello & Crawford

SEE ATTACHED PAGES

I certify that the foregoing is a list of all persons who are owners of abutting property, owners of land directly opposite on any public or private street or way, and abutters of the abutters and all other land owners within 300 feet of the property line of owner's property, as they appear on the most recent applicable tax list (M.G.L. c. 40A, Section 11 and Zoning Code Chapter 40A, Section 139-29B (2)).

DATE 6-17-19  
ASSESSOR'S OFFICE  
TOWN OF NANTUCKET



69 [REDACTED]  
16 BROAD ST  
NANTUCKET, MA 02554

69 [REDACTED]  
16 BROAD ST  
NANTUCKET, MA 02554

69 [REDACTED]  
19 ARROWHEAD DR  
NANTUCKET, MA 02554

69 [REDACTED]  
13 ARROWHEAD DRIVE  
NANTUCKET, MA 02554

69 [REDACTED]  
PO BOX 3328  
NANTUCKET, MA 02584

69 [REDACTED]  
7 ARROW REALTY TRUST  
37 CENTER STREET  
NANTUCKET, MA 02554

69 [REDACTED]  
37 CENTER STREET  
NANTUCKET, MA 02554

69 [REDACTED]  
NANTUCKET, MA 02584

69 [REDACTED]  
PO BOX 3553  
NANTUCKET, MA 02584

69 [REDACTED]  
37 FAIRGROUNDS RD  
NANTUCKET, MA 02554

69 [REDACTED]  
PO BOX 3371  
NANTUCKET, MA 02584

69 [REDACTED]  
PO BOX 2773  
NANTUCKET, MA 02584

69 [REDACTED]  
PO BOX 2981  
NANTUCKET, MA 02584

69 [REDACTED]  
53 MEADOWVIEW DRIVE  
NANTUCKET, MA 02554

69 [REDACTED]  
PO BOX 3244  
NANTUCKET, MA 02554

69 [REDACTED]  
PO BOX 3533  
NANTUCKET, MA 02584

69 [REDACTED]  
PO BOX 3533  
NANTUCKET, MA 02584

69 [REDACTED]  
WEST BARNSTABLE, MA 02668

69  
PO BOX 3533  
NANTUCKET, MA 02584

69  
PO BOX 789  
SUSCONSET, MA 02564

69  
4 LEWIS COURT  
NANTUCKET, MA 02554

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PO BOX 3532  
NANTUCKET, MA 02584

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PO BOX 3243  
NANTUCKET, MA 02584

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PO BOX 2659  
NANTUCKET, MA 02584

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PO BOX 2126  
NANTUCKET, MA 02584

69  
1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

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SALT LAKE CITY, UT 84106

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1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

69  
37 CENTER STREET  
NANTUCKET, MA 02554

69  
PO BOX 1081  
NANTUCKET, MA 02554

69  
PO BOX 1365  
NANTUCKET, MA 02554

69  
429 CHURCH STREET  
NEW BEDFORD, MA 02745

69  
15 SOMERSET RD  
NANTUCKET, MA 02554

69  
15 SOMERSET RD  
NANTUCKET, MA 02554

69  
6 TEASDALE CIRCLE  
NANTUCKET, MA 02554

69  
6 TEASDALE CIRCLE  
NANTUCKET, MA 02554

69  
20 TOMAHAWK RD  
NANTUCKET, MA 02554

69  
BOX 3828  
NANTUCKET, MA 02584

69  
BOX 3828  
NANTUCKET, MA 02584

69  
5 DOUBLET COURT  
NANTUCKET, MA 02554

69  
128 DARFODIL LANE  
NANTUCKET, MA 02554

69  
2 ZACHARY WAY  
NANTUCKET, MA 02554

69  
PO BOX 1081  
NANTUCKET, MA 02554

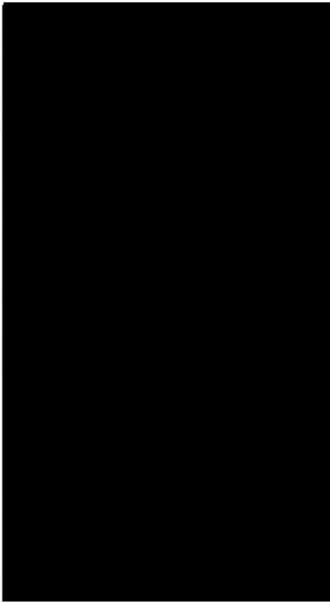
PO BOX 90  
SILVACONSET, MA 02564

**BUYERS LISTING  
NANTUCKET, MA**

MAP	Block	Lot	Unit	Owner's Name	Address	City	Zip	Parcel Location
69		9						
69		10	1		16 BROAD ST	NANTUCKET	MA 02554	HINDALE RD
69		10	2		16 BROAD ST	NANTUCKET	MA 02554	154 OLD SOUTH RD
69		10	3		19 ARROWHEAD DR	NANTUCKET	MA 02554	19 ARROWHEAD DR
69		10			13 ARROWHEAD DRIVE	NANTUCKET	MA 02554	13 ARROWHEAD DR
69		66			PO BOX 3328	NANTUCKET	MA 02584	152 OLD SOUTH RD
69		305			37 CENTER STREET	NANTUCKET	MA 02554	7 SPEARHEAD DR
69		306			37 CENTER STREET	NANTUCKET	MA 02554	1 SPEARHEAD RD
69		307			PO BOX 3533	NANTUCKET	MA 02584	2 SPEARHEAD RD
69		308			PO BOX 3533	NANTUCKET	MA 02584	9 ARROWHEAD DR
69		309			37 FRINGEBOWS RD	NANTUCKET	MA 02554	11 ARROWHEAD DR
69		312			PO BOX 2773	NANTUCKET	MA 02584	9 TOMAHAWK RD
69		313			PO BOX 2981	NANTUCKET	MA 02584	11 TOMAHAWK RD
69		314			PO BOX 2981	NANTUCKET	MA 02584	13 TOMAHAWK RD
69		315			PO BOX 2981	NANTUCKET	MA 02584	15 TOMAHAWK RD
69		316			PO BOX 2981	NANTUCKET	MA 02584	17 TOMAHAWK RD
69		317			PO BOX 3328	NANTUCKET	MA 02584	19 TOMAHAWK RD
69		318			PO BOX 3328	NANTUCKET	MA 02584	21 TOMAHAWK RD
69		319			33 ESSBK ROAD	NANTUCKET	MA 02554	23 TOMAHAWK RD
69		320			33 ESSBK RD	NANTUCKET	MA 02554	25 TOMAHAWK RD
69		321			PO BOX 160	FRST BARNSTABLE	MA 02669	27 TOMAHAWK RD
69		322			PO BOX 3371	NANTUCKET	MA 02584	29 TOMAHAWK RD
69		323			PO BOX 90	STASCOMSET	MA 02564	31 TOMAHAWK RD
69		324			PO BOX 90	STASCOMSET	MA 02564	33 TOMAHAWK RD
69		325			PO BOX 90	STASCOMSET	MA 02564	35 TOMAHAWK RD
69		326			55 MEADOWVIEW DRIVE	NANTUCKET	MA 02554	37 TOMAHAWK RD
69		327			PO BOX 5244	NANTUCKET	MA 02554	39 TOMAHAWK RD
69		328			PO BOX 5244	NANTUCKET	MA 02554	41 TOMAHAWK RD
69		329			PO BOX 5244	NANTUCKET	MA 02554	43 TOMAHAWK RD
69		331			PO BOX 3533	NANTUCKET	MA 02584	4 SPEARHEAD RD
69		332			PO BOX 3533	NANTUCKET	MA 02584	6 SPEARHEAD RD
69		333			PO BOX 3533	NANTUCKET	MA 02584	8 SPEARHEAD RD
69		334			P O BOX 789	STASCOMSET	MA 02564	10 SPEARHEAD RD
69		335			4 LEGNIS COURT	NANTUCKET	MA 02554	12 SPEARHEAD RD
69		336			PO BOX 3532	NANTUCKET	MA 02584	14 SPEARHEAD RD
69		337			PO BOX 3243	NANTUCKET	MA 02584	4 FLINT RD
69		338			PO BOX 2669	NANTUCKET	MA 02584	6 FLINT RD
69		339			PO BOX 2126	NANTUCKET	MA 02584	8 FLINT RD
69		340			1245 EAST BRICKYARD RD	S SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		341			1245 EAST BRICKYARD RD	S SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		342			1245 EAST BRICKYARD RD	ST SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		343			1245 BRICKYARD RD	STE SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		344			1245 EAST BRICKYARD RD	S SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		345			1245 EAST BRICKYARD RD	S SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		346			1245 EAST BRICKYARD RD	S SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		347			1245 EAST BRICKYARD RD	S SALT LAKE CITY	UT 84106	34 TOMAHAWK RD
69		348			37 CENTER STREET	NANTUCKET	MA 02554	3 SPEARHEAD RD

ABUTTERS LISTING  
NANTUCKET, MA

Map	Block	Lot	Unit	Owner's Name	CO Owner's Name	Address	City	ST ZIP	Parcel Location
69		349				PO BOX 1365	NANTUCKET	MA 02554	5 SPEARHEAD RD
69		350				PO BOX 1365	NANTUCKET	MA 02554	7 SPEARHEAD RD
69		351				429 CHURCH STREET	NEW BEDFORD	MA 02745	9 SPEARHEAD RD
69		353				15 SOMERSET RD	NANTUCKET	MA 02554	13 SPEARHEAD RD
69		354				15 SOMERSET RD	NANTUCKET	MA 02554	15 SPEARHEAD RD
69		355				6 TERESA DALE CIRCLE	NANTUCKET	MA 02554	17 SPEARHEAD RD
69		356				6 TERESA DALE CIRCLE	NANTUCKET	MA 02554	19 SPEARHEAD RD
69		357				20 TOMAHAWK RD	NANTUCKET	MA 02554	20 TOMAHAWK RD
69		358				BOX 3628	NANTUCKET	MA 02584	18 TOMAHAWK RD
69		359				BOX 3828	NANTUCKET	MA 02584	16 TOMAHAWK RD
69		360				6 DOOLEY COURT	NANTUCKET	MA 02554	14 TOMAHAWK RD
69		361				12B DUNFORD LANE	NANTUCKET	MA 02554	12 TOMAHAWK RD
69		362				2 ZACHARY WAY	NANTUCKET	MA 02554	10 TOMAHAWK RD
69		364				PO BOX 1081	NANTUCKET	MA 02554	6 TOMAHAWK RD
69		365				PO BOX 90	STARBUCKSET	MA 02564	4 TOMAHAWK RD



37 CENTER STREET  
NANTUCKET, MA 02554

37 CENTER STREET  
NANTUCKET, MA 02554

PO BOX 3533  
NANTUCKET, MA 02584

PO BOX 3533  
NANTUCKET, MA 02584

37 FAIRGROUNDS RD  
NANTUCKET, MA 02554

PO BOX 1365  
NANTUCKET, MA 02554

PO BOX 2981  
NANTUCKET, MA 02584

PO BOX 3533  
NANTUCKET, MA 02584

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NANTUCKET, MA 02584

1245 BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

PO BOX 2126  
NANTUCKET, MA 02584

PO BOX 2669  
NANTUCKET, MA 02584

PO BOX 3243  
NANTUCKET, MA 02584

PO BOX 3532  
NANTUCKET, MA 02584

4 LEWIS COURT  
NANTUCKET, MA 02554

PO BOX 789  
SIASCONSET, MA 02564

6 TEASDALE CIRCLE  
NANTUCKET, MA 02554

15 SOMERSET RD  
NANTUCKET, MA 02554

15 SOMERSET RD  
NANTUCKET, MA 02554

429 CHURCH STREET  
NEW BEDFORD, MA 02745

PO BOX 1365  
NANTUCKET, MA 02554

37 CENTER STREET  
NANTUCKET, MA 02554

PO BOX 90  
SIASCONSET, MA 02564

PO BOX 1081  
NANTUCKET, MA 02554

2 ZACHARY WAY  
NANTUCKET, MA 02554

12B DAFFODIL LANE  
NANTUCKET, MA 02554

6 DOOLEY COURT  
NANTUCKET, MA 02554

BOX 3828  
NANTUCKET, MA 02584

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20 TOMAHAWK RD  
NANTUCKET, MA 02554

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

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SALT LAKE CITY, UT 84106

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SALT LAKE CITY, UT 84106

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

PO BOX 5244  
NANTUCKET, MA 02554

NANTUCKET TOMAHAWK LLC  
PO BOX 5244  
NANTUCKET, MA 02554

NANTUCKET TOMAHAWK LLC  
PO BOX 5244  
NANTUCKET, MA 02554

55 MEADOWVIEW DRIVE  
NANTUCKET, MA 02554

PO BOX 90  
SIASCONSET, MA 02564

PO BOX 90  
SIASCONSET, MA 02564

PO BOX 90  
SIASCONSET, MA 02564

PO BOX 3371  
NANTUCKET, MA 02584

PO BOX 160  
WEST BARNSTABLE, MA 02668

33 ESSEX RD  
NANTUCKET, MA 02554

33 ESSEX ROAD  
NANTUCKET, MA 02554

PO BOX 3328  
NANTUCKET, MA 02584

PO BOX 3328  
NANTUCKET, MA 02584

16 BROAD ST  
NANTUCKET, MA 02554

19 ARROWHEAD DR  
NANTUCKET, MA 02554

13 ARROWHEAD DRIVE  
NANTUCKET, MA 02554

PO BOX 1365  
NANTUCKET, MA 02554

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NANTUCKET, MA 02584

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1245 BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

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PO BOX 2669  
NANTUCKET, MA 02584

PO BOX 3243  
NANTUCKET, MA 02584

PO BOX 3532  
NANTUCKET, MA 02584

4 LEWIS COURT  
NANTUCKET, MA 02554

P O BOX 789  
SIASCONSET, MA 02564

6 TEASDALE CIRCLE  
NANTUCKET, MA 02554

15 SOMERSET RD  
NANTUCKET, MA 02554

15 SOMERSET RD  
NANTUCKET, MA 02554

429 CHURCH STREET  
NEW BEDFORD, MA 02745

PO BOX 1365  
NANTUCKET, MA 02554

PO BOX 1081  
NANTUCKET, MA 02554

2 ZACHARY WAY  
NANTUCKET, MA 02554

12B DAFFODIL LANE  
NANTUCKET, MA 02554

6 DOOLEY COURT  
NANTUCKET, MA 02554

BOX 3828  
NANTUCKET, MA 02584

BOX 3828  
NANTUCKET, MA 02584

20 TOMAHAWK RD  
NANTUCKET, MA 02554

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

1245 EAST BRICKYARD RD STE 70  
SALT LAKE CITY, UT 84106

PO BOX 5244  
NANTUCKET, MA 02554

55 MEADOWVIEW DRIVE  
NANTUCKET, MA 02554

PO BOX 90  
SIASCONSET, MA 02564

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NANTUCKET, MA 02584

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WEST BARNSTABLE, MA 02668

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NANTUCKET, MA 02554

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NANTUCKET, MA 02554

PO BOX 3328  
NANTUCKET, MA 02584

PO BOX 3328  
NANTUCKET, MA 02584

16 BROAD ST  
NANTUCKET, MA 02554

16 BROAD ST  
NANTUCKET, MA 02554

19 ARROWHEAD DR  
NANTUCKET, MA 02554

13 ARROWHEAD DRIVE  
NANTUCKET, MA 02554

PO BOX 3328  
NANTUCKET, MA 02584

## **Plan for Positive Impact**

### **PURPOSE**

The purpose of this document is to summarize ACK's plan to ensure our business creates positive and lasting impacts on the communities in which it will be involved. ACK is committed to fostering positive relationships within the community and endeavoring to identify ways in which to give back. ACK seeks to utilize our resources, including time, talent and monies, to provide assistance to those who may be underserved and/or in need. We plan to achieve these goals through charitable giving, volunteer time and community engagement.

It is important to note that as ACK is applying for a license on the island of Nantucket, it has a unique set of challenges when recruiting and hiring its workforce. Nantucket has not been designated as an area of disproportionate impact. Hiring and retaining employees that live off of the island of Nantucket will be difficult due to the geographic constraints. Our goal is to do all we can to ensure ACK has a diverse group of employees, as also outlined by our Diversity Plan, but we are cognizant of the limitations we face due to the difficulty of those living off the island to work on Nantucket.

ACK will adhere to the requirements set forth in 935 CMR 500.105(4) relative to the permitted and prohibited advertising, branding, marketing, and sponsorship practices of our marijuana establishment.

### **INITIATIVES AND METRICS**

ACK aims to implement the following initiatives to assist those communities that have been disproportionately impacted.

*Proposed Initiative:* ACK will make a minimum annual financial contribution of at least \$7,500 to the CultivatED program to help promote participation in the cannabis industry by those who were disproportionately harmed by marijuana prohibition. CultivatED is a jails-to-jobs cannabis program that focuses on issues such as expungement, education and employment for those harmed populations. ACK will provide money to CultivatED to support its mission and goals but will not offer any of its own programming through the CultivatED program. Attached, please find a letter from CultivatED acknowledging acceptance of funds from cannabis license holders.

Goal: ACK will make an annual contribution to the CultivatED program which will in turn support the mission of empowering, educating, and employing individuals from areas of disproportionate impact, as identified by the Massachusetts Cannabis Control Commission.

ACK Natural, LLC  
Application of Intent

Metrics: ACK will maintain a record of its annual donations to the CultivatED program. ACK will keep records of feedback that we receive relative to the impact of our contributions, if any. This will in turn help us make decisions about adjustments that need to be made in the future.

