



# Massachusetts Cannabis Control Commission

## Marijuana Cultivator

### General Information:

**License Number:** MC283095  
**Original Issued Date:** 01/25/2021  
**Issued Date:** 03/07/2024  
**Expiration Date:** 07/05/2025

## ABOUT THE MARIJUANA ESTABLISHMENT

**Business Legal Name:** Belle Fleur Holdings LLC

**Phone Number:** 857-245-8311  
**Email Address:** rolandy@bellefleurmass.com

<b>Business Address 1:</b> 138 Otis Stage Road	<b>Business Address 2:</b>	
<b>Business City:</b> Blandford	<b>Business State:</b> MA	<b>Business Zip Code:</b> 01008
<b>Mailing Address 1:</b> 51 Lincoln Street, Apt. 2	<b>Mailing Address 2:</b>	
<b>Mailing City:</b> Hyde Park	<b>Mailing State:</b> MA	<b>Mailing Zip Code:</b> 02136

## CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

**Certified Disadvantaged Business Enterprises (DBEs):** Minority-Owned Business

## PRIORITY APPLICANT

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

## RMD INFORMATION

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

## PERSONS WITH DIRECT OR INDIRECT AUTHORITY

**Person with Direct or Indirect Authority 1**

<b>Percentage Of Ownership:</b> 77.1	<b>Percentage Of Control:</b> 100
<b>Role:</b> Other (specify)	<b>Other Role:</b> CEO, Executive and Managing Member

**First Name:** Rolandy **Last Name:** Romelus **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:** 9.9 **Percentage Of Control:**  
**Role:** Other (specify) **Other Role:** Chief Financial Officer  
**First Name:** Domenico **Last Name:** Cardarelli **Suffix:**  
**Gender:** Male **User Defined Gender:**  
**What is this person's race or ethnicity?:** White (German, Irish, English, Italian, Polish, French)  
**Specify Race or Ethnicity:**

Person with Direct or Indirect Authority 3

**Percentage Of Ownership:** 8 **Percentage Of Control:**  
**Role:** Other (specify) **Other Role:** Chief Operating Officer  
**First Name:** Irvin **Last Name:** Whitlow **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:**

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

No records found

CLOSE ASSOCIATES AND MEMBERS

No records found

CAPITAL RESOURCES - INDIVIDUALS

No records found

CAPITAL RESOURCES - ENTITIES

No records found

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

**First Name:** Domenico **Last Name:** Cardarelli **Suffix:**  
**Marijuana Establishment Name:** Canna Dash Holdings LLC **Business Type:** Other  
**Marijuana Establishment City:** Blandford **Marijuana Establishment State:** MA

Individual 2

**First Name:** Rolandy **Last Name:** Romelus **Suffix:**  
**Marijuana Establishment Name:** Canna Dash Holdings LLC **Business Type:** Other  
**Marijuana Establishment City:** Blandford **Marijuana Establishment State:** MA

### MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 138 Otis Stage Road

Establishment Address 2:

Establishment City: Blandford

Establishment Zip Code: 01008

Approximate square footage of the Establishment: 20000

How many abutters does this property have?: 17

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

Cultivation Tier: Tier 04: 20,001 to 30,000 sq. ft

Cultivation Environment:

Indoor

### FEE QUESTIONS

Cultivation Tier: Tier 04: 20,001 to 30,000 sq. ft Cultivation Environment: Indoor

### HOST COMMUNITY INFORMATION

No documents uploaded

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.: \$

### POSITIVE IMPACT PLAN

Positive Impact Plan:

Document Category	Document Name	Type	ID	Upload Date
Other	MRCC letter.pdf	pdf	5f75db3a8012da07a0d9451c	10/01/2020
Other	NEVA letter 9-30-2020.pdf	pdf	5f75db3ce3e99907b865b143	10/01/2020
Plan for Positive Impact	Revised for RFI - Positive Impact Plan - Belle Fleur Cultivation.pdf	pdf	5f80a4448109e507db041fc0	10/09/2020

### ADDITIONAL INFORMATION NOTIFICATION

Notification:

### INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role:

Other Role:

First Name: Rolandy

Last Name: Romelus Suffix:

RMD Association: Not associated with an RMD

Background Question: yes

Individual Background Information 2

Role:

Other Role:

First Name: Domenico

Last Name: Cardarelli Suffix:

RMD Association: Not associated with an RMD

Background Question: yes

Individual Background Information 3

Role:

Other Role:

First Name: Irvin

Last Name: Whitlow Suffix:

RMD Association: Not associated with an RMD

Background Question: no

### ENTITY BACKGROUND CHECK INFORMATION

No records found

### MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Bylaws	2019-06-18 Belle Fleur Operating Agr v2-1.pdf	pdf	5f75dc77ac4d5e07c7f9db71	10/01/2020
Articles of Organization	Belle fleur Certificate of Org - filed-1.pdf	pdf	5f75dc79e4c06f07e61d2401	10/01/2020
Department of Revenue - Certificate of Good standing	Certificate of Good Standing DOR.pdf	pdf	5f75dc7c5f18f707b2bf1a0d	10/01/2020
Secretary of Commonwealth - Certificate of Good Standing	Sec of State MA - CGS.pdf	pdf	5f75dc7e7e8b3807d9e5f9b6	10/01/2020
Department of Revenue - Certificate of Good standing	Unemployment Assistance Attestation form for application.pdf	pdf	5f7794f28012da07a0d94bcb	10/02/2020

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Unemployment Assistance - Certificate of Good standing	2024-01-16 Belle Fleur Holdings LLC - No Employees Attestation (DUA Signed).pdf	pdf	65a6d803fa86d00008d51d36	01/16/2024
Secretary of Commonwealth - Certificate of Good Standing	2024-01-16 Belle Fleur Holdings LLC - Cert of Good Standing (SOC).pdf	pdf	65b2dfd67252ab00087f4ec2	01/25/2024
Department of Revenue - Certificate of Good standing	2024-01-25 Belle Fleur Holdings LLC - Cert of Good Standing (DOR).pdf	pdf	65b80b2b58452f0008a352ca	01/29/2024

Massachusetts Business Identification Number: 001387788

Doing-Business-As Name:

DBA Registration City:

### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	BELLE FLEUR HOLDINGS LLC - Letter of Intent to Bind Coverage.pdf	pdf	5f75dd595f18f707b2bf1a13	10/01/2020
Business Plan	Belle Fleur - Business Plan -Cultivation.pdf	pdf	5f75dd5d564e5f07d034bac5	10/01/2020
Proposed Timeline	2024-01-16 Belle Fleur Holdings LLC - Proposed Timeline (2024 Update).pdf	pdf	65a6d2370f1a250008b348d7	01/16/2024

### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Date generated: 06/02/2025

Page: 4 of 6

Document Category	Document Name	Type	ID	Upload Date
Restricting Access to age 21 and older	Belle Fleur - Restricting Access to age 21 and older.pdf	pdf	5f75de0dbe635707e886d327	10/01/2020
Policies and Procedures for cultivating.	Belle Fleur - Policies & Procedures for Cultivating - .pdf	pdf	5f75de0f8012da07a0d9452c	10/01/2020
Security plan	Belle Fleur - Security Plan.pdf	pdf	5f75de12ac4d5e07c7f9db78	10/01/2020
Prevention of diversion	Belle Fleur - Prevention of Diversion.pdf	pdf	5f75de1ed4713f079b9254fa	10/01/2020
Quality control and testing	Belle Fleur - Quality Control and Testing.pdf	pdf	5f75debb73481907b14c8f13	10/01/2020
Personnel policies including background checks	Belle Fleur - Personnel Policies Including Background Checks.pdf	pdf	5f75debc9bb9f30799289048	10/01/2020
Inventory procedures	Belle Fleur - Inventory Procedures.pdf	pdf	5f75debfb635707e886d32d	10/01/2020
Transportation of marijuana	Belle Fleur - Transportation of Marijuana.pdf	pdf	5f75dec1e3e99907b865b157	10/01/2020
Storage of marijuana	Belle Fleur - Storage.pdf	pdf	5f75dec35f18f707b2bf1a17	10/01/2020
Qualifications and training	Belle Fleur - Qualifications and Training.pdf	pdf	5f75df188109e507db040589	10/01/2020
Maintaining of financial records	Belle Fleur - Maintaining of Financial Records.pdf	pdf	5f75df1973481907b14c8f19	10/01/2020
Record Keeping procedures	Belle Fleur- Record Keeping Procedures.pdf	pdf	5f75df1a9bb9f3079928904c	10/01/2020
Energy Compliance Plan	Energy Compliance Plan for Cultivation Facility.pdf	pdf	5f75df6b5f18f707b2bf1a1d	10/01/2020
Diversity plan	2024-01-16 Belle Fleur Holdings LLC - Diversity Plan.pdf	pdf	65a6d628fa86d00008d51829	01/16/2024

### ATTESTATIONS

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

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

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

Notification:

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

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

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

### ADDITIONAL INFORMATION NOTIFICATION

Notification:

Progress or Success Goal 1

Description of Progress or Success: See attached.

**COMPLIANCE WITH DIVERSITY PLAN**

Diversity Progress or Success 1

Description of Progress or Success: See attached.

Diversity Progress or Success 2

Description of Progress or Success: See attached.

**HOURS OF OPERATION**

Monday From: Open 24 Hours	Monday To: Open 24 Hours
Tuesday From: Open 24 Hours	Tuesday To: Open 24 Hours
Wednesday From: Open 24 Hours	Wednesday To: Open 24 Hours
Thursday From: Open 24 Hours	Thursday To: Open 24 Hours
Friday From: Open 24 Hours	Friday To: Open 24 Hours
Saturday From: Open 24 Hours	Saturday To: Open 24 Hours
Sunday From: Open 24 Hours	Sunday To: Open 24 Hours



January 25, 2024

Town Clerk Doris Jemiolo  
Town of Blandford  
Russell Stage Road #11  
Blandford, MA 01008  
[townclerk@townofblandford.com](mailto:townclerk@townofblandford.com)

*Sent by email.*

Re: Belle Fleur Holdings LLC - Notice of Provisional State Cannabis License Renewal

Dear Clerk Jemiolo:

Please be advised that as a condition for Belle Fleur Holdings LLC's ("Belle Fleur") state provisional cannabis license annual renewal, the Cannabis Control Commission requires Belle Fleur to submit documentation that it has requested from its Host Community the records of any cost to the Host Community, whether anticipated or actual, resulting from the licensee's operation within its borders, and any response received from the Host Community in connection with such request.

*Belle Fleur Holdings LLC holds a Provisional, non-operational state cannabis license in Blandford.*

Accordingly, please accept this correspondence as Belle Fleur's formal request to Blandford to produce the records of any cost to Blandford, whether anticipated or actual, resulting from Belle Fleur's operation within the borders of Blandford. Please note that a copy of this correspondence along with any response received from the town, or barring receipt of any response, an attestation to that effect, shall be submitted to the Cannabis Control Commission.

Note that M.G.L. c. 94G, § 3(d) requires that any cost to the town imposed by the operation of a Marijuana Establishment be documented and considered a public record as defined by M.G.L. c. 4, § 7, cl. 26.

Sincerely, on behalf of my client Belle Fleur Holdings LLC,

A handwritten signature in black ink, appearing to read "Quinn Heath". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Quinn Heath, Esq.  
Associate  
Cable, Fleisher & Sosebee PLLC  
Email: [quinn@cfsattorneys.com](mailto:quinn@cfsattorneys.com)  
Phone: (617) 468-8343  
BBO: #709258

Belle Fleur Holdings LLC

**DECLARATION re: BLANDFORD MUNICIPAL RESPONSE STATUS**

I, Rolandy Romelus, Manager of Belle Fleur Holdings LLC, certify that on January 25, 2024, Belle Fleur Holdings LLC made the request attached to this application to the Town Clerk of Blandford. As of the date listed below, Belle Fleur Holdings LLC and its agents and attorneys have not received a response to the attached outreach. If a response is received while this application is pending, the response will be provided as a supplement to the application.

By:   
\_\_\_\_\_  
Rolandy Romelus, its Manager  
Belle Fleur Holdings LLC

Date: Jan. 30, 2024  
\_\_\_\_\_

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

### **POSITIVE IMPACT PLAN**

**Goals:** Provide financial support to New England Veterans Alliance (“NEVA”) and Massachusetts Recreational Consumer Council (“MRCC”) because they are entities that offer support, education and/or job training to Massachusetts residents disproportionately impacted by the War on Drugs.

**Goal:** Donate a total of **\$5,000.00 annually** to New England Veterans Alliance.  
Donate a total of **\$5,000.00 annually** to Massachusetts Recreational Consumer Council.

