



Massachusetts Cannabis Control Commission

Marijuana Retailer

General Information:

License Number: MR281936
Original Issued Date: 01/09/2024
Issued Date: 01/09/2024
Expiration Date: 01/09/2025

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: New England Organics LLC

Phone Number: 617-901-7139
Email Address: Type.A.Design@lcloud.com

Business Address 1: 567 Fellsway

Business Address 2:

Business City: Medford

Business State: MA

Business Zip Code: 02155

Mailing Address 1: 627 Fellsway

Mailing Address 2:

Mailing City: Medford

Mailing State: MA

Mailing Zip Code: 02155

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status: Obtained Provisional Certificate of Registration only

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

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 51

Percentage Of Control:

51

Role: Executive / Officer

Other Role: Chief Executive Officer

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

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 49 **Percentage Of Control:** 49
Role: Executive / Officer **Other Role:**
First Name: Jason **Last Name:** Zube **Suffix:**
Gender: Male **User Defined Gender:**
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)
Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Jason **Last Name:** Zube **Suffix:**
Types of Capital: Monetary/Equity **Other Type of Capital:** **Total Value of the Capital Provided:** \$20000 **Percentage of Initial Capital:** 100
Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

First Name: Tito **Last Name:** Jackson **Suffix:**
Marijuana Establishment Name: Verdant Reparative, Inc. **Business Type:** Marijuana Retailer
Marijuana Establishment City: Boston **Marijuana Establishment State:** MA

Individual 2

First Name: Tito **Last Name:** Jackson **Suffix:**
Marijuana Establishment Name: Verdant Reparative, Inc. **Business Type:** Marijuana Product Manufacture
Marijuana Establishment City: Boston **Marijuana Establishment State:** MA

Individual 3

First Name: Tito **Last Name:** Jackson **Suffix:**
Marijuana Establishment Name: Verdant Reparative, Inc. **Business Type:** Other
Marijuana Establishment City: N/A - Delivery Business with no location selected **Marijuana Establishment State:** MA

Individual 4

First Name: Tito **Last Name:** Jackson **Suffix:**

Marijuana Establishment Name: Verdant Medical, Inc. **Business Type:** Marijuana Cultivator
Marijuana Establishment City: none - application only **Marijuana Establishment State:** MA

Individual 5

First Name: Tito **Last Name:** Jackson **Suffix:**
Marijuana Establishment Name: Verdant Medical, Inc. **Business Type:** Marijuana Product Manufacture
Marijuana Establishment City: none - application only **Marijuana Establishment State:** MA

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 114 Mystic Ave
Establishment Address 2:
Establishment City: Medford **Establishment Zip Code:** 02155
Approximate square footage of the establishment: 1800 **How many abutters does this property have?:** 132
Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?: Yes

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan to Remain Compliant with Local Zoning	VG - Plan to Remain Compliant.pdf	pdf	64ac8af7e317fe0008dd3543	07/10/2023
Certification of Host Community Agreement	Medford HCA Attestation.pdf	pdf	64b15f99e317fe0008e23e8f	07/14/2023
Community Outreach Meeting Documentation	Outreach - Updated - RFI.pdf	pdf	64fd070c704981000879e8be	09/09/2023

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

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	NEO Plan to Positively Impact Areas of Disproportionate Impact.pdf	pdf	646afe379c23790008c3e109	05/22/2023

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Executive / Officer **Other Role:** Chief Executive Officer
First Name: Tito **Last Name:** Jackson **Suffix:**
RMD Association: RMD Manager
Background Question: no

Individual Background Information 2

Role: Executive / Officer **Other Role:** Chief Operating Officer
First Name: Jason **Last Name:** Zube **Suffix:**
RMD Association: RMD Manager
Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

No records found

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Articles of Organization	CorpSearchViewPDF.aspx (3).pdf	pdf	646aff489c23790008c3e18e	05/22/2023
Secretary of Commonwealth - Certificate of Good Standing	Certificate of Good Standing.pdf	pdf	64ac8c15cab870007104bf9	07/10/2023
DUA attestation if no employees	NEO DUA Attestation.pdf	pdf	64b15fafa317fe0008e23f3d	07/14/2023
Department of Revenue - Certificate of Good standing	NEO DOR Attestation.pdf	pdf	64b15fb5cab870007155bc0	07/14/2023
Bylaws	Operating Agreement_p.pdf	pdf	64be8577e317fe0008ebd615	07/24/2023
Articles of Organization	MA Corporations Search Entity Summary.pdf	pdf	64fb2ca3704981000878a08b	09/08/2023

No documents uploaded

Massachusetts Business Identification Number: 001367235
Doing-Business-As Name: Victory Gardens
DBA Registration City: Medford

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Business Plan	New England Organics Business Plan-May 2023.pdf	pdf	646494819c23790008bf869e	05/17/2023
Plan for Liability Insurance	NEO Plan for Liability Insurance.pdf	pdf	64649a4d23b80900083e0d55	05/17/2023
Proposed Timeline	NEO - Timeline.pdf	pdf	64ac8d44e317fe0008dd394b	07/10/2023

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Security plan	NEO Security.pdf	pdf	64ac8ee3cab87000710500f	07/10/2023
Personnel policies including background checks	NEO - Personnel.pdf	pdf	64ac8f89cab8700071050c2	07/10/2023
Plan for obtaining marijuana or marijuana products	NEO - Plan to Obtain.pdf	pdf	64ac9000e317fe0008dd3eb5	07/10/2023
Restricting Access to age 21 and older	NEO - Restricting Access.pdf	pdf	64ac9031e317fe0008dd3ef4	07/10/2023

Prevention of diversion	NEO - Preventing Diversion.pdf	pdf	64ac9079e317fe0008dd3f52	07/10/2023
Storage of marijuana	NEO - Storage.pdf	pdf	64ac908ae317fe0008dd3f66	07/10/2023
Transportation of marijuana	NEO - Transportation.pdf	pdf	64ac90b5cab8700071052ea	07/10/2023
Inventory procedures	NEO - Inventory.pdf	pdf	64ac90d7e317fe0008dd3f8a	07/10/2023
Quality control and testing	NEO - Quality Control and Testing.pdf	pdf	64ac9117cab870007105307	07/10/2023
Dispensing procedures	NEO - Dispensing.pdf	pdf	64ac9154e317fe0008dd3faa	07/10/2023
Record Keeping procedures	NEO Recordkeeping.pdf	pdf	64ac917dcab870007105334	07/10/2023
Maintaining of financial records	NEO - Financial Recordkeeping.pdf	pdf	64ac91aecab870007105386	07/10/2023
Qualifications and training	NEO - Qualifications.pdf	pdf	64ac91cdcab87000710539d	07/10/2023
Energy Compliance Plan	NEO Energy.pdf	pdf	64ac920ccab8700071053b7	07/10/2023
Diversity plan	Victory Gardens - Diversity Plan.pdf	pdf	64be8608cab8700071efb8a	07/24/2023

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

ATTESTATIONS

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

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

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

Notification: I Understand

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

HOURS OF OPERATION

Monday From: 10:00 AM Monday To: 8:00 PM

Tuesday From: 10:00 AM Tuesday To: 8:00 PM

Wednesday From: 10:00 AM Wednesday To: 8:00 PM

Thursday From: 10:00 AM Thursday To: 8:00 PM

Friday From: 10:00 AM Friday To: 8:00 PM

Saturday From: 10:00 AM Saturday To: 8:00 PM

Sunday From: 10:00 AM Sunday To: 8:00 PM

PLAN TO REMAIN COMPLIANT WITH LOCAL ZONING

New England Organics, LLC's ("**Victory Gardens**" or the "**Company**") proposed Adult Use Marijuana Retailer facility is located at 114 Mystic Avenue, Medford, MA in the C2 Zoning District which allows such a use subject to the issuance of a Special Permit. Once obtained, this permit must be acted upon within two years. The Company will obtain a Building Permit and, upon the completion of all construction, a Certificate of Occupancy.

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

Once awarded all required local permits, Victory Gardens will continue to work cooperatively with various municipal departments, boards, and officials to ensure that its Marijuana Retailer remains compliant with all local laws, regulations, rules, and codes with respect to design, construction, operation, and security.

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:

New England Organics, LLC d/b/a Victory Gardens

2. Name of applicant’s authorized representative:

Tito Jackson

3. Signature of applicant’s authorized representative:



4. Name of municipality:

City of Medford

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

Hon. Breanna Lungo-Koehn



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

Breana Key-Koehn

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).*):

blungokoehn@medford-ma.gov

8. Host community agreement execution date:

7/29/22



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):
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:

b. Name of publication:

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:

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:

7. The applicant presented information at the Community Outreach Meeting, which at a minimum included the following:

- a. The type(s) of ME or MTC to be located at the proposed address;
- b. Information adequate to demonstrate that the location will be maintained securely;
- c. Steps to be taken by the ME or MTC to prevent diversion to minors;
- d. A plan by the ME or MTC to positively impact the community; and
- e. 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.



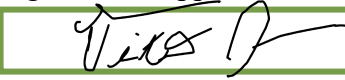
Name of applicant:

New England Organics LLC

Name of applicant's authorized representative:

Tito Jackson

Signature of applicant's authorized representative:





For more Public Notices visit: [usalegalnotice.com](https://www.usalegalnotice.com) (<https://www.usalegalnotice.com>)

(/)

Medford Transcript



Publication Name:

Medford Transcript

Publication URL:

www.wickedlocal.com/medford (<http://www.wickedlocal.com/medford>)

Publication City and State:

Medford, MA

Publication County:

Middlesex

Notice Popular Keyword Category:

Notice Keywords:

New England organics

Notice Authentication Number:

202309050840149742748

1625696260

Notice URL:

[← Back \(Search.aspx#searchResults\)](#)

Notice Publish Date:

Thursday, July 20, 2023

Notice Content

VICTORY GARDEN LEGAL NOTICE Dear Resident, This Public Notice is being provided to the Medford Community and all interested parties to inform same of a Community Outreach Presentation being conducted by New England Organics, LLC d/b/a Victory Gardens regarding its application to the Cannabis Control Commission to develop and operate an adult-use Cannabis dispensary at 114 Mystic Ave, Medford, MA.

The principals of Victory Garden, Jason Zube and Tito Jackson will discuss their proposal and address any and all concerns relating to the proposed facility at this meeting. The meeting will be held at the proposed location of the facility, 114 Mystic Avenue, Medford, Massachusetts and will commence at 5 PM on Thursday, August 3rd, 2023 with a full presentation the proposed development, management and operation of the facility. A question and answer session will follow immediately after the presentation and will last as long as necessary to give all interested parties the information requested. Sincerely, Victory Gardens #9047286 Transcript & Journal 7/20, 7/27/23

[← Back \(Search.aspx#searchResults\)](#)

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RECEIVED
CITY CLERK
MEDFORD, MASS.

2023 JUL 11 AM 11:10

Dear Resident,

This Public Notice is being provided to the Medford Community and all interested parties to inform same of a Community Outreach Presentation being conducted by New England Organics, LLC d/b/a Victory Gardens regarding its application to the Cannabis Control Commission to develop and operate an adult-use Cannabis dispensary at 114 Mystic Ave, Medford, MA. The principals of Victory Garden, Jason Zube and Tito Jackson will discuss their proposal and address any and all concerns relating to the proposed facility at this meeting. The meeting will be held at the proposed location of the facility, 114 Mystic Avenue, Medford, Massachusetts and will commence at 5 PM on Thursday, August 3rd, 2023 with a full presentation the proposed development, management and operation of the facility. A question and answer session will follow immediately after the presentation and will last as long as necessary to give all interested parties the information requested.

Sincerely,

Victory Gardens

Dear Resident,

This Public Notice is being provided to the Medford Community and all interested parties to inform same of a Community Outreach Presentation being conducted by New England Organics, LLC d/b/a Victory Gardens regarding its application to the City of Medford's Cannabis Advisory Commission to develop and operate an adult-use Cannabis dispensary at 114 Mystic Ave, Medford, MA. The principals of Victory Garden, Jason Zube and Former Boston City Councilor Tito Jackson will discuss their proposal and address any and all concerns relating to the proposed facility at this meeting. The meeting will be held at the proposed location of the facility, 114 Mystic Avenue, Medford, Massachusetts and will commence at 5 PM on August 3rd, 2023 with a full presentation the proposed development, management and operation of the facility. A question and answer session will follow immediately after the presentation and will last as long as necessary to give all interested parties the information requested.

Sincerely,
Victory Gardens

NEW ENGLAND ORGANICS

Plan to Positively Impact Areas of Disproportionate Impact

Overview

New England Organics LLC. (“New England Organics”) is dedicated to serving and supporting the areas around it, particularly those that are classified as areas of disproportionate impact. Marijuana businesses have an obligation to the health and well-being of their customers as well as the communities that have had historically high rates of arrest, conviction, and incarceration related to marijuana crimes. The Cannabis Control Commission (“the Commission”) has identified the following as populations falling within areas of disproportionate impact:

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

It is New England Organics's intention to be a contributing, positive force in areas of disproportionate impact and to assist in changing the perception of those associated with marijuana use. New England Organics has created the following Plan to Positively Impact Areas of Disproportionate Impact (the “Plan”) and has identified and created goals and programs to positively impact past or present residents of areas of disproportionate impact in designated census tracts of the City of Boston as well as Massachusetts residents with past drug convictions.

Goals

In order for New England Organics to positively impact the populations identified above, New England Organics has established the following goals:

1. To provide continuing service and reinvestment into the identified areas of disproportionate impact through workforce development; and
2. To reduce the barrier to entry in the commercial adult use cannabis industry.

Hiring Goals

As New England Organics expands, New England Organics's goal will be to maintain employment of 25% of individuals who currently reside in an area of disproportionate impact or have lived for five of the preceding ten years in an area of disproportionate impact. New England Organics will also strive to maintain a staff comprised of at least 20% of individuals that have a drug-related CORI but are otherwise legally employable in a cannabis-related enterprise. In alignment with New England Organics's Diversity Plan, New England Organics will focus hiring and education efforts on diverse populations including individuals from Black, African American, Hispanic or Latino descent.

New England Organics will seek to meet these goals by holding at least four (4) career fairs each year in the City of Boston that are publicized in nontraditional forms of local media; via local workforce development and re-entry programs; through door-to-door canvassing; and other outreach methods.

Seminars

New England Organics intends to hold numerous seminars each year designed to reduce the barrier to entry in the commercial adult use cannabis industry. New England Organics will meet its goal by:

- Conducting at least two (2) annual industry-specific educational seminars in one or more of the following: marijuana cultivation, marijuana product manufacturing, marijuana retailing, or marijuana business training;
- Providing at least one (1) annual employee seminar in financial literacy and financial mentoring services or hosting organizations that provide these services, specifically, services like Catch, <https://www.catch.co>, to help facilitate a savings plan; Petal, <https://www.petalcard.com/>, to help build credit; Credit Karma, www.creditkarma.com, to help monitor credit, and the Century Bank financial literacy curriculum, among others; and
- Holding at least one (1) informational session regarding the process for sealing and expunging criminal records.

New England Organics will ensure that seminars are publicized in nontraditional forms of local media; via local workforce development and re-entry programs; through door-to-door canvassing; and other outreach methods.

Plan Measurement and Accountability

New England Organics will utilize qualitative and quantitative measures to ensure that its goals are achieved. New England Organics's Chief Operating Officer will be responsible for implementing all plans, measuring plan impact, and preparing quarterly reports for assessment by the executive management team.

New England Organics will measure its program implementation by:

- Hiring Goals: Count the number of employees that meet goal employment criteria and those that do not and measure against goals.
- Seminars: Count the number of events held each year and measure against goals.

Acknowledgements

New England Organics Medical will adhere to the requirements set forth in 935 CMR 500.105(4), which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.

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



**The Commonwealth of Massachusetts
William Francis Galvin**

Minimum Fee: \$500.00

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

Certificate of Organization

(General Laws, Chapter)

Identification Number: 001367235

1. The exact name of the limited liability company is: NEW ENGLAND ORGANICS LLC

2a. Location of its principal office:

No. and Street: 567 FELLOSWAY
City or Town: MEDFORD State: MA Zip: 02155 Country: USA

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

No. and Street: 567 FELLOSWAY
City or Town: MEDFORD State: MA Zip: 02155 Country: USA

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

DISTRIBUTOR OF ORGANIC CONSUMABLE PRODUCTS

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: JASON ZUBE
No. and Street: 627 FELLOSWAY
City or Town: MEDFORD State: MA Zip: 02155 Country: USA

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

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	JASON ZUBE	567 FELLOSWAY MEDFORD, MA 02155 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	JASON ZUBE	567 FELLOSWAY MEDFORD, MA 02155 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	JASON ZUBE	567 FELLSWAY MEDFORD, MA 02155 USA

9. Additional matters:

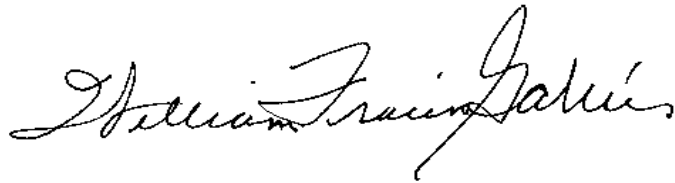
SIGNED UNDER THE PENALTIES OF PERJURY, this 5 Day of February, 2019,
JASON ZUBE

(The certificate must be signed by the person forming the LLC.)

THE COMMONWEALTH OF MASSACHUSETTS

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

February 05, 2019 02:19 PM

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

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



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

William Francis Galvin
Secretary of the
Commonwealth

May 24, 2023

TO WHOM IT MAY CONCERN:

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

NEW ENGLAND ORGANICS LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **February 5, 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: **JASON ZUBE, TITO JACKSON**

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **JASON ZUBE, TITO JACKSON**



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

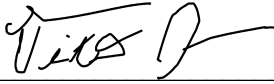
on the date first above written.

William Francis Galvin

Secretary of the Commonwealth

**Certificate of Good Standing or Compliance from the Massachusetts
Department of Revenue Attestation Form**

Signed under the pains and penalties of perjury, I, Tito Jackson, an authorized representative of New England Organics LLC certify that the company has not yet registered with the Massachusetts Department of Revenue to obtain a Certificate of Good Standing or Compliance.



Name

07/13/2023

Date

OPERATING AGREEMENT

OF

NEW ENGLAND ORGANICS, LLC

A MASSACHUSETTS LIMITED LIABILITY COMPANY

This Operating Agreement (as the same may be amended from time to time, this “Agreement”) of New England Organics, LLC, a Massachusetts limited liability (the “Company”), dated as of February 5, 2019 (the “Effective Date”), is entered into by and among the Company and those Persons listed on Exhibit A hereto. The Persons listed on said Exhibit A, as the same may be amended from time to time in accordance with the provisions of this Agreement, are individually referred to as a “Member” and collectively as the “Members.”

WHEREAS, the Company was formed pursuant to the Massachusetts Limited Liability Company Act, as amended (the “Act”) by filing the Certificate of Organization with the office of the Secretary of the Commonwealth of Massachusetts on February 5, 2019; and

WHEREAS, the Members and the Company wish to set forth their respective rights and obligations in this Agreement.

NOW THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

Organizational Matters

1.1. Formation of Limited Liability Company. The Company was formed by the filing of the Certificate with the Secretary of the Commonwealth of Massachusetts on February 5, 2019. The rights and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights or obligations of any Member are different by reason of any provision in this Agreement than they would be in the absence of such provision, this Agreement shall, if permitted by the Act, control.

1.2. Name. The name of the Company is “New England Organics, LLC.” All contracts of the Company shall be made, all instruments and documents executed, and all acts done, in the name of the Company, and all properties shall be acquired, held and disposed of in the name of the Company or its designated nominee.

1.3. Registered Office and Agent, Principal Place of Business. As of the date hereof, the principal office of the Company is located at 567 Fellsway, Medford, Massachusetts. The registered office of the Company in Massachusetts is 567 Fellsway, Medford, Massachusetts and its agent for service of process in Massachusetts is [Jason Zube/Tito Jackson]. The Board of Managers may, in its discretion, relocate the principal office or appoint a different agent for service of process.

1.4. Purpose. The Company's business is to serve as a holding company to acquire and hold the requisite licensing in the Commonwealth of Massachusetts to operate and own the maximum amount of registered and licensed retail and any such other cannabis facilities and operations as permissible under applicable state law to operate cannabis companies, as well as engage in all ancillary activities directly or indirectly related to such purpose and engage in any and all other lawful activities permitted under the Act.

1.5. Term. The term of the Company commenced upon the filing of its Certificate of Organization and shall continue until terminated in accordance with the terms of this Agreement.

1.6. Admission. As of the Effective Date, each Person listed as a Member on Schedule A shall be admitted to the Company as a Member of the Company upon execution and delivery by or on behalf of such Member of a counterpart of this Agreement. Additional Members shall be admitted only in accordance with the terms and conditions of this Agreement.

ARTICLE II Managers; Officers

2.1 Managers. The business and affairs of the Company shall be managed by or under the direction of the Managers. The Company shall have one or more Managers (each a "Manager" and, collectively, the "Managers" or the "Board") and may be increased or decreased by a unanimous vote of the Members together with the unanimous approval of the Managers. The Company shall initially have two (2) Managers of the Company, who shall be Jason Zube and Tito Jackson (the "Initial Managers"). Any reference to the "Managers" in this Agreement shall mean the Manager or Managers then serving pursuant hereto. The Initial Managers shall serve as Managers until they resign or are removed for Cause in accordance with Section 2.2; their replacement shall be filled by a vote or written consent of all of the Members. Notwithstanding the foregoing, in the event that the Company shall have fewer than two Managers of the Company at any time, then one Manager may be appointed by a unanimous vote of the Members for a term of twelve (12) months until the next annual election to be called by the Managers on behalf of the Members; *provided, however*, in the event that the Managers do not call such meeting within thirty (30) days following the expiration of the twelve (12) month term, any Member may call such meeting.

2.2 Resignation and Removal of a Manager. A Manager may resign at any time by giving no less than ten (10) days written notice to the Company. A Manager's resignation permitted hereunder shall then be effective at the expiration of the ten (10) day notice period. Any Manager may be removed by vote of the Managers only upon the occurrence of one or more For Cause events. For the purpose of this Agreement, "For Cause" shall mean: (a) the commission of, or participation in, an act of fraud or embezzlement against the Company; (b) the commission of, or participation in, in any other act or omission willfully or in a manner which was grossly negligent that is materially injurious to the Company, monetarily or otherwise; or (c) a conviction based upon an act or acts constituting a felony or a crime of violence, fraud or dishonesty under the laws of the United States or any state thereof or any foreign jurisdiction. For the avoidance of doubt, a Manager's conduct shall not be deemed to be willful misconduct for engaging in activity related to cannabis or the cannabis industry that may be a violation of federal law, so long as the Manager's conduct or activity is reasonably believed to be in compliance with applicable

state laws. In the event that a Manager ceases to serve as a Manager upon removal for Cause, a replacement Manager shall be appointed by unanimous vote of the Members but excluding from such vote any Member (and their percentage interest) who was also the Manager removed for cause.