## **CONCLUSION**

ACK will conduct continuous and regular evaluations of the implementation of its goals and at any point will retool its policies and procedures in order to better accomplish the goals set out in this Plan for Positive Impact. ACK will receive confirmation from any organization it intends to partner with in the future that it can receive a donation or work with the marijuana establishment in furthering its goals. Letters from the organizations will be attached and included in ACK's Plan for Positive Impact on file at its marijuana establishment. It is important to note that no specific organizations are currently a part of this Plan; however, ACK will adhere to this acknowledgement should it retool its policies and procedures in the future and in consultation with the Commission. ACK will provide an update on its progress of its goals as part of its license renewal process at least 60 days prior to the expiration of its license. Any actions taken, or programs instituted by ACK will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.



## MASS CultivatED

February 24, 2020

Cannabis Control Commission  
Union Station  
2 Washington Square  
Worcester, MA 01604

RE: Acceptance of Cannabis Funds

Dear Cannabis Control Commission:

It is with great pleasure that we inform you that we will be graciously accepting contributions from licensed Massachusetts cannabis companies in order to assist in funding our program, CultivatED.

CultivatED is a first in the nation jails to jobs cannabis program that focuses on issues such as expungement, education and employment for those who have been affected by the prohibition of cannabis in the Commonwealth. We are an innovative public-private partnership providing our fellows with a robust co-op education program, legal services, workforce preparedness training, and cannabis externships with livable wages and benefits. We work closely with organizations such as Greater Boston Legal Services, Roxbury Community College and the Urban League of Eastern Massachusetts to achieve our program goals.

We appreciate the opportunity to allow Massachusetts licensed cannabis companies to participate through their contributions. Please do not hesitate to contact us should you have any additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Dominguez". The signature is written in a cursive style and is positioned above a horizontal line.

Ryan Dominguez

## **ACK NATURAL LLC OPERATING AGREEMENT**

This Operating Agreement (the “Agreement”) is made by and among ACK Natural LLC (the “Company”) and the persons signing this Agreement as members (the “Members”).

In consideration of the mutual covenants herein expressed, the parties hereby agree as follows:

### **ARTICLE 1.FORMATION**

**Section 1.01.Organization of Company; Conversion.** The Company was formed pursuant to the filing of articles of organization (the “Articles of Organization”) with the Massachusetts Secretary of the Commonwealth on February 28, 2018, and was converted into a limited liability company by the filing of articles of entity conversion of a domestic business corporation to a domestic other entity (“Articles of Entity Conversion”) pursuant to Massachusetts General Laws Chapter 156D, Section 9.53. The rights and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights or obligations of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control.

**Section 1.02.Name of Company.** The name of the Company is ACK Natural LLC. The business of the Company shall be operated under that name or any other name for which the Company has filed a fictitious business name statement.

**Section 1.03.Business of Company.** The purpose of the Company is to engage in any lawful business, purpose or activity for which limited liability companies may be organized under the Act.

**Section 1.04.Powers.** The Company shall have all the powers and privileges granted by the Act or by any other law or by this Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business, trade, profession, purposes or activities of the Company including but not limited to the power (a) to acquire, sell, lease or otherwise deal with real or personal property; (b) to operate, maintain, finance, improve, construct, own, mortgage, and lease any real or personal property; (c) to execute any and all agreements, contracts, documents, certifications and instruments necessary or convenient for managing the Company’s affairs; (d) to borrow money and issue evidence of indebtedness necessary, convenient or incidental to the Company’s affairs and to secure same by mortgage, pledge or other lien on any property of the Company; (e) to guaranty the obligations of third parties, including limited liability companies, and to provide security for any guarantee; (f) to contract on behalf of the Company for the employment and services of employees and/or independent contractors, and to delegate to such persons the duty to manage or supervise any of the assets or operations of the Company; (g) to merge with or enter into a share exchange with a limited liability company or other business entity; and (h) to institute, prosecute, defend, settle, compromise, and dismiss lawsuits or other judicial or administrative proceedings brought on or on behalf of or against the Company or any of its members, managers,

or employees arising out of, connected with, or incidental to the affairs of the Company and to engage counsel or others in connection therewith.

**Section 1.05.Principal Place of Business.** The principal place of business of the Company shall be 50 Commonwealth Ave. Ste. 1, Boston, MA 02116, or such other place as the Board shall determine.

**Section 1.06.Term of Company.** The term of the Company commenced on February 28, 2018. The Company shall have perpetual existence unless terminated or dissolved as provided in this Agreement.

**Section 1.07. No State-Law Partnership.** The Members intend that the Company not be a partnership (including, but not limited to, a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of this Agreement (except for tax purposes as set forth in Section 8.04(a)), and neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise.

**Section 1.08.Definitions.** Unless otherwise defined in this agreement, capitalized terms shall have the meanings specified in this Section 1.08:

“Act” means the Massachusetts Limited Liability Company Act, Massachusetts General Laws Chapter 156C.

“Adjusted Capital Account Balance” means, with respect to any Member, the balance in such Member’s Capital Account after giving effect to the following adjustments: (i) credit to such Capital Account of such Member’s share of “partnership minimum gain” or “partner nonrecourse debt minimum gain” as such terms are defined in Section 1.704-2 of the Treasury Regulations or any amount which such Member would be required to restore under this Agreement or otherwise; and (ii) debit to such Capital Account of the items described in Section 1.704-1(b)(2)(ii)(d)(4), (5), and (6) of the Treasury Regulations. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted consistently therewith.

“Book Value” means, with respect to any Company property, the Company’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Book Value for any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as reasonably determined by such Member and the Board;

(b) The Book Values of the Company assets shall be adjusted to equal their respective fair market values, as determined by the Board, 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 or as consideration for services performed on behalf of the Company; (ii) the distribution by the Company to a Member of more than a de minimis amount of property as consideration for an interest in the Company; and (iii) the liquidation of the Company within the meaning of Regulations §1.704-

1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (i) and (ii) hereof shall be made only if the Board determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(c) The Book Value of any asset of the Company distributed to any Member shall be the gross fair market value of such asset on the date of distribution; and

If the Book Value of an asset has been determined or adjusted pursuant to clauses (a) or (b) hereof, such Book Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

“Capital Contribution” means the total amount of cash and the Book Value of any other assets contributed to the Company by a Member, net of liabilities assumed or to which the assets contributed are subject.

“Cash Flow” shall mean net profits of the Company as determined by the Board in the same manner as used to prepare the Company’s federal income tax returns subject to the following adjustments:

(a) the addition of all amounts claimed for depreciation, amortization of prepaid items and other non-cash charges and deferred costs, and payments to the Company out of proceeds of business or rental interruption insurance, including any amounts released from a reserve established pursuant to clause (b) of this definition; and

(b) the subtraction of any amounts paid by the Company during such period for principal payments on Company indebtedness or for expenditures for capital purchases or improvements not deductible for federal income tax purposes in the year paid, the non-cash portion of any profits of the Company during such period, and the amount of any reasonable reserves established by the Board to cover reasonable business needs, including but not limited to reserves to provide funds for improvements, purchases or for any contingencies of the Company.

Notwithstanding the foregoing, Cash Flow shall not include any amounts received by the Company in connection with any Capital Transaction, the distribution of which amounts shall be governed by Section 5.03.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Depreciation” means, for each Fiscal Year or other relevant period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such year or other period, except that if the Book Value of any asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation will, except as otherwise required by 1.704-3(d), be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis, provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation will be determined with reference to such beginning Book Value using any reasonable method selected by the Board.

“Fiscal Year” means, unless otherwise established by the Board, the calendar year.

“Hurdle Amount” means, with respect to an Incentive Unit, the amount designated as the Hurdle Amount for such Incentive Unit by the Board, which amount shall at least be equal to the amount that would be received with respect to all Units outstanding immediately prior to the grant of such Incentive Units if there were to be a Hypothetical Liquidation as of the date of issuance of such Incentive Unit, as determined by the Board, increased from time to time by the amount of cash and the fair market value of other property contributed to the capital of the Company between the date of grant of such Incentive Unit and the date of any distribution thereon. The Hurdle Amount applicable to any Incentive Unit issued by the Company shall be specified by the Board in good faith at the time of issuance of such Incentive Unit. For purposes of this definition, the term “Hypothetical Liquidation” shall mean, as of any date, a hypothetical liquidation of the Company as of such date, assuming (A) that a sale of all the assets of the Company occurs at prices equal to their respective fair market values, and (B) the net proceeds of such sale are distributed to the Unit Holders pursuant to Section 5.03, and after payment of all actual indebtedness of the Company and any other liabilities related to the Company’s assets, limited, in the case of the hypothetical payment of non-recourse liabilities, to the collateral securing or otherwise available to satisfy such liabilities.

“Member Nonrecourse Deductions” means, for each Fiscal Year or other period, the Company deductions that are characterized as “partner nonrecourse deductions” under Treasury Regulations Section 1.704-2(i)(2).

“Nonrecourse Deductions” means, for each Fiscal Year or other period, the Company deductions that are characterized as “nonrecourse deductions” under Treasury Regulations Section 1.704-2(c).

“Preferred Members” means, collectively, the Class A-1 Preferred Members and Class A-2 Preferred Members.

“Preferred Units” means, collectively, the Class A-1 Preferred Units and Class A-2 Preferred Units.

“Profits” and “Losses” means, for each Fiscal Year or other period, an amount equal to the Company’s taxable income or loss for such Fiscal Year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition, shall be subtracted from such taxable income or loss;

(c) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal tax purposes shall be computed by reference to the Book Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Book Value;

(e) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) or Section 743(b) of the Code and Regulations Section 1.704-1(b)(2)(iv)(m), is required to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such section of the Regulations; and

(g) Items of income, gain, loss, or deduction allocated pursuant to Section 6.02 shall be excluded from Profits and Losses.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Section 6.02 hereto shall be determined by applying rules analogous to those set forth above.

“Regulatory Allocations” shall have the meaning set forth in Section 6.02(g).

“Substituted Member” means a transferee of a Member that is admitted as a Member to the Company pursuant to this Agreement.

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

“Unreturned Capital Contribution” means, with respect to any Member at any time, the aggregate amount of Capital Contribution made by such Member reduced by the cumulative amount of all prior distributions made by the Company to such Member pursuant to Section 5.01(a) (or deemed made pursuant to Section 5.01(a) by application of Section 5.02 or Section 5.03).

“Unvested Incentive Units” means Incentive Units issued under any Incentive Units Agreement, incentive compensation plan or other agreement that have not yet vested pursuant to the applicable plan or agreement.

## **ARTICLE 2.MEMBERS**

**Section 2.01.Initial Members.** The names and addresses of the initial Members of the Company are set forth on Schedule A attached to this Agreement.

**Section 2.02.Liability of Members.** The liability of a Member (in his, her or its capacity as a Member) is restricted and limited to the amount of capital contributions that each Member makes or agrees to make to the Company. Except as specifically provided in the Act, no Member shall be personally liable for the debts, obligations, liabilities or judgments of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Member of the Company.

**Section 2.03.Duty of Care of Members.** No Member in his, her or its capacity as a Member shall owe any fiduciary duty to the Company or any other Member whatsoever. For the avoidance of doubt, each Member shall be free to exercise his, her or its rights as a Member at law or under this Agreement without regard to the interests of anyone else.

**Section 2.04.Company's Right to Redeem a Member's Units.** The Company may, in the sole discretion of the Board, redeem some or all of the Class A-1 Preferred Units, Class A-2 Preferred Units, Common Units, and/or Incentive Units held by any Member at any time, for any reason or no reason, by providing written notice to such Member of the Company's intent to redeem such Member's Units. The purchase price for any redeemed Units shall be the price agreed upon by such Member and the Board; provided, however, that in the event that the parties are unable to so agree within thirty (30) days of the Company's provision of written notice of its intent to redeem such Member's Units, then the purchase price shall be conclusively determined by an independent appraiser appointed in good faith by the Board in its sole discretion, the costs of whom shall be borne entirely by the Company. The purchase price for the redeemed Units shall be payable in cash at the closing of the Company's redemption of such Units.

## ARTICLE 3.MANAGEMENT

**Section 3.01.Board of Managers.** The Company shall be managed by a board of managers (the "Board," and each member thereof referred to as a "Manager"). The Board may make all decisions and take all actions for the Company not otherwise provided in this Agreement. Each Manager may, but need not be a Member to qualify. The size of the Board shall be fixed at three (3) (such number may be increased or decreased by the Board by an amendment to this Agreement). Each of Douglas Leighton, Mike Sullivan, and Zach Harvey, as holders of Common Units, shall have the right to designate one Manager. The initial Manager designated by Douglas Leighton shall be Douglas Leighton, the initial Manager designated by Mike Sullivan shall be Mike Sullivan, and the initial Manager designated by Zach Harvey shall be Zach Harvey, each of whom shall serve until their respective resignation or removal or the dissolution of the Company. A Manager may (a) resign from, retire from, abandon or otherwise terminate his status as a Manager with prior written notice to the Members or (b) be removed from the Board by the individual having the right to designate such Manager, with or without cause, and any vacancy on the Board caused by such removal may be filled by the individual having the right to designate the Manager who was removed.

**Section 3.02.Authority of the Managers.** The management and control of the business and affairs of the Company shall be vested exclusively in the Board. The Board shall have the right and power to manage, operate, and control the Company and to do all things which it deems necessary or desirable for the Company or its business. An act of the Manager in carrying on the usual business or affairs of the Company (including the exercise of the authority provided in this Article III) and/or at the direction of the Board, as applicable, shall bind the Company. No person

dealing with the Company shall have any obligation to inquire into the power or authority of the Manager when the Manager purports to be acting on behalf of the Company.

**Section 3.03.Reimbursement.** Any Manager or officer shall be entitled to reimbursement from the Company for all reasonable expenses incurred by such Manager or officer in managing and conducting the business and affairs of the Company. The Board shall determine which expenses, if any, are allocable to the Company in a manner that is fair and reasonable to the Company, and such allocation shall be conclusive in the absence of manifest error.

**Section 3.04.Agreements.** Subject to Sections 3.05 and 3.06, any Manager or officer, or anyone otherwise so authorized by the Board may cause the Company to enter into one or more agreements, leases, contracts or other arrangements for the furnishing to or by the Company of goods, service or space with any Manager, or an affiliate thereof (including without limitation obtaining a loan from any member or an affiliate thereof) and may pay compensation thereunder for such goods, services or space, provided in each case the terms of any such arrangements are on arm's length terms and, if the determination of such terms is made in good faith, it shall be conclusive in the absence of manifest error.

**Section 3.05.Powers and Authority.** Without limiting the generality of Section 3.02 herein and the authority granted to the Board to appoint officers pursuant to Section 3.07 herein, the Board will have the power and authority on behalf of the Company:

(a) to acquire property or services from any person as the Board may determine, and subject only to the terms and conditions of Sections 3.06, 3.8, and 3.9 herein, the fact that such person is an affiliate does not prohibit the a Manager from dealing with that person;

(b) to borrow money for the Company from banks, other lending institutions, the Member, or affiliates of the Member, on such terms as the Board deems appropriate, and in connection therewith to hypothecate, encumber and grant security interest in the assets of the Company to secure repayment of the borrowed sums;

(c) to purchase liability and other insurance to protect the Company's property and business;

(d) to hold and own real and/or personal property in the name of the Company;

(e) to invest any Company funds (by way of example but not limitation) in time deposits, short-term governmental obligations, commercial paper or other investments;

(f) to sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan, so long as such disposition is not in violation of a cause or a cause of default under any other agreements by which the Company may be bound;

(g) to execute on behalf of the Company all instruments and documents, including without limitation checks, drafts, notes and other negotiable instruments, mortgages or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage or disposition of the Company's property, assignments, bills of sale, leases, partnership

agreements, operating agreements of other limited liability companies, and any other instruments or documents necessary in the opinion of the Member to the business of the Company;

(h) to employ accountants, appraisers, legal counsel, managing agents or other experts to perform services for the Company and to compensate them from Company funds;

(i) to enter into any and all other agreements on behalf of the Company with any other person for any other purpose in such forms as the Board may approve; or

(j) to do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

**Section 3.06. Certain Actions Requiring the Consent of the Class A-1 Preferred and/or Class A-2 Preferred Members.** Notwithstanding anything in this Agreement to the contrary, the Company will not take any action, either directly or indirectly by amendment, merger, consolidation or otherwise, that adversely affects the rights, privileges or preferences of (a) the Class A-1 Preferred Units unless the Company has received the consent of the holders of a majority of the outstanding Class A-1 Preferred Units and (b) the Class A-2 Preferred Units unless the Company has received the consent of the holders of a majority of the outstanding Class A-2 Preferred Units. The authorization and issuance of additional Units, including any new class or series of Units, at the direction of the Board, whether such additional Units are junior, senior or pari passu with one or more classes or series of existing Units, and the amendment of this Agreement and Schedule A to reflect the terms of such additional Units, will not require the approval of any Member, even if the issuance of such additional Units would have a dilutive effect on one or more classes or series of Units.

**Section 3.07. Officers.** The Company shall have officers as the Board may from time to time elect or appoint, including a President, a Chief Executive Officer, a Chief Financial Officer, a Secretary, a Treasurer and such other officers as the Board may from time to time determine and elect or appoint. All officers shall be appointed by the Board and shall hold office until their successors are duly elected and qualified or until their earlier resignation or removal, which removal may be effected at any time by the Board with or without cause. Two (2) or more offices may be held by the same person. The Board may delegate whatever power it deems appropriate to any officer of the Company. Any vacancy at any time existing in any office may be filled by the Board. Initially, the Officers of the company shall be:

<b>Name</b>	<b>Title</b>
Zach Harvey	Chief Executive Officer
Douglas Leighton	President, Secretary
Mike Sullivan	Chief Financial Officer, Treasurer

**Section 3.08. Duty of Care of the Managers.** Each Manager does not in any way guarantee the return of the Members' capital contributions or a profit for the Members from the operations of the Company. Each Manager's duty of care in the discharge of such Manager's duties to the Company and to the Members is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law. In discharging its duties, each Manager shall be fully protected in relying in good faith upon the

records required to be maintained under this Agreement and upon such information, opinions, reports or statements by any of the Members or their 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 with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits or losses of the Company or any other facts pertinent to the existence and amount of Company property from which distributions might properly be paid.