**Program #1:** The donation to be made to New England Veterans Alliance is intended to enhance its ability to cultivate veterans through alternative therapeutic programs. This donation will go towards two programming areas:

1. The Veterans Cultivation Program (VCP) which supports veterans in learning how to cultivate cannabis. The goal of VCP is to help educate the veteran community, to encourage self sustainability through cultivation therapy, and to alleviate the financial burden on veterans while providing a purpose and connection to the local communities and
2. Peer support groups for veterans across New England.

**Measurement and Accountability:** At the end of each year, Belle Fleur will conduct an analysis and create a report on the amounts and percentages of donations and other financial support that the company has given to the program outlined above. Belle Fleur will continue to assess the viability and impact of financial donations made, and annually review donation goals amounts. NEVA will be able to produce documentation that the individuals participating in their programs have had past drug convictions and are from an area of disproportionate impact. NEVA will provide an annual report to Belle Fleur, summarizing the use of the funds, as well as the disproportionately impacted communities the programs have worked with, and whether the individuals participating in the programs have had past drug convictions. NEVA will provide a copy to the Cannabis Control Commission upon request.

**Program #2:** The donation to be made to Massachusetts Recreational Consumer Council will support MRCC’s educational seminars that specifically occur within communities that are Commission-approved areas of disproportionate impact.

**Measurement and Accountability:** At the end of each year, Belle Fleur will conduct an analysis and create a report on the amounts and percentages of donations and other financial support that the company has given to the program outlined above. Belle Fleur will continue to assess the viability and impact of financial donations made, and annually review donation goals amounts. MRCC will provide Belle Fleur with documentation that the programs occurred within communities that are Commission-approved areas of disproportionate impact.

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

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

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

**OPERATING AGREEMENT**

**OF**

**BELLE FLEUR HOLDINGS LLC**

(a Manager-Managed Massachusetts Limited Liability Company)

**Effective as of June 18, 2019**

THE UNITS REPRESENTED BY THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH UNITS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM, AND COMPLIANCE WITH THE OTHER SUBSTANTIAL RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

**OPERATING AGREEMENT  
OF  
BELLE FLEUR HOLDINGS LLC**

(a Massachusetts Limited Liability Company)

This OPERATING AGREEMENT (this “*Agreement*”) of BELLE FLEUR HOLDINGS LLC, a limited liability company organized under the laws of the Commonwealth of Massachusetts (the “*Company*”), is entered into and made effective as of June 18, 2019 by and among the Company, Rolandy Romelus, a domiciliary of the State of California, Kenny Verlus, a domiciliary of the Commonwealth of Massachusetts, and all other persons or entities who shall execute and deliver this Agreement or authorized counterparts or facsimiles of the same pursuant to the provisions hereof.

WHEREAS, the Company was formed by the filing of the Certificate of Organization of the Company with the Secretary of the Commonwealth of Massachusetts on June 12, 2019;

WHEREAS, the Members, the Managers, and the Company intend that this Agreement shall set forth the understanding amongst them with respect to the terms and conditions of their respective interests, rights and obligations with respect to the Company, its management and operation, and the economic arrangement between the Members with respect to the Company; and

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

**GENERAL**

Definitions. Certain capitalized terms used in this Agreement shall have the respective meanings set forth on **Schedule B** attached hereto and made a part hereof, unless otherwise expressly provided herein or unless the context otherwise requires. Certain capitalized terms not defined herein may be defined in the provisions of the Massachusetts Limited Liability Company Act.

Overview. This Agreement sets forth, among other things, the manner in which the Company will be operated and the manner in which the profits and losses of the Company will be shared by the Members.

Name. The name of the Company shall be Belle Fleur Holdings LLC.

Principal Office. The principal office of the Company shall be located at 1 Boston Place, Suite 2600, Boston MA 02108 or at such other place or places as a Manager may determine from time to time.

Registered Office. The registered office of the Company shall be the office of the initial resident agent named in the Certificate of Organization or such other office (which need not be a place of business of the Company) as a Manager may designate from time to time in the manner provided by the Act and applicable law.

The registered agent for service of process on the Company in the Commonwealth of Massachusetts shall be the initial resident agent named in the Certificate of Organization or

such other Person or Persons as the Members may designate from time to time in the manner provided by the Act and applicable law.

Term. The Company commenced on June 12, 2019, the date that the Certificate of Organization of the Company was filed with the Massachusetts Secretary of the Commonwealth and shall continue in existence in perpetuity or until earlier dissolved in accordance with the provisions of this Agreement and the Act.

Purposes. The purpose of the Company shall be to engage in any business that is not prohibited by the Act or any other law, and to enter into any lawful transaction and engage in any lawful activities in furtherance of the foregoing purpose as may be necessary, incidental or convenient to carry out the business of the Company as contemplated by this Agreement.

Title to Property. All Company Property shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in his, her or its individual name or right solely by reason of being a Member, and except as otherwise provided in this Agreement, each Member's interest in the Company shall be personal property for all purposes. The Company shall hold all Company Property in the name of the Company and not in the name of any Member.

Operating Agreement and the Act. This Agreement shall constitute the "operating agreement" (as that term is used in the Act) of the Company. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control.

## **MEMBERS**

Meetings of Members. The Members shall meet at least once each Fiscal Year at the principal office of the Company or at such other place within or outside of the Commonwealth of Massachusetts as the Members may agree, on such date and at such time as may be fixed by the Members for the transaction of such lawful business as may come before the meeting. Special meetings of the Members may be called by any Member upon written notice to the other Members or by telephone or facsimile, which notice must be given no fewer than two (2) business days and no more than sixty (60) days prior to the date of the meeting. No business shall be acted upon at a special meeting that is not stated in the notice of the meeting. Meetings of Members may be held by telephone or any other communications equipment, by means of which all participating Members can simultaneously hear each other during the meeting. Special meetings shall be held at the principal office of the Company or at such other place within or outside of the Commonwealth of Massachusetts as the Members may agree. All meetings of the Members shall be called to order and presided over by such Person or Persons who may be designated by the Members.

Quorum. Unless a quorum consisting of at least a Majority of the Management Interests of the Members is present in person or by proxy, no action may be taken at a meeting of Members.

Action by Written Consent. Any action that may be taken at a meeting of the Members

may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by Members whose percentage of Units would be sufficient to approve the action at a meeting of the Members. All Members who do not participate in taking the action by written consent shall be given written notice thereof by the Company promptly after such action has been taken.

Voting Rights; Required Vote. Each Member shall be entitled to vote his, her or its Units with respect to any action required or permitted to be taken by the Members under this Agreement. All such actions that require the vote, consent or approval of the Members shall require the affirmative vote, consent or approval of a Majority of the Management Interests, as represented by Units, of the Members, unless the question or matter is one upon which, by express provision of applicable law or of the Certificate of Organization or this Agreement, a different vote is required, and in which case, such express provision shall govern and control the decision of such question or matter.

Deadlock. In the event that a proposed action of the Members does not receive the vote, consent or approval of a Majority of the Management Interest of the Members pursuant to this Agreement and results in a deadlock of the Members (a “**Deadlock**”), the Deadlock shall be resolved as follows:

1. The Members shall mutually agree upon an independent third-party of relevant experience and competence to decide the matter by mediation.
2. If after 180 days of mediation the matter still has not been decided, the Company shall be dissolved.

Proxies. Every Member entitled to a vote may vote either in person or by proxy. Every proxy shall be executed in writing by the Member or by his, her or its duly authorized attorney-in-fact and filed with the corporate records of the Company. A proxy, unless coupled with an interest, shall be revocable at will by the Member authorizing the proxy, notwithstanding any other agreement or any provision in the proxy to the contrary, but the revocation of a proxy shall not be effective until written notice thereof has been received by the Company.

Issuance of Additional Units. The Company may not sell or issue additional Units or other equity interests in the Company (“**New Units**”) without the affirmative vote, consent, or approval of a Majority of the Management Interest of the Members. Dilution, whether or not *pro rata*, shall be determined at the time of issuance of such Units by a majority vote of the Management Interest of the Members.

Preemptive Rights of Members. Any sale and issuance of New Units shall be subject to the following preemptive rights of the Members (the “**Preemptive Rights**”):

The Company must first offer each Member the opportunity to purchase up to a percentage of the New Units equal to such Member’s Percentage Interest of Units at the time of the proposed offering, so that, after the issuance of all such proposed New Units, such Member’s Percentage Interest of Units will be the same as the Percentage Interest of Units maintained by such Member immediately prior to the issuance of any such New Units.

Activities of Members. To the extent permitted under the Act, the following provisions shall apply:

Nothing in this Agreement shall preclude any Member, or any Affiliates of any

Member, from engaging in other transactions and possessing interests and making investments in and loans to other business ventures of any nature or description (except, without limitation, businesses that compete directly with the Company), independently or with others, whether existing as of the date hereof or hereafter coming into existence, and neither the Company nor any other Member shall have any rights in or to any such other transactions, investments or ventures or the income or profits derived therefrom.

Subject to the other express provisions of this Agreement, each Member and agent of the Company at any time and from time to time may engage in and possess interests in other business ventures of any and every type and description, independently or with others, ventures not in direct competition with the Company, with no obligation to offer to the Company or any other Member or agent the right to participate therein.

Liability of the Members. Except as otherwise provided by the Act or as contemplated by this Agreement, 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. No Member shall be obligated personally or have any liability for the debts, obligations or liabilities of the Company or for the acts or omissions of any other Member, officer, agent or employee of the Company, except to the extent provided in the Act or as specifically and expressly agreed to by such Member in writing.

No Withdrawal. A Member shall not cease to be a Member as a result of a Bankruptcy of such Member or as a result of any other events specified in the Act. So long as a Member continues to hold any Units, such Member shall not have the ability to withdraw or resign as a Member prior to the dissolution and winding up of the Company and any such withdrawal or resignation or attempted withdrawal or resignation by a Member prior to the dissolution or winding up of the Company shall be null and void. As soon as any Person who is a Member ceases to hold any Units, such Person shall no longer be a Member.

Compensation; Expenses. Members shall not be entitled to receive any salary, fee or draw for services rendered to or on behalf of the Company or otherwise in its capacity as a Member, unless otherwise approved by the Members; *provided, however,* that Members shall be entitled to be reimbursed for reasonable and necessary out-of-pocket costs and expenses incurred in the course of their services hereunder. Members who are also *bona fide* employees of the Company may receive salaries from the Company in their capacity as employees.

Priority and Return of Capital. No Member shall have priority over any other Member, either as to the return of Capital Contributions or as to Profits, Losses or distributions; *provided, however,* that this Section shall not apply to loans that a Member has made to the Company as authorized herein, or the terms of any New Units authorized in accordance with the terms of this Agreement.

No Company Certificates. The Units of the Members in the Company shall not be certificated.

Names and Capital Contributions of Members. The names of the Members, along with the number of Units owned by such Members and their respective Capital Contributions and Percentage Interests, are as set forth on **Schedule A**, attached hereto and made a part hereof. A Manager shall cause **Schedule A** to be updated as necessary from time to time.

Confidentiality. Each Manager and Member acknowledges that in their capacity as a member or principal of a Member, Manager, employee or officer of the Corporation they may from time to time be entrusted with various types of Confidential Information (e.g., customer lists, financial information, marketing strategies, production techniques, software etc.) and other information of a privileged and confidential nature which, upon disclosure, would be highly prejudicial to the interests of the Company (collectively the “Confidential Information”).

Any matters, financial or otherwise, with respect to the Company, its subsidiaries or Affiliates, including without limitation the terms of this Agreement, which are not divulged by the Company to the public in the ordinary course of its Business shall be deemed to be Confidential Information and any Member who wishes to divulge such Confidential Information to any third party (other than a purchaser as permitted under this Agreement who is subject to obligations of confidentiality in favor of the Company) shall, as a condition to such divulging, obtain the prior approval of a Manager. Each Member acknowledges and agrees that the right to possess and maintain confidentially all such Confidential Information constitutes a proprietary right of the Company which the Company is entitled to protect.

Each Member and Manager agrees that it will not at any time, whether then a member or manager of the Company or not, directly or indirectly disclose Confidential Information to any Person (other than as required in the performance of a Manager’s duties or to a Member’s own professional advisors on a need-to-know basis or to a purchaser as permitted under this Agreement who is subject to obligations of confidentiality in favor of the Company) not authorized by the Company to receive such information except as required by law or court order.

Each Member and Manager shall return to the Company all property, written information and documents of the Corporation and all Confidential Information and all copies of the same, whether in written, electronic or other form and certify as to such information’s return or destruction forthwith upon his or her cessation as a Member or Manager. For greater certainty, nothing in this Agreement imposes liability upon any Member or Manager for making disclosures of Confidential Information where such disclosure (a) is required by law or court order; or (b) is otherwise disclosed not as a result of a breach by the Member of his, her or its obligations hereunder.