2.3. Manager Meetings and Actions. Any Manager then serving may call a meeting of the Managers, by giving notice specifying the date, time and place thereof to each other Manager not less than three (3) business days prior to each such meeting or such lesser period as may be approved by the Managers (which notice may be waived by any Manager, and which notice is not required in the event such Manager calling the meeting reasonably determines there is an emergency event). Managers may participate in any meeting of the Managers by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting. Any actions to be taken by the Managers pursuant to this Agreement may be taken by the vote or written consent of a majority of all the then-serving Managers, unless a greater number is required by this Agreement or the Act.

2.4. Quorum; Requisite Vote. Except as is otherwise specifically provided for herein, a majority of the Managers then in office (provided that no Manager may absent himself or herself from a meeting with the specific intent of avoiding a quorum and precluding actions of the Managers) shall be necessary to constitute a quorum for the transaction of business and the acts of the Managers present at a meeting at which a quorum is present shall be the acts of the Managers. A Manager or Managers may act by majority vote by written consent without a meeting and such consents shall be the acts of the Managers for all purposes.

2.5. Expenses. The Company shall reimburse all Managers and observers of the Managers for all reasonable and documented out-of-pocket expenses incurred in connection with their service on behalf of the Company, including in respect of their attendance and participation at Manager meetings (and any committee meetings thereof).

2.6. Other Activities. The Managers and their respective Affiliates may engage in, possess interests in, own, operate or manage other businesses or investment ventures of every kind and description for their own account or jointly with others. Except as otherwise provided herein, neither the Company nor any Member or Manager shall have any right, by virtue of this Agreement, in or to such other business or investment venture or the revenue or profits derived therefrom. Notwithstanding the foregoing, any Insider or Manager may invest in a CRB Person with operations in Massachusetts that is directly competitive with the Company; provided that such Insider or Manager does not have a beneficial ownership or other financial interest in such CRB Person that exceeds 9.99% (or such lesser amount as required by the applicable regulatory requirements) and such Insider or Manager or any Background Party is not a Person or Entity Having Direct or Indirect Control with respect to any other CRB Person in Massachusetts; provided, further that the foregoing may be waived or otherwise limited upon the unanimous approval of all disinterested Members or a majority of the Members and Managers if there are no disinterested Members in such transaction. Except as otherwise provided herein, neither the Company nor any Insider shall have any right, by virtue of this Agreement, in or to such other business or investment venture or the revenue or profits derived therefrom.

2.7 Officers. In furtherance of the powers granted to the Managers in Section 4.3(c), the Company may, but need not, have such officers as the Managers shall determine, each officer to serve pursuant to such terms and conditions as the Managers may approve.

2.8 Removal and Resignation of Officers. A vote or written consent of the Managers by majority of votes may remove any officer, with or without Cause. Any officer may resign at any time by giving ten (10) day written notice to the Company. Any resignation shall then be effective at the expiration of the ten (10) day notice period or at any later time specified in such notice (unless such officer is otherwise removed prior to such date); and unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective.

2.9 Number and Election

The Managers may appoint a President, Chief Executive Officer, a Treasurer, and a Secretary, and may appoint such other officers and agents as the Managers may deem appropriate. Any such officers shall have the authority of the Managers to act on behalf of and to bind the Company to the full extent of the Board's delegation of authority to such officers.

2.10 Qualifications

A Person may hold more than one office. An officer may, but need not, be a Member and/or Manager of the Company.

2.11 Term of Office

Each officer shall hold office until the end of the term for which such officer is appointed and until his or her successor shall have been elected, or until such Person's earlier death, resignation, or removal.

2.12 CEO

Except as otherwise provided for herein, the CEO shall supervise, generally, and have executive powers concerning all of the day to day operations of the Company and shall perform all duties incident to the office of a CEO, including, without limitation, exercise of general operating powers concerning all the property, business, and affairs of the Company. The CEO shall be charged with carrying out the policies, programs, orders, and/or resolutions adopted or approved by the Board, and shall have all powers and perform all duties incident to the office, and have any further powers and duties as, from time to time, may be prescribed by the Board.

2.13 Treasurer

The Treasurer shall be the chief financial officer of the Company and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Company, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, and shares. The Treasurer shall have custody of the funds and securities of the Company and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company and shall deposit all monies and other valuable effects in the name and to the credit of the Company in such depositories as may be

designated by the Board or the President of the Company. The Treasurer shall have such other powers and perform such other duties as may from time to time be prescribed by the President or the Board.

2.14 Secretary

The Secretary shall attend meetings of the Board, keep minutes thereof and Company documents and materials in suitable books, and in general, perform all duties incident to the office of Secretary.

2.15 Observer Rights. The Managers of the Company shall have the power to grant observer rights to such parties as it deems necessary or appropriate in its reasonable determination, whereby such observer representative(s) may be permitted to attend and participate in all meetings of the Managers or any committees thereof in a nonvoting capacity and otherwise on such terms as the Managers may determine.

2.16 Waiver of Fiduciary Duties. This Agreement is not intended to create or impose any fiduciary duty on any of the Managers or their respective Affiliates. Notwithstanding anything to the contrary contained in this Agreement or otherwise applicable provision of law or equity, to the maximum extent permitted by the Act and any other Applicable Law, a Manager and his, her, or its respective Affiliates, shall owe no duties (including fiduciary duties) to the Company or the other Members or to any of the other Managers; *provided, however that* a Manager shall have the duty to act in accordance with the implied contractual covenant of good faith and fair dealing; and *provided further that* such exclusion or limitation of liability shall not extend to misappropriation of assets or funds of the Company. The provisions of this Agreement, to the extent that they restrict or otherwise modify, or eliminate, the duties and liabilities, including fiduciary duties, of the Managers otherwise existing at law or in equity, are agreed by the Company, the Members and the Manager to replace such other duties and liabilities of the Manager. Any standard of care or duty imposed by or under the Act or any other law, rule or regulation (or any judicial decision based on or interpreting the same) shall be modified, waived or limited, to the extent permitted by law, as required to permit the Manager to act under this Agreement and to make any decision such Manager is authorized to make hereunder, as long as such action or decision complies with the standard of conduct set forth in this Section 2.16 of this Agreement and is in accordance with the other provisions of this Agreement. The Members expressly acknowledge and agree that this modification of fiduciary duties is binding.

ARTICLE III

Classes of Membership Interests; Capital Contributions

3.1. Classes of Membership Interests; Authorized Capital. The Company shall initially have authorized units of Membership Interests (each a “Unit” and, collectively, the “Units”) available for issuance to Members, divided in such amounts as determined by the Managers into the following three (3) classes of Units: (i) Class A Units of Membership Interest (the “Class A Units,” and the holder of such Class A Units is referred to as a “Class A Member”); (ii) Class B Units (the holders of such Class B Units are each referred to as a “Class B Member”) [and (iii) Class C Units (the holders of such Class C Units are each referred to as a “Class C Member”).

In addition to the foregoing, the Managers may create such additional classes of Units, with such terms and preferences as they shall determine, upon which time the Managers may adopt an amendment to this Agreement to incorporate reference to such class of Units, including any updates required on Schedule A. Except as specifically provided by the non-waivable provisions of the Act or this Agreement, Members shall not be entitled to vote, shall not be entitled to undertake any activities on behalf of the Company, and shall not have any power to sign for or to bind the Company. For purposes of any voting matters, each Class A and Class B Unit shall be entitled to one vote per Unit, unless otherwise required by the Act. Except as otherwise required by this Agreement, the Act or any other law, rule, or regulation, the Class C Members shall not be entitled to vote, shall not be entitled to undertake any activities on behalf of the Company, and shall not have any power to sign for or to bind the Company. For clarity, any reference to majority Percentage Interests for purposes of any voting matters hereunder shall refer only to the Percentage Interests of the holder of Class A and Class B Units voting together as a single class for voting purposes unless otherwise set forth herein. Except as expressly stated to the contrary, (a) references to “Members” shall mean all Members, regardless of the class of Membership Interests held, and (b) references to the “Percentage Interests” of a Member (the “Percentage Interests”) shall be the percentage of Membership Interests held by such Member, determined on the basis of all classes of Membership Interests as a single class or, with respect to references to the Percentage Interests of a particular class, on the basis of only the Members of such class. Schedule A, as the same shall be amended from time to time as necessary to reflect changes resulting from the making of additional Capital Contributions, distributions or the transfer of Interests in each case as provided in accordance with the terms of this Agreement, shall indicate the class of Membership Interest and Percentage Interest being held by each Member. Schedule A shall be confidential.

3.2. Capital Contributions of Members; Additional Capital from Existing Members. Each Member has paid to the Company the capital contribution in cash or other property valued at the amount set forth opposite such Member’s name on Schedule A (such initial contribution and together with all such contributions by a Member as are permitted or required pursuant to this Agreement, the “Capital Contribution”).

(a) Capital Calls; Pre-emptive Right. If the Managers determine in good faith that additional capital is required by the Company upon terms and conditions as shall be determined in the exercise of the business judgment of the Managers, the Managers may determine to raise capital through a capital call, in which case the Managers shall so notify the Members (other than a Profits Interest Member) in writing by written notice of no less than ten (10) days, together with a statement of the amount of capital required, the reasons therefor and the terms upon which the Managers desire to raise such capital. Each of the Members may, but shall not be required to, contribute additional capital to the Company on a pro rata basis. If less than all of the requested additional capital is contributed by the Members, then the Managers may, in its sole discretion, in addition to or in lieu of such capital call, and upon terms and conditions as shall be determined in the exercise of its business judgment, raise capital through an issuance of Units or other securities pursuant to Section 3.2(b). Capital contributions shall be due and payable within the period specified in the Managers’ written notice to the Members, or on such other terms as the Managers may reasonably determine to be necessary and appropriate.

(b) Other Capital Raises. If all of the requisite capital is not committed to pursuant to Section 3.2(a) by existing Members or the Managers in their sole discretion otherwise determine

to raise capital through an issuance of Units or other securities, then the Managers may determine to raise capital in the manner as determined by the Managers upon terms and conditions determined in the business judgment of the Managers to be commercially reasonable, which may include the issuance of new Units or other securities in the Company. To the extent such capital raise involves the issuance of Units, acquiring Persons shall become new (as applicable) Members of the Company, provided that each such Member shall execute a counterpart signature page to and agree to be bound by the terms and conditions of this Agreement, as it may be amended, to reflect the terms and conditions of admission of such new Members and/or new class of Units, as applicable.

(c) Pre-emptive Right for Unit Issuances. With respect to any capital raising transaction pursuant to Section 3.2(b) that involves the issuance of additional Units or other securities of the Company, each Member (other than a Profits Interest Member) shall have a right of first refusal to purchase its pro rata share of any such Units or other securities unless such right is waived by such Member. For purposes hereof, “pro rata” means the number of units equal to the ratio of (i) the number of Units held by such Member immediately prior to the issuance of such securities to (ii) the total number of Units outstanding immediately prior to the issuance of such securities. Subject to the waiver as provided in the previous sentence, if the Company proposes to issue any such additional Units or other securities, it shall give each Member (other than a Profits Interest Member) written notice of such intention, describing such Units or other securities, the price and terms and conditions upon which the Company proposes to issue the same. Each Member shall have ten (10) business days from the receipt of such notice to agree to purchase its pro rata share of such Units or other securities for the price and upon the terms and conditions specified in the notice by giving written notice to the Company and stating therein the number of Units or other securities to be purchased. To the extent any Member specifies a number in excess of his, her or its pro rata share, he, she or it may purchase additional offered Units or other securities to the extent they are not purchased by other prospective purchasers.

(d) Notwithstanding the foregoing, in no event shall this Section 3.2 apply to (i) any issuance by the Company of equity interests or indebtedness to institutional or commercial lenders or other business partners of the Company as determined by the Managers, (ii) any grant by the Company of Units or options to purchase Units to any Profits Interest Members, Service Providers, and any such other employees, consultants, Managers or directors of the Company or its subsidiaries for compensatory purposes, and (iii) any issuance of Units or other securities of the Company issued pursuant to acquisitions or strategic transactions approved by the Managers pursuant to this Agreement.

3.3. Capital Account. The Capital Account as of any given date shall have the meaning described in Section 5.1.

3.4. Rights to Future Company Unit Issuances.

(a) Right of First Offer. Subject to the terms and conditions of this Section 3.4(a) and applicable securities laws, if the Company proposes to offer or sell any New Securities (as defined in Section 15.2), the Company shall first offer such New Securities to each Member (other than a Profits Interest Member). A Member shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among (i) itself, (ii) its Affiliates and (iii) its beneficial interest holders, such as limited partners, members or any other Person having

“beneficial ownership,” as such term is defined in Rule 13d-3 promulgated under the Exchange Act, of the Member.

(i) The Company shall give no less than ten (10) days’ notice (the “**Offer Notice**”) to each Member, stating (A) its bona fide intention to offer such New Securities, (B) the number of such New Securities to be offered, and (C) the price and terms, if any, upon which it proposes to offer such New Securities.

(ii) By notification to the Company within ten (10) days after the Offer Notice is given, each Member may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities equal to such Member’s Percentage Interest. At the expiration of such ten (10) day period, the Company shall promptly notify each Member that elects to purchase or acquire all the New Securities available to it (each, a “**Fully Exercising Member**”) of any other Member’s failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Member may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of New Securities specified above, up to that portion of the New Securities for which Members were entitled to subscribe but that were not subscribed for by the Members which is equal to the proportion that the Units then held by such Fully Exercising Member bears to the Units then held by all Fully Exercising Members who wish to purchase such unsubscribed New Securities. The closing of any sale pursuant to this Section 3.4(a)(ii) shall occur within the later of thirty (30) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 3.4(a)(iii), unless the Managers deems it to be in the best interests of the Company to close in less than thirty (30) days. Upon the closing of any sale pursuant to this Section 3.4(a)(ii), the Company shall issue additional Membership Interests to contributing Members (of a class as is being offered pursuant to such closing), with such additional Membership Interests altering all Member’s Percentage Interests accordingly. All Members hereby agree that Schedule A attached hereto shall be amended by the Managers to reflect any such issuance.

(iii) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 3.4(a)(ii), the Company may, during the one hundred eighty (180)-day period following the expiration of the periods provided in Section 3.4(a)(ii), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Members in accordance with this Section 3.4(a).

(iv) The right of first offer in this Section 3.4 shall not be applicable to (A) Units, Options or Convertible Securities issued by reason of any unit split, unit distribution, combination, recapitalization, reorganization, or the like (such reason defined as a “**Recapitalization Event**”); (B) equity issued in a firm-commitment underwritten public offering led by a nationally recognized lead underwriter pursuant to an effective registration statement under the Securities Act, resulting in at least [\$25,000,000] of proceeds, net of the underwriting discount and commissions, to the Company and the other participants (“**Qualified IPO**”); (C) Units issued as incentive equity to

employees, contractors, advisors or other service providers to the Company, whether as grants of Options, upon the exercise of granted Options, or direct issuances; and (E) equity issued by the Company to one or more Persons identified by the Managers as a strategic partner, lender or other key relationship (so long as no such partner, lender or other relationship is an Affiliate of any Manager).

(v) The right of first offer in this Section 3.4 may be waived (by vote or written consent, as provided by the Act or this Agreement) by a vote or unanimous written consent of the voting Members on behalf of all Members.

(b) Termination. The covenants set forth in this Section 3.4 shall terminate and be of no further force or effect (i) immediately before the consummation of the Qualified IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Securities Exchange Act of 1934, as amended, or (iii) upon a Deemed Liquidation Event.

3.5. No Interest. No Member shall be entitled to interest on its Capital Contribution or on such Member's Capital Account. Except as provided herein or by Applicable Law, no Member shall have any right to demand or receive the return of its Capital Contribution from the Company.

3.6 Profits Interests. The Class C Units shall be Profits Interests (as each such term is defined by the tax law) to managers, Officers, employees, consultants or other service providers of the Company or any Company Subsidiary (collectively, "Service Providers") for Federal income tax purposes. With respect to Class C Units the following provisions shall apply:

(i) The Company and each Service Provider hereby acknowledge and agree that, with respect to any Profits Interests, such Profits Interests issued under a new Class of Units, as determined by the Board, shall constitute a "profits interest" in the Company within the meaning of Rev. Proc. 93-27 (a "Profits Interest"), and that any and all Profits Interests received by a Service Provider are received in exchange for the provision of services by the Service Provider to or for the benefit of the Company in a Service Provider capacity or in anticipation of becoming a Service Provider. The Company and each Service Provider who receives Profits Interests hereby agree to comply with the provisions of Rev. Proc. 2001-43, and neither the Company nor any Service Provider who receives Profits Interests shall perform any act or take any position inconsistent with the application of Rev. Proc. 2001-43 or any future Internal Revenue Service guidance or other Governmental Authority that supplements or supersedes the foregoing Revenue Procedures.

(ii) Upon such determination by the Managers to issue Profits Interests the Company is hereby authorized and directed to adopt a written plan pursuant to which all Profits Interests shall be granted in compliance with Rule 701 of the Securities Act or another applicable exemption (such plan as in effect from time to time, the "Incentive Plan"). In connection with the adoption of the Incentive Plan and issuance of Profits Interests, the Company is hereby authorized to negotiate and enter into award agreements with each Service Provider to whom it grants Incentive Units (such agreements, "Award Agreements"). Each Award Agreement shall include such terms, conditions, rights, and obligations as may be determined by the Managers, in its sole discretion, consistent with the terms herein.

(iii) Notwithstanding anything contained herein to the contrary, the number of Profits Interests that the Company may issue pursuant to the Incentive Plan, when combined with any Restricted Class and any Unrestricted Class already issued and outstanding, shall not exceed an amount of the aggregate total number of Units outstanding on a fully diluted basis as of the date of the proposed grant as determined by the Managers in their sole discretion.

(iv) The Company shall establish such vesting criteria for the Profits Interests as it determines in its discretion and shall include such vesting criteria in the Incentive Plan and/or the applicable Award Agreement for any grant of Profits Interests. As used in this Agreement:

(A) any Profits Interests that have not vested pursuant to the terms of the Incentive Plan and any associated Award Agreement are referred to as “**Restricted Units**,” and

(B) any Profits Interests that have vested pursuant to the terms of the Incentive Plan and any associated Award Agreement are referred to as “**Unrestricted Incentive Units**.”

(v) Immediately prior to each subsequent issuance of Profits Interests following the initial issuance described in the second sentence of Section 3.6(i)**Error! Reference source not found.**, the Managers shall determine in good faith the Incentive Liquidation Value. In each Award Agreement that the Company enters into with a Service Provider for the issuance of new Profits Interests, the Company shall include an appropriate Incentive Profits Interest Hurdle for such Profits Interests on the basis of the Incentive Liquidation Value immediately prior to the issuance of such Profits Interests. “**Incentive Liquidation Value**” means, as of the date of determination and with respect to the relevant new Profits Interests to be issued, the aggregate amount that would be distributed to the Members, if, immediately prior to the issuance of the relevant new Profits Interests, the Company sold all of its assets for fair market value and immediately liquidated, the Company's debts and liabilities were satisfied, and the proceeds of the liquidation were distributed pursuant to Section 12.2.

(vi) Profits Interests shall receive the following tax treatment:

(A) the Company and each Service Provider who receives Profits Interests shall treat such Service Provider as the owner of such Profits Interests from the date of their receipt, and the Service Provider receiving such Profits Interests shall take into account his Distributive share of Net Income, Net Loss, income, gain, loss, and deduction associated with the Profits Interests in computing such Service Provider's income tax liability for the entire period during which such Service Provider holds the Profits Interests.

(B) each Service Provider that receives Profits Interests shall make a timely and effective election under Code Section 83(b) with respect to such Profits Interests and shall promptly provide a copy to the Company. Except as otherwise

determined by the Company, both the Company and all Members shall (A) treat such Profits Interests as outstanding for tax purposes, (B) treat such Service Provider as a partner for tax purposes with respect to such Profits Interests and (C) file all tax returns and reports consistently with the foregoing. Neither the Company nor any of its Members shall deduct any amount (as wages, compensation, or otherwise) with respect to the receipt of such Profits Interests for federal income tax purposes.

(C) in accordance with the finally promulgated successor rules to Proposed Regulations Section 1.83-3(l) and IRS Notice 2005-43, each Member, by executing this Agreement, authorizes and directs the Company to elect a safe harbor under which the fair market value of any Profits Interests issued after the effective date of such Proposed Regulations (or other guidance) will be treated as equal to the liquidation value (within the meaning of the Proposed Regulations or successor rules) of the Profits Interests as of the date of issuance of such Profits Interests. In the event that the Company makes a safe harbor election as described in the preceding sentence, each Member hereby agrees to comply with all safe harbor requirements with respect to Transfers of Units while the safe harbor election remains effective.

(vii) For the avoidance of doubt:

(A) no Profits Interests, including Unrestricted Units, shall have any right to participate as a Participant Other Holder in any Right of Co-Sole pursuant to Section 9.4; and

(B) all Profits Interests, including Unrestricted Units, shall be subject to the rights of the holders of [Class A Units] to drag along the holders of Profits Interests pursuant to Section 9.5.

(viii) The Members acknowledge that with respect to any Members receiving both a “capital interest” in exchange for a Capital Contribution and a “profits interest” in exchange for the provision of services to or for the benefit of the Company, if any, such Member’s share of Company capital shall be commensurate with the amount of capital such Member contributes to the Company (determined at the time of receipt of such capital interest) relative to the total capital contributed to the Company. Accordingly, the Members intend that any Units (or portion thereof) received by any Member in exchange for its Capital Contribution shall qualify and be treated as a “capital interest” pursuant to Internal Revenue Service Revenue Procedure 93-27 for all U.S. federal income tax purposes as of the date any such Interest is issued, and not as an “applicable partnership interest” under Code § 1061(c). Notwithstanding any other provision of this Agreement to the contrary, upon the issuance of any such capital interest, the Company shall take such action reasonably requested by the recipient thereof, to the extent required in order to attain or ensure such “capital interest” tax treatment under applicable law, revenue procedure, revenue ruling, notice, or other guidance governing such interests, but subject to the other terms and conditions of this Agreement, which action may include authorizing and directing the Company to make any applicable “safe harbor” election, agreeing to any

reasonable condition imposed on the recipient thereof, executing any amendment to this Agreement or other agreements, executing any new agreements, making any tax election or other filing, and agreeing not to take any contrary position.

(ix) Limitations on Distributions to Units Treated as Profits Interests. Notwithstanding Section 5.2(b), but subject to Section 5.5 (regarding Tax Distributions), any Members holding any Units subject to vesting restrictions shall not be entitled to Distributions with regard to any such Units that are not vested at the time of an applicable Distribution, except as may otherwise be provided in an applicable Award Agreement.