**Section 3.09.Outside Activities.** Except as otherwise may be set forth in any applicable contract to which the affected person or entity is a party, the Members, the Managers, and any affiliates of any of them may engage in and possess interests in other business ventures and investment opportunities of every kind and description, independently or with others, including serving as the manager and general partner of other limited liability companies and partnerships with purposes similar to those of the Company. Except as otherwise may be set forth in any applicable contract to which the affected person or entity is a party, neither the Company nor any other Member or Manager shall have any rights in or to such ventures or opportunities or the income or profits therefrom.

**Section 3.10.Meetings of the Board.**

(a) The Board may hold its meetings in such place or places in the Commonwealth of Massachusetts or outside the Commonwealth of Massachusetts as it shall determine from time to time.

(b) Meetings of the Board or a Board committee shall be held whenever called by a Manager. Notice of the day, hour and place of holding of each meeting of the Board or any meeting of a Board committee shall be given to each Manager or committee member by email or any other method under Section 14.05, at least twenty four (24) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any such meeting. At any meeting at which every Manager or committee member shall be present, even though without any notice, any business may be transacted.

(c) A quorum for the transaction of business by the Board shall consist of a majority of the Managers then serving on the Board, and a quorum for the transaction of business by a Board committee shall consist of a majority of the committee members then serving on such committee. If at any meeting of the Board or committee thereof, there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is present. A vote of a majority of the Managers then serving on the Board at a meeting where quorum is present shall constitute an act of the Board.

(d) Any Manager may participate in any meeting of the Board or a Board committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting. Any Manager may participate in any meeting either in person or by proxy.

(e) Any action required or permitted to be taken at any meeting of the Board or a committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by a majority of the Managers then serving on the Board or such committee. Prompt notice of the taking of an action without a meeting by less than unanimous written consent shall be given to those Managers who have not consented in writing. All such writings shall be filed with the minutes of proceedings of the Board or committee, as the case may be.

## **ARTICLE 4.CONTRIBUTIONS; CAPITAL; AND CERTAIN PREEMPTIVE RIGHTS**

**Section 4.01.Initial Capital Contributions.** Each Member shall contribute to the capital of the Company services, cash and/or property as described on Schedule A attached to this Agreement. Thereafter, such Members shall have no obligation to make any additional capital contributions to the Company. A Member's interest in the Company shall be evidenced by units (the "Units"). The number and class of Units owned by each Member as of the date of this Agreement is set forth on Schedule A attached to this Agreement.

### **Section 4.02.Classes of Units.**

(a) The Company shall have four (4) initial classes of Units: Class A-1 Preferred Units, Class A-2 Preferred Units, Common Units, and Incentive Units. "Class A-1 Preferred Units" and "Class A-2 Preferred Units" shall mean and refer to Units which entitle the holder to the rights of Members, generally, and in addition, the rights of Class A-1 Preferred Members and Class A-2 Preferred Members, respectively, in particular, as described in this Agreement which rights shall include, but shall not be limited to, the right to cast one (1) vote for each Class A-1 Preferred Unit held by a Class A-1 Preferred Member and Class A-2 Preferred Unit held by a Class A-2 Preferred Member, respectively, on all matters reserved for such Class A-1 Preferred Member and/or Class A-2 Preferred Member approval; provided, however, that other than as expressly set forth in Section 3.06 or Section 12.01 of this Agreement or as may be required by law, the Class A-1 Preferred Units and Class A-2 Preferred Units shall be non-voting. "Class A-1 Preferred Members" shall refer to Members holding Class A-1 Preferred Units and "Class A-2 Preferred Members" shall refer to Members holding Class A-2 Preferred Units. "Common Units" shall mean and refer to Units which entitle the holder to the rights of Members, generally, and in addition, the rights of Common Members, in particular, as described in this Agreement which rights shall include, but shall not be limited to, the right to cast one (1) vote for each Common Unit held by the Member on all matters reserved for the approval, consent or consideration of Members, generally, and in addition, the rights of Common Members, in particular. "Common Members" shall refer to Members holding Common Units. "Incentive Units" shall mean and refer to Units issued to employees, managers, consultants or directors of the Company or any Subsidiary on terms and conditions set forth in a form of Incentive Units Agreement approved by the Board which entitle the holder to the rights of Members, generally, and in addition, the rights of Incentive Unit Members, in particular, as described in this Agreement and pursuant to the terms of the applicable Incentive Units Agreements setting forth the terms and conditions governing such Incentive Units, as approved by the Board (as amended from time to time, the "Incentive Units Agreements"). Incentive Units shall be non-voting. All of the Units issued as Incentive Units hereunder shall be issued on terms and conditions specified in an Incentive Units Agreement. Each Incentive Unit will be assigned a Hurdle Amount upon issuance. In the event any Incentive Units are forfeited pursuant to the terms and conditions specified in the applicable Incentive Units Agreement or

repurchased pursuant to Section 2.04, an equivalent number of Incentive Units may subsequently be issued by the Company on terms and conditions as the Board deems appropriate. “Incentive Unit Members” shall refer to Members holding Incentive Units. Subject to Section 12.01, the Board may authorize other classes of Units from time to time. The rights, preferences, voting powers, or other special rights and privileges and qualifications, limitations or restrictions of any such class of Units shall be contained in an amendment to this Agreement.

**(b)** The Incentive Units are intended to qualify and shall be treated under this Agreement as “profits interests” within the meaning of Revenue Procedure 93-27 as clarified by Revenue Procedure 2001-43. As such, none of the Members issued such Incentive Units shall be obligated to make Capital Contributions in respect thereof and the Company shall treat such Members as holding “profits interests” for all purposes of this Agreement in respect of such Incentive Units so issued. Notwithstanding anything herein to the contrary, distributions to each Member pursuant to Section 5.01 and Section 5.03 hereof (solely with respect to such Member’s Incentive Units) shall be limited to the extent necessary so that each Incentive Unit qualifies as a “profits interest” under Rev. Proc. 93-27, and this Agreement shall be interpreted accordingly. Additionally, in accordance with Rev. Proc. 2001-43, 2001-2 C.B. 191, the Company shall treat a Member holding Incentive Units as the owner of such Incentive Units from the date it is granted, and shall file its IRS Form 1065, and issue appropriate Schedule K-1s to such Members allocating to such Member its distributive share of all items of income, gain, loss, deduction, and credit associated with such Incentive Units. Each Member holding Incentive Units agrees to take into account such distributive share in computing its U.S. federal income tax liability for the entire period during which it holds the Incentive Unit. The undertakings contained in this Section 4.02(b) shall be construed in accordance with Section 4 of Rev. Proc. 2001-43. The provisions of this Section 4.02(b) shall apply regardless of whether or not the holder of an Incentive Unit files an election pursuant to Section 83(b) of the Code.

**(c)** The Company acknowledges that the IRS issued IRS Notice 2005-43, I.R.B. 2005-24 (June 13, 2005), proposing to create a safe harbor election for “profits interests” (the safe harbor election referred to herein as the “Safe Harbor Election”). The IRS has not yet finalized the Safe Harbor Election. At any time after final guidance has been issued from the IRS and/or the Department of Treasury, the Board, on behalf of all Members and the Company, (i) shall cause an amendment to this Agreement to be executed modifying any provisions necessary for the Company to qualify for the Safe Harbor Election and (ii) shall execute and file any other necessary forms or documents and take all other actions reasonably necessary to cause the Company and the Members holding Incentive Units to qualify for the Safe Harbor Election; provided, however, such Safe Harbor Election must be available to the Company and the Members holding Incentive Units under the terms of the final guidance.

**(d)** Each Member shall be solely responsible for determining the tax consequences of any issuance of Incentive Units under this Agreement to such Member, including the advisability, availability, method, and timing for filing an election to include income arising from such issuance into such Member’s gross income under Code Section 83(b), the tax consequences of such election, and the provision of written notice to the Company of such election in accordance with the regulations promulgated under Code Section 83(b). For the avoidance of doubt, neither the Company nor any Member is providing any covenant or guarantee that the characterization of the

Incentive Units as “profits interests” as described in this Section 4.02 shall be accepted by any government authority or court of law.

(e) Allocations of Profits and Losses pursuant to Article 6 shall be made with respect to Incentive Units, whether vested or unvested. Any distributions pursuant to Section 5.01 or Section 5.03 with respect to any 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 in respect of Unvested Incentive Units that are forfeited or fail to vest for any reason shall become unrestricted funds of the Company and may be used for any purpose determined by the Board.

**Section 4.03. Withdrawal and Return of Capital.** Except as otherwise provided herein, a Member may not withdraw from the Company at any time. Further, except as otherwise provided herein, no Member shall have the right to withdraw from the Company for any reason any portion of the capital of the Company or to a return of that Member’s capital contribution, except upon dissolution of the Company under Section 11.01 of this Agreement.

**Section 4.04. Capital Accounts.** An individual capital account (a “*Capital Account*”) shall be established and maintained for each Member in accordance with the rules of Treasury Regulations Section 1.704-1(b)(2)(iv). Each Member’s Capital Account shall be increased by (i) the amount of money contributed by such Member to the Company, (ii) the Book Value of property contributed by such Member to the Company (net of liabilities secured by the contributed property that the Company is considered to assume or take subject to under Section 752 of the Code), and (iii) allocations to such Member of Profits or items thereof (and any items in the nature of income or gain separately allocated to such Member). Each Member’s Capital Account shall be decreased by (i) the amount of money distributed to such Member by the Company, (ii) the Book Value of property distributed to such Member by the Company (net of liabilities secured by the distributed property that the Member is considered to assume or take subject to under Section 752 of the Code), and (iii) allocations to such Member of Losses or items thereof (and any items in the nature of losses or deductions separately allocated to such Member). The Capital Account of a Member shall not be affected by any adjustments to basis made pursuant to Section 743 of the Code but shall be adjusted with respect to adjustments to basis made pursuant to Section 734 of the Code. The Capital Accounts of the Members shall be increased or decreased, as appropriate, to reflect a revaluation of Company’s assets pursuant to clause (b) of the definition of Book Value in accordance with the provisions of Section 1.704-1(b)(2)(iv)(f) of the Treasury Regulations. The provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b)(2)(iv) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with such Treasury Regulations.

**Section 4.05. Negative Capital Accounts.** No Member shall be required to pay to any other Member or the Company any deficit or negative balance which may exist from time to time in such Member’s Capital Account (including, without limitation, any such deficit or negative balance as may exist upon and after dissolution of the Company).

**Section 4.06. Loans from Members.** Loans by Members to the Company shall not be considered Capital Contributions. If any Member shall loan funds to the Company in excess of the amounts required hereunder to be contributed by such Member to the capital of the Company, the

making of such loans shall not result in any increase in the amount of the Capital Account of such Member. The amount of any such loans shall be a debt of the Company to such Member and shall be payable or collectible in accordance with the terms and conditions upon which such loans are made.

**Section 4.07. Transfer of Capital Accounts.** The original Capital Account established for any Substituted Member shall be in the same amount as, and shall replace, the Capital Account of the Member (or portion thereof) to which such Substituted Member succeeds, at the time such Substituted Member is admitted to the Company. The Capital Account of any Member shall be increased or decreased by means of the transfer to it of all or part of the Units of another Member. Any reference in this Agreement to a Capital Contribution of or distribution to a Member that has succeeded any other Member shall include any Capital Contributions or distributions previously made by or to the former Member on account of the Units of such former Member transferred to such Unitholder. Nothing in this Section 4.07 shall affect the limitations on transferability of Units set forth herein.

**Section 4.08. New Members.** Subject to the terms and provisions hereof, the Board is authorized to admit new Members, determine the persons to whom Units are to be issued; the number of Units to be issued; and the terms and conditions of and any restrictions on, such Units. The Members as of the date of this Agreement are listed on Schedule A hereto. To the extent additional Units are subsequently issued by the Company, Schedule A may be amended by the Board to reflect the Units and, as applicable, admission of new Members.

**Section 4.09. No Withdrawal of or Interest on Capital.** No Member shall have the right to resign and receive any distribution from the Company as a result of such resignation, and no Member shall have the right to receive the return of all or any part of his, her or its Capital Contributions or Capital Account, or any other distribution, except as provided in Article 5. No Member shall have any right to demand and receive property of the Company in exchange for all or any portion of his, her or its Capital Contributions or Capital Account, except as provided in Article 5. No interest or priority or preferred return shall accrue or be paid on any Capital Contribution or Capital Account except pursuant to Article 5, as the same may be hereafter amended.

**Section 4.10. Preemptive Rights.** Subject to the terms of this Section 4.10 and the securities laws, if the Company proposes any subsequent issuances of Units, other equity securities of the Company, securities convertible into or exercisable or exchangeable for Units or other equity securities of the Company, or any options, warrants or rights carrying any rights to purchase Units or other equity securities of the Company (as defined below) (“Subject Securities”), the Company shall first offer such Subject Securities to (i) the Class A-1 Preferred Members and the Class A-2 Preferred Members in accordance with this Section 4.10.

(a) The Company shall give notice (the “Offer Notice”) to each Class A-1 Preferred Member and Class A-2 Preferred Member, as applicable, stating the number of Subject Securities to be issued and the price and terms, if any, upon which the Company proposes to offer the Subject Securities.

(b) By notification to the Company within ten (10) days after the Offer Notice is given, each Class A-1 Preferred Member and Class A-2 Preferred Member may elect to purchase or otherwise acquire that portion of Subject Securities which is equal to such Class A-1 Preferred Member's and Class A-2 Preferred Member's, as applicable, pro rata percentage of the total Class A-1 Preferred Units and Class A-2 Preferred Units then issued and outstanding at the price and on the terms specified in the Offer Notice. At the expiration of such ten (10) day period, the Company shall promptly notify each Class A-1 Preferred Member and Class A-2 Preferred Member that elects to purchase or acquire Subject Securities (each, an "Exercising Member") of the amount of Subject Securities subscribed for both by such Exercising Member and in the aggregate by all Exercising Members and, in the event of any undersubscription, any other Class A-1 Preferred Member's and Class A-2 Preferred Member's failure to do likewise. In the event of an undersubscription, during the ten (10) day period commencing after the Company has given such notice, each Exercising Member may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of Subject Securities specified above, up to that portion of the Subject Securities that were not previously subscribed for, which is equal to such Exercising Member's pro rata percentage of the total Class A-1 Preferred Units and Class A-2 Preferred Units then held by all Exercising Members who wish to purchase such unsubscribed Units. In the event of an oversubscription, each Exercising Member shall be deemed to have subscribed for that dollar amount of Subject Securities determined by multiplying the purchase price for all the Subject Securities as set forth in the Offer Notice by a fraction the numerator of which shall be the total purchase price offered by the Exercising Member and the denominator of which shall be the total purchase price offered by all Exercising Members. Each Exercising Member shall be deemed to have subscribed for that number of Subject Securities determined by multiplying such dollar amount by the Exercising Member's pro rata share of the Subject Securities.

(c) If any Subject Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.10(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 4.10(b), offer and sell the remaining unsubscribed portion of such Subject Securities at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of such Subject Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such Subject Securities shall not be offered unless first reoffered to the Class A-1 Preferred Member and Class A-2 Preferred Member, as applicable, in accordance with this Section 4.10.

(d) The foregoing provisions shall apply to all offerings of securities by the Company other than (i) Incentive Units issued to any employees of, or providers of services to, the Company or its subsidiaries pursuant to any form of Incentive Units Agreement or similar agreement approved by the Board; (ii) Units issued upon any Unit split, dividend, combination or other similar event with respect to the Units; (iii) Units subsequently issued on conversion, exercise or exchange of those Units, options, warrants or other rights which have been issued in compliance with, or on issuance were exempt from, the preemptive rights provided for in this Section 4.10.

## ARTICLE 5.DISTRIBUTIONS

**Section 5.01.Distributions of Cash Flow.** Except as provided in Sections 5.02 and 5.03, but subject to Section 5.06, all Cash Flow, as determined by the Board to be available for distribution, shall be distributed to the Members, at such times and in such amounts as the Board shall determine, as follows:

(a) First, pro rata to and among the Members in proportion to their Unreturned Capital Contributions until the Unreturned Capital Contributions of each Member have been reduced to zero dollars (\$0.00);

(b) Last, (i) up to ten percent (10%) of such distributions shall be made pro rata to the Incentive Unit Members in accordance with their respective percentage ownership of the Incentive Units and the terms of their Incentive Unit Agreements, which amount shall be equal to 10% of the total distributions to be made, multiplied by a fraction, the numerator of which shall be the number of Incentive Units issued and outstanding, and the denominator of which shall be the total number of authorized Incentive Units, *provided, that*, for purposes of clarity, any portion not distributed to an Incentive Unit Member by virtue of the limitation set forth in Section 5.06(a) shall instead be distributed in accordance with the following clause (ii), and (ii) the remaining amount of such distributions shall be made seventy-five percent (75%) pro rata to the Common Members in accordance with their respective percentage ownership of the Common Units and twenty-five percent (25%) pro rata to the Preferred Members in accordance with their respective percentage ownership of the Preferred Units; provided, however that twenty percent (20%) of the distributions otherwise payable to the Class A-2 Preferred Members under this Section 5.01(b) shall be redirected pro rata to the Common Members in accordance with their respective percentage ownership of the Common Units.