Non-Solicitation. None of the Officers, Manager(s), any Members or their respective Affiliates shall, directly or indirectly, (i) solicit, entice away or in any other manner persuade or attempt to persuade any employees, contractors or vendors of the Company to alter his, her or its relationship with the Company or its business or (ii) engage or employ any former employees, contractors, vendors of the Company for a period of three (3) years after such persons or entities have severed their relationship with the Company (except (y) if such employee is terminated by the Company or (z) if such employee is responding to a newspaper advertisement, job posting or other general solicitation not targeted at such employee). For purposes of clarification, the parties agree that the limitations contained in clause (ii) of the preceding sentence shall not apply to any regional, national, or international firms engaged by the Company.

## MANAGEMENT AND OFFICERS

Management. The business and affairs of the Company will be managed by the Managers. The Managers shall conduct the business of the Company consistent with its purposes as set forth in herein in a prudent and businesslike manner. The Managers shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business, except for decisions expressly requiring a vote of the Members as provided herein.

The initial Managers of the Company shall be Rolandy Romelus and Kenny Verlus. A Manager may be removed for cause by the affirmative vote of two-thirds of the Management Interest of the Members, excluding those held by the Manager who is subject to removal. Replacement Managers shall be elected by a simple majority vote of the Management Interest of the Members.

Specific Rights and Powers of Managers. Without limiting the generality of this Section, each Manager shall have the power and authority on behalf of the Company to do the following:

Execute any and all documents or instruments of any kind that the Manager deems necessary or appropriate to achieve the purposes of the Company, including, without limitation, contracts, agreements, leases, subleases, easements, deeds, notes, mortgages and other documents or instruments of any kind or character or amendments of any such documents or instruments;

Borrow money from individuals, banks and other lending institutions on the general credit of the Company for use in the Company business, all upon such terms and containing such features as the Manager may determine to be necessary or desirable in its absolute discretion;

Confess judgment against the Company and to execute any document granting to any Person the right to confess judgment against the Company in the event of the Company's default in the performance of its obligations under any loan agreement, note, or other agreement or instrument;

Incur, secure, renew, replace, refinance, modify, extend, repay or otherwise discharge any indebtedness of the Company;

Subject to the other terms of this Agreement, sell and issue New Units, and in connection therewith, determine the amount, nature, timing, and all other terms and conditions of any such issuances;

Sell, exchange, lease, mortgage, pledge, assign, or otherwise transfer, dispose of or encumber all or a portion of the Company Property or any interest therein;

Procure and maintain, at the expense of the Company and with responsible companies, such insurance as may be available in such amounts and covering such risks as the Manager shall deem necessary or desirable in the Manager's absolute discretion, including insurance policies insuring the Manager against liability arising as a result of any action he or she may take or fail to take in his capacity as Manager of the Company;

Employ and dismiss from employment any and all Company employees, agents, independent contractors, attorneys and accountants;

Supervise the preparation and filing of all Company tax returns;

Open, maintain and close bank and investment accounts and arrangements, draw checks and other orders for the payment of money, and designate individuals with authority to sign or give instructions with respect to those accounts and arrangements;

Engage in correspondence with any regulatory or governmental body, including the Internal Revenue Service and the Securities and Exchange Commission;

Delegate any or all of the administrative and managerial powers conferred upon the Manager to officers, employees or agents of the Company;

Bring, defend or settle actions at law or equity; and

Retain and compensate on behalf of the Company such accountants, attorneys, realtors, tax specialists, management companies, consultants or other professionals as the Manager shall deem necessary or desirable in the Manager's absolute discretion in order to carry out the purposes and business of the Company.

Manager Deadlock Provision. In the event that a proposed action requiring the unanimous vote, consent or approval of the Managers does not receive such unanimous vote, consent or approval and results in a deadlock of the Managers (a "Deadlock"), the Deadlock shall be resolved as follows: the vote cast by the Manager holding the greatest number of voting Units shall decide the action without regard to the vote(s) of the other Manager(s). If the Managers own an equal number of voting Units, the Managers shall mutually agree upon an independent third-party of relevant experience and competence to decide the matter by mediation. If after 180 days of mediation the matter still has not been decided, the Company shall be dissolved.

Authority of Attorneys-In-Fact, Employees, Agents and Members. Unless authorized to do so by this Agreement or by the Members, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose.

Records, Audits and Reports. Proper and complete records and books of account shall be kept by the Company. The books and records shall at all times be maintained at the principal office of the Company and shall be open to the reasonable inspection and examination of the Members or their duly authorized representatives for any proper purpose relating to the Company during normal business hours.

Returns and Other Elections. A Manager shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns or pertinent information therefrom, will be furnished to the Members within a reasonable time after the end of the Company's Fiscal Year as required by law or upon a Member's written request. All elections permitted to be made by the Company under federal or state laws will be made by a Manager in his or her sole discretion. Each of the Members acknowledges and agrees that in no event shall another Member, a Manager, or the Company be liable or otherwise responsible for the tax treatment or tax-related aspects of any

investment or other activity of the Members or the Company, it being understood that each Member should consult his or her own tax advisors regarding such matters.

Tax Matters Partner. The Members shall designate a “*Tax Matters Partner*” (as defined in Code Section 6231) who shall be authorized and required to represent the Company (at the Company’s expense) in connection with all examinations of the Company’s affairs by tax authorities, including, without limitation, administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith. The Members agree to cooperate with each other and to do, or refrain from doing, any and all things reasonably required to conduct such proceedings. The initial Tax Matters Partner shall be Rolandy Romelus.

Officers. A Manager may from time to time elect or appoint one or more officers of the Company, and such officers shall have such titles, powers, duties and tenure as the Manager shall from time to time determine. Vacancies may be filled or new offices created and filled by resolution of the Manager. Any officer or agent elected or appointed by the Manager may be removed by the Manager whenever in his judgment the best interests of the Company would be served; *provided, however*, that such removal shall be without prejudice to the contract rights, if any, of the person so removed. An officer is not required to be a Member. No officer shall be delegated the authority to take any action requiring the approval of the Manager or Members without the prior consent of the Manager and such Members as are required to approve such actions.

Checks, Notes, Etc. A Manager shall from time to time designate the officers or agents of the Company who shall have power, in its name, to sign and endorse checks and other negotiable instruments and to borrow money for the Company, and in its name, to make notes or other evidences of indebtedness.

## **CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS**

Capital Contributions. The Members have contributed to the capital of the Company, as their “Initial Capital Contributions,” the sums (whether in cash, by contribution of property, or a combination thereof) set forth on **Schedule A** to this Agreement in exchange for the number of Units set forth thereon. No Member shall have any obligation to contribute any additional amount to the capital of the Company. Loans made to the Company by a Member pursuant to the below subsection shall not be deemed to be Capital Contributions.

Loans by Members. Any one or more Members may, but shall not be obligated to, loan to the Company additional amounts from time to time to enable the Company to meet operating expenses and other cash needs; *provided, however*, that each such loan shall be approved by the Members. Each such loan shall be at such rate of interest and be subject to such terms and conditions that are fair and reasonable to the Company and comparable to the terms otherwise generally available at the time from commercial lenders. Each such loan shall be evidenced by a written note executed by the Company and delivered to the Member making the loan.

Limitation on Return of Capital. None of the Members shall be entitled to a return of capital at any fixed time or upon demand, to receive interest on capital or to receive any distribution from the Company. In furtherance of and not in limitation of the foregoing sentence, the Members shall not have any right of any return of their Capital Contributions. A Member is not required to contribute or lend any cash or property to the Company to enable

the Company to return any Member's Capital Contributions.

Capital Accounts.

The Company shall maintain a separate Capital Account for each Member. Capital Accounts shall not govern distributions by the Company to the Members, it being understood that Capital Accounts shall be maintained solely to assist the Company in allocating Tax Items.

The Capital Account of each Member shall be increased by an amount equal to such Member's Capital Contribution as and when paid and by such Member's share of Profits, and reduced by such Member's share of Losses and the amount of any distributions to such Member. Each Member's Capital Account will be maintained and adjusted in accordance with the Code and the Treasury Regulations thereunder, including the adjustments to capital accounts permitted by Section 704(b) of the Code and the Treasury Regulations thereunder in the case of a Member who receives the benefit or detriment of any basis adjustment under Sections 734, 743 and 754 of the Code. It is intended that appropriate adjustments will thereby be made to Capital Accounts to give effect to any Tax Item that is allocated pursuant to this Agreement and any adjustments to the allocation of any such item subsequently made upon audit by the Internal Revenue Service or otherwise. Each Member's Capital Account will include the Capital Account, as so adjusted, of any predecessor holders of the interest of such Member in the Company.

Capital Deficits. None of the Members shall be obligated to repay to the Company, any other Member or any creditor any deficit in such Member's Capital Account arising at any time during the term of the Company or upon dissolution and liquidation of the Company. The Members shall not be liable for the return of the capital of the Members and it is expressly understood that any such return shall be made solely from the Company's assets.

## **ALLOCATION OF PROFITS AND LOSSES**

Allocation of Profits and Losses. Except as otherwise expressly provided in this Agreement, all Profits or Losses of the Company (including each item of income, gain, loss, deduction or credit entering into the computation thereof) for each Fiscal Year shall be allocated among the Members in accordance with their respective Economic Interests; *provided, however,* that (a) if one or more Members shall have positive balances in their Capital Accounts and one or more Members shall have deficit balances in their Capital Accounts, Profits shall first be allocated to those Members having deficit balances in their Capital Accounts to the extent of and in proportion to such deficit balances, and (b) if one or more Members shall have deficit balances in their Capital Accounts and one or more Members shall have positive balances in their Capital Accounts, Losses shall first be allocated to those Members having positive balances in their Capital Accounts to the extent of and in proportion to such positive balances. Capital Accounts will not govern distributions by the Company to the Members, it being understood that Capital Accounts will be maintained solely to assist the Company in allocating Tax Items of the Company.

Compliance with the Code. The allocation provisions in this Section are intended to comply with applicable provisions of the Code, including regulations promulgated under Section 704 of the Code, and successor statutes and regulations thereof, and shall be interpreted and applied in a manner consistent with such statutory and regulatory provisions.

Allocation of Profits and Losses upon Transfer or Change in Units. It is agreed that if all or a portion of a Member's Units are transferred or adjusted as permitted herein, Profits and Losses for the transfer's Fiscal Year shall be allocated between the transferor and the transferee based upon the number of days in said Fiscal Year that each owned such Units, without regard to the dates upon which income was received or expenses were incurred during said Fiscal Year, except as otherwise required by the provisions of Code Section 706 and Treasury Regulations thereunder or as the transferor and transferee may agree with the Board's consent.

Contributed Property. Notwithstanding anything contained herein to the contrary, if a Member contributes property to the Company having a fair market value that differs from its adjusted basis at the time of contribution, then items of income, gain, loss and deduction with respect to such property shall be shared among the Members so as to take account of the variation between the adjusted tax basis of the property to the Company and its fair market value at the time of contribution, in the manner prescribed in Code Section 704(c) and the Treasury Regulations thereunder. Any applicable tax elections will be made by the Board and shall be binding on all Members.

## **DISTRIBUTIONS**

### Tax Distributions.

The Company shall make distributions pursuant to this Section to each Member in an amount no less than the federal, state and local income tax liability of such Member as a result of the allocations of Tax Items to such Member. Any distribution made by reason of this Section is referred to as a "***Tax Distribution***."

Each Tax Distribution shall be made not less than five (5) business days before the next occurring due date for federal estimated income tax payments. In determining the amount of any Tax Distribution, it shall be assumed that the Tax Items were the only items entering into the computation of tax liability of the Members.

Notwithstanding anything in this Section, the Company shall not be obligated, and the Members shall not be obligated to cause the Company, to borrow funds or obtain additional Capital Contributions to fund Tax Distributions.

Limitation upon Distributions. No distributions of any nature shall be permitted under this Section if, after any such distribution, either (i) the net assets of the Company would be less than zero, (ii) the Company would be insolvent or (iii) the Company would not have sufficient cash available to meet the reasonably anticipated needs of the Company, as such needs are determined in the reasonable discretion of the Members. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any distribution to Members if such distribution would otherwise violate the Act or other applicable law.