(A) Profits Interest Hurdle. It is the intention of the parties that, with respect to Distributions to Members issued Profits Interests in exchange for the provision of services to or for the benefit of the Company as contemplated in Section 3.6(i) (together, the “**Profits Interest Members**”), such Distributions shall be limited to the extent necessary so that such Units constitutes a “profits interest” for U.S. federal income tax purposes. In furtherance of the foregoing, and notwithstanding anything to the contrary in this Agreement, the Managers shall, if necessary, limit any such Distributions to Profits Interest Members so that such Distributions do not exceed each Profits Interest Member’s share of the aggregate amount of unrealized appreciation in the assets of the Company between the date of the issuance of such Units and the date of such Distribution, it being understood that such unrealized appreciation shall be determined on the basis of the Incentive Liquidation Value at the time any such Units are issued as determined by the Managers at such applicable time (the “**Profits Interest Hurdle**”). Such Profits Interest Hurdle amount or value may be set forth in an applicable Award Agreement and/or on Schedule A. In the event that a Profits Interest Member’s Distributions are reduced pursuant to this subsection, an amount equal to such excess Distributions shall be treated as instead apportioned to the other Members (including the Profits Interest Members that have met any prior Profits Interest Hurdle), pro rata in proportion to their aggregate holdings of Vested Units.

ARTICLE IV

Powers, Duties and Liabilities of the Members and the Managers

4.1. In General. Except for those powers expressly granted to the Members pursuant to the Act or this Agreement, the management, operation and business of the Company shall be vested exclusively in the Managers, who, subject to the limitations set forth in Section 4.4, shall be authorized and empowered on behalf and in the name of the Company to carry out any and all of the powers, objectives and purposes of the Company and to perform all acts and enter into and perform all contracts and other undertakings and engage in all activities and transactions which they may in their sole discretion deem necessary or advisable or incidental thereto.

4.2. Limitation on Liability of Members.

(i) No Member or any of its Affiliates shall have any liability for the debts, obligations or liabilities of the Company or of any other Member or their respective Affiliates. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member, former Member shall

be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member or former Member.

(ii) To the fullest extent permitted under Applicable Law, no Member shall be deemed to violate this Agreement or be liable, responsible or accountable in damages or otherwise to any other Member or the Company for any action or failure to act, including under any theory of fiduciary duty or obligation, unless such violation or liability is attributable to such Member's gross negligence, willful misconduct, bad faith or a continuing material breach of this Agreement.

(iii) Except as otherwise set forth in any written agreement or other instrument to which a Member is a party, notwithstanding anything to the contrary set forth herein; (x) no Member shall have any obligation to disclose, offer or account to the Company or any other Member with respect to any business opportunity whether or not the opportunity may be competitive with or within the business purposes of the Company; (y) each Member shall be free to engage in any lawful business activity whether or not that activity competes with or may potentially compete with, or conflicts with or may potentially conflict with, the business of the Company; and (z) none of the Members, the Company, the creditors of the Company or any other Person shall have any claim against any Member by reason of any direct or indirect, passive or active, investment or participation in any potential or actual competing or conflicting investment or participation, including with respect to a venture capital investor, an investment in any portfolio company. As used in this Section 4.2, the term Member shall include any Affiliate of the Member.

For the avoidance of doubt, no conduct, act, or omission of a Member, relating to or arising from any activity or involvement with cannabis (marijuana) or the cannabis (marijuana) industry or otherwise resulting therefrom that may be a violation of U.S. federal law, shall constitute willful misconduct under clause (ii) above, solely by reason of being a violation of U.S. federal law; so long as such conduct, act, or omission could be reasonably believed to be in compliance with applicable state and local laws. Each Member shall be liable only to make such Member's Capital Contribution to the Company and any other payments specifically required hereunder.

4.3. Powers of the Company and the Managers. The Company shall have all powers permitted under Applicable Law to do any and all things necessary or desirable in furtherance of the purposes of the Company in accordance with Applicable Law. Unless otherwise required by the Act or the express provisions of this Agreement, the Managers shall have the exclusive power and authority to manage the day-to-day business and affairs of the Company, and to carry out and exercise any and all of the purposes and powers of the Company set forth in this Agreement. Except for those powers expressly reserved to the Members in this Agreement or the Act, the Managers shall exercise all such powers in the manner set forth in this Agreement. Without limiting the foregoing general powers and duties, the Managers, as they may determine in their sole and absolute discretion, but subject to the limitations set forth in Section 4.4, are hereby authorized and empowered on behalf and in the name of the Company to:

- (a) acquire, own, hold, manage, capitalize, recapitalize, pledge, mortgage, grant security interests in, permit other liens with respect to, sell, transfer, convey, assign, exchange or otherwise dispose of the Company's real or personal property and any other assets held by the Company;

- (b) enter into, terminate, amend, extend, renew, modify and otherwise execute, perform and manage any and all contracts of the Company, including, but not limited to, investment management and advisory contracts;
- (c) delegate authority to one or more officers (any of whom may be a Member, Manager or Affiliate of the Company);
- (d) open, have, maintain and close bank and brokerage accounts, including the power to draw checks or other orders for the payment of money;
- (e) vote, give assent and otherwise to exercise all rights, powers, privileges and other incidents of ownership or possession with respect to all equity interests held by, or other assets of, the Company;
- (f) bring and defend actions and proceedings at law or in equity or before any governmental administrative or other regulatory agency, body or commission;
- (g) hire consultants, attorneys, accountants and such other agents and employees of the Company as it may deem necessary or advisable, including persons or entities that may be Members, Managers or Affiliates of the Company or any Member, and to authorize each such agent and employee to act for and on behalf of the Company;
- (h) make such elections, filings and determinations under the tax laws of the United States, the several states or other relevant domestic or foreign jurisdictions as to any matter, including without limitation an election to adjust the basis of the assets of the Company under Section 754 of the Code;
- (i) pay or cause to be paid out of the capital and/or income of the Company all expenses, fees, charges, taxes and liabilities incurred or arising in connection with the conduct of the affairs of the Company, or in connection with the management thereof, including but not limited to, such market rate expenses and charges for the services of the Managers, officers, employees, consultants, auditors, counsel, and such other agents or independent contractors and such other expenses and charges;
- (j) enter into joint ventures, general or limited partnerships, limited liability companies, and any other combinations or associations;
- (k) purchase and pay for such insurance necessary or appropriate for the conduct of the business of the Company;
- (l) guarantee obligations of entities in which the Company has a direct or indirect interest;
- (m) alter the limited liability company form of the Company to the extent such change is in the best interests of the Company; provided, that the equity structure of the Company, including all rights, priorities and preferences of the Members, is not substantively altered thereby;

- (n) enter, make and perform such other contracts, agreements and other undertakings as may be necessary or advisable or incidental to the carrying out of any of the foregoing powers, objects or purposes;
- (o) borrow, enter into credit and other financing facilities, or otherwise obtain other financing financial accommodations from time to time, with such institutional or other lenders, and for such sums and on such terms and conditions, as the Managers deem necessary or appropriate for the purposes of the Company;
- (p) place title to, or the right to use, Company assets in the name or names of a nominee or nominees for any purpose the Managers deem convenient or beneficial to the Company;
- (q) prosecute, defend, settle or compromise any actions, claims, investigations or tax audits at the Company's expense as the Managers deem necessary or proper to enforce or protect the interests and property of the Company and to satisfy any judgment or settlement;
- (r) include in any mortgage, lien or security interest granted by the Company a confession of judgment against the Company;
- (s) execute all other instruments of any kind or character and to take all action of any kind or character which the Managers may in their sole discretion determine to be necessary or appropriate in connection with the business of the Company;
- (t) issue additional Units or create and issue additional classes of Units to existing Members or additional Members; and
- (u) file for dissolution of the Company.

4.4. Reserved.

4.5. Designation of Partnership Representative. Jason Zube (or such other person as shall be selected by the Board) is hereby designated as the “partnership representative” (the “**Partnership Representative**”) as provided in Code Section 6223(a) (as amended by the Bipartisan Budget Act of 2015 (“**BBA**”). The Partnership Representative is specifically directed and authorized to take whatever steps he, she or it, in his, her or its sole discretion, deems necessary or desirable to perfect such designation including, without limitation, filing any forms or documents with the Internal Revenue Service and taking such other action as may from time to time be required under Treasury Regulations. The Board may, in its discretion, change the Partnership Representative at any time and from time to time. The Partnership Representative shall act at the direction of the Board. The Board shall determine whether the Company (either on its own behalf or on behalf of the Members) will contest or continue to contest any tax deficiencies assessed or proposed to be assessed by the Internal Revenue Service or any other taxing authority. The Partnership Representative shall manage administrative tax proceedings conducted at the Company level by the Internal Revenue Service with respect to Company matters, and shall deal with the Internal Revenue Service on any audits that are subject to the partnership audit provisions of the BBA. Each Member agrees that such Member will not independently act with respect to tax

audits or tax litigation of the Company unless previously authorized to do so in writing by the Partnership Representative, which authorization may be withheld by the Partnership Representative, at the direction of the Board. Members shall be bound by the actions taken by the Partnership Representative in accordance with this section. The Company shall use commercially reasonable efforts to minimize the likelihood that any Member would bear any material tax, interest or penalties as a result of any audit or proceeding that is attributable to another Member (other than a predecessor in interest). Expenses of administrative proceedings relating to the determination of Company items at the Company level undertaken by the Partnership Representative shall be Company expenses. Without limiting the generality of the foregoing, at the direction of the Board, the Partnership Representative shall have the sole and exclusive authority to make any elections on behalf of the Company permitted to be made pursuant to Section 754 or any other section of the Code or the regulations promulgated thereunder. In the event of an audit of the Company that is subject to the partnership audit procedures enacted under Section 1101 of the BBA (the “**BBA Procedures**”), at the direction of the Board, the Partnership Representative shall have the right to make any and all elections and to take any actions that are available to be made or taken by the Partnership Representative or the Company under the BBA Procedures. If an election under Code Section 6226(a) (as amended by the BBA) is made, the Company shall furnish to each Member for the year under audit a statement of the Member’s share of any adjustment set forth in the notice of final partnership adjustment, and each Member shall take such adjustment into account as required under Code Section 6226(b) (as amended by the BBA). The Partnership Representative shall, at the Company’s expense, file or cause to be filed all tax returns of the Company with the appropriate tax authorities.

4.6 Indemnification.

(a) To the fullest extent permitted under Applicable Law, the Company shall severally indemnify and hold harmless any Person (an “**Indemnified Party**”) who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including any action by or in the right of the Company) by reason of or arising from any acts or omissions (or alleged acts or omissions) on behalf of the Company or in furtherance of the interests of the Company arising out of the Indemnified Party’s activities as a Manager, Partnership Representative, officer, employee, trustee or agent of the Company against losses, damages or expenses (including reasonable attorneys’ fees, judgments, fines and amounts paid in settlement) actually and reasonably incurred by such Indemnified Party in connection with such action, suit or proceeding and for which such Indemnified Party has not otherwise been reimbursed, so long as such Indemnified Party did not act in bad faith or in a manner constituting gross negligence or willful misconduct or materially breach this Agreement. The termination of any action, suit or proceeding by judgment, order, settlement or upon a plea of *nolo contendere* or its equivalent shall not of itself (except insofar as such judgment, order, settlement or plea shall itself specifically provide) create a presumption that the Indemnified Party acted in bad faith or in a manner constituting gross negligence or willful misconduct or materially breached this Agreement. In addition, to the fullest extent permitted under Applicable Law, reasonable expenses incurred by an Indemnified Party in defending any such actual or threatened proceeding or investigation shall be paid by the Company in advance of the final disposition of such proceeding or investigation upon receipt by the Company of an undertaking by or on behalf of the Indemnified Party to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that the Indemnified Party is not entitled to be

indemnified as authorized by this Section 4.6. For the avoidance of doubt, conduct shall not be deemed to be willful misconduct for engaging in activity related to cannabis or the cannabis industry that may be a violation of federal law, so long as the conduct or activity is reasonably believed to be in compliance with applicable state laws. The Company may, but shall not be required to, indemnify any employee, independent contractor or agent of the Company on the same terms, or on such other terms as the Board deems appropriate. Notwithstanding the foregoing, a Person shall be entitled to indemnification hereunder for alleged violation of federal and state securities laws to the maximum extent permitted by such laws.

(b) Non-Exclusivity of Section 4. The indemnification provided by this Section and/or the Certificate of Organization of the Company shall not be deemed exclusive of nor deemed to exclude any other rights (whether arising under any indemnification agreement, under Applicable Law, or otherwise) to which those seeking indemnification may be entitled, and shall continue as to a Person who has ceased to be a Manager, officer, employee, counsel or agent of the Company and shall inure to the benefit of the heirs, executors and administrators of such Person.

(c) Insurance. To the extent determined by the Managers, the Company shall purchase and maintain insurance, at its expense, to protect itself, any Person entitled to indemnification hereunder and any other employee or agent of the Company or any Affiliate, against any liability that may be asserted against or expenses that may be incurred by any such Persons in connection with the activities of the Company or such Persons, whether or not the Company would have the power to indemnify such Person against such expense liability or loss under this Article IV.

(d) Exculpation. Notwithstanding any other provision of this Agreement, no officer, attorney or Manager of the Company shall be liable to the Company or to any Member or third-party for any act or failure to act undertaken in good faith with the reasonable belief that such act or failure to act was in the best interest of the Company and its Members. It is the intent of the parties that the provisions of this Section 4.6(d) shall be enforceable to the maximum extent permitted by law.

(e) Savings Clause. If this Section 4.6 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless such person indemnified pursuant to this Section 4.6 as to cost, charges and expenses, including reasonable attorneys' fees, judgments, finds and amounts paid in settlement with respect to any suit, action or proceeding including any appeal thereof to the full extent permitted by any applicable portion of this Section 4.6 that shall not have been so invalidated and to the fullest extent permitted by Applicable Law.

4.7. Information Requested by Managers. Each Member agrees promptly to provide the Managers with information about such Member that the Managers reasonably request to comply with any regulatory, tax or legal requirement related to business of the Company.

4.8. Qualifications of Members

Each Member, to the extent required by applicable law, shall be an Accredited Investor, as defined in Regulation D promulgated under the Securities Act. Each Member shall be required to (i) sign this Agreement or a joinder to this Agreement if acquiring Units of the Company, (ii)

comply with and be in compliance with the regulations and rules promulgated, from time to time, by the CCC, and (iii) agrees to either cure any breach of those regulations and rules, or sell their Units, if notified by the Company of any non-compliance with current regulations or rules of the CCC, if notified by the Company of any non-compliance with current regulations or rules of the CCC.

ARTICLE V

Capital Accounts, Allocations and Distributions

5.1.1 Capital Accounts.

(a) A separate capital account will be maintained for each Member in accordance with the provisions of Regulations Section 1.704-1(b)(2)(iv) (each a “**Capital Account**”).

(b) In connection with the admission or withdrawal of a Member, or other change in the Membership Interest of a Member, or a Capital Contribution of money or other property (other than a *de minimis* amount) by a new or existing Member as consideration for an Interest, or in connection with the liquidation of the Company or a distribution of money or other property (other than a *de minimis* amount) by the Company to a withdrawing Member, the Capital Account of the Members shall be adjusted to reflect a revaluation of Company property (including tangible assets) in accordance with Regulations Section 1.704-1(b)(2)(iv)(f). If, under Section 1.704-1(b)(2)(iv)(f) of the Regulations, Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and the book value, in the same manner as variations between the adjusted tax basis and fair market value of property contributed to the Company are taken into account in determining the Members’ shares of tax items under Code Section 704(c).

(c) In the event of a sale or exchange of any Interest, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Interest in accordance with Regulations Section 1.704-1(b)(2)(iv).

(d) The manner in which Capital Accounts are to be maintained pursuant to this Section is intended to comply with the requirements of Code Section 704(b) and the Regulations promulgated thereunder, and this Agreement shall be interpreted in a manner consistent therewith.

Section 5.1.2 Allocation of Profits and Losses. The income, gains, losses, deductions and credits of the Company shall be allocated for book and federal, state and local income tax purposes among the Members in a manner consistent, in the judgment of the Managers, with the related distributions or expected distributions pursuant to Section 5.2. The Managers are authorized (i) to interpret and apply the tax allocation provisions hereof as providing for a “qualified income offset,” “minimum gain chargeback” and such other allocation principles as may be required under section 704 of the Code and applicable Regulations; (ii) to determine the tax allocation of specific items of income, gain, loss, deduction and credit of the Company; and

(iii) to vary any and all of the foregoing tax allocation provisions to the extent necessary in the judgment of the Managers to comply with section 704 of the Code and applicable Regulations.

5.2 Distributions.

(a) Prior to any distributions by the Company pursuant to this Section 5.2, the Company shall set aside those amounts determined by the Managers to be necessary or appropriate: (i) to pay and discharge of all of the Company's current debts and liabilities to creditors (including compensation to the Managers, officers and employees, debts to Members and other similar expenses, so long as the same are incurred in accordance with the terms and conditions of this Agreement, in the order of priority as provided by law); and (ii) to fund reserves for debts and liabilities not then due and owing and for contingent liabilities.

(b) Subject to Section 5.2(a) above and Section 5.5 below, distributions of Available Cash Flow (and for avoidance of doubt, excluding any distributions made in connection with a Deemed Liquidation Event) shall be made at such times and in such amounts as may be determined by the Managers, such distributions shall be made as follows:

(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 Managers in their sole and exclusive discretion; and

(ii) Second, to the holders of Class B Membership units until such Class B Members have received a sum in an amount equal to 150% of the original Capital Contribution to the Company in excess of all other Capital Contributions made by all Members (by way of example if the Class B Member's original Capital Contribution was \$500,000 and all other original Capital Contributions totaled \$200,000.00, then and in that event the Class B Member would be entitled to receive 150% of the excess over \$200,000 contributed by other Members ($\$300,000 \times 150\% = \$450,000$) before any other member received funds under this provision)

(iii) Third, 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 (i) all other LLC transactions (distributions and allocations of Profits and Losses and items of income, gain, deduction and loss) and (ii) such Terminating Capital Transaction); and

(iv) Fourth, and thereafter, the remaining balance to all of the Members pro rata in accordance with their respective Percentage Interests (subject to any Profits Interest Hurdle and vesting for Class C Units granted as Profits Interests).

5.3 Distribution in Kind. The Company may make distributions in kind, which distributions will be allocated among the parties as provided in Section 5.2. Unrealized gains and losses with respect to assets distributed in kind will be deemed to have been realized immediately before such distribution for all purposes of this Agreement. For purposes of determining such gains and losses, the value of non-cash assets distributed to Members shall be determined in good faith by the Managers.

5.4. Tax Withholding. Each Member hereby authorizes the Managers to withhold and pay over any withholding or other taxes payable by the Company as a result of the Member's status as a Member hereunder, if any. If the Company 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, including as a component of such distribution or such Member's share of a distribution pursuant to Section 5.5, if any, 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 Managers, 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 5.4 shall be repaid by such Member to the Company within thirty (30) days after the Managers give notice to such Member making demand therefor. Any amounts so advanced and not timely repaid shall bear interest, commencing on the expiration of said thirty (30) day period, compounded monthly on unpaid balances, at a fixed annual rate equal determined by the Managers in each instance. The Managers shall collect any unpaid amounts from any Company distributions that would otherwise be made to such Member.

5.5. Tax Distributions. In addition to the distributions to be made pursuant to Section 5.2 above, the Company shall attempt, but not be compelled, to make a distribution to each Member in an amount which the Managers shall determine in good faith (in consultation with the Company's independent accountants, if so desired) is sufficient to fund the tax obligations attributable to all Membership Interests of such Member on account of the cumulative allocation to them of taxable income in excess of tax losses pursuant to this Agreement. For purposes of this Section 5.5, the highest effective combined income tax rate applicable to any individual Member shall be used to determine the amount sufficient to fund the tax obligations of all Members on account of the cumulative allocation to them of taxable income in excess of tax losses pursuant to this Agreement. All amounts distributed to a Member with respect to any fiscal year pursuant to this Section 5.5 shall be reduced by any distributions made pursuant to Section 5.2 for such fiscal year or prior to the expiration of the ninety (90) day period following the end of such fiscal year. Any amount distributed pursuant to this Section 5.5 will be deemed to be an advance distribution of amounts otherwise distributable to the Members pursuant to Section 5.2 and will reduce the amounts that would subsequently otherwise be distributable to the Members pursuant to those Sections.

5.6. Guaranteed Payments. Amounts distributed pursuant to Sections 5.2, 5.3 or 5.5 are not intended to constitute guaranteed payments within the meaning of Section 707(c) of the Code and shall be treated as distributions for purposes of computing the recipients' Capital Accounts. Guaranteed Payments may be made to the Members as and when determined by the Managers and the recipient Member.

ARTICLE VI

Company Expenses and Compensation of the Managers, Members, Others

6.1 Compensation of the Managers. The Managers may receive such salary, fees or other compensation for services as reasonably determined by the Managers.

6.2 Reimbursement and Compensation of Members. Members may be entitled to receive fees, salary or remuneration for services rendered to the Company, as reasonably determined from time to time by the Managers. Additionally, Members may be entitled to reimbursement of expenses reasonably incurred on behalf of the Company, as reasonably determined by the Managers. Such expenses shall include, without limitations, supplies and equipment, rentals, salaries to third persons, insurance, legal services, accounting services, fees or commissions paid to third parties, and similar costs and expenses.

6.3 Reimbursements and Compensation of Others. The Company shall pay the officers, employees, independent contractors, consultants, agents and all other Persons performing services for or on behalf of the Company such wages, fees, expenses, reimbursements, equity grants and other compensation as may be determined by the Managers.

ARTICLE VII

Relationship of Manager, the Company and Others

7.1. Other Activities of Managers and Members.

(a) A Member or a Manager may have business interests and engage in business activities in addition to those connected with the Company, which interests and activities may be in one or more industries similar to or different from those of the Company. No transaction or contract to which the Company is or may be a party, shall be void, voidable or a breach of fiduciary duty for reason that the Manager, any Member or any Affiliate of the Manager, or any Member, is a party thereto. The Company, Managers and Members hereby agree that, to the extent permitted under Applicable Law, no party hereto shall be liable to the Company for any claim arising out of, or based upon, (i) the investment by such party in any entity competitive with the Company, or (ii) actions taken by any partner, officer or other representative of such party to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve any such party from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement.

(b) Each Member acknowledges that it, or, if such Member is a business entity, its equity holders that have a beneficial ownership of more than 9.99% of the Company's equity (or such lesser amount as required by applicable regulatory requirements) that such Member's directors, officers, general partner or managers (each a "**Background Party**"), may be required to submit to a background check in connection with the Company's or any of its Subsidiaries' or Affiliates' efforts to obtain licensure or for any other business purpose of the Company. Each Member agrees that it and any and all Background Parties will cooperate with all reasonable requests from the Company in this regard including, but not limited to, executing authorizations to conduct any required background search.

(c) So long as each Member remains a Member of the Company hereunder, each such Member and its Affiliates or related entities shall not invest in any CRB Person that is competitive with the Company in Massachusetts, except that any Member may invest in a CRB Person with operations in Massachusetts that is directly competitive with the Company; provided that such

Member does not have a beneficial ownership or other financial interest in such CRB Person that exceeds 9.99% (or such lesser amount as required by the applicable regulatory requirements) and such Member or any Background Party is not a Person or Entity Having Direct or Indirect Control with respect to any other CRB Person in Massachusetts. Notwithstanding the foregoing, this subsection (c) shall not apply to the CRB Persons or other businesses reflected on Schedule C annexed hereto,¹ or as otherwise approved by the Board.

(d) Each Members shall provide seven (7) days advance notice to the Company of an investment by any such Member in any CRB Person (the "**Opportunities**"). Each Member agrees that it will not invest in Opportunities in states that have limitations on the number of cannabis licenses that a company may own and/or the financial interests that an individual may retain in multiple cannabis licenses, but only to the extent that such investment(s) could reasonably be expected to preclude the Company or any of its Subsidiaries or Affiliates from expanding its operations, obtaining cannabis licenses from, or investing in Opportunities, in the respective state.

(e) To the extent that (i) any Member or any Background Party acquires equity ownership or financial interest in a CRB Person in Massachusetts or any other state in which the Company or any of its Subsidiaries or Affiliates possesses or is pursuing cannabis licensure and (ii) such ownership could reasonably be expected to jeopardize the Company's or any of its Subsidiaries' or Affiliates' licensure (or pending license application), the Member agrees that it shall or shall cause such Background Party to divest itself of such ownership or financial interest.

(f) To the extent that (i) any Member or any Background Party becomes a Person or Entity Having Direct or Indirect Control in another CRB Person in Massachusetts or any equivalent of a Person or Entity Having Direct or Indirect Control in any other state in which the Company or any of its Subsidiaries or Affiliates possesses or is pursuing cannabis licensure and (ii) such Person or Entity Having Direct or Indirect Control position could reasonably be expected to jeopardize the Company's or any of its Subsidiaries' or Affiliates' licensure (or pending license application), the Member agrees that it shall or shall cause such Background Party to resign from such Person or Entity Having Direct or Indirect Control position.

7.2. Business Activities with Affiliates. The Managers may from time to time in the conduct of Company affairs consult with, utilize the services of, or otherwise engage in business activities with one or more Managers, Members or Affiliates of a Manager or Member. The Company shall disclose any such engagement to the Managers prior to entering into an agreement in connection therewith.

7.3 Interested Member, Manager or Officer Contracts.

(a) No contract or other transaction between the Company and (a) one or more of its Members, Managers, officers or Affiliates thereof (collectively, "**Insiders**") or (b) any other entity in which one or more Insiders of the Company is an equity holder, director, manager or officer or has a financial interest, shall be void or voidable solely (i) for such reason, (ii) because such Insider is present at or participates in the meeting of the Members or Managers, as applicable, at which such contract is authorized or (iii) because the vote of such officer, Manager or Member is counted

at the meeting of the Members or Managers, as applicable, at which such contract is authorized, if the Managers approves such transaction and one of the following conditions is satisfied:

(i) All material facts as to such contract, and such Insider's interest therein (if any), have been disclosed to or are known by the majority of all the Managers and such contract or amendment thereto has been specifically approved in good faith by the Managers, without counting the vote of any interested Person; or

(ii) Such contract or amendment thereto is fair as to the Company as of the time at which such contract is authorized, approved or ratified by the Managers.

Persons so interested may be counted when present at meetings of the Members or the Managers, as applicable, for the purpose of determining the existence of a quorum.

(b) To the extent the Managers appoint any of its members to be officers of the Company, nothing in this Agreement shall prevent such persons from receiving a salary or other compensation from the Company.

ARTICLE VIII

Withdrawal; Powers Reserved to Members

8.1. Withdrawal by Members. Except as expressly permitted by this Agreement or pursuant to a separate written agreement with the Company, no Member shall have the right to withdraw from the Company.

8.2. Actions Requiring Approval of the Members. Notwithstanding anything to the contrary contained elsewhere in this Agreement, the Managers shall not take any action which is expressly reserved to the Members in this Agreement or in the Act, actions unless doing so has been approved by unanimous vote of the Members.

ARTICLE IX

Transfers

9.1 Transfers by Members.

(a) Restrictions on the Transfer of Interests. Subject to the exceptions below, no Member (or an Affiliate) may Transfer any portion of any Units to any other Person without the prior consent of the Managers, which consent may be granted or withheld for any or no reason. Notwithstanding anything to the contrary contained herein, including, without limitation, the provisions of Section 9.3, any Member may Transfer all or a portion of its Units (the following, each, a "**Permitted Transfer**"): (w) to another Member, (x) in the case of a Member who is a natural person, to (i) such Member's Relative, (ii) any trust, limited partnership, limited liability or other company primarily for the benefit of a Relative, (iii) any trust, limited partnership, limited liability or other company the beneficial owner of which includes only such Member, or (iv) any trust, limited partnership, limited liability or other company which is controlled directly or indirectly by such Member; (y) in the case of a Member who is not a natural person, to any shareholder, partner, parent, subsidiary, equity holder or Affiliate of such Member; or (z) to another natural person or entity upon approval by the Managers; *provided that* any such transferee

under clauses (w), (x), (y) or (z) immediately above shall agree in writing to be bound by, and the Units so transferred shall remain subject to, the terms and conditions of this Agreement; *provided, however, that* with respect to (w), (x), and (y) above, such Transfer under this Section 9.1 may be affected without, in each case, the necessity of obtaining the prior consent of the Managers, but subject to delivering prior written notice to the Managers; *provided, further, that* any proposed Transfer under this Section 9.1 must meet the conditions set forth in this Section 9.1 unless so waived by the Managers, which conditions are intended, among other things, to ensure compliance with the provisions of applicable laws.

(b) Compliance with Securities Laws. No Member shall Transfer all or any portion of such Member's Units unless such Transfer (i) is made pursuant to and in accordance with this Article IX, (ii) is made in compliance with the Securities Act of 1933, as amended or with any other governmental or regulatory agency under any securities laws or so-called "blue-sky" laws of any state (collectively, the "Securities Laws") and (iii) to the extent applicable, but subject to the Permitted Transfer exceptions in Section 9.1(a), such Member complies with the provisions of Section 9.3 and 9.4 if applicable to such Member. Any purported Transfer by any Member (including any assignee thereof) of any Units not made strictly in accordance with the provisions of this Article IX shall be entirely null and void ab initio. No Transfer shall be recognized by the Company, nor shall the Company be liable or responsible in respect of any Transfer or transferee, until the requirements of this Section 9.1 and Section 1.6 have been complied with. In addition to the foregoing, and except for Transfers expressly permitted or required by this Agreement, no Member shall make, effect or permit any Transfer of all or any portion of such Member's Units without the prior written consent of the Managers in their sole discretion.

(d) Notice of Transfer, etc. Notwithstanding anything to the contrary set forth in this Agreement:

(i) By acceptance of any Restricted Securities the holder thereof agrees, prior to any Transfer of any Restricted Securities, to give written notice to the Company of such holder's intention to effect such Transfer and to comply in all other respects with the provisions of this Section 9.1. Each such notice shall describe the manner and circumstances of the proposed Transfer and shall be accompanied, if requested by the Company, by the written opinion, addressed to the Company, of counsel for the holder of Restricted Securities, as to whether in the opinion of such counsel (which opinion and counsel shall be reasonably satisfactory to the Company and which counsel may be the in-house counsel of such holder) such proposed Transfer involves a transaction requiring registration of such Restricted Securities under the Securities Act; *provided, however, that* (x) in the case of a holder of Restricted Securities which is an Entity, no such opinion of counsel shall be necessary for a Transfer by such holder of Restricted Securities to a stockholder, equity holder or Affiliate of such Entity; and (y) no such opinion shall be required in connection with a Transfer pursuant to Rule 144 (as amended from time to time) promulgated under the Securities Act (or successor rule thereto), *provided, further, however, that* the Company shall be provided with customary written representations relating to such transaction.

(ii) If in the opinion of such counsel (if such opinion is required hereunder) the proposed Transfer of Restricted Securities may be effected without registration under the Securities Act, the holder of Restricted Securities shall thereupon be entitled to Transfer

Restricted Securities in accordance with the terms of the notice delivered by it to the Company and subject to the restrictions otherwise set forth herein.

(iii) No Transfer of any Member's Units to any transferee or assignee (other than a transferee or assignee that was already a Member immediately prior to such Transfer), shall be effective until such transferee or assignee executes and delivers to the Managers a copy of this Agreement or a counterpart hereof whereby such transferee or assignee agrees to be bound by the provisions of this Agreement. Any Member who is admitted as a Member of the Company subsequent to an effective Transfer consummated in accordance with this Article IX shall succeed to all the rights and be subject to all the obligations of the transferring Member hereunder in respect of the interest as to which it was substituted. The terms "Member" and "Members" used in this Agreement shall be deemed to apply to and include each substituted and additional Member admitted as a Member to the Company pursuant to this Article IX.

9.2 Prohibited Transfers.

(a) Notwithstanding anything to the contrary set forth herein, no Member shall Transfer all or any portion of such Member's Units (i) to any Person or Entity that, in the determination of the Managers, competes, directly or indirectly, with the business of any of the Company, except pursuant to a Transfer under Section 9.5; (ii) if such Transfer would cause the Company to become subject to the registration requirements of the U.S. Investment Company Act of 1940, as amended from time to time; (iii) if such Transfer would be a "prohibited transaction" under ERISA or the Code or cause all or any portion of the assets of the Company to constitute "plan assets" under ERISA or Section 4975 of the Code; (iv) the Managers determines in their sole discretion that such transaction will either cause the Company to be characterized as a "publicly traded partnership" or will materially increase the risk that the Company will be so characterized; or (v) such admission will cause the Company to have any of its licenses or permits to operate rescinded, revoked, suspended, or not renewed. For purposes of this Section 9.2, the phrase "publicly traded partnership" shall have the meanings set forth in Section 7704(b) and 469(k) of the Code. In particular and without limiting the foregoing, no Transfer shall be permitted, given effect or otherwise recognized, and such Transfer (or purported Transfer) shall be void ab initio, if at the time of such Transfer (or as a result of such Transfer) Units are (or would become) traded on an "established securities market" (within the meaning of Treasury Regulation Section 1.7704-1(b)) or are (or would become) "readily tradable on a secondary market or the equivalent thereof" (within the meaning of Treasury Regulation Section 1.7704-1(c)).

(b) No Transfers to Prohibited Persons. No Member may Transfer, in whole or in part, its Units, or any interest therein or Units thereunder, to (i) a minor or incompetent, unless by will or intestate succession, (ii) any Person with a conviction or plea of nolo contendere of a felony or crime involving moral turpitude or civil judgment for fraud or larceny, (iii) any Person that may interfere with the ability of the Company or any of its Affiliates to maintain a license or permit to deliver or sell cannabis or otherwise continue to operate the business or maintain a bank account or insurance; (iv) such admission will cause the Company to no longer be classified, or otherwise lose any status it may have, as a "Social Equity Program Participant" (as such term is defined in 935 CMR 500.002) in the "Social Equity Program" (as such term is defined in 935 CMR 500.105(17)); [or (v) if such admission will cause the Company to no longer be classified, or

otherwise lose any status it may have, as a minority-owned ("**MBE**") businesses, as certified by the State's Supplier Diversity Office (the "**SDO**") or the CCC.]²

9.3 Right of First Refusal.

(a) Grant. Subject to the Permitted Transfer terms of Section 9.1(a), each Member hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Transfer Units that such Member may propose to transfer in a Proposed Member Transfer, at the same price and on the same terms and conditions as those offered to the Prospective Transferee.

(b) Notice. Each Member proposing to make a Proposed Member Transfer must deliver a Proposed Transfer Notice to the Company and each Member (other than a Profits Interest Member) not proposing to make a Proposed Member Transfer (the "**Other Holders**") not later than forty-five (45) days prior to the consummation of such Proposed Member Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Member Transfer, the amount of each class or series of Transfer Units to be sold by such Member, the identity of the Prospective Transferee and the intended date of the Proposed Member Transfer. To exercise its Right of First Refusal under this Section 9.3, the Company must deliver a Company Notice to the selling Member within fifteen (15) days after delivery of the Proposed Transfer Notice. In the event of a conflict between this Agreement and any other agreement that may have been entered into by a Member with the Company that contains a preexisting right of first refusal, the Company and the Member acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Section 9.3(a) and this Section 9.3(b).

(c) Grant of Secondary Refusal Right to Other Holders. Subject to the Permitted Transfer terms of Section 9.1(a), each Member hereby unconditionally and irrevocably grants to the Other Holders a Secondary Refusal Right to purchase all or any portion of the Transfer Units not purchased by the Company pursuant to the Right of First Refusal, as provided in this Section 9.3(c). If the Company does not intend to exercise its Right of First Refusal with respect to all Transfer Units subject to a Proposed Member Transfer, the Company must deliver a Secondary Notice to the selling Member and to each Other Holder to that effect no later than fifteen (15) days after the selling Member delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Other Holder must deliver an Other Holder Notice to the selling Member and the Company within ten (10) days after the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence.

(d) Undersubscription of Transfer Units. If options to purchase have been exercised by the Company and the Other Holders with respect to some but not all of the Transfer Units by the end of the ten (10) day period specified in the last sentence of Section 9.3(c) (the "**Other Holder Notice Period**"), then the Company shall, immediately after the expiration of the Other Holder Notice Period, send written notice (the "**Company Undersubscription Notice**") to those Other Holders who fully exercised their Secondary Refusal Right within the Other Holder Notice Period (the "**Exercising Other Holders**"). Each Exercising Other Holder shall, subject to the

provisions of this Section 9.3(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed Transfer Units on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Other Holder must deliver an Undersubscription Notice to the selling Member and the Company within ten (10) days after the expiration of the Other Holder Notice Period. In the event there are two or more such Exercising Other Holders that choose to exercise the last-mentioned option for a total number of remaining Transfer Units in excess of the number available, the remaining Transfer Units available for purchase under this Section 9.3(d) shall be allocated to such Exercising Other Holders pro rata based on the number of Transfer Units such Exercising Other Holders have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any Transfer Units that any such Exercising Other Holder has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining Transfer Units are exercised in full by the Exercising Other Holders, the Company shall immediately notify all of the Exercising Other Holders and the selling Member of that fact.

(e) Consideration; Closing. If the consideration proposed to be paid for the Transfer Units is in property, services or other non-cash consideration, it shall be at the Fair Market Value of the consideration and set forth in the Company Notice. If the Company or any Other Holder cannot for any reason pay for the Transfer Units in the same form of non-cash consideration, the Company or such Other Holder may pay the cash value equivalent thereof, as determined in good faith by the Managers and as set forth in the Company Notice. The closing of the purchase of Transfer Units by the Company and the Other Holders shall take place, and all payments from the Company and the Other Holders shall have been delivered to the selling Member, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Member Transfer; and (ii) sixty (60) days after delivery of the Proposed Transfer Notice.

(f) Waiver. The secondary rights of first refusal in this Section 9.3 may be waived by a unanimous vote of of the voting Members on behalf of all Members.

9.4 Tag-Along Rights.

If at any time one or more Members (the “**Offering Members**”) shall propose a transfer of securities of the Company in one or more related transactions of Units constituting at least a majority of the outstanding Units, to a third party, the Offering Members shall give written notice to the other Members and the Company of their intention to make such proposed transfer describing in reasonable detail the proposed transfer including, without limitation, the number and class of Units to be transferred, the nature of such transfer, the consideration to be paid, and the name and address of each prospective purchaser or transferee. In such event, each Member (the “**Tag Along Members**”) shall have the option, exercisable upon written consent of the Manager, to sell all, and not less than all of his, her or its interests in the Company to the proposed transferee at the price and upon the terms offered by the proposed transferee, and the proposed transferee shall be required to purchase the interest of each Tag Along Member at such price and upon the terms offered by the proposed transferee. By way of clarification, any transfer by the Offering Member holding a majority interest pursuant to this Section 9.4 shall not be subject to the right of first refusal set forth in Section 9.3 hereof and the rights of the other Members to participate in such transfer as described in this Section 9.4 shall be in lieu of such Member’s rights under such

Section 9.3. Notwithstanding the provisions of Section 9.4, this Section 9.4 shall not apply and a Member shall not have the so-called “tag-along rights” in connection with a Permitted Transfer.

9.5 Drag-Along Rights.

(a) Definitions. A “Sale of the Company” shall mean either: (i) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from the holders of Units representing more than fifty percent (50%) of the outstanding voting power of the Company (a “Unit Sale”); or (b) a transaction that qualifies as a Deemed Liquidation Event; or (c) or the Managers decide to consummate a Qualified IPO, the Managers shall have the right to require that each other Member participates in the Qualified IPO.

(b) Actions to be Taken. In the event that the Managers approve a Sale of the Company in writing, specifying that this Section 9.5(b) shall apply to such transaction, then each Member and the Company hereby agree:

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

(ii) if such transaction is a Unit Sale, to sell the same proportion of Applicable Units beneficially held by such Member as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Applicable Units, and, except as permitted in Section 9.5(b)(iii) below, on the same terms and conditions as the Selling Investors;

(iii) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 9.5(b)(iii), including executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, and any similar or related documents;

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

(v) to refrain from exercising any dissenters’ rights or rights of appraisal under Applicable Law at any time with respect to such Sale of the Company;

(vi) if the consideration to be paid in exchange for the Applicable Units pursuant to this Section 9.5(b)(iv) includes any securities and due receipt thereof by any Member would require under Applicable Law (A) the registration or qualification of such securities or of any

Person as a broker or dealer or agent with respect to such securities; or (B) the provision to any Member of any information other than such information as a prudent issuer would generally furnish in an offering made solely to “accredited investors” as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Member in lieu thereof, against surrender of the Applicable Units which would have otherwise been sold by such Member, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Member would otherwise receive as of the date of the issuance of such securities in exchange for the Applicable Units; and

(vii) in the event that the Selling Investors, in connection with such Sale of the Company, appoint a Member representative (the “**Member Representative**”) with respect to matters affecting the Members under the applicable definitive transaction agreements following consummation of such Sale of the Company, (A) to consent to (1) the appointment of such Member Representative, (2) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (3) the payment of such Member’s pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Member Representative in connection with such Member Representative’s services and duties in connection with such Sale of the Company and its related service as the representative of the Members, and (B) not to assert any claim or commence any suit against the Member Representative or any other Member with respect to any action or inaction taken or failed to be taken by the Member Representative in connection with its service as the Member Representative, absent fraud or willful misconduct.

(c) Exceptions. Notwithstanding the foregoing, a Member will not be required to comply with Section 9.5(a) above in connection with any proposed Sale of the Company (the “**Proposed Sale**”), unless:

(i) any representations and warranties to be made by such Member in connection with the Proposed Sale made in respect of such Member and such Member’s ownership of Units are limited to those representations and warranties also provided by all other Members related to authority, ownership and the ability to convey title to such Units, including representations and warranties that (A) the Member holds all right, title and interest in and to the Units such Member purports to hold, free and clear of all liens and encumbrances; (B) the obligations of the Member in connection with the transaction have been duly authorized, if applicable; (C) the documents to be entered into by the Member have been duly executed by the Member and delivered to the acquirer and are enforceable against the Member in accordance with their respective terms; and (D) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Member’s obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;

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

(iii) the liability for indemnification, if any, of such Member in the Proposed Sale and for the inaccuracy of any representations and warranties made by the Company or its Members in connection with such Proposed Sale made in respect of the Company, whether several or joint and several with any other Person (and with any funds to be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Member of any of identical representations, warranties and covenants provided by all Members), and subject to the provisions of this Agreement related to the allocation of the escrow, does not exceed the amount of consideration paid to the Members in connection with such Proposed Sale;

(iv) upon the consummation of the Proposed Sale (A) each holder of each class or series of Units will receive the same form of consideration for their Units of such class or series as is received by other holders in respect of their Units of such same class or series; (B) each holder of Class A Units will receive the same amount of consideration per Class A Unit as is received by other holders in respect of their Class A Units; (C) each holder of Class B Units will receive the same amount of consideration per Class B Unit as is received by other holders in respect of their Class B Units; and (E) the aggregate consideration receivable by all holders of the Class A Units and Class B Units (if applicable) shall be allocated among the holders of Class A Units and Class B Units (if applicable) on the basis of the relative liquidation preferences to which the holders of the Class A Units and Class B Units (if applicable) are entitled in a Deemed Liquidation Event (assuming for this purpose that the Proposed Sale is a Deemed Liquidation Event) in accordance with Section 12.2; *provided, however, that*, notwithstanding the foregoing, if the consideration to be paid in exchange for any Units pursuant to this Section 9.5(c)(iv) includes any securities and due receipt thereof by any Member would require under Applicable Law (1) the registration or qualification of such securities or of any Person as a broker or dealer or agent with respect to such securities; or (2) the provision to any Member of any information other than such information as a prudent issuer would generally furnish in an offering made solely to “accredited investors” as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Member in lieu thereof, against surrender of the Units which would have otherwise been sold by such Member, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Member would otherwise receive as of the date of the issuance of such securities in exchange for the Units; and

(v) subject to Section 9.5(c)(iv) above, requiring the same form of consideration to be available to the holders of any single class or series of Units, if any holders of any Units are given an option as to the form and amount of consideration to be received as a result of the Proposed Sale, all holders of such Units will be given the same option; provided, however, that nothing in this Section 9.5(c) shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder’s failure to satisfy any condition, requirement or limitation that is generally applicable to the Members.

9.6. Continuation of Restrictions. In the event of a merger, consolidation or other reorganization of the Company that does not result in a change of control of the Company (on the basis of a majority of the Percentage Interests of all Membership Interests), then the securities or other property received by each Member as a result thereof shall remain subject to the same restrictions as are contained in this Article IX as if such merger, consolidation or other reorganization had not occurred.

9.7 Member Purchase Option.

(a) Purchase Option. The Class A Member or the Class B Member (each such Member, a “**Purchasing Member**”) may, at such Purchasing Member’s election and subject to the mutual agreement and satisfaction of the other Member (the “**Selling Member**”), at any time following any indication from any Member (written or verbal) of a desire to sell, assign or otherwise transfer their Membership Interests (“**Triggering Event**”), exercise the option (the “**Purchase Option**”) to purchase from the **Selling Member** all or a portion of the Units of the Company owned by Selling Member (collectively, the “**Purchased Units**”), subject to compliance with, and approval by, the appropriate and applicable state and municipal governmental authorities and regulations, including, without limitation, the City of Medford, the CCC and any other governmental authority(ies) having jurisdiction.

(b) The Purchase Option may be exercised only following expiration of the Triggering Event, and shall be exercised in writing by the Purchasing Member’s delivery of written notice to the Selling Member (the “**Purchase Notice**”) and subject to written acceptance by the Selling Member, subject to obtaining all requisite approvals from the CCC any other governmental agency. No purchase and sale of any Purchased Units may be made if such transaction would cause or result in a breach of any agreement binding upon the Company or of then applicable rules and regulations of any governmental authority having jurisdiction over such transfer. Notwithstanding the foregoing, in the event that Purchasing Member elects to exercise its Purchase Option hereunder, such transaction shall become effective only upon obtaining all applicable proper approvals of the CCC or any governmental authority having jurisdiction over such transfer, if any.

(c) Purchase Consideration. The consideration for the Purchased Units (the “**Purchase Consideration**”) shall be the fair market value thereof, as determined by an independent appraiser (any such appraiser must be recognized as an expert in valuing the type of business involved) as mutually agreed upon by the parties (the “**Appraiser**”). The Appraiser shall calculate the fair market value of the Purchased Units according to commonly used valuation practices for valuing similar companies of this nature in the industry, taking into account the metrics used for the sale of the Purchased Units. Both the Purchasing Member and the Selling Member acknowledge and agree that they shall be bound by the results determined by the Appraiser. The cost of such valuation shall be borne equally by the Purchasing Member and the Selling Member. The parties agree to provide any appraiser any financial records requested of the Appraiser.

(d) Purchase Process. Upon the Purchasing Member’s exercise of the Purchase Option, delivery of the Purchase Notice, and tender of Purchase Consideration by the Purchasing Member to the Selling Member, the Selling Member agrees to sell and deliver the Purchased Units to the Purchasing Member free and clear of all encumbrances, and to execute and deliver to the Purchasing Member a purchase agreement and such other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the Purchased Units. The Purchasing Member may pay the Purchase Consideration payable by it in whole or in part by a promissory note on the terms and substantially in the form set forth as Exhibit A to this Agreement.

(e) Assignment of Purchase Option. Purchasing Member may assign the Purchase Option to an Affiliate that controls, is controlled by or is under common control with Purchasing Member.

(f) Purchase Option Constitutes a Permitted Transfer. This Purchase Option shall be considered a “Permitted Transfer” hereunder and shall not be subject to any restrictions or limitations under this Article 9.

ARTICLE X Securities Laws Representations

10.1. Securities Laws Representations. The following provisions shall apply in respect of the acquisition of the membership interests in the Company by the Members:

(a) No registration statement relating to the Membership Interests in the Company or otherwise has been or shall be filed with the United States Securities and Exchange Commission under the Federal Securities Act of 1933, as amended, or with any other governmental or regulatory agency under any securities laws or so-called “blue-sky” laws of any state.

(b) Each Member represents and warrants to each other Member, to each Manager, and to the Company that:

(i) Such Member has the power and authority to execute and comply with the terms and provisions hereof.

(ii) Such Member’s interest in the Company has been or will be acquired solely by and for the account of such Member for investment purposes only and is not being purchased for subdivision, fractionalization, resale or distribution; such Member has no contract, undertaking, agreement or arrangement with any Person to sell, transfer or pledge to such Person or anyone else such Member’s interest in the Company (or any portion thereof); and such Member has no present plans or intentions to enter into any such contract, undertaking or arrangement.

(iii) Such Member’s interest in the Company has not and will not be registered under the Securities Laws of any state, and cannot be sold or transferred without compliance with the registration provisions of the applicable Securities Laws, or compliance with exemptions, if any, available thereunder. Such Member understands that neither the Company nor any Member nor the Managers have any obligation or intention to register the membership interests under any Federal or state securities act or law, or to file the reports to make public the information required by Rule 144 under the Securities Act of 1933, as amended.

(iv) Such Member expressly represents that (1) he, she or it has such knowledge and experience in financial and business matters in general, and in investments of the type to be made by the Company in particular; (2) he, she or it is capable of evaluating the merits and risks of an investment in the Company; (3) his, her or its financial condition is such that it has no need for liquidity with respect to its investment in the Company to satisfy any

existing or contemplated undertaking or indebtedness; (4) he, she or it is able to bear the economic risk of its investment in the Company for an indefinite period of time, including the risk of losing all of such investment, and loss of such investment would not materially adversely affect it; and (5) he, she or it has either secured independent tax advice with respect to the investment in the Company, upon which such Member is solely relying or such Member is sufficiently familiar with the income taxation of partnerships and limited liability companies that he, she or it has deemed such independent advice unnecessary.

(v) Such Member acknowledges that the Managers have made all documents pertaining to the transaction available and have allowed it an opportunity to ask questions and receive answers thereto and to verify and clarify any information contained in the documents. Such Member is aware of the provisions of this Agreement providing for additional capital contributions and dilution of its interest in the Company.

(vi) Such Member has relied solely upon the documents submitted to it and independent investigations made by it in making the decision to purchase its membership interest in the Company.

(vii) Such Member expressly acknowledges that (1) no Federal or state agency has reviewed or passed upon the adequacy or accuracy of the information set forth in the documents submitted to such Member nor made any finding or determination as to the fairness for investment or any recommendation or endorsement of an investment in the Company; (2) there are restrictions on the transferability of such Member's membership interest; (3) there will be no public market for the membership interest of such Member, and, accordingly, it may not be possible for such Member to liquidate its investment in the Company; and (4) any anticipated Federal or state income tax benefits applicable to such Member's membership interest in the Company may be lost through changes in, or adverse interpretations of, existing laws and regulations.

ARTICLE XI Amendments

Except to the extent specifically set forth herein, this Agreement may be altered or amended only by the vote of the Managers. Any amendment to this Agreement approved in accordance with the terms of this Article XI shall be binding upon all Members, whether or not they consented to or joined in such amendment, and the Managers shall have the right to execute and deliver any amendment to this Agreement approved in accordance with the terms hereof, in the name and on behalf of any such Member pursuant to the power of attorney set forth in Section 14.3 of this Agreement. Any amendment so approved shall for all purposes, including, without limitation, the purposes of the Act, have the same force and effect as an amendment manually signed and delivered by all of the Members. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, except as may be prohibited by Applicable Law, any amendment to this Agreement that adversely affects or adversely alters the rights, preferences or privileges of a class of Units that is, or may be authorized and added from time to time in a manner different than the holders of other Units (as the case may be) shall also require a unanimous vote of the Members holding the then issued and outstanding class of such Units (or such other Units authorized and added hereunder), as applicable, *provided, however*, for purposes of clarity the issuance of new

Units pursuant to this Agreement (so long as done in accordance with any pre-emptive rights of Members) shall not require said vote; and any amendment that would alter the rights or obligations of any Member in a manner adverse and disproportionate to other Members shall require the prior written consent of such Member.

ARTICLE XII
Dissolution; Winding Up and Termination

12.1. Dissolution. The Company shall be dissolved and its affairs shall be wound up upon the earliest to occur of the following events:

- (a) a unanimous vote of the voting Members; or
- (b) the entry of a decree of judicial dissolution has occurred under the Act.
- (c) at any time there are no Members of the Company unless within ninety (90) days after the occurrence of the event that terminated the continued membership of the Members, the personal representative of the Members agree in writing to continue the Company and to the admission of such personal representative or its nominee or designee to the Company as a Member, effective as of the occurrence of the event that terminated the continued membership of the Members

12.2. Liquidation; Deemed Liquidation Event. Upon the liquidation or dissolution of the Company, the Managers, or, in the event that there are no Managers, a Person or Persons approved by the unanimous vote of the Members as the “**Liquidating Trustee**,” shall immediately commence to wind up the affairs of the Company; provided, however, that a reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to creditors so as to enable the Members to minimize the normal losses attendant upon a liquidation. The proceeds of liquidation or a Deemed Liquidation Event shall be distributed, as realized, in the following order and priority:

- (a) to the creditors of the Company, including Members who are creditors to the extent permitted by law, in satisfaction of the liabilities of the Company (whether by payment thereof or the making of reasonable provision for payment thereof) other than liabilities for which reasonable provision for payment has been made and liabilities for distributions to Members under Section 5.2; and then
- (b) to the setting up of any reserves which the Managers or the Liquidating Trustee, as the case may be, deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company;
- (c) thereafter, to the Members in accordance with Section 5.2 (b) (i)(A);
- (d) then the balance to the Members in accordance with Section 5.2 (b)(i)(B) of this Agreement; the “**Final Distribution**”, subject to the following:

(x) Immediately prior to the Final Distribution, the Capital Account balances of the Members shall be adjusted, taking into account all Capital Contributions, distributions (other than the Final Distribution), and items of Profit and Loss (including any allocable items of gross income, gain, loss, and expense includible in the computation of Profit and Loss) for the taxable year of the Company in which such liquidation occurs and in which the Final Distribution is distributable, such that the Capital Account of each Member immediately prior to the Final Distribution equals (to the fullest extent possible) the distribution to be received by such Member pursuant to the Final Distribution; and

(y) Notwithstanding anything to the contrary in this Agreement, if after the Capital Account adjustments described in Section 12.2(c)(x), the Capital Accounts of the Members are not equal to their respective shares of the Final Distribution, the Company shall (1) make a guaranteed payment (as determined under Section 707(c) of the Code) to the Members whose share of the Final Distribution exceeds any such Member's Capital Account, and (2) specially allocate any expense associated with such guaranteed payment to the Members whose Capital Accounts exceeds such Member's share of the Final Distribution to the extent necessary to make such Members' individual Capital Accounts equal their respective shares of the Final Distribution.

Upon dissolution, the Managers or the Liquidating Trustee, as the case may be, may (i) liquidate all or a portion of the assets of the Company and apply the proceeds in accordance with this Section 12.2, and (ii) hire independent appraisers to appraise the value of the assets of the Company not sold or otherwise disposed of (the cost of such appraisal to be paid by the Company) and distribute such assets in accordance with this Section 12.2 as though such assets had been sold on the date of distribution; provided, however, that the Managers or the Liquidating Trustee shall in good faith attempt to liquidate sufficient Company assets to satisfy in cash the debts and liabilities of the Company.

12.3. Termination. The Company shall terminate when all the assets of the Company, if any, after payment of or due provision for all debts, liabilities and obligations of the Company, shall have been distributed to the Members in the manner provided for in this Article XI, and the Certificate of Organization shall have been canceled in the manner required by the Act.

12.4. Limitation on Obligation to Restore Deficit Capital Accounts. Absent the express unqualified requirements of Applicable Law, no Member having a deficit Capital Account balance upon the liquidation of the Company, or such Member's interest in the Company, as determined after taking into account all Capital Account adjustments for the fiscal year of the Company in which such event occurs, shall be required to restore such deficit. Such deficit shall not be considered a debt owed to the Company or to any other Person for any purpose whatsoever.

ARTICLE XIII Records; Reports; and Member Meetings

13.1. Fiscal Year and Records. The fiscal year of the Company shall be the calendar year. The Managers shall keep or cause to be kept complete and accurate books and records reflecting all activities of the Company. The Company, acting through the officers and Managers, shall maintain complete and accurate books of account and records using either the cash method or the accrual method of accounting, as the Managers may determine, and otherwise in accordance with Generally Accepted Accounting Principles (GAAP), consistently applied during the term of the Company, wherein all transactions, matters and things relating to the business and properties of the Company shall be currently entered. The accounting books and records, minutes of resolutions of the Members and Managers and all other information pertaining to the Company that is required to be made available to the Members under the Act shall be kept at such place or places designated by the Managers or in the absence of such designation, at the principal place of business of the Company. The minutes shall be kept in written form and the accounting books and records and other information shall be kept either in written form or in any other form capable of being converted into written form.

13.2. Tax Information; Reports. The Managers shall cause to be prepared the Company's appropriate state and federal income tax returns and shall use every effort to furnish the appropriate information tax returns to each Member within ninety (90) days after the end of the Company's fiscal year. The Managers shall prepare or cause to be prepared and shall furnish to each Member such other summary financial information of the Company as the Managers may determine in their discretion, including but not limited to quarterly management reports and unaudited financial statements due within forty-five (45) days following each quarter end.

13.3. Member Meetings.

(a) No Regular Meetings. There shall be no requirement of annual or other regular meetings of the Members.

(b) Special meetings may be called at any time by a Manager or Members holding not less than a majority of the Membership Interests of the Company entitled to vote. Written notice thereof shall be given no later than five (5) business days prior to the date of the meeting as set forth in the notice. Meetings of the Members shall be held at the principal place of business of the Company or at such other places, as a Manager or Member(s) holding a majority of Units entitled to vote may designate from time to time. Any meeting of the Members may be held by conference telephone or similar communication equipment so long as all Members participating in the meeting can hear one another, and all Members participating by telephone or similar communication equipment shall be deemed to be present in person at the meeting. It is the responsibility of the Manager or the Members, as the case may be, calling for a meeting to arrange for the appropriate communication equipment, to the extent practicable. Meetings and votes of the Members shall not require any formal proceedings, but shall be memorialized in writing, to the extent possible.

(c) Action by Written Consent Without a Meeting. Any action that may be taken at any meeting of the Members may be taken without a meeting and without prior notice if a consent in writing setting forth the action so taken is signed by such Members as would have been required to take such action at a meeting of the Members entitled to vote under the terms of this Agreement (or such greater number (or other measure) as is required to authorize or take such action under the Act). Any such written consent may be executed and given by telecopy or similar electronic

means. Such consents shall be filed with the Company and shall be maintained in the Company's records.

13.4. Inspection. The Company shall permit any Member, upon written demand under oath stating a purpose (which purpose shall be directly related to the interest of such Person as a Member) therefore reasonably related to its interest as a Member, during normal business hours and at such other times as the Member may reasonably request, to (i) examine the Company's financial records and make copies thereof or extracts therefrom at the Member's sole expense and (ii) discuss the affairs, finances and accounts of the Company with the Managers and officers of the Company; *provided that* Company shall not be obligated to provide any information or access to a Member if or to the extent the Company is advised by its legal counsel that such action would result in a waiver of attorney/client privilege as between the Company and its legal counsel. The Company may require, as a condition precedent to permitting inspection and copy of such records, that the requesting Member agree in writing that such Member will not provide the information to third parties other than legal counsel, accounting or other professional advisors, or make any other use of such information not directly related to such Person's interest as a Member.

13.5 Delivery of Financial Statements. The Company shall deliver to each Member:

(a) as soon as practicable, but in any event within one hundred fifty (150) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and (iii) a statement of members' equity as of the end of such year prepared with the help of independent public accountants selected by the Company; and

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

ARTICLE XIV Miscellaneous

14.1. Confidentiality. Unless otherwise required by law, each Member shall, and shall cause each of its Affiliates to, maintain, at all times from and after the date of such Member's execution of this Agreement (including after any time such Person ceases to be a Member), the confidentiality of all information furnished to it pertaining to the Company, other than information that such Member can demonstrate: (a) is generally known to the public (other than as a result of dissemination by such Member or its Affiliates); (b) was obtained by such Member from a third party who is not prohibited from transmitting the information to such Member by a contractual, legal or fiduciary obligation to the Company; (c) was already in the possession of such Member prior to such Member's execution of this Agreement; or (d) that the Managers have consented to in writing; provided, however, that the prohibitions set forth in this Section 14.1 shall not apply to any information that a Member is required by law, legal process or regulatory requirements to disclose, so long as such Member provides the Company with as much prior notice as is practicable to the extent such notice is legally permissible.

14.2 Representations and Warranties. Each of the undersigned Members of the Company hereby represents and warrants to the other Members and to the Company as follows:

(i) The undersigned is acquiring the Units of the Company solely for such Member's own account, as a principal, for investment purposes only, and with no present intention agreement or arrangement to resell, transfer or assign any of such Units.

(ii) The undersigned acknowledges that: (A) the Units have not been registered under the Securities Act, or under the securities laws of any state, and therefore, cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Securities Act and under the applicable securities laws of one or more states, or an exemption from registration is available; (B) the Company is under no obligation to register the Units and the Company has no intention of making publicly available the information necessary for the Member to use the exemption from registration provided in Rule 144 promulgated under the Securities Act; (C) there is no established or anticipated public market for the Units; (D) the offering price of the Units has been arbitrarily determined; (E) the value of the Units is speculative; and (F) transfer of the Units is restricted under the terms of this Agreement and by Applicable Law.

(iii) SUCH MEMBER UNDERSTANDS AND ACKNOWLEDGES THAT THE COMPANY INTENDS TO ENGAGE, DIRECTLY OR INDIRECTLY, IN CANNABIS-RELATED ACTIVITIES AND THAT SUCH MEMBER HAS CONSIDERED ADDITIONAL RISK FACTORS THAT MAY AFFECT ANY INVESTMENT IN THE COMPANY, INCLUDING, WITHOUT LIMITATION, THE FOLLOWING:

(A) CANNABIS IS CLASSIFIED FEDERALLY AS A SCHEDULE I CONTROLLED SUBSTANCE. UNDER SUPREME COURT PRECEDENT, FEDERAL LAW CRIMINALIZING THE USE OF CANNABIS IS NOT PREEMPTED BY STATE LAW THAT LEGALIZES ITS USE. THUS, IRRESPECTIVE OF ANY STATE LAW OR OTHER REGULATORY LAW, THE FEDERAL GOVERNMENT COULD, AT ANY TIME, CHOOSE TO PROSECUTE THE COMPANY AND ITS OWNERS, WHICH MAY INCLUDE ITS MEMBERS;

(B) Because cannabis is illegal under federal law, many banking institutions take the position that they cannot accept for deposit money derived from the cannabis trade and, therefore, cannot do business with participants in the cannabis industry such as the Company; and

(C) Certain taxable deductions may be barred under Section 280E of the Code, which states that a business engaging in the trafficking of a Schedule I or II controlled substance (e.g., cannabis) is barred from taking certain "necessary and ordinary" tax deductions, and may only deduct its cost of goods sold/inventory costs.

(iv) [Such Member will not, or is not reasonably expected to cause the Company to no longer be classified, or otherwise lose any status it may have, as a MBE, as certified by the State's SDO or the CCC.]³

(v) [Such Member will not, or is not reasonably expected to, cause the Company to no longer be classified, or otherwise lose any status it may have, as a "Social Equity Program Participant" (as such term is defined in State regulation 935 CMR 500.002).]

(vi) The undersigned has the legal right, power and authority to enter into this Agreement and represents and warrants that the execution and delivery of this Agreement and the performance of the Member's obligations hereunder do not conflict with any agreement, instrument, court or administrative order to which such Member is a party or by which such Member is bound.

(vii) Upon the execution and delivery of this Agreement by the undersigned, it shall represent the valid, binding and legal obligation of the undersigned, enforceable in accordance with its terms.

14.3 Power of Attorney. Each Member hereby constitutes and appoints the Board of Managers of the Company, and each of them from time to time in office, such Member's true and lawful attorney in fact for such Member and in such Member's name, place and stead to (a) secure the obligations of each Member who now or hereafter holds any voting securities to vote such Member's Units in accordance with the provisions of Article XI; (b) make, execute, sign, acknowledge, file for recording, and publish, such documents and instruments as may be necessary from time to time to carry out the provisions of this Agreement; (c) effect the transfer of Units in the Company; (d) appoint a successor Tax Representative as provided hereunder; (e) effectuate the issuance of Units in the Company and the admission of new Members, all in accordance with the terms of this Agreement; and (f) execute and deliver any certificate or instrument required to amend this Agreement pursuant to its terms, or otherwise to conform the terms of this Agreement to the provisions of the Act, the Code, and any Treasury Regulations promulgated thereunder, as these may change from time to time. The foregoing grant of authority is hereby declared to be irrevocable and a power coupled with an interest, and shall survive the bankruptcy, death or incapacity or termination of legal existence of a Member, and the assignment by any Member of his interest in the Company; provided, that in the event of such an assignment, the foregoing power of attorney of the assignor Member shall survive such assignment only until such time as the assignee is admitted as a Member of the Company, and all required documents and instruments have been duly executed, filed and recorded to effect such substitution. No Member shall grant any proxy or become party to any voting trust or other agreement which is inconsistent with, conflicts with, or violates any provision of this Agreement.

14.4 Separate Counsel. Each Member represents that such Person has had the opportunity to consult with separate legal counsel as to the terms and provisions of this Agreement, the terms and provisions of all documents and agreements referenced herein, the nature of the business of the Company, the application of all laws, regulations and rules relating thereto, at the expense of the undersigned Person, prior to signing and delivering this Agreement, and has signed

and delivered this Agreement to the Company with the intent to be legally bound hereby. The Member further acknowledges that he/she/it is not being represented by Prince Lobel Tye LLP, counsel to the Company (“PLT”), in connection with the review or negotiation of the terms of this Agreement. The Member is not relying on PLT and understands and agrees that it should consult its own attorneys, accountants, investment advisors and other professional advisors as to legal, tax and related matters concerning this Agreement.

14.5. Counterparts and Electronic Signatures. This Agreement may be executed in any number of counterparts with the same effect as if the parties executing the several counterparts had all executed one counterpart. Any Person agreeing in writing to be bound by the provisions of this Agreement shall be deemed to have executed a counterpart of this Agreement for all purposes hereof. Signatures delivered by facsimile, .pdf or other electronic means shall have the same force and effect as original signatures.

14.6. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts without giving effect to any conflict or choice of law provisions that would make applicable the domestic substantive law of any other jurisdiction.

14.7 Arbitration. The parties hereby agree that unless otherwise specifically required by law, any and all disputes, and legal and equitable claims arising between or among the Members, the Managers, the officers, the Company, or any of them or any combination of them, which relate to the rights and obligations of such Persons under the terms of this Agreement, any agreement contemplated hereby, or any future agreement, understanding or instrument to which two or more such Persons may be parties, shall be submitted to binding arbitration in the Commonwealth of Massachusetts, JAMS, Inc. before a single arbitrator. Arbitration shall take place in Boston, Massachusetts, or any other location mutually agreeable to the parties. Reasonable notice of a time and place of arbitration shall be given to all persons as shall be required by law, in which case such persons or their authorized representatives shall have the right to attend and/or participate in all the arbitration hearings in such matter as the law shall require. Any Person who commences any litigation in violation of the terms hereof, and fails to prevail, shall be liable for all reasonable costs and expenses of the arbitration or litigation, including without limitation the fees of the arbitrator(s) and legal counsel to all parties, and witness fees of all parties to the proceeding.

14.8. Consent to Jurisdiction. Subject to Section 14.7 above, each Member:

- (a) irrevocably submits to the nonexclusive jurisdiction of the state courts of the Commonwealth of Massachusetts and to the nonexclusive jurisdiction of the United States District Court for the Commonwealth of Massachusetts for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement or the subject matter hereof or in any way connected to the dealings of any Member or the Company in connection with any of the above;
- (b) waives and agrees not to assert, by way of motion, as a defense or otherwise, in any such proceeding brought in any of the above-named courts, any claim

that such Member is not subject personally to the jurisdiction of such court, that such Member's property is exempt or immune from attachment or execution, that such proceeding is brought in an inconvenient forum, that the venue of such proceeding is improper, or that this Agreement or the subject matter hereof may not be enforced in or by such court; and

- (c) consents to service laws of the Commonwealth of Massachusetts, agrees that service of process in the manner and at the address specified pursuant to Section 14.10 is reasonably calculated to give actual notice, and waives and agrees not to assert by way of motion, as a defense or otherwise, in any such proceeding any claim that service of process made in accordance with this paragraph does not constitute good and sufficient service of process.

The parties hereto acknowledge that the production, sale, manufacture, possession and use of cannabis is illegal under U.S. federal law, including the investment in a company engaging in such activities, and the parties expressly waive any defense to the enforcement of the terms and conditions of this Agreement based upon non-conformance with applicable law relating to cannabis (marijuana) and the cannabis (marijuana) industry.

14.9. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH MEMBER WAIVES, AND COVENANTS THAT SUCH MEMBER WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM OR PROCEEDING ARISING OUT OF THIS AGREEMENT OR THE SUBJECT MATTER HEREOF OR IN ANY WAY CONNECTED WITH THE DEALINGS OF ANY MEMBER OR THE COMPANY IN CONNECTION WITH ANY OF THE ABOVE, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT, TORT OR OTHERWISE. The Company or any Member may file an original counterpart or a copy of this Section 14.9 with any court as written evidence of the consent of the Members to the waiver of their rights to trial by jury.

14.10. Notices. Any notice, demand or other communication given to a Member or the Company under this Agreement shall be deemed to be given if given in writing addressed as provided below, and if either (a) delivered to such address (by reputable same day or overnight courier, or (b) actually delivered in person by hand. All notices shall be given: (i) if to the Managers or the Company, to the Company's corporate offices set forth in Section 1.3 above; and (ii) if to any Member, to it at its, his or her address set forth on Schedule A.

14.11. Waiver of Partition. Each Member hereby waives any rights to partition the property of the Company.

14.12. Successors. This Agreement shall be binding on the executors, administrators, estates, heirs, legal representatives, successors and assigns of each of the Members.

14.13. Member Votes and Consents. Any and all consents, agreements or approvals provided for or permitted by this Agreement shall be in writing, and a signed copy thereof shall be filed and kept with the books of the Company.

14.14. Non-Waiver. No provision of this Agreement shall be deemed to have been waived unless such waiver is contained in a written notice given to the party claiming such waiver occurred; provided, however, that no such waiver shall be deemed to be a waiver of any other or further obligation or liability of the party or parties in whose favor the waiver is given.

14.15. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

ARTICLE XV Definitions

15.1. Terms Defined Elsewhere. The following terms are defined elsewhere in this Agreement, as indicated in the table below.

Term	Defined in
Act	Introduction
Additional Consideration	Section 15.2.1
Affiliate	Section 15.2.3
Agreement	Introduction
Applicable Law	Section 15.2.4
Applicable Units	Section 15.2.5
Budget	Section 13.5(d)
Available Cash Flow	Section 15.2.6
Business Day	Section 15.2.7
Capital Account	Section 5.1.1(a)
Capital Contribution	Section 3.2
Capital Stock	Section 15.2.8
Cause	Section 2.2
Certificate of Organization	Section 1.1
Change of Control	Section 15.2.9
Class A Member	Section 3.1
Class A Units	Section 3.1
Class B Member	Section 3.1
Class B Units	Section 3.1
Code	Section 15.2.10
Company	Introduction
Company Notice	Section 15.2.11
Company Undersubscription Notice	Section 9.3(d)
Convertible Securities	Section 15.2.12
Deemed Liquidation Event	Section 15.2.13
Effective Date	Introduction

Entity	Section 15.2.14
Exercising Other Holder	Section 9.3(d)
Exempt Transfer	Section 9.4(i)
Fair Market Value	Section 15.2.15
Final Distribution	Section 12.2(b)
Fully Exercising Member	Section 3.4(a)(ii)
Governmental Authority	Section 15.2.16
Indemnified Party	Section 4.6
Insiders	Section 7.3(a)
Liquidating Trustee	Section 12.2
Manager and Managers	Section 2.1
Member and Members	Introduction
Membership Interest and Membership Interests	Section 15.2.17
Member Representative	Section 9.5(b)(vii)
New Securities	Section 15.2.18
Offer Notice	Section 3.4(a)(i)
Option	Section 15.2.19
Other Holders	Section 9.3(b)
Other Holder Notice	Section 15.2.20
Other Holder Notice Period	Section 9.3(d)
Participating Other Holder	Section 9.4(a)
Percentage Interest and Percentage Interests	Section 3.1
Person	Section 15.2.21
Profits Interests	Section 3.6
Profits Interests Hurdle	Section 3.6(ix)
Prohibited Transfer	Section 9.4(g)(iii)
Proposed Member Transfer	Section 15.2.22
Proposed Sale	Section 9.5(c)
Proposed Transfer Notice	Section 15.2.23
Prospective Transferee	Section 15.2.24
Public Offering	Section 9.4(i)(ii)
Purchase and Sale Agreement	Section 9.4(c)
Qualified IPO	Section 3.4(a)(iv)
Recapitalization Event	Section 3.4(a)(iv)
Regulations	Section 15.2.25
Restricted Securities	Section 15.2.27
Restricted Units	Section 3.2(a)
Right of Co-Sale	Section 15.2.27
Right of First Refusal	Section 15.2.28
Sale of the Company	Section 9.5(a)
Secondary Notice	Section 15.2.29
Secondary Refusal Right	Section 15.2.30
Securities Laws	Section 9.1(a)
Selling Investors	Section 9.5(b)

Subsidiary	Section 15.2.31
Partnership Representative	Section 4.3
Transfer	Section 15.2.32
Transfer Units	Section 15.2.33
Treasury Regulations	Section 15.2.25
Undersubscription Notice	Section 15.2.34
Unit and Units	Section 3.1
Unit Sale	Section 9.5(a)

15.2. Other Defined Terms. The following terms shall have the meanings specified:

“**Accredited Investor**” means accredited investor as such term is defined in Regulation D promulgated under the Securities Act by virtue of such Member's income or net worth.

“**Additional Consideration**” means any portion of the consideration payable to the Members in a Deemed Liquidation Event that is payable only upon satisfaction of contingencies.

“**Affiliate**” or “**Affiliates**” means, with respect to any Person, (a) any other Person or Persons of which such Person is an officer, director, advisory board member, member or manager, (b) any other Person or Persons that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and (c) with respect to Persons that are individuals, the spouse and children of such individual.

“**Applicable Law**” means, relative to any Person, (i) all provisions of laws, statutes, ordinances, rules, regulations, requirements, restrictions, permits, certificates or orders of any Governmental Authority applicable to such Person or any of its assets or property and (ii) all judgments, injunctions, orders and decrees of all courts and arbitrators in proceedings or actions in which such Person is a party or by which any of its assets or properties are bound.

“**Applicable Units**” means Class A Units and Class B Units, Units issued as Profits Interests, and any such other authorized Units, in each case, whether now outstanding or hereafter issued in any context.

“**Available Cash Flow**” as used in this Agreement shall mean the aggregate cash receipts collected by the Company (including, without limitation, sales in the ordinary course of business, interest income, proceeds from the sale of capital assets and the proceeds from any business interruption insurance, but excluding Capital Contributions from Members, proceeds of any debt financing and the proceeds of any casualty, life, or other insurance, in any such case, unless otherwise determined by the Board of Managers) less (i) the payment or accrual for payment of all current operating expenses; (ii) any debt service payments; and (iii) provisions for the reasonable capital requirements of the Company, including working capital, appropriate to enable the Company to carry out its purposes, but disregarding depreciation, amortization and other noncash items. The Board of Managers’ determination of Available Cash Flow and its components, including, without limitation, the incurring of capital expenses and provisions for reasonable

capital requirements and appropriate investments and reinvestments of by or in Company, shall be conclusive, in the absence of bad faith.

“**Business Day**” means any day other than Saturday, Sunday and any other days on which banks in New York, New York are required or authorized by Applicable Law to remain closed.

“**Capital Stock**” means, relative to any Person, any and all shares, partnership or membership interests, participations, rights or other equivalents (however designated) of equity capital, including (i) capital shares of such Person (whether voting or non-voting), (ii) if such Person is a partnership, partnership interests (whether general or limited), (iii) any other indicia of ownership of such Person and (iv) all warrants, options, purchase rights, conversion or exchange rights, voting rights, calls or any claims of any character with respect thereto.

“**CCC**” means the Commonwealth of Massachusetts’ Cannabis Control Commission (or such successor or replacement governing body).

“**CRB Person**” means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, or other entity of whatever nature with a cannabis related business that is operating in or providing services or products to the cannabis industry.

“**Change of Control**” means a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from Members Units representing more than fifty percent (50%) of the outstanding voting power of the Company.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Company Notice**” means written notice from the Company notifying the selling Member that the Company intends to exercise its Right of First Refusal as to some or all of the Transfer Units with respect to any Proposed Member Transfer.

“**Convertible Securities**” shall mean any evidences of, units or other securities directly or indirectly convertible into or exchangeable for Units, but excluding Options.

“**Deemed Liquidation Event**” means:

9.7.1.1 a merger or consolidation in which:

9.7.1.1.1 the Company is a constituent party or

9.7.1.1.2 a Subsidiary of the Company is a constituent party and the Company issues Units pursuant to such merger or consolidation,

except any such merger or consolidation involving the Company or a Subsidiary in which the Membership Units outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock or other equity securities that represent, immediately following such merger or consolidation, at least a majority, by voting

power, of the capital stock of (1) the surviving or resulting entity or (2) if the surviving or resulting entity is a wholly owned Subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity; or

9.7.1.2 the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any Subsidiary of the Company of all or substantially all the assets of the Company and its Subsidiaries taken as a whole or the sale or disposition (whether by merger, consolidation or otherwise) of one or more Subsidiaries of the Company if substantially all of the assets of the Company and its Subsidiaries taken as a whole are held by such Subsidiary or Subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned Subsidiary of the Company.

“**Entity**” means any general partnership, limited partnership, corporation, limited liability company, joint venture, trust, business trust, cooperative or association.

“**Fair Market Value**” means, with respect to any investments, assets, properties or non-cash distributions, the fair market value thereof as determined as follows:

(i) securities listed on one or more national securities exchanges other than the NASDAQ shall be valued at their last reported sales prices on the consolidated tape on the date of determination (or if the date of determination is not a Business Day, on the last Business Day immediately prior to such date of determination). If no such sales of such securities occurred on such date, such securities shall be valued at the mean of the last “bid” and “ask” prices on the date of determination on the national securities exchange which has the highest average daily volume for such security over the last sixty (60) calendar days on or prior to the date of determination (or, if the date of determination is not a date upon which such national securities exchange was open for trading, on the last prior date on which such national securities exchange was so open);

(ii) securities which are reported on the NASDAQ or “pink sheets” published by the National Daily Quotation Service shall be valued at a price equal to the mean of the last “bid” and “ask” prices on the date of determination as reported by the NASDAQ or as reported in the “pink sheets” published by the National Daily Quotation Service; and

(iii) the fair market value of other investments, assets or properties shall be valued as determined by the Managers in good faith.

“**Governmental Authority**” means: (a) nation, state, county, city, town, borough, village, district or other jurisdiction; (b) federal, state, local, municipal, foreign or other government, including, without limitation, the CCC or such other governing bodies of the local jurisdictions in which the Company operates; (c) governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental powers); (d) multinational organization or body; (e) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or (f) official of any of the foregoing.

“**Initial Consideration**” means any portion of the consideration payable to the Members in a Deemed Liquidation that is payable prior to satisfaction of contingencies.

“**Membership Interest**” means a Member’s membership interest in the Company including any distributions, Capital Account or equivalent, and any and all other benefits to which the holder of such Membership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms of this Agreement, and “**Membership Interests**” means all Members’ membership interests, regardless of class unless this Agreement expressly states to the contrary,

“**New Securities**” means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

“**Option**” shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Units or Convertible Securities.

“**Other Holder Notice**” means written notice from an Other Holder notifying the Company and the selling Member that such Other Holder intends to exercise its Secondary Refusal Right as to a portion of the Transfer Units with respect to any Proposed Member Transfer.

“**Person**” means any individual or any business, corporation, limited partnership, general partnership, limited liability partnership, company, joint venture, limited liability company, unincorporated association, trust or other enterprise or organization, irrespective of whether it is a legal entity, and government and agencies and political subdivisions thereof.

“**Person or Entity Having Direct or Indirect Control**” shall mean collectively, “Persons or Entities Having Direct Control” and/or “Persons or Entities Having Indirect Control,” each as defined in 935 C.M.R. 500.002, or any equivalent definition in any other state in which the Company possesses or is pursuing cannabis related licensure.

“**Proposed Member Transfer**” means any Transfer of any Transfer Units (or any interest therein) proposed by any of the Members.

“**Proposed Member Transfer**” means any Transfer of any Transfer Units (or any interest therein) proposed by any of the Members.

“**Proposed Transfer Notice**” means written notice from a Member setting forth the terms and conditions of a Proposed Member Transfer.

“**Prospective Transferee**” means any Person to whom a Member proposes to make a Proposed Member Transfer.

“**Regulations**” or “**Treasury Regulations**” means the Income Tax Regulations promulgated by the U.S. Department of Treasury under the Code.

“**Relative**” means any parent, spouse, brother, sister, child, grandchild or relationship by marriage to or of any Member, or a member thereof, who is a natural person, as the case may be.

“**Restricted Securities**” means any Membership Interests, any securities issued with respect to any Membership Interests by way of any Recapitalization Event, or in connection with any Transfer pursuant to Sections 9.4 or 9.5 or any combination of Capital Stock, or a recapitalization, merger, consolidation or other reorganization, to the extent such Restricted Securities have not been sold to the public pursuant to (i) registration under the Securities Act or (ii) Rule 144 (or similar or successor rule) promulgated under the Securities Act.

“**Right of First Refusal**” means the right, but not an obligation, of the Company, or its permitted transferees or assigns, to purchase some or all of the Transfer Units with respect to a Proposed Member Transfer, on the terms and conditions specified in the Proposed Transfer Notice.

“**Secondary Notice**” means written notice from the Company notifying the Other Holders and the selling Member that the Company does not intend to exercise its Right of First Refusal as to all Transfer Units with respect to any Proposed Member Transfer.

“**Secondary Refusal Right**” means the right, but not an obligation, of each Other Holder to purchase up to its pro rata portion (based upon the total number of Applicable Units then held each applicable Other Holder relative to the Applicable Units then held by all Other Holders) of any Transfer Units not purchased pursuant to the Right of First Refusal, on the terms and conditions specified in the Proposed Transfer Notice.

“**Subsidiary**” means, with respect to any specified Person, any other Person of which a majority of the outstanding voting securities or other voting equity interests are owned, directly or indirectly, by such specified Person.

“**Transfer**” means, with respect to Unit, any direct or indirect sale, transfer, assignment, pledge, mortgage or other disposition thereof.

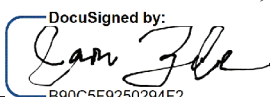
“**Transfer Units**” means Applicable Units owned by a Member, or issued to a Member after the date hereof (including in connection with any Recapitalization Event).

“**Undersubscription Notice**” means written notice from an Other Holder notifying the Company and the selling Member that such Other Holder intends to exercise its option to purchase all or any portion of the Transfer Units not purchased pursuant to the Right of First Refusal or the Secondary Refusal Right.

[Remainder of page intentionally left blank. Signature pages follow.]


IN WITNESS WHEREOF, the parties have executed this Operating Agreement as of the date first set forth above.

NEW ENGLAND ORGANICS, LLC

By:  _____
Name: Jason Zube
Title: Manager
Date: 12/14/2022

IN WITNESS WHEREOF, the parties have executed this Operating Agreement as of the date first set forth above.

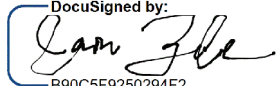
CLASS A MEMBERS:

DocuSigned by:

24562B327C1C487...

Tito Jackson

IN WITNESS WHEREOF, the parties have executed this Operating Agreement as of the date first set forth above.

CLASS B MEMBERS:

DocuSigned by:

B90C5F9250294F2...

Jason Zube

Schedule A**MEMBERS**

<u>Name and Address</u>	<u>Capital Contribution</u>	<u>Class of Interest</u>	<u>Number of Units</u>	<u>Percentage Interest</u>
Tito Jackson		Class A Units	[]	51%
Jason Zube		Class B Units	[]	49%
<u>TOTALS</u>	<u>\$</u>		<u>[]</u>	<u>100.00%</u>

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Secretary of the Commonwealth of Massachusetts

William Francis Galvin

Business Entity Summary

ID Number: 001367235

[Request certificate](#)

[New search](#)

Summary for: NEW ENGLAND ORGANICS LLC

The exact name of the Domestic Limited Liability Company (LLC): NEW ENGLAND ORGANICS LLC		
Entity type: Domestic Limited Liability Company (LLC)		
Identification Number: 001367235		
Date of Organization in Massachusetts: 02-05-2019		
Date of Revival:		
Last date certain:		
The location or address where the records are maintained (A PO box is not a valid location or address):		
Address: 114 MYSTIC AVE		
City or town, State, Zip code, MEDFORD, MA 02155 USA		
Country:		
The name and address of the Resident Agent:		
Name: JASON ZUBE		
Address: 627 FELLSWAY		
City or town, State, Zip code, MEDFORD, MA 02155 USA		
Country:		
The name and business address of each Manager:		
Title	Individual name	Address
MANAGER	JASON ZUBE	567 FELLSWAY MEDFORD, MA 02155 USA
MANAGER	TITO JACKSON	37 SCHUYLER ST DORCHESTER, MA 02121 USA
In addition to the manager(s), the name and business address of the person(s) authorized to execute documents to be filed with the Corporations Division:		
Title	Individual name	Address
SOC SIGNATORY	JASON ZUBE	567 FELLSWAY MEDFORD, MA 02155 USA
SOC SIGNATORY	TITO JACKSON	37 SCHUYLER ST DORCHESTER, MA 02121

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

Title	Individual name	Address
REAL PROPERTY	JASON ZUBE	567 FELLSWAY MEDFORD, MA 02155 USA
REAL PROPERTY	TITO JACKSON	37 SCHUYLER ST DORCHESTER, MA 02121 USA

Consent
 Confidential Data
 Merger Allowed
 Manufacturing

View filings for this business entity:

- ALL FILINGS
- Annual Report
- Annual Report - Professional
- Articles of Entity Conversion
- Certificate of Amendment

[View filings](#)

Comments or notes associated with this business entity:

[New search](#)

**New England
Organics, Inc.
dba Victory
Gardens**

Business Plan

1. EXECUTIVE SUMMARY

1.1 Mission Statement

New England Organics LLC (“NEO”) is a Marijuana Retailer (“ME”) provides high-quality cannabis products to adult use consumers throughout the Commonwealth of Massachusetts. NEO is committed to the safety of our establishments, quality of our products, comfort of our clients, and betterment of our host communities.

NEO’s success in fulfilling the company’s vision will be measured by customer wellness and; team member happiness; and local and larger community involvement.

1.2 Product

In addition to traditional sativa, indica, and hybrid cannabis flower, NEO will offer a wide range of products and services that will allow NEO to serve customers with a wide variety of needs. All products will be fully compliant with applicable state and local regulations. Products NEO intends to offer include, but will not be limited to:

1. Topical Salves
2. Creams and Lotions
3. Patches
4. Oral Mucosal/Sublingual Dissolving Tablets
5. Tinctures
6. Sprays
7. Pre-dosed Oil Vaporizers
8. Ingestion Capsules
9. Inhalation Ready to Use CO2 Extracted Hash Oils
10. Consumable Products

1.3 Customers

NEO is committed to serving customers who are adult-use customers. NEO anticipates that the majority of its customers will have regular shopping or commuting patterns within 15 miles of proposed dispensary locations. Further, NEO anticipates that its commitment to offering noneuphoric products that are costly to produce will yield customers outside of its traditional service area.

1.4 What Drives Us

NEO's goals are as follows:

ACCESS: We believe that customers in the Adult Use of Marijuana Program deserve access to safe, quality, effective resources. We seek to provide high quality

products in a professional and informative environment for the comfort and convenience of our clients.

SAFETY: NEO believes that the health and safety of all clients is of the utmost importance. NEO is committed to operating a fully compliant and secure facility.

COMMUNITY: NEO is committed to being a contributing member of our host communities. We believe in acting as a good corporate citizen by working collaboratively with local and state government, hiring locally, and participating actively in local civic and philanthropic organizations.

2. COMPANY DESCRIPTION

2.1 Structure

NEO is a Massachusetts domestic for-profit limited liability corporation interested in applying for a Certificate of Registration from the Massachusetts Cannabis Control Commission (“**Commission**”) to operate a ME in the Commonwealth.

2.2 Operations

2.2.1 Medford

NEO has received a Special Permit to operate an adult use dispensary at 114 Mystic Ave in Medford, Massachusetts. NEO has entered into a lease of the facility which previously served as a Veteran of Foreign War (VFW) entertainment hall. NEO has proposed significant modifications to improve the site, including a complete remodeling of the space, the installation of an additional entrance, a substantial landscaping program, and a forward-facing dispensary to ensure the facility matches the visual aesthetic of the surrounding community. The facility will comprise 3,400 SF over 1 level.

2.2.4 Operating Procedures

NEO will establish inventory controls and procedures for the conduct of inventory reviews, and comprehensive inventories of marijuana products in the process of cultivation, and finished, stored marijuana; conduct a monthly inventory of marijuana in

the process of cultivation and finished, stored marijuana; conduct a comprehensive annual inventory at least once every year after the date of the previous comprehensive inventory; and promptly transcribe inventories if taken by use of an oral recording device.

NEO will tag and track all marijuana products, using a seed-to-sale methodology in a form and manner to be approved by the Cannabis Control Commission and the Department of Public Health. NEO anticipates utilizing METRC and FlowHub.

No marijuana product, including marijuana, will be sold or otherwise marketed that is not tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000 and 105 CMR 725.000.

NEO will maintain records, including all records required in any section of 935 CMR 500.000 and 105 CMR 725.000, which will be available for inspection by the Cannabis Control Commission, upon request. The records shall be maintained in accordance with generally accepted accounting principles. Records shall be maintained for at least 12 months.

NEO 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.

NEO shall provide adequate lighting, ventilation, temperature, humidity, space, and equipment, in accordance with applicable provisions of 935 CMR 500 and 105 CMR 725.

All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Organic material, recyclable material, solid waste, and liquid waste containing marijuana or by-products of marijuana processing shall be disposed of in compliance with all applicable state and federal requirements.

NEO will demonstrate consideration of the factors for Energy Efficiency and Conservation outlined in 935 CMR 500.105(15) as part of its operating plan and application for licensure.

Prior to commencing operations, NEO shall provide proof of having obtained a surety bond in an amount equal to its licensure fee payable to the Marijuana Regulation Fund to ensure payment of the cost incurred for the destruction of cannabis goods necessitated by a violation of St. 2016, c. 334, as amended by St. 2017, c. 55 or 935 CMR 500.000 or the cessation of operation of NEO.

NEO and NEO agents shall comply with all local rules, regulations, ordinances, and bylaws.

2.3 Security

NEO will contract with AST Security, a professional security and alarm company to design, implement and monitor a comprehensive security plan to ensure that the facility is a safe and secure environment for employees and the local community.

NEO's state-of-the-art security system will consist of perimeter windows, as well as duress, panic, and holdup alarms connected to local law enforcement for efficient notification and response in the event of a security threat. The system will also include a failure notification system that will immediately alert the executive management team if a system failure occurs.

A redundant alarm system will be installed to ensure that active alarms remain operational if the primary system is compromised.

Interior and exterior HD video surveillance of all areas that contain marijuana, entrances, exits, and parking lots will be operational 24/7 and available to the local Police Department. These surveillance cameras will remain operational even in the event of a power outage.

The exterior of the dispensary and surrounding area will be sufficiently lit and foliage will be minimized to ensure clear visibility of the area at all times.

Only NEO's registered agents and other authorized visitors (e.g. contractors, vendors) will be allowed access to the facility, and a visitor log will be maintained in perpetuity.

All agents and visitors will be required to visibly display an ID badge, and NEO will maintain a current list of individuals with access.

On-site consumption of marijuana by NEO's employees and visitors will be prohibited.

NEO will have a security personnel on-site during business hours.

2.4 Benefits to the Municipality

NEO looks forward to working collaboratively with City of Medford to ensure that NEO operates as a responsible, contributing member of the community. NEO anticipates establishing a mutually beneficial relationship in which the City of Medford stands to benefit in various ways, including but not limited to the following:

- **Jobs** – NEO anticipates that the Medford facilities will create approximately 26 new jobs. Jobs will be available on a full-time and part-time basis. Full-time positions will be salaried with access to comprehensive benefits. All positions will require substantial training.

- **Monetary Benefits** - A Host Community Agreement with significant monetary donations would provide the City with additional financial benefits beyond local property taxes. Further, the Town will receive annual revenue through the adoption of local option taxes.
- **Access to Quality Product** - NEO will allow qualified consumers in the Commonwealth to have access to high quality marijuana and marijuana products that are tested for cannabinoid content and contaminants.
- **Safety** – NEO's comprehensive security systems will enhance security throughout the surrounding community. The Medford Police Department will have oversight over NEO's security systems and processes if desired.
- **Economic Development** – NEO's construction of a dispensary will rely on local vendors and suppliers, contributing to the overall economic development of the local facility.

2.5 Zoning

NEO's proposed Medford facility is located at 114 Mystic Avenue. 114 Mystic Avenue is a 1.16 acre parcel of land that is situated over 1 zoning boundary –Commercial Two (C-2) Zoning District. The proposed use of the property is located entirely within the Commercial Two, which the City of Medford has designated as appropriate for Registered Marijuana Dispensary and Adult Use Marijuana Dispensaries. The property is located an appropriate distance from preexisting K-12 public and private schools and places of worship.

3. MARKET RESEARCH

3.1 Industry

NEO's proposed location is located in Medford, Massachusetts. Surrounding areas include Somerville, Malden, Everett, Arlington, Winchester, Cambridge and Melrose.

3.2 Customers

In Massachusetts, sales are expected to increase from over \$1 billion in 2022 to \$1.4 billion in 2023, and eventually to \$1.8 billion in 2025, according to New Frontier Data.

3.3 Competitive Advantage

In every business, there is competition, however, the retail cannabis industry is known to be highly competitive. NEO possesses several strengths which will allow us to stand apart from our competition. The industry is rapidly growing, and customers are scrutinizing the quality of cannabis dispensed, the service offered, the location of the dispensary, discounts offered for the products, and to some extent, the branding of the business.

3.4 Regulations

NEO will be registered to do business in the Commonwealth as a domestic business corporation or another domestic business entity in compliance with 935 CMR 500.000 and maintain the corporation in good standing with the Massachusetts Secretary of the Commonwealth and the Department of Revenue.

NEO will apply for all state and local permits and approvals required to renovate and operate the facility.

NEO will also work cooperatively with various municipal departments to ensure that the proposed facility complies with all state and local codes, rules and regulations with respect to design, renovation, operation and security.

NEO proposes to renovate 3,400 SF portion of the building for retail use.

Customers shall only have access to the first floor of the facility. The proposed dispensing area will include (1) a secure entry vestibule at which customers must demonstrate proof that they are an appropriate age to gain access into the facility; (2) a secure reception and waiting area to prevent queuing outside of the building; (3) a general dispensary sales floor with 13 point-of-sale terminals for the general public and (4) an on-site security office; (5) an exit trap to allow for secure exits from the facility into the parking lot; (6) a secured employee-only exit and entrance for staff; and (7) a janitor's closet.

4. PRODUCT / SERVICE

4.1 Retail Operations

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

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

Upon a customer's entry into NEO premises, a NEO agent will immediately inspect the customer's proof of identification and determine the individual's age. An individual will not be admitted to the premises unless the retailer has verified that the individual is 21 years of age or older by an individual's proof of identification. At the door, a designated staff member will collect valid customer identification and confirm a minimum age of 21 years old, failing the confirmation of 21 years of age or older, an individual will be prohibited from entering the premises.

Once inside the retail area, customers will enter a queue to obtain individualized service where they may select any of the products available to them with the help of a NEO agent. Upon checkout, customers will be required to confirm their identities and age a second time. Check out also activates the seed-to-sale tracking system that is compliant with 935 CMR 500.105(8).

Per M.G.L. c. 94G § 7, sales are limited to one ounce of marijuana flower or five grams of marijuana concentrate per transaction. All required taxes will be collected at the point of sale.

Once a customer has selected a product for purchase, a NEO agent will collect the chosen items from the designated product storage area. A NEO agent will then scan each product barcode into the point of sale system. In the event of a flower sale, staff will weigh the chosen amount of flower and then place it in a tamper-resistant/child-resistant, resealable package that is compliant with 935 CMR 500.105(5). A NEO agent will affix a label, as generated by the point of sale system, indicating the date, strain name, cannabinoid profile, and all applicable warnings detailed in 935 CMR 500.105.

In the event a NEO agent determines an individual would place themselves or the public at risk, the agent will refuse to sell any marijuana products to the consumer.

NEO will use the point of sale security system to accept payment and complete sales. The system can back up and securely cache each sale for inspection.

Pursuant to 935 CMR 500.140(6)(d), NEO will conduct a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate or alter sales data. If any such malware is found, NEO will immediately report the occurrence to the Commission and assist in any subsequent investigation into the matter. NEO will maintain a record of the monthly analyses and will make it available for inspection by the Commission upon request. Further, NEO will cooperate with the Commission and the Department of Revenue to ensure compliance with any and all taxes in accordance with the laws of the Commonwealth and 935 CMR 500.000. NEO will maintain and provide to the Commission on a biannual basis accurate sales data collected during the six months immediately preceding this application for the purpose of ensuring an adequate supply of marijuana and marijuana products under 935 CMR 500.140(10).

NEO will utilize separate accounting practices at the point of sale to track marijuana product sales and non-marijuana sales.

NEO places a premium on cleanliness, hygiene, and proper product storage to achieve and maintain successful operation of the business. In addition to regularly sanitizing surfaces with products kept separately and away from marijuana products, NEO staff will ensure personal hygiene including washing hands throughout the day and before handling or dispensing any marijuana products. All products available for sale and consumption will be tested for impurities and subjected to NEO's policies governing quality control per 935 CMR 500.105.

In compliance with 935 CMR 500.140(8), NEO will provide educational materials designed to help consumers make informed marijuana product purchases. NEO's educational materials will describe the varying types of products available at NEO, as well as the types and methods of consumption. The materials will offer education on cannabis titration: the method of using the smallest amount of a given marijuana product necessary to bring about the desired effect. Additional topics discussed in consumer materials will include potency; proper dosing; the delayed effects of edible marijuana products; and substance abuse and related treatment programs, marijuana tolerance, dependence, and withdrawal.

4.2 Storage

NEO will ensure that all marijuana and marijuana products are stored in compliance with 935 CMR 500.105(11). Specifically, NEO will ensure the following:

- The facility will have adequate lighting, ventilation, temperature, humidity, space, and equipment, in accordance with applicable provisions of 935 CMR 500.105 and 500.110;
- The facility will have separate areas for storage of marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed, in accordance with applicable provision of 935 CMR 500.105(12);
- All storage areas will be maintained in a clean and orderly condition;

- All storage areas will be free from infestation by insects, rodents, birds, and pests of any kind; and
- All storage areas will be maintained in accordance with the security requirements of 935 CMR 500.110.

Per the requirements of 935 CMR 500.110, all finished marijuana products will be stored in a secure, locked safe or vault in such a manner as to prevent diversion, theft, and loss.

Furthermore, all safes, vaults, and any other equipment or areas used for the storage of marijuana products will be securely locked and protected from entry, except for the actual time required to remove or replace marijuana.

The storage of finished products will be under conditions that will protect them against physical, chemical, and microbial contamination as well as against deterioration of finished products or their containers, per the requirements of 935 CMR 500.105(3)(b)(15).

In accordance with 935 CMR 500.105(3)(c), NEO will comply with sanitary requirements. All edible products will be prepared, handled and stored in compliance with the sanitation requirements in 105 CMR 590.000: *Minimum Sanitation Standards for Food Establishments*.

4.3 Transportation

NEO will ensure that all transported marijuana and products are properly tracked through a Cannabis Control Commission approved vendor for seed-to-sale tracking. NEO will properly track and label all seeds and clones in the form and manner deemed acceptable by the Commission. NEO will only transport marijuana from its licensed facilities to other licensed Marijuana Establishments as permitted by NEO's license.

There will be no advertising, marketing or branding, including, but not limited to, vinyl-wrapped vehicles, signs, logos or markings, indicating that the vehicle is being used to transport marijuana on transportation vehicles or company cars.

In the event that any marijuana product is undeliverable or refused by the destination, NEO will ensure that it will be transported back to NEO's originating facility.

NEO will staff all vehicles transporting marijuana and marijuana products with at least two NEO agents, one of whom will remain in the vehicle at all times that the vehicle contains marijuana or marijuana products. Prior to departing the premises to transport marijuana products, NEO will make a video record of weighing, inventorying, and accounting for all marijuana products to be transported.

When receiving transported marijuana, within eight hours after arrival, NEO will re-weigh, re-inventory, and account for, on video, all marijuana and marijuana products received. When videotaping the weighing, inventorying, and accounting of marijuana and marijuana products before transportation or after receipt, NEO will ensure that the video shows each product being weighed, the weight, and the manifest.

Prior to departure from its facility, NEO will package marijuana and marijuana products in sealed, labeled, and tamper-resistant or child-resistant packaging, and ensure that marijuana and marijuana products remain as such during transportation.

All vehicles and transportation equipment used in the transportation of marijuana products requiring temperature control for safety must be designed, maintained, and equipped as necessary to provide adequate temperature control to prevent the marijuana or marijuana products from becoming unsafe during transportation, consistent with applicable requirements pursuant to 21 CFR 1.908(c). Any vehicle used to transport marijuana or marijuana products will be owned or leased by NEO or a marijuana transporter, will be properly registered, inspected and insured in the Commonwealth, and equipped with an alarm system.

In the case of an emergency stop during the transportation of marijuana or marijuana products, NEO will maintain a log describing the reason for the stop, the duration of the stop, the location of the stop, and any activities of its personnel exiting the vehicle.

NEO will ensure that all routes used for the transportation of marijuana or marijuana products are randomized and remain within the Commonwealth.

5. MARKETING & SALES

5.1 Growth Strategy

NEO's plan to grow the company includes customer loyalty programs, appropriate marketing communications, and word of mouth.

5.2 Communication

NEO will engage in reasonable marketing, advertising, and branding practices that are not otherwise prohibited in 935 CMR 500.105(4)(b) that do not jeopardize the public health, welfare or safety of the general public or promote the diversion of marijuana or marijuana use in individuals younger than 21 years old. Any such marketing, advertising and branding created for viewing by the public shall include the statement "Please Consume Responsibly," in a conspicuous manner on the face of the advertisement and shall include a minimum of two of the warnings, located at 935 CMR 500.105(4)(a), in their entirety in a conspicuous manner on the face of the advertisement.

All marketing, advertising and branding produced by or on behalf of NEO shall include the following warning, including capitalization, in accordance with M.G.L. c. 94G, § 4(a^{1/2})(xxvi): "This product has not been analyzed or approved by the Food and Drug Administration (FDA). There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN. There may be health risks associated with consumption of this product. Marijuana can impair concentration, coordination, and judgment. The impairment effects of edible marijuana may be delayed by two hours or more. In case of accidental ingestion, contact poison control hotline 1-800-222-1222 or 9-1-1. This product may be illegal outside of MA."

NEO will communicate with our customers via social media and web presence.

NEO will provide a catalogue and a printed list of the prices and strains of marijuana available to Consumers and will post the same catalogue and list on its website and in the retail store.

5.3 Sales

NEO shall ensure that all marijuana products that are provided for sale to Consumers are sold in tamper or child-resistant packaging. Packaging for marijuana products sold or displayed for Consumers, including any label or imprint affixed to any packaging containing marijuana products or any exit packages, shall not be attractive minors.

Packaging for marijuana products sold or displayed for consumers in multiple servings shall allow a consumer to easily perform the division into single servings and include the following statement on the exterior of the package in a printed font that is no smaller than ten-point Times New Roman, Helvetica or Arial, including capitalization: "INCLUDES MULTIPLE SERVINGS." NEO will not sell multiple serving beverages and each single serving of an edible marijuana product contained in a multiple-serving package shall be marked, stamped, or

otherwise imprinted with the symbol issued by the Commission under 935 CMR 500.105(5) that indicates that the single serving is a marijuana product. At no point will an individual serving size of any marijuana product contain more than five (5) milligrams of delta-nine tetrahydrocannabinol.

5.4 Logo

NEO has developed a logo to be used in labeling, signage, and other materials such as letterhead and distributed materials.

The logo is discreet, unassuming, and does not use medical symbols, images of marijuana, related paraphernalia, or colloquial references to cannabis or marijuana.

Plan for Obtaining Liability Insurance

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

PERSONNEL POLICIES INCLUDING BACKGROUND CHECKS

Overview

New England Organics LLC (“Victory Gardens”) will securely maintain personnel records, including registration status and background check records. Victory Gardens will keep, at a minimum, the following personnel records:

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

Agent Personnel Records

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

- All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
- Documentation of verification of references;
- The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
- Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
- Documentation of periodic performance evaluations;
- A record of any disciplinary action taken;
- Notice of completed responsible vendor and eight-hour related duty training; and
- Results of initial background investigation, including CORI reports.

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

Agent Background Checks

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

- a. All conditions, offenses, and violations are construed to include Massachusetts law or like or similar law(s) of another state, the United States or foreign jurisdiction, a military, territorial or Native American tribal authority, or any other jurisdiction.
 - b. All criminal disqualifying conditions, offenses, and violations include the crimes of attempt, accessory, conspiracy, and solicitation. Juvenile dispositions will not be considered as a factor for determining suitability.
 - c. Where applicable, all look-back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802 commence upon the date of disposition; provided, however, that if disposition results in incarceration in any institution, the look-back period will commence upon release from incarceration.
- Suitability determinations will be made in accordance with the procedures set forth in 935 CMR 500.800. In addition to the requirements established in 935 CMR 500.800, Victory Gardens will:
 - a. Comply with all guidance provided by the Commission and 935 CMR 500.802: Tables B through D to determine if the results of the background are grounds for Mandatory Disqualification or Presumptive Negative Suitability Determination.
 - b. Consider whether offense(s) or information that would result in a Presumptive Negative Suitability Determination under 935 CMR 500.802. In the event a Presumptive Negative Suitability Determination is made, Victory Gardens will consider the following factors:
 - i. Time since the offense or incident;
 - ii. Age of the subject at the time of the offense or incident;
 - iii. Nature and specific circumstances of the offense or incident;
 - iv. Sentence imposed and length, if any, of incarceration, if criminal;
 - v. Penalty or discipline imposed, including damages awarded, if civil or administrative;
 - vi. Relationship of offense or incident to nature of work to be performed;
 - vii. Number of offenses or incidents;
 - viii. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
 - ix. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including, but not limited to, professional or educational certifications obtained; and
 - x. Any other relevant information, including information submitted by the subject.
 - c. Consider appeals of determinations of unsuitability based on claims of erroneous information received as part of the background check during the application process in accordance with 803 CMR 2.17: Requirement to Maintain a Secondary Dissemination Log and 2.18: Adverse Employment Decision Based on CORI or

Other Types of Criminal History Information Received from a Source Other than the DCJIS.

- All suitability determinations will be documented in compliance with all requirements set forth in 935 CMR 500 et seq. and guidance provided by the Commission.
- Background screening will be conducted by an investigative firm holding the National Association of Professional Background Screeners (NAPBS®) Background Screening Credentialing Council (BSCC) accreditation and capable of performing the searches required by the regulations and guidance provided by the Commission.
- References provided by the agent will be verified at the time of hire.
- As a condition of their continued employment, agents, volunteers, contractors, and subcontractors are required to renew their Program ID cards annually and submit to other background screening as may be required by Victory Gardens or the Commission.

Personnel Policies and Training

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

Victory Gardens will have a policy for the immediate dismissal of any dispensary agent who has:

- Diverted marijuana, which will be reported the Police Department and to the Commission;
- Engaged in unsafe practices with regard to Victory Gardens operations, which will be reported to the Commission; or
- Been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.

PLAN FOR RESTRICTING ACCESS TO AGE 21 AND OLDER

Pursuant to 935 CMR 500.050(8)(b), New England Organics LLC (“Victory Gardens”) will only be accessible to individuals, visitors, and agents who are 21 years of age or older with a verified and valid government-issued photo ID. Upon entry into the premises of the marijuana establishment by an individual, visitor, or agent, a Victory Gardens agent will immediately inspect the person’s proof of identification and determine the person’s age, in accordance with 935 CMR 500.140(2).

In the event Victory Gardens discovers any of its agents intentionally or negligently sold marijuana to an individual under the age of 21, the agent will be immediately terminated, and the Commission will be promptly notified, pursuant to 935 CMR 500.105(1)(m). Victory Gardens will not hire any individuals who are under the age of 21 or who have been convicted of distribution of controlled substances to minors in the Commonwealth or a like violation of the laws in other jurisdictions, pursuant to 935 CMR 500.030(1).

Pursuant to 935 CMR 500.105(4), Victory Gardens will not engage in any advertising practices that are targeted to, deemed to appeal to or portray minors under the age of 21. Victory Gardens will not engage in any advertising by means of television, radio, internet, mobile applications, social media, or other electronic communication, billboard or other outdoor advertising, including sponsorship of charitable, sporting or similar events, unless at least 85% of the audience is reasonably expected to be 21 years of age or older as determined by reliable and current audience composition data. Victory Gardens will not manufacture or sell any edible products that resemble a realistic or fictional human, animal, fruit, or sporting-equipment item including artistic, caricature or cartoon renderings, pursuant to 935 CMR 500.150(1)(b). In accordance with 935 CMR 500.105(4)(a)(5), any advertising created for public viewing will include a warning stating, **“For use only by adults 21 years of age or older. Keep out of the reach of children. Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of marijuana. Please Consume Responsibly.”** Pursuant to 935 CMR 500.105(6)(b), Victory Gardens packaging for any marijuana or marijuana products will not use bright colors, defined as colors that are “neon” in appearance, resemble existing branded products, feature cartoons, a design, brand or name that resembles a non-cannabis consumer or celebrities commonly used to market products to minors, feature images of minors or other words that refer to products commonly associated with minors or otherwise be marketed to minors. Victory Gardens’ website will require all online visitors to verify they are 21 years of age or older prior to accessing the website, in accordance with 935 CMR 500.105(4)(b)(13).

QUALITY CONTROL AND TESTING

Quality Control

New England Organics LLC (“Victory Gardens”) will comply with the following sanitary requirements:

1. Any Victory Gardens agent whose job includes contact with marijuana or nonedible marijuana products, including cultivation, production, or packaging, is subject to the requirements for food handlers specified in 105 CMR 300.000, and all edible marijuana products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000, and with the requirements for food handlers specified in 105 CMR 300.000.
2. Any Victory Gardens agent working in direct contact with preparation of marijuana or nonedible marijuana products will conform to sanitary practices while on duty, including:
 - a. Maintaining adequate personal cleanliness; and
 - b. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
3. Victory Gardens’ hand-washing facilities will be adequate and convenient and will be furnished with running water at a suitable temperature. Hand-washing facilities will be located in Victory Gardens’ production areas and where good sanitary practices require employees to wash and sanitize their hands, and will provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
4. Victory Gardens’ facility will have sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;
5. Victory Gardens will ensure that litter and waste is properly removed and disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal will be maintained in an adequate manner pursuant to 935 CMR 500.105(12);
6. Victory Gardens’ floors, walls, and ceilings will be constructed in such a manner that they may be adequately kept clean and in good repair;
7. Victory Gardens’ facility will have adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
8. Victory Gardens’ buildings, fixtures, and other physical facilities will be maintained in a sanitary condition;
9. Victory Gardens will ensure that all contact surfaces, including utensils and equipment, will be maintained in a clean and sanitary condition. Such surfaces will be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils will be so designed and of such material and workmanship as to be adequately cleanable;
10. All toxic items will be identified, held, and stored in a manner that protects against contamination of marijuana products. Toxic items will not be stored in an area containing products used in the cultivation of marijuana. Victory Gardens acknowledges and understands that the Commission may require Victory Gardens to demonstrate the intended and actual use of any toxic items found on Victory Gardens’ premises;

11. Victory Gardens will ensure that its water supply is sufficient for necessary operations, and that any private water source will be capable of providing a safe, potable, and adequate supply of water to meet Victory Gardens' needs;
12. Victory Gardens' plumbing will be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the marijuana establishment. Plumbing will properly convey sewage and liquid disposable waste from the marijuana establishment. There will be no cross-connections between the potable and wastewater lines;
13. Victory Gardens will provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair;
14. Victory Gardens will hold all products that can support the rapid growth of undesirable microorganisms in a manner that prevents the growth of these microorganisms; and
15. Victory Gardens will store and transport finished products under conditions that will protect them against physical, chemical, and microbial contamination, as well as against deterioration of finished products or their containers.

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

Victory Gardens will ensure that Victory Gardens' facility is always maintained in a sanitary fashion and will comply with all applicable sanitary requirements.

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

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

Testing

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

Any Independent Testing Laboratory relied upon by Victory Gardens for testing will be licensed or registered by the Commission and (i) currently and validly licensed under 935 CMR 500.101: *Application Requirements*, or formerly and validly registered by the Commission; (ii) accredited

to ISO 17025:2017 or the most current International Organization for Standardization 17025 by a third-party accrediting body that is a signatory to the International Laboratory Accreditation Accrediting Cooperation mutual recognition arrangement or that is otherwise approved by the Commission; (iii) independent financially from any Medical Marijuana Treatment Center, Marijuana Establishment or Licensee; and (iv) qualified to test marijuana and marijuana products, including marijuana-infused products, in compliance with M.G.L. c. 94C, § 34; M.G.L. c. 94G, § 15; 935 CMR 500.000: *Adult Use of Marijuana*; 935 CMR 501.000: *Medical Use of Marijuana*; and Commission protocol(s).

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

Victory Gardens' marijuana will be tested for the cannabinoid profile and for contaminants as specified by the Commission including, but not limited to, mold, mildew, heavy metals, plant-growth regulators, and the presence of pesticides. In addition to these contaminant tests, final ready-to-sell Marijuana Vaporizer Products shall be screened for heavy metals and Vitamin E Acetate (VEA) in accordance with the relevant provisions of *the Protocol for Sampling and Analysis of Finished Marijuana and Marijuana Products for Marijuana Establishments, Medical Marijuana Treatment Centers and Colocated Marijuana Operations*. Victory Gardens acknowledges and understands that the Commission may require additional testing.

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

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

All transportation of marijuana to and from Independent Testing Laboratories providing marijuana testing services will comply with 935 CMR 500.105(13). All storage of Victory Gardens' marijuana at a laboratory providing marijuana testing services will comply with 935

CMR 500.105(11). All excess marijuana will be disposed in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to Victory Gardens for disposal or by the Independent Testing Laboratory disposing of it directly. All Single-servings of marijuana products will be tested for potency in accordance with 935 CMR 500.150(4)(a) and subject to a potency variance of no greater than plus/minus ten percent (+/- 10%).

Any marijuana or marijuana products that fail any test for contaminants must either be reanalyzed without remediation, remediated or disposed of. In the event marijuana or marijuana products are reanalyzed, a sample from the same batch shall be submitted for reanalysis at the ITL that provided the original failed result. If the sample passes all previously failed tests at the initial ITL, an additional sample from the same batch previously tested shall be submitted to a second ITL other than the initial ITL for a Second Confirmatory Test. To be considered passing and therefore safe for sale, the sample must have passed the Second Confirmatory Test at a second ITL. Any Marijuana or Marijuana Product that fails the Second Confirmatory Test will not be sold, transferred or otherwise dispensed to Consumers, Patients or Licensees without first being remediated. Otherwise, any such product shall be destroyed in compliance with 935 CMR 500.105(12): *Waste Disposal*.

If marijuana or marijuana products are destined for remediation, a new test sample will be submitted to a licensed ITL, which may include the initial ITL for a full-panel test. Any failing Marijuana or Marijuana Product may be remediated a maximum of two times. Any Marijuana or Marijuana Product that fails any test after the second remediation attempt will not be sold, transferred or otherwise dispensed to Consumers, Patients or Licensees and will be destroyed in compliance with 935 CMR 500.105(12): *Waste Disposal*.

RECORDKEEPING PROCEDURES

General Overview

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

Recordkeeping

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

- Corporate Records

Corporate Records are defined as those records that require, at a minimum, annual reviews, updates, and renewals, including:

- Insurance Coverage:
 - Directors & Officers Policy
 - Product Liability Policy
 - General Liability Policy
 - Umbrella Policy
 - Workers Compensation Policy
 - Employer Professional Liability Policy
- Third-Party Laboratory Contracts
- Commission Requirements:
 - Annual Agent Registration
 - Annual Marijuana Establishment Registration
- Local Compliance:
 - Certificate of Occupancy
 - Special Permits
 - Variances
 - Site Plan Approvals
 - As-Built Drawings
- Corporate Governance:
 - Annual Report
 - Secretary of Commonwealth Filings

- Business Records

Business Records require ongoing maintenance and updates. These records can be electronic or hard copy (preferably electronic) and at minimum include:

- Assets and liabilities;
- Monetary transactions;

- Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
- Sales records including the quantity, form, and cost of marijuana products;
- Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over Victory Gardens.
- Personnel Records

At a minimum, Personnel Records will include:

 - Job descriptions for each agent and volunteer position, as well as organizational charts consistent with the job descriptions;
 - A personnel record for each marijuana establishment agent. Such records will be maintained for at least twelve (12) months after termination of the agent's affiliation with Victory Gardens and will include, at a minimum, the following:
 - All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 - Documentation of verification of references;
 - The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
 - Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
 - Documentation of periodic performance evaluations; and
 - A record of any disciplinary action taken.
 - Notice of completed responsible vendor and eight-hour related duty training.
 - A staffing plan that will demonstrate accessible business hours and safe operating conditions;
 - Personnel policies and procedures; and
 - All background check reports obtained in accordance with 935 CMR 500.030: Registration of Marijuana Establishment Agents 803 CMR 2.00: Criminal Offender Record Information (CORI).
- Handling and Testing of Marijuana Records
 - Victory Gardens will maintain the results of all testing for a minimum of one (1) year.
- Inventory Records
 - The record of each inventory will include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the agents who conducted the inventory.
- Seed-to-Sale Tracking Records
 - Victory Gardens will use Metrc as the seed-to-sale tracking software to maintain real-time inventory. The seed-to-sale tracking software inventory reporting will meet the requirements specified by the Commission and 935 CMR 500.105(8)(e), including, at a minimum, an inventory of marijuana plants; marijuana plant-seeds and clones in any phase of development such as propagation, vegetation,

flowering; marijuana ready for dispensing; all marijuana products; and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal.

- Sales Records for Marijuana Retailer
 - Victory Gardens will maintain records that it has performed a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data and that no other methodology has been employed to manipulate the sales data and produce such records on request to the Commission.
- Incident Reporting Records
 - Within ten (10) calendar days, Victory Gardens will provide notice to the Commission of any incident described in 935 CMR 500.110(9)(a), by submitting an incident report in the form and manner determined by the Commission which details the circumstances of the event, any corrective action taken, and confirmation that the appropriate law enforcement authorities were notified within twenty-four (24) hours of discovering the breach or incident .
 - All documentation related to an incident that is reportable pursuant to 935 CMR 500.110(9)(a) will be maintained by Victory Gardens for no less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities within Victory Gardens' jurisdiction on request.
- Visitor Records
 - A visitor sign-in and sign-out log will be maintained at the security office. The log will include the visitor's name, address, organization or firm, date, time in and out, and the name of the authorized agent who will be escorting the visitor.
- Waste Disposal Records
 - When marijuana or marijuana products are disposed of, Victory Gardens will create and maintain an electronic record of the date, the type and quantity disposed of or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Victory Gardens agents present during the disposal or other handling, with their signatures. Victory Gardens will keep disposal records for at least three (3) years. This period will automatically be extended for the duration of any enforcement action and may be extended by an order of the Commission.
- Security Records
 - A current list of authorized agents and service personnel that have access to the surveillance room will be available to the Commission upon request.
 - Recordings from all video cameras which shall be enabled to record twenty-four (24) hours each day shall be available for immediate viewing by the Commission on request for at least the preceding ninety (90) calendar days or the duration of a request to preserve the recordings for a specified period of time made by the Commission, whichever is longer.
 - Recordings shall not be destroyed or altered and shall be retained as long as necessary if Victory Gardens is aware of pending criminal, civil or administrative investigation or legal proceeding for which the recording may contain relevant information.

- Transportation Records
 - Victory Gardens will retain all transportation manifests for a minimum of one (1) year and make them available to the Commission upon request.
- Vehicle Records (as applicable)
 - Records that any and all of Victory Gardens' vehicles are properly registered, inspected, and insured in the Commonwealth and shall be made available to the Commission on request.
- Agent Training Records
 - Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual indicating the date, time, and place he or she received the training, the topics discussed and the name and title of the presenter(s).
- Responsible Vendor Training
 - Victory Gardens shall maintain records of Responsible Vendor Training Program compliance for four (4) years and make them available to inspection by the Commission and any other applicable licensing authority on request during normal business hours.
- Closure
 - In the event Victory Gardens closes, all records will be kept for at least two (2) years at Victory Gardens' expense in a form (electronic, hard copies, etc.) and location acceptable to the Commission. In addition, Victory Gardens will communicate with the Commission during the closure process and accommodate any additional requests the Commission or other agencies may have.
- Written Operating Policies and Procedures

Policies and Procedures related to Victory Gardens' operations will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis. Policies and Procedures will include the following:

 - Security measures in compliance with 935 CMR 500.110;
 - Employee security policies, including personal safety and crime prevention techniques;
 - A description of Victory Gardens' hours of operation and after-hours contact information, which will be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000.
 - Storage of marijuana in compliance with 935 CMR 500.105(11);
 - Description of the various strains of marijuana to be cultivated, processed or sold, as applicable, and the form(s) in which marijuana will be sold;
 - Price list for Marijuana and Marijuana Products, and alternate price lists for patients with documented Verified Financial Hardship as defined in 501.002: *Definitions*, as required by 935 CMR 501.100(1)(f);
 - Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.105(8) and (9);
 - Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
 - A staffing plan and staffing records in compliance with 935 CMR 500.105(9)(d);
 - Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;

- Alcohol, smoke, and drug-free workplace policies;
- A plan describing how confidential information will be maintained;
- Policy for the immediate dismissal of any dispensary agent who has:
 - Diverted marijuana, which will be reported to Law Enforcement Authorities and to the Commission;
 - Engaged in unsafe practices with regard to Victory Gardens operations, which will be reported to the Commission; or
 - Been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.
- A list of all board of directors, members, and executives of Victory Gardens, and members, if any, of the licensee must be made available upon request by any individual. This requirement may be fulfilled by placing this information on Victory Gardens' website.
- Policies and procedures for the handling of cash on Victory Gardens premises including but not limited to storage, collection frequency and transport to financial institution(s), to be available upon inspection.
- Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.
- Policies and procedures for energy efficiency and conservation that will include:
 - Identification of potential energy use reduction opportunities (including but not limited to natural lighting, heat recovery ventilation and energy efficiency measures), and a plan for implementation of such opportunities;
 - Consideration of opportunities for renewable energy generation, including, where applicable, submission of building plans showing where energy generators could be placed on site, and an explanation of why the identified opportunities were not pursued, if applicable;
 - Strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and
 - Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25 § 21, or through municipal lighting plants.
- Policies and procedures to promote workplace safety consistent with applicable standards set by the Occupational Safety and Health Administration, including plans to identify and address any biological, chemical or physical hazards. Such policies and procedures shall include, at a minimum, a hazard communication plan, personal protective equipment assessment, a fire protection plan, and an emergency action plan.
- License Renewal Records
 - Victory Gardens shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should

include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should state that, in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

Record-Retention

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

MAINTAINING OF FINANCIAL RECORDS

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

- Confidential information will be maintained in a secure location, kept separate from all other records, and will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided however, the Commission may access this information to carry out its official duties.
- All recordkeeping requirements under 935 CMR 500.105(9) are followed, including:
 - Keeping written business records, available for inspection, and in accordance with generally accepted accounting principles, which will include manual or computerized records of:
 - Assets and liabilities;
 - Monetary transactions;
 - Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
 - Sales records including the quantity, form, and cost of marijuana products; and
 - Salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over Victory Gardens.
- All sales recording requirements under 935 CMR 500.140(5) are followed, including:
 - Utilizing a point-of-sale (POS) system approved by the Commission, in consultation with the DOR, and a sales recording module approved by DOR;
 - Prohibiting the use of software or other methods to manipulate or alter sales data;
 - Conducting a monthly analysis of its equipment and sales data, and maintaining records, available to the Commission upon request, that the monthly analysis has been performed;
 - If Victory Gardens determines that software has been installed for the purpose of manipulation or alteration of sales data or other methods have been utilized to manipulate or alter sales data: 1. it shall immediately disclose the information to the Commission; 2. it shall cooperate with the Commission in any investigation regarding manipulation or alteration of sales data; and 3. take such other action directed by the Commission to comply with 935 CMR 500.105.
 - Complying with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements;
 - Adopting separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales;
 - Maintaining such records that would allow for the Commission and the DOR to audit and examine the point-of-sale system used in order to ensure compliance with Massachusetts tax laws and 935 CMR 500

Additional written business records will be kept, including, but not limited to, records of:

- Compliance with liability insurance coverage or maintenance of escrow requirements under 935 CMR 500.105(10) and all bond or escrow requirements under 935 CMR 500.105(16);
 - Fees paid under 935 CMR 500.005 or any other section of the Commission's regulations; and
 - Fines or penalties, if any, paid under 935 CMR 500.360 or any other section of the Commission's regulations.
- License Renewal Records
 - Victory Gardens shall keep and submit as a component of the renewal application documentation that the establishment requested from its Host Community the records of any cost to a city or town reasonably related to the operation of the establishment, which would include the city's or town's anticipated and actual expenses resulting from the operation of the establishment in its community. The applicant shall provide a copy of the electronic or written request, which should include the date of the request, and either the substantive response(s) received or an attestation that no response was received from the city or town. The request should state that, in accordance with M.G.L. c. 94G, § 3(d), any cost to a city or town imposed by the operation of a Marijuana Establishment or MTC shall be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

QUALIFICATIONS AND TRAINING

New England Organics LLC (“Victory Gardens”) will ensure that all employees hired to work at a Victory Gardens facility will be qualified to work as a marijuana establishment agent and properly trained to serve in their respective roles in a compliant manner. Victory Gardens will maintain a list of anticipated positions and their qualifications.

Qualifications

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

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

Training

As required by 935 CMR 500.105(2), and prior to performing job functions, each of Victory Gardens’ agents will successfully complete a comprehensive training program that is tailored to the roles and responsibilities of the agent’s job function. A Victory Gardens Agent will receive a total of eight (8) hours of training annually. A minimum of four (4) hours of training will be from Responsible Vendor Training Program (“RVT”) courses established under 935 CMR 500.105(2)(b). Any additional RVT over four (4) hours may count towards the required eight (8) hours of training.

Non-RVT may be conducted in-house by Victory Gardens or by a third-party vendor engaged by the Victory Gardens. Basic on-the-job training in the ordinary course of business may also be counted towards the required eight (8) hour training.

All Victory Gardens Agents that are involved in the handling or sale of marijuana at the time of licensure or renewal of licensure will have attended and successfully completed the mandatory Responsible Vendor Training Program operated by an education provider accredited by the Commission.

Basic Core Curriculum

Victory Gardens Agents must first take the Basic Core Curriculum within 90 days of hire, which includes the following subject matter:

- Marijuana's effect on the human body, including:
 - Scientifically based evidence on the physical and mental health effects based on the type of Marijuana Product;
 - The amount of time to feel impairment;
 - Visible signs of impairment; and

- Recognizing the signs of impairment.
- Diversion prevention and prevention of sales to minors, including best practices.
- Compliance with all tracking requirements.
- Acceptable forms of identification. Training must include:
 - How to check identification;
 - Spotting and confiscating fraudulent identification;
 - Common mistakes made in identification verification.
 - Prohibited purchases and practices, including purchases by persons under the age of 21 in violation of M.G.L. c. 94G, § 13.
- Other key state laws and rules affecting Victory Gardens Agents which shall include:
 - Conduct of Victory Gardens Agents;
 - Permitting inspections by state and local licensing and enforcement authorities;
 - Local and state licensing and enforcement, including registration and license sanctions;
 - Incident and notification requirements;
 - Administrative, civil, and criminal liability;
 - Health and safety standards, including waste disposal;
 - Patrons prohibited from bringing marijuana and marijuana products onto licensed premises;
 - Permitted hours of sale;
 - Licensee responsibilities for activities occurring within licensed premises; xix. Maintenance of records, including confidentiality and privacy; and
 - Such other areas of training determined by the Commission to be included in a Responsible Vendor Training Program.

Victory Gardens will encourage administrative employees who do not handle or sell marijuana to take the “Responsible Vendor” program on a voluntary basis to help ensure compliance. Victory Gardens’ records of Responsible Vendor Training Program compliance will be maintained for at least four (4) years and made available during normal business hours for inspection by the Commission and any other applicable licensing authority on request.

After successful completion of the Basic Core Curriculum, each Victory Gardens Agent involved in the handling or sale of marijuana will fulfill the four-hour RVT requirement every year thereafter for Victory Gardens to maintain designation as a Responsible Vendor. Once the Victory Gardens Agent has completed the Basic Core Curriculum, the Agent is eligible to take the Advanced Core Curriculum. Failure to maintain Responsible Vendor status is grounds for action by the Commission.

ENERGY COMPLIANCE PLAN

New England Organics LLC (“Victory Gardens”) is currently exploring potential energy-use reduction opportunities such as natural lighting and energy efficiency measures and a plan for implementation of such opportunities. Victory Gardens will update this plan as necessary and will further provide relevant documentation to the Commission during Architectural Review and during inspections processes.

Potential Energy-Use Reduction Opportunities

Victory Gardens is considering the following potential opportunities for energy-use reduction and plans for implementation of such opportunities.

1. Natural Lighting;
2. Energy efficient exterior wall construction, which may include batt insulation, continuous rigid insulation, and air and vapor barriers; and
3. Plumbing fixtures that are Water Sense rated for reduced water consumption.

As the need and opportunity for facility upgrades and maintenance arise in the future and the company becomes cash flow positive, Victory Gardens will continue to evaluate energy-use reduction opportunities.

Renewable Energy Generation Opportunities

Victory Gardens is in the process of considering opportunities for renewable energy generation (including wind and solar options). Victory Gardens’ preliminary examination of renewable energy generation has determined that the upfront costs of such options are too expensive at this time, although Victory Gardens may reconsider at a future date. Victory Gardens will also consult with its architects and engineers when designing the facility to determine the building’s capacity for renewable energy options (e.g. whether or not the roof can support the weight of solar panels). Nevertheless, our team is dedicated to consistently strive for sustainability and emissions reduction.

Strategies to Reduce Electric Demand

Victory Gardens is considering the following strategies to reduce electric demand:

1. Exterior and interior glazing on windows such that maximum natural daylight can enter the building without compromising security, reducing the reliance on artificial light during daytime hours;
2. Lighting fixtures that are energy efficient and used with Energy Star rated bulbs; and
3. Room lighting and switching will have occupancy sensors to reduce electrical consumption when rooms are unoccupied.

As the need and opportunity for facility upgrades and maintenance arise in the future and the company becomes cash flow positive, Victory Gardens will continue to evaluate strategies to reduce electric demand.

Opportunities for Engagement with Energy Efficiency Programs

Victory Gardens also plans on engaging with energy efficiency programs offered by Mass Save and the Massachusetts Clean Energy Center and will coordinate with municipal officials to

identify other potential energy saving programs and initiatives. Victory Gardens will also coordinate with its utility companies to explore any energy efficiency options available to Victory Gardens.

Diversity Plan

New England Organics ("Victory Gardens") believes in creating and sustaining a robust policy of inclusivity and diversity. Victory Gardens recognizes that diversity in the workforce is key to the integrity of a company's commitment to its community. Victory Gardens is dedicated to creating a diverse culture with a commitment to equal employment opportunity for all individuals. Victory Gardens' diversity plan is designed to promote equity among minorities, women, veterans, people with disabilities, and people who identify as LGBTQ+. Victory Gardens will make every effort to employ and advance in employment qualified and diverse people at all levels within the company.

Goals

Victory Gardens seeks to develop a Diversity Plan that promotes equity among minorities, women, veterans, people with disabilities, and people who identify as LGBTQ+. Victory Gardens has developed specific goals, including:

1. Increasing the number of individuals falling into the above-listed demographics working in the establishment as follows;
 - a. Women: 50%
 - b. Minorities: 50%
 - c. LGBTQ+ : 10%
 - d. Veterans:10%
 - e. People with disabilities: 10%
2. Providing tools to ensure the success of individuals falling into the above-listed demographics through at least two annual trainings.

Diversity Recruitment and Sourcing

Victory Gardens will establish and maintain an inclusive and diverse workforce to serve its customers through innovative corporate recruitment of underrepresented and minority communities. Victory Gardens has developed strategic corporate initiatives to ensure a diverse and qualified staff stands ready to serve Victory Gardens' customers' needs. Victory Gardens' recruitment efforts are designed to maintain a steady flow of qualified diverse applicants and includes the following steps:

- Hosting four career fairs in identified census tracts of Boston;
- Advertising employment opportunities whenever a job opportunity is available but no less than once annually in diverse publications including bilingual media, networking groups for those who identify with the above-listed demographics, and posting job options on public boards;
- Providing briefings to representatives from recruitment sources tailored to individuals falling in the above-listed demographics concerning current and future job openings;
- Encouraging employees to refer applicants from diverse groups for employment;
- Utilizing personal connections to communicate hiring objectives throughout diverse populations;
- Hosting and advertising informational sessions once per year about careers in the marijuana industry;
- Utilizing Zip Recruiter to reach over 100 online career and job websites, as well as social media.

Employee Retention, Training and Development

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

Victory Gardens will offer promotions, career counseling, and training to provide all employees with equal opportunity for growth and to decrease turnover. Victory Gardens will ensure that all employees are given equal opportunities for promotion by communicating opportunities, training programs, and clearly-defined job descriptions. Promotions will be granted at reviews occurring twice annually. Victory Gardens will ensure that all employees receive equal opportunity for career counseling, counsel employees on advancement opportunities, and provide training programs to assist them in career development. Training programs will occur no less than annually be both internal and external to the company and cannabis industry, and may include topics such as: marijuana cultivation techniques, product manufacturing techniques, retail practices, compliance, writing, management training, and industry seminars provided at annual conferences such as MJBizCon.

Victory Gardens' diversity awareness training emphasizes Victory Gardens' zero-tolerance commitment of harassment and discrimination and Victory Gardens' strict adherence to take corrective action should any issues, concerns, or complaints arise. All Victory Gardens employees are required to complete the diversity awareness training program during employee orientation. Training will begin immediately upon hiring, and all new employees will be required to participate in an orientation program that will introduce and stress the importance of the Diversity Plan. Training will occur no less than annually.

Upon completion of the orientation program, new hires will be equipped to describe, discuss, and implement the Diversity Plan. Following successful completion of the general orientation program, employees will undergo additional diversity training that will be tailored to the employee's specific job function. All employees will also be required to undergo ongoing diversity training to ensure knowledge of newly determined best practices and policies and continued familiarity and compliance with the Diversity Plan.

Measuring Progress

Victory Gardens will establish a Diversity Committee (the "Committee") to assist the executive management team and compliance officer with the implementation and growth of the Diversity Plan. The initial members of the Committee will be selected based on their diverse status and their personal commitments to diversity. All employees will be made aware of the Committee and invited to join if it is of interest.

The Committee will conduct annual audits upon provisional license renewal. The audit will include:

- Employment data, including the number of individuals from the above-referenced demographic groups who were hired and retained ;
- Number of positions created since initial licensure;
- Number of and type of information sessions held or participated in with supporting documentation;

- Number of postings in diverse publications or general publications with supporting documentation;
- Number and subject matter of trainings held and the number of individuals falling into the above- listed demographics in attendance; and
- A comprehensive description of all efforts made by Victory Gardens to monitor and enforce the Diversity Plan.

Acknowledgements

- Victory Gardens will adhere to the requirements set forth in 935 CMR 500.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every Marijuana Establishment.
- Any actions taken, or programs instituted, by Victory Gardens will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.