Notwithstanding anything else to the contrary in this Agreement, subsections (a) and (b) of this Section 5.01 shall be appropriately adjusted to the extent necessary to account for any book-up of the Company's assets.

**Section 5.02.Tax Distributions.** Subject to the limitations set forth below, on or before April 10th of each Fiscal Year, in the sole discretion of the Board, the Company may distribute to each Person who was a Member during the immediately preceding Fiscal Year of the Company an amount of cash equal to the product of (x) the highest federal and state individual or corporate marginal tax rate pertaining to the type of income being taxed to any Member (i.e., the same rate shall be applied to each Member) multiplied by (y) the excess of (a) the cumulative amount of taxable income and gain allocated to such Person for federal income tax purposes on such Person's IRS Form K-1 in respect of the Company's income tax return filed or to be filed with respect to such immediately preceding Fiscal Year and all prior Fiscal Years, over (b) the cumulative amount of losses, deductions and credits allocated to such Person for federal income tax purposes in the Company's income tax returns filed or to be filed with respect to such immediately preceding Fiscal Year and all prior Fiscal Years; with such product being reduced by any prior distributions to such Person pursuant to this Section 5.02. Notwithstanding the foregoing, no distribution shall be required under this Section 5.02 with respect to any Fiscal Year if at or prior to the time such distribution is required to be made the Company shall have made or shall be making distributions in accordance with Section 5.01 in an amount equal to or greater than the amount of the distribution

otherwise contemplated by this Section 5.02. The amount of any distributions to a Member pursuant to this Section 5.02 shall be credited against and reduce any amounts otherwise distributable to such Member pursuant to Section 5.01 or Section 5.03. In the discretion of the Board, distributions under this Section 5.02 may be made on an estimated basis each quarter and if such estimated distributions exceed the actual amount required on April 10, such Member receiving excess distributions shall be given a credit balance and such excess shall be deducted from such Member's next distribution(s) under this Section 5.02 (until fully repaid). No distribution under this Section 5.02 shall be made if the making of such distribution would constitute a violation of the Act or any other applicable law or regulation or order of any court of competent jurisdiction or any contract or agreement by which the Company or any of its subsidiaries is bound, including without limitation any credit agreement or note purchase agreement of the Company or any of its Subsidiaries, and the Company shall not be obligated to borrow additional funds or raise additional capital in order to make a Section 5.02 tax distribution.

**Section 5.03.Distributions Upon Liquidation or Capital Transactions.** Upon any (i) liquidation, dissolution, merger, or consolidation of the Company with or into another entity (other than one in which the Members own a majority by voting power of the outstanding equity of the surviving or acquiring entity) or (ii) sale, lease, transfer or other disposition of all or substantially all of the assets of the Company and/or its subsidiaries (each a "Capital Transaction"), all proceeds of such Capital Transaction or amounts or assets as may be available to the Company in liquidation, which are determined by the Board to be available for distribution, shall, to the extent permitted by the Act, be distributed to the Members as follows:

(a) First, assets of the Company shall be used to pay all current expenses, debts and obligations to those creditors of the Company who are not Members, Managers or affiliates of the same and provided that, upon the expiration of such period of time as the Board shall deem advisable, the balance of such reserves remaining after payment of such debts and obligations shall be distributed in the manner herewith set forth in this Section 5.03;

(b) Second, assets of the Company shall be used to pay all current expenses, debts and obligations to the Members and the Managers (including loans made to the Company by such parties as contemplated by Section 3.04) and provided that, upon the expiration of such period of time as the Board shall deem advisable, the balance of such reserves remaining after payment of such debts and obligations shall be distributed in the manner herewith set forth in this Section 5.03; and

(c) Third, the remaining assets shall, subject to Section 5.06, be distributed to the Members in accordance with Section 5.01.

**Section 5.04.Priorities.** Except as otherwise provided in this Article 5, no Members shall have any rights or priority over any other Members as to contributions or as to distributions or compensation by way of income.

**Section 5.05.Distribution in Kind.** If any assets of the Company are distributed in kind pursuant to this Agreement, such assets shall be distributed to the Members entitled thereto in the same proportions as the Members would have been entitled to cash distributions if such property had been sold for cash at its fair market value and the net proceeds thereof distributed to the

Members. If assets of the Company other than money are distributed to a Member in liquidation of the Company, or if assets of the Company other than money are distributed to a Member in kind, in order to reflect unrealized gain or loss, the Capital Accounts of the Member will be adjusted for the hypothetical “book” gain or loss that would have been realized by the Company if the distributed assets had been sold for their Book Values in a cash sale. Upon the liquidation of a Member’s interest in the Company, in order to reflect unrealized gain or loss, the Capital Accounts of the Members will be adjusted for the hypothetical “book” gain or loss that would have been realized by the Company if all Company assets had been sold for their Book Values in a cash sale.

#### **Section 5.06.Limitations on Distributions to Holders of Incentive Units.**

(a) Notwithstanding the distribution priority and entitlements set forth in Section 5.01 or Section 5.03, a holder of an Incentive Unit shall not be entitled to receive any distributions on account of such Incentive Unit unless and until the sum of the aggregate amount of distributions made by the Company in respect of all Units and the aggregate amount of proceeds paid by the Company in respect of redemptions of any Units (measured, in each case, from and after the date such Incentive Unit was issued) at least equals the Hurdle Amount applicable to such Incentive Unit.

(b) Allocations of Profits and Losses pursuant to Article 6 shall be made with respect to Incentive Units, whether vested or unvested. Any distributions pursuant to Section 5.01 or Section 5.03 with respect to any 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 in respect of Unvested Incentive Units that are forfeited or fail to vest for any reason shall become unrestricted funds of the Company and may be used for any purpose determined by the Board.

#### **Section 5.07.Withholding.**

(a) General. The Company shall at all times be entitled to make payments with respect to any Member in amounts required to discharge any obligation of the Company to withhold from a distribution or make payments to any governmental authority with respect to any foreign, federal, state or local tax liability of such Member arising as a result of such Member’s interest in the Company (a “Withholding Payment”). Any Withholding Payment made from funds withheld upon a distribution will be treated as distributed to such Member for all purposes of this Agreement. Any other Withholding Payment will be deemed to be a recourse loan by the Company to the relevant Member. The amount of any Withholding Payment treated as a loan, plus interest thereon from the date of each such Withholding Payment until such amount is repaid to the Company at an interest rate of eight percent (8%) per annum, shall be repaid to the Company upon demand by the Company; provided, however, that in the Board’s sole discretion, any such amount may be repaid by deduction from any distributions payable to such Member pursuant to this Agreement (with such deduction treated as an amount distributed to the Member) as determined by the Board in its sole discretion.

(b) Imputed Underpayment. If an audit results in an “imputed underpayment” within the meaning of Code Section 6225 that is paid by the Company (together with any interest or

penalties related thereto, an “Imputed Underpayment Amount”) as a result of an adjustment with respect to any item of Company income, gain, loss, deduction, or credit, the Company shall determine the portion of such Imputed Underpayment Amount that is attributable to each Member (including a former Member and such former Member’s assignee(s) or transferee(s)). An Imputed Underpayment Amount shall include any “imputed underpayment” within the meaning of Code Section 6225 paid (or payable) by any entity treated as a partnership for U.S. federal income tax purposes in which the Company holds (or has held) a direct or indirect interest, other than through entities treated as corporations for U.S. federal income tax purposes, to the extent that the Company bears the economic burden of such amounts, whether by law or agreement. The Company shall be entitled to recover a Member’s allocable portion of the Imputed Underpayment Amount in the same manner as the Company may recover a Withholding Payment in Section 5.07(a) above. If the Company determines that an Imputed Underpayment Amount might be reduced as a result of a Member’s tax status and such Member timely provides any information or documentation requested by the Company to make such determination, the Company shall use commercially reasonable efforts to pursue available procedures, if any, to reduce such Imputed Underpayment Amount on account of such Member’s tax status, and any such reduction with respect to a Member actually obtained by the Company shall be taken into account in determining the portion, if any, of the Imputed Underpayment Amount attributable to such Member.

## **ARTICLE 6.ALLOCATIONS**

### **Section 6.01.Allocation of Profits and Losses.**

(a) Subject to Section 6.01(b) and Section 6.02, Profits and Losses for any Fiscal Year or portion thereof shall be allocated among the Members in a manner such that the Capital Account balances for each Member, increased by (x) such Member’s shares of partnership minimum gain (as determined according to Treasury Regulation Section 1.704-2(g)), (y) such Member’s partner nonrecourse debt minimum gain (as defined in Treasury Regulation Section 1.704-2(i)(5)), and (z) any amount which such Member is obligated to restore for any deficit balance in its Capital Account or is deemed obligated to restore pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(c), shall, as nearly as possible, be equal to the aggregate distributions that would be made to the Members pursuant to Section 5.01 in the priority and manner provided therein upon a hypothetical liquidation of the Company. In determining the amounts distributable to the Members under Section 5.01 it shall be assumed that (i) all of the Company’s remaining assets are sold at their respective Book Values, (ii) payments to any holder of a nonrecourse debt are limited to the Book Value of the assets securing repayment of such debt, and (iii) the proceeds of such hypothetical sale are applied and distributed (after provision for the payment of all creditors of the Company as required by Section 5.03 as limited by clause (ii) hereof) in accordance with Section 5.01. In the period in which the Company sells or otherwise disposes of substantially all of its assets, and, if necessary, in prior Fiscal Years, if the Profits or Losses of the Company is insufficient to allow the Capital Accounts of the Members to be adjusted to equal their respective amounts described above, then items of gross income or loss shall be specially allocated to the Members to the extent necessary to cause their Capital Accounts to equal the amounts described above. For the avoidance of doubt, for purposes of making such allocation under this Section 6.01(a), all of the Units shall be treated as vested Units.

(b) The parties intend that the allocation provisions of this Section 6.01 shall produce Capital Account balances of the Members that will be consistent with the distribution provisions of Section 5.01 and the liquidation provisions of Section 5.03. Notwithstanding anything to the contrary in this Agreement, to the extent the Board determines that the allocation provisions of this Section 6.01 may fail to produce such Capital Account balances, (i) such provisions shall be amended by the Board to the extent necessary to produce such result and (ii) Profits and Losses and other items of income, gain, loss, credit and deduction of the Company for the most recent open year shall be reallocated among the Members to the extent it is not possible to achieve such results with allocations of Profits and Losses (and other items of income, gain, loss, credit and deduction of the Company) for the current year and future years, as determined by the Board. This Section 6.01(b) shall control notwithstanding any reallocation or adjustment of taxable income, taxable loss, or items thereof by the IRS or any other taxing authority.

### **Section 6.02.Special Allocations.**

(a) Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulation Section 1.704-2(f), notwithstanding any other provision of this Agreement, if there is a net decrease in “partnership minimum gain” (as defined in the Code) during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member’s share of the net decrease in partnership minimum gain, determined in accordance with Treasury Regulation Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulation Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 6.02(a) is intended to comply with the minimum gain chargeback requirement in Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Partner Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulation Section 1.704-2(i)(4), notwithstanding any other provision of this Section 6.02, other than Section 6.02(a) which shall be applied first, if there is a net decrease in “partner nonrecourse debt minimum gain” (as defined in the Code) attributable to a partner nonrecourse debt during any Fiscal Year, each Member who has a share of the partner nonrecourse debt minimum gain attributable to such partner nonrecourse debt, determined in accordance with Treasury Regulation Section 1.704-2(i)(5), shall be specially allocated items of income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member’s share of the net decrease in partner nonrecourse debt minimum gain attributable to such partner nonrecourse debt, determined in accordance with Treasury Regulation Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulation Section 1.704-2(i)(4) and 1.704-2(j)(2). This Section 6.02(b) is intended to comply with the minimum gain chargeback requirement in Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (d)(5), or (d)(6), items of Company income and gain shall be specially allocated

to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the deficit Adjusted Capital Account of such Member as quickly as possible, provided that an allocation pursuant to this Section 6.02(c) shall be made if and only to the extent that such Member would have a deficit Adjusted Capital Account Balance after all other allocations provided for in Section 6.02 have been tentatively made as if this Section 6.02(c) were not a term of this Agreement. This Section 6.02(c) is intended to constitute a “qualified income offset” provision as described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Fiscal Year which is in excess of the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 6.02(d) shall be made if and only to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Section 6.02 have been tentatively made as if this Section 6.02(d) and Section 6.02(c) hereof were not in the Agreement.

(e) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions will be allocated to the Member that bears the economic risk of loss for the Member nonrecourse debt to which such deductions relate as provided in Treasury Regulation Section 1.704-2(i)(1).

(f) Nonrecourse Deductions. Any Nonrecourse Deductions will be allocated (i) 75% to the Common Members, pro rata among them based on their respective holdings of Common Units and (ii) 25% to the Class A-1 Preferred Members and Class A-2 Preferred Member, pro rata among them based on their respective holdings of Class A-1 Preferred Units and Class A-2 Preferred Units.

(g) Curative Allocations. The allocations set forth in Sections 6.02(a)-(f) (collectively, the “**Regulatory Allocations**”) are intended to comply with requirements of the Treasury Regulations. The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company distributions. Accordingly, the Board is authorized to further allocate Profits, Losses, and other items among the Members so as to prevent the Regulatory Allocations from distorting the manner in which Company distributions would be divided among the Members under Sections 5.01 and 5.03 but for application of the Regulatory Allocations. In general, the reallocation will be accomplished by specially allocating other Profits, Losses and items of income, gain, loss and deduction, to the extent they exist, among the Members so that the net amount of the Regulatory Allocations and the special allocations to each Member is zero. The Board will have discretion to accomplish this result in any reasonable manner that is consistent with Code Section 704 and the related Treasury Regulations. In exercising its discretion under this Section 6.02(g), the Board shall take into account future Regulatory Allocations under Sections 6.02(a) and (b) that, although not yet made, are likely to offset other Regulatory Allocations previously made under Sections 6.02 (e) and (f).

(h) Reallocation. To the extent Losses allocated to a Member would cause such Member to have a negative Adjusted Capital Account Balance at the end of any Fiscal Year, the

Losses will be reallocated to other Members in proportion to the excess of each such Member's Capital Account Balance over the amount of such allocations that would cause such Member to have a negative Adjusted Capital Account Balance. If any Member receives an allocation of Losses otherwise allocable to another Member in accordance with this Section 6.02(h), such Member shall be allocated Profits in subsequent Fiscal Years necessary to reverse the effect of such allocation of Losses. Such allocation of Profits (if any) shall be made before any allocations under Section 6.01(a) but after any other allocations under Section 6.02.

### **Section 6.03. Tax Allocations.**

(a) Allocations Generally. The income, gains, losses and deductions of the Company will be allocated for federal, state and local income tax purposes among the Members in accordance with the allocation of such income, gains, losses and deductions among the Members for computing their Capital Accounts; except that if any such allocation is not permitted by the Code or other applicable law, the Company's subsequent income, gains, losses, deductions and credits will be allocated among the Members so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Code Section 704(c) Allocations. Items of the Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value. In addition, if the Book Value of any Company asset is adjusted pursuant to the requirements of Treasury Regulation Section 1.704-1(b)(2)(iv)(e) or (f), then subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c). The Board shall determine all allocations pursuant to this Section 6.03(b) using a method that is reasonable under Treasury Regulation Section 1.704-3.

(c) Effect of Allocations. Allocations pursuant to this Section 6.03 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, Distributions (other than Distributions pursuant to Section 5.02) or other Company items pursuant to any provision of this Agreement.

(d) Allocation Between Assignor and Assignee. The portion of the income, gain, losses, credits, and deductions of the Company for any Fiscal Year during which a Unit is assigned by a Member (or by an assignee or successor in interest to a Member) that is allocable with respect to such Unit will be apportioned between the assignor and the assignee of the Unit on whatever reasonable, consistently applied basis is selected by the Board and permitted by the applicable Treasury Regulations under Section 706 of the Code.

(e) Profit Shares. Solely for purposes of determining a Member's proportionate share of the Company's "excess nonrecourse liabilities," as defined in Treasury Regulation Section 1.752-3(a), the Members' interests in Company profits shall be (i) 75% held by the Common Members, pro rata among them based on their respective holdings of Common Units and (ii) 25%

held by the Class A-1 Preferred Members and Class A-2 Preferred Member, pro rata among them based on their respective holdings of Class A-1 Preferred Units and Class A-2 Preferred Units.

## **ARTICLE 7.COMPENSATION OF MANAGERS, OFFICERS AND MEMBERS**

**Section 7.01.Compensation of Managers and Officers.** The Managers and any officers or employees (as the same may be appointed from time-to-time) of the Company shall not be entitled to salaries, wages, or other compensation unless approved in advance by the Board. Any such salaries, wages, or other compensation approved by the Board shall be treated as an expense of the Company and shall not be deemed a distribution of any profit, loss, or capital of the Company.

**Section 7.02.Compensation of Members.** Except as otherwise provided in this Agreement, the Members shall not be entitled to salaries, wages or other compensation unless approved in advance by the Board.

## **ARTICLE 8.BOOKS AND RECORDS; BANK ACCOUNTS; AND COMPANY REPRESENTATIVE**

**Section 8.01.Books; Reports.** The Board shall cause to be maintained complete and accurate books of account of the Company's affairs at the Company's principal place of business. Such books shall be kept on such method of accounting as the Board shall select. The books of account of the Company shall be closed after the close of each Fiscal Year, and there shall be prepared and sent to each Member a statement of the profits and losses of the Company for that period and a statement of such Member's distributive share of income and expense for income tax reporting purposes.