## **TRANSFER OF UNITS**

Restrictions on Sale or Other Disposition. Except as otherwise provided for in this Agreement, each Member agrees not to sell, assign, transfer, give, donate, bequeath, pledge, deposit or in any way alienate, encumber, hypothecate, or dispose of (collectively, "***Transfer***")

all or any portion of such Member's Units now owned or hereafter acquired by such Member. Any purported Transfer or other disposition of Units or assets of the Company in violation hereof shall be void and ineffectual and shall not operate to transfer any interest or title to the purported transferee.

Members' Right of First Refusal.

If a Member desires to Transfer any of his, her or its Units to any transferee other than those expressly permitted in this Section or any Units owned by any Member shall be subject to sale or other Transfer by reason of (i) bankruptcy or insolvency proceedings, whether voluntary or involuntary, (ii) distribution of marital property following divorce, or (iii) distraint, levy, execution or other involuntary Transfer, then such selling Member, or Member otherwise affected by such Transfer (in either case, a "***Selling Member***"), shall, as soon as reasonably practical (but in the case of a proposed Transfer pursuant to subsection (i), at least sixty (60) days prior to the effective date of such proposed Transfer), submit in writing to the other Member the proposed terms and conditions of the proposed Transfer (the "***Terms***"). Such Terms shall include, without limitation, the price to be received by the transferee (or in the case of a proposed Transfer pursuant to subsection (ii), the price, value or consideration, if readily determinable, on the basis of which such Units are proposed to be transferred to such transferee), the number of Units to be transferred (the "***For Sale Units***") and the proposed transferee. After receipt of the Terms of the proposed Transfer, the other Member will have thirty (30) days (the "***Notice Period***") to exercise its right of first refusal hereunder to redeem the For Sale Units at the lesser of (xi) the price or value as may be set forth in the Terms or (xii) the Agreed Value, with the terms of such consideration to be paid for the Units to be in the manner as stated herein, by notifying the Selling Member in writing of its intention to exercise its first refusal right.

Notwithstanding anything herein to the contrary, in the event of the purchase by a Member of another Member's Units pursuant to this Section due to the death of a Member, if at the time of such death the Company has in place a key man life insurance policy on such Member, then the proceeds from such life insurance policy shall be applied to the purchase price for such deceased Member's Units and, if applicable, the Closing Date shall be delayed to allow for the administration and receipt of such life insurance proceeds from the insurer.

Restrictions Applicable to All Transfers. Except as may be otherwise set forth herein, all Transfers of Units will be subject to the following conditions:

Prior to any Transfer, the Transferor will cause the prospective transferee, if not already a Member, to execute and deliver to the Company and the other Members a joinder to this Agreement; and

The Units have not been registered under the Securities Act of 1933 or any applicable state securities laws, and may not be transferred in the absence of an effective registration statement under such laws or pursuant to an exemption from such laws. If Units are being transferred pursuant to such an exemption, then the transferor will give prior written notice of such exemption to the Company and the Company may request an opinion of the transferor's counsel as to the availability of such exemption, which opinion and counsel must be reasonably satisfactory to the Company.

Exception for Estate Planning. A Transfer to an Affiliate of a Member or the Family of such Member of the right to receive distributions with respect to such Member's Units, shall

be permitted and shall not constitute a Transfer subject to the right of first refusal provisions of herein. Further, the assignee of financial rights with respect to Units shall not become a Member or be treated as a holder of such Units, and the Company shall continue to treat the Member making such assignment as a Member and holder of such Units for all purposes under this Agreement.

## **DISSOLUTION AND TERMINATION**

Dissolution. The Company shall be dissolved upon the occurrence of any of the following events:

unanimous written consent of the Members;

the entry of a decree of judicial dissolution of the Company under the Act; or

a Deadlock of the Members is not resolved within 180 days of the Deadlock's commencement.

The Company shall not be dissolved upon the death, incompetency, retirement, resignation, expulsion, dissolution or bankruptcy of a Member, unless such an event occurs at a time when the Company has only one other Member and, within ninety (90) days after such event, the remaining Member determines that it does not want to continue the business of the Company. If a Member who is an individual dies or a court of competent jurisdiction adjudges him to be incompetent to manage his or her person or his or her property, then such Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his or her estate or administering his or her property, subject to the terms and conditions of this Agreement.

### Winding Up, Liquidation and Distribution of Assets

Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Members shall then promptly proceed to wind up the affairs of the Company.

If the Company is dissolved and its affairs are to be wound up, the Members are directed to:

sell or otherwise liquidate such of the Company's assets as may be required to discharge all liabilities of the Company, including liabilities to Members who are creditors, to the extent otherwise permitted by law, other than liabilities to Members for distributions, and establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company (for purposes of determining the Capital Accounts of the Members, the amounts of such reserves shall be deemed to be an expense of the Company);

distribute the remaining assets to the Members on a pro-rata basis, in accordance with their respective Units, such distributions to be made either in cash or in kind, as determined by the Members, with any assets distributed in kind being valued for this purpose at their fair market value as determined by the Members; and

allocate any Profit or Loss resulting from such sales to the Capital Accounts.

Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Treasury Regulation §1.704-1(b)(2)(ii)(g), if any Member has a deficit Capital Account (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Member shall have no obligation to make any Capital Contribution, and the negative balance of such Member's Capital Account shall not be considered a debt owed by such Member to the Company or to any other Person for any purpose whatsoever.

The Members shall comply with all requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets, including filing a Certificate of Cancellation upon the completion of the winding up process.

Return of Contribution Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Agreement, upon dissolution, each Member shall look solely to the assets of the Company for the return of such Member's Capital Contribution. If the Company Property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of one or more Members in accordance with this Agreement, such Member or Members shall have no recourse against any other Member.

## EXCULPATION AND INDEMNIFICATION

### Exculpation of Covered Persons.

Covered Persons. As used herein, the term "***Covered Person***" shall mean (i) each Manager, and (ii) each Officer, employee, agent or representative of the Company.

Standard of Care. No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any action taken or omitted to be taken by such Covered Person in good faith and with the belief that such action or omission is in, or not opposed to, the best interest of the Company, so long as such action or omission does not constitute fraud, gross negligence or willful misconduct by such Covered Person.

Good Faith Reliance. A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, Profits or Losses of the Company or any facts pertinent to the existence and amount of assets from which distributions might properly be paid) of the following Persons or groups: (i) another Manager; (ii) one or more Officers or employees of the Company; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person's professional or expert competence. The preceding sentence shall in no way limit any Person's right to rely on information to the extent provided in the Act.

## MISCELLANEOUS PROVISIONS

Notices. All notices and communications required or permitted to be given hereunder (a) shall be in writing; (b) shall be sent by messenger, certified or registered U.S. mail, a reliable express delivery service, or electronic mail, charges prepaid as applicable, to the appropriate address(es) or number(s) set forth on **Schedule A** to this Agreement (or such other address as such party may designate by notice to all other parties hereto); and (c) shall be deemed to have been given on the date of receipt by the addressee (or, if the date of receipt is not a business day, on the first business day after the date of receipt), as evidenced by (A) a receipt executed by the addressee (or a responsible person in his or her office or member of his or her household) or a notice to the effect that such addressee refused to accept such communication, if sent by messenger, U.S. mail or express delivery service, (B) confirmation of a facsimile transmission (either orally or by written confirmation) or (C) a receipt of such e-mail confirmed by reply message or read receipt. All parties shall act in good faith to promptly confirm receipt of communications where confirmation of receipt is required to effect notice pursuant to this subsection and is requested by the notifying party.

Waiver of Action for Partition. No Member or permitted assignee shall have the right to require a partition of all or a portion of the Company Property, and by signing this Agreement or a joinder hereto or counterpart hereof, each Member or permitted assignee irrevocably waives any right to maintain an action for partition of the Company Property.

Further Assurances. Each of the Members shall hereafter execute and deliver such further instruments and do such further acts and things consistent with the provisions of this Agreement as may be required or useful to carry out the full intent and purpose of this Agreement or as may be necessary to comply with any laws, rules or regulations.

Waivers. No party's undertakings or agreements contained in this Agreement shall be deemed to have been waived unless such waiver is made by an instrument in writing signed by an authorized representative of such Member. Failure of a party to insist on strict compliance with the provisions of this Agreement shall not constitute waiver of that party's right to demand later compliance with the same or other provisions of this Agreement. A waiver of a breach of this Agreement will not constitute a waiver of the provision itself or of any subsequent breach, or of any other provision of this Agreement.

Rights and Remedies Cumulative; Creditors. The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by any party shall not preclude or waive the right to use any other remedy. Said rights and remedies are given in addition to any other legal rights the parties may have. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or of the Members.

Construction. The headings in this Agreement are inserted solely for convenience of reference and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof. When the context in which words are used in this Agreement indicates that such is the intent, singular words shall include the plural and vice versa and masculine words shall include the feminine and the neuter genders and vice versa.

Amendment. This Agreement may be altered or amended only by the unanimous consent of the Management Interests.

Severability. If any provision of this Agreement or the application thereof to any Person

or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

Governing Law. This Agreement is made under and shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, without regard to its rules on conflicts of laws, and specifically the Act.

No Prior Operating Agreements. This Agreement shall expressly supersede and replace any and all prior operating agreements. The signatures of the Members to this Agreement shall constitute an action by unanimous written consent authorizing the repeal and replacement of any prior operating agreements to the extent that such an action is required pursuant to any such agreements' own terms.

Dispute Resolution. The parties hereto agree that any suit or proceeding arising out of this Agreement shall be brought only in the courts of the Commonwealth of Massachusetts; *provided, however,* that no party waives its right to request removal of such action or proceeding from the state court to a federal court. Each party hereto consents to the personal jurisdiction of such courts and agrees that service of process in any such suit or proceeding will be sufficiently accomplished if accomplished in accordance with the notice provisions set forth in the Agreement.

Code and Treasury Regulation References. Any reference to a section of the Code or a Treasury Regulation in this Agreement shall be deemed to refer to corresponding provisions of subsequent superseding federal revenue laws and regulations in the event that the section of the Code or Treasury Regulation so referenced has been so superseded.

Counterparts. This Agreement may be executed in any number of counterparts and may be executed and delivered by facsimile or other electronic transmission. Each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute one agreement.

[Signature Page Follows]

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

**COMPANY:**

**BELLE FLEUR HOLDINGS LLC**

DocuSigned by:  
  
By: \_\_\_\_\_ 8/14/2020  
329318354CA34B5...  
Rolandy Romelus  
Managing Member

**SCHEDULE A**  
**OPERATING AGREEMENT**  
**OF**  
**BELLE FLEUR HOLDINGS LLC**  
**CAPITALIZATION TABLE**

<b>Name</b>	<b>Capital Contribution</b>	<b>Units</b>	<b>% Management Interest</b>	<b>% Economic Interest</b>
Rolandy Romelus	\$100,000	1,000,000	100	100

Addresses for Notices:  
Rolandy Romelus  
5440 Tujunga Ave, Apt 1306  
North Hollywood, CA 91601-4981

**SCHEDULE B**  
**OPERATING AGREEMENT**  
**OF**  
**BELLE FLEUR HOLDINGS LLC**

**DEFINITIONS**

The following terms shall have the following meanings when used in this Agreement:

“*Act*” means the applicable law of the Commonwealth of Massachusetts governing limited liability companies organized in Massachusetts, the Massachusetts Limited Liability Company Act, *et seq*, and any successor statute, as it may be amended from time to time.

“*Affiliate*” shall mean any other Person that directly or indirectly Controls or is Controlled by or is under common Control with such Person, or any Person that is an employee of or an officer of or partner in or serves in a similar capacity or relationship with respect to a Person.

“*Agreed Value*” means the fair market value of any Units at issue, as mutually agreed to by the parties selling and purchasing Units, or in the absence of such mutual agreement, determined in the following manner:

Each party will obtain its own appraiser to conduct an appraisal, the cost of which will be borne by such party. If the two appraisals are within 10% of each other, the average of those appraisals will be the fair market value. If the two appraisals are more than 10% apart, then the two appraisers will hire a third appraiser, the cost of which will be split equally between the two parties, to obtain a third appraisal and the average of the two appraisals that are closest in amount will be the fair market value. Any appraisal will be based upon the value of the entire Company sold to a single buyer in a single transaction for cash and shall include discounts for illiquidity or lack of control but shall not include any premium for control.

“*Available Cash*” means the cash held by or immediately available to, the Company less such reserves for capital expenditures or other liabilities or other purposes as the Members, in their sole discretion, may determine.

“*Bankruptcy*” means, with respect to a Member, the occurrence of any of the following: (a) the filing of an application by such Member for, or a consent to, the appointment of a trustee of such Member’s assets, (b) the filing by such Member of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing such Member’s inability to pay its debts as they come due, (c) the making by such Member of a general assignment for the benefit of such Member’s creditors, (d) the filing by such Member of an answer admitting the material allegations of, or such Member’s consenting to, or defaulting in answering a bankruptcy petition filed against such Member in any bankruptcy proceeding or (e) the expiration of sixty (60) days following the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Member a bankrupt or appointing a trustee of such Member’s assets.

“*Capital Account*” as of any given date shall mean the amount set forth on **Schedule A** as adjusted.

“**Capital Contribution**” shall mean any contribution to the capital of the Company in cash or property by a Member or predecessor thereof whenever made.

“**Certificate of Organization**” shall mean the Certificate of Organization of the Company as filed with the Massachusetts Secretary of the Commonwealth on June 12, 2019, as amended from time to time.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended from time to time, or corresponding provisions of subsequent superseding federal revenue laws.

“**Company Property**” means real and personal property owed, acquired by, or contributed to the Company and any improvements thereto, and shall include both tangible and intangible property.

“**Control**” means the possession, directly or indirectly, of the power to direct the management and policies of a Person, whether through the ownership of voting securities, contract or otherwise.

“**Decedent**” shall mean an individual Member who has died.

“**Entity**” shall mean any general partnership, limited partnership, limited liability partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, foreign trust, foreign business organization or other business entity.

“**Family**”, as applied to any individual, shall mean (a) the children of such individual (by birth or adoption), (b) the parents, spouse and siblings of such individual, (c) the children of the siblings of such individual, (d) any trust solely for the benefit of, or any partnership, limited liability company or other entity owned solely by, any one or more of such aforementioned individuals (so long as such individuals have the exclusive right to Control such trust or other entity) and (e) the estate of such individual.

“**Fiscal Year**” shall mean the period terminating on December 31 of each year during the term hereof or on such earlier date in any year in which the Company shall be dissolved as provided herein.

“**Losses**” shall mean the net losses of the Company for federal income tax purposes, as determined separately, and not cumulatively, for each Fiscal Year of the Company or other relevant period, after appropriate adjustment for items otherwise allocated, if any, pursuant to this Agreement.

“**Majority in Interest**” of Members shall mean one or more Members whose combined Percentage Interests of a given class of Units exceed fifty percent (50%) of all Percentage Interests of Units owned by all Members of the same class of Units. The Company shall initially have one class of Units, with additional classes created or removed only in accordance with the procedures provided herein for the issuance of new Units.

“**Member**” shall mean each of the parties who executes a counterpart of this Agreement as a Member, and each of the parties who may hereafter become a Member pursuant to the terms and conditions of this Agreement.

“**Percentage Interest**” of Units or of Members shall mean the number of Units of a

given class held at a particular time by such Member, divided by the total number of all Units of the same class then held by all Members, expressed as a percentage.

“**Person**” shall mean any individual or Entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such Person, where the context so permits.

“**Profits**” shall mean the net profits of the Company for federal income tax purposes, as determined separately, and not cumulatively, for each Fiscal Year of the Company or other relevant period, after appropriate adjustment for items otherwise allocated, if any, pursuant to this Agreement.

“**Tax Items**” means Profits and Losses and items of income, gain, loss, deduction and credit of the Company as determined for federal, state and local income tax purposes.

“**Treasury Regulations**” shall include proposed, temporary and final regulations promulgated under the Code.

“**Unit**” shall mean those interests in the Company that shall have (a) economic value and rights in or to the profits, gains, losses, distributions and other economic interests of the Company and/or (b) voting membership rights in the Company. The Company shall initially have one class of Units, with additional classes created or removed only in accordance with the procedures provided herein for the issuance of new Units. The Units shall vest as set forth in **Schedule A**.



**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: 001387788

1. The exact name of the limited liability company is: BELLE FLEUR HOLDINGS LLC

2a. Location of its principal office:

No. and Street: 1 BOSTON PLACE  
SUITE 2600  
 City or Town: BOSTON State: MA Zip: 02108 Country: USA

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

No. and Street: 1 BOSTON PLACE  
SUITE 2600  
 City or Town: BOSTON State: MA Zip: 02108 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:  
IP HOLDING COMPANY

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: ROLANDY ROMELUS  
 No. and Street: 21 SEFTON STREET  
 City or Town: BOSTON State: MA Zip: 02136 Country: USA

I, KENNY VERLUS 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	ROLANDY ROMELUS	21 SEFTON STREET BOSTON, MA 02136 USA

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

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

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

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

**9. Additional matters:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 12 Day of June, 2019,  
ROLANDY ROMELUS**

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

DocuSigned by:  
  
329318354CA34B5...

THE COMMONWEALTH OF MASSACHUSETTS

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

June 12, 2019 03:45 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*



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



BELLE FLEUR HOLDINGS LLC  
1 BOSTON ST STE 2600  
BOSTON MA 02127-3503

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

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

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

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

### *What if I have questions?*

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

### *Visit us online!*

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

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

Edward W. Coyle, Jr., Chief  
Collections Bureau



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

William Francis Galvin  
Secretary of the  
Commonwealth

September 24, 2020

TO WHOM IT MAY CONCERN:

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

**BELLE FLEUR HOLDINGS LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **June 12, 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:  
**ROLANDY ROMELUS**

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **NONE**

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 Unemployment Assistance Attestation Form**

Signed under the pains and penalties of perjury, I, Rolandy Romelus, an authorized representative of Belle Fleur Holdings LLC certify that Belle Fleur Holdings LLC does not currently have employees and is therefore unable to register with the Massachusetts Department of Unemployment Assistance to obtain a Certificate of Good Standing or Compliance.

DocuSigned by:



329318354CA34B5...

Signature of Agent

8/14/2020

Date

Name: Rolandy Romelus

Title: CEO

Entity: Belle Fleur Holdings LLC



72 River Park Street Needham MA 02494 617-500-1824

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

RE: BELLE FLEUR HOLDINGS LLC

Please be informed that the above referenced applicant has made formal application through our general brokerage for general liability and product liability insurance with minimum limits of \$1,000,000 per occurrence, and \$2,000,000 annual aggregate, and application for additional excess liability limits. In accordance with 935 CMR 500.101(1); 935 CMR 500.105(10), the deductible for each policy can be no higher than \$5,000 per occurrence. The below underwriters have received this application and are expecting to provide proposals within the coming weeks. BELLE FLEUR HOLDINGS LLC has purchased a bond through our brokerage with a bond limit in compliance with the Commission's request. We look forward to providing liability coverage to BELLE FLEUR HOLDINGS LLC as soon as a bindable proposal is available.

Quadscore Insurance Services  
Cannasure Insurance Services, Inc.  
Next Wave Insurance Services LLC  
Canopius US Insurance Company  
United Specialty Insurance Company

Best Regards,

*James Boynton*

James Boynton  
Managing Broker  
MA Insurance License #1842496

# **Belle Fleur Holdings LLC**

**Cultivation Business Plan**  
**August 2020**

## **Executive Summary**

### **Company Name**

Belle Flèur Holdings LLC

### **Facility Location**

Blandford, MA

### **Mission**

At Belle Flèur Holdings LLC (hereinafter “Belle Flèur”) our mission is to develop a trusted and recognized brand by cultivating connoisseur-level cannabis to be sold by licensed dispensaries and manufacturers throughout Massachusetts.

### **Goals**

- Develop a trusted and recognizable brand
- Lead the market with product quality
- Serve as a model to regulatory authorities
- Promote local economy
- Promote education through community involvement

### **Business Objectives**

- Obtain a microbusiness cultivation license through the Cannabis Control Commission
- Grow a vast network
- Achieve profitability
- Stay ahead of competition

### **The Company**

Belle Flèur Holdings LLC, a Massachusetts Corporation, EIN: 001387788, is a cannabis cultivation company seeking a microbusiness cultivation license from the Cannabis Control Commission (hereinafter, “CCC”) in order to operate 100,000 square foot cultivation canopy space in Blandford, Massachusetts between indoor, greenhouse and outdoor facilities.

At Belle Flèur we have put together a qualified, passionate and trusted Team with decades of joined experience in the cannabis industry and business world. We intend to utilize our diversified skill sets to operate a systematic and efficient cultivation facility that produces consistent, high-quality cannabis.

## The Team

Rolandy Romelus  
Domenico Cardarelli

## Products & Services

Belle Flèur will grow several strains of cannabis, both sativa and indica, in our indoor cultivation facility on a year-round basis. Our state-of-the-art facility will be built-out to include the most sophisticated equipment that will allow us to control the atmosphere as to produce consistent, top-quality cannabis.



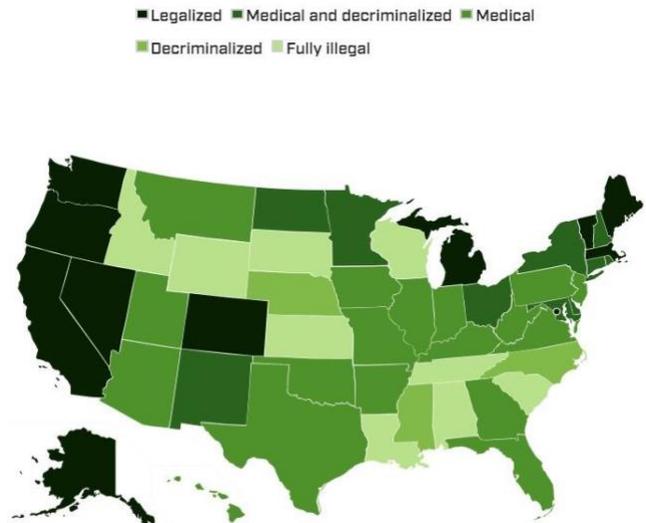
## Retail Shops & Manufacturers

Belle Flèur plans to sell directly to their own retail location but will also be provided other licensed retail locations provided by relationships from Blake Mensing.

# Market Analysis

## National Market

According to a recent poll by the Pew Research Center, public support for legalizing marijuana is on the rise. In 1969, only 12% of Americans were in favor of a regulated market. In 2000, that number rose to 31%, and, today, 62% of American voters, including 74% of millennials, support the end of cannabis prohibition.



Though, the U.S. Federal Government still classifies cannabis as a Schedule I Controlled Substance, they have taken a more hands-off approach to marijuana regulation at the state level. Today, 33 states have legalized medical marijuana, with 11 (and the District of Columbia) of these states also legalizing recreational adult-use. These States include:

- Alaska
- Illinois
- Nevada
- California
- Maine
- Oregon
- Colorado
- Massachusetts
- Vermont
- D.C.
- Michigan
- Washington

According to Wall Street estimates, the U.S. projects as the largest cannabis market in the world. Sales are set to more than quintuple from the \$8 billion recorded in 2018 to an estimated \$41 billion by 2025.

## Massachusetts Market

On November 8, 2016, 1.7 million Massachusetts’ voters approved Question 4, the ballot initiative that would end marijuana prohibition for recreational adult-use. Cannabis sales began on November 20, 2018, when two licensed retail shops opened their doors to customers. The CCC reported that these shops generated \$2.2 million worth of marijuana sales in the first 5 days of operation, and \$9.3 million during the first month.

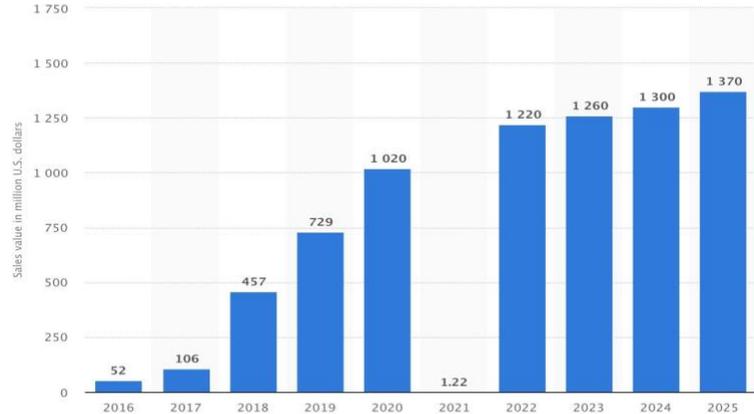
### Massachusetts Question 4 — Legalize Marijuana — Results: Approved

BY THE NEW YORK TIMES AUG. 1, 2017, 11:25 AM ET

ANSWER	VOTES	PCT.
✓ Yes	1,769,328	53.7%
No	1,528,219	46.3

100% reporting (2,173 of 2,173 precincts)

In Colorado, the most established and regulated adult-use market in the United States, cannabis sales per resident averaged \$272/yr, in 2018. Projecting that figure onto Massachusetts' 6.9-million-person population and considering the fact that Massachusetts has nearly a million more residents, with an increased earning value 8.45%, forecasts the Massachusetts' market will generate upwards of \$1.37 billion in 2025.



© Statista 2019

As of today, the CCC has issued 28 retail licenses and 17 product manufacturing licenses, all of which are supplied by 17 cultivation facilities. In 2017, cultivators in Colorado harvested 340.7 metric tons of cannabis flowers, with demand totaling 301.7 metric tons. Comparing the 1.3 million Coloradoians who voted in favor of cannabis legalization and the 1.7 million Massachusetts' residents who supported the initiative, it can be estimated that supply figures will need to reflect those represented in the Colorado market, which evidences a need for more quality licensed cultivators in Massachusetts to ensure supply meets demand.

## **Financial Summary**

### **Start Up Funding**

Belle Flèur is solely funded by private capital and has an initial operating budget of \$500,000.

### **Sales Forecast**

Cultivation is anticipated to start in May of 2021 and sales are expected to begin that July. The chart below estimates our sales for the first three years of operation.

There will be 3 phases that will take place over the first 3 years of operation.

Phase 1: Outdoor + Greenhouse. The first year will consist of only sun grown product broken down over 10,000 sqft of outdoor canopy and an additional 25,000 sqft of greenhouse canopy space. For all sun grown product one plant will occupy 25 sqft of canopy space. There will be one harvest on the outdoor product which will occur in August. There will be two harvests on the greenhouse product which will occur in July and October.

There will be a total of 1 pound of product harvested per plant for all sun grown plants which equates to 400 pounds of outdoor product total and 2,000 pounds of greenhouse product.

Outdoor plants will sell for \$1,000 per pound and greenhouse plants will sell for \$1,500 per pound. Total revenue expected per harvest of outdoor is \$400,000 and total revenue per harvest of greenhouse is \$1,500,000 or \$3,000,000 per year. Total revenue expected for all sun grown product year 1 is \$3,400,000.

Phase 2: Light Deprivation Greenhouses + Outdoor. The second year the outdoor grow will remain the same, but all existing outdoor greenhouses will be replaced by Light Deprivation Greenhouses converting the total of 25,000 sqft. Each greenhouse is 40'x120' and consists of 100 lights in each location or 500 lights total. On average 1 pound per light production total on each harvest will be seen. Every two weeks one greenhouse is pulled down for harvest. A total of 26 harvests will occur during the year which equates to a total production of 2,600 pounds.

On average the wholesale cost per pound is \$ 3,000 for Light Deprivation Greenhouse product. A total revenue of \$7,800,000 for the year can be seen from the production on these greenhouses. Additionally, there will be 1 more harvest from the outdoor canopy space totaling an extra \$400,000 which equates to \$8,200,000 for the year.

Phase 3: Indoor + Light Deprivation Greenhouses + Outdoor. The third year the outdoor and light deprivation greenhouses will remain the same but will focus on the addition of an indoor facility adding an extra 20,000 sqft of indoor canopy space or 400 lights. This building will be broken down into 8 smaller rooms of 50 lights each. The same production of 1 pound per light is expected per harvest with the indoor facility and harvests will occur every week or 52 total for the year. Each harvest will consist of 50 pounds per or 2,600 total for the year.

On average the wholesale cost per pound is \$4,500 for indoor product. A total revenue of \$11,700,000 for the year can be seen from the production of the indoor building. Additionally, the income from the light deprivation and outdoor canopy space will remain consistent from the prior year totaling an additional \$8,200,000 or \$19,900,000 for the year on all sources of product.

	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
<b>Yr 1</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$1.5M	\$400k	\$0	\$1.5M	\$0	\$0
<b>Yr 2</b>	\$650k	\$1.05M	\$650k	\$650k	\$650k	\$650k						
<b>Yr 3</b>	\$1.625M	\$2.025M	\$1.625M	\$1.625M	\$1.625M	\$1.625M						

**Initial Start-Up Expense Summary**

The chart below itemizes the initial start-up expenses that will be incurred prior to our official launch date.

<b>Phase 1 Expense – Outdoor + Greenhouse</b>	
Acquisition/clearing + excavation of land	\$200,000.00
Build-Out	\$50,000.00
Equipment	\$50,000 .00
Security	\$50,000.00
Legal	\$50,000.00
Misc.	\$10,000.00
<b>Total:</b>	<b>\$410,000.00</b>

<b>Phase 2 Expense – Light Deprivation Greenhouse</b>	
Set-up of Mechanicals	\$160,000.00
Build-Out	\$200,000.00
Equipment	\$1,350,000.00
Security	\$50,000.00
<b>Total:</b>	<b>\$1,760,000.00</b>

<b>Phase 3 Expense – Indoor</b>	
Build-Out	\$1,500,000.00
Equipment	\$500,000.00
Security	\$50,000.00
<b>Total:</b>	<b>\$2,050,000.00</b>

## Direct and Operating Expenses Breakdown

**Direct Costs:** The chart below itemizes and estimates the direct costs associated with the production of Belle Fleur cannabis products for our first year of operation.

<b>DIRECT COSTS</b>	<b>1st Year (2021)</b>	<b>2nd Year (2022)</b>	<b>3rd Year (2023)</b>
Electricity	\$0	\$420,000.00	\$840,000.00
Water	\$6,000.00	\$18,000.00	\$36,000.00
Nutrients	\$5,000.00	\$15,000.00	\$30,000.00
Lab Testing	\$21,000.00	\$84,000.00	\$168,000.00
Labor	\$460,000.00	\$1,380,000.00	\$2,760,000.00
<b>Total:</b>	<b>\$492,000.00</b>	<b>\$1,917,000.00</b>	<b>\$3,834,000.00</b>

**Operating Expenses:** The chart below itemizes and estimates our operating expenses which are incurred by carrying out our day-to-day activities but are not directly associated with the production of Belle Fleur cannabis.

	<b>1st Year (2021)</b>	<b>2nd Year (2022)</b>	<b>3rd Year (2023)</b>
License/Legal Fees	\$5,000.00	\$5,000.00	\$5,000.00
Marketing	\$30,000.00	\$60,000.00	\$120,000.00
Insurance	\$48,000.00	\$48,000.00	\$48,000.00
Maintenance/Repair	\$30,000.00	\$60,000.00	\$120,000.00
Software	\$2,750.00	\$3,000.00	\$3,000.00

Security	\$100,000.00	\$100,000.00	\$100,000.00
<b>Total:</b>	<b>\$215,750.00</b>	<b>\$276,000.00</b>	<b>\$395,750.00</b>

**Profit & Loss Statement**

The chart below projects estimated figures that represent the revenues, costs and expenses Belle Flèur will incur during our first three years of operation.

	<b>1st Year (2021)</b>	<b>2nd Year (2022)</b>	<b>3rd Year (2023)</b>
<b>Revenue</b>	\$3,400,000.00	\$8,200,000.00	\$19,900,000.00
<b>Costs of Goods Sold</b>	\$492,000.00	\$1,917,000.00	\$3,834,000.00
<b>Gross Profit</b>	\$2,908,000.00	\$6,283,000.00	\$16,066,000.00
<b>Expenses</b>	\$215,750.00	\$276,000.00	\$395,750.00
<b>Phase Buildout</b>	\$1,760,000.00	\$2,050,000.00	\$0
<b>Operating Income</b>	\$932,250.00	\$3,957,000.00	\$15,670,250.00
<b>Excise Tax (17%)</b>	\$158,482.50	\$672,690.00	\$2,663,942.50
<b>Net Income</b>	<b>\$773,767.50</b>	<b>\$3,284,310.00</b>	<b>\$13,006,307.50</b>

## Cash Flow Forecast

The cash flow forecast below breakdowns Belle Flèur expected receivables versus payables for our first three years of operation. This chart provides an overview of how much cash we expected to have on hand at the end of each year.

	1st Year (2021)	2nd Year (2022)	3rd Year (2023)
<b>Start Balance</b>	\$0.00	\$773,767.50	\$4,058,077.50
<b>Cash Inflow</b>	\$3,400,000.00	\$8,200,000.00	\$19,900,000.00
<b>Cash Outflow</b>	\$2,626,232.50	\$4,915,690.00	\$6,893,692.50
<b>Net Cash</b>	\$773,767.50	\$3,284,310.00	\$13,006,307.50
<b>Closing Balance</b>	\$773,767.50	\$4,058,077.50	\$17,064,385.00

## Marketing & Strategy

### Marketing Plan

Belle Flèur believes that Instagram is the most effective platform to promote and establish our brand and lifestyle to the public. Our company account (@Belle Flèur), will publishes a wide variety of content including a variety of images and videos promoting our customer's experiences and the lifestyle our brand reflects, not just cannabis products.



Belle Flèur also plans to utilize celebrity influence marketing tactics through Instagram to promote our brand and lifestyle. With international superstars like Cardi B., Machine Gun Kelly and Migos, under contract to endorse Belle Flèur, our “upscale-urban” genre of retail will be hyped to the masses.

### Obstacles

Belle Flèur is aware of Instagram's Community Guidelines which state, “buying or selling... illegal or prescription drugs, even if it's legal in your region, is not allowed,” and we plan to adhere to them strictly. Belle Flèur nor our celebrity promoters will:

- Post anything that references prices
- Post anything that references sale
- Post anything regarding products or services

- Post our menu or inventory
- Post links to our online store or anything that directs to cannabis sales
- Post images of cannabis, cannabis products or paraphernalia

## **Operating Policies & Procedures**

### **Premises**

Belle Flèur has acquired 33 acres of land located at 140 Otis Stage Rd, Blandford, MA 02121.

### **Design Objectives**

Belle Flèur's indoor cultivation facility will be built in a 32,000 sqft. building, with 20,000 sqft. of cultivation space. It will be designed to maximize cannabis output, minimize energy usage, and optimize profits. Site design will consist of the following

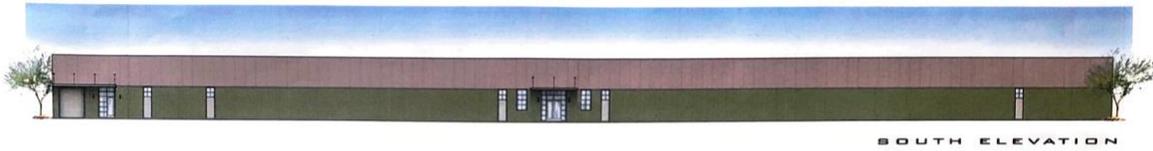
- Heating and cooling systems to maintain temperatures and humidity that optimize growth
- Water collection systems to reuse water and capture rainwater
- Intelligent lighting systems to replicate the sunlight spectrum and light deprivation mechanisms
- Air filtration and circulation systems to control heat buildup from lighting systems and eliminate exhaust odors
- Evaluation of the preferred irrigation system, which may be drip irrigation, hydroponic flood benches, or trough benches
- Irrigation system designed in conjunction with a nutrient management system to maximize the production yield of the cannabis plants
- Controlled environment management by room designed to maintain the specific nutrients, lights, air circulation, humidity, and temperature requirements for the different growing chambers.

### **Projected Floor Plan**

Our facility will allow us to have full control over our growing conditions and will include the following:

- Vegetative Growth Rooms
- Flowering Rooms
- Mother Room and Cloning Room
- Drying & Trimming Rooms
- Packaging Room

The images below represent the proposed floor plan for the cultivation facility.



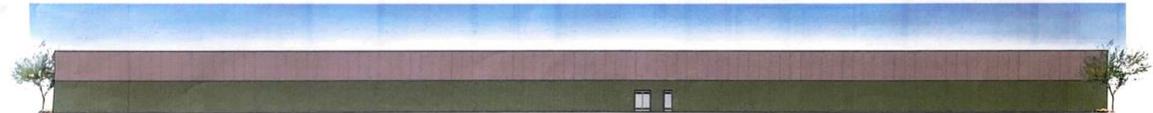
**SOUTH ELEVATION**



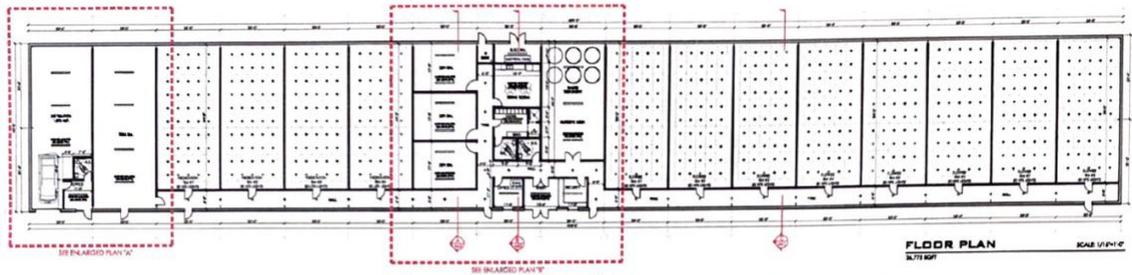
**WEST ELEVATION**



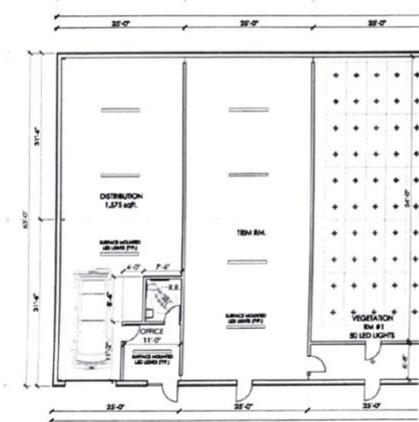
**EAST ELEVATION**



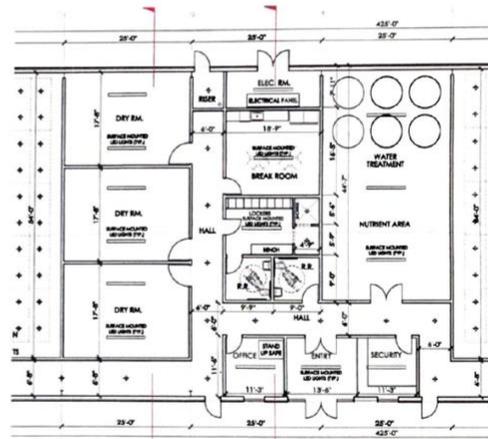
**SOUTH ELEVATION**



**FLOOR PLAN**  
SCALE: 1/8"=1'-0"

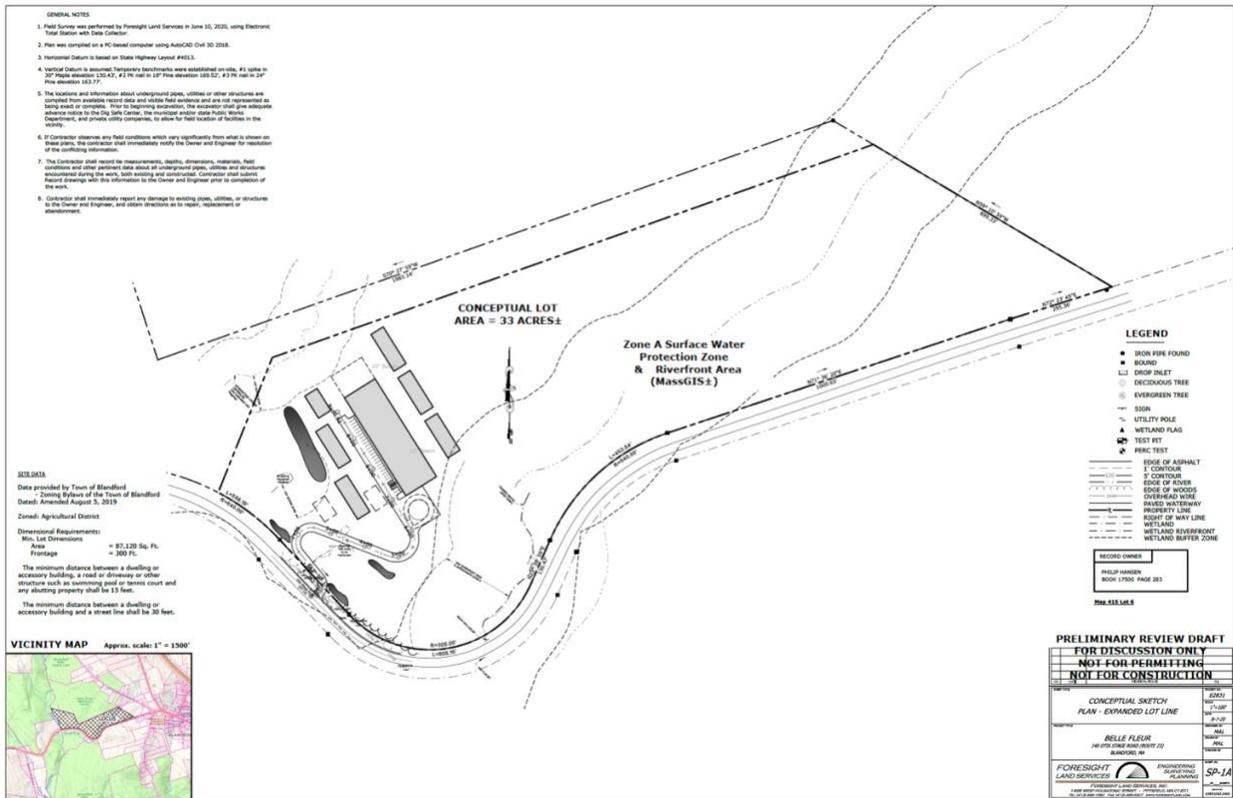


**ENLARGED FLOOR PLAN "A"** SCALE: 1/8"=1'-0"



**ENLARGED FLOOR PLAN "B"** SCALE: 1/8"=1'-0"

WALL TYPE LEGEND	
	EXTERIOR METAL WALL GIRTS
	INTERIOR METAL WALL GIRTS



## Phases of Production:

- Germination/ Rooting clones: 2 weeks
- Vegetation: 2 weeks
- Flowering: 5-8 weeks
- Drying & Curing: 10 days

Belle Fleur will use hydroponics/rolling tables and 400 double ended lights to produce cannabis. Harvests will happen twice per month. Belle Fleur expects to yield 500 pounds per month.

## Security

Belle Fleur vows to protect the safety of our staff, consumers, the general public, and plants, and we will implement security measures that will deter and prevent unauthorized entrance onto our premises, diversion and theft. Our entire premises will be monitored with commercial grade, time and date stamped, 24-hour surveillance cameras.

## **External**

- Outside perimeter sufficiently lit to facility surveillance
- Commercial grade security equipment installed to alarm the perimeter, including all entry and exit points and windows
- Video cameras installed in all points of entry and exit and in parking lot
- A silent duress alarm installed to notify local law enforcement
- Video cameras to run for 24 hours and shall provide date and time stamps
- Video camera shall be installed in all areas that may contain cannabis product
- No Loitering signs will be placed around premises

## **Internal**

- All persons entering the premises must show Identification
- All persons on premises must wear ID tag (staff and vendor)
- Limit Access Areas will be labeled with “Do Not Enter” sign
- All cannabis products are to be stored in locked area, out of plain site
- All production equipment will be in locked areas
- All Limited Access Areas are to be secured with electronic lock

## **Storage**

Belle Flèur will store all finished cannabis products in a fireproof safe located in a secured limited access area. The storage area will be equipped with adequate lighting, ventilation, temperature, humidity, space, and equipment to maintain the quality of the product. The area is to be maintained in an orderly organized fashion, free of any and all pests, rodents or insects. Cannabis that is outdated, damaged, deteriorated, mislabeled, or contaminated will be stored in an area separate from the finished products ready for wholesale.

## **Inventory**

Belle Flèur will use a real-time inventory software system that will track all marijuana products through every stage of the process: seed-to-sale. All products, including seeds, clones, and plants will be tagged and tracked.

Belle Flèur will conduct monthly inventory reports and annual comprehensive internal audits. Inventory reports will include the names of those who conducted the audit, their signatures, their titles and their findings.

## **Quality Control Procedure**

Belle Flèur will send all of our cannabis to a licensed independent testing facility to ensure it is safe for consumption. If Belle Flèur is notified regarding a “defective” batch, we will:

- Notify the CCC within 72 hours
- Ensure the laboratory notifies the CCC
- Tell the CCC how we plan to destroy the contaminated batch

- Provide an assessment of the source of contamination
- Dispose the production batch

## **Disposal**

All cannabis waste or defective products will be ground and mixed with organic material that will render the marijuana unusable for its original purpose. Once destroyed, the waste will be brought to a licensed and approved solid waste disposal facility.

### **Destruction Requirements:**

- Two employees must witness destruction
- Records of destruction must include:
  - Names and signatures of witnesses
  - Amount of marijuana destroyed
  - Location of destruction
  - Time and Date of destruction
  - Keep record for 3 years

## **Sustainability**

Belle Flèur will focus on conservation efforts and adopt the best management practices in regards to energy consumption required for lighting, energy consumption for climate control, water consumption, and waste management. We will hire an energy consultant during the construction/build-out phase of our facility in order to create an energy efficient establishment.

## **Record Keeping Procedures**

Belle Flèur will maintain all records clearly and accurately utilizing a software system for at least 3 years. We will keep records of the following:

- Written Operating Procedures
- Inventory Records
- Sale-to-seed tracking records
- Personnel Records (ie. job descriptions, termination reports)
- Business Records (ie. assets, liabilities, transactions)
- Waste disposal record

## **Diversity Plan**

Belle Flèur believes that a diverse workforce is the best way for a company to increase creativity, productivity and gain a competitive advantage. We are committed to recruiting and hiring a passionate, knowledgeable and qualified staff of local residents without regard to race, color, religion, national origin, sex, gender identity, sexual orientation, age, disability, or military status.

## **Smoke/ Alcohol Free Workplace**

The use of drugs and/or alcohol while on location is absolutely prohibited. Any employee who violates this policy and engages in such behavior will be immediately terminated and removed from the premises.

## **Management Policies & Procedures**

### **Hiring Process**

Belle Flèur intends to hire a staff of qualified, knowledgeable and passionate local residents. Every applicant will be required to fill out an application providing personal information and a list of references. All new employees will be registered as Marijuana Establishment Agents and will be trained properly and thoroughly before being allowed to work independently. Within the first 3 months of hiring, new employees will successfully complete a responsible vendor program. Every year Belle Flèur will require that all employees undergo 8 hours of continued cannabis-related education.

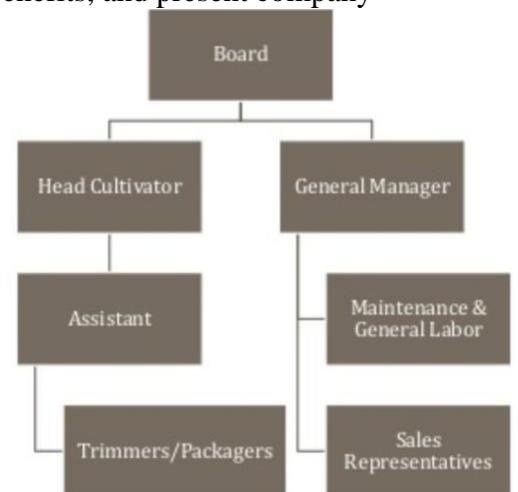
### **Employee Policies & Procedures**

Belle Flèur will create a comprehensive employee handbook that will define the culture of the company, provide general information regarding holidays and benefits, and present company policies and disciplinary procedures.

### **Staff Structure**

Belle Flèur intends to create a workforce made up of # people within our first year of operation. The initial staff will include:

- Head cultivator (1)
- Assistant Cultivator (1)
- General Manager (1)
- Maintenance (3)
- Trimmers/Packagers (25)
- Sales Reps (10)



## **Community Impact**

Belle Fleur strongly believes in giving back to the community in which they operate. Creating jobs to promote growth and opportunity to the residents is the first way to impact the community. Belle Fleur additionally plans to provide grant funding or low-interest loans to help other local businesses and those individuals with limited access to traditional sources. Belle Fleur will host educational sessions and record sealing/expungement services to provide knowledge, information, and practical skills about the cannabis industry.

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

### **RESTRICTING ACCESS TO AGE 21 OR OLDER**

Belle Fleur Holdings LLC (“Belle Fleur” or “the Company”) is a Marijuana Establishment as defined by 935 CMR 500.002. The Company sets forth the following policies and procedures for restricting access to marijuana and marijuana infused products to individuals over the age of twenty-one (21) pursuant to the Cannabis Control Commission’s (the “Commission”) regulations at 935 CMR 500.105(1)(p). This regulation states that written operating procedures for the Company shall include “[p]olicies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.”

#### A. COMPLIANCE WITH 935 CMR 500.105(1)(p)

The Company incorporates and adopts herein by reference, all of the provisions for the prevention of diversion outlined in the Company’s Standard Operating Procedure for the Prevention of Diversion. The provisions detailed in the Company’s Standard Operating Procedure for the Prevention of Diversion apply to the prevention of diversion of marijuana and marijuana infused products to all minors and all individuals under the age of twenty-one (21).

#### B. SPECIFIC PROVISIONS FOR RESTRICTING ACCESS TO AGE 21 AND OLDER

As stated above, the Company incorporates herein, all provisions for the prevention of diversion of marijuana and marijuana infused product to individuals under the age of twenty-one (21) as detailed in the Company’s Standard Operating Procedure for the Prevention of Diversion. Specific provisions regarding restricting access to individuals age twenty-one (21) and older include the following:

1. The Company will only employ marijuana establishment agents, as defined by the Commission’s definitions at 935 CMR 500.002, who are at least twenty-one (21) years old.
2. The Company will only allow visitors, age twenty-one (21) or older, at the Company’s facilities. The Company defines visitors in accordance with the Commission’s definitions at 935 CMR 500.002. The Company will designate an authorized agent to check the identification of all visitors entering the Company’s facilities and entry shall only be granted to those aged twenty-one (21) or older. Acceptable forms of currently valid identification include:
  - a. A motor vehicle license;
  - b. A liquor purchase identification card;
  - c. A government-issued identification card;
  - d. A government-issued passport; and
  - e. A United States-issued military identification card.

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

### **QUALITY CONTROL AND TESTING**

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

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

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

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

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

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

Belle Fleur management and inventory staff will continuously monitor quality assurance of marijuana products and processes, and prevent and/or mitigate any deficiencies, contamination, or other issues which could harm product safety.

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

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

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

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

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

### **PERSONNEL POLICIES INCLUDING BACKGROUND CHECKS**

Belle Fleur Holdings LLC (“Belle Fleur” or the “Company”) has drafted and instituted these personnel policies to provide equal opportunity in all areas of employment, including hiring, recruitment, training and development, promotions, transfers, layoff, termination, compensation, benefits, social and recreational programs, and all other conditions and privileges of employment, in accordance with applicable federal, state, and local laws. Belle Fleur shall make reasonable accommodations for qualified individuals with demonstrated physical or cognitive disabilities, in accordance with all applicable laws. In accordance with 935 CMR 500.101(2)(e)(8)(h), Belle Fleur is providing these personnel policies, including background check policies, for its Marijuana Establishment that will be located in Blandford, MA.

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

In accordance with 935 CMR 500.105 (1), General Operational Requirements for Marijuana Establishments, Written Operating Procedures, as a Marijuana Establishment, Belle Fleur has and follows a set of detailed written operating procedures for each location. Belle Fleur has developed and will follow a set of such operating procedures for each facility. Belle Fleur’s operating procedures shall include, but are not necessarily limited to the following:

- (a) Security measures in compliance with 935 CMR 500.110;
- (b) Employee security policies, including personal safety and crime prevention techniques;
- (c) A description of the Marijuana Establishment’s hours of operation and after-hours contact information, which shall be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000.
- (d) Storage of marijuana in compliance with 935 CMR 500.105(11);
- (e) 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;
- (f) Procedures to ensure accurate record-keeping, including inventory protocols in compliance with 935 CMR 500.105(8) and (9);
- (g) Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
- (h) A staffing plan and staffing records in compliance with 935 CMR 500.105(9);
- (i) Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
- (j) Alcohol, smoke, and drug-free workplace policies;
- (k) A plan describing how confidential information will be maintained;
- (l) A policy for the immediate dismissal of any marijuana establishment agent who has:

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

1. Diverted marijuana, which shall be reported to law enforcement officials and to the Commission;
2. Engaged in unsafe practices with regard to operation of the Marijuana Establishment, which shall be reported to the Commission; or
3. Been convicted or entered a guilty plea, plea of nolo contendere, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.

(m) A list of all board members and executives of a Marijuana Establishment, and members, if any, of the licensee must be made available upon request by any individual. 935 CMR 500.105(1) (m) requirement may be fulfilled by placing this information on the Marijuana Establishment's website.

(n) Policies and procedures for the handling of cash on Marijuana Establishment premises including but not limited to storage, collection frequency, and transport to financial institution(s).

(o) Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.

(p) Policies and procedures for energy efficiency and conservation that shall include:

1. 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;
2. Consideration of opportunities for renewable energy generation, including, where applicable, submission of building plans showing where energy generators could be placed on the site, and an explanation of why the identified opportunities were not pursued, if applicable;
3. Strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and
4. Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through municipal lighting plants.

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

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

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

In accordance with 935 CMR 500.105 (9), General Operational Requirements for Marijuana Establishments, Record Keeping, Belle Fleur's personnel records will be available for inspection by the Commission, upon request. Belle Fleur's records shall be maintained in accordance with generally accepted accounting principles. Written records that are required and are subject to inspection include, but are not necessarily limited to, all records required in any section of 935 CMR 500.000, in addition to the following:

The following Belle Fleur personnel records:

1. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
2. A personnel record for each of Belle Fleur's marijuana establishment agents. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with Belle Fleur and shall include, at a minimum, the following:
  - a. all materials submitted to the Commission pursuant to 935 CMR 500.030(2);
  - b. documentation of verification of references;
  - c. the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
  - d. documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
  - e. documentation of periodic performance evaluations;
  - f. a record of any disciplinary action taken; and
  - g. notice of completed responsible vendor and eight-hour related duty training.
3. A staffing plan that will demonstrate accessible business hours and safe conditions;
4. Personnel policies and procedures; and
5. All background check reports obtained in accordance with 935 CMR 500.030.

Following closure of a Marijuana Establishment, all records must be kept for at least two years at the expense of the Marijuana Establishment and in a form and location acceptable to the Commission. Belle Fleur understands that in the event that Belle Fleur were to close, all records will be kept for at least two years at the expense of Belle Fleur.

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

### **QUALIFICATIONS AND TRAINING**

Belle Fleur Holdings LLC (“Belle Fleur” or the “Company”) shall, pursuant to 935 CMR 500.105(2)(a), ensure that all marijuana establishment agents complete training prior to performing job functions. Training will be tailored to the role and responsibilities of the job function. Marijuana Establishment agents will be trained for one week before acting as an agent. At a minimum, staff shall receive eight hours of on-going training annually. New marijuana establishment agents will receive employee orientation prior to beginning work with Belle Fleur. Each department manager will provide orientation for agents assigned to their department. Orientation will include a summary overview of all the training modules.

In accordance with 935 CMR 500.105(2)(b), all current owners, managers and employees of Belle Fleur that are involved in the handling and sale of marijuana will successfully complete Responsible Vendor Training Program, and once designated a “responsible vendor” require all new employees involved in handling and sale of marijuana to complete this program within 90 days of hire. This program shall then be completed annually and those not selling or handling marijuana may participate voluntarily. Belle Fleur shall maintain records of responsible vendor training compliance, pursuant to 935 CMR 500.105(2)(b). Responsible vendor training shall include: discussion concerning marijuana’s effects on the human body; diversion prevention; compliance with seed-to-sale tracking requirements; identifying acceptable forms of ID demonstrating the age of majority (21+); and key state and local laws.

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

Training will be recorded and retained in the marijuana establishment agents’ files. Belle Fleur shall retain all training records for four (4) years as required by 935 CMR 500.105(s). All marijuana establishment agents will have continuous quality training and a minimum of 8 hours annual on-going training.

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

### MAINTAINING OF FINANCIAL RECORDS

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

Furthermore, Belle Fleur will implement the following policies for Recording Sales:

- (a) Belle Fleur will utilize a point-of-sale (“POS”) system approved by the Commission, in consultation with the Massachusetts Department of Revenue (“DOR”).
- (b) Belle Fleur may also utilize a sales recording module approved by the DOR.
- (c) Belle Fleur will not utilize any software or other methods to manipulate or alter sales data at any time or under any circumstances.
- (d) Belle Fleur 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. Belle Fleur will maintain records that it has performed the monthly analysis and produce it upon request to the Commission. If Belle Fleur 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:
  - i. it will immediately disclose the information to the Commission;
  - ii. it will cooperate with the Commission in any investigation regarding manipulation or alteration of sales data; and
  - iii. take such other action directed by the Commission to comply with 935 CMR 500.105.
- (e) Belle Fleur will comply with 830 CMR 62C.25.1: Record Retention and DOR Directive 16-1 regarding recordkeeping requirements.
- (f) Belle Fleur will adopt separate accounting practices at the POS for marijuana and marijuana product sales, and non-marijuana sales.
- (g) Belle Fleur will allow the Commission and the DOR audit and examine the POS system used by a retailer in order to ensure compliance with Massachusetts tax laws and 935 CMR 500.000.

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

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

### **RECORD KEEPING PROCEDURES**

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

Personnel records will also be maintained, in accordance with 935 CMR 500.105(9)(d), including but not limited to job descriptions and/or employment contracts each employee, organizational charts, staffing plans, periodic performance evaluations, verification of references, employment contracts, documentation of all required training, including training regarding privacy and confidentiality agreements and the signed statement confirming the date, time and place that training was received, record of disciplinary action, notice of completed responsible vendor training and eight-hour duty training, personnel policies and procedures, and background checks obtained in accordance with 935 CMR 500.030. Personnel records will be maintained for at least 12 months after termination of the individual’s affiliation with Belle Fleur, in accordance with 935 CMR 500.105(9)(d)(2). Additionally, business records will be maintained in accordance with 935 CMR 500.105(9)(e) as well as waste disposal records pursuant to 935 CMR 500.105(9)(f), as required under 935 CMR 500.105(12).

### **VISITOR LOG**

Belle Fleur will maintain a visitor log that documents all authorized visitors to the facility, including outside vendors, contractors, and visitors, in accordance with 935 CMR 500.110(4)(e). All visitors must show proper identification and be logged in and out; that log shall be available for inspection by the Commission at all times.

### **REAL-TIME INVENTORY RECORDS**

Belle Fleur will maintain real-time inventory records, including at minimum, an inventory of all marijuana and marijuana products received from wholesalers, ready for sale to wholesale customers, and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal, in accordance with 935 CMR 500.105(8). Real-time inventory records may be accessed via METRC, the Commonwealth’s seed-to-sale tracking software of record. Belle Fleur will continuously maintain hard copy documentation of all inventory records. The record of each inventory shall include, at a minimum, the date of inventory, a summary of inventory findings, and the names, signatures, and titles of the individuals who conducted the inventory.

### **MANIFESTS**

Belle Fleur will maintain records of all manifests for no less than one year and make them available to the Commission upon request, in accordance with 935 CMR 500.105(f). Manifests will include, at a minimum, the originating Licensed Marijuana Establishment Agent’s (LME) name, address, and registration number; the names and registration number of the marijuana establishment agent who transported the marijuana products; the names and registration number of the marijuana establishment agent who prepared the manifest; the destination LME name, address, and registration number; a description of marijuana products being transported, including the weight and form or type of product; the mileage of the transporting vehicle at departure from origination LME and the mileage upon arrival at

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

the destination LME, as well as the mileage upon returning to the originating LME; the date and time of departure from the originating LME and arrival at destination LME; a signature line for the marijuana establishment agent who receives the marijuana; the weight and inventory before departure and upon receipt; the date and time that the transported products were re-weighted and re-inventoried; and the vehicle make, model, and license plate number. Belle Fleur will maintain records of all manifests.

### INCIDENT REPORTS

Belle Fleur will maintain incident reporting records notifying appropriate law enforcement authorities and the Commission about any breach of security immediately, and in no instance, more than 24 hours following the discovery of the breach, in accordance with 935 CMR 500.110(7). Incident reporting notification shall occur, but not be limited to, during the following occasions: discovery of discrepancies identified during inventory; diversion, theft, or loss of any marijuana product; any criminal action involving or occurring on or in the Marijuana Establishment premises; and suspicious act involving the sale, cultivation, distribution, processing or production of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records relating to marijuana; an alarm activation or other event that requires response by public safety personnel or security personnel privately engaged by the Marijuana Establishment; the failure of any security alarm due to a loss of electrical power or mechanical malfunction that is expected to last more than eight hours; or any other breach of security.

Belle Fleur shall, within ten calendar days, provide notice to the Commission of any incident described in 935 CMR 500.110(7)(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. Belle Fleur shall maintain all documentation relating to an incident for not less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities upon request.

### TRANSPORTATION LOGS

In the event that Belle Fleur operates its own vehicle to transport marijuana products, it will maintain a transportation log of all destinations traveled, trip dates and times, starting and ending mileage of each trip, and any emergency stops, including the reason for the stop, duration, location, and any activities of personnel exiting the vehicle, as required by 935 CMR 500.115(13). Belle Fleur shall retain all transportation logs for no less than a year and make them available to the Commission upon request.

### SECURITY AUDITS

Belle Fleur will, on an annual basis, obtain at its own expense, a security system audit by a vendor approved by the Commission, in accordance with 935 CMR 500.110(8). A report of the audit will be submitted, in a form and manner determined by the Commission, no later than 30 calendar days after the audit is conducted. If the audit identifies concerns related to Belle Fleur's security system, Belle Fleur will also submit a plan to mitigate those concerns within ten business days of submitting the audit.

### CONFