



## Massachusetts Cannabis Control Commission

### Marijuana Microbusiness

#### General Information:

License Number: MB281797  
Original Issued Date: 10/11/2021  
Issued Date: 10/11/2021  
Expiration Date: 10/11/2022

### ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: BeachGrass Topicals LLC

Phone Number: 774-269-2343  
Email Address: jeanine@beachgrasstopicals.com

Business Address 1: 3103 Cranberry Hwy  
Business City: East Wareham Business State: MA Business Zip Code: 02538  
Business Address 2: Unit F  
Mailing Address 1: 35 Bay Head Shores Road  
Mailing City: Buzzards Bay Mailing State: MA Mailing Zip Code: 02532  
Mailing Address 2:

### CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Woman-Owned Business

### PRIORITY APPLICANT

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

### RMD INFORMATION

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

### PERSONS WITH DIRECT OR INDIRECT AUTHORITY

#### Person with Direct or Indirect Authority 1

Percentage Of Ownership: 100 Percentage Of Control: 100  
Role: Owner / Partner Other Role:  
First Name: Jeanine Last Name: MacKenzie Suffix:

Gender: Female

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:

Percentage Of Control:

Role: Manager

Other Role:

First Name: Matthew

Last Name: Hanson

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:

Percentage Of Control:

Role: Executive / Officer

Other Role:

First Name: Elizabeth

Last Name: Kabriel

Suffix:

Gender: Female

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 4

Percentage Of Ownership:

Percentage Of Control:

Role: Director

Other Role:

First Name: Kristie

Last Name: Souza

Suffix:

Gender: Female

User Defined Gender:

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

Specify Race or Ethnicity:

### ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

### CLOSE ASSOCIATES AND MEMBERS

#### Close Associates or Member 1

First Name: Matt

Last Name: Hanson

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Matt is the husband of the owner and will volunteer his time as the Transportation and Special Projects Manager.

#### Close Associates or Member 2

First Name: Elizabeth

Last Name: Kabriel

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Elizabeth Kabriel is volunteering her time to help develop the business. She will be the Director of Operations once we are up and running.

#### Close Associates or Member 3

First Name: Kristie

Last Name: Souza

Suffix:

Describe the nature of the relationship this person has with the Marijuana Establishment: Kristie Souza is volunteering her time to help develop the business. She will be the Director of Inventory & Warehouse Management once we are up and running.

### CAPITAL RESOURCES - INDIVIDUALS

#### Individual Contributing Capital 1

Date generated: 11/19/2021

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<b>First Name:</b> Jeanine	<b>Last Name:</b> MacKenzie	<b>Suffix:</b>	
<b>Types of Capital:</b> Monetary/Equity, Other (Specify), Debt	<b>Other Type of Capital:</b> Savings, Retirement Account and Loans	<b>Total Value of the Capital Provided:</b> \$400000	<b>Percentage of Initial Capital:</b> 100
<b>Capital Attestation:</b> Yes			

#### CAPITAL RESOURCES - ENTITIES

No records found

#### BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

#### DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

#### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

<b>Cultivation Environment:</b> Not Cultivating	<b>Establishment Activities:</b> Manufacturing
<b>Establishment Address 1:</b> 3103 Cranberry Hwy, Unit F	
<b>Establishment Address 2:</b>	
<b>Establishment City:</b> Wareham	<b>Establishment Zip Code:</b> 02538
<b>Approximate square footage of the Establishment:</b> 2000	<b>How many abutters does this property have?:</b> 12
<b>Have all property abutters have been notified of the intent to open a Marijuana Establishment at this address?:</b> Yes	

#### HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Community Outreach Meeting Documentation	Town Planner Approval for On Line Meeting.pdf	pdf	5f95d63ca7586908048694b2	10/25/2020
Community Outreach Meeting Documentation	Community Outreach Attest.pdf	pdf	6015f38510e86b36bb893ffd	01/30/2021
Certification of Host Community Agreement	HCA ATTEST BEACHGRASS KB.pdf	pdf	601954066d809f35defb9a33	02/02/2021
Certification of Host Community Agreement	BeachGrass Community Host Agreement.pdf	pdf	60195bed4e95aa35cfc213e1	02/02/2021
Community Outreach Meeting Documentation	BeachGrass Community Outreach Recording email to Ken Buckland .pdf	pdf	6029c1174dba6f360b67ffae	02/14/2021
Community Outreach Meeting Documentation	Online Community Outreach Meeting Recording Link.pdf	pdf	6029c55a6d809f35defbc383	02/14/2021
Community Outreach Meeting Documentation	Attachment A.pdf	pdf	604aa00c9a694b3583a73f0d	03/11/2021
Community Outreach Meeting Documentation	Attachment B.pdf	pdf	604ab0799a694b3583a73f67	03/11/2021
Community Outreach Meeting Documentation	Community Outreach Meeting Number of Attendees.pdf	pdf	604ab198e15067356d20c7ab	03/11/2021
Community Outreach Meeting Documentation	Attachment C .pdf	pdf	6053d9a91c41b407a7672d97	03/18/2021
Plan to Remain Compliant with	Plan to Remain Compliant Local Zoning	pdf	6053db80d13a03079c5f6b7c	03/18/2021

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

#### PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Other	Damiens Donation Confirmation.pdf	pdf	6053e24a1c41b407a7672dba	03/18/2021
Plan for Positive Impact	BeachGrass Plan for Positive Impact Final March 2021.pdf	pdf	6060fc0159735d07bd823be5	03/28/2021

#### ADDITIONAL INFORMATION NOTIFICATION

Notification:

#### INDIVIDUAL BACKGROUND INFORMATION

##### Individual Background Information 1

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

##### Individual Background Information 2

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

##### Individual Background Information 3

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

##### Individual Background Information 4

Role: Director Other Role:  
 First Name: Elizabeth Last Name: Kabriel Suffix:  
 RMD Association: Not associated with an RMD  
 Background Question: no

#### ENTITY BACKGROUND CHECK INFORMATION

No records found

#### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload
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				Date
Bylaws	BeachGrass Bylaws 022320.pdf	pdf	5e5284b4fe55e40432f7269a	02/23/2020
Articles of Organization	BeachGrass Articles pages 1 thru 5.pdf	pdf	6029d97b65c0d035fcc4de04	02/14/2021
Articles of Organization	BeachGrass Articles pages 6 thru 10.pdf	pdf	6029d9cd4e95aa35cfc23dae	02/14/2021
Articles of Organization	BeachGrass Articles pages 11 thru 15.pdf	pdf	6029d9e9604cbb361670fed2	02/14/2021
Articles of Organization	BeachGrass Articles pages 16 thru 20.pdf	pdf	6029da216902113684c6f6d0	02/14/2021
Articles of Organization	BeachGrass Articles pages 21 thru 25.pdf	pdf	6029da4ffade7a35e9f2fb23	02/14/2021
Department of Revenue - Certificate of Good standing	BeachGrass Certificate of Good Standing DOR.pdf	pdf	6053e36c89d65207913a9770	03/18/2021
Secretary of Commonwealth - Certificate of Good Standing	sec of state cert good standing.pdf	pdf	6053e501a9f50407ba30bbbe	03/18/2021
Department of Revenue - Certificate of Good standing	Dept Unemployment AFF.pdf	pdf	60610ef83e0ae507c931222e	03/28/2021

No documents uploaded

Massachusetts Business Identification Number: 001376036

Doing-Business-As Name:

DBA Registration City: Wareham

## BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	BGT Plans for Liability Insurance - Google Docs.pdf	pdf	5f834442564e5f07d034d6ed	10/11/2020
Plan for Liability Insurance	Insurance Quote.pdf	pdf	5f8b2124682eef3980ba3845	10/17/2020
Proposed Timeline	BeachGrass Topicals Timeline 021421.pdf	pdf	6029dbc5604cbb361670fed6	02/14/2021
Proposed Timeline	BeachGrass Topicals Timeline Updated 032821.pdf	pdf	60611e0a5100e00770db0b53	03/28/2021
Business Plan	BeachGrass Business Plan updated March 2021.pdf	pdf	60611e8f021c1507b39830eb	03/28/2021

## OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan to Obtain Marijuana	OPP - Plan for Obtaining Marijuana.pdf	pdf	6029ad1eeabbc336a11f7a9d	02/14/2021
Safety Plan for Manufacturing	OPP - Safety Plan for Manufacturing.pdf	pdf	6029ad3010e86b36bb896fe7	02/14/2021
Energy Compliance Plan	OPP - Energy Compliance Plan.pdf	pdf	6029ad4272b56336759445f9	02/14/2021
Qualifications and training	OPP - Training.pdf	pdf	6029ad516d809f35defbc36d	02/14/2021
Maintaining of financial records	OPP - Maintaining Financial Records.pdf	pdf	6029adad604cbb361670fea8	02/14/2021
Record Keeping procedures	OPP Record Keeping Procedures Part 2 -	pdf	6029adbad44ed235c8c47a75	02/14/2021

Acquisition and Sales.pdf				
Personnel policies including background checks	OPP - Personnel Policies.pdf	pdf	6029adda72b56336759445ff	02/14/2021
Dispensing procedures	OPP Dispensing Procedures.pdf	pdf	6029adfb4cfbf7366ef3edbf	02/14/2021
Inventory procedures	OPP - Inventory procedures.pdf	pdf	6029ae12fade7a35e9f2fae5	02/14/2021
Transportation of marijuana	OPP - Transportation of Marijuana Products.pdf	pdf	6029ae1c84d16335f022510c	02/14/2021
Storage of marijuana	OPP Storage of Marijuana.pdf	pdf	6029ae2c6d809f35defbc372	02/14/2021
Prevention of diversion	OPP Diversion Prevention.pdf	pdf	6029ae5b1c95e43696ccebb7	02/14/2021
Security plan	OPP Security Plans BeachGrass.pdf	pdf	6029ae671681d1368fdb550e	02/14/2021
Restricting Access to age 21 and older	OPP - Restricting Access to only age 21 and Over.pdf	pdf	6029ae71238c3036b0f86573	02/14/2021
Sample of unique identifying marks for branding	OPP Manufacturing Logo.pdf	pdf	6029ae914dba6f360b67ff9f	02/14/2021
Record Keeping procedures	OPP - Record Keeping Procedures Part 1 updated 032021.pdf	pdf	605e2ef2a9f50407ba30d760	03/26/2021
Quality control and testing	OPPs - Quality Controls and Testing Updated 032821.pdf	pdf	6061113ca9f50407ba30da24	03/28/2021
Qualifications and training	OPP - Qualifications, Skills Required and Job Descriptions 032821.pdf	pdf	6061118459735d07bd823c16	03/28/2021
Production methods	Production Methods Updated March 28 2021.pdf	pdf	606115f94c3a6c079db3f358	03/28/2021
Types of products	OPP Types of Products updated updated April 2021.pdf	pdf	6075aa40a6d53445a21e4230	04/13/2021
Diversity plan	Updated BeachGrass Topicals Diversity Plan April 2021.pdf	pdf	6075aa6021aec245a96caaa9	04/13/2021

## ATTESTATIONS

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

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

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

### Notification:

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

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

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

#### ADDITIONAL INFORMATION NOTIFICATION

Notification:

#### COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

#### COMPLIANCE WITH DIVERSITY PLAN

No records found

#### PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

#### HOURS OF OPERATION

Monday From: 8:30 AM	Monday To: 5:30 PM
Tuesday From: 8:30 AM	Tuesday To: 5:00 PM
Wednesday From: 8:30 AM	Wednesday To: 5:30 PM
Thursday From: 8:30 AM	Thursday To: 5:00 PM
Friday From: 8:30 AM	Friday To: 5:30 PM
Saturday From: 8:30 AM	Saturday To: 5:30 PM
Sunday From: Closed	Sunday To: Closed



Jeanine MacKenzie &lt;jmacbeachgirl@gmail.com&gt;

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**Re: Confirmation of On Line Meeting and Outreach Notice**

1 message

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**Kenneth Buckland** <kbuckland@wareham.ma.us>  
To: Jeanine MacKenzie <jmacbeachgirl@gmail.com>

Tue, Oct 20, 2020 at 5:19 PM

I find the proposed on-line community outreach meeting is acceptable.

Kenneth Buckland

Director of Planning and Community Development

Town of Wareham

508.291.3100 x 6501

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**From:** Jeanine MacKenzie <jmacbeachgirl@gmail.com>  
**Sent:** Tuesday, October 20, 2020 4:10 PM  
**To:** Kenneth Buckland  
**Subject:** Re: Confirmation of On Line Meeting and Outreach Notice

My apologies Ken - please try this one

On Tue, Oct 20, 2020 at 4:01 PM Kenneth Buckland <kbuckland@wareham.ma.us> wrote:

I cannot open the attachment

Kenneth Buckland

Director of Planning and Community Development

Town of Wareham

508.291.3100 x 6501

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**From:** Jeanine MacKenzie <jmacbeachgirl@gmail.com>  
**Sent:** Tuesday, October 20, 2020 3:31 PM  
**To:** Kenneth Buckland  
**Subject:** Confirmation of On Line Meeting and Outreach Notice

Hi Ken - nice chatting with you. As mentioned, the CCC needs me to officially confirm that you approve an online meeting for BeachGrass's Community Outreach meeting. Can you please confirm that you are ok with the meeting to be held online?

Can you also please confirm that you have received the Notice for the Community Outreach attached below?

Much Thanks,

Jeanine M. MacKenzie  
*BeachGrass Topicals*  
(774) 269-2343

### Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

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Jeanine M. MacKenzie  
*BeachGrass Topicals*  
(774) 269-2343

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## Community Outreach Meeting Attestation Form

### Instructions

Community Outreach Meeting(s) are a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). 935 CMR 500.101(1), 500.101(2), 501.101(1), and 501.101(2). The applicant must complete each section of this form and attach all required documents as a single PDF document before uploading it into the application. If your application is for a license that will be located at more than one (1) location, and in different municipalities, applicants must complete two (2) attestation forms – one for each municipality. Failure to complete a section will result in the application not being deemed complete. 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(2) and 501.400(2).

### Attestation

I, the below indicated authorized representative of that the applicant, attest that the applicant has complied with the Community Outreach Meeting requirements of 935 CMR 500.101 and/or 935 CMR 501.101 as outlined below:

1. The Community Outreach Meeting was held on the following date(s): 10/29/20
2. At least one (1) meeting was held within the municipality where the ME is proposed to be located.
3. At least one (1) meeting was held after normal business hours (this requirement can be satisfied along with requirement #2 if the meeting was held within the municipality and after normal business hours).



4. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was published in a newspaper of general circulation in the municipality at least 14 calendar days prior to the meeting. A copy of this publication notice is labeled and attached as "Attachment A."

a. Date of publication: 10/22/20  
b. Name of publication: WARRENHAM WEEK

5. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was filed with clerk of the municipality. A copy of this filed notice is labeled and attached as "Attachment B."

a. Date notice filed: 10/20/20

6. A copy of the community outreach notice containing the time, place, and subject matter of the meeting, including the proposed address of the ME or MTC was mailed at least seven (7) calendar days prior to the community outreach meeting to abutters of the proposed address, and residents within 300 feet of the property line of the applicant's proposed location as they appear on the most recent applicable tax list, notwithstanding that the land of the abutter or resident is located in another municipality. A copy of this mailed notice is labeled and attached as "Attachment C." Please redact the name of any abutter or resident in this notice.

a. Date notice(s) mailed: 10/22/20

7. The applicant presented information at the Community Outreach Meeting, which at a minimum included the following:
- The type(s) of ME or MTC to be located at the proposed address;
  - Information adequate to demonstrate that the location will be maintained securely;
  - Steps to be taken by the ME or MTC to prevent diversion to minors;
  - A plan by the ME or MTC to positively impact the community; and
  - Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.
8. Community members were permitted to ask questions and receive answers from representatives of the ME or MTC.

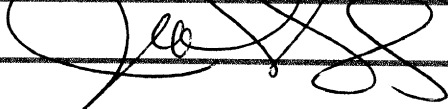
Name of applicant:

BEACHGLASS TOPICALS

Name of applicant's authorized representative:

JEANINE-M. MARKENZIE

Signature of applicant's authorized representative:





## Host Community Agreement Certification Form

### Instructions

Certification of a host community agreement is a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). Applicants must complete items 1-3. The contracting authority for the municipality must complete items 4-8. Failure to complete a section will result in the application not being deemed complete. This form should be completed and uploaded into your application. 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(2) and 501.400(2).

### Certification

The parties listed below do certify that the applicant and municipality have executed a host community agreement on the specified date below pursuant to G.L. c. 94G § 3(d):

1. Name of applicant:

BEACH GRASS TOPICALS

2. Name of applicant's authorized representative:

JEANINE M. MACKENZIE

3. Signature of applicant's authorized representative:



4. Name of municipality:

WAREHAM, MA

5. Name of municipality's contracting authority or authorized representative:

KEN BUCKLAND



6. Signature of municipality's contracting authority or authorized representative:



7. Email address of contracting authority or authorized representative of the municipality (*this email address may be used to send municipal notices pursuant to 935 CMR 500.102(1) and 501.102(1).*):

K BUCKLAND @ WAREHAM, MA. U S

8. Host community agreement execution date:

1/21/2021

**TOWN OF WAREHAM  
AND  
BEACHGRASS TOPICALS, LLC**

**HOST COMMUNITY  
AGREEMENT**

THIS HOST COMMUNITY AGREEMENT ("AGREEMENT") is entered into this 21<sup>st</sup> day of January, 2021 by and between BEACHGRASS TOPICALS, LLC, A Massachusetts Corporation with a principal office address of 3103 Cranberry Hwy, East Wareham, MA (the "Company"), and the TOWN OF WAREHAM, a Massachusetts municipal corporation with a principal address of 54 Marion Rd, Wareham, MA (the "Town").

WHEREAS, the Company wishes to locate a Marijuana Establishment at 3103 Cranberry Hwy, East Wareham, MA 02538 (the "Facility"), with a Marijuana Product Manufacturer License ("License") in the Town in accordance with Chapter 334 of the Acts of 2016, The Regulation and Taxation of Marijuana Act, as amended by Chapter 55 of the Acts of 2017, An Act to Ensure Safe Access to Marijuana, (collectively referred to as the "Act.") and applicable regulations issued by the Commonwealth of Massachusetts Cannabis Control Commission ("CNB") and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable regulations (collectively the "Regulations"); and

WHEREAS, for purposes of licensure, the Company is required to submit to the CNB documentation evidencing that the Company and Town have executed a host community agreement.

WHEREAS, the Company intends to provide certain benefits to the Town in the event that it receives a Final License from the CNB to operate a Marijuana Establishment in Wareham and receives all required local permits and approvals; and

WHEREAS, notwithstanding the anticipated benefits to certain members of the community, the Company may impact Town resources in ways unique to the business of the Licensee and draw upon Town resources in a manner not shared by the general population.

NOW THEREFORE, in consideration of the provisions of this Agreement, the Company offers, and the Town accepts this Agreement in accordance with G.L. c.44, §53A, and the Company and the Town agree as follows:

1. The parties anticipate that the Town may incur additional expenses and impacts upon the Town's road system, law enforcement, inspectional services and permitting services, public health services, and potential additional unforeseen

impacts upon the Town. Accordingly, in order to mitigate any such impacts upon the Town and use of Town resources, the Company shall provide as a donation to the Town a community impact fee. The Company agrees to make fee payments to the Town, in the amounts and under the terms provided herein (the "Funds"). The Company shall furnish the Town with annual Profit and Loss Statements, as soon as they become available, reflecting gross sales figures ("Gross Sales") for the Licensee located in the Town. Additionally, the Company shall provide the Town with copies of its periodic financial filings to the CNB documenting Gross Sales.

2. The Company acknowledges and agrees that the Town is under no obligation to use the donation payments made hereunder in any particular manner, and that the payments shall constitute donations in accordance with G.L. c. 44, §53A. The Company shall pay to the Town the following sums:
  - a. For each year in the term of this agreement the Company shall pay to the Town a "Community Impact Fee." This fee shall be three (3%) percent of the Gross Sales of the marijuana products during the previous quarter year of operation. This fee shall be paid within sixty (60) days after the end of each quarter year of operation. The Company shall notify the Town in writing when the Company commences sales from the site within the Town.
3. The terms of this Agreement shall be renegotiated by the Company and the Town in good faith following five (5) years of continuous operation of the Marijuana Establishment. The terms of this Agreement shall continue in full force and effect unless the parties reach accord on a subsequent agreement.
4. The provisions of this Agreement shall be applicable as long as the Company operates the Marijuana Establishment in the Town, pursuant to a license issued by CNB.
5. The Company wishes to donate a sum of funds annually to Wareham charities, non-profits or other organizations that benefit the residents of Wareham. The Company will work with the Town on identifying the recipient(s) of the donations based on need and community impact.
6. The Company shall make efforts to hire qualified employees who are Town residents, and to utilize local vendors and suppliers, contractors and builders where possible.
7. In cooperation with and to the extent requested by the Town's Police Department, and consistent with the Regulations, the Company shall work with the Town's Police Department to implement a compliant diversion prevention plan, a form of which plans to be in place prior to the commencement of operations in the Town ("Operations Commencement Date"). Such plan shall include, but is not limited to,

- (i) training employees to be aware of, observe, and report any unusual behavior in unauthorized visitors, employees or others that may indicate the potential for diversion;
  - (ii) utilizing seed-to-sale tracking software to closely track all inventory at the Facility.
- 8. To the extent requested by the Town's Police Department, and consistent with the Regulations, the Company shall work with the Town's Police Department in determining the placement of interior and exterior security cameras are located to provide an unobstructed view in each direction of the public way(s) on which the Facility is located. The Company shall maintain a cooperative relationship with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communication to the Police Department of any suspicious activities on or in the immediate vicinity of the Licensee and with regard to any anti-diversion procedures. Such camera(s) may be altered by the CNB during their security and architectural review process upon approval by the Police Department.
- 9. The production, handling, marketing and sale of edible marijuana-infused products ("MIPs") by the Company shall be in accordance with the Regulations, including the packaging and labeling requirements set forth in 935 CMR 500.150(E).
- 10. The on-site consumption of marijuana products shall be prohibited at this location.
- 11. This Agreement does not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, bylaws, and regulations. The Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Company to operate in the Town, or to refrain from enforcement action against the Company and/or its License for violation of the terms of said permits and approvals or said statutes, bylaws, and regulations.
- 12. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. Neither the Town nor the Company shall assign, sublet or otherwise transfer any interest in the Agreement without the written consent of the other. The Company shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent of the Town, and shall not assign any of the monies payable under this Agreement, except by and with the written consent of the

Town and shall not assign or obligate any of the monies payable under this Agreement, except by and with the written consent of the Town and payment of a new application fee.

13. The Company agrees to comply with all laws, rules, regulations and orders applicable to the License, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary License, permits, and approvals required for the performance of such work.
14. Any and all notices, consents, demands, requests, approvals, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 of this Agreement or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
15. If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced. Further, the Company agrees it shall not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Town in enforcing this Agreement.
16. This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, and the Company submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.
17. This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the Company and the Town with respect to the matters described herein. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
18. This Agreement shall also be null and void in the event that the Company shall:


(1) not locate the License in the Town; or (2) relocate the License out of the Town. In the case of any relocation out of the Town, an adjustment of funds due to the Town hereunder shall be calculated based upon the period of occupation of the License within the Town, but in no event shall the Town be responsible for the return of any funds already provided to it by the Company.

19. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Town or the Company.
20. Company shall indemnify and hold harmless the Town, its officers, boards, agents and employees from any loss, damage, cost, charge, expense or claim for injury to person or property, which may be made as a result of: 1) any act, omission or default on the part of Company, or any of its agents or employees; and/or Company's acts, enterprises, or ventures arising from or connected in any way to this Agreement, and will pay promptly on demand all costs and expenses, including attorney's fees and expenses.


[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

TOWN OF WAREHAM

By:   
Name: Derek Sullivan  
Title: Town Administrator  
Duly Authorized

BEACHGRASS TOPICALS

By:   
Name: Jeanine M. MacKenzie  
Title: President  
Duly Authorized

Recommended By:   
Name: Kenneth Buckland  
Title: Director of Planning

Approved as to Form: see attached email  
Name: Richard Bowen  
Title: Town Counsel



1/21/2021

Re: HCA's - Kenneth Buckland

Re: HCA's

Richard Bowen <richbowen1@hotmail.com>

Tue 12/29/2020 9:15 PM

To: Kenneth Buckland <kbuckland@wareham.ma.us>; Derek Sullivan <dsullivan@wareham.ma.us>;

Ken,

I approve the HCAs as to form.

I disapprove the Tremont Dam MOA as it requires us to enter into a partnership and to contribute our ownership interest in the property to the partnership. This is beyond the scope of our current authority absent a Town Meeting vote. Moreover, it is not responsive to our desire to solicit potential lessees.

Rich

On Dec 29, 2020, at 6:05 PM, Kenneth Buckland <kbuckland@wareham.ma.us> wrote:

Rich

Looking for review comments on the Host Community Agreements that I believe Sonia handed to you as paper copies.

Also, did you finish with review of the MOA on Tremont Pond Dam?

Happy [Hopefully] New Year

Kenneth Buckland

Director of Planning and Community Development

Town of Wareham

508.291.3100 x 6501

## Disclaimer

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This email has been scanned for viruses and malware, and may have been automatically archived by **Mimecast Ltd**, an innovator in Software as a Service (SaaS) for business. Providing a **safer** and **more useful** place for your human generated data. Specializing in; Security, archiving and compliance. To find out more [Click Here](#).

1/21/2021

Re: HCA's - Kenneth Buckland

<BeachGrass Host Community Agreement 12 10.2020.docx>

<Trava HCA 12.10.2020.docx>



Jeanine MacKenzie &lt;jeanine@beachgrasstopicals.com&gt;

**Fwd: BeachGrass Topicals Community Outreach Meeting (2020-10-29 at 07:05 GMT-7)**

1 message

**Jeanine MacKenzie** <jeanine@beachgrasstopicals.com>

Thu, Nov 12, 2020 at 11:43 AM

To: kbuckland@wareham.ma.us

Cc: tim@cape-law.com

Hi Ken - hope all is well. As per the guidance of the CCC, I am sending you a link for the recorded session for the BeachGrass Topicals Community Outreach Meeting. Please let me know if you have any questions or concerns - thanks!

Jeanine M. MacKenzie  
*BeachGrass Topicals*  
(774) 269-2343

----- Forwarded message -----

From: &lt;meet-recordings-noreply@google.com&gt;

Date: Thu, Oct 29, 2020 at 10:36 AM

Subject: BeachGrass Topicals Community Outreach Meeting (2020-10-29 at 07:05 GMT-7)

To: &lt;jeanine@beachgrasstopicals.com&gt;

The recording has been uploaded.

**BeachGrass Topicals Community Outreach Meeting (2020-10-29 at 07:05 GMT-7)**[Open in Drive](#)

Google Drive: Have all your files within reach from any device.

Google LLC, 1600 Amphitheatre Parkway, Mountain View, CA 94043, USA

You have received this email because a recording was initiated in Google Meet.

**BeachGrass Topicals  
Community Outreach Online Meeting Recording**

**October 29, 2020**

**Link to recording:** <https://drive.google.com/file/d/17jjNPVUxgeR6F--8vkEqTfo0rueyScQt/view>

# Dog park seeks photos for calendar contest

The Dog Park Affiliation of Wareham is looking for the town's cutest dog photos to highlight in its 2021 Wareham Dog Park calendar.

The contest will be open for submissions between October 25 and November 22, and calendars will be printed in time for the holidays.

All submissions will be voted on by the

public.

The fan favorite will be on the cover, with the next 12 favorite pups to be showcased for a month.

The rest of the submissions will be posted on a date somewhere in the calendar.

All 13 winners will receive a free calendar, with the overall winner receiving two copies.

To submit an entry, go to [www.gogophotocontest.com/warehamdogpark](http://www.gogophotocontest.com/warehamdogpark)

This contest and calendar are meant to raise awareness and funds for the dog park.

The future dog park was approved during the 2017 Town Meeting and the group currently has a 99-year lease with the town for a 1-acre property off Maple Springs Road..

## Classifieds

To place a classified, please visit [www.WarehamWeekToday.com](http://www.WarehamWeekToday.com)

### AUTOMOTIVE

**Abandoned Vehicle Annoucement** 4/1/2020  
Marcs Auto Service of 2688 Cranberry Hwy, Wareham, MA.(508)295-4000 towed a 2000 Toyota Camry VIN#: 4T1BG22K5YU981747. This is an effort to inform the owner and resolve the charges stemming from the police ordered tow. Pending no response we will be moving forward with actions to obtain title to the vehicle allowing us to salvage or resale. The objective being to clear up an outstanding debt for service rendered. (508)295-4000.

### EMPLOYMENT

**Wareham Week Delivery Person** Wareham Week seeks responsible, personable individual/s to deliver newspapers to stores and offices throughout Wareham. Must have your own reliable vehicle and be available Wednesday evenings and Thursday mornings. Clean driving record a must! Knowledge of the territory a big plus. Call 508-322-7157 or e-mail [andrew@beaverdampartners.com](mailto:andrew@beaverdampartners.com)

### LAWN/YARD/GARAGE SALE

**WKLY FLEA MKT/CRAFT FAIR** Every Sat til 11/7 9a-2p. Outside at KofC 57 Fairhaven Rd, Mattapoisett Free Admission 508-685-2767 Lisa

### LOST & FOUND

**Lost Cat** Please keep a look out for a lost cat. He is a great deal white with splashes of black. The top of his head is black and he has a somewhat heart shaped mustache at the bottom of his nose. If you see him or even better catch him, call 508-951-0818.

### MERCHANDISE FOR SALE

**Large Byers Choice Private Collection Sale**  
Groupings include Victorian carolers, Nutcracker, Thanksgiving, MUCH MORE. For date/time/location to view, email [captjfv@aol.com](mailto:captjfv@aol.com). Serious inquiries only.

### REAL ESTATE FOR RENT

**Office Space for Holistic Practitioners** We are looking to rent office space who would complement the successful modalities already located with the Wellness Center. Location, location, location. The Mattapoisett Wellness is located at 76 County Rd. (Route 6) Mattapoisett. Easy access off 195. 774-377-9692 [jc@mattapoisettwellness.com](mailto:jc@mattapoisettwellness.com)

**Offices Marion - Route 6 and Front Street, at traffic light** Professional Office Suite with ADA

ramp and bathroom and kitchenette. Good traffic location with high visibility and signage. Four room Suite in the Captain Hadley House. All costs included, excellent parking for clients. Walk to village and restaurants. Please call 508 - 725 - 1880 or email [MSUDOFISKY@ACCELCORP.COM](mailto:MSUDOFISKY@ACCELCORP.COM)

### SERVICES

**A handyman and more** Cleanouts, dump runs, demolition, tree-removal, plumbing, and more. Insured. 24 hour answering service 508-676-3545

**CUSTOM SEWING - SLIPCOVERS & CUSHIONS**  
Let us help you start or finish that decorating project. Chairs slipcovers and cushions are our speciality. Call, text or email with questions. 774-762-0879 or [mb@seaviewslipcovers.com](mailto:mb@seaviewslipcovers.com).

**Gutters, roofing, painting, all property maintenance.** Libby contracting we do it all! 6175962426 competitble estimates on time.

**DUMP RUNS** HOUSE, GARAGE AND CELLAR CLEANOUTS. BRUSH CUT AND HAULED AWAY. CALL G.C. 508-295-5079

**AFFORDABLE HAULING - 508-776-9628**  
DUMP RUNS !!! . SINGLE ITEM TO COMPLETE HOME CLEAN-OUTS. (SENIOR DISCOUNTS) . FAST, PROMPT, SAME-DAY SERVICE Please call MR. WASHINGTON today he is located in the Wareham area. Or You may visit our website for a free no obligation quote at [www.capecodaffordablehauling.com](http://www.capecodaffordablehauling.com) " Established in 1865 and still talkin trash !!! "

**Dave's Home Repair** Carpentry & Home Repairs, Doors and Windows Installed, Roof Repairs, Gutter Cleaning, Yard Clean-ups, Interior/Exterior Painting, Pressure Washing. 508-295-5320, or 774-454-4437 [Repairmandave@aol.com](mailto:Repairmandave@aol.com)

**EXPERIENCED CARPENTER!!** NO JOB TOO SMALL, I HAVE YEARS OF EXPERIENCE. ONE CALL AND WE'LL FIX IT ALL. TOP TO BOTTOM HOME REPAIR, PROMPT RELIABLE SERVICE, CALL JOHN 508-209-4263

**Painting - Interior and Exterior** 30 yrs local experience. References available. Call Ben Joyce for a free estimate 508-563-6563

### LEGAL ADVERTISEMENTS

#### NOTICE OF COMMUNITY OUTREACH MEETING TRAVA, INC.

Notice is hereby given that Trava, Inc. ("Trava") will hold a Virtual Community Outreach Meeting on **November 10, 2020** at 5:30 PM to discuss

the proposed siting of an Adult Use Marijuana Cultivation and Product Manufacturing Establishment at 3119 Cranberry Highway, Wareham, MA 02538.

Virtual meeting information is at the end of this notice. This Virtual Community Outreach Meeting will be held in accordance with the Massachusetts Cannabis Control Commission's Administrative Order Allowing Virtual Web-Based Community Outreach Meetings and the applicable requirements set forth in M.G.L. ch. 94G and 935 CMR 500.000 *et seq.* A copy of the meeting presentation will be made available at least 24 hours prior to the meeting by visiting [TravaWareham.squarespace.com](http://TravaWareham.squarespace.com).

Interested members of the community will have the opportunity to ask questions and receive answers from company representatives about the proposed facility and operations. Questions can be submitted in advance by emailing [rebecca@vicentesederberg.com](mailto:rebecca@vicentesederberg.com) or asked during the meeting.

<https://us02web.zoom.us/j/89213461488>

Meeting ID: 892 1346 1488

One tap mobile  
+13017158592,,89213461488# US (Germantown)  
+13126266799,,89213461488# US (Chicago)

Telephone +1 301 715 8592  
Meeting ID: 892 1346 1488

#### PUBLIC OUTREACH NOTICE

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for **October 29, 2020 at 10:00 AM** via Google Meet. The proposed product manufacturer is anticipated to be located at 3103 Cranberry Highway, East Wareham, MA 02538. There will be an opportunity for the public to ask questions.

All interested can join via URL  
<https://meet.google.com/ytz-zfvf-siu>.

The presentation for the meeting can be viewed ahead of time by visiting <https://beachgrasstopicals.com/community-outreach/>. Questions can be posted at the bottom of the presentation and will be answered during the Outreach Meeting. Closed Captions will be available and the meeting will be recorded.



## From Our Members

*Wareham Week gives businesses and non-profit organizations the opportunity to become online Affiliate Members of WarehamWeekToday.com and post news and information directly to our homepage. The following items have been excerpted from recent posts to our site.*

### Witches and more

The Marion Art Center will open its doors at 10 a.m. on Saturday, Oct. 31, for Halloween activities. The public is invited to see the MAC decorations throughout the day, collect candy, add to the Halloween message board, and get a photo taken between 1 and 5 p.m.

### Preparing to sell?

When you're preparing your home for market this fall, it makes sense to assess what improvements can be made so that you're not leaving money on the table at closing, notes Lois Prevett-McCarthy of Compass Concierge. She goes on to say:

With Compass' programs, I can provide valuable insight into neighborhood trends, market conditions, and buyer behavior patterns well before you sell in order to help you position your home for maximum value no matter what stage of ownership you're in.

You and I will work together to decide which services can increase your home's value the most and set an estimated budget for the work. You'll pay for the services when one of the following happens — your home sells, you terminate your listing agreement with Compass, or 12 months pass from your Concierge start date.

For more information, call 508-277-8898.

### Nature after school

The Lloyd Center for the Environment has added after school programs for children ages 6 through 10. Held primarily outdoors, the programs take advantage of the outdoor classroom as they provide STEM activities and lessons. The focus is on habitat exploration, creature discoveries, and investigative wonders of the natural world, using hands-on games, activities, crafts, and trail walks.

To register, contact Lloyd Center Education/Outreach Specialist Ashley Gesner at [ashley@lloydcenter.org](mailto:ashley@lloydcenter.org) or 774-628-9241.

*To learn more about Affiliate Membership on WarehamWeekToday.com, email [sales@warehamweek.com](mailto:sales@warehamweek.com).*

**ATTACHMENT B**

Jeanine MacKenzie &lt;jmacbeachgirl@gmail.com&gt;

**Re: Community Outreach Notice Attached**

1 message

**Michele Bissonnette** <MBissonnette@wareham.ma.us>

Tue, Oct 20, 2020 at 4:23 PM

To: Jeanine MacKenzie &lt;jmacbeachgirl@gmail.com&gt;, Meetings &lt;Meetings@wareham.ma.us&gt;

POSTED

*Michele Bissonnette  
Wareham Town Clerk  
508-291-3140 x:3143*

**From:** Jeanine MacKenzie <jmacbeachgirl@gmail.com>**Sent:** Tuesday, October 20, 2020 4:14 PM**To:** Meetings**Subject:** Community Outreach Notice Attached

Greetings - I am resending the notice below in case you have difficulties launching the previous file.

As discussed with the Wareham Clerk's Office, I am sending this Community Outreach Notice via email as the official filing with the Wareham Clerk's office. I have attached the notice in the email below. Please let me know if you have any questions. Thanks!

--

Jeanine M. MacKenzie  
*BeachGrass Topicals*  
(774) 269-2343

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ATTACHMENT B

7145 8928 8928 5475  
2020 0640 0000 0490 0202

<b>U.S. Postal Service™</b>	
<b>CERTIFIED MAIL® RECEIPT</b>	
Domestic Mail Only	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®.	
Wareham, MA 02571	
Certified Mail Fee	\$3.55
Extra Services & Fees (check box, add fee if appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.55
Total Postage and Fees	\$4.10
Sent To	
Town of Wareham	
Street and Apt. No.	Planning & Community Development
	54 Marion Rd
City, State, ZIP+4®	Wareham, MA 02571
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

6045 8928 8928 5405  
2020 0640 0000 0490 0202

<b>U.S. Postal Service™</b>	
<b>CERTIFIED MAIL® RECEIPT</b>	
Domestic Mail Only	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®.	
Wareham, MA 02571	
Certified Mail Fee	\$3.55
Extra Services & Fees (check box, add fee if appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.55
Total Postage and Fees	\$4.10
Sent To	
Town of Wareham – Clerks Office	
Street and Apt. No.	54 Marion Rd
City, State, ZIP+4®	Wareham, MA 02571
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

# ATTACHMENT B

Notice is hereby given that a Community Outreach Meeting for a proposed Marijuana Establishment is scheduled for October 29, 2020 at 10:00 AM via Google Meet. The proposed Product Manufacturer is anticipated to be located at 3103 Cranberry Highway, East Wareham, MA 02538. There will be an opportunity for the public to ask questions. All interested can join via URL <https://meet.google.com/ytz-zfvf-siu>. The presentation for the meeting can be viewed ahead of time by visiting <https://beachgrasstopicals.com/community-outreach/>. Questions can be posted at the bottom of the online presentation and will be answered during the Outreach Meeting. Closed Captions will be available and the meeting will be recorded.



**BeachGrass Topicals  
Community Outreach Documentation**

**Community Outreach Meeting October 29, 2020**

**Total Number of Attendees 4**

1. Jeanine MacKenzie - BeachGrass Topicals
2. Liz Aiken - BeachGrass Topicals
3. Tim McNamara - BeachGrass Topicals Attorney
4. Ken Buckland, Wareham Town Planner

TOWN OF WAREHAM ABUTTERS			
MAP & LOT	OWNER	CO-OWNER	STREET ADDRESS
10-1010/A			
10-1021			
10-1018			
10-1019			
131-LC27			
131-LC28			
10-1002			
10-1002/A			
131-PC			
10-1003			
131-1032			
10-1004			
2-1004/A			
131-Q1			
8-1012			
8-1013/A			
8-1014			
8-1069			
TOWN			
STATE			
ZIP CODE			

CERTIFIED ABUTTERS AS	
THEY APPEAR ON OUR TAX ROLLS	
AS OF 12/31/2020	
<i>W. R. Owen</i>	
ASSESSORS OFFICE	
REQUESTED BY	
JEANINE MACKENZIE	
774 269-2343	
JMACBEACHGIRL@GMAIL.COM	

## \*DUPLICATES

ATTACHMENT

C

7020 0640 0000 8928 5379

**U.S. Postal Service™**  
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Plymouth, MA 02360

Certified Mail Fee	\$3.55
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.55
<b>Total Postage and Fees</b>	<b>\$4.10</b>

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City, State, ZIP+4®

PS Form 3800, April 2015

Postmark Here  
OCT 22 2020  
EAST WAREHAM, MA 02538

7020 0640 0000 8928 5393

**U.S. Postal Service™**  
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For delivery information, visit our website at [www.usps.com](http://www.usps.com)

East Wareham, MA 02538

Certified Mail Fee	\$3.55
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.55
<b>Total Postage and Fees</b>	<b>\$4.10</b>

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Street and Apt. No.  
City, State, ZIP+4®

PS Form 3800, April 2015

Postmark Here  
OCT 22 2020  
EAST WAREHAM, MA 02538

7020 0640 0000 8928 5362

**U.S. Postal Service™**  
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*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

New Bedford, MA 02745

Certified Mail Fee	\$3.55
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.55
<b>Total Postage and Fees</b>	<b>\$4.10</b>

Sent To  
Street and Apt. No.  
City, State, ZIP+4®

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

Postmark Here  
OCT 22 2020  
EAST WAREHAM, MA 02538

7019 2280 0000 1363 4544

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

For delivery information, visit our website at [www.usps.com](http://www.usps.com)  
North Easton, MA 02357

Certified Mail Fee \$3.55  
Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$0.00  
☐ Return Receipt (electronic) \$0.00  
☐ Certified Mail Restricted Delivery \$0.00  
☐ Adult Signature Required \$0.00  
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage and Fees \$4.10

Sent To

Street and Apt. No.

City, State, ZIP+4®

PS Form 3800, April 2015

Instructions

ATTACHMENT  
C

7019 2280 0000 1363 4488

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

For delivery information, visit our website at [www.usps.com](http://www.usps.com)  
Norcross, GA 30093

Certified Mail Fee \$3.55  
Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$0.00  
☐ Return Receipt (electronic) \$0.00  
☐ Certified Mail Restricted Delivery \$0.00  
☐ Adult Signature Required \$0.00  
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage and Fees \$4.10

Sent To

Street and Apt. No.

City, State, ZIP+4®

PS Form 3800, April 2015

Instructions

7019 2280 0000 1363 4525

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

For delivery information, visit our website at [www.usps.com](http://www.usps.com)  
Buzzards Bay, MA 02532

Certified Mail Fee \$3.55  
Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$0.00  
☐ Return Receipt (electronic) \$0.00  
☐ Certified Mail Restricted Delivery \$0.00  
☐ Adult Signature Required \$0.00  
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage and Fees \$4.10

Sent To

Street and Apt. No.

City, State, ZIP+4®

PS Form 3800, April 2015

See reverse for instructions

ATTACHMENT C

7019 2280 0000 1363 4495

**U.S. Postal Service™**  
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For delivery information, visit our website at [www.usps.com](http://www.usps.com)®

OFFICIAL USE

Certified Mail Fee \$3.55

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$	00.00
<input type="checkbox"/> Return Receipt (electronic)	\$	00.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	00.00
<input type="checkbox"/> Adult Signature Required	\$	00.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	00.00

Postage \$0.55

Total Postage and Fees \$4.10

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<input type="checkbox"/> Adult Signature Restricted Delivery	\$	00.00

Postage \$0.55

Total Postage and Fees \$4.10

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Certified Mail Fee \$3.55

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$	00.00
<input type="checkbox"/> Return Receipt (electronic)	\$	00.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	00.00
<input type="checkbox"/> Adult Signature Required	\$	00.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	00.00

Postage \$0.55

Total Postage and Fees \$4.10

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Norwell, MA 02061

Certified Mail Fee \$3.55

Extra Services & Fees (check box, add fee as appropriate)

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<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.55

Total Postage and Fees \$4.10

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Great Neck, NY 11021

Certified Mail Fee \$3.55

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.55

Total Postage and Fees \$4.10

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**BeachGrass Topicals**  
**Plan to Remain Compliant Local Zoning**  
**March 2021**

This document is to provide the plan for BeachGrass to remain compliant with all local zoning ordinances and by-laws for the Town of Wareham and Marijuana Establishments. BeachGrass will adhere and ensure they are compliant with the zoning requirements.

The town of Wareham voted to allow Adult Use Marijuana Establishments in March 2018 with the following zoning by laws:

- 391. Medical Marijuana Treatment Center, also known as a Registered Marijuana Dispensary, as defined, and to the extent that such facilities are permitted under state laws and regulations, shall be allowed in the Institutional (INS) zoning district.
- 392. Other Marijuana Establishments, to the extent that such facilities are permitted under state laws and regulations, shall be allowed by Special Permit in the Strip Commercial (CS) district east of Glen Charlie Road, Depot Street, and Great Neck Road, Institutional (INS) and Industrial (IND) zoning districts.
- 393. The number of Marijuana Retailers shall be limited to a total of three [3] separate establishments within the town of Wareham.
- 394. A minimum separation of 1,500 feet is required between Marijuana Retailers, but not including Marijuana Treatment Centers.
- 395. All Marijuana Establishments shall be in conformance with State regulations and licensing requirements for such establishments regarding buffers, access, and security.
  - State recommended Buffer Zone: The property where the proposed Marijuana Establishment is to be located, at the time the license application is received by the Commission, is not located within 500 feet of a pre-existing public or private school providing education in kindergarten or any of grades one through 12, unless a city or town adopts an ordinance or by-law that reduces the distance requirement. The distance under 935 CMR 500.110(3) shall be measured in a straight line from the nearest point of the property line in question to the nearest point of the property line where the Marijuana Establishment is or will be located.
- 396. All Marijuana Establishments shall be in conformance with the dimensional, intensity and setback requirements of the underlying zoning.
- 397. Signage for all Marijuana Establishments shall be in conformance with State regulations and licensing requirements for such establishments, and in conformance with Wareham Zoning By-Laws Article 11: Signs.
- 398. Use variances are not allowed for any Marijuana Establishment or Medical Marijuana Treatment Center.

**Plan to keep compliant:**

- 391- not applicable - not a medical treatment center and not located in INS zoning district

- 392 - BeachGrass is located on Cranberry Hwy, East Wareham which is 'Strip Commercial' (CS) Zone which is an allowable location
- 393 - not applicable - not a marijuana retailer
- 394 - not applicable - not a marijuana retailer
- 395 - BeachGrass is not within 500 feet of a pre-existing public or private school providing education in kindergarten or any of grades one through 12.
- 396 - BeachGrass has worked with both the town planner and a registered land surveyor to review the site plan which ensures that the location is in conformance with the dimensional, intensity and setback requirements of the underlying zoning.
- 397 - not applicable - BeachGrass will not have any signage displayed
- 398 - not applicable - not a marijuana treatment facility

#### Additional Requirements

1. Marijuana Establishments shall be allowed by Special Permit
  - a. The Special Permit application is reviewed and approved by the Zoning Board of Appeals (ZBA)
  - b. Businesses only need to apply for this special permit one time - no renewal is needed.
2. Steps to be completed before submitting an application for the Special Permit:
  - a. Submit the required info for review to the town planner: a business plan, the location of your business along with a P&S or lease, a site plan and a spend budget.
  - b. Once your info is accepted / approved by the town planner, the Board of Selectmen (BOS) approves the negotiation of the Community Host Agreement (CHA)
  - c. Once the CHA is completed, it needs to be approved by BOS
3. Once the BOS has approved the CHA, you can then proceed with your application to the ZBA for the Special Permit.
4. Once the Special Permit is approved, you can proceed with the building permit.
5. Once the building has been completed, you will need to apply for an Occupancy Permit. This process is only needed once - no renewal is required.



**BeachGrass Topicals  
Plan for Positive Impact**

**BeachGrass plans to positively impact the community with the following goals:**

1. BeachGrass hopes to grow quickly to be able to create as many jobs as possible and hire 50% of their workforce from residents that live or have previously lived in Wareham, New Bedford and Fall River by the end of their first fiscal year.
  - a. BeachGrass will post advertisements whenever there is a new position open and will use the following newspapers and online media for the posting:
    - i. Wareham Weekly
    - ii. New Bedford Standard Times - serves both Wareham and New Bedford
    - iii. Craigslist - Serves Wareham, New Bedford and Fall River
2. BeachGrass will aim to hire at least 15% Massachusetts residents with a drug conviction or that have a parent or a spouse with a drug conviction by the end of their first year.
  - a. BeachGrass will craft the job postings to alert the potential applicant that imperfect records will not exclude them as a potential candidate.
  - b. BeachGrass will share opportunities for new positions and openings with local government and / or community groups that look to provide assistance to families and communities impacted by drug convictions.
  - c. BeachGrass will target job postings in Wareham, New Bedford and Fall River which are areas of disproportionate impact.
3. BeachGrass will donate \$2,000 in cash as well as \$1,500 in goods (soap, balms, etc) to Damien's Place Pantry on an annual basis.
  - a. BeachGrass will work with Damien's Pantry to understand when it would be best to provide donations.
  - b. BeachGrass will provide the exact donations that were given in the fiscal year to the Commission annually as part of the license renewal process.

**BeachGrass will review the workforce metrics each time there is a new position open and will also do so formally annually and share the success of our plan with the Commission. The metrics of measure to determine the success of the plan are:**

1. What percentage of our employees live or have lived in Wareham, New Bedford or Fall River?
2. What percentage of our employees are Massachusetts residents with a drug conviction or that have a parent or a spouse with a drug conviction?

	Percentage Goal	Year 1	Year 2	Year 3
<b>Total Number of BeachGrass Employees</b>		<b>7.0</b>	<b>10.0</b>	<b>15.0</b>
Current and Former Wareham, New Bedford, Fall River Residents	50.00%	3.5	5.0	7.5
Massachusetts Residents Affected by Drug Convictions	15.00%	1.1	1.5	2.3

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

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

# BYLAWS OF BEACHGRASS TOPICALS, LLC

## ARTICLE I - BUSINESS AND PURPOSE

The Corporation is established to engage in any lawful business or enterprise. By way of example and without limitation the Corporation may engage in any lawful business.

In the performance of its business, the Corporation shall have all powers granted by the general Corporation laws of the state of Massachusetts. Specifically, and without limitation, the Corporation shall have the power to engage generally in any and all phases of the business of owning, holding, managing, controlling, acquiring, purchasing, disposing of, or otherwise dealing in or with any interest or rights in any real or personal property. The foregoing shall include but is not limited to the power to invest and trade in the securities markets including without limitation the right to buy, sell, trade, barter, or otherwise exchange, acquire, and dispose of stocks, bonds, commodities, futures, options, puts, calls (including naked puts and calls), or other vehicles of public or private companies, mutual funds, or other entities, whether such be for the Corporation's own account or on the account of a customer or client of the Corporation; where the Corporation engages in such activities on behalf of a client or customer, said transactions may be conducted through banking or brokerage accounts in the Corporation's own name or in the name of said client or customer. The business and purpose shall include the conducting and engaging in such activities as is necessary or useful in connection with the foregoing.

## ARTICLE II - OFFICES

The registered office of the Corporation shall be located in the city of East Wareham, in the State of Massachusetts. The Corporation may also maintain offices at such other places within or outside of the State of Massachusetts, as the Board of Directors may, from time to time, determine or deem necessary.

## ARTICLE III - MEETING OF SHAREHOLDERS

### **ANNUAL MEETINGS:**

The annual meeting of the shareholders of the Corporation shall be held in October of each year at such date, time, and location as shall be determined, from time to time, by the Directors.

### **SPECIAL MEETINGS:**

Special meetings of the shareholders may be called by the Board of Directors or President of the Corporation and shall be held at such date, time, and location as shall be determined, from time to time, by the Board of Directors or officer calling said meeting.

### **PLACE OF MEETINGS:**

Meetings of shareholders shall be held at the registered office of the Corporation, or at such other places, within or outside the State of Massachusetts as the Directors may from time to time fix. If no designation is made, the meeting shall be held at the Corporation's registered office in the State of Massachusetts.

### **NOTICE OF MEETINGS:**

Written or printed notice of each meeting of shareholders, whether annual or special, signed by the President, Vice President, or Secretary, stating the time when and place where it is to be

held, as well as the purpose or purposes for which the meeting is called shall be served either personally, by mail or by electronic communication including, but not limited to, electronic mail by or at the direction of the President, the Secretary, or the officer or the person calling the meeting, not less than 14 nor more than 30 days before the date of the meeting, unless the lapse of the prescribed time shall have been waived before or after the taking of such action, upon each shareholder of record entitled to vote at such meeting, and to any other shareholder to whom the giving of notice may be required by law. If mailed, such notice shall be deemed to be given when deposited in the United States mail, addressed to the shareholder as it appears on the share transfer records of the Corporation or to the current address, which a shareholder has delivered to the Corporation in a written notice.

Further notice of an annual or special meeting to a shareholder is not required under the following circumstances

- when notice of two consecutive annual or special meetings, and all notices of meetings or of the taking of action by written consent without a meeting of the shareholder during the period between those two consecutive annual meetings; or
- all, and at least two payments sent by first-class mail of dividends or interest on securities during a 12-month period

have been mailed addressed to him or her at his or her address as shown on the records of the Corporation and have been returned undeliverable.

#### **QUORUM:**

Except as otherwise provided herein, or by law, or in the Articles of Incorporation (such Articles and any amendments thereof being hereinafter collectively referred to as the "Articles of Incorporation"), a quorum shall be present at all meetings of shareholders of the Corporation, if the holders of a majority of the shares entitled to vote on that matter are represented at the meeting in person or by proxy.

The subsequent withdrawal of any shareholder from the meeting, after the commencement of a meeting, or the refusal of any shareholder represented in person or by proxy to vote, shall have no effect on the existence of a quorum, after a quorum has been established at such meeting.

Despite the absence of a quorum at any meeting of shareholders, the shareholders present may adjourn the meeting.

#### **VOTING AND ACTING:**

Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, any corporate action, the affirmative vote of the majority of shares entitled to vote on that matter and represented either in person or by proxy at a meeting of shareholders at which a quorum is present, shall be the act of the shareholders of the Corporation.

Except as otherwise provided by statute, the Certificate of Incorporation, or these Bylaws, at each meeting of shareholders, each shareholder of the Corporation entitled to vote thereat, shall be entitled to one vote for each share registered in his/her name on the books of the Corporation.

Where appropriate communication facilities are reasonably available, any or all shareholders shall have the right to participate in any shareholders' meeting, by means of conference telephone or any means of communications by which all persons participating in the meeting are able to hear each other.

#### **PROXIES:**

Each shareholder entitled to vote or to express consent or dissent without a meeting, may do so either in person or by proxy, so long as such proxy is executed in writing by the shareholder himself, his/her authorized officer, director, employee, or agent, or by causing the signature of the

stockholder to be affixed to the writing by any reasonable means, including, but not limited to, a facsimile signature, or by his/her attorney-in-fact annexed thereto and duly authorized in writing. Every proxy shall be revocable at will unless the proxy conspicuously states that it is irrevocable and the proxy is coupled with an interest. A telegram, telex, cablegram, or similar transmission by the shareholder, or a photographic, photo static, or facsimile, shall be treated as a valid proxy, and treated as a substitution of the original proxy, so long as such transmission is a complete reproduction executed by the shareholder. If it is determined that the telegram, cablegram or other electronic transmission is valid, the persons appointed by the Corporation to count the votes of shareholders and determine the validity of proxies and ballots or other persons making those determinations must specify the information upon which they relied. No proxy shall be valid after the expiration of six months from the date of its execution, unless otherwise provided in the proxy. Such instrument shall be exhibited to the Secretary at the meeting and shall be filed with the records of the Corporation. If any shareholder designates two or more persons to act as proxies, a majority of those persons present at the meeting, or, if one is present, then that one has and may exercise all of the powers conferred by the shareholder upon all of the persons so designated unless the shareholder provides otherwise.

#### **ACTION WITHOUT A MEETING:**

Unless otherwise provided for in the Articles of Incorporation, any action to be taken at any annual or special shareholders' meeting, may be taken without a meeting, without prior notice, and without a vote if written consents are signed by a majority of the shareholders of the Corporation, except, however, if a different proportion of voting power is required by law, the Articles of Incorporation, or these Bylaws, and that proportion of written consent that is required. Such written consents must be filed with the minutes of the proceedings of the shareholders of the Corporation. Any meeting required or authorized to be held by these articles may be conducted by means of a telephone conference, or similar method of communication by which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this/her section constitutes presence in person at the meeting.

## **ARTICLE IV - BOARD OF DIRECTORS**

#### **NUMBER, TERM, ELECTION AND QUALIFICATIONS:**

The Board of Directors or shareholders all have the power, in the interim between annual and special meetings of the shareholders, to increase or decrease the number of Directors of the Corporation. A Director need not be a shareholder of the Corporation unless the Certificate of Incorporation of the Corporation or these Bylaws so require.

Except as may otherwise be provided herein or in the Articles of Incorporation, the members of the Board of Directors of the Corporation shall be elected at the first annual shareholders' meeting and at each annual meeting thereafter, unless their terms are staggered in the Articles of Incorporation of the Corporation or these Bylaws, by a plurality of the votes cast at a meeting of shareholders, by the holders of shares entitled to vote in the election.

The first Board of Directors shall hold office until the first annual meeting of shareholders and until their successors have been duly elected and qualified or until there is a decrease in the number of Directors. Thereafter, Directors will be elected at the annual meeting of shareholders and shall hold office until the annual meeting of the shareholders next succeeding his/her election, unless their terms are staggered in the Articles of Incorporation of the Corporation (so long as at least one-fourth (¼) in number of the Directors of the Corporation are elected at each annual shareholders' meeting) or these Bylaws, or until his/her prior death, resignation or removal. Any Director may resign at any time upon written notice of such resignation to the Corporation.

All Directors of the Corporation shall have equal voting power unless the Articles of Incorporation

of the Corporation provide that the voting power of individual Directors or classes of Directors are greater than or less than that of any other individual Directors or classes of Directors, and the different voting powers may be stated in the Articles of Incorporation or may be dependent upon any fact or event that may be ascertained outside the Articles of Incorporation if the manner in which the fact or event may operate on those voting powers is stated in the Articles of Incorporation. If the Articles of Incorporation provide that any Directors have voting power greater than or less than other Directors of the Corporation, every reference in these Bylaws to a majority or other proportion of Directors shall be deemed to refer to majority or other proportion of the voting power of all the Directors or classes of Directors, as may be required by the Articles of Incorporation.

#### **DUTIES AND POWERS:**

The Board of Directors shall be responsible for the control and management of the business and affairs, property, and interests of the Corporation, and may exercise all powers of the Corporation, except such as those stated under Massachusetts state law, in the Articles of Incorporation or by these Bylaws expressly conferred upon or reserved to the shareholders or any other person or persons named therein. The board shall be responsible for making all major and significant legal, tax, and financial decisions including, but not limited, to the following:

- Opening bank and brokerage accounts and establishing lines of credit, margin accounts, and other borrowing authority;
- Establishing written employment agreements and contractor agreements for a duration in excess of 2 year(s), or where the amount to be paid hereunder exceeds \$50,000.00 or where any portion of the compensation is based in any manner upon the Corporation's profitability or financial performance;
- Amendments to the Articles of Incorporation or Bylaws;
- Shareholder agreement, voting trusts, or proxies to which the Corporation is a party;
- Tax elections, including but not limited to the election for Internal Revenue Code (IRC) sub-chapter S §475, or otherwise;
- The purchase or sale of a business or significant interest therein;
- The purchase, sale, lease, or donation of property (real or personal, tangible or intangible) used in the operation of the business, including but not limited to office buildings/space, computer systems, vehicles, patents, trademarks, or copyrights;
- Reorganizations, mergers, and acquisitions;
- Loans, refinancing, and issuance of bonds;
- Declaration of dividends; stock splits; stock issuance; redemption or retirement of corporate shares;
- Liquidation or dissolution of the Corporation;
- The establishment, termination, increase, or decrease in employee benefit plans including but not limited to pension and profit sharing plans; life, health medical, and dental insurance plans; child care plans; educational plans; or others;
- The initiation, defense, settlement, compromise, or termination of lawsuits and claims;

- Indemnification of Directors, Officers, or others;
- Change of Registered Agent or Registered Office;
- Filling vacancies on the Board of Directors or Officers;
- Establishing and terminating committees; appointing and removing members from committees;
- Salary and compensation matters pertaining to corporate officers; Ratification of prior corporate acts by Directors and Officers.

#### **REGULAR MEETINGS; NOTICE:**

A regular meeting of the Board of Directors shall be held either within or outside the State of Massachusetts at such time and at such place as the Board shall fix.

No notice shall be required of any regular meeting of the Board of Directors and, if given, need not specify the purpose of the meeting; provided, however, that in case the Board of Directors shall fix or change the time or place of any regular meeting when such time and place was fixed before such change, notice of such action shall be given to each director who shall not have been present at the meeting at which such action was taken within the time limited, and in the manner set forth in these Bylaws with respect to special meetings, unless such notice shall be waived in the manner set forth in these Bylaws.

#### **SPECIAL MEETINGS; NOTICE:**

Special meetings of the Board of Directors shall be held at such time and place as may be specified in the respective notices or waivers of notice thereof.

Except as otherwise required by statute, written notice of special meetings shall be mailed directly to each Director, addressed to him at his/her residence or usual place of business, or delivered orally, with sufficient time for the convenient assembly of Directors thereat, or shall be sent to him at such place by telegram, facsimile or email, or shall be delivered to him personally not later than the day before the day on which the meeting is to be held. If mailed, the notice of any special meeting shall be deemed to be delivered on the second day after it is deposited in the United States mail, so addressed, with postage prepaid. If notice is given by telegram, it shall be deemed to be delivered when the telegram is delivered to the telegraph company. A notice, or waiver of notice, except as required by these Bylaws, need not specify the business to be transacted at or the purpose or purposes of the meeting.

Notice of any special meeting shall not be required to be given to any Director who shall attend such meeting without protesting prior thereto or at its commencement, the lack of notice to him, or who submits a signed waiver of notice, whether before or after the meeting. Notice of any adjourned meeting shall not be required to be given.

#### **CHAIRPERSON:**

The Chairperson of the Board, if any and if present, shall preside at all meetings of the Board of Directors. If there shall be no Chairperson, or he or she shall be absent, then the President shall preside, and in his/her absence, any other director chosen by the Board of Directors shall preside.

#### **QUORUM AND ADJOURNMENTS:**

At all meetings of the Board of Directors, or any committee thereof, the presence of a majority of the entire Board, or such committee thereof, shall constitute a quorum for the transaction of business, except as otherwise provided by law, by the Certificate of Incorporation, or these

Bylaws.

A majority of the directors present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice, whether or not a quorum exists. Notice of such adjourned meeting shall be given to Directors not present at time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other Directors who were present at the adjourned meeting.

**MANNER OF ACTING:**

At all meetings of the Board of Directors, each director present shall have one vote, irrespective of the number of shares of stock, if any, which he or she may hold.

Except as otherwise provided by law, by the Articles of Incorporation, or these Bylaws, action approved by a majority of the votes of the Directors present at any meeting of the Board or any committee thereof, at which a quorum is present shall be the act of the Board of Directors or any committee thereof.

Any action authorized in writing made prior or subsequent to such action, by all of the Directors entitled to vote thereon and filed with the minutes of the Corporation, shall be the act of the Board of Directors, or any committee thereof, and have the same force and effect as if the same had been passed by unanimous vote at a duly called meeting of the Board or committee for all purposes.

Where appropriate communications facilities are reasonably available, any or all directors shall have the right to participate in any Board of Directors meeting, or a committee of the Board of Directors meeting, by means of conference telephone or any means of communications by which all persons participating in the meeting are able to hear each other.

**VACANCIES:**

Unless otherwise provided for by the Articles of Incorporation of the Corporation, any vacancy in the Board of Directors occurring by reason of an increase in the number of directors or by reason of the death, resignation, disqualification, removal, or inability to act of any director, or other cause, shall be filled by an affirmative vote of a majority of the remaining directors, though less than a quorum of the Board or by a sole remaining Director, at any regular meeting or special meeting of the Board of Directors called for that purpose, except whenever the shareholders of any class or classes or series thereof are entitled to elect one or more Directors by the Certificate of Incorporation of the Corporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the Directors elected by such class or classes or series thereof then in office, or by a sole remaining Director so elected.

Unless otherwise provided for by law, the Articles of Incorporation or these Bylaws, when one or more Directors shall resign from the board and such resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote otherwise to take effect when such resignation or resignations shall become effective.

**RESIGNATION:**

A Director may resign at any time by giving written notice of such resignation to the Corporation.

**REMOVAL:**

Unless otherwise provided for by the Articles of Incorporation, one or more or all the Directors of the Corporation may be removed with or without cause at any time by a vote of two-thirds of the shareholders entitled to vote thereon, at a special meeting of the shareholders called for that purpose, unless the Articles of Incorporation provide that Directors may only be removed for

cause, provided however, such Director shall not be removed if the Corporation states in its Articles of Incorporation that its Directors shall be elected by cumulative voting and there are a sufficient number of shares cast against his/her or her removal, which if cumulatively voted at an election of Directors would be sufficient to elect him or her. If a Director was elected by a voting group of shareholders, only the shareholders of that voting group may participate in the vote to remove that Director.

#### **COMPENSATION:**

The Board of Directors may authorize and establish reasonable compensation of the Directors for services to the Corporation as Directors, including, but not limited to, attendance at any annual or special meeting of the Board.

#### **COMMITTEES:**

Unless otherwise provided for by the Articles of Incorporation of the Corporation, the Board of Directors may from time to time designate from among its members one or more committees, and alternate members thereof, as they deem desirable, each consisting of one or more members, with such powers and authority (to the extent permitted by law and these Bylaws) as may be provided in such resolution. Unless the Articles of Incorporation or Bylaws state otherwise, the Board of Directors may appoint natural persons who are not Directors to serve on such committees authorized herein. Each such committee shall serve at the pleasure of the Board and, unless otherwise stated by law, the Certificate of Incorporation of the Corporation or these Bylaws, shall be governed by the rules and regulations stated herein regarding the Board of Directors. Any meeting required or authorized to be held by this/her article may be conducted by means of a telephone conference, or similar method of communication by which all persons participating in this/her meeting can hear each other. Participation in a meeting pursuant to this/her section constitutes presence in person at the meeting.

## **ARTICLE V - OFFICERS**

#### **NUMBER, QUALIFICATIONS, ELECTION AND TERM OF OFFICE:**

The Corporation's officers shall have such titles and duties as shall be stated in these Bylaws or in a resolution of the Board of Directors which is not inconsistent with these Bylaws. The officers of the Corporation shall consist of a president, secretary, and treasurer, and also may have one or more vice presidents, assistant secretaries, and assistant treasurers, and such other officers as the Board of Directors may from time to time deem advisable. Any officer may hold two or more offices in the Corporation.

The officers of the Corporation shall be elected by the Board of Directors at the regular annual meeting of the Board following the annual meeting of shareholders.

Each officer shall hold office until the annual meeting of the Board of Directors next succeeding his/her election, and until his/her successor shall have been duly elected and qualified, subject to earlier termination by his/her or her death, resignation or removal.

#### **DESIGNATION OF OFFICERS:**

***Chairman of the Board*** – The Chairman of the Board shall preside at the meetings of the stockholders and the Board of Directors, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

***President*** – The President shall be the chief executive officer of the Corporation and shall have active management of the business of the Corporation. He or she shall execute on behalf of the Corporation all instruments requiring such execution except to the extent the signing and execution thereof shall be expressly designated by the Board of Directors to some other officer or



agent of the Corporation.

***Secretary*** – The Secretary shall act under the direction of the President and shall have custody of and maintain all corporate records except the financial records. He or she shall authenticate all non-financial records and documents of the Corporation. Subject to the direction of the President he or she shall attend all meetings of the Board of Directors and all meetings of the stockholders and record the proceedings. He or she shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all annual and special meetings of the stockholders and Board of Directors, and shall perform such other duties as may be prescribed by the President or the Board of Directors.

***Treasurer*** – The Treasurer shall act under the direction of the President. Subject to the direction of the President, he or she shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation. He or she shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the Corporation as may be ordered by the President of the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his/her transactions as the Treasurer and of the financial condition of the Corporation

**RESIGNATION:**

Any officer may resign at any time by giving written notice of such resignation to the Corporation.

**REMOVAL:**

Any officer elected by the Board of Directors may be removed, either with or without cause, and a successor elected by the Board at any time, and any officer or assistant officer, if appointed by another officer, may likewise be removed by such officer.

**VACANCIES:**

A vacancy, however caused, occurring in the Board and any newly created Directorships resulting from an increase in the authorized number of Directors may be filled by the Board of Directors.

**BONDS:**

The Corporation may require any or all of its officers or Agents to post a bond, or otherwise, to the Corporation for the faithful performance of their positions or duties.

**COMPENSATION:**

The compensation of the officers of the Corporation shall be fixed from time to time by the Board of Directors. Any meeting required or authorized to be held by this article may be conducted by means of a telephone conference or similar method of communication by which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

## ARTICLES VI - BOOKS AND RECORDS

**BOOKS AND RECORDS:**

The Corporation shall keep as permanent records the minutes of all meetings of its shareholders and Board of Directors; a record of all actions taken by the shareholders or Board of Directors without a meeting; and, a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the above named Corporation. The Corporation shall

also continuously maintain accurate accounting records. Furthermore, the Corporation shall maintain the following:

- A record of its shareholders in a form that permits preparation of a list of the names and addresses of all shareholders in alphabetical order by class of shares showing the number and series of shares held by each;
- The Corporation's Articles or Restated Articles of Incorporation and all amendments thereto currently in effect;
- The Corporation's Bylaws or Restated Bylaws and all amendments thereto currently in effect;
- Resolutions adopted by the Board of Directors creating one or more classes or series of shares and fixing their relative rights, preferences, and limitations if shares issued pursuant to those resolutions are outstanding;
- The minutes of all shareholders' meetings and records of all actions taken by shareholders without a meeting, including the financial statements furnished to shareholders as may be required under Massachusetts law;
- A list of the names and business street addresses of the Corporation's current directors and officers; and
- A copy of the above named Corporation's most recent annual report delivered to the Department of State for the Corporation's State of Incorporation.

Any books, records and minutes may be in written form or in any other form capable of being converted into written form.

#### **SHAREHOLDER'S INSPECTION RIGHTS:**

A shareholder of the Corporation (including a beneficial owner whose shares are held in a voting trust or a nominee on behalf of a beneficial owner) may inspect and copy, during regular business hours at the Corporation's principal office, any of the corporate records required to be kept pursuant to these Bylaws, or the Articles of Incorporation, or as may be required by law, if said shareholder gives the above named Corporation written notice of such demand at least 45 business days before the date on which the shareholder wishes to inspect and copy. The foregoing right of inspection is subject, however, to such other restrictions as are applicable under Massachusetts Law, including, but not limited to, the inspection of certain records being permitted only if the demand for inspection is made in good faith and for a proper purpose (as well as the shareholder describing with reasonable particularity the purpose and records desired to be inspected and such records are directly connected with the purpose). Notice as required herein shall be directed to the Secretary of the Corporation.

#### **FINANCIAL INFORMATION:**

Unless modified by resolution of the shareholders within 7 days of the close of each fiscal year, the Corporation shall furnish the shareholders annual financial statements required by state and federal law which may be consolidated or combined statements of the Corporation and one or more of its subsidiaries as appropriate. This includes a balance sheet as of the end of the fiscal year, an income statement for that year, and a statement of cash flows for that year. If financial statements are prepared on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on that basis. If the annual financial statements are reported on by a public accountant, said accountant's report shall accompany said statements. If said annual financial statements are not reported on by a public accountant, then the statements shall be accompanied by a statement of the president or other person responsible for the above

named Corporation's accounting records (i) stating his/her reasonable belief whether the statements were prepared on the basis of generally accepted accounting principles and if not, describing the basis of preparation; and (ii) describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year. The annual financial statements shall be mailed to each shareholder of the above named Corporation within 45 days after the close of each fiscal year or within such additional time as is reasonably necessary to enable the above named Corporation to prepare same.

**OTHER REPORTS TO SHAREHOLDERS:**

The Corporation shall report any indemnification or advanced expenses to any director, officer, employee, or agent (for indemnification relating to litigation or threatened litigation) in writing to the shareholders with or before the notice of the next shareholders' meeting, or prior to such meeting if the indemnification or advance occurs after the giving of such notice but prior to the time such meeting is held. Said report shall include a statement specifying the persons paid, the amounts paid, and the nature and status (at the time of such payment) of the litigation or threatened litigation.

Additionally, if the Corporation issues or authorizes the issuance of shares for promises to render services in the future, the above named Corporation shall report in writing to the shareholders the number of shares authorized or issued and the consideration received by the Corporation, with or before the notice of the next shareholders' meeting.

## ARTICLE VII - SHARES OF STOCK

**CERTIFICATE OF STOCK:**

The shares of the Corporation shall be represented by certificates or shall be uncertificated shares.

Certificated shares of the Corporation shall be signed, (either manually or by facsimile), by officers or agents designated by the Corporation for such purposes, and shall certify the number of shares owned by him in the Corporation. Whenever any certificate is countersigned or otherwise authenticated by a transfer agent or transfer clerk, and by a registrar, then a facsimile of the signatures of the officers or agents, the transfer agent or transfer clerk or the registrar of the Corporation may be printed or lithographed upon the certificate in lieu of the actual signatures. If the Corporation uses facsimile signatures of its officers and agents on its stock certificates, it cannot act as registrar of its own stock, but its transfer agent and registrar may be identical if the institution acting in those dual capacities countersigns or otherwise authenticates any stock certificates in both capacities. If any officer who has signed or whose facsimile signature has been placed upon such certificate, shall have ceased to be such officer before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer at the date of its issue.

If the Corporation issues uncertificated shares as provided for in these Bylaws, within a reasonable time after the issuance or transfer of such uncertificated shares, and at least annually thereafter, the Corporation shall send the shareholder a written statement certifying the number of shares owned by such shareholder in the Corporation.

Except as otherwise provided by law, the rights and obligations of the holders of uncertificated shares and the rights and obligations of the holders of certificates representing shares of the same class and series shall be identical.

**LOST OR DESTROYED CERTIFICATES:**

The Board of Directors may direct a new certificate or certificates to be issued in place of any

certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed if the owner:

- so requests before the Corporation has notice that the shares have been acquired by a bona fide purchaser,
- files with the Corporation a sufficient indemnity bond; and
- satisfies such other requirements, including evidence of such loss, theft, or destruction, as may be imposed by the Corporation.

#### **TRANSFERS OF SHARES:**

Transfers or registration of transfers of shares of the Corporation shall be made on the stock transfer books of the Corporation by the registered holder thereof, or by his/her attorney duly authorized by a written power of attorney; and in the case of shares represented by certificates, only after the surrender to the Corporation of the certificates representing such shares with such shares properly endorsed, with such evidence of the authenticity of such endorsement, transfer, authorization and other matters as the Corporation may reasonably require, and the payment of all stock transfer taxes due thereon.

The Corporation shall be entitled to treat the holder of record of any share or shares as the absolute owner thereof for all purposes and, accordingly, shall not be bound to recognize any legal, equitable, or other claim to, or interest in, such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by law.

#### **RECORD DATE:**

The Board of Directors may fix, in advance, which shall not be more than sixty days before the meeting or action requiring a determination of shareholders, as the record date for the determination of shareholders entitled to receive notice of, or to vote at, any meeting of shareholders, or to consent to any proposal without a meeting, or for the purpose of determining shareholders entitled to receive payment of any dividends, or allotment of any rights, or for the purpose of any other action. If no record date is fixed, the record date for shareholders entitled to notice of meeting shall be at the close of business on the day preceding the day on which notice is given, or, if no notice is given, the day on which the meeting is held, or if notice is waived, at the close of business on the day before the day on which the meeting is held.

The Board of Directors may fix a record date, which shall not precede the date upon which the resolution fixing the record date is adopted for shareholders entitled to receive payment of any dividend or other distribution or allotment of any rights of shareholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action.

A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjourned meeting.

#### **FRACTIONS OF SHARES/SCRIP:**

The Board of Directors may authorize the issuance of certificates or payment of money for fractions of a share, either represented by a certificate or uncertificated, which shall entitle the holder to exercise voting rights, receive dividends and participate in any assets of the Corporation in the event of liquidation, in proportion to the fractional holdings; or it may authorize the payment in case of the fair value of fractions of a share as of the time when those entitled to receive such fractions are determined; or it may authorize the issuance, subject to such conditions as may be

permitted by law, of scrip in registered or bearer form over the manual or facsimile signature of an officer or agent of the Corporation, or its agent for that purpose, exchangeable as therein provided for full shares, but such scrip shall not entitle the holder to any rights of shareholder, except as therein provided. The scrip may contain any provisions or conditions that the Corporation deems advisable. If a scrip ceases to be exchangeable for full share certificates, the shares that would otherwise have been issue-able as provided on the scrip are deemed to be treasury shares unless the scrip contains other provisions for their disposition.

## ARTICLE VIII - DIVIDENDS

Dividends may be declared and paid out of any funds available therefore, as often, in such amounts, and at such time or times as the Board of Directors may determine, and shares may be issued pro rata and without consideration to the Corporation's shareholders or to the shareholders of one or more classes or series.

Shares of one class or series may not be issued as a share dividend to shareholders of another class or series unless:

- so authorized by the Articles of Incorporation;
- a majority of the shareholders of the class or series to be issued approve the issue; or
- there are no outstanding shares of the class or series of shares that are authorized to be issued.

## ARTICLE IX - INDEMNIFICATION

### **RIGHT OF INDEMNIFICATION:**

Every person who was or is a party to, or is threatened to be made a party to, or is involved in any action, hearing or suit, of any kind whether civil, administrative or criminal, by reason of the fact that he/she or a person of whom he/she is the legal representative is or was a director or officer of the Corporation or is or was serving at the request of the Corporation or for its benefit as a director or officer of another Corporation, or as a representative in an enterprise of any kind, shall be indemnified and held harmless to the fullest extent legally permissible under the General Corporation Law of the State of Massachusetts. This indemnification shall include all expenses, liability, and loss (including attorneys' fees, judgments, fines, and amounts paid or to be paid in settlement) reasonably incurred or suffered by him in connection therewith. The expenses of Officers and Directors incurred in defending a civil or criminal action, suit, or proceeding must be paid by the Corporation as they are incurred and in advance of the final disposition of the action, suit, or proceeding upon receipt of an undertaking by or on behalf of the Director or Officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he or she is not entitled to be indemnified by the Corporation. Such right of indemnification shall be a contract right which may be enforced in any manner desired by such person. Such right of indemnification shall not be exclusive of any other right which such Directors, Officers, or representatives may have or hereafter acquire and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any Bylaw, agreement, vote of stockholders, provisions of law, or otherwise, as well as their rights under this Article.

### **INSURANCE FOR INDEMNIFICATION:**

The Board of Directors may direct the Corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation. Or on behalf of any person who is or was serving at the request of the Corporation as a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another Corporation, or as its representative in a partnership, joint venture, trust, or other enterprise against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Corporation would have the power to indemnify such person.

**AMENDMENT:**

The Board of Directors may from time to time adopt further Bylaws with respect to indemnification and may amend these and such Bylaws to provide at all times the fullest indemnification permitted by the General Corporation Law of the State of Massachusetts.

**ARTICLE X - FISCAL YEAR**

The fiscal year of the Corporation will end on December 31. Notwithstanding, the foregoing, the fiscal year shall be subject to change by the Board of Directors from time to time, subject to applicable law.

**ARTICLE XI - CORPORATE SEAL**

The corporate seal, if any, shall be in such form as shall be prescribed and altered, from time to time, by the Board of Directors. The use of a seal or stamp by the Corporation on corporate documents is not necessary and the lack thereof shall not in any way affect the legality of a corporate document.

**ARTICLE XII - AMENDMENTS****BY SHAREHOLDERS:**

All Bylaws of the Corporation shall be subject to alteration or repeal, and new Bylaws may be made, by a majority vote of the shareholders at the time entitled to vote in the election of Directors even though these Bylaws may also be altered, amended, or repealed by the Board of Directors.

**BY DIRECTORS:**

The Board of Directors shall have power to make, adopt, alter, amend, and repeal, from time to time, Bylaws of the Corporation.

**ARTICLE XIII - WAIVER OF NOTICE**

Whenever any notice is required to be given by law, the Articles of Incorporation or these Bylaws, a written waiver signed by the person or persons entitled to such notice, whether before or after the meeting by any person, shall constitute a waiver of notice of such meeting.

**ARTICLE XIV - INTERESTED DIRECTORS AND OFFICERS**

No contract or transaction shall be void or voidable if such contract or transaction is between the Corporation and one or more of its Directors or Officers, or between the Corporation and any other Corporation, partnership, association, or other organization in which one or more of its Directors or Officers are directors or officers, or have a financial interest, when such Director or Officer is present at or participates in the meeting of the Board, or the committee of the shareholders which authorizes the contract or transaction, or his/her, her, or their votes are counted for such purpose, if:

- the material facts as to his/her, her, or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee and are noted in the minutes of such meeting, and the Board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum; or
- the material facts as to his/her, her or their relationship or relationships or interest or interests and as to the contract or transaction are disclosed or are known to the

- shareholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the shareholders; or
- the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee of the shareholders; or
  - the fact of the common directorship, office, or financial interest is not disclosed or known to the Director or Officer at the time the transaction is brought before the Board of Directors of the Corporation for such action.

Such interested Directors may be counted when determining the presence of a quorum at the Board of Directors' or committee meeting authorizing the contract or transaction.

## ARTICLE XV - ANNUAL LIST OF OFFICERS, DIRECTORS AND REGISTERED AGENT

The Corporation shall, within sixty days after the filing of its Articles of Incorporation with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of incorporation occurs each year, file with the Secretary of State a list of its President, Secretary, and Treasurer, and all of its Directors, along with the post office box or street address, either residence or business, and a designation of its registered agent in the state of Massachusetts. Such list shall be certified by an officer of the Corporation.

APPROVED AND ADOPTED on February 23, 2020.

*Jeanine M. MacKenzie*

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(Secretary Signature)

**BEACHGRASS TOPICALS, LLC  
OPERATING AGREEMENT**

AGREEMENT dated as of the 18<sup>th</sup> of April, 2019 among **Jeanine MacKenzie** and the persons identified as MEMBERS in Schedule A annexed hereto, made a part hereof and hereby incorporated herein by reference (each such person being individually referred to as a "MEMBER" and collectively as the "MEMBERS").

WHEREAS, **BEACHGRASS TOPICALS, LLC** (the "LLC") has been formed as a Limited Liability Company under Chapter 156C of the Massachusetts General Laws by the filing on March 27, 2019, a Certificate of Organization in the office of the Secretary of State of the Commonwealth of Massachusetts ("the CERTIFICATE"); and

WHEREAS, the MANAGER and the MEMBERS wish to set out fully their respective rights, obligations and duties with respect to the LLC and its assets;

NOW, THEREFORE, in consideration of the mutual covenants herein expressed, the parties hereto hereby agree as follows:

**ARTICLE I  
Organization and Powers**

1.01 Organization. The MANAGER shall file the CERTIFICATE and such other documents as are appropriate to comply with the applicable requirements for the operation of a limited liability company in accordance with the laws of any jurisdictions in which the LLC shall conduct business and shall continue to do so as long as the LLC conducts business therein. By the Approval of the MANAGER, the LLC may establish places of business within and without the Commonwealth of Massachusetts, as and when required by its business and in furtherance of its purposes set forth in Section 1.02 hereof, and may appoint agents for service of process in all jurisdictions in which the LLC shall conduct business. By the Approval of the MANAGER, the LLC may from time to time change its name, its resident agent for service of process, the location of its registered office and/or any other matter described in the CERTIFICATE; provided, however, that a change in the general character of the business of the LLC shall require the Approval of the MANAGER and the consent of the MEMBERS. The MANAGER shall have no obligation to deliver or mail a copy of the CERTIFICATE or any amendment thereto to the MEMBERS.

1.02 Powers. Subject to all other provisions of this Agreement, in furtherance of the conduct of the business described in the CERTIFICATE, the LLC is hereby authorized:

(a) To enter into, execute, modify, amend, supplement, acknowledge, deliver, perform and carry out contracts of any kind, including operating agreements of limited liability companies, whether as a MEMBER or MANAGER, contracts with Affiliated Persons, and including guarantees and joint venture, limited and general partnership agreements and contracts establishing business arrangements or organizations, necessary to, in connection with, or



incidental to the accomplishment of the purposes of the LLC, and to secure the same by mortgages, pledges or other liens.

(b) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the LLC, and to secure the same by mortgages, pledges, or other liens.

(c) To the extent that funds of the LLC are available, to pay all expenses, debts and obligations of the LLC.

(d) To enter into or engage in any kind of activity necessary to, in connection with, or incidental to the accomplishment of the purposes of the LLC, so long as said activities may be lawfully carried on or performed by a limited liability company under the laws of the Commonwealth of Massachusetts.

(e) To take any other action not prohibited under the Act or other applicable law.

1.03 Designation of MANAGER. **Jeanine MacKenzie** is hereby designated as the MANAGER of the LLC. Except as provided in Section 7.05, any Person may be designated as a MANAGER at any time by the Approval of the then MANAGER(S) with the Consent of the MEMBERS. A MANAGER's status as a MANAGER may be terminated at any time when there is at least one other MANAGER by the Approval of such other MANAGER with the Consent of the MEMBERS. No MANAGER may resign from, retire from, abandon or otherwise terminate his, her or its status as a MANAGER except after 60 days notice to all MEMBERS. If a MANAGER has given such notice, such MANAGER shall not unreasonably withhold his, her or its Approval of any proposed new MANAGER who has the Consent of the MEMBERS.

## **ARTICLE II**

### **Capital Contributions and Liability of MEMBERS**

2.01 Capital Accounts. A separate Capital Account shall be maintained for each MEMBER, including any MEMBER who shall hereafter acquire an interest in the LLC.

#### **2.02 Capital Contributions.**

(a) On the date of this Agreement, each of the MEMBERS has made a Capital Contribution to the LLC as set forth opposite his, her or its name in Schedule A.

(b) Except as set forth in Article III, no MEMBER or MANAGER shall be entitled, obligated or required to make any Capital Contribution in addition to his, her or its Capital Contribution made under section 2.02(a), or any loan, to the LLC. No loan made to the LLC by any MEMBER or MANAGER shall constitute a Capital Contribution to the LLC for any purpose.

2.03 No Withdrawal of or Interest on Capital. No MEMBER shall have the right to resign and receive any distribution from the LLC 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

Contribution or Capital Account, or any other distribution, except as provided in Sections 5.01, 5.02 and 9.02. No MEMBER shall have any right to demand and receive property of the LLC in exchange for all or any portion of his, her or its Capital Contribution or Capital Account, except as provided in Sections 9.02 and 5.02 upon dissolution and liquidation of the LLC. No interest or prior or preferred return shall accrue or be paid on any Capital Contribution or Capital Account or any loan from a MEMBER or MANAGER to the LLC, except pursuant to Sections 3.01, 5.01, 5.02 and 9.02.

2.04 MANAGER as a MEMBER. A MANAGER may hold an interest in the LLC as a MEMBER.

2.05 Liability of MEMBERS. No MEMBER, in his, her or its capacity as a MEMBER, shall have any liability to restore any negative balance in his, her or its Capital Account or to contribute to, or in respect of, the liabilities or the obligations of the LLC, or to restore any amounts distributed from the LLC, except as may be required under the Act or other applicable law. In no event shall any MEMBER, in his, her or its capacity as a MEMBER, be personally liable for any liabilities or obligations of the LLC.

### **ARTICLE III**

#### **Additional Capital**

#### **3.01 Funding Capital Requirements.**

(a) In the event that the LLC requires additional funds to carry out its purposes, to conduct its business, or to meet its obligations, the LLC may borrow funds from such lenders, including a MANAGER and MEMBERS, and on such terms and conditions as are approved by the MANAGER.

(b) No MEMBER or MANAGER shall have any obligation to give notice of an existing or potential default of any obligation of the LLC to any of the MEMBERS or MANAGER, nor shall any MEMBER or MANAGER be obligated to make any Capital Contributions or loans to the LLC, or otherwise supply or make available any funds to the LLC, even if the failure to do so would result in a default of any of the LLC's obligations or the loss or termination of all or any part of the LLC's assets or business.

3.02 Third Party Liabilities. The provisions of the Article II are not intended to be for the benefit of any creditor or other Person (other than a MEMBER in his, her or its capacity as a MEMBER) to whom any debts, liabilities or obligations are owed by (or who otherwise has any claim against) the LLC or any of the MEMBERS. Moreover, notwithstanding anything contained in this Agreement, including specifically but without limitation this Article III, no such creditor or other Person shall obtain any rights under this Agreement or shall, by reason of this Agreement, make any claim in respect of any debt, liability or obligation (or otherwise) against the LLC or any MEMBER.

## **ARTICLE IV**

### **Distributions; Profits and Losses**

4.01 Distribution of LLC Funds. Except as provided in Section 4.02, Section 4.09, and Section 4.10, all moneys received by the LLC, which are determined by Approval of the MANAGER to be available for distribution, shall be distributed to the MEMBERS as follows:

(i) First, to the MEMBERS in proportion to their Adjusted Capital Contributions until their Adjusted Capital Contributions are reduced to zero; and

(ii) Second, the balance to the MEMBERS in proportion to their respective Percentage Interests.

4.02 Distribution upon Dissolution. Proceeds from a Terminating Capital Transaction and amounts available upon dissolution, and after payment of, or adequate provision for, the debts and obligations of the LLC, and liquidation of any remaining assets of the LLC, shall be distributed and applied in the following priority:

(i) First, to fund reserves for liabilities not then due and owing and for contingent liabilities to the extent deemed reasonable by Approval of the Manager provided that, upon the expiration of such period of time as the MANAGER by Approval shall deem advisable, the balance of such reserves remaining after payment of such contingencies shall be distributed in the manner hereinafter set forth in this Section 4.02; and

(ii) Second, to the MEMBERS, an amount sufficient to reduce the MEMBERS' Capital Accounts to zero, in proportion to the positive balances in such Capital Accounts (after reflecting in such Capital Accounts all adjustments thereto necessitated by (A) all other LLC transactions (distributions and allocations of Profits and Losses and items of income, gain, deduction, and loss) and (B) such Terminating Capital Transaction).

4.03 Distribution of Assets in Kind. No MEMBER shall have the right to require any distribution of any assets of the LLC in kind. If any assets of the LLC are distributed in kind, such assets shall be distributed on the basis of their fair market value as determined by Approval of the MANAGER. Any MEMBER entitled to any interest in such assets shall, unless otherwise determined by Approval of the MANAGER, receive separate assets of the LLC and not an interest as tenant-in-common, with other MEMBERS so entitled, in each asset being distributed.

#### **4.04 Required Regulatory Allocations.**

(a) Limitation on and Reallocation of Losses. At no time shall any allocations of Losses, or any item of loss or deduction, be made to a MEMBER if and to the extent such allocation would cause such MEMBER to have, or would increase the deficit in, any Adjusted Capital Account Deficit of such MEMBER at the end of any fiscal year. To the extent any Losses or items are not allocated to one or more MEMBERS pursuant to the preceding sentence, such Losses shall be allocated to the MEMBERS to which such losses or items may be allocated without violation of this Section 4.04(a).

(b) Minimum Gain Chargeback. If there is a net decrease in the Minimum Gain of the LLC during any fiscal year, then items of income or gain of the LLC for such fiscal year (and, if necessary, subsequent fiscal years) shall be allocated to each MEMBER in an amount equal to such MEMBER's share of the net decrease in the Minimum Gain, determined in accordance with Regulations Section 1.704-2(d) (1). A MEMBER's share of the net decrease in the Minimum Gain of the LLC shall be determined in accordance with Regulations Section 1.704-2(g). The items of income and gain to be so allocated shall be determined in accordance with Regulations Section 1.704-2(j) (2) (i).

(c) Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other period shall be allocated among the MEMBERS in proportion to their respective Percentage Interests.

(d) Partner Nonrecourse Deductions. Any Partner Nonrecourse Deductions for any fiscal year or other period shall be allocated to the MEMBER who bears the economic risk of loss with respect to the nonrecourse liability, as determined and defined under Regulations Section 1.704-2(b)(4) to which such Partner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

(e) Partner Minimum Gain Chargeback. Notwithstanding any contrary provisions of this Article IV, other than Section 4.04(b) above, if there is a net decrease in Partner Minimum Gain attributable to Partner Nonrecourse Debt during any fiscal year, then each MEMBER who has a share of such Partner Minimum Gain, determined in accordance with Regulations Section 1.704-2(i), shall be allocated items of income and gain of the LLC, determined in accordance with Regulations Section 1.704-2(j)(2)(ii), for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to each such MEMBER's share of the net decrease in such Partner Minimum Gain, determined in accordance with Regulations Section 1.704-2(i)(3) and 2(i)(5).

(f) Qualified Income Offset. If any MEMBER unexpectedly receives an item described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of income and gain shall be allocated to each such MEMBER in an amount and manner sufficient to eliminate, as quickly as possible and to the extent required by Regulations Section 1.704-1(b)(2)(ii)(d), the Adjusted Capital Account Deficit of such MEMBER, provided that an allocation pursuant to this Section 4.04(f) shall be made if and only to the extent that such MEMBER would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article V have been tentatively made as if this Section 4.04(f) were not in the Agreement.

4.05 Curative Allocations. The allocations set forth in Section 4.04 are intended to comply with certain requirements of Regulations Sections 1.704(b) and 1.704-2 and shall be interpreted consistently therewith. Such allocations may not be consistent with the manner in which the MEMBERS intend to divide LLC distributions and to make Profit and Loss allocations. Accordingly, by Approval of the MANAGER other allocations of Profits, Losses and items thereof shall be divided among the MEMBERS so as to prevent the allocations in Section 4.04 from distorting the manner in which LLC distributions will be divided among the MEMBERS pursuant to Section 4.01 and 4.02 hereof. In general, the MEMBERS anticipate that this will be accomplished by specially allocating other Profits, Losses and items of income, gain,

loss and deduction among the MEMBERS so that the net amount of allocations under Section 4.04 and allocations under this Section 4.05 to each such MEMBER is zero. However, the MANAGER shall have discretion to accomplish this result in any reasonable manner.

#### 4.06 Allocation of Profits and Losses.

(a) After given effect to the allocations set forth in Sections 4.04 and 4.05, Profits shall be allocated in the following order and priority:

(i) First, to the extent Losses have previously been allocated pursuant to clauses (ii) or (iii) of Section 4.06(b) for any prior period, Profits shall be allocated to the Partners first to offset any Losses allocated pursuant to said clause (iii) of Section 4.06(b), and then to offset any Losses allocated pursuant to said clause (ii) of Section 4.06(b), (in each case pro rata among the Partners in proportion to their shares of the Losses to be offset under such clause), and to the extent any allocations of Losses are offset pursuant to this clause First, such allocations of Losses shall be disregarded for purposes of computing subsequent allocations pursuant to this clause First; and

(ii) Second, any remaining Profits shall be allocated among the MEMBERS in proportion to their respective Interests as defined in Article IV, Section 401 (ii).

(b) After giving effect to the allocations set forth in Section 4.04 and 4.05, Losses shall be allocated in the following order and priority:

(i) First, to the extent Profits have previously been allocated pursuant to clause (ii) of Section 4.06(a) for any prior period, Losses shall be allocated to the Partners first to offset any Profits allocated pursuant to said clause (ii) of Section 4.06(a), (in each case pro rata among the Partners in proportion to their shares of the Profits to be offset under such clause), and to the extent any allocations of Profits are offset pursuant to this clause First, such allocations of Profits shall be disregarded for purposes of computing subsequent allocations pursuant to this clause First;

(ii) Second, Losses shall be allocated among the MEMBERS in proportion to the respective amounts of their capital contributions until the cumulative Losses allocated pursuant to this clause (ii) of Section 4.06(b) are equal to the aggregate amount of all such capital contributions; and

(iii) Third, any remaining Losses shall be allocated among the MEMBERS in proportion to their respective Interests as defined in Article IV, Section 401 (ii).

4.07 Tax Allocations and Book Allocations. Except as otherwise provided in this Section 4.07, for federal income tax purposes, each item of income, gain, loss and deduction shall, to the extent appropriate, be allocated among the MEMBERS in the same manner as its correlative item of "book" income, gain, loss or deduction has been allocated pursuant to the other provisions of this Article IV.

In accordance with Code Section 704(c) and the Regulations thereunder, depreciation, amortization, gain and loss, as determined for tax purposes, with respect to any property whose Book Value differs from its adjusted basis for federal income tax purposes shall, for tax purposes, be allocated among the MEMBERS so as to take account of any variation between the adjusted basis of such property to the LLC for federal income tax purposes and its Book Value, such allocation to be made by Approval of the MANAGER in any manner which is permissible under said Code Section 704(c) and the Regulations thereunder and the Regulations under Code Section 704(b).

In the event the Book Value of any property of the LLC is subsequently adjusted, subsequent allocations of income, gain, loss and deduction with respect to any such property shall take into account any variation between the adjusted basis of such assets for federal income tax purposes and its Book Value in the manner provided under Section 704(c) of the Code and the Regulations thereunder.

Allocations pursuant to this Section 4.07 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, other items, or distributions pursuant to any provision of this Agreement.

#### 4.08 General Allocation and Distribution Rules.

(a) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by Approval of the MANAGER using any permissible method under Code Section 706 and the Regulations thereunder. Except as otherwise provided in this Agreement, all items of income, gain, loss, and deduction shall be allocable among the MEMBERS in the same proportions as the profits or Losses for the fiscal year in which such item is included is allocated.

(b) Upon the admission of a new MEMBER or the Transfer of an interest, the new and old MEMBERS or the transferor and transferee shall be allocated shares of Profits and Losses and other allocations and shall receive distributions, if any, based on the portion of the fiscal year that the new or transferred LLC interest was held by the new and old MEMBERS, or the transferor, and transferee, respectively. For the purpose of allocating Profits and Losses and other allocations and distributions, (i) such admission or Transfer shall be deemed to have occurred on the first day of the month in which it occurs, or if such date shall not be permitted for allocation purposes under the Code or the Regulations, on the nearest date otherwise permitted under the Code or the Regulations, and (ii) if required by the Code or the Regulations, the LLC shall close its books on an interim basis on the last day of the previous calendar month.

4.09 Tax Withholding. If the LLC incurs a withholding tax obligation with respect to the share of income allocated to any MEMBER, (a) any amount which is (i) actually withheld from a distribution that would otherwise have been made to such MEMBER and (ii) paid over in satisfaction of such withholding tax obligation shall be treated for all purposes under this Agreement as if such amount had been distributed to such MEMBER, and (b) any amount which

is so paid over by the LLC, but which exceeds the amount, if any, actually withheld from a distribution which would otherwise have been made to such MEMBER, shall be treated as an interest-free advance to such MEMBER. Amounts treated as advanced to any MEMBER pursuant to this Section 4.09 shall be repaid by such MEMBER to the LLC within 30 days after the MANAGER, acting by Approval, gives notice to such MEMBER making demand therefor. Any amounts so advanced and not timely repaid shall bear interest, commencing on the expiration of said 30 day period, compounded monthly on unpaid balances, at an annual rate equal to the Applicable Federal Rate as of such expiration date. The LLC shall collect any unpaid amounts from any LLC distributions that would otherwise be made to such MEMBER.

4.10 Distributions to Cover MEMBERS' Tax Liability. The MANAGER shall, at a minimum, distribute to MEMBERS amounts intended to cover the potential federal, state or local tax obligations of such MEMBERS on account of the cumulative allocation to them of taxable income in excess of tax losses pursuant to this Agreement. For purposes of the foregoing, such federal, state and local tax obligations of each MEMBER shall be assumed to equal the highest effective combined federal and state income tax rate applicable to any MEMBER multiplied by each MEMBER's Percentage Interest multiplied by the cumulative allocation to all MEMBERS of taxable income in excess of tax losses determined as described in the definition of Profits and Losses without the adjustments listed therein, with the result reduced by the cumulative amount previously distributed pursuant to this Section 4.10. Partial distributions made to the MEMBERS pursuant to this Section 4.10 shall be made in proportion to their respective amounts calculated under the previous sentence. For purposes of applying Section 4.10 to subsequent distributions to the MEMBERS, distributions made pursuant to this Section 4.10 shall be disregarded and shall not be deemed to have been made pursuant to Section 4.01.

## **ARTICLE V**

### **Management**

5.01 Management of the LLC. The overall management and control of the business and affairs of the LLC shall be vested in the MANAGER or, if there shall be more than one, in the MANAGERS. All management and other responsibilities not specifically reserved to the MEMBERS in this Agreement shall be vested in the MANAGER, and the MEMBERS shall have no voting rights except as specifically provided in this Agreement. Each MANAGER shall devote, and shall cause its officers and directors, if any, to devote, such time to the affairs of the LLC as is reasonably necessary for performance by the MANAGER of his, her or its duties, provided such Persons shall not be required to devote full time to such affairs. The MANAGER shall have the right and power to manage, operate, and control the LLC, to do all things necessary or appropriate to carry on the business and purposes of the LLC, including without limitation the right:

(a) To manage the business of the LLC, including through Persons employed by the LLC for such purpose;

(b) to execute, deliver, make, modify or amend such documents and instruments, in the name of the LLC, as the MANAGER acting by Approval may deem necessary or desirable in connection with the management of the business of the LLC or for other purposes of the LLC;

(c) to acquire, sell, transfer, assign, finance, convey, lease, mortgage or otherwise dispose of all or any part of the business of the LLC and/or all or any part of the assets of the LLC;

(d) To borrow money and otherwise obtain credit and other financial accommodations;

(e) to perform or cause to be performed all of the LLC's obligations under any agreement to which the LLC is a party, including without limitation, any obligations of the LLC or otherwise in respect of any indebtedness secured in whole or in part by, or by lien on, or security interest in, any asset(s) of the LLC;

(f) to employ, engage, retain or deal with any Persons to act as employees, agents, brokers, accountants, lawyers or in such other capacity as the MANAGER, acting by Approval may deem necessary or desirable;

(g) to appoint individuals to act as officers of the LLC and delegate to such individuals such authority to act on behalf of the LLC and such duties and functions as the MANAGER, acting by Approval, shall determine, including such duties as would normally be delegated to officers of a corporation holding similar offices;

(h) to adjust, compromise, settle or refer to arbitration any claim in favor of or against the LLC or any of its assets, to make elections in connection with the preparation of any federal, state and local tax returns of the LLC, and to institute, prosecute, and defend any legal action or any arbitration proceeding;

(i) to acquire and enter into any contract of insurance necessary or proper for the protection of the LLC and/or any MEMBER and/or any MANAGER and/or any officers and/or directors of a MANAGER, including without limitation to provide the indemnity described in Section 5.05 or any portion thereof; and

(j) To establish a record date for any distribution to be made under Article IV; and

(k) To perform any other act which the MANAGER, acting by Approval, may deem necessary or desirable for the LLC or its business.

5.02 Binding the LLC. Any action taken by a MANAGER as a MANAGER of the LLC shall bind the LLC and any other MANAGER and shall be deemed to be the action of the LLC and of any other MANAGER. The signature of one MANAGER on any agreement, contract, instrument or other document shall be sufficient to bind the LLC in respect thereof and conclusively evidence the authority of such MANAGER and the LLC with respect thereto, and no third party need look to any other evidence or require joinder or consent of any other party.



5.03 Compensation of a MANAGER and a MEMBER. No payment shall be made by the LLC to any MANAGER or MEMBER for such MANAGER or MEMBER's services as a MANAGER or MEMBER except as provided in this Agreement. Each MANAGER shall be entitled to reimbursement from the LLC for all expenses incurred by such MANAGER in managing and conducting the business and affairs of the LLC. The MANAGER, acting by Approval, shall determine which expenses, if any, are allocable to the LLC in a manner which is fair and reasonable to the MANAGER and the LLC, and if such allocation is made in good faith it shall be conclusive in the absence of manifest error.

5.04 Contracts with Affiliated Persons. With the Approval of the MANAGER and the Consent of the MEMBERS in each case, the LLC may enter into one or more agreements, leases, contracts or other arrangements for the furnishing to or by the LLC of goods, services or space with any MEMBER, MANAGER or Affiliated Person, and may pay compensation thereunder for such goods, services or space, provided in each case the amounts payable thereunder are reasonably comparable to those which would be payable to unaffiliated Persons under similar agreements, and if the determination of such amounts is made in good faith it shall be conclusive absent manifest error.

5.05 Indemnification. Each MANAGER, and the officers, directors and shareholders of any MANAGER which is a corporation in accordance with applicable law and the articles of organization, by-laws and other governing documents of such corporation, shall be entitled to indemnity from the LLC for any liability incurred and/or for any act performed by them within the scope of the authority conferred on them, by this Agreement, and/or for any act omitted to be performed except for their gross negligence or willful misconduct, which indemnification shall include all reasonable expenses incurred, including reasonable legal and other professional fees and expenses. The doing of any act or failure to do any act by a MANAGER, the effect of which may cause or result in loss or damage to the LLC, if done in good faith to promote the best interests of the LLC, shall not subject the MANAGER to any liability to the MEMBERS except for gross negligence or willful misconduct.

5.06 Other Activities. The MEMBERS, 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 MANAGERS of other limited liability companies and general partners of partnerships with purposes similar to those of the LLC. Neither the LLC nor any other MEMBER or MANAGER shall have any rights in or to such ventures or opportunities or the income or profits therefrom.

## **ARTICLE VI**

### **Fiscal Matters**

6.01 Books and Records. The MANAGER shall keep or cause to be kept complete and accurate books and records of the LLC, using the same methods of accounting which are used in preparing the federal income tax returns of the LLC to the extent applicable and otherwise in accordance with generally accepted accounting principles consistently applied. Such books and records shall be maintained and be available, in addition to any documents and information required to be furnished to the MEMBERS under the Act, at an office of the LLC for

examination and copying by any MEMBER or MANAGER, or such MEMBER's or MANAGER's duly authorized representative, at such MEMBER's or MANAGER's reasonable request and at such MEMBER's or MANAGER's expense during ordinary business hours. A current list of the full name and last known address of each MEMBER and MANAGER, a copy of this Agreement, any amendments thereto and the CERTIFICATE, including all certificates of amendment thereto, executed copies of all powers of attorney, if any, pursuant to which this Agreement, any amendment, the CERTIFICATE or any certificate of amendment has been executed, copies of the LLC's financial statements and federal, state and local income tax returns and reports, if any, for the three most recent years, shall be maintained at the registered office of the LLC required by Section 5 of the Act. Within 120 days after the end of each fiscal year of the LLC, each MEMBER shall be furnished with financial statements which shall contain a balance sheet as of the end of the fiscal year and statements of income and cash flows for such fiscal year. Any MEMBER may, at any time, at such MEMBER's own expense, may cause an audit or review of the LLC books to be made by a certified public accountant of such MEMBER's own selection.

6.02 Bank Accounts. Bank accounts and/or other accounts of the LLC shall be maintained in such banking and/or other financial institution(s) as shall be selected by the MANAGER and withdrawals shall be made and other activity conducted on such signature or signatures as shall be approved by the MANAGER.

6.03 Fiscal Year. The fiscal year of the LLC shall end on December of each year.

6.04 Tax Matters Partner. **Jeanine MacKenzie** is designated as the "tax matters partner." At any time and from time to time if there is more than one MANAGER which is eligible under the Code to be a "tax matters partner," a "tax matters partner" may be designated by the Approval of the MANAGER. The "tax matters partner" is hereby authorized to and shall perform all duties of a "tax matters partner" under the Code and shall serve as "tax matters partner" until such MANAGER's resignation or until the designation of such MANAGER's successor, whichever occurs sooner.

## **ARTICLE VII**

### **Transfers of Interests**

7.01 General Restrictions on Transfer.

(a) No MEMBER may Transfer all or any part of such MEMBER's interest as a MEMBER of the LLC or otherwise withdraw from the LLC except as provided in Section 7.02 or with the Approval of the MANAGER, which may be withheld for any reason or for no reason.

(b) Every Transfer of an interest as a MEMBER of the LLC permitted by this Article VII, including without limitation Transfers permitted by Sections 7.01(a), 7.02, 7.03, 7.04, shall nevertheless be subject to the following:

(i) No Transfer of any interest in the LLC may be made if such Transfer would cause or result in a breach of any agreement binding upon the LLC or of then applicable rules and

regulations of any governmental authority having jurisdiction over such Transfer. The MANAGER, acting by Approval, may require as a condition of any Transfer that the transferor assume all costs incurred by the LLC in connection therewith and furnish an opinion of counsel, satisfactory to the LLC both as to counsel and opinion, that the proposed Transfer complies with applicable law, including federal and state securities laws, and does not cause the LLC to be an investment company as such term is defined in the Investment Company Act of 1940, as amended.

(ii) The MANAGER shall require, as a condition to the admission to the LLC as a MEMBER of any transferee who is not otherwise a MEMBER, that such transferee demonstrate to the reasonable satisfaction of the MANAGER that such transferee is not then under indictment and has not at any time been convicted of a felony and either is a financially responsible Person or has one or more financially responsible Persons who have affirmatively assumed the financial obligations of the transferee under this Agreement, if any, on such transferee's behalf. In addition, a transferee of an interest pursuant to Section 7.02 or Section 7.03, who is not otherwise a MEMBER, shall not be admitted to the LLC as a MEMBER without the Approval of the MANAGER, which may be withheld for any reason or for no reason, and such a transferee who is not so admitted need not be recognized by the LLC for any purpose and shall be entitled only to the rights which are required under the Act to be afforded to a transferee who does not become a MEMBER.

(iii) Notwithstanding anything contained herein to the contrary, no interest as a MEMBER of the LLC shall be transferred if, by reason of such Transfer, the classification of the LLC as an LLC for federal income tax purposes would be adversely affected or jeopardized, or if such transfer would have any other substantial adverse effect for federal income tax purposes.

(iv) In the event of any Transfer, there shall be filed with the LLC a duly executed and acknowledged counterpart of the instrument implementing such Transfer. The transferee, if any, shall execute such additional instruments as shall be reasonably required by the MANAGER. If and for so long as such instruments are not so executed and filed, the LLC need not recognize any such Transfer for any purpose, and the transferee shall be entitled only to the rights which are required under the Act to be afforded to a transferee who does not become a MEMBER.

(v) Upon the admission or withdrawal of a MEMBER, this Agreement (including without limitation Schedule I hereto) and/or the CERTIFICATE shall be amended appropriately to reflect the then existing names and addresses of the MEMBERS and MANAGERS and their respective Percentage Interests.

(c) A transferor of an interest as a MEMBER of the LLC shall, if the transferee is a MEMBER hereunder or if the transferee becomes a MEMBER pursuant to the provisions of this Agreement, be relieved of liability under this Agreement with respect to the transferred interest arising or accruing on or after the effective date of the Transfer (unless such transferor affirmatively assumes liability as provided in Section 7.01(b) (ii)).

(d) Any Person who acquires in any manner whatsoever an interest (or any part thereof) in the LLC, whether or not such Person has accepted and assumed in writing the terms and

provisions of this Agreement or been admitted into the LLC as a MEMBER as provided in Section 7.01(b), shall be deemed, by acceptance of the acquisition thereof, to have agreed to be subject to and bound by all of the obligations of this Agreement with respect to such interest and shall be subject to the provisions of this Agreement with respect to any subsequent Transfer of such interest.

(e) Any Transfer in contravention of any of the provisions of this Agreement shall be null and void and ineffective to transfer any interest in the LLC, and shall not bind, or be recognized by, or on the books of, the LLC, and any transferee or assignee in such transaction shall not be or be treated as or deemed to be a MEMBER for any purpose. In the event any MEMBER shall at any time Transfer an interest in the LLC in contravention of any of the provisions of this Agreement, then each other MEMBER shall, in addition to all rights and remedies at law and equity, be entitled to a decree or order restraining and enjoining such transaction, and the offending MEMBER shall not plead in defense thereto that there would be an adequate remedy at law; it being expressly hereby acknowledged and agreed that damages at law would be an inadequate remedy for a breach or threatened breach of the violation of the provisions concerning such transaction set forth in this Agreement.

7.02 Permitted Transfers. The following Transfers shall be permitted without the Approval of the MANAGER otherwise required under Section 7.01(a) above, but such permitted Transfers shall in any event be subject to Sections 7.01(b)-(e) hereof:

(a) An interest as a MEMBER of the LLC may be Transferred from time to time as a part of any proceeding under the present or any future federal bankruptcy act or any other present or future applicable federal, state, or other statute or law relating to bankruptcy, insolvency, or other relief for debtors, and subject to the requirements and provisions thereof.

(b) An interest as a MEMBER of the LLC may be Transferred from time to time to any Legal Representative(s) and/or Affiliate(s) and/or MEMBER(S) of the Immediate Family of the transferring MEMBER.

#### 7.03 Right of First Refusal.

(a) A MEMBER may Transfer the whole or any portion of such MEMBER's interest as a MEMBER of the LLC without the Approval of the MANAGER otherwise required under Section 7.01(a) above (and such Transfer shall be a permitted Transfer in addition to those permitted under Section 7.02 and shall in any event be subject to Sections 7.01(b)-(e) hereof) if such MEMBER (the "Offering MEMBER") first obtains a Bona Fide Offer for the purchase of the entire interest to be Transferred and makes the interest which is the subject of the Bona Fide Offer available to the other MEMBERS on a first refusal basis upon the same terms and provisions as set forth in such Bona Fide Offer, in the manner hereinafter set forth.

(b) The Offering MEMBER shall furnish a true and complete copy of the Bona Fide Offer to each other MEMBER, together with full and fair disclosure of any material information available as to the proposed transaction and the parties thereto, and the other MEMBERS shall have a period of sixty days thereafter within which to elect, by written notice to the Offering

MEMBER (the "Exercise Notice"), to purchase the entire interest to be Transferred at the price (the "Purchase Price") and upon the terms set forth in the Bona Fide Offer. Each Exercise Notice shall contain a statement of the maximum percentage of the Offering MEMBER's interest which the MEMBER giving such notice wishes to purchase, and if such amounts do not total at least 100% of the Offering MEMBER's interest which is the subject of the Bona Fide Offer, then no MEMBER shall have the right to purchase any interest of the Offering MEMBER.

(c) If there shall be a dispute as to the amount of the Offering MEMBER's interest which any MEMBER(S) may purchase pursuant to Section 7.03(b), each MEMBER participating in any such purchase (a "Purchasing MEMBER") shall be entitled to purchase a pro rata amount of the Offering MEMBER's interest based upon the Percentage Interest of such Purchasing MEMBER in relation to the aggregate Percentage Interests held by all MEMBERS participating in such purchase, unless the Purchasing MEMBERS agree to purchase such interest based upon an allocation other than such pro rata allocation.

(d) If the interest of the Offering MEMBER is being purchased by one or more Purchasing MEMBERS, the closing shall take place at the principal office of the LLC on the date specified for such closing, and as otherwise specified, in the Exercise Notice of the Purchasing MEMBER who is purchasing the largest portion of such interest (which date shall not be earlier than ten nor more than thirty days after the delivery of such Exercise Notice to the Offering MEMBER). At the closing, the Purchase Price shall be paid by the Purchasing MEMBERS upon the terms set forth in the Bona Fide Offer and the Offering MEMBER shall execute and deliver such instruments as may be required to vest in the Purchasing MEMBERS (or the designee or designees thereof) the interest to be sold free and clear of all liens, claims and encumbrances. The Purchasing MEMBERS shall have the right to continue the business of the LLC after the closing and shall have the right to use any names used by the LLC in connection with its business. All information, trade secrets or confidential financial or other data of the LLC shall be the property of the LLC, and the Offering MEMBER shall not disclose or use to the detriment of the Purchasing MEMBERS any confidential information, trade secrets or confidential financial or other data of the LLC; provided, however, that the Offering MEMBER may make such disclosures as such Offering MEMBER reasonably believes may be required by law, regulation, or rule of any governmental authority or any court order or other legal process.

(e) If the interest of the Offering MEMBER shall not be purchased by Purchasing MEMBER(S) as aforesaid, the Offering MEMBER may sell such interest to the maker of the Bona Fide Offer, but only upon the terms and provisions originally set forth in the Bona Fide Offer, provided such sale satisfies the following requirements:

(i) Such sale is concluded within one hundred twenty days after the delivery to the offer of the Bona Fide Offer; and

(ii) The maker of the Bona Fide Offer shall enter into a valid and binding agreement the effect of which will be that any interest in the LLC which is so transferred shall continue to remain subject to the provisions of this Agreement with the same force and effect as if such Person had originally been a party hereto.

#### 7.04 Special Rules for MANAGERS.

(a) Sections 7.01, 7.02(a), 7.03, 7.05 and this Section 7.04, but not Section 7.02(b), shall apply to a MANAGER's interest as a MEMBER in the LLC.

(b) No MANAGER who is also a MEMBER may resign from, retire from, abandon or otherwise terminate such MANAGER's status as a MANAGER unless there is then at least one other MANAGER who is also a MEMBER.

7.05 Continuation of the LLC. Notwithstanding a Transfer or other withdrawal from the LLC of a MEMBER who is also a MANAGER, as to all of such MEMBER's interest as a MEMBER, the LLC shall not be dissolved and its affairs shall not be wound up, and it shall remain in existence as a limited liability company under the laws of the Commonwealth of Massachusetts, if the remaining MEMBERS, acting by Consent within ninety days thereafter, elect to continue the LLC and the business of the LLC and appoint, as of the date of such Transfer or withdrawal, one or more new such MANAGERS.

### **ARTICLE VIII**

#### **Dissolution and Termination**

8.01 Events Causing Dissolution. The LLC shall be dissolved and its affairs wound up upon:

(a) The sale or other disposition of all or substantially all of the assets of the LLC, unless the disposition is a transfer of assets of the LLC in return for consideration other than cash and, by Approval of the MANAGER, a determination is made not to distribute any such non-cash items to the MEMBERS;

(b) A Transfer or other withdrawal of a MEMBER who is also a MANAGER, as to all of such MEMBER's interest as a MEMBER, if there is no election pursuant to Section 7.05, to continue the LLC;

(c) The election to dissolve the LLC made in writing by the Approval of the MANAGER with the Consent of the MEMBERS;

(d) Any consolidation or merger of the LLC with or into any entity in which the LLC is not the resulting or surviving entity; or

(e) Upon the occurrence of an event specified under the laws of the Commonwealth of Massachusetts which would require dissolution, except that where, under the terms of this Agreement the LLC is not to terminate, then the LLC shall immediately be reconstituted and reformed on all the applicable terms, conditions, and provisions of this Agreement. The LLC shall not be dissolved upon the death, insanity, retirement, resignation, expulsion, bankruptcy, dissolution or occurrence of any other event which terminates the membership of a MEMBER, except as provided in Section 8.01(b).

8.02 Procedures on Dissolution. Dissolution of the LLC shall be effective on the day on which the event occurs, giving rise to the dissolution, but the LLC shall not terminate until the CERTIFICATE shall be canceled. Notwithstanding the dissolution of the LLC, prior to the termination of the LLC, as aforesaid, the business and the affairs of the LLC shall be conducted so as to maintain the continuous operation of the LLC pursuant to the terms of this Agreement. Upon dissolution of the LLC, the MANAGER acting by Approval, or if none, a liquidator elected by the Consent of the MEMBERS shall liquidate the assets of the LLC, apply and distribute the proceeds thereof under Section 4.02 of this Agreement, and cause the cancellation of the CERTIFICATE.

## **ARTICLE IX**

### **General Provisions**

9.01 Notices. Any and all notices under this Agreement shall be effective (a) on the fourth business day after being sent by registered or certified mail, return receipt requested, postage prepaid, or (b) on the first business day after being sent by express mail, telecopy, or commercial expedited delivery service providing a receipt for delivery. All such notices in order to be effective shall be addressed, if to the LLC at its registered office under the Act, if to a MEMBER at the last address of record on the LLC books, and copies of such notices shall also be sent to the last address for the recipient which is known to the sender, if different from the address so specified.

9.02 Word Meanings. The words such as "herein", "hereinafter", "hereof", and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The singular shall include the plural and the masculine gender shall include the feminine and neuter, and vice versa, unless the context otherwise requires.

9.03 Binding Provisions. Subject to the restrictions on transfers set forth herein, the covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the parties hereto, their heirs, Legal Representatives, successors and assigns.

9.04 Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, including the Act, as interpreted by the courts of the Commonwealth of Massachusetts, notwithstanding any rules regarding choice of law to the contrary.

9.05 Counterparts. This Agreement may be executed in several counterparts and as so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties have not signed the original or the same counterpart.

9.06 Separability of Provisions. Each provision of this Agreement shall be considered separable. If for any reason any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid, and if for any reason any provision or

provisions herein would cause the MEMBERS to be liable for or bound by the obligations of the LLC, such provision or provisions shall be deemed void and of no effect.

9.07 Section Titles. Section titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

9.08 Amendments. Except as otherwise specifically provided herein, including without limitation Section 7.01(b) (v), this Agreement may be amended or modified only with the Approval of the MANAGER and the Consent of the MEMBERS. Specifically, and without limiting the generality of the foregoing, this Agreement may be amended to provide for Capital Contributions from, distributions to and allocations of Profits and Losses to one or more additional classes of MEMBERS, with the Approval of the MANAGER and the Consent of the MEMBERS. Except as provided in Section 7.03, no MEMBER shall have any preemptive, preferential or other right with respect to the issuance or sale of any MEMBER's interests or any warrants, subscriptions, options or other rights with respect thereto.

9.09 Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter.

9.10 Waiver of Partition. Each MEMBER agrees that irreparable damage would be done to the LLC if any MEMBER brought an action in court to dissolve the LLC. Accordingly, unless otherwise expressly authorized in this Agreement, each MEMBER agrees that such MEMBER shall not, either directly or indirectly, take any action to require partition or appraisement of the LLC or of any of the assets or properties of the LLC, and notwithstanding any provisions of this Agreement to the contrary, each MEMBER (and such MEMBER's successors and assigns) accepts the provisions of the Agreement as such MEMBER's sole entitlement on termination, dissolution and/or liquidation of the LLC 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 such MEMBER's interest, in or with respect to, any assets or properties of the LLC; and each MEMBER agrees that such MEMBER will not petition a court for the dissolution, termination or liquidation of the LLC.

9.11 Survival of Certain Provisions. The MEMBERS acknowledge and agree that this Agreement contains certain terms and conditions which are intended to survive the dissolution and termination of the LLC, including, but without limitation, the provisions of Sections 2.05 and 5.05. The MEMBERS agree that such provisions of this Agreement which by their terms require, given their context, that they survive the dissolution and termination of the LLC so as to effectuate the intended purposes and agreements of the MEMBERS, shall survive notwithstanding that such provisions had not been specifically identified as surviving and notwithstanding the dissolution and termination of the LLC or the execution of any document terminating this Agreement, unless such termination document specifically provides for non-survival by reference to this Section 9.12 and to specific non-surviving provisions.



## **ARTICLE X**

### **Definitions**

The following defined terms used in this Agreement shall have the meanings specified below:

**"ACCOUNTANTS"** means such firm of independent certified public accountants as may be engaged from time to time by the LLC.

**"ACT"** means the Massachusetts Limited Liability Company Act, in effect at the time of the initial filing of the CERTIFICATE with the office of the Secretary of State of the Commonwealth of Massachusetts, and as thereafter amended from time to time.

**"ADJUSTED CAPITAL ACCOUNT DEFICIT"** means, with respect to any MEMBER, the deficit balance, if any, in such MEMBER's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) credit to such Capital Account any amounts which such MEMBER is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Regulations Section 1.704-1(b)(2) (ii) (d) (4), (5) and (6).

The foregoing definition is intended to comply with the provisions of Regulations Section 1.704-1(b) (2) (ii) (d) and shall be interpreted consistently therewith.

**"ADJUSTED CAPITAL CONTRIBUTION"** means a MEMBER's capital contribution to the LLC reduced by all distributions made to such MEMBER under Section 4.01.

**"AFFILIATED PERSON"** or **"AFFILIATE"** means, with reference to a specified Person, any (i) Person who owns directly or indirectly 10% or more of the beneficial ownership in such Person; (ii) one or more Legal Representatives of such Person and/or any Persons referred to in the preceding clause (i); (iii) entity in which any one or more of such Person and/or the Persons referred to in the preceding clauses (i) and (ii) owns directly or indirectly 10% or more of the beneficial ownership.

**"AGREEMENT"** means this Operating Agreement as it may be amended, supplemented, or restated from time to time.

**"APPROVAL"** or "Approved" means the written consent or approval of the MANAGER or, if there is then more than one, of a majority of the MANAGERS.

**"APPLICABLE FEDERAL RATE"** means the Applicable Federal Rate as that term is defined in Code Section 7872, whether the short-term, mid-term or long-term rate, as the case may be, as

published from time to time by the Secretary of the Treasury based on average market yields for relevant recent periods.

**"BANKRUPTCY"** means any of the following:

(i) If any MEMBER shall file a voluntary petition in bankruptcy, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state, or other statute or law relating to bankruptcy, insolvency, or other relief for debtors, or shall file any answer or other pleading admitting or failing to contest the material allegations of any petition in bankruptcy or any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief filed against such MEMBER, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, conservator, or liquidator of such MEMBER or of all or any substantial part of his, her or its properties or his, her or its interest in the LLC (the term "acquiesce" as used herein includes but is not limited to the failure to file a petition or motion to vacate or discharge any order, judgment, or decree within thirty days after such order, judgment or decree); or

(ii) If a court of competent jurisdiction shall enter in an order, judgment or decree approving a petition, file against any MEMBER seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state, or other statute or law relating to bankruptcy, insolvency, or other relief for debtors and such MEMBER shall acquiesce in the entry of such order, judgment, or decree, or if any MEMBER shall suffer the entry of an order for relief under title 11 of the United States Code and such order, judgment, or decree shall remain un-vacated and un-stayed for an aggregate of sixty days (whether or not consecutive) from the date of entry thereof, or if any trustee, receiver, conservator, or liquidator of any MEMBER or of all or any substantial part of such MEMBER's properties or such MEMBER's interest in the LLC shall be appointed without the consent or acquiescence of such MEMBER and such appointment shall remain un-vacated and un-stayed for an aggregate of sixty days (whether or not consecutive); or

(iii) If any MEMBER shall make an assignment for the benefit of creditors or take any other similar action for the protection or benefit of creditors.

**"BONA FIDE OFFER"** means an offer which complies with the following conditions:

(i) The offer shall be in writing and shall constitute an agreement legally binding on the offeror without any material conditions precedent or right on the part of the offeror to withdraw the offer within ninety days;

(ii) The offeror shall be a financially responsible Person;

(iii) The offer shall be for a purchase solely for cash payable all at the time of sale; and

(iv) The offeror shall be a Person who has no prohibited relationship with the Offering MEMBERS. A "prohibited relationship" is any relationship of any kind whereby any Offering MEMBERS (and/or any Affiliates of any Offering MEMBERS) directly or indirectly has, or will have after the closing of the transaction, a financial interest greater than 10% in the offeror or the purchasing Person. For this purpose Affiliate shall include, in addition to the Persons specified in the definition thereof, as clause (iv) in such definition, all beneficial owners of the specified Person and all individuals related by blood or marriage to such beneficial owners.

**"BOOK VALUE"** means, with respect to any asset of the LLC, such asset's adjusted basis for federal income tax purposes, except that:

(i) the initial Book Value of any asset contributed by a MEMBER to the LLC shall be the gross fair market value of such asset (not reduced for any liabilities to which it is subject or which the LLC assumes), as such value is determined and for which credit is given to the contributing MEMBER under this Agreement;

(ii) the Book Value of all assets of the LLC shall be adjusted to equal their respective gross fair market values, as determined by Approval of the MANAGER, at and as of the following times:

(a) the acquisition of an additional or new interest in the LLC by a new or existing MEMBER in exchange for other than a de minimis capital contribution by such MEMBER, if the MANAGER acting by Approval reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the MEMBERS;

(b) the distribution by the LLC to a MEMBER of more than a de minimis amount of any asset of the LLC (including cash or cash equivalents) as consideration for all or any portion of an interest in the LLC, if the MANAGER acting by Approval reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the MEMBERS;

(c) the liquidation of the LLC within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); and

(iii) the Book Value of the assets of the LLC shall be increased (or decreased) to reflect any adjustment to the adjusted basis for such assets pursuant to Section 734(b) or Section 743(b) of the Code, but only to the extent such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Book Value shall not be adjusted pursuant to this clause (iii) to the extent that the MANAGER, acting by Approval, determines that an adjustment pursuant to clause (ii) hereof is necessary or appropriate in connection with the transaction that would otherwise result in an adjustment pursuant to this clause (iii).

If the Book Value of an asset has been determined or adjusted pursuant to the preceding clauses (i), (ii) or (iii), 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, and the

(iv) The offeror shall be a Person who has no prohibited relationship with the Offering MEMBERS. A "prohibited relationship" is any relationship of any kind whereby any Offering MEMBERS (and/or any Affiliates of any Offering MEMBERS) directly or indirectly has, or will have after the closing of the transaction, a financial interest greater than 10% in the offeror or the purchasing Person. For this purpose Affiliate shall include, in addition to the Persons specified in the definition thereof, as clause (iv) in such definition, all beneficial owners of the specified Person and all individuals related by blood or marriage to such beneficial owners.

**"BOOK VALUE"** means, with respect to any asset of the LLC, such asset's adjusted basis for federal income tax purposes, except that:

(i) the initial Book Value of any asset contributed by a MEMBER to the LLC shall be the gross fair market value of such asset (not reduced for any liabilities to which it is subject or which the LLC assumes), as such value is determined and for which credit is given to the contributing MEMBER under this Agreement;

(ii) the Book Value of all assets of the LLC shall be adjusted to equal their respective gross fair market values, as determined by Approval of the MANAGER, at and as of the following times:

(a) the acquisition of an additional or new interest in the LLC by a new or existing MEMBER in exchange for other than a de minimis capital contribution by such MEMBER, if the MANAGER acting by Approval reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the MEMBERS;

(b) the distribution by the LLC to a MEMBER of more than a de minimis amount of any asset of the LLC (including cash or cash equivalents) as consideration for all or any portion of an interest in the LLC, if the MANAGER acting by Approval reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the MEMBERS;

(c) the liquidation of the LLC within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); and

(iii) the Book Value of the assets of the LLC shall be increased (or decreased) to reflect any adjustment to the adjusted basis for such assets pursuant to Section 734(b) or Section 743(b) of the Code, but only to the extent such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Book Value shall not be adjusted pursuant to this clause (iii) to the extent that the MANAGER, acting by Approval, determines that an adjustment pursuant to clause (ii) hereof is necessary or appropriate in connection with the transaction that would otherwise result in an adjustment pursuant to this clause (iii).

If the Book Value of an asset has been determined or adjusted pursuant to the preceding clauses (i), (ii) or (iii), 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, and the

amount of the adjustment shall thereafter be taken into account as gain or loss from the distribution of such asset for purposes of computing Profits or Losses.

**"CAPITAL ACCOUNT"** shall mean a capital account maintained and adjusted in accordance with the Code and the Regulations, including the Regulations under Sections 704(b) and (c) of the Code. The Capital Account of each MEMBER shall be:

(i) credited with all payments made to the LLC by such MEMBER on account of capital contributions (and as to any property other than cash or a promissory note of the contributing MEMBER, the agreed (as between the MEMBERS) fair market value of such property, net of liabilities secured by such property and assumed by the LLC or subject to which such contributed property is taken) and by such MEMBER's allocable share of Profits and items in the nature of income and gain of the LLC;

(ii) charged with the amount of any distributions to such MEMBER (and as to any distributions of property other than cash or a promissory note of a MEMBER or the LLC, by the agreed fair market value of such property, net of liabilities secured by such property and assumed by such MEMBER or subject to which such distributed property is taken), and by such MEMBER's allocable share of Losses and items in the nature of losses and deductions of the LLC;

(iii) adjusted simultaneously with the making of any adjustment to the Book Value of the LLC's assets pursuant to the definition thereof, to reflect the aggregate net adjustments to such Book Value as if the LLC recognized Profit or Loss equal to the respective amount of such aggregate net adjustments immediately before the event causing such adjustments; and

(iv) otherwise appropriately adjusted to reflect transactions of the LLC and the MEMBERS.

**"CAPITAL CONTRIBUTION"** means the amount of cash and the value of any other property contributed to the LLC by a MEMBER.

**"CERTIFICATE"** means the CERTIFICATE of Organization creating the LLC, as it may, from time to time, be amended in accordance with the Act.

**"CODE"** means the Internal Revenue Code of 1986, as amended from time to time and any subsequent federal law of similar import.

**"CONSENT"** means the written consent or approval of more than 50% in interest, based on Percentage Interests held as MEMBERS, of those MEMBERS entitled to participate in giving such Consent, and if more than one class of MEMBERS is so entitled then more than 50% shall be so required with respect to each such class.

**"DEPRECIATION"** means, for each year or other 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 an asset differs

from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount that bears the same relationship to the Book Value of such asset as the depreciation, amortization, or other cost recovery deduction computed for tax purposes with respect to such asset for such period bears to the adjusted tax basis for such asset, or if such asset has a zero adjusted tax basis, Depreciation shall be determined with reference to the initial Book Value of such asset using any reasonable method selected by Approval of the MANAGER, but not less than depreciation allowable for tax purposes for such year.

**"EXERCISE NOTICE"** shall have the meaning given in Section 7.03.

**"IMMEDIATE FAMILY"** (i) with respect to any individual, means his ancestors, spouse, issue, spouses of issue, any trustee or trustees, including successor and additional trustees, principally for the benefit of any one or more of such individuals, and any entity or entities all of the beneficial owners of which are such trusts and/or such individuals, but (ii) with respect to a Legal Representative, means the Immediate Family of the individual for whom such Legal Representative was appointed and (iii) with respect to a trustee, means the Immediate Family of the individual with respect to whom the principal beneficiaries are MEMBERS of the Immediate Family.

**"LLC"** means the limited liability company formed pursuant to the CERTIFICATE and this Agreement, as it may from time to time be constituted and amended.

**"LEGAL REPRESENTATIVE"** means, with respect to any individual, a duly appointed executor, administrator, guardian, conservator, personal representative or other legal representative appointed as a result of the death or incompetency of such individual.

**"LOSSES"** shall have the meaning provided below under the heading "Profits and Losses."

**"MANAGER"** shall refer to the Person named as MANAGER in this Agreement and any Person who becomes an additional, substitute or replacement MANAGER as permitted by this Agreement, in each such Person's capacity as a MANAGER of the LLC. "MANAGERS" shall refer collectively to the Person named as MANAGER in this Agreement and any Person who becomes an additional, substitute or replacement MANAGER as permitted by this Agreement, in each such Person's capacity as a MANAGER of the Partnership.

**"MEMBER"** shall refer severally to the Persons named as MEMBERS in this Agreement and any Person who becomes an additional, substitute or replacement MEMBER as permitted by this Agreement, in each such Person's capacity as a MEMBER of the LLC. "MEMBERS" shall refer collectively to the Persons named as MEMBERS in this Agreement and any Person who becomes an additional, substitute or replacement MEMBER as permitted by this Agreement, in each such Person's capacity as a MEMBER of the Partnership.

**"MINIMUM GAIN"** shall have the meaning given in Regulations Section 1.704-2(d).

**"NONRECOURSE DEDUCTIONS"** shall have the meaning given in Regulations Section 1.704-2(b)(1).

**"OFFERING MEMBER"** shall have the meaning given in Section 7.03.

**"PARTNER MINIMUM GAIN"** shall mean "MEMBER nonrecourse debt minimum gain" as set forth in Regulations Section 1.704-2(i)(3).

**"PARTNER NONRECOURSE DEBT"** shall have the meaning given in Regulations Section 1.704-2(b)(4).

**"PARTNER NONRECOURSE DEDUCTIONS"** shall have the meaning given in Regulations Section 1.704-2(i)(2).

**"PERCENTAGE INTEREST"** shall be the percentage interest of a MEMBER set forth in Schedule I, as amended from time to time.

**"PERSON"** means any natural person, partnership (whether general limited), limited liability company, trust, estate, association or corporation.

**"PROFITS AND LOSSES"** means, for each year or other period, an amount equal to the LLC's taxable income or loss for such 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):

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

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

(iii) Gain or loss from a disposition of property of the LLC with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the book value of such property, rather than its adjusted tax basis;

(iv) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing taxable income or loss, there shall be taken into account the Depreciation on the assets for such fiscal year or other period; and

(v) Any items which are separately allocated pursuant to Sections 4.05 and/or 4.06 which otherwise would have been taken into account in calculating Profits and Losses pursuant to the above provisions shall not be taken into account and, as the case may be, shall be added to or deducted from such amounts so as to be not part of the calculation of the Profits or Losses.

If the LLC's taxable income or loss for such year, as adjusted in the manner provided above, is a positive amount, such amount shall be the LLC's Profits for such year; and if negative, such amount shall be the LLC's Losses for such year.

**"PURCHASE PRICE"** shall have the meaning given in Section 7.03.

**"PURCHASING MEMBER"** shall have the meaning given in Section 7.03.

**"REGULATIONS"** means the Regulations promulgated under the Code, and any successor provisions to such Regulations, as such Regulations may be amended from time to time.

**"TERMINATING CAPITAL TRANSACTION"** means a sale or other disposition of all or substantially all of the assets of the Partnership.

**"TRANSFER"** and any grammatical variation thereof shall refer to any sale, exchange, issuance, redemption, assignment, distribution, encumbrance, hypothecation, gift, pledge, retirement, resignation, transfer or other withdrawal, disposition or alienation in any way as to any interest as a MEMBER. Transfer shall specifically, without limitation of the above, include assignments and distributions resulting from death, incompetency, Bankruptcy, liquidation and dissolution.

The definitions set forth in the Act shall be applicable, to the extent not inconsistent herewith, to define terms not defined herein and to supplement definitions contained herein.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement under seal as of the day and year first above written.

MANAGERS:

  
\_\_\_\_\_  
JEANINE MACKENZIE

MEMBERS:

  
\_\_\_\_\_  
JEANINE MACKENZIE



SCHEDULE A

FOR THE OPERATING AGREEMENT  
OF  
BEACHGRASS TOPICALS, **LLC**

Name and Addresses of Members	Percentage Interest	Capital Contribution
Jeanine MacKenzie 35 Bayhead Shores Road Buzzards Bay, MA 02532	<u>100%</u>	\$1000.00



Commonwealth of Massachusetts  
Department of Revenue  
Geoffrey E. Snyder, Commissioner

mass.gov/dor

Letter ID: L1873947968  
Notice Date: February 19, 2021  
Case ID: 0-001-099-179



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



BEACHGRASS TOPICALS LLC  
3103 CRANBERRY HWY # F  
EAST WAREHAM MA 02538-1366

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

The Commissioner of Revenue certifies that, as of the date of this certificate, BEACHGRASS TOPICALS 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, 9:00 a.m. to 4:00 p.m..

### ***Visit us online!***

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



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

William Francis Galvin  
Secretary of the  
Commonwealth

February 19, 2021

TO WHOM IT MAY CONCERN:

I hereby certify that a certificate of organization of a Limited Liability Company was filed in this office by

**BEACHGRASS TOPICALS, LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **March 28, 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:  
**JEANINE MACKENZIE**

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **JEANINE MACKENZIE**



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

*William Francis Galvin*

Secretary of the Commonwealth

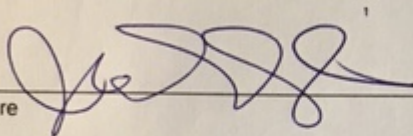
**BeachGrass Topicals  
Department of Unemployment  
Affidavit**

I, Jeanine MacKenzie, certify that BeachGrass Topicals is unable to register with the Department of Unemployment Assistance until we hire employees. No one has been hired at this time.

I affirm and certify that all information provided within is true, accurate and made voluntarily.

JEANINE M. MACKENZIE

Printed Name

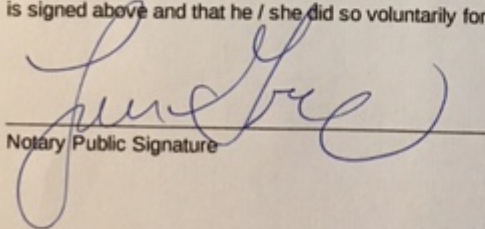


Signature

**Authentication By Notary Public**

On the 28<sup>th</sup> Day of March 2021, before me, the undersigned  
notary public, personally appeared, Jeanine MacKenzie

Proved to me through satisfactory evidence of identification to be the person whose name  
is signed above and that he / she did so voluntarily for its stated purpose.



Notary Public Signature

NOTARY PUBLIC SEAL / STAMP



JENNA F. GRAZIANO  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires October 30, 2026

BeachGrass Topicals, as per 500.105 shall obtain and maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, and product liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, except as provided in 935 CMR 500.105(10)(b) or otherwise approved by the Commission.

The deductible for each policy shall be no higher than \$5,000 per occurrence.



Fiercely Committed.  
Proudly Independent.

TEL 617 471 7171 / TF 800 972 5381  
FAX 617 471 7180 / TF 888 628 1906  
EMAIL [info@xsbrokers.com](mailto:info@xsbrokers.com)

WEB  
[xsbrokers.com](http://xsbrokers.com)

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## Insurance Quotation

Date: October 13, 2020

To: Helena Amorim  
Insurance Agency Of Cape Cod, Inc.  
Fax: (508) 833-0909

From: Sean McVicker  
Phone: 617-890-4277  
Fax: 617-471-7180  
Email: [smcvicker@xsbrokers.com](mailto:smcvicker@xsbrokers.com)

Re: Insured: BeachGrass Topicals

Effective Date: 10/9/2020

**We want to build a strategic partnership with you! Consult with us about the value we can deliver to your Agency.**

**-Strong "A" rated Carrier relationships that we leverage for you**

**-Dedicated & professional underwriting experts**

**-A focus on Client relationships**

**-Technology that flexes with how you want to work**

**...we are the obvious choice for your E&S business! Thank you.**

**COMMISSION: 10%**

XS BROKERS  
**Insurance Quotation**  
Reference #: 1303047A -Sean McVicker

**Date:** October 13, 2020

**XS Client:** Insurance Agency Of Cape Cod, Inc.  
PO Box 1053  
Sandwich, MA 02563

**Insured:** BeachGrass Topicals  
35 Bayhead Shores Road  
Buzzards Bay, MA 02532

**Location Address:** 35 Bayhead Shores Road , Buzzards Bay, MA 02532

**Insurer:** Admiral Insurance Company AM Best rating: A+  
Non-Admitted

**Policy Period:** 10/9/2020 TO 10/9/2021

**Coverage:** Commercial General Liability **Term:** 12 Months

**12:01 A.M. STANDARD TIME AT THE LOCATION ADDRESS OF THE NAMED INSURED. THIS INSURANCE QUOTATION WILL BE TERMINATED AND SUPERSEDED UPON DELIVERY OF THE BINDER OR FORMAL POLICY(IES) ISSUED TO REPLACE IT.**

**Limits Of Liability:** \$2,000,000 Aggregate  
\$1,000,000 Per Occurrence  
See Attached TERMS & CONDITIONS for Add'l Limits / Coverages

**Policy Form:** Occurrence

**Deductible:** \$5,000 Per Claim - BI & PD Combined, Including LAE

**Premium** \$5,000.00

**Taxes** \$200.00

**Policy Fee** \$150.00

**Total** **\$5,350.00**

**TRIA: If the insured desires Terrorism Coverage, add an additional premium of \$250.00 plus applicable state tax of \$10.00.**

**Subject To:**

To Bind, We Require:

- Premium Payment Due within 20 days from the effective date of coverage.
- If financing premium through XS Brokers, signed finance agreement and deposit due within five (5) days of binding coverage
- Signed & Dated Acord 125 & 126 Application
- Completed TRIA
- Completed Affidavit
- Copy of all State & Local Licenses
- Written Request to Bind Coverage

Note:

Policy Fee(s) are billed separately by XS Brokers and are in addition to any premiums outlined on the attached terms and conditions

**Terms / Conditions:**

**25 %MINIMUM EARNED PREMIUM AT INCEPTION.**

This proposal expires 30 days from the issue date listed below or the policy expiration date, whichever comes first, and should be reconfirmed after that time. This proposal is based on the underwriting and rating information in the application provided by you. The coverage and terms being offered may not be the same or as broad as requested in your application. Please review carefully and advise us immediately if you have any questions.

Thank you for the opportunity to help you service your clients needs. We look forward to receiving your order.

**UNDERWRITING CONTACT: Sean McVicker**

**ACCOUNT EXECUTIVE: Chris Alicea**

**CLAIMS CONTACT: Cindy Siegel-Keily**

**INSURED: BeachGrass Topicals**

**DATE QUOTED: October 13, 2020**

Chris Alicea

Reference #: 1303047A



**Form BR-7****AFFIDAVIT BY ASSURED**Affidavit #   2020  

I/We **BeachGrass Topicals, ,** do hereby state that on **10/9/2020**, I/We directed **Insurance Agency Of Cape Cod, Inc.** my/our insurance broker, to obtain insurance against certain risks as described herein. My/Our Insurance Broker informed us that the required insurance could not be obtained from, or would not be written by, companies licensed or admitted to transact business in the Commonwealth of Massachusetts.

I/We, the Assured, was/were informed that the type and amount of insurance shown below could be obtained from certain insurers not admitted to transact business in the Commonwealth. I/We was/were further informed:

- A. The surplus lines insurer with whom the insurance was placed is not licensed in this state and is not subject to Massachusetts regulations.  
 B. In the event of the insolvency of the surplus lines insurer, losses will not be paid by the state insurance guaranty fund.

Signature by Assured: \_\_\_\_\_  
 Print Name: BeachGrass Topicals  
 Date: 10/9/2020

**THIS PORTION MUST BE COMPLETED AND SIGNED BY THE ORIGINAL BROKER**

Name of Insured: **BeachGrass Topicals**  
 Address: **35 Bayhead Shores Road Buzzards Bay MA 02532**

Location: **35 Bayhead Shores Road Buzzards Bay MA 02532**  
 Description: **Manufacturing - Miscellaneous**  
 Coverage: **Commercial General Liability**  
 Premium: **\$5,000.00**  
 Tax: **\$200.00**

I/We hereby verify that I/We explained to the insured and it was acknowledged that he/she understood such.

License #: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: 10/9/2020

A copy of this affidavit must be kept in the original broker's file and a copy must be given to the assured at the time said copy was completed by him/her.

**AFFIDAVIT BY SPECIAL BROKER**

I, **Adam W Devine** of **XS Brokers Insurance Agency**, in said county of **Norfolk** depose and say that I was engaged directly by the Assured named herein or informed by the Assured's Insurance licensed Agent.Broker that after diligent efforts, he/she is unable to procure in companies admitted to do business in this Commonwealth the amount and or type of insurance necessary to protect the insurable interests described above. This Affidavit is made to comply with the requirements of Section 168 of 175 of the General Laws, and to authorize me as a licensed special insurance broker under said section to procure insurance for said insurable interests beyond that which companies admitted to do business in the Commonwealth are willing to write thereon. The following companies or groups are among those which have accepted all or part thereof:

Company	Premium	NAIC	Policy#
Admiral Insurance Company	\$5,000.00	As On File	TBI

Amendments to Affidavit: ( ) Increase ( ) Decrease

I hereby verify the foregoing statements and declare that they were made under the penalties of perjury.

License #: 1006733

Signature: 

Date: 10/9/2020

Original affidavit must be kept in the Special Brokers File and a copy filed with the Division of Insurance of the Commonwealth of Massachusetts within twenty days following date of procurement.

**XSBROKERS - BR7**

## **BeachGrass Business Plan**

### **Updated: March 2021**

#### **Mission Statement**

BeachGrass will become a licensed cannabis manufacturer and produce superior yet moderately priced cannabis infused topicals, while being kind to the earth and her inhabitants in the process.

- Provide affordable high-quality cannabis infused topicals
- Provide local jobs
- Be kind to the earth and her inhabitants

#### **Description of Company and Products**

Beach grass thrives at the intersection of land and sea; like our namesake, BeachGrass will thrive in the intersection of quality and affordability. We will produce high-quality cannabis infused topical products made from all natural and organic ingredients. We will wholesale to licensed cannabis dispensaries and retail stores in Massachusetts. BeachGrass will source their ingredients locally as much as possible. Our regulated ingredients will be sourced from licensed cannabis growers. We will be part of the regulated seed-to-sale state reporting program. BeachGrass will also process cannabis from licensed cannabis growers on-site for product ingredients and resale.

BeachGrass is led by CEO and founder Jeanine MacKenzie. Jeanine has over 30 years of business experience, especially in finance, administration, and office management. She founded her company because of her extremely positive experience with topical cannabis products. Although she was thrilled with the product, she was less than thrilled with the availability, quality, and cost of local topical cannabis products. She decided to create her own infused topical, made with quality ingredients that nourish your skin.

Jeanine started making her topical products at home with CBD oils made from hemp. When she shared her experience with topical cannabis with her friends and family, everyone wanted to try her products. Local dispensary managers and budtenders often told her they can't keep enough inventory of topicals. Jeanine saw a need in her community and an opportunity to provide products she truly believes in.

#### **A Problem Worth Solving**

Many consumers are tired of mass produced products made with the cheapest ingredients sold at the highest possible price points. Most seek brands they feel good about from a company they can trust. Many want products, especially food and topicals, made with real and organic ingredients. Although consumers will pay a premium for quality, they don't want to pay top dollar.

Modern consumers seek companies that look beyond the bottom line. They want companies that care about the larger picture by considering their customers needs and what is best for the earth and its inhabitants. These consumers are very brand loyal.

BeachGrass will aim to fill all these needs. We will create cannabis infused products with natural ingredients at an affordable price. It is our privilege to sell our products and serve the community.

BeachGrass will also always keep a kind eye towards the earth. We will ensure our products, processes, and wastes are clean, green, and sustainable. We will limit the amount of packaging used. We will minimize single-use plastics in all aspects of our business. This includes product production, product packaging, operations, and facilities management. BeachGrass will always seek the reusable, recyclable, or the most environmentally sound option.

## **Target Market and Segments**

Our target market is people who want natural and organic solutions. They are concerned with the environment as well as the ingredients and products they use on a daily basis. They truly care about their carbon footprint and make their purchase with that in mind. This market can be divided into two main segments: incidental and frequent consumers.

The first segment is our incidental or drop in customers that don't usually visit their local dispensary or retail store. These consumers will try a cannabis infused topical if they feel the need from time to time. If they find benefit from the topical product, they might decide to keep a topical handy for future use or might choose to use it on a regular basis

The second segment are people that are regular visitors to the dispensary or retail store. Many folks enjoy topical products on a daily basis but their options are often limited or don't include organic options. These folks want to feel good about the product they buy and want a product that isn't just infused with cannabis. They want a product that feels good on the skin, has high quality ingredients and they can feel good about buying it.

The vast majority of people buy cannabis based on recommendations from influencers or early adopters. Current cannabis market analysis shows that these discerning consumers:

- are willing to spend more for quality
- keep up with the latest technology
- care that products are locally grown and produced
- prefer local, natural, organic, and socially interested brands

There is a huge opportunity here for locally produced all natural cannabis infused products.

## **What differentiates BeachGrass?**

BeachGrass will create topicals that use only natural and organic ingredients. Small craft

batches will allow for greater quality control. All natural responsibly produced products are preferred by market influencers and sales staff. They will recommend BeachGrass products to customers.

BeachGrass will ensure that our products are responsibly packaged. We will aim to package products with sustainable, recycled, recyclable, or compost-able materials. We will use the minimum packaging allowed by regulations.

### **Competitors**

At this point, there are few Massachusetts licensed manufacturers focusing primarily on topical products. Most producers and growers focus on creating cannabis flower, concentrates, and tinctures before making topicals. BeachGrass will be an innovative leader in the cannabis infused topicals market.

Currently, the demand for CBD topicals is booming. Although products are widely available, people have valid concerns about safety and efficacy. There are several locally produced topical products made with CBD. However, consumers are more likely to trust products produced in the regulated market and sold in dispensaries. BeachGrass can benefit from the CBD explosion as consumers become more educated and seek products from licensed dispensaries.

### **Management Team**

Jeanine MacKenzie will serve as CEO and has extensive experience in business and finance. In the corporate world, Jeanine developed training documents, business processes, and communication plans for many project teams. One example was an international business development fund; Jeanine was in on the ground floor and helped create the internal procedures and the US and global communications. It was a complicated process and these communications needed to be detailed and informative. Her skills in developing procedures and effective communications will be key in this highly regulated industry.

Jeanine also has experience on the production side of the business. She has been perfecting her Topical recipes over the past couple of years using CBD infusions. These recipes will enable BeachGrass to have products available as soon as possible. This experience will enable Jeanine to create additional products.

Jeanine has developed a small loyal following of family and friends who swear by her CBD topicals derived from hemp. This initial customer base will follow BeachGrass as we transition to cannabis infused products.

Matt Hanson will serve as the Transportation and Special Projects Manager. Matt has served in many roles that will ensure his success in this role. He spent 4 years active duty for the Army. Later, he taught English in South Korea for 7 years. He is currently a paraprofessional at Plymouth North High School and works to aid students who are part of Project GROWTH.

Matt will be working as an unpaid volunteer for BeachGrass until sales support additional expenditures on staff. Matt will work on a part time basis, until demand develops.

Liz Kabriel will serve as the Director of Operations. Liz worked in the consulting arena in the retail industry where in many cases, she needed to understand the entire business operation in order to successfully implement the solution. Liz also worked in Education for many years and obtained her masters degree in Education. Liz's experience in business and education will be essential as we set up our business operations and teach our new employees.

Kristie Souza will serve as the Director of Inventory and Warehouse Management. Kristie has worked as a Warehouse Traffic Manager for over 15 years. Kristie's experience will be extremely beneficial as we set up and organize our warehouse operations. Kristie also has managed large teams which will be helpful as we grow and build our team.

## **Analysis of BeachGrass**

### **Strengths**

Jeanine's business and CBD experience will help with product development. Her networking has already secured several retail outlets.

- BeachGrass' CEO has over 30 years in business management and operations
- Jeanine's personal experience motivates her mission and passion to succeed
- BeachGrass already has Non Binding Agreements (NBAs) with an existing dispensary and a planned dispensary
- BeachGrass has already secured a cultivator to ensure we will have the best possible raw materials to create our cannabis oils and infuse in our topical products
- Jeanine has been making topicals with hemp derived CBD oil with tremendous positive product feedback
- BeachGrass is accessible by public transportation

### **Weaknesses**

BeachGrass has the same challenges as other startups.

- We have only been in this space for a short time
- We will need to juggle everything as a small start up

### **Opportunities**

We are at the beginning of dispensaries development in Massachusetts. As a new industry, many dispensaries will not have experienced topical makers. We will be able to offer multiple products to dispensaries when they first open their doors. By providing this valuable service we will build confidence and trust in BeachGrass products.

### **Threats**

There are unique threats in the cannabis industry due to the regulations and business restrictions. Big businesses are starting to buy property zoned for cannabis business. Typically, obtaining and holding property is one of the primary challenges for new cannabis businesses. These larger facilities will be able to make many products more cheaply but of

inferior quality. BeachGrass will provide high quality products at a competitive price.

New cannabis markets often face shortages as growing facilities are developed. This can limit the availability of cannabis due to demand. BeachGrass will purchase cannabis directly from a growers cooperative and local dispensaries.

Further cost savings and supply chain stability are achieved by in-house processing. BeachGrass will create their own raw materials from raw cannabis flower. We will use a solventless extraction method, a rosin press. This method maintains the purity of the cannabis; no additional chemicals added to medicine.

### **Projected Growth**

BeachGrass will start small until we can confirm demand and grow our sales. We will grow mindfully, so we can remain flexible to changing market conditions. The cannabis market is changing rapidly as it develops. Things could be very different in a few years and BeachGrass will remain lean and agile to be flexible and adjust to changing market conditions. BeachGrass will always strive to hire local resources that live in Wareham first as part of their Host Community Agreement with the town.

	Year 1	Year 2	Year 3
Total Employees	7	10	15

### **Summary**

BeachGrass is positioned to become a leader in craft cannabis manufacturing in Massachusetts. Our passion is to create affordable all natural topicals and edibles to serve the emerging market. We have the experience and resources to create products that people can feel good about using. BeachGrass is committed to educating people and providing quality products. We will work with our community to provide local jobs, tax revenue, and volunteer leadership to local organizations. BeachGrass will, like our namesake, anchor our constituency in wellness and create a stable business for our community.

## **BeachGrass Topicals**

### **OPP - Energy Compliance Plan**

BeachGrass Topicals is committed to use energy and resources as efficiently as possible. BeachGrass will adopt policies and procedures for energy efficiency and conservation as required by the Commission and pursuant to 935 CMR 500.105(1)(p).

- BeachGrass will identify potential energy use reduction opportunities.
- BeachGrass will consider opportunities to use renewable energy.
- BeachGrass will consider strategies to reduce electric demand and engage with energy efficiency programs offered by the state.
- BeachGrass will also aim to use the most environmentally friendly materials as economically possible.
- BeachGrass will recycle all material possible.
- BeachGrass will also look to work with the builder for the facility to incorporate as many windows as possible to minimize the need for lights.
- BeachGrass will always look to use the most Energy Efficient products within our budget for Fridges, Cooktops, etc.
  - Will also aim to use second hand / thrift store finds as best as possible to furnish offices, locker and break room.
- BeachGrass will always aim to use the most environmentally sensitive products while still keeping the product affordable for our customers
  - This applies to our ingredients for our products as well as our cleaning products, office supplies and our choice in vendors
  - BeachGrass will always aim to maximize the use of all resources

## **BeachGrass Topicals**

### **OPP - Training for Employees**

1. BeachGrass will provide all employees with any and all training required by the Commission, including but not limited to job function training and Responsible Vendor Training. At a minimum, staff shall receive eight hours of on-going training annually.
2. All employees will be trained on the Metrc system to ensure 100% compliance.
3. The Director of Education will develop additional training as needed.
4. BeachGrass staff will be trained on all relevant facets of the organization via BeachGrass Operating Processes and Procedures - OPPs.
  - a. Production Methods
  - b. Security Plans
  - c. Prevention of Diversion
  - d. Proper Storage of Marijuana
  - e. Transportation of Marijuana
  - f. Inventory Management
  - g. Quality Control and Testing
  - h. Safe and Accurate Dispensing
  - i. Personnel Policies
  - j. Record Keeping
  - k. Safe Food Handling
  - l. Safety Plan for Manufacturing
  - m. Maintaining of Financial Records - only applies to Director Level and above
  - n. Qualifications and Trainings - only applies to Director Level and above
5. All employees will be trained and well versed in their area of expertise in the company.
6. All employees will be trained to produce topicals with the exception of the Delivery Driver.



## **BeachGrass Topicals**

### **OPP - Maintaining Financial Records**

Financial transactions and business records will be comprised of hard copy documents and electronic / computerized records of the following:

1. Assets and liabilities.
2. All monetary transactions.
3. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers.
4. Sales records including the quantity, form, and cost of marijuana products.
5. Salary and wages paid to each employee, stipend, executive compensation, bonus, benefit, or item of value paid to any person having direct or indirect control over the marijuana establishment.
6. BeachGrass will hire an accountant to ensure that we are following all proper rules of accounting and are maintaining proper records in accordance with all local, state, and federal requirements.

## **OPP - Record Keeping**

### **The Transfer, Acquisition, or Sale of Marijuana Products between Marijuana Establishments**

BeachGrass will follow all local, state, and Commission requirements for the transfer, acquisition and sale of marijuana products. Acquisition of Marijuana from another Marijuana Establishment (ME) shall follow the following procedures.

1. BeachGrass will work with local growers to obtain the best locally grown cannabis.
  - a. Once a verbal agreement has been made with an ME, BeachGrass will create a Purchase Order (PO) that will include:
    - i. ME Name and Contact Info
    - ii. Product Type - flower, concentrate, strain, and any other pertinent attributes about the product
    - iii. Quantity being purchased
    - iv. Price per unit
    - v. Delivery date
    - vi. Delivery location
    - vii. Company billing address
    - viii. Agreed payment terms (e.g. on delivery, in 30 days, etc.)
  - b. BeachGrass will then provide the ME with the PO with the expectation that this will be on the manifest and any subsequent invoices.
  - c. BeachGrass will ask for the PO number upon arrival of the product to check in item(s) and ensure all products have been received.
    - i. Any discrepancies should be addressed with ME Transporter and noted on the manifest.
    - ii. Products should be unpacked and logged as described in the OPP - Inventory Procedures incorporated herein.
    - iii. BeachGrass will ensure all Finished Marijuana and Marijuana Products will have a package tag using a seed-to-sale methodology in a form and manner to be approved by the Commission.

#### **Sale of Marijuana Products to other Marijuana Establishments (MEs)**

1. Once a BeachGrass Sales Representative has received a verbal agreement with a customer, an order form will be completed with the following information:
  - a. Order Number
  - b. ME Name and Contact Info
  - c. Customer PO Number (if applicable)
  - d. Product Type - topical, edible, and any other pertinent product attributes
  - e. Quantity purchased

- f. Price per unit
  - g. Delivery date
  - h. Delivery location
  - i. Company billing address
  - j. Agreed payment terms (e.g. on delivery, in 30 days, etc.)
- 2. The Order Form will then be sent to Shipping for Picking
  - a. The Products will be picked and loosely packed; any missing items or items that are not ready to be shipped should be noted on the order form; if adjustments, the order form should go back to Sales team for updating:
    - i. Once the order is rechecked by the shipping manager, the Order Form is then put in the system to generate a Shipping Manifest.
  - b. The products are shipped using the Manifest. The customer will sign for the merchandise.
  - c. Once the signed manifest is returned to the shipping office, the Shipping Manager will send it to Accounts Receivable for invoicing.

**BeachGrass Topicals**

**OPP – Personnel Policies**

**Employee Handbook**

***DRAFT***

***v. January 1, 2021***

## **Acknowledgement of Receipt of BeachGrass Topicals Employee Handbook**

I acknowledge that I have received a copy of the BeachGrass Topicals Employee Handbook (“Handbook”). I understand that I am responsible for reading and abiding by all policies and procedures in this Handbook, as well as all other policies and procedures of the Company.

I also understand that the purpose of this Handbook is to inform me of the Company’s policies and procedures, and that it is not a contract of employment. Nothing in this Handbook provides any entitlement to me or to any Company employee, nor is it intended to create contractual obligations of any kind. I understand that the Company has the right to change any provision of this Handbook at any time and that I will be bound by any such changes.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Full Name (please print)*

Please sign and date one copy of this acknowledgement and return it to your Human Resources contact or supervisor. Retain a second copy for your reference.

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## ***Preface***

This Employee Handbook (“Handbook”) is a compilation of personnel policies, practices and procedures currently in effect at BeachGrass Topicals (“Company” or “BGT”).

The Handbook is designed to introduce you to our Company policies, provide general guidelines on work rules, benefits and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment.

**This Employee Handbook is not a contract of employment, and does not create a contract of employment.** This Handbook does not create a contract, express or implied, guaranteeing you any specific term of employment, nor does it obligate you to continue your employment for a specific period of time. The purpose of the Handbook is simply to provide you with a convenient explanation of present policies and practices at the Company. This Handbook is an overview or a guideline. It cannot cover every matter that might arise in the workplace. For this reason, specific questions regarding the applicability of a particular policy or practice should be addressed to the Human Resources Department.

The Company reserves the right to modify any of our policies and procedures, including those covered in this Handbook, at any time. We will seek to notify you of such changes by email and other appropriate means. However, such a notice is not required for changes to be effective.



## **Part 1 – General Employment Policies and Practices**

### ***Equal Employment Opportunity***

The Company is an equal opportunity employer. We will extend equal opportunity to all individuals without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices.

### ***Employment Terms***

Employment is “at will,” meaning that you or the Company may end your employment at any time for any lawful reason. **This Employee Handbook is not a contract.** It does not create any agreement, express or implied, guaranteeing you any specific terms or conditions of employment. Nothing contained in this Handbook should be construed as creating a contract guaranteeing employment for any specific duration, nor does the Handbook obligate you to continue your employment for a specific period of time. Unless you have entered into an employment agreement that supersedes this document, either you or the Company may terminate the employment relationship at any time. The Handbook does not guarantee any prescribed process for discipline and discharge.

No manager or other representative of the Company, other than the Chief Executive Officer (CEO), has the authority to enter into any agreement guaranteeing employment for any specific period. No such agreement shall be enforceable unless it is in writing and signed by the CEO and the employee.

### ***Employment Classifications***

The following terms will be used to describe employment classifications and status:

#### **Exempt Employees**

Exempt employees are not subject to the overtime pay provisions of the federal Fair Labor Standards Act (FLSA). An exempt employee is one whose specific job duties and salary meet all of the requirements of the U.S. Department of Labor's regulations. In general, an exempt employee is one who is paid on a salary basis at not less than \$455 per week who holds an administrative, professional, or management position.

Certain outside sales persons and a few other job categories are also exempt. There are currently no sales positions at BeachGrass but this should be noted for future reference.

#### **Non-Exempt Employees**

Salaried employees who are not administrative, professional, or managerial employees (as defined by the U.S. Department of Labor) and many hourly employees are generally not exempt from the FLSA's overtime provisions.

## **Full-Time Employees**

Full-time employees are those who are regularly scheduled to work at least 40 hours per week that are not hired on a temporary basis.

## **Part-Time Employees**

Part-time employees are those who are regularly scheduled to work fewer than 40 hours per week that are not hired on a temporary basis. Part-time employees are not eligible for Company paid benefits.

## **Temporary Employees**

Employees hired for an interim period of time, usually to fill in for vacations, leaves of absence, or projects of a limited duration. Temporary employees are not eligible for Company paid benefits, except as required by law.

## ***Orientation and Training***

To help you become familiar with the Company and our way of doing things, BGT will provide an orientation and training session before you start your duties. You will need to take specific training as needed as it relates to your role and to understand how to operate safely and securely in our facility. Your safety and wellbeing is a priority and we will not allow anyone to work on our production floor until they have been properly trained by their respective supervisor.

In addition, the Company may periodically require additional training or educational programs to maintain proper credentials as directed by the Cannabis Control Commission (“The Commission”). Some programs may be voluntary, while others will be required.

## ***Background Checks***

The Company will require background checks on all personnel regardless of position as required by 935 CMR 500.101 There are four background authorization forms required: CORI Acknowledgement Form, IVES Form 4506-T, Disclosure and Acknowledgment Form, and Release Authorization Form.

1. **CORI Authorization Form** - All required individuals must sign and date page one and complete the “Subject Information” section on page two. A verifying employee must fill out the “Subject Verification” section on page two after reviewing at least one of the individual’s government-issued IDs. Page two must also be notarized by a notary public.
2. **IVES Form 4506-T** - Sections 1A-4 (if applicable) on page one must be completed by all required individuals. Page two is informational and does not require any information from the applicant. The individual 2 should list the tax form they filed on line 6 - please check off the box on line 6C. On line 9, the Commission requires the last three years of tax filings be listed. For example, if you have filed your 2017 taxes, please enter the following: 12/31/2015 – 12/31/2016 – 12/31/2017 in the spaces provided.
3. **Disclosure and Acknowledgment Form** - All required individuals must print their name, sign and date this page.

4. **Release Authorization Form** - All required individuals should fill in all fields on page one and page two must be notarized by a notary public.

### ***Immigration Law Applicable to All Employees***

The Company complies with the Immigration Reform and Control Act of 1986 by employing only U.S. citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of work to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (Form I-9). If you cannot verify your right to work in the United States within three (3) days of hire, the Company is required by law to terminate your employment.

### ***Hours of Work***

The workweek is generally from Monday through Saturday with normal operating hours from 8:30 to 5:30. Non Exempt employees get a 15 minute break in the morning, half hour for lunch and a 15 minute break in the afternoon. Exempt employees get an hour break to use as needed throughout the day – it is not expected that an employee will use that hour at the very beginning or the very end of the day unless prior approval has been requested and approved by a supervisor.

## ***Overtime***

Because of the nature of our business, your job may periodically require overtime work. If the Company requires that you work overtime, we will give you as much advance notice as possible. You should not work overtime hours without prior approval by your immediate supervisor or the designated manager.

Non Exempt employees who work more than 40 hours in one week are entitled to one and one-half times their base rate of pay for each hour of overtime worked.

Exempt employees generally are not entitled to additional pay for overtime but if you are required to work significant additional hours, your supervisor may grant you 'comp' time off equal to the accumulated overtime.

## ***Attendance and Punctuality***

It is important for you to report to work on time and to avoid unnecessary absences. The Company recognizes that illness or other circumstances beyond your control may cause you to be absent from work from time to time. However, frequent absenteeism or tardiness may result in disciplinary action, up to and including discharge. Excessive absenteeism or frequent tardiness puts an unnecessary strain on your co-workers and can have a negative impact on the success of the Company.

You are expected to report to work when scheduled. Whenever you know in advance that you are going to be absent, you should notify your immediate supervisor or the designated manager. If your absence is unexpected, you should attempt to reach your immediate supervisor as soon as possible, but in no event later than one hour before you are due at work. In the event your immediate supervisor is unavailable, you must speak with a manager. If you must leave a voicemail, you must provide a number where your supervisor may reach you if need be.

You are expected to be at your workstation at the beginning of each business day. If you are delayed, you must call your immediate supervisor to state the reason for the delay. As with absences, you must make every effort to speak directly with a manager. Regular delays in reporting to work will result in disciplinary action up to and including discharge.

## ***Inclement Weather***

The Company is open for business unless there is a government-declared state of emergency or unless you are advised otherwise by your supervisor. There may be times when we will delay opening, and on rare occasions, we may have to close. Use common sense and your best judgment when traveling to work in inclement weather.

If the Company's facilities are open and you are delayed getting to work or cannot get to work at all because of inclement weather, the absence will be charged to (1) personal/sick time, (2) vacation time, or (3) unpaid time off. You should always use your judgment about your own safety in getting to work.

When severe weather develops or is anticipated to develop during the day and a decision is made by the Company to close before 5:30 PM, you will be compensated as if you had worked to the end of your regularly scheduled hours for that day. If you elect to leave prior to the time the Company closes, you will be required to use personal/sick time or vacation time in an amount equal to the number of hours between the time you left and the time the office closed.

## ***Dress Code***

The current Company dress code is casual but employees should ensure that they are always clean, tidy and presentable. All BeachGrass Topicals Team Members that will be on the production floor will need to report directly to the locker room at the start of their shift to change into their appropriate attire. Each team member will be given a fresh chef's jacket or lab coat and clean cotton mask or mouth covering at the start of each shift. All team members will be given a pair of crocs to be worn while in the facility to minimize any outside contaminants. Team members will be given a comp of \$25 to purchase a pair of shoes of their choosing if they do not wish to wear crocs.

Torn jeans or other torn clothing are considered a hazard and should not be worn. Tee shirts with inappropriate verbiage or pictures are not considered appropriate casual attire. As always, please use common sense in your choice of attire.

It is the intent of this policy to comply with applicable state, local and federal laws prohibiting discrimination on the basis of color, race, religion, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information and any other status protected under such laws.

## ***Personnel Records***

It is important that the Company maintain accurate personnel records at all times. You are responsible for notifying your immediate supervisor or the Human Resources Department of any change in name, home address, telephone number, immigration status, or any other pertinent information. By promptly notifying the Company of such changes, you will avoid compromise of your benefit eligibility, the return of W-2 forms, or similar inconvenience.

## ***Performance Reviews, Salary Reviews***

You will have your first performance review at the end of your first 3 months of employment with the Company. Thereafter, performance reviews will normally be conducted annually on or about your anniversary date. All performance reviews will be completed in writing by your supervisor or manager on the form designated by the Company, and reviewed during a conference with you. Factors considered in your review include the quality of your job performance, your attendance, meeting the requirements of your job description, dependability, attitude, cooperation, compliance with Company employment policies, any disciplinary actions, and year-to-year improvement in overall performance. Compensation increases are given by the Company at its discretion in consideration of various factors, including your performance review.

## ***Internet Access***

Access to the Internet is given principally for work-related activities or approved educational/training activities. Incidental and occasional personal use and study use is permitted. This privilege should not be abused and must not affect the employee's performance of employment-related activities.

## **Right to Monitor**

The Company email and Internet system is at all times the property of the Company. By accessing the Internet, Intranet and electronic mail services through facilities provided by the Company, you acknowledge that the Company (by itself or through its Internet Service Provider) may from time to time monitor, log, and gather statistics on employee Internet activity and may examine all individual connections and communications. Please note that the Company uses email filters to block spam and computer viruses. These filters may from time to time block legitimate email messages.

## **Responsibilities and Obligations**

Employees may not access, download or distribute material that is illegal, or which others may find offensive or objectionable, such as material that is pornographic, discriminatory, harassing, or an incitement to violence.

You must respect and comply with copyright, trademark and similar laws, and use such protected information in compliance with applicable legal standards. When using web-based sources, you must provide appropriate attribution and citation of information to the websites. Software must not be downloaded from the Internet without the prior approval of qualified persons within the Company.

## **Violation of this Policy**

In all circumstances, use of Internet access and email systems must be consistent with the law and Company policies. Violation of this policy is a serious offense and, subject to the requirements of the law, may result in a range of sanctions, from restriction of access to electronic communication facilities to disciplinary action, up to and including termination.

## ***Email***

The email system is the property of the Company. All emails are archived on the server in accordance with our records retention policy, and all emails are subject to review by the Company. You may make limited use of our email system for matters involving your own personal business, so long as such use is kept to a minimum and does not interfere with your work.

The Company email system is Company property, and as such, is subject to monitoring. System monitoring is done for your protection and the protection of the rights or property of the provider of these services. Please consider this when conducting personal business using Company hardware and software.

Electronic mail is like any other form of Company communication and may not be used for harassment or other unlawful purposes. Your email account is a Company-provided privilege and is Company property. Remember that when you send email from the Company domain, you represent the Company whether your message is business-related or personal.

### **Confidentiality of Electronic Mail**

As noted above, electronic mail is subject at all times to monitoring, and the release of specific information is subject to applicable laws and Company rules, policies and procedures on confidentiality. Existing rules, policies and procedures governing the sharing of confidential information also apply to the sharing of information via commercial software.

### **Social Media**

The term “social media” includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else’s web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board, or a chat room, whether or not associated or affiliated with the Company, as well as any other form of electronic communication. The same principles and guidelines found in the Company rules, policies and procedures apply to an employee’s social media activities online.

Any conduct that adversely affects an employee’s job performance or the performance of fellow employees, or otherwise adversely affects the Company’s legitimate business interests, may result in disciplinary action, up to and including termination. Similarly, inappropriate postings, including but not limited to discriminatory remarks, harassment and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may result in disciplinary action, up to and including termination. However, this restriction will not apply to any postings made in the exercise of any rights granted to an employee by federal law.

### **Telephones**

Access to the Company telephone system is given principally for work-related activities or approved educational/training activities. Incidental and occasional personal use is permitted. This privilege should not be abused and must not affect the employee’s performance of employment-related activities. Telephone usage should be based upon cost-effective practices that support the Company’s mission and should comply with applicable rules and regulations.

To the extent possible, employees should make personal cell phone calls during their breaks or lunch times. The use of cameras on cell phones during work hours is prohibited to protect the privacy of the Company as well as of fellow employees. However, this restriction will not apply to any recordings made in the exercise of any rights granted to an employee by federal law.

The Company telephone system is at all times the property of the Company. By accessing the telephone system through facilities provided by the Company, you acknowledge that the Company has the right to monitor its telephone system from time to time to ensure that employees are using the system for its intended purposes.

The Company prohibits the use of hand-held cellular devices while driving. Employees must use a hands-free cellular device while driving as per Massachusetts state law should the use become a necessity in the course of employment. Sending and/or receiving text messages is expressly prohibited while operating any vehicle.

For sanitary reasons, employees shall not use their handheld devices while in the kitchen area or while handling the product in any stage of the process except for final delivery. Each employee will be given a clear carry bag and will have a shelf / hook / specific area designated for their phone so they will be able to hear it in case of emergencies. This is only while an employee is in contact with the product to ensure minimal exposure to bacteria, germs, etc.

### ***Smoking***

In order to provide a safe and comfortable working environment for all employees, smoking is strictly prohibited at all times inside any Company building.

### ***Drug-Free Workplace***

The Company takes the problem of drug and alcohol abuse seriously and is committed to providing a substance abuse-free workplace for its employees. Substance abuse of any kind is inconsistent with the behavior expected of our employees, subjects all employees and visitors to our facilities to unacceptable safety risks, and undermines our ability to operate effectively and efficiently.

### ***Substance Abuse***

The Company recognizes alcohol and drug abuse as potential health, safety and security problems. The Company expects all employees to assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances. Compliance with this substance abuse policy is made a condition of employment, and violations of the policy may lead to discipline and/or discharge.

All employees are prohibited from engaging in the unlawful manufacture, possession, use, distribution or purchase of illicit drugs, alcohol, or other intoxicants, as well as the misuse of prescription drugs on Company premises or at any time and any place during working hours. All employees are required to report to their jobs in appropriate mental and physical condition, ready to work.

Any violator of this substance abuse policy will be subject to disciplinary action up to and including termination of employment.

### ***Safety and Accident Rules***

Safety is a joint venture at the Company. We strive to provide a clean, hazard-free, healthy, safe environment in which to work, and we make every effort to comply with all relevant federal, state and local occupational health and safety laws, including the federal Occupational Safety and Health Act. As an employee, you have a duty to comply with the



safety rules of the Company, and you are expected to take an active part in maintaining this hazard-free environment. You must observe all posted safety rules, adhere to all safety instructions provided by your supervisor, and use safety equipment where required. Your workspace should be kept neat, clean and orderly. You are required to report any accidents or injuries – including any breaches of safety – and to promptly report any unsafe equipment, working condition, process or procedure to a supervisor. In addition, if you become ill or get injured while at work, you must notify your manager immediately. Failure to do so may result in a loss of benefits under the state workers' compensation law.

Failure to abide by the Company's safety and accident rules may result in disciplinary action, up to and including termination.

### ***Workplace Violence Prevention Policy***

As stated above, the Company is committed to the safety and security of our employees. Workplace violence presents a serious occupational safety hazard to our organization, staff, and clients.

Workplace violence includes any physical assault or act of aggressive behavior occurring where an employee performs any work-related duty in the course of his or her employment, including but not limited to an attempt or threat, whether verbal or physical, to inflict physical injury upon an employee; any intentional display of force which would give an employee reason to fear or expect bodily harm; intentional and wrongful physical contact with a person without his or her consent that entails some injury; or stalking an employee with the intent of causing fear of material harm to the physical safety and health of such employee when such stalking has arisen through and in the course of employment.

Acts of violence by or against any of our employees where any work-related duty is performed will be thoroughly investigated and appropriate action will be taken, including involving law enforcement authorities when warranted. All employees are responsible for helping to create an environment of mutual respect for each other as well as clients and visitors, following all policies, procedures and practices, and for assisting in maintaining a safe and secure work environment.

## **Part 2 – Anti-Discrimination & Harassment**

### ***Discrimination Is Prohibited***

The Company is an equal opportunity employer and makes all employment decisions without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, benefits, compensation and training. We seek to comply with all applicable federal, state and local laws related to discrimination and will not tolerate the interference with the ability of any of the Company's employees to perform their job duties.

The Company makes decisions concerning employment based strictly on an individual's qualifications and ability to perform the job under consideration, the comparative qualifications and abilities of other applicants or employees, and the individual's past performance within the organization.

If you believe that an employment decision has been made that does not conform with management's commitment to equal opportunity, you should promptly bring the matter to the attention of your immediate supervisor, designated manager, or Human Resources. Your complaint will be promptly, thoroughly and impartially investigated. There will be no retaliation against any employee who files a complaint in good faith, even if the result of the investigation produces insufficient evidence to support the complaint.

### ***Americans with Disabilities Act***

The federal Americans with Disabilities Act (ADA) prohibits discrimination against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, fringe benefits, job training, and other terms, conditions and privileges of employment. The ADA does not alter the Company's right to hire the best-qualified applicant, but it does prohibit discrimination against a qualified applicant or employee because of his or her disability, or because of a perceived disability. As a matter of Company policy, the Company prohibits discrimination of any kind against people with disabilities.

### ***Disabled Defined***

An applicant or employee is considered disabled if he or she (1) has a physical or mental impairment that substantially limits one or more major life activities; (2) has a record or past history of such an impairment; or (3) is regarded or perceived (correctly or incorrectly) as having such impairment.

A qualified employee or applicant with a disability is an individual who satisfies the requisite skill, experience, education and other job-related requirements of the position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of that position.

## **Workplace Harassment**

The Company is committed to providing a work environment that provides employees equality, respect and dignity. In keeping with this commitment, the Company has adopted a policy of “zero tolerance” with regard to employee harassment. Harassment is defined under federal law as unwelcome conduct that is based on race, color, religion, sex (including pregnancy, sexual orientation and gender identity), national origin, age (40 or older), disability or genetic information. Harassment becomes unlawful where: (1) enduring the offensive conduct becomes a condition of continued employment; or (2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive.

This policy applies to all aspects of your employment. Harassment of any other person, including, without limitation, fellow employees, contractors, visitors, clients or customers, whether at work or outside of work, is grounds for immediate termination. The Company will make every reasonable effort to ensure that its entire community is familiar with this policy and that all employees are aware that every complaint received will be promptly, thoroughly and impartially investigated, and resolved appropriately. The Company will not tolerate retaliation against anyone who complains of harassment or who participates in an investigation.

## **Sexual Harassment**

Sexual harassment is prohibited by federal, state and local laws, and applies equally to men and women. Federal law defines sexual harassment as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature, when the conduct: (1) explicitly or implicitly affects a term or condition of an employee’s employment; (2) is used as the basis for employment decisions affecting the employee; or (3) unreasonably interferes with an employee’s work performance or creates an intimidating, hostile or offensive working environment.

Such conduct may include, but is not limited to: subtle or overt pressure for sexual favors; inappropriate touching; lewd, sexually oriented comments or jokes; foul or obscene language; posting of suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons; and repeated requests for dates. Company policy further prohibits harassment and discrimination based on sex stereotyping. (Sex stereotyping occurs when one person perceives a man to be unduly effeminate or a woman to be unduly masculine and harasses or discriminates against that person because he or she does not fit the stereotype of being male or female.) The Company mandates reporting of all perceived incidents of sexual harassment, regardless of who the offender may be. Every employee is encouraged to raise any questions or concerns with his or her immediate supervisor, designated manager, or Human Resources.

## **Supervisors’ Responsibilities**

All managers are expected to ensure that the work environment is free from sexual and other harassment. They are responsible for the application and communication of this policy within their work areas. Managers should:

- Encourage employees to report any violations of this policy *before* the harassment becomes severe or pervasive.

- Make sure the Human Resources Department is made aware of any inappropriate behavior in the workplace.
- Create a work environment where sexual and other harassment is not permitted.

### ***Procedures for Reporting and Investigating Harassment***

Employees should report incidents of inappropriate behavior or sexual harassment as soon as possible after the occurrence. Employees who believe they have been harassed, regardless of whether the offensive act was committed by a manager, co-worker, vendor, visitor, or client, should promptly notify their immediate supervisor, designated manager, or Human Resources. If the employee's immediate supervisor is involved in the incident, the employee should report the incident to the Human Resources Department. The Company takes claims of harassment seriously, no matter how trivial a claim may appear. All complaints of harassment, sexual harassment, or other inappropriate sexual conduct will be promptly, thoroughly and impartially investigated by the Company.

The Company prohibits retaliation against any employee who files or pursues a harassment claim. To the extent possible, all complaints and related information will remain confidential, except to those individuals who need the information to investigate, educate, or take action in response to the complaint.

All employees are expected to cooperate fully with any ongoing investigation regarding a harassment incident. Employees who believe they have been unjustly charged with harassment can defend themselves verbally or in writing at any stage of the investigation. To protect the privacy of persons involved, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances.

Investigations may include interviews with the parties involved, and, where necessary, individuals who may have observed the alleged conduct or who may have relevant knowledge.

### ***Penalties for Violation of Anti-Harassment Policy***

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and take such action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include such other forms of disciplinary action (such as, for example, suspension), as the Company deems appropriate under the circumstances and in accordance with applicable law.

## **Part 3 – Compensation**

### ***Payroll Practices***

Employees are paid semi monthly on or about the 15<sup>th</sup> and the 30<sup>th</sup> of each month. If the regularly scheduled payroll date falls on a Saturday, the Company will attempt to deliver paychecks on Friday. If the regular payday falls on a Sunday, employees will be paid on Monday. When a payroll date falls on a holiday, employees will, when possible, be paid on the last business day before the holiday. Otherwise, employees will be paid on the first business day following the scheduled payroll date.

### ***Salary Deductions and Withholding***

The Company will withhold the following from your paycheck:

#### **Taxes**

Federal, state and local taxes, as required by law, as well as the required FICA (Social Security and Medicare) payments.

#### **Other Deductions**

None at this time

### ***Direct Deposit***

You may have your paycheck deposited directly into your bank account. You will be given the authorization form for deposit by your immediate supervisor, designated manager, or Human Resources.

## **Part 4 – Benefits**

### ***Workers' Compensation Insurance***

To provide for payment of your medical expenses and for partial salary continuation in the event of a work-related accident or illness, you are covered by workers' compensation insurance, provided by the Company and based on state regulations. The amount of benefits payable, as well as the duration of payments, depends upon the nature of your injury or illness. However, all medical expenses incurred in connection with an on-the-job injury or illness and partial salary payments are paid in accordance with applicable state law. If you are injured or become ill on the job, you must immediately report the injury or illness to your manager and the Human Resources Department. This ensures that the Company can help you obtain appropriate medical treatment. Your failure to follow this procedure may delay your benefits or may even jeopardize your receipt of benefits. Questions regarding workers' compensation insurance should be directed to the Human Resources Department.

### ***Free Gym Membership***

After 6 months of employment, all full time BeachGrass employees will get a free membership to Anytime Fitness, located at 3103 Cranberry Hwy, East Wareham, MA. Anyone interested in this benefit should request an application from their HR contact. This benefit will be paid in full, 100% by the Company.

## **Part 5 – Holidays, Vacation and Other Leave**

### ***Religious Observance***

Federal and state equal opportunity laws generally require employers to accommodate the religious beliefs of employees, but do not require them to provide paid leave. The Company respects your religious beliefs, however, and therefore, will provide (1) one day of paid leave to employees who, for religious reasons, must be away from the office on days of normal operation. Employees who require additional time off may use vacation or take unpaid leave. This leave must be requested through the department manager two weeks prior to the event.

### ***Vacation***

The Company recognizes the importance of vacation time in providing rest, recreation and personal enrichment. Vacations are established on a fiscal-year basis.

Full-time employees earn vacation time as follows:

1 <sup>st</sup> through 2 <sup>nd</sup> year of employment	Two (2) weeks
3 <sup>rd</sup> through 5th year of employment	Twelve (12) days
6th through 10th year of employment	Three (3)
weeks 11th year of employment and following	Four (4) weeks

Part-time employees earn vacation on a pro-rata basis. For example, an employee who works 30 hours per week will earn  $\frac{3}{4}$  of the amount of vacation a full-time employee earns, while an employee working one-half time earns one-half the vacation of a full-time employee.

### ***Accrual and Carryover***

Employees begin to accrue vacation time when they begin work for the Company. Employees may use their vacation at any time after the first 90 days of employment. Employees should not carry over vacation days from one year to the next. The Company understands that plans can change and sometimes taking a vacation or break might not work out for one reason or another. To encourage the team to take their vacation as it accrued, the Company will only allow teams to accrue 110% of their vacation if they do not use it all within the year it was accrued. Vacation accrual is capped at 110% of an employee's annual vacation accrual rate. Once the cap is reached, an employee will not be able to accumulate any more vacation until some of it is used and drops below the cap. After vacation goes below the cap, employees can begin accruing vacation again.

### ***Procedure***

You should submit requests for vacation time to your supervisor as soon as you know when you wish to schedule your vacation, but in no event less than two weeks prior to the time requested. Vacation requests are approved by your immediate supervisor. Vacation time is coordinated so that sufficient staff is available to provide adequate coverage at all times, and there may be Company-wide or department-specific "blackout dates," as necessary. Vacation requests are granted on a first-come, first-served basis. In the event of a conflict in vacation requests, your supervisor will consider the Company's staffing needs during the relevant period, as well as the length of service with the Company of the employees involved.

## ***Holiday Pay***

Full time employees are entitled to the following paid holidays:

New Year's Day  
Memorial Day  
Independence  
Day Labor Day  
Thanksgiving  
Day  
Christmas Day

## ***Personal Leave***

As of 2021, team members will need to use their vacation time for Personal Leave – we hope to increase benefits as we grow. Personal leave is considered the following:

- Medical and dental appointments for yourself or family members;
- Your personal illness, or that of a member of your family; or
- Personal business that cannot be tended to outside of work hours, e.g., a house closing.

## ***Notification Procedures***

When you are absent from work and your absence has not been previously scheduled, you must personally notify your immediate supervisor or manager as soon as you are aware that you will be late or unable to report to work. Leaving a voicemail or message with another staff member does not qualify as notifying your supervisor.

When absence is due to an extended illness, the Company reserves the right to require appropriate medical documentation. Such documentation includes the employee's name, the date and time the employee was seen, and if applicable, a specific instruction regarding the employee's incapacity to perform his or her job. Excessive absenteeism or tardiness can result in discipline, up to and including discharge. (Also see the section on Family & Medical Leave for extended leave situations.)

## ***Bereavement Leave***

Employees will receive 2 days of paid time off in the event of the death of a member of their immediate family. Immediate family includes spouses, domestic partners, children, parents, parents-in-law, brothers or sisters, and brothers-in-law or sisters-in-law. You are allowed one day of paid leave in the event of the death of an extended family member. Extended family includes grandparents, aunts and uncles, and other more distant relatives. Additional unpaid leave can be granted upon request.



## ***Military Service Leave***

Employees serving in the uniformed services, including the Army, Navy, Marine Corps, Air Force, Coast Guard and Public Health Service commissioned corps, as well as the reserve components of each of these services, may take unpaid military leave, as needed, to enable them to fulfill their obligations as servicemembers. Servicemembers must provide advance written or verbal notice to the Company for all military duty, unless giving notice is impossible, unreasonable, or precluded by military necessity. Employees should provide notice as far in advance as is reasonable under the circumstances. In addition, employees may, but are not required to, use accrued vacation or personal leave while performing military duty.

## ***Break Time for Nursing Mothers***

The federal Fair Labor Standards Act (FLSA) allows employees to take reasonable, unpaid break time to express breast milk as needed for up to one (1) year after the birth of a child. The Company will provide a place for the employee to express breast milk, other than a bathroom, that is shielded from view and free from intrusion from co-workers and the public. Employees will not be discharged or in any other manner discriminated against in exercising their rights under this policy.

## ***Civic Duty Leave***

### **Jury Duty**

The Company encourages employees to fulfill their civic duties. To that end, employees will be allowed leave to serve on a jury, if summoned. We request that you give us a copy of your summons notice as soon as you receive it, so that we may keep it on file. If you are called during a particularly busy period, we may ask you to request a postponement. The Company will provide additional documentation in this regard, if necessary, to obtain such postponement.

Jury duty can last from a portion of a single day to several months or more. During this time you will be considered on a leave of absence. While serving on jury duty, you are expected to call in to your supervisor periodically to keep him or her apprised of your status.

The Company will compensate full-time employees for the difference between jury duty compensation and your current daily pay for the first five (3) days of jury service as per Massachusetts state law. If additional time is required, it will be granted, but without pay.

### **Appearance as a Witness**

An employee called to appear as a witness will be permitted time off to appear, but without pay. Employees will be permitted to use accrued vacation time when appearing as witnesses.

### **Voting**

The Company encourages all employees to vote. Most polling facilities for elections for public office have hours that are scheduled to accommodate working voters. The Company, therefore, requests that employees schedule their voting for before or after their work shifts.

An employee who expects a conflict, however, should notify his or her supervisor, in advance, so that schedules can be adjusted if necessary.

## **Part 6 – Miscellaneous**

### ***Leaving the Company***

If you wish to resign your employment with the Company, we request that you notify your manager of your anticipated departure date at least two (2) weeks in advance. This notice should be in the form of a written note or letter.

You will be paid for accrued but unused vacation time as part of your last paycheck.

The Company asks all employees to participate in an exit interview with their immediate supervisor prior to leaving the Company. This provides an opportunity to return parking passes, keys and other property and to tie up any loose ends. You will receive preliminary information at that time regarding continuation coverage and any other continuation of benefits for which you may be eligible.

If you leave the Company in good standing, you may be considered for reemployment at a later date. However, in the case of rehiring, the Company may consider you to be a new employee with respect to vacation time, benefits and seniority.

### **OPP - Restricting Access to only age 21 and Over**

1. BeachGrass will only sell products to other businesses that comply with state requirements for restricting sales to those 21 and over. BeachGrass will not sell directly to customers.
2. BeachGrass will only employ personnel over the age of 21.
3. BeachGrass will mark and label packages in accordance with all applicable state requirements to indicate products are restricted to those 21 and over.
4. BeachGrass will comply with all state regulations for product design, packaging, and marketing to restrict access to those 21 and over.
5. BeachGrass will comply with all state regulations for child-proof packaging to restrict access to people 21 and over.
6. BeachGrass will employ an age verification process to limit access to our website to those who are 21 and over.

## **BeachGrass Topicals**

### **OPP - Record Keeping Procedures - Part 1**

BeachGrass Topicals shall maintain written policies and procedures to record and document activities as they relate to the production or distribution of Marijuana Products, as required by 935 CMR 500.105(9), which shall include, but not be limited to:

1. BeachGrass will maintain a real-time inventory of marijuana as specified by the Commission and in 935 CMR 500.105(8)(c) and (d) including all marijuana products, extracts, infused products, damaged or defective products, and waste. BeachGrass will provide all seed-to-sale tracking records as required by 935 CMR 500.105(8)(e).
2. Methods for identifying, recording, and reporting diversion, theft, or loss, and for correcting all errors and inaccuracies in inventories. These policies and procedures are in compliance with inventory procedures mandated in 935 CMR 500.105(8).
  - a. Establish inventory controls and procedures for the conduct of inventory reviews, and comprehensive inventories of marijuana and marijuana products. These procedures are detailed in OPP - Inventory Controls and incorporated herein.
  - b. Conduct a monthly inventory of marijuana and marijuana products. These procedures are detailed in OPP - Inventory Controls and incorporated herein.
  - c. Conduct a comprehensive annual inventory at least once every year after the date of the previous comprehensive inventory.
  - d. Promptly transcribe inventories if taken by use of an oral recording device.
  - e. The record of each inventory shall include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the individuals who conducted the inventory.
3. Policies and procedures for handling voluntary and mandatory recalls of Marijuana Products.
  - a. BeachGrass will have a specific lockable safe or holding unit deemed appropriate by the Commission that will be used when recalls due to any action initiated at the request or order of the Commission, and any voluntary action by a Marijuana Establishment to remove defective or potentially defective Marijuana Products from the market, as well as any action undertaken to promote public health and safety.
  - b. BeachGrass will ensure any outdated, damaged, deteriorated, mislabeled, or contaminated Marijuana Products are segregated from other products and destroyed.
    - i. BeachGrass will pull the product(s) in question and log them into the Safe / Inventory Holding Area in a separate section from other materials and products.
    - ii. BeachGrass will ensure clear and certain written documentation of the disposition of the Marijuana Products. The policies and procedures, at a minimum, will be in compliance with 935 CMR 500.105(12).

4. Policies and procedures to reduce energy and water usage, engage in energy conservation, and mitigate other environmental impacts.
  - a. BeachGrass will recycle all material possible.
  - b. BeachGrass will use the most Energy Efficient products within our budget for Fridges, Cooktops, HVAC systems.
    - i. BeachGrass will, as possible, identify and reuse second hand / thrift store furnishings to equip offices, locker, and break room.
  - c. BeachGrass will use the most environmentally sensitive products while keeping the product affordable for our customers.
    - i. This applies to our ingredients for our products as well as cleaning products, office supplies, and choice in vendors.
    - ii. BeachGrass will aim to maximize the use of all resources.
5. Policies and procedures for the transfer, acquisition, or sale of Marijuana Products between Marijuana Establishments. These procedures are detailed in OPP - Acquisition and Sales between MEs and incorporated herein.
6. Policies and procedures to ensure that all Edible Marijuana Products are prepared, handled, and stored in compliance with the sanitation requirements. These procedures are detailed in OPP - Food Handling Safety and SOPs and incorporated herein.
7. Policies and procedures for maintaining a product catalogue identifying all types of Marijuana Products actively manufactured at the facility. The catalog shall include a description of the product, photograph or illustration, packaging design, and dosage amounts, including expected Cannabinoid Profile.
  - a. BeachGrass will keep and share all products in their catalogue on their website which will include all details.
  - b. BeachGrass will add all new products to the website once they have gone through quality testing and reviews.
8. Job descriptions for each employee and volunteer position, and organizational charts consistent with the job descriptions. These procedures are detailed in BeachGrass Org Chart and OPPs - Job Descriptions, Qualifications, Skills Required and incorporated herein.
9. A personnel record for each marijuana establishment agent. These records shall be maintained for at least 12 months after termination of the individual's affiliation with the marijuana establishment and shall include, at a minimum, the following:
  - a. All materials submitted to the commission.
  - b. Documentation of verification of references.
  - c. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision.
  - d. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters.
  - e. Documentation of periodic performance evaluations.
  - f. A record of any disciplinary action taken.

- g. Notice of completed responsible vendor and eight-hour related duty training.
- 10. A staffing plan that will demonstrate accessible business hours and safe production conditions.
  - a. See OPP - Org chart.
  - b. Hours of Business will be 8:30 AM to 5:30 PM
- 11. Personnel policies and procedures. These procedures are detailed in OPPs - Personnel Policies - Employee Handbook and incorporated herein.
- 12. All background check reports obtained. These procedures are detailed in OPP - Personnel Policies - Background Checks and incorporated herein.
- 13. Business records, which shall include manual or computerized records of:
  - a. Assets and liabilities.
  - b. Monetary transactions.
  - c. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers.
  - d. Sales records including the quantity, form, and cost of marijuana products.
  - e. Salary and wages paid to each employee, stipend, executive compensation, bonus, benefit, or item of value paid to any person having direct or indirect control over the marijuana establishment.
  - f. Waste disposal records as required under 935 CMR 500.105.
    - i. Establishments shall keep these waste records for at least three years. 935 CMR 500.105(12)
  - g. Following closure of a Marijuana Establishment, all records must be kept for at least two years at the expense of the Marijuana Establishment and in a form and location acceptable to the Commission.
  - h. BeachGrass will hire an accountant to ensure that we are following all proper rules of accounting and are maintaining proper records.
- 14. Confidential information
  - a. Hard copy confidential info shall be kept in a locked cabinet file in the Director's Office.
  - b. Confidential electronic data will be encrypted and password protected
    - i. Only Directors and CEO will have access to these files / have password
  - c. BeachGrass will have a paper shredder on site to shred disposable paper
  - d. BeachGrass PCs, laptops, and phones will have software and apps for data protection.

## **BeachGrass Topicals**

### **OPP - Quality Control and Testing**

#### **A. Quality Controls**

1. BeachGrass will ensure all of their products are of the highest quality and will apply a consistent process to determine dosage. The dosing process is detailed in OPP - Dispensing Procedures, incorporated herein.
2. BeachGrass will ensure that all products are free from any potential contaminants and test all products for contamination as required by 935 CMR 500.160. All testing will be performed by a laboratory licensed by the Commission for testing cannabis products.
3. Beach Grass will observe strict quality control standards to ensure that all products are free from contamination. We will use only the highest quality ingredients organic and wild harvest ingredients and will keep quality and sanitation a consideration in every step and process.
4. BeachGrass will provide a clean, safe and healthy environment for our employees which in turn should help produce a clean, safe and healthy product.
5. All BeachGrass employees will wear company issued lab coats and shoes upon entering the facility.
6. BeachGrass Employees will be provided clean cotton masks that shall be worn at all times while in the building. A fresh mask shall be used at the start of each shift.
7. BeachGrass Employees will leave all personal items in their lockers before entering the processing area.
  - a. Employee mobile phones will need to be sanitized and put in a clear bag if brought to the processing area - phones should not be used during a cooking / production shift session unless there is an emergency - mobile phones are highly unsanitary
    - i. All employees' families should call BeachGrass directly anytime if there is an emergency and they can't reach the BeachGrass employee via their mobile phone.
8. Hand sanitizer stations will be placed throughout the facility.
9. Employees will sanitize hands before entering processing areas.
10. All BeachGrass employees must wash or sanitize their hands before handling marijuana or any ingredients that are being gathered as the start of a batch of Manajuana Infused Products (MIPs).
11. BeachGrass will sanitize all cooking areas, processing areas and counters at the start and end of each shift.
12. BeachGrass will produce MIPs according to safe handling practices.
13. BeachGrass production will use only food grade equipment and stainless steel tables.
14. BeachGrass will ensure that only the leaves and flowers of the female marijuana plant are processed accordingly in a safe and sanitary manner as prescribed below:
  - a. Well cured and generally free of seeds and stems
  - b. Free of dirt, sand, debris, and other foreign matter
  - c. Free of contamination by mold, rot, other fungus, and bacterial diseases

- d. Prepared and handled on food-grade stainless steel tables
  - e. Packaged in a secure area. 935 CMR 500.105(3) (required for cultivators, product manufacturers, microbusiness, and craft marijuana cooperatives)
15. All agents whose job includes contact with marijuana is subject to the requirements for food handlers specified in 105 CMR 300.00.
  16. There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations. 935 CMR 500.105(3)
  17. Litter and waste shall be properly removed so as to minimize the development of odor and the potential for the waste attracting and harboring pests. t to 935 CMR 500.105(12). 935 CMR 500.105(3)
  18. Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair. 935 CMR 500.105(3)
  19. All contact surfaces shall be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination. 935 CMR 500.105(3).
  20. All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana. 935 CMR 500.105(3)
  21. Water supply shall be sufficient for necessary operations. 935 CMR 500.105(3)
  22. Plumbing shall be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment. 935 CMR 500.105(3)
  23. The establishment shall provide its employees with adequate, readily accessible toilet facilities. 935 CMR 500.105(3)
  24. Storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination. 935 CMR 500.105(3)
  25. No marijuana may be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratory. 935 CMR 500.140(9)

## **B. Testing**

1. BeachGrass will maintain a testing program in accordance with 935 CMR 500.160: *Testing of Marijuana and Marijuana Products*. BeachGrass will maintain and provide test results as required by the Commission.
2. BeachGrass will work with Pro Verde labs or another registered laboratory and will ensure all products / MIPs are tested as required by 935 CMR 500.160.
3. BeachGrass will discuss best practices in testing with Pro Verde or another registered laboratory to ensure all guidelines and procedures are followed.
4. Marijuana Products with testing dates in excess of one year shall be deemed expired and may not be dispensed, sold, transferred or otherwise conveyed until retested.
5. Single-servings of Marijuana Products tested for potency in accordance with 935 CMR 500.150(4) shall be subject to a potency variance of no greater than plus/minus ten percent (+/- 10%).
6. Marijuana and Marijuana Products submitted for retesting prior to remediation must be submitted to an Independent Testing Laboratory other than the laboratory which provided the initial failed result. Marijuana submitted for retesting after documented remediation



may be submitted to the same Independent Testing Laboratory that produced the initial failed testing result prior to remediation.

7. BeachGrass will put any and all products in quarantine if results indicate contaminant levels are above acceptable limits established by law.
  - a. BeachGrass shall notify the Commission within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the Production Batch.
  - b. BeachGrass shall notify the Commission of any information regarding contamination as specified by the Commission or immediately upon request by the Commission.
  - c. BeachGrass will propose a plan to destroy the contaminated product and seek to determine the source of contamination.
  - d. BeachGrass understands that the Independent Testing Laboratory will also contact the CCC on the matter and separate from BeachGrass communication.
  - e. BeachGrass shall maintain the results of all testing for no less than one year.
  - f. BeachGrass understands testing results shall be valid for a period of one year.

## **BeachGrass Topicals**

### **OPP - Job Descriptions, Qualifications and Skills Required**

**BeachGrass will adhere to all laws and guidelines set by the Commission:**

1. BeachGrass will ensure that employees are trained on job specific duties prior to performing job functions. 935 CMR 500.105(2)
2. BeachGrass will ensure all current owners, managers, and employees shall complete the Responsible Vendor Program after July 1, 2019 or when available. 935 CMR 500.105(2)
3. All new employees shall complete the Responsible Vendor Program within 90 days of being hired. 935 CMR 500.105(2)
4. Responsible Vendor Program documentation must be retained for four (4) years. 935 CMR 500.105(2)

### **List of Positions and their Qualifications**

BeachGrass will start small with only a few positions but they will be key positions and will provide a solid foundation for growth. The positions offered will be:

1. Chief Executive Officer
2. Director of Operations
3. Director of Inventory and Warehouse Management
4. Transportation and Special Projects Manager
5. Topical Maker
6. Delivery Driver

**The following pages will outline each position, the qualifications and skills required and will also outline job responsibilities.**

***Position: Chief Executive Officer***

**Qualifications and Skills Required**

- Business and finance experience
  - a. Budgeting, forecasting, and financial modelling
  - b. Training development and delivery
  - c. Interviewing and personnel management
  - d. Business process development and improvement
- Ability to foster a teaming and inclusive work environment
- Ability to work with local government and community leaders
- Ability to develop relationships with local cannabis community
- Ability to develop relationships with dispensaries and develop client base
- Look to establish partnerships and relationships with local businesses
- Experience in customer service
- Ability to lead others
- Organizational skills
- Ability to speak in public

**Job responsibilities**

- Develop and implement marketing, operational, and growth strategies to stay true to our business plan and goals.
- Develop operational plans and business processes.
- Develop and implement security plans and procedures.
- Work with local and state officials to ensure compliance with all applicable laws, codes and zoning requirements.
- Train team on how to produce topicals in the BeachGrass catalogue of products.
- Lead and train managers.
- Financial Management
  - Coordinate with BeachGrass Accountant to ensure standard accounting or GAAP compliance.
  - Implement financial software and / Enterprise Resource Management Tools.
- Develop and implement energy savings plans.
- Develop community outreach opportunities to connect with the local residents and business owners.
- Manage marketing, social media and website.

## ***Position: Director of Operations***

### **Qualifications and Skills Required**

- Experience with business and systems implementation
- Experience with resource management and administration
- Accuracy and attention to details
- Experience with warehouse and database management systems
- Experience with supply chain management
- Able to develop and delivery training
- Experience with business process development and improvement
- Experience with Community Outreach
- Willing to wear many different hats on any given day
- Ability to lead others
- Must be team oriented

### **Job Responsibilities**

- Assist CEO with business systems and implementation.
- Lead implementation efforts for Metrc - Mass States Seed to Sale tracking software
  - Ensure that all other software used by BeachGrass is compatible and acceptable by the Commission.
  - Ensure that all BeachGrass tracking systems link / make sense with Metrc.
- Lead implementation efforts for all technology systems.
- Responsible for following all guidelines set forth in the BeachGrass Operating Policies and Procedures
- Create and manage a traceable supply chain for all ingredients
- Assist with creating and implementing quality controls.
- Assist with creating and implementing business processes and procedures.
- Coordinate with the Director of Inventory and Warehouse Management on Production and Physical Inventory Management to complete monthly inventory as directed by the Commission.
- Assist with Human Resource and Personnel Management.
  - On board new employees with administrative processes.
  - Assist with interviewing.
- Assist CEO with Community Outreach Efforts.
  - Creation of training materials for the team as well as education materials to be shared with the community.

## ***Position: Director of Inventory and Warehouse Management***

### **Qualifications and Skills Required**

- Must be team oriented.
- Accuracy and attention to details.
- Experience with shipping and receiving management.
- Experience with Inventory and Production Management.
- Experience working with Purchasing and Vendor Management.
- Works easily with computers and other technical applications
- Experience with business process development and improvement.
- Experience with scheduling and resource management.
- Positive attitude.
- Ability to communicate.
- Ability to lead others.
- Willing to wear many different hats on any given day

### **Responsibilities**

- Responsible for the day to day production of MIPs
- Manages physical inventory:
  - Raw materials for production
  - Packaging and labelling
  - Completed MIPs
  - Works in coordination with the Director of Operations
    - Ensures the consistent updating of Metrc
    - Works to complete monthly inventory or as directed by the Commission
- Production Management
  - Processes plant matter / cannabis via Rosin Press
  - Sets up weekly production schedule
  - Schedules resources to ensure schedules are met
  - Orders and manages non cannabis ingredients and materials - butters, oils, labels, and packaging
  - Ensures proper traffic management within the facility
    - Ensures that all phases of the MIPs are properly tagged and inventoried at all times during the creation process
    - Ensures that MIPs are properly packaged and labelled as per guidance from the commission
    - Ensure quality controls and testing
      - Coordinates with laboratory on status of pending results
  - Coordinates with Transportation Manager to ensure deliveries are accurate and on time
    - Ensures all documentations, protocols and procedures are followed as per the commission - See OPP - Inventory Management

- BeachGrass may employ the services of Delivery and Transportation Services only from vendors approved by the Commission.

***Position: Transportation and Special Projects Manager***

**Qualifications and Skills Required**

- Experience in transportation of people or packages.
- Experienced with the process of launching a cannabis business.
- Experienced with the administrative style of the CEO.
- Willing to wear many different hats on any given day.

**Responsibilities**

- Part time position / unpaid / volunteer role and will be filled by Matt Hanson, husband of CEO, Jeanine MacKenzie
- Managing the delivery driver may not be necessary at company launch
  - Dependent on ability to fund proper delivery vehicle
- Will coordinate the transfer of MIPs from the facility to the dispensaries
- Will coordinate with director of operations and warehouse management for deliveries and inventory management requirements
- Assist the CEO as needed

### ***Position: Topicals Maker***

#### **Qualifications and Skills Required**

- Experience in cooking or food services preferred but not required.
- Enjoys working in a teaming environment.
- Excellent communication skills.
- Positive attitude and willing to learn.
- Looks to improve processes and procedures.
- Potential leadership skills.
  - Must have an eagerness to lead others as the BeachGrass team grows

#### **Responsibilities**

- Works under the guidance of the Directors
- Reviews and confirms daily production schedule.
- Helps organize raw materials and tools for production.
- Creates and crafts MIPs.
- Assist with labeling and packaging products.
- Assist with the cleaning of kitchen stations at the end of the shift.

### ***Position: Delivery Driver***

#### **Qualifications and Skills Required**

- This role may not be necessary at company launch.
  - Dependent on ability to fund proper delivery vehicle.
- Experience in transportation of people or packages, preferred but not required.
- Excellent driving skills.
- Excellent driving record.
- Enjoys working in a teaming environment.
- Excellent communication skills.
- Positive attitude and willing to learn.
- Looks to improve processes and procedures.
- Potential leadership skills.

#### **Responsibilities**

- Work with the Transportation Manager and Director of Operations and Warehouse Management to coordinate and execute deliveries as needed.
- Ensure all paperwork, manifests are in place and in order prior to departure.
- Ensure all inventory and delivery protocols are followed and documented as required by the Commission.

## **BeachGrass Topicals Diversity Plan**

As a Women Owned Business, BeachGrass Topicals (BeachGrass) is committed to building a diverse and inclusive team of employees that enables ALL individuals to realize and develop their potential and achieve success through job satisfaction and growth using the following goals, programs and metrics.

**Goal: BeachGrass will aim to have at least 60% women and minorities as employees; we will aim to employ 10% veterans, 30% minorities, 10% LGBTQ, 10% people with disabilities.**

BeachGrass will accomplish this with the following recruiting policies and practices:

1. BeachGrass will post advertisements whenever there is an open position.
2. BeachGrass will review our staffing targets for the above referenced demographics each time a new role is open and posted.
3. Job descriptions and company information will consistently express values that promote equity, inclusion and diversity.
4. Will post the job advertisement in:
  - a. Local and online news media - Wareham Weekly, the New Bedford Standard Times, Southcoasttoday.com
  - b. Craigslist
  - c. Post with local community colleges - Bristol Community College, Cape Cod Community College
  - d. Diversityjobboard.com – A website of open positions for minorities, women and persons with disabilities
  - e. Indeed.com
5. BeachGrass will set up an employee referral program that will provide bonuses or awards to BeachGrass Team members that recommend individuals that are ultimately hired.

**Goal: BeachGrass will aim to increase the number of team leaders and management roles filled by team members that fall into the above referenced demographics.**

BeachGrass will aim to accomplish this by offering industry and leadership training as well as career counseling and mentoring.

1. BeachGrass will offer training opportunities on a monthly basis
  - a. Leadership commitments to 1 hour team training sessions per month
  - b. Training opportunities will be delivered that increase knowledge within the marijuana industry, topical making and help build leadership skills
  - c. Leadership will create training sessions but BeachGrass employees will also have a strong voice in identifying, prioritizing and evaluating training and development opportunities.
  - d. How will this promote diversity?



- i. This will provide our diverse workforce with additional knowledge and leadership skills to ensure they are successful in their role, have job satisfaction and will be ready for promotion as our business grows.
  - ii. This will help foster a sense of belonging and create a culture of inclusiveness
- 2. BeachGrass will offer career counseling and mentoring to all employees
  - a. All non managers that wish to participate will get matched with a mentor from the leadership team
  - b. Mentors and Mentees will have specific meetings set up for the first 6 months of employment
    - i. Bi-Weekly discussions for first 3 months of employment
    - ii. Monthly discussions after first 3 months of employment
    - iii. After the first 6 months, mentors and mentees can set their own pace for meetings but should meet quarterly at a minimum.
  - c. How does this promote diversity?
    - i. This will give our diverse workforce the opportunity to meet with leadership on a regular basis which will ensure they get regular feedback and feel heard and connected to the leadership team.
    - ii. This also gives leadership the opportunity to have meaningful, candid dialogues with their mentees
    - iii. This will help foster a sense of belonging and create a culture of inclusiveness.

**Goal: Provide cultural sensitivity training to all team members annually to promote team unity and an inclusive work environment.**

BeachGrass will aim to accomplish this by providing training sessions twice a year.

- 1. This training will be mandatory for all employees
- 2. How does this promote diversity?
  - a. This training will aim to help team members understand what it's like to walk in other people's shoes
  - b. This will help build empathy, compassion and understanding for all team members
  - c. This will help bridge communication gaps or issues that might have been previously misunderstood.

**BeachGrass will review the metrics on a quarterly basis. BeachGrass will also review the metrics in detail annually and share the success of our plan with the Commission.**

**The metrics of measure to determine the success of the plan are:**

- 1. What percentage of our hired employees are:
  - a. Women
  - b. Veterans

- c. Minorities
  - d. LGBTQ
  - e. Persons with disabilities
- 2. How many new hires have we had in the last year?
  - a. What percentage / how many of the new hires fall into the above referenced demographics?
- 3. What percentage of our team leaders and managers fall in above referenced demographics?
  - a. Have we increased the number of team leaders and / or managers that are in the above referenced demographics in the last year?
- 4. How many employees in the demographics referenced above have been hired as a result of our employee referral program?
- 5. How many employees that fall into the demographics listed above are participating in the monthly training program?
  - a. If less than 50% of employees are not participating, leadership will look to identify why unable to attain goal and adjust as needed
- 6. What were the specific training topics covered each month for team training?
  - a. Is the length / time of training sessions sufficient / too much?
    - i. Seek employee feedback to ensure training programs are worthwhile and beneficial
- 7. How many employees that fall into the demographics listed above are participating in the career counseling and mentoring program?
  - a. If less than 50% of employees are not participating, leadership will look to identify why unable to attain goal and adjust as needed
  - b. Seek employee feedback on benefit of program
- 8. What dates did we hold our Cultural Sensitivity Training sessions?
  - a. Confirmation that all employees attended each session
- 9. What is our rate of attrition for all employees?
  - a. What is our rate of attrition for employees that fall into the above referenced demographics?

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

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