In addition to the foregoing, the Company shall maintain at the principal office of the Company all of the following records (the "Required Records"):

(a) True and full information regarding the status of the business and financial condition of the Company;

(b) Promptly after becoming available, a copy of the Company's federal, state and local income tax returns for each year;

(c) A current list of the name and last known business, residence or mailing address of each Member and the Board;

(d) A copy of this Agreement, Articles of Organization Articles of Conversion and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which this Agreement and any certificate and all amendments thereto have been executed; and

(e) True and full information regarding the capital accounts of the Members and the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member.

**Section 8.02. Access to Required Records and Inspection Rights.** Each Member may, upon reasonable written request to the Board which request shall state the purpose of the request and must be for purposes reasonably related to such Member's interest in the Company, obtain copies of the Required Records, subject to reasonable standards which may be adopted by the Board from time to time (including standards governing what information and documents are to be furnished at what time and location and at whose expense). Notwithstanding the foregoing, the Company shall not be obligated to share any information with a Member concerning another Member's investment in the Company, including, without limitation, providing any Member with a copy of Schedule A (other than the portion of such Schedule A detailing such Member's investment and the total amount of investments in the Company).

**Section 8.03. Bank Accounts.** Bank accounts and/or other accounts of the Company shall be maintained in such banking and/or other financial institution(s) as shall be selected by the Board, and withdrawals shall be made and other activity conducted on a Manager's or officer's signature at the direction of the Board.

**Section 8.04. Certain Tax Matters.**

(a) Tax Classification. The Members hereby intend that the Company be taxed and classified as a partnership for federal and state income tax purposes. Members and the Board shall take all steps, and do all acts and things, including the filing of elections or tax returns with a federal, local, municipal, state or other governmental body as are or may be reasonably necessary or appropriate to ensure the Company is taxed and classified as a partnership for federal and state income tax purposes. Unless otherwise provided in this Agreement, no Representative, officer or Member shall take any action to change the classification of the Company as a partnership for federal and/or state income tax purposes without the consent of a majority of the Common Units.

(b) Tax Returns. The Company shall use its commercially reasonable efforts to transmit to each Member within ninety (90) days after the close of each Fiscal Year, a copy of each federal and, if applicable, state and local income tax returns of the Company for the Fiscal Year that ended, together with such other tax information as shall be reasonably necessary for the preparation by each Member of its federal, state, and local income tax returns. The Company shall also send to the Members any other reports or statements the Company deems necessary from time to time.

(c) No Tax Representations. Each Member represents and warrants that it has consulted its own tax advisor with respect to the tax aspects of such Member's acquisition and ownership of its Units. Each Member represents and warrants that it is not relying upon any representations that may have been made by the Company or any Member as to any tax projections or tax consequences of the Member's acquisition and ownership of its Units.

(d) Company Representative.

i. Designation of the Company Representative. Douglas Leighton shall be designated as the "tax matters partner" (as defined in Code Section 6231, as in effect prior to the effective date of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, and as applicable for state income tax purposes) and the "partnership representative" (within the meaning of Code Section

6223) of the Company (the “*Company Representative*”). The Company Representative may be removed, and a new Company Representative appointed, by the Board in accordance with the Code and the Treasury Regulations. If the Company Representative is not a natural person, then an officer of the Company Representative shall be designated as the “designated individual” within the meaning of Treasury Regulation Section 1.6223-1(b)(3). Each Member hereby consents to the designation of this Company Representative in this Section 8.04(d)(i) and agrees that, upon the request of the Company Representative, it will 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.

ii. Powers and Obligations of the Company Representative. The Company Representative is authorized to take such actions and to execute and file all statements and forms on behalf of the Company, which may be permitted or required by the applicable provisions of the Internal Revenue Code or Treasury Regulations, issued thereunder, including an election under Code Section 6221(b). The Company Representative shall have full and exclusive power and authority on behalf of the Company to represent the Company (at the Company’s expense) in connection with all audits and examinations of the Company’s affairs by tax authorities, which may be permitted or required by the applicable provisions of the Code or Treasury Regulations issued thereunder. With the consent of the Board, such power and authority shall include the power and authority to (i) extend the statute of limitations, (ii) file a request for administrative adjustment, (iii) file suit concerning any Company tax matter, (iv) enter into a settlement agreement relating to any Company tax matter, and (v) cause the Company to pay, and the manner of payment of, any imputed underpayment arising out of a final partnership adjustment under Code Section 6225 or cause the Company to elect under Code Section 6226 to allocate the adjustment to the Members. The Company Representative shall give prompt notice to the Board of any and all notices it receives from the a taxing authority in its capacity as Company Representative concerning the Company, including any notice of audit, any notice of action with respect to a revenue agent’s report, any notice of a thirty (30) day appeal letter and any notice of a deficiency in Tax concerning the Company’s federal income tax return. The Company Representative shall have the right to retain professional assistance in respect of any tax audit of the Company and any expenses incurred by the Company with respect to preparation of tax returns, tax audits, and other tax matters shall be an expense of the Company and be paid for out of the revenues of the Company. The Company shall indemnify the Company Representative for any liability incurred by such Person in such capacity.

iii. Member Indemnity. Each Member hereby agrees to indemnify and hold harmless the Company and each Member from and against any liability with respect to its share of any tax deficiency paid or payable by the Company that is allocable to the Member (as reasonably determined by the Board) with respect to an audited or reviewed taxable year for which such Member was a Member (for the avoidance of doubt, including any applicable interest and penalties). No Member shall indirectly bear through its economic interest in the Company any tax deficiency paid or payable by the Company in excess of the portion allocable to such Member (as reasonably determined by the Board) with respect to an audited or reviewed taxable year for which such Member was a Member (for the avoidance of doubt, including any applicable interest and penalties). The obligations set forth in this Section 8.04(d)(iii) will survive such Member’s ceasing to be a Member of the Company and/or the termination, dissolution, liquidation, and winding up of the Company

iv. Member Obligations. If the Company Representative elects to (i) have the Members file amended tax returns pursuant to Code Section 6225(c)(2)(A), or (ii) utilize the alternative procedure under Code Section 6225(c)(2)(B), each Member agrees to comply with the procedures under Code Sections 6225(c)(2)(A) or (B), as applicable, and take such actions as are necessary to implement such Code Sections. No Member shall file a notice with the Internal Revenue Service under Section 6222(b) of the Code in connection with such Member's intention to treat an item on such Member's federal income tax return in a manner which is inconsistent with the treatment of such item on the Company's federal income tax return.

v. Non-Federal Tax Matters. The provisions of this Section 8.04(d) shall also apply, mutatis mutandis, in connection with state and local income tax matters to the extent permitted by law.

(e) Tax Elections. The Board shall have the authority to cause the Company to make any tax elections the Board determines are necessary or appropriate.

## **ARTICLE 9.TRANSFER OF UNITS; OTHER RESTRICTIONS**

**Section 9.01.Restriction on All Transfers.** No sale, assignment, transfer, gift, encumbrance, or other disposition (collectively, "Transfer") of any Units or any interest therein may be made to any person unless all of the following requirements have been met:

- (a) The transferee obtains the prior written consent of the Board;
- (b) The transferee agrees in writing to be bound by all of the restrictions and provisions of this Agreement including, without limitation, Article 9 and Section 12.02;
- (c) The transferee agrees to execute such instruments as may be required by the Board in connection with the Transfer;
- (d) The transfer does not violate any state or federal securities laws;
- (e) The Member or transferee may be required by the Board to obtain an opinion of counsel that the Transfer is being made in compliance with the applicable state and federal securities laws; and
- (f) The transferee pays any reasonable expenses of the Company in connection with the Transfer.

Any Transfer that does not comply with this Section 9.01 shall be void.

### **Section 9.02.Right of First Offer.**

(a) Except as otherwise provided by written agreement between the Company and a Member, in addition to any other restrictions on the transfer of Units as set forth herein, if a holder of Units (a "Transferor") desires to Transfer all or any portion of, or any interest or rights in, such Transferor's Units (the "Transferor Units"), then such Transferor shall notify the Company in writing of that desire (the "Transfer Notice") and the proposed terms and conditions of the

proposed Transfer, including, without limitation the name of the proposed transferee, the proposed purchase price and terms of payment. The Company shall hold the same in confidence except as may be necessary to exercise its rights under this Section 9.02.

(b) The Company shall have the option (the “Purchase Option”) to purchase all of the Transferor Units for a price (the “Purchase Price”) equal to the amount of the purchase price set forth in the Transfer Notice.

(c) The Purchase Option shall be and remain irrevocable for a period (the “Transfer Period”) ending at 11:59 P.M. local time at the Company’s principal office on the thirtieth (30th) Day following the day the Transfer Notice is given to the Company.

(d) At any time during the Transfer Period, the Company may elect to exercise the Purchase Option by giving written notice of its election to the Transferor.

(e) If the Company elects to exercise the Purchase Option, then the Company shall send a written notice of its election to the Transferor which shall fix a closing date for the purchase by the Company, and which shall not be earlier than five (5) days after the date of the notice of election nor more than fifteen (15) days after the expiration of the Transfer Period.

(f) In the event the Company elects to purchase the Transferor Units, as the case may be, the Purchase Price shall be paid either in cash on the applicable closing date or by delivery of the consideration proposed to be paid by the proposed transferee as stated in the Transfer Notice. If the consideration proposed to be paid for the Transferor Units as stated in the Transfer Notice is in property, services or other non-cash consideration, the fair market value of the consideration and the cash value equivalent thereof shall be as reasonably determined in good faith by the Board.

(g) If the Company fails to accept the Purchase Option, the Transferor shall, subject to the terms of this Agreement, be permitted to offer and sell its Units for a period of sixty (60) days (the “Free Transfer Period”) at a price not materially less than the Purchase Price. If the Transferor does not Transfer the Transferor Units within the Free Transfer Period, the Transferor’s right to Transfer the Transferor Units pursuant to this Section 9.02 shall cease and terminate.

(h) Any Transfer of the Transferor’s Units made after the last day of the Free Transfer Period or without strict compliance with the terms, provisions and conditions of this Section and other terms, provisions, and conditions of this Agreement, shall be null, void, and of no force or effect.

## ARTICLE 10. INDEMNIFICATION

**Section 10.01. Indemnification in Actions by Third Parties.** A Member (in his, her or its capacity as a Member) shall have no liability to the Company or to any other Member for any loss suffered by the Company or such other Member that arises out of any action or inaction of the Member related to the Company or its business or operations if such course of conduct did not constitute willful misconduct of the Member. To the fullest extent permitted by the Act and any other applicable law, the Company shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding, by reason of the fact that such person is or was a Manager, Member or officer of the Company, against expenses, judgments, fines, settlements and

other amounts actually and reasonably incurred in connection with such proceeding (excluding acts or omissions constituting fraud or willful misconduct and acts of gross negligence or breach of fiduciary duty not authorized under the appropriate provisions of this Agreement). Any amendment or repeal of provision of this Section 10.01 shall not adversely affect any right or protection of a person entitled to indemnification under this Section 10.01 with respect to any act or omission of such person occurring prior to such amendment or repeal. In the event of a Capital Transaction, the Company's successor, if any, shall assume all of the Company's obligations under this Section 10.01.

**Section 10.02.Advance of Expenses.** The Company shall have the power to advance expenses incurred in defending any proceeding prior to the final disposition of such proceeding.

**Section 10.03.Liability of Members.** The amount of indemnification shall be limited to the assets of the Company. No Member shall be personally liable as a result of an agreement by the Company to indemnify any person.

## **ARTICLE 11.TERMINATION AND DISSOLUTION**

**Section 11.01.Termination of the Company.** The Company shall only terminate and dissolve upon: (i) a determination by the Board and the consent of a majority of the Common Units that the Company shall be dissolved, or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act. In such event, the Board shall proceed with the liquidation of the Company's affairs and the net proceeds of such liquidation shall be applied and distributed in accordance with Section 5.03.

## **ARTICLE 12.AMENDMENT**

**Section 12.01.Amendment of Agreement.** Except as provided in the next sentence, this Agreement may be amended by the Board; provided, however, that any amendment to this Agreement that adversely affects the rights, privileges or preferences of the Preferred Units in a manner differently than such amendment affects the rights, privileges or preferences of all Members shall, in each case, require the consent of the Members holding a majority of the outstanding Preferred Units. Notwithstanding the foregoing, the Board shall have the power to amend Schedule A of this Agreement to update and correct any information contained therein and for such other purposes as may elsewhere be specifically provided in this Agreement.

**Section 12.02.Power of Attorney.** Each Member constitutes and appoints the Managers as the Member's true and lawful attorneys-in-fact ("Attorneys-in-Fact"), and in the Member's name, place and stead, to make, execute, sign, acknowledge, and file: (a) all documents (including amendments to the Articles) which the Attorneys-in-Fact deem appropriate to reflect any amendment, change, or modification of this Agreement that has been duly approved under the terms set forth in this Agreement; (b) any and all other certificates or other instruments required to be filed by the Company under the laws of the Commonwealth of Massachusetts or of any other state or jurisdiction, including, without limitation, any certificate or other instruments necessary in order for the Company to continue to qualify as a limited liability company under the laws of the Commonwealth of Massachusetts; (c) one or more fictitious or trade name certificates; and (d) all documents which may be required to dissolve and terminate the Company and to cancel its Articles

that have been duly approved under the terms set forth in this Agreement. The power of attorney contained in this Section 12.02 is coupled with an interest and, therefore, is irrevocable and shall survive the death, dissolution, bankruptcy or incapacity of any Member.

## ARTICLE 13. SECURITIES LAWS

**Section 13.01. Other Investment Representations.** Each Member represents, warrants, acknowledges, covenants, agrees and understands that:

(a) The Member is financially able to bear the economic risk of an investment in the Company, including a total loss of the investment.

(b) The Transfer of Units is restricted under the Securities Act of 1933 (the “Securities Act”) and such Units may not be Transferred without registration under the Securities Act or pursuant to an exemption from registration and compliance with the terms hereof.

(c) The Members have been advised to consult with their own attorneys and accountants regarding all legal and tax matters concerning an investment in the Company, and the Member has done so to the extent the Member considers necessary. The Members have and will in the future look solely to and rely upon their own advisers regarding the tax consequences of this investment.

## ARTICLE 14.

**Section 14.01. Severability.** If any provision of this Agreement is declared by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect; provided, however, that if the deletion of any provision hereof frustrates an essential purpose of this Agreement or material rights of a party, the parties shall seek in good faith alternative provisions or arrangements to achieve substantially the same purposes as the invalid, illegal or unenforceable provision.

**Section 14.02. Counterparts.** This Agreement may be signed in several original, electronic (including .pdf), delivered by email, or facsimile counterparts, and all counterparts so executed shall constitute one agreement which shall be binding on all of the parties. It shall not be necessary for all Members to sign the same copy of this Agreement.

**Section 14.03. Successors.** Subject to the restrictions against assignment of interests contained herein, this Agreement shall inure to the benefit of and shall be binding upon all of the parties hereto and their respective heirs, successors in interest, assigns, personal representatives, estates and legatees.

**Section 14.04. Waivers.** The waiver by the Company or any Member of a breach of any provision of this Agreement by any other party shall not operate as a waiver by the Company or Member of the same or any subsequent breach of any provision of this Agreement by any other party.

**Section 14.05.Notices.** Any notices required to be given under the terms of this Agreement shall be delivered personally with an acknowledgment of receipt or delivered by certified mail, postage prepaid, facsimile, or email or by a nationally recognized courier service to the address listed on Schedule A as amended from time to time (or to such other addressee or address as set forth in a notice given in the same manner).

**Section 14.06.Entire Agreement.** This Agreement and the Articles contain the entire understanding among the Members and supersede any prior written or oral agreements respecting the subject matter contained herein. There are no representations, agreements, arrangements or understandings, oral or written, between or among the Members relating to the subject matter of this Agreement that are not set forth herein.

**Section 14.07.Third Party Beneficiaries.** There are no third party beneficiaries to this Agreement.

**Section 14.08.Waiver of Partition, Limitation on Causes of Action and Waiver of Trial by Jury.** Each Member agrees that irreparable damage would be done to the Company if any Member brought an action in court to dissolve the Company. Accordingly, unless otherwise expressly authorized in this Agreement, each Member agrees that he, she, or it shall not, either directly or indirectly, take any action to require partition or appraisal of the Company or of any of the assets or properties of the Company and, notwithstanding any provisions of this Agreement to the contrary, each Member (and his, her, or its successors and assigns) accepts the provisions of the Agreement as his, her, or its sole entitlement on termination, dissolution, and/or liquidation of the Company and hereby irrevocably waives any and all right to maintain any action for partition or to compel any sale or other liquidation with respect to his, her, or its interest, in or with respect to, any assets or properties of the Company; and each Member agrees that he, she, or it will not petition a court for the dissolution, termination or liquidation of the Company. No Member shall be entitled to initiate or participate in a class action on behalf of all or any part of the Members against the Company, any Manager or any Member, and no Member shall be entitled to initiate or participate in a derivative action on behalf of all or any part of the Members against the Company, any Manager or any Member, unless in each case such action or suit has received the prior unanimous approval of the Members who are not defendant parties to the proposed action or suit, or unless otherwise required by law. A Member who initiates an action or suit in violation of this Agreement shall be liable to the Company and its Managers and Members for all damages and expenses that they incur as a result, including without limitation reasonable attorneys' fees and expenses. The parties to this Agreement desire to avoid the additional time and expense related to a jury trial of any disputes arising hereunder. THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO, AND FOR THEIR SUCCESSORS AND ASSIGNS, THAT THEY SHALL AND HEREBY DO WAIVE TRIAL BY JURY OF ANY CLAIM, COUNTERCLAIM, OR THIRD-PARTY CLAIM, INCLUDING ANY AND ALL CLAIMS OF INJURY OR DAMAGES, BROUGHT BY ANY PARTY AGAINST THE OTHERS ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT AND THE RELATIONSHIP THAT ARISES HEREFROM. THE PARTIES ACKNOWLEDGE AND AGREE THAT THIS WAIVER IS KNOWINGLY, FREELY AND VOLUNTARILY GIVEN, IS DESIRED BY ALL PARTIES, AND IS IN THE BEST INTEREST OF ALL PARTIES.

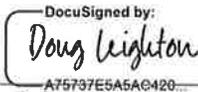
**Section 14.09. Governing Law; Consent to Jurisdiction.** This Agreement shall be construed in accordance with and governed by the internal laws of the Commonwealth of Massachusetts, without regard to the principles of conflicts or choice of laws thereof that would give rise to the application of the domestic substantive law of any other jurisdiction. Each of the parties hereto agrees that any suit for enforcement of this Agreement may be brought in the courts of the Commonwealth of Massachusetts or any Federal Court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon any of the parties by mail at the address specified herein. Each of the parties hereto hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or based on such suit having been brought in an inconvenient court.

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Executed under seal effective as of the 31st day of May 2019.

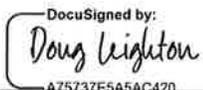
**COMPANY:**

ACK Natural LLC

By:   
Name: Doug Leighton  
Title: Manager

**COMMON MEMBERS:**

\_\_\_\_\_  
Printed Name: Zach Harvey

  
\_\_\_\_\_  
Printed Name: Douglas Leighton

\_\_\_\_\_  
Printed Name: Mike Sullivan

Executed under seal effective as of the 31st day of May 2019.

**COMPANY:**

ACK Natural LLC

By: \_\_\_\_\_

Name: Doug Leighton

Title: Manager

**COMMON MEMBERS:**

DocuSigned by:  
*Zach Harvey*  
8F2B34D80F3E404...

Printed Name: Zach Harvey

\_\_\_\_\_  
Printed Name: Douglas Leighton

\_\_\_\_\_  
Printed Name: Mike Sullivan

Executed under seal effective as of the 31st day of May 2019.

**COMPANY:**

ACK Natural LLC

By: \_\_\_\_\_

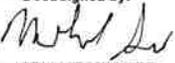
Name: Doug Leighton

Title: Manager

**COMMON MEMBERS:**

\_\_\_\_\_  
Printed Name: Zach Harvey

\_\_\_\_\_  
Printed Name: Douglas Leighton

DocuSigned by:  
  
9FA14CEC9FC648B...

\_\_\_\_\_  
Printed Name: Mike Sullivan

**SCHEDULE A**

On file with the Company.



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

William Francis Galvin  
Secretary of the  
Commonwealth

June 26, 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

**ACK NATURAL LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **June 10, 2019.**

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

I also certify that the names of all managers listed in the most recent filing are:  
**MICHAEL SULLIVAN, ZACHARY HARVEY, DOUGLAS LEIGHTON**

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 SULLIVAN, ZACHARY HARVEY, DOUGLAS LEIGHTON**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **MICHAEL SULLIVAN, ZACHARY HARVEY, DOUGLAS LEIGHTON**

In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

A handwritten signature in cursive script that reads "William Francis Galvin".

Secretary of the Commonwealth



**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.: 001314951

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

ACK Natural LLC

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

50 Commonwealth Ave., Suite 1, Boston, MA 02108

(3) The general character of the business:

To (i) develop real estate; (ii) engage in any other business related thereto or useful in connection therewith; and (iii) engage in any other business for which limited liability companies may be organized under Chapter 156C of the Massachusetts General Laws.

(4) Latest date of dissolution, if specified: \_\_\_\_\_

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

NAME

ADDRESS

Douglas Leighton

50 Commonwealth Ave., Suite 1  
Boston, MA 02108

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

NAME

ADDRESS

Zachary Harvey

50 Commonwealth Ave., Suite 1  
Boston, MA 02108

Douglas Leighton

50 Commonwealth Ave., Suite 1  
Boston, MA 02108

Michael Sullivan

50 Commonwealth Ave., Suite 1  
Boston, MA 02108

(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
Zachary Harvey	50 Commonwealth Ave., Suite 1 Boston, MA 02108

Douglas Leighton	50 Commonwealth Ave., Suite 1 Boston, MA 02108
------------------	---

Michael Sullivan	50 Commonwealth Ave., Suite 1 Boston, MA 02108
------------------	---

(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
Zachary Harvey	50 Commonwealth Ave., Suite 1 Boston, MA 02108

Douglas Leighton	50 Commonwealth Ave., Suite 1 Boston, MA 02108
------------------	---

Michael Sullivan	50 Commonwealth Ave., Suite 1 Boston, MA 02108
------------------	---

(9) Additional matters:

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

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Consent of resident agent:

I Douglas Leighton,  
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.*

# COMMONWEALTH OF MASSACHUSETTS

**William Francis Galvin**  
Secretary of the Commonwealth  
One Ashburton Place, Boston, Massachusetts 02108-1512

## **Limited Liability Company Certificate** (General Laws Chapter 156C, Section 12)

I hereby certify that upon examination of this limited liability company certificate, duly submitted to me, it appears that the provisions of the General Laws relative thereto have been complied with, and I hereby approve said application; and the filing fee in the amount of \$\_\_\_\_\_ having been paid, said application is deemed to have been filed with me this

\_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, at \_\_\_\_\_ a.m./p.m.  
*time*

Effective date: \_\_\_\_\_

WILLIAM FRANCIS GALVIN  
*Secretary of the Commonwealth*

Filing fee: \$500

TO BE FILLED IN BY LIMITED LIABILITY COMPANY

Contact Information:

Carla Hines, Locke Lord LLP  
\_\_\_\_\_

111 Huntington Avenue  
\_\_\_\_\_

Boston, MA 02199  
\_\_\_\_\_

Telephone: 617-239-0567  
\_\_\_\_\_

Email: carla.hines@lockelord.com  
\_\_\_\_\_

Upon filing, a copy of this filing will be available at [www.sec.state.ma.us/cor](http://www.sec.state.ma.us/cor).  
If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.



mass.gov/dor

## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



ACK NATURAL LLC  
50 COMMONWEALTH AVE  
BOSTON MA 02116-3025

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

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

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

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

### *What if I have questions?*

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

### *Visit us online!*

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau

000032

# Plan for Obtaining Liability Insurance

## I. Purpose

The purpose of this plan is to outline how ACK Natural, LLC (“ACK”) will obtain and maintain the required General Liability and Product Liability insurance coverage as required pursuant to 935 CMR 500.105(10), or otherwise comply with this requirement.

## II. Research

ACK has engaged with multiple insurance providers offering General and Product Liability Insurance coverage in the amounts required in 935 CMR 500.105(10). These providers are established in the legal marijuana industry. We are continuing these discussions with the insurance providers and will engage with the provider who best suits the needs of the company once we receive a Provisional License.

## III. Plan

1. Once ACK receives its Provisional Marijuana Establishment License we will engage with an insurance provider who is experienced in the legal marijuana industry.
  - a. ACK will obtain and maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, and product liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually.
  - b. The deductible for each policy will be no higher than \$5,000 per occurrence.
2. In the event that ACK obtain the required insurance coverage, ACK will place a minimum of \$250,000 in an escrow account. These funds will be used solely for the coverage of liabilities.
  - a. ACK will replenish this account within ten business days of any expenditure.
3. ACK will maintain reports documenting compliance with 935 CMR 500.105(10) in a manner and form determined by the Commission and make these reports available to the Commission upon request.



## Executive Summary

### Company Overview

Ack Natural, LLC. is led by a team with strong ties to Nantucket with over 100 combined years living and visiting the Island. We are seasoned business leaders with first-hand experience running businesses on and off the island. We have experience in starting, operating and investing in the cannabis industry both in Massachusetts, across the country, as well as globally. As Island residents, we understand and respect the importance of preserving the Island's culture, including its security, while directly supporting local initiatives that will address the opioid epidemic and maintain Nantucket's natural beauty.

ACK Natural will provide patients and consumers on Nantucket Island with the highest quality medicine and marijuana tutelage, while providing education to the Island on the dangers of opioid abuse.

### Mission Statement

Ack Natural, LLC will successfully operate a Co-located medical and adult use marijuana facility on Nantucket that provides qualifying Massachusetts patients and adults over 21 with safe, dignified and secure access to medical-grade cannabis. We will use the diverse backgrounds and experience of our highly skilled, Nantucket-based team in education, cultivation, business operations, and compliance to manage all aspects of this program. We will use a patient-centric and educational approach in operating a state-of-the-art dispensary and cultivation center. We will adhere to a code of excellence in all policies and procedures when interacting with and educating our patients, and for growing, processing, manufacturing and handling our superior product. The underpinning of this is an absolute dedication to compliance.

# Team

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Our team has extensive experience in general business, marketing, real estate, finance and retail operations. We have successfully started, funded and operated marijuana dispensaries in multiple states. We are now bringing our expertise to Nantucket – our home.

**Michael Sullivan** – CEO, Operator – Long-time island resident, Mike was a public school teacher and coach for 17 years. He spent every summer vacation working in the service industry on Nantucket from 1996 to today. The Summer House, The West Ender, Jetties, Slip 14 and Cisco to name a few. He currently owns and operates the Nantucket OhDEER franchise that offers all natural solutions for Pest Control servicing hundreds of island homes and business. Mike originally entered the cannabis industry as an investor and Entrepreneur working with a variety of companies. He worked with Doctors at the Instituto Estadual do Cerebro Paulo Niemeyer, exporting the highest quality CBD to Brazil for children with epilepsy. Mike and his wife Jenn, a NES teacher and OT at Nantucket Cottage Hospital, reside on Nantucket where their twin 8 year olds attend Nantucket Public Schools. “Ack-Natural is here to work at the will of the town now and moving forward. As an island resident, I am committed to assure that we are 100% accessible and transparent.”

**Zach Harvey** – COO, Operator – Long-time island visitor, Zach has been involved in many businesses in the cannabis and real estate sectors. He brings years of operational experience to Ack Natural. From 2014 early 2017, Zach co-founded the 7th RMD in Massachusetts, Ermont, Inc, and was instrumental in guiding the company from application through design to successful opening and continued operations.

After orchestrating the sale of Ermont, Zach continues to co-own and manage several other Massachusetts cannabis businesses, while providing lab design and operations consulting. “My past medical cannabis experiences have demonstrated to me the importance of working in concert with municipalities and citizens in providing education, guidance and the safest medical-grade cannabis products to patients within those communities.”

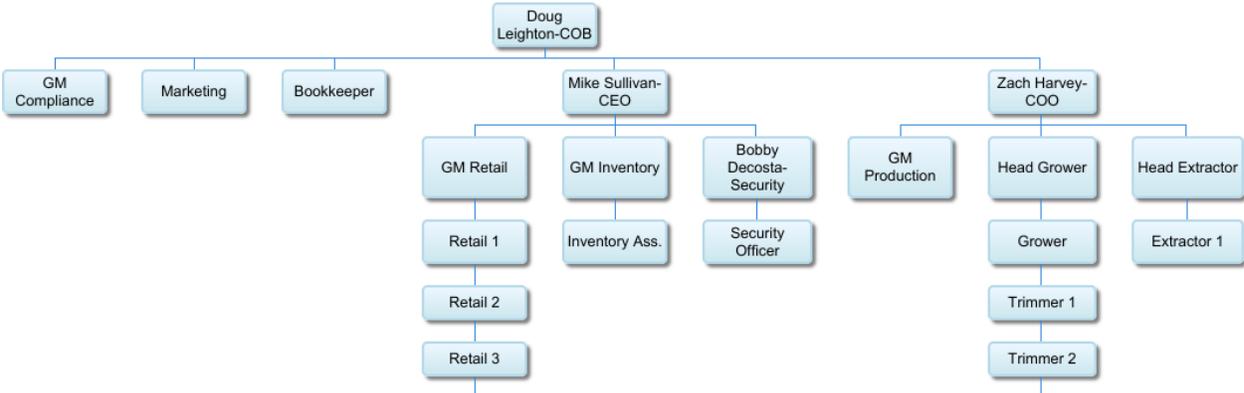
In 2017, Zach co-founded VYB Holdings, LLC, ([www.getvyb.com](http://www.getvyb.com)) a cannabis products and consulting platform that designs, produces, licenses, and sells effect-specific vaporizer cartridges, edibles, and beverages throughout multiple retail outlets in MA and RI.

**Douglas Leighton** – CBO/CFO, Operator – Long-time island resident, Doug has been investing capital since 1990 and was one of the first institutional investors to commit capital to the cannabis industry in 2013. Doug has invested in over 400 businesses with a total value of well over \$2 Billion. He has made over 30+ investments in the cannabis space ranging from startups to growth capital. Doug is one of the founders of BASK a cannabis dispensary, located in

Fairhaven, Massachusetts. BASK boasts a 10k square foot facility, with 4k dedicated to growing over 40 pounds per week. Due to the success of the facility, BASK has just started construction on a 30,000 square foot facility for cultivation, with option to increase to 100,000 square feet. He has worked closely with the team at BASK to create a patient centric destination for the South Coast. BASK boasts the highest (92%) pass rate amongst the most stringent tests (in the country) put forward by the Commonwealth. BASK is also one of the only dispensaries in the Commonwealth that wholesales cannabis to almost every other dispensary. Doug created, implemented and monitors the policy and procedures for BASK such as, but not limited to; compliance, cultivation, production, inventory, security, marketing and staffing. Doug is also the first mentor of the Social Equity Program for the Commonwealth of Massachusetts. The mentor program was started from the Massachusetts Cannabis Business association. This program, starting in 2019 will be a first of its kind, where cannabis business leaders will mentor Equity Applicants to prepare them for the cannabis business.

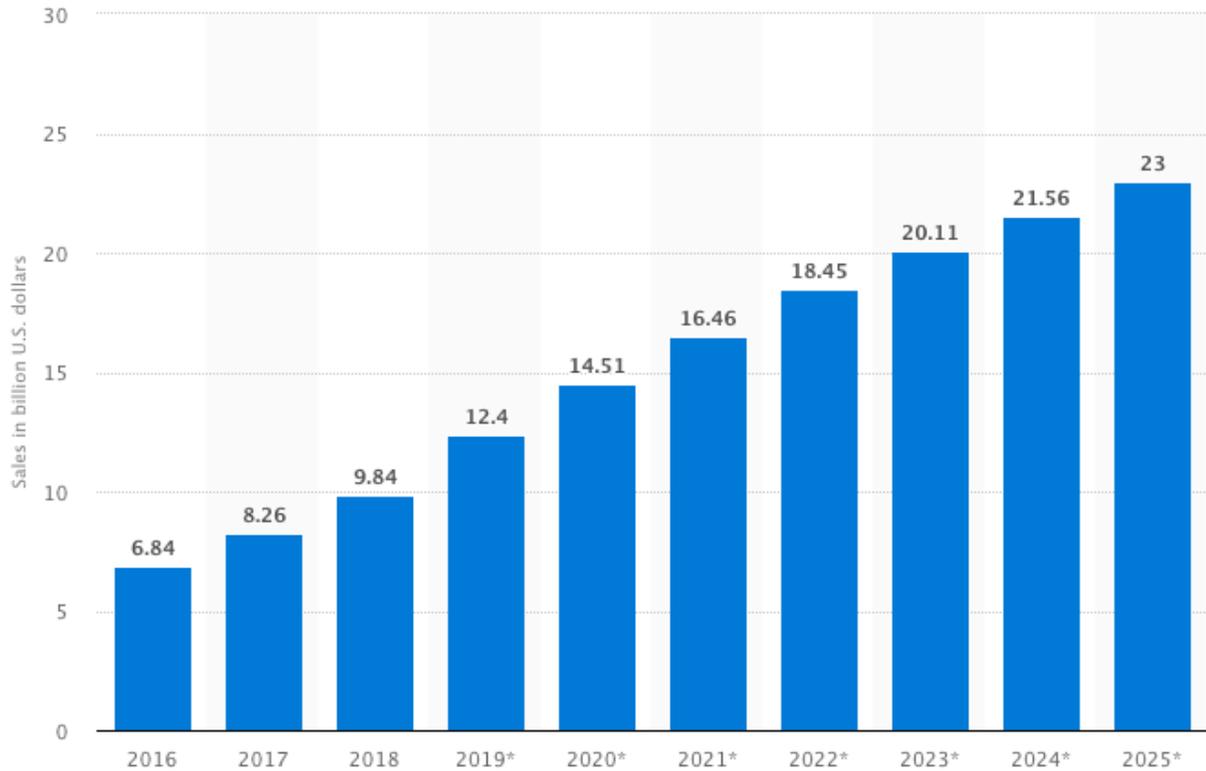
He has started, operated, bought and sold several businesses in multiple sectors over the past 28 years, in the last 5 years; he has been solely focused on building cannabis businesses. Doug has also invested in several Nantucket businesses over the years.

# Organizational Chart



# U.S. Addressable Market for Cannabis

## Cannabis sales in the US<sup>1</sup>



About six-in-ten Americans (62%) say the use of marijuana should be legalized, reflecting a steady increase over the past decade, according to a new Pew Research Center survey. The share of U.S. adults who support marijuana legalization is little changed from about a year ago – when 61% favored it – but it is double what it was in 2000 (31%). As in the past, there are wide generational and partisan differences in views of marijuana legalization. Majorities of Millennials (74%), Gen-Xers (63%) and Baby Boomers (54%) say the use of marijuana should be legal. Members of the Silent Generation continue to be the least supportive of legalization (39%), but they have become more supportive in the past year.

Massachusetts has very similar demographics to Colorado, now in their 3 year of Adult use.  
<sup>2</sup>Colorado sold more than \$1.5 Billion of cannabis products in 2017 and surpassed that number in 2018. Jan to September 2018 sales were \$1.16 Billion. Specifically, Aspen, very similar to Nantucket was the first town in history to have cannabis sales outpace alcohol sales<sup>3</sup>.

<sup>1</sup> <https://www.statista.com>

<sup>2</sup> [Colorado.gov](https://www.colorado.gov)

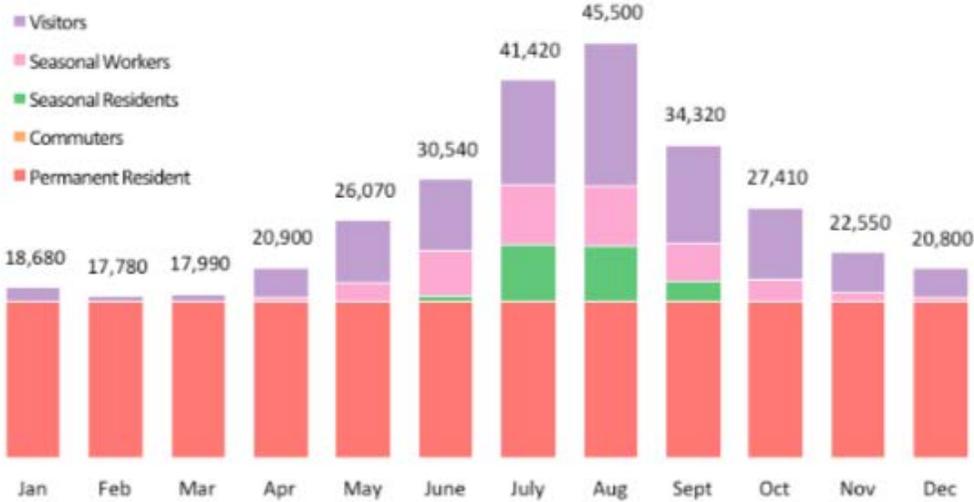
<sup>3</sup> <https://www.washingtontimes.com/news/2018/feb/8/marijuana-dispensaries-out-sell-liquor-stores-aspe/>

# Addressable Market on Nantucket

<sup>4</sup>Based on recent data from The Nantucket Data Project: Some data points

- Nantucket’s permanent population is 17,200.
- Seasonal residents add another 11,000 at 100 percent occupancy.
- Nantucket has at least 365 year-round commuting workers and 6,600 seasonal workers in July.
- We also counted 500,000 visitor-trips to the island in 2017, including 100,000 in August alone.

Average Daily Weekend Population by Month for 2017



In August, temporary residents outnumber permanent ones by more than two to one.

<sup>4</sup> Nantucket Data Project

Based on population size, the fact that the population rotates weekly, penetration of adult use consumers, medical marijuana adoption rates, we believe we will achieve the pro-forma laid out above. Ack Natural will have its heaviest sales during the summer months when the population almost triples to ~45,000. Nantucket’s affluent, educational consumer should drive a much higher price point similar to Aspen retail marijuana sales. <sup>5</sup>Aspen recently was the first community to report that cannabis sales out sold alcohol. Using the Commonwealth's <sup>6</sup>cannabis adoption rate of 14.55% and the fact that the population is not static, we should see a rotating base of 30,000 people in the summer months.

## Wholesale

We believe we will have a robust wholesale business to the other cannabis retailer on Nantucket. Due to our production capabilities, we will have an excess of product to wholesale products to the other retailer on the island. We view our relationship with the other retailer on the island as a partnership, not as a competitor.

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## Brand Positioning and Offerings

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Ack Natural’s brand identity will convey our commitment to professionalism and the health and wellness of our patients. It will maintain a high-end, innocuous appearance differentiating us from dispensaries that align more closely with the drug counterculture. In this spirit, our logo does not use medical symbols, images of marijuana, related paraphernalia or colloquial references to cannabis and marijuana. Instead, our design will feature inviting colors and imagery associated with a welcoming and safe approach to serving patients while keeping in line with the natural beauty of Nantucket.

To ensure compliance while meeting patient/consumer needs, our product line will prohibit the production or sale of edibles in the shape of a human, animal or fruit or anything that might attract children. We will provide exit packaging that is opaque with no marijuana symbols visible. The packaging will also be childproof with blister packaging where applicable. We believe this will help with diversion to minors.

PRODUCT LINE	COMMENTS
Edibles	Cannabis oil in edible marijuana usually takes longer to take effect (20 minutes to an hour or more), and the effects generally last longer than smoking or vaporizing. These edibles will not be in the shape of fruits, animals or humans to help with diversion to minors.

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<sup>5</sup> <https://www.aspentimes.com>

<sup>6</sup> <https://www.cbsnews.com>

Flower	Dried marijuana that contain various THC levels that can be rolled into papers, smoked in a standard pipe, or vaporized with vaporizer products (believed to be the safest form of inhalation).
Preparations	Tinctures, nectars, salves and capsules.
Extracts	Extracts are manufactured by separating trichomes (semi-transparent, granular, hair-like outgrowths) from the marijuana flowers to create a concentrated dose of this specific part of the plant.
CBD Only and Blends	Tinctures and edibles with no psychoactive effect available for both humans and pets. Invest in the launch of a CBD sparkling water for sale on and off Nantucket.

## Varietals Offered

Just as different patients have different needs in terms of methods of consumption, such as edibles, tinctures, lotions, balms, and salves, patients also have different needs in terms of medicinal strains. Medical cannabis is available in pure sativa strains, pure indica strains, or “hybrid” strains that include varying amounts of both sativa and indica. **Indica** strains have a different range of effects on the body and mind than **Sativa** strains. Both have different medicinal benefits. An **Indica** strain is generally associated with a sense of deep body relaxation. **Sativa** strains tend to provide a more energizing experience. Hybrid strains a combination of both Indica and Sativa.

Ack Natural will make available to our qualified patients a balanced product offering of sativa strains, indica strains, hybrid strains, and high-CBD strains or strains that have no psychoactive effects but still provide for some critical pain or anxiety relief. We will also carry a wide variety of THC strength as well as different THC/CBD ratios.

## **Branding**

Our brand will be called Altar. A recognition to the Nantucket landmark Altar Rock. Altar also represents Alternative and Recreational (ALT/A/R). We will follow all compliance requirements required by the Commonwealth of Massachusetts.



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# Interior Style Guide

The interior will have a high end feel while being a comfortable and inviting space for patients and consumers alike.

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# Operations

## Hours of operation

The hours of operation shall be 10-7 7 days a week.

## Patient Counseling Area

Provide outstanding patient service by providing medicine, product knowledge, and absolute accuracy in the sales process; ensure medicine is sold only to current registered patients/

consumers over 21 carrying a valid registration card, and that all sales are accurately and comprehensively tracked in the POS system; educate patients about available forms of medicine, and offer product knowledge to patients on the most appropriate type of medicine based on their symptoms and medicating circumstances.

### **Role of the Patient Counselor/ Member Services**

The overarching purpose of the Member Services department is to check in returning patients, register and orient new patients, and ensure all patients have access to educational materials and advocacy opportunities. Member Services associates are expected to provide the highest level of service and care for patients entering the dispensary.

It is equally the role of Member Services to ensure the dispensary is in strict compliance with all city, county, state, and federal regulations with regard to dispensary access, patient registration, and managing the patient database.

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## **Facility Overview**

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# Floor Plans and Elevation

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# Environmental Impact

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Ack Natural is dedicated to minimizing its carbon footprint and reducing the environmental impacts and natural resource needs for our medical marijuana establishment. Several aspects of our multifaceted plan can be immediately implemented, while others are part of a broader, long-term vision.

Our Environmental Vision: Build and operate a sustainable dispensary that promotes environmental stewardship and respects the surrounding social and ecological community.

Our Environmental Strategy: Incorporate sustainable practices, technologies, and products that serve to minimize our environmental impact both in our immediate surroundings and our total ecological footprint.

Energy Efficient:

We shall utilize LED lighting in our cultivation. LED lighting is far more efficient to operate vs. traditional HPS lights, up to 40% less kilowatt per hour. They require far less energy and they also produce almost no heat, which cuts down on the need to run the HVAC (cooling) system, thus lowering energy costs.

Ack Natural will also identify the lower kilowatt per hour cost and only operate the lights during those off peak hours. We will also focus our cultivation from October to April, the lowest power consumption time on the Island.

# Financial Overview

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Flower	\$1,228,593.75	\$1,412,882.81	\$1,624,815.23	\$1,868,537.52	\$2,148,818.15
Infused Products	\$3,650,906.25	\$4,198,542.19	\$4,828,323.52	\$5,552,572.04	\$6,385,457.85
Wholesale	\$1,530,000.00	\$1,759,500.00	\$2,023,425.00	\$2,326,938.75	\$2,675,979.56
<b>Total Revenue</b>	<b>\$6,409,500.00</b>	<b>\$7,370,925.00</b>	<b>\$8,476,563.75</b>	<b>\$9,748,048.31</b>	<b>\$11,210,255.56</b>
<b>Expense</b>	<b>-\$2,782,046.23</b>	<b>-\$2,921,148.55</b>	<b>-\$3,067,205.97</b>	<b>-\$3,220,566.27</b>	<b>-\$3,381,594.58</b>
280e	-\$1,965,534.38	-\$2,260,364.53	-\$2,599,419.21	-\$2,989,332.09	-\$3,437,731.91
<b>Nantucket 3%</b>	<b>-\$192,285.00</b>	<b>-\$221,127.75</b>	<b>-\$254,296.91</b>	<b>-\$292,441.45</b>	<b>-\$336,307.67</b>
<b>Total Expense</b>	<b>-\$4,939,865.61</b>	<b>-\$5,402,640.83</b>	<b>-\$5,920,922.10</b>	<b>-\$6,502,339.81</b>	<b>-\$7,155,634.16</b>
<b>Net Income</b>	<b>\$1,469,634.39</b>	<b>\$1,968,284.17</b>	<b>\$2,263,526.80</b>	<b>\$2,603,055.82</b>	<b>\$2,993,514.19</b>

# Capital Requirements

Soft Costs	\$408,000.00
Capital Equipment	\$1,672,500.00
Furniture and Fixtures	\$239,000.00
Build-Out Costs	\$2,027,000.00
Pre-Operating Capital	\$385,005.00
<b>Total</b>	<b>\$4,731,505</b>

# Financing Structure

## The Offering

Securities Offered	<p>The Securities offered shall be comprised of Class A-1 Preferred Units and Class A-2 Preferred Units as defined below in the section entitled “Classes of Member Units Offered”. The Board, at its sole discretion, may limit the number of Class A-1 Preferred Units and Class A-2 Preferred Units offered.</p> <p>The Member Interests are subject to the terms of the Company’s Operating Agreement. See “<u>Risk Factors</u>.”</p>
Total Funding Request	<p>The Company anticipates that it will need approximately \$[4,725,000] to open the Dispensary and fund its initial operations.</p>
Offering Price	<p>[\$1.00] per Unit.</p> <p>The Company may offer percentages of Units in its discretion. The minimum investment amount is \$50,000, provided, however, that such amount may be adjusted by the Board in its sole discretion.</p>
Classes of Member Units Offered	<p>Members who purchase \$350,000 worth of Units or more will receive Class A-1 Preferred Units (“<u>Class A-1 Units</u>”) and those who invest less than \$350,000 will receive Class A-2 Preferred Units “<u>Class A-2 Units</u>,” with investors holding Class A-1 Units referred to as “<u>Class A-1 Members</u>” and investors holding Class A-2 Units, “<u>Class A-2 Members</u>,” together with Class A-1 Members, “<u>Preferred Members</u>”). [The type of Member Interests that a Member receives will be based upon the number of Units a Member initially subscribes for. The Investor will be deemed, at the Board’s discretion, to have purchased only those Units that he, she or it has actually funded <u>and</u> he, she or it will have his, her or its Units automatically converted to Class A-1 Units or Class A-2 Units, notwithstanding that he/she may have subscribed for a different Class of Units (by way of example, if a Member initially subscribes for \$400,000 worth of Units, but only makes a \$300,000 capital contribution despite being requested to make their full capital contribution, they would be deemed to not have reached the minimum \$350,000 threshold in order to obtain Class A-1 Units.)]</p>
Class A-1 and Class A-2 Member Interests to be	<p>The number of Units outstanding depends upon the number of Units sold in this Offering and cannot be estimated at this time.</p>

Outstanding after the Offering	The Board, at its sole discretion, may limit the number of Class A-1 and Class A-2 Units offered.
Common Units and Incentive Units	The Company also authorized two other classes of Units. The Company's " <u>Common Units</u> " refer to Units which entitle the holder to the rights of Members, generally, and Common Members, in particular, which rights include the right to cast one (1) vote per each Common Unit held by a Common Member on all matters reserved for the approval, consent or consideration of Members, generally, and the Common Members, in particular, as described in the Operating Agreement. " <u>Common Members</u> " shall refer to Members holding Common Units. The Company's " <u>Incentive Units</u> " refer to Units issued to employees, managers, consultants or directors of the Company or any subsidiary of the Company on terms and conditions set forth in a form of Incentive Units agreement approved by the Board which entitle the holder to the rights of Members, generally, and Incentive Unit Members, in particular, as described in Operating Agreement. Incentive Units are non-voting. "Incentive Unit Members" refer to Members holding Incentive Units.
Use of Proceeds	Funds will be used for capital expenditures, leasehold improvements, purchase of equipment to cultivate cannabis, , working capital, operating expenses and salaries, and all other expenses relating to the construction, opening and operation of the Dispensary , and this Offering.

## Disclaimer

This investment involves a high degree of risk. It is speculative and suitable only for persons who have substantial financial resources and have no need for liquidity in this investment. Further, this investment should only be made by those who understand or have been advised with respect to the tax consequences of and risk factors associated with the investment and who are able to bear the substantial economic risk of the investment for an indefinite period of time. See "Investor Suitability Standards" and "Risk Factors in the PPM."

ACK NATURAL LLC DERIVES ALL OF ITS REVENUES FROM THE CANNABIS INDUSTRY. IN THE UNITED STATES, THE CANNABIS INDUSTRY IS ILLEGAL UNDER UNITED STATES FEDERAL LAW. ACK NATURAL LLC WILL BE INVOLVED IN THE CANNABIS INDUSTRY IN THE UNITED STATES WHERE LOCAL STATE LAWS PERMIT SUCH ACTIVITIES.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM/SUBSCRIPTION AGREEMENT, OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY OF ITS AGENTS, OFFICERS, OR REPRESENTATIVES, AS LEGAL OR TAX ADVICE. EACH OFFEREE SHOULD CONSULT HIS/HER OWN ADVISORS AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE COMPANY.

### **Restricting Access to Age 21 or Older**

As a co-located adult use and medical use location, and pursuant to 935 CMR 500.140(3), upon entry into the premise of ACK Natural, LLC (“ACK”) by an individual, a ACK agent shall immediately inspect the individual’s proof of identification. An individual shall not be admitted to the premise unless the retailer has verified that the individual is 21 years of age or older by offering proof of identification. If the individual is younger than 21 but at least 18 years of age, he or she shall not be admitted unless they produce an active medical registration card issued by the DPH. If the person holds an active medical card but is younger than 18, they must be accompanied by a personal caregiver with an active medical registration card. Proof of identification will also be required of personal caregivers.

ACK’s management team is responsible for ensuring that all persons who enter the facility or are otherwise associated with the operations of ACK are 21 years of age or older. (except in the case of a Registered Qualifying Patient with the Massachusetts Medical Use of Marijuana Program in possible of a valid Program Identification from the Department of Public Health or the Cannabis Control Commission.)

To verify an individual’s age, an ACK Agent must receive and examine from the individual one of the following authorized government issued ID cards: Massachusetts issued driver’s license; Massachusetts issued ID card; Out-of-state driver’s license or ID card (with photo); Passport; or U.S. Military ID. To verify the age of the individual the Agent will use an Age Verification Smart ID Scanner that will be supplied by ACK. If for any reason the identity of the customer or the validity of the ID is in question, the individual will not be granted access to the facility.

ACK will train all Retail and Security Agents on the verification and identification of individuals. All Agents will enroll in and complete the Responsible Vendor Training Program when it is available. This curriculum will include: Diversion prevention and prevention of sales to minors; and Acceptable forms of identification, including how to check identification, spotting false identification, provisions for confiscating fraudulent identifications, and common mistakes made in verification.

ACK will have limited access areas identified with clear signage designating the access point for authorized personnel only, pursuant to 935 CMR 500.110(4). Identification badges will be required to be worn at all times by ACK employees while at the facility or engaged in transportation. ACK will positively identify all individuals seeking access to the facility to limit access solely to individuals 21 years or age or older, (or Registered Qualifying Patients or personal caregivers.)

While at the facility or transporting marijuana for the facility all ACK Agents must carry their valid Agent Registration Card issued by the Commission. All ACK Agents are verified to be 21 years of age or older prior to being issued a Marijuana Establishment Agent card. All outside vendors, contractors and visitors shall be required to wear visitor badges prior to entering limited access areas and shall be displayed at all times. Visitors shall be logged in and out and be escorted while at the ACK facility. The visitor log will be available for inspection by the Commission at all times. All visitor badges will be returned to ACK upon exit.

ACK Natural, LLC  
Management and Operations Profile  
Operating Policies and Procedures

The following individuals shall be granted immediate access to the facility: Representatives of the Commission in the course of responsibilities authorized by Chapter 334 of the Acts of 2016, as amended by Chapter 55 of the Acts of 2017 or 935 CMR 500.000; representatives of other state agencies in the Commonwealth; emergency responders in the course of responding to an emergency; and law enforcement personnel or local public health, inspectional services, or other permit-granting agents acting within their lawful jurisdiction.

All Limited Access areas will be clearly described by the filing of a diagram of the registered premises, as determined by the Commission, reflecting, where applicable, entrances and exits, walls, partitions, vegetation, flowering, processing, production, storage, disposal and retail sales areas. Access to Limited Access areas will be restricted to employees, agents or volunteers specifically permitted by ACK, agents of the Commission, state and local law enforcement and emergency personnel. All ACK employees will visibly display an employee identification badge issued by ACK at all times while ACK's Marijuana Establishments or transporting marijuana.

### **Procedures for Quality Control and Testing of Product**

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

Pursuant to 935 CMR 500.200, if ACK is prevented from operating in fully compliance with 935 CMR 500.000 by operation of law, ACK recognizes that it is not required to utilize an Independent Testing Laboratory until such time as a laboratory is located on the island or ACK is permitted to legally transport marijuana product to the mainland of Massachusetts. In such instance, ACK will test marijuana products in a manner that is not unreasonable impracticable but also adequately protects the public health in the opinion of the Commission. Such testing may include: a modified on-premises testing system approved by the Commission if the label on any marijuana or marijuana product so tested discloses in capital letters: **WARNING: LIMITED TESTING FOR CONTAMINANTS AND PESTICIDES**; a testing facility in the island county that does not meet the criteria for an Independent Testing Laboratory, but is approved by the Commission for testing by Marijuana Establishments located in the island county; or such other testing system approved by the Commission.

In accordance with 935 CMR 500.130(2), ACK will prepare, handle and store all edible marijuana products in compliance with the sanitation requirements in 105 CMR 500.000: *Good Manufacturing Practices for Food*, and with the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*. In addition, ACK’S policies include requirements for handling of marijuana, pursuant to 935 CMR 500.105(3), including sanitary measures that include, but are not limited to: hand washing stations; sufficient space for storage of materials; removal of waste; clean floors, walls and ceilings; sanitary building fixtures; sufficient water supply and plumbing; and storage facilities that prevent contamination.

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

ACK has a Quality Manager who will oversee the manufacturing at the ACK facility to maintain

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strict compliance with DPH regulations and protocols for quality control and analytical testing. In accordance with 935 CMR 500.160 ACK grow areas are monitored for temperature, humidity, and CO2 levels this monitoring helps reduce the risk of crop failure. Ethical pest management procedures are utilized to naturally maintain a pest free environment alongside our True Living Organics (“TLO”) growing method.

All Marijuana Infused Products (“MIPs”) are produced using good manufacturing practices and safe practices for food handling to ensure quality and prevention of contamination.

All ACK agents whose job includes contact with marijuana or nonedible marijuana products is subject to the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*. All ACK agents working in direct contact with preparation of marijuana or nonedible marijuana products shall conform to sanitary practices while on duty, including personal cleanliness and thorough hand-washing. The hand-washing facilities will be adequate and convenient with running water at a suitable temperature and conform with all requirements of 935 CMR 500.105(3)(b)(3).

ACK will provide sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations, in accordance with 935 CMR 500.105(3)(b)(4). Litter and waste will be properly removed and disposed of and the operating systems for waste disposal shall be maintained in an adequate manner pursuant to 935 CMR 500.105(12). The floors, ceilings and walls will be constructed in a way that allows them to be adequately cleaned and in good repair. All contact surfaces, including utensils and equipment, shall be maintained in a clean and sanitary condition in compliance with 935 CMR 500.105(3)(b)(9). All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana products.

Pursuant to 935 CMR 500.105(3)(b)(11), ACK’s water supply will be sufficient for necessary operations able to meet our needs. The plumbing requirements of 935 CMR 500.105(3)(b)(12) will be met through adequate size and design and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the ACK facility. ACK will also provide our employees with adequate, readily accessible toilet facilities that are maintained in sanitary condition and in good repair. All products that can support the rapid growth of undesirable microorganisms will be held in a manner that prevents the growth of these microorganisms.

Our quality assurance manager will ensure all batches of Marijuana and MIPs will be tested, by an independent testing laboratory pursuant to 935 CMR 500.160. All products shall be tested for the cannabinoid profile and for contaminants as specified by the Department, including but not limited to mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides.

Environmental media will be tested in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the Department of Public Health pursuant to 935 CMR 500.160(1). All testing results will be maintained by ACK for no less than one year in accordance with 935 CMR 500.160(3).

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Samples that pass testing will be packaged for use or utilized in MIPs.

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

## **Personnel Policies**

It is ACK Natural, LLC (“ACK”) policy to provide equal opportunity in all areas of employment, including recruitment, hiring, training and development, promotions, transfers, termination, layoff, compensation, benefits, social and recreational programs, and all other conditions and privileges of employment, in accordance with applicable federal, state, and local laws. ACK will make reasonable accommodations for qualified individuals with known disabilities, in accordance with applicable law.

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

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

All ACK policies will include a staffing plan and corresponding records in compliance with 935 CMR 500.105(1)(h) and ensure that all employees are aware of the alcohol, smoke, and drug-free workplace policies in accordance with 935 CMR 500.105(1)(j). ACK will also implement policies to ensure the maintenance of confidential information pursuant to 935 CMR 500.105(1)(k). ACK will enforce a policy for the dismissal of agents for prohibited offenses according to 935 CMR 105(1)(l).

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

### **Record Keeping Procedures**

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

ACK will also keep all waste disposal records as required by 500.105(12), including record keeping procedures. ACK will ensure that at least 2 Marijuana Establishment Agents witness and document how the marijuana waste is disposed or otherwise handled in accordance with 935 CMR 500.105(12). When the marijuana products or waste is disposed or handled, ACK will create and maintain a written or electronic record of the date, the type, and quantity disposed or handled, the manner of disposal or other handling, the location of the disposal or other handling, and the names of the Agents present during the disposal or handling, with their signatures. ACK will keep these records for at least 3 years.

Personnel records will also be maintained, in accordance with 935 CMR 500.105(9)(d), including but not limited to, job descriptions for each employee, organizational charts, staffing plans, personnel policies and procedures and background checks obtained in accordance with 935 CMR 500.030. Personnel records will be maintained for at least 12 months after termination of the individual’s affiliation with ACK, in accordance with 935 CMR 500.105(9)(d)(2). Additionally, business records will be maintained in accordance with 935 CMR 500.104(9)(e) as well as waste disposal records pursuant to 935 CMR 500.104(9)(f), as required under 935 CMR 500.105(12).

Following the closure of the Marijuana Establishment, all records will be kept for at least two years at the expense of ACK and in a form and location acceptable to the Commission, pursuant to 935 CMR 500.105(9)(g). In accordance with 935 CMR 500.105(9), records of ACK will be available for inspection by the Commission upon request. ACK’s records will be maintained in accordance with generally accepted accounting principles. ACK will have all required written records and available for inspection, including all written operating procedures as required by 935 CMR 500.105(1) and business records as outlined by 935 CMR 500.105(9)(e).

### **Maintaining of Financial Records**

ACK Natural, LLC (“ACK”) policy is to maintain financial records in accordance with 935 CMR 500.105(9)(e). The records will include manual or computerized records of assets and liabilities, monetary transactions; books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices and vouchers; sales records including the quantity, form, and cost of marijuana products; and salary and wages paid to each employee, stipends paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a Marijuana Establishment, including members of the non-profit corporation.

As a future co-located Marijuana Establishment and Registered Marijuana Dispensary, ACK will provide bi-annual sales data report for purposes of ensuring adequate marijuana supply in accordance with 935 CMR 500.140(6)(h). Additionally, ACK will implement separate accounting practices for marijuana and non-marijuana sales pursuant to 935 CMR 500.140(6)(f).

ACK will conduct monthly sales equipment and data software checks and initiate reporting requirements for discovery of software manipulation as required by 935 CMR 500.140(6)(d). ACK will not utilize software or other methods to manipulate or alter sales data in compliance with 935 CMR 500.140(5)(c). ACK will conduct a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate or alter sales data. ACK will maintain records that it has performed the monthly analysis and produce it upon request to the Commission. If ACK determines that software had been installed for the purpose of manipulation or alteration of sales data or other methods have been utilized to manipulate or alter sales data we will: disclose the information to the Commission; cooperate with the Commission in an investigation relative to data manipulation; and take other action as directed by the Commission to comply with the applicable regulations. Pursuant to 935 CMR 500.140(6)(e), ACK will comply with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements.

Following the closure of ACK, all records will be kept for at least two years at the expense of ACK and in a form and location acceptable to the Commission, in accordance with 935 CMR 500.105(9)(g). Financial records shall be kept for a minimum of three years from the date of the filed tax return, in accordance with 830 CMR 62C.25.1(7) and 935 CMR 500.140(6)(e).

### **Qualifications and Training**

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

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

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

Training will be recorded and retained in dispensary agents file. Training records will be retrained by ACK for at least one year after agents’ termination. Dispensary agents will have continuous quality training and a minimum of 8 hours annual on-going training.

### **Separating Recreational from Medical Operations**

As a collocated facility, prior to receiving an adult-use cultivation and processing and manufacturing license from the Commission, and pursuant to 935 CMR 500.105(8), ACK Natural, LLC (“ACK”) will obtain marijuana and marijuana products from its cultivation and processing facility in Nantucket, Massachusetts, which has received a Provisional Certificate of Registration as an MTC by the Cannabis Control Commission and is compliant with all applicable laws and regulations pursuant to 935 CMR 501.000. ACK will sell marijuana products in its possession when it receives approval from the Commission to commence sales, pursuant to 935 CMR 500.105(8) and subject to the patient supply reserve in 935 CMR 500.140(10).

Pursuant to 935 CMR 502.140, ACK will use its best efforts to prioritize patient and caregiver identification verification and physical entry into its retail area. ACK will maintain and provide biannual basis accurate sales data collected during the first six months of operation for the purpose of ensuring an adequate supply of marijuana under 935 CMR 500.140(10). ACK will maintain a 35% reserve of their MTC marijuana products for registered patients for the first six months of operation pursuant to 935 CMR 500.140(10)(a). After ACK has been dispensing for a period of six months or longer ACK shall maintain a quantity and variety of marijuana for patients that meets the demand indicated by an analysis of sales data collected during the preceding six months in accordance with 935 CMR 500.140(6). ACK will ensure access to a sufficient quantity and variety of marijuana products, including marijuana, for patients registered under 935 CMR 501.000, and pursuant to 935 CMR 500.140(10). The marijuana products reserved for patient supply will, unless unreasonably impracticable, reflect the actual types and strains of marijuana products documented during the previous six months. In an event that a substitution needs to be made, the substitution made by ACK will reflect the type and strain that is no longer available at ACK as closely as possible, pursuant to 935 CMR 502.140.

Quarterly, ACK will submit to the Commission an inventory plan to reserve sufficient quantity and variety of marijuana for registered patients. On each occasion that the reserved patient supply is exhausted, and a reasonable substitution cannot be made, the retailer shall submit a report to the Commission in accordance with 935 CMR 502.140.

ACK may transfer marijuana products reserved for medical use to adult use within a reasonable time prior to the date of expiration, as long as the product does not pose a risk to health or safety. ACK at all times will only obtain marijuana and marijuana products from Commission-licensed facilities located on Nantucket. ACK will perform audits of patient supply available at the establishment on a weekly basis and retain those records for a period of six months.

ACK will only obtain marijuana and marijuana products from Commission-licensed facilities located on Nantucket. As ACK will be cultivating, processing and selling marijuana products for both medical use and for adult use, ACK will create virtual separation of the products, pursuant to 935 CMR 500.105(8)(g). At the point of sale, ACK will designate whether the marijuana products are intended for sale for adult use or medical use through tracking methodology approved by the Commission under 935 CMR 500.000.

As a co-located adult use and medical use location, and pursuant to 935 CMR 500.140(3), upon entry of ACK premises by an individual, an ACK agent shall immediately inspect the individual’s

proof of identification. An individual shall not be admitted to the premise unless the retailer has verified that the individual is 21 years of age or older by offering proof of identification. If the individual is younger than 21 but at least 18 years of age, he or she shall not be admitted unless they produce an active medical registration card issued by the DPH. If the person holds an active medical card but is younger than 18, they must be accompanied by a personal caregiver with an active medical registration card. Proof of identification is also required.

A separate point of sale system will be in place for patients (non-taxed) and adult use patrons (taxed). Pursuant to 935 CMR 500.140(7) ACK shall provide for physical separation between medical and adult use sales areas. Separation will be provided by a temporary or semi- permanent physical barrier, such as a stanchion, that, in the opinion of the Commission, adequately separates sales areas of marijuana products for medical use from sales areas of marijuana products for adult use. ACK shall provide for separate lines for sales of marijuana products for medical use from marijuana products for adult use within the sales area, provided, however, that the holder of a medical registration card may use either line and shall not be limited only to the medical use line. ACK will provide an area that is separate from the sales floor to allow for confidential consultation.

## Diversity Plan

ACK Natural, LLC's ("ACK") hiring policy is to promote a diverse workforce. ACK is committed to promoting racial and gender equity and supporting veterans, LGBTQ+, people with disabilities, and other communities in the makeup of its workforce. The document serves as a summary of ACK's Diversity Plan to ensure that we are a diverse and inclusive company, to promote a discrimination-free work environment and to encourage employees to use their individual backgrounds and talents to support the goals of ACK.

It is important to note that as ACK is applying for a license on the island of Nantucket, it has a unique set of challenges when recruiting and hiring its workforce. Hiring and retaining employees that live off of the island of Nantucket will be difficult due to the geographic constraints. Our goal is to do all we can to ensure ACK has a diverse group of employees but we are cognizant of the limitations we face due to the difficulty of those living off the island to work on Nantucket. ACK will make utilize best efforts to meet the goals laid out in the plan below.

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

### I. Proposed Initiatives, Goals and Metrics

**GOAL 1:** Recruit and hire a diverse group of employees that values and promotes inclusiveness among the workforce

**Proposed Initiative:** As part of its hiring plan, ACK will seek to hire at least 55% of employees from populations described as minorities (20%), women (50%), veterans (10%), people with disabilities (10%) and people who identify as LBGTQ+ (10%) with a goal to increase the number of individuals falling into these demographics working in the establishment. To achieve this goal, ACK will:

- Create gender-neutral job descriptions
- Recruit from state and local groups such as MassHire Cape and Islands Career Center and MassHire Workforce Board: Cape Code & Islands
- Post hiring needs in diverse publications such as a variety of web-based recruitment platforms such as indeed.com
- Host local hiring events/job fairs, at least two annually, to increase awareness of employment opportunities and attract a diverse applicant pool.
- Attend community group meetings, at least two annually, to introduce ACK and address the existing hiring needs to attract a diverse array of individuals, with an emphasis on those affiliated with the cannabis industry.

ACK will adhere to the requirements set forth in 935 CMR 500.105(4) relative to the permitted and prohibited advertising, brand, marketing, and sponsorship practices of marijuana establishments. ACK will engage with community groups and leaders to further identify ways in

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which to attract candidates that may not otherwise be aware of employment opportunities with ACK. To ensure that our workplace is an inclusive environment and to promote equity among our team, all hiring managers will undergo training to address bias and cultural sensitivity.

**Metrics and Evaluation:** ACK will assess the demographics of its employees to see if it is meeting its goal of increasing diversity in these positions. ACK will annually analyze the staffing makeup and based upon the outcome of those analytics, determine what steps are necessary to further increase the diversity of ACK. ACK will assess and review its progress within a year of receiving its Provisional License from the Cannabis Control Commission for an adult-use marijuana establishment and then annually, thereafter. Based upon this annual review and in conjunction with the renewal of its license, ACK will be able to demonstrate to the Commission the success of this initiative.

**GOAL 2:** Ensure that all participants in our supply chain and ancillary services are committed to the same goals of promoting equity and diversity in the adult-use marijuana industry.

**Proposed Initiative:** To accomplish this goal, ACK will prioritize working with businesses in our supply chain and required ancillary services that are owned and/or managed by minority groups; women, veterans, people with disabilities, and/or those who identify as LGBTQ referred to as Plan Populations). ACK will strive to work with at least 15% of its supply chain and ancillary services that identify in the Plan Population.

**Metrics and Evaluation:** ACK will measure how many of its ancillary services and participants in its supply chain are owned and/or managed by Plan Populations and will calculate the percentage of services and members of its supply chain who meet this requirement. ACK will ask suppliers and ancillary services if they would identify themselves as a business that is owned or managed by one of the Plan Populations and give supplier contractor priority to these businesses. In order to target a diverse supplier base, ACK will post hiring needs in diverse publications such as a variety of web-based recruitment platforms and attend community group meetings, at least two annually, to introduce ACK and address the existing hiring needs to attract a diverse array of suppliers. ACK will adhere to the requirements set forth in 935 CMR 500.105(4) relative to the permitted and prohibited advertising, brand, marketing, and sponsorship practices of marijuana establishments. During its engagement with community groups and leaders referenced in Goal 1, ACK will further identify ways in which to attract diverse supply chain candidates that may not otherwise be aware of employment opportunities with ACK. ACK's goal will be to work with at least 15% of businesses who identify as one of the Plan Populations throughout its supply chain and services. ACK will assess these percentages annually and will be able to demonstrate to the Commission the success of its progress upon the renewal of its license each year.

## II. Conclusion

ACK will conduct continuous and regular evaluations of the implementation of its goals and at any point will retool its policies and procedures in order to better accomplish the goals set out in

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this Diversity Plan. Any actions taken, or programs instituted by ACK will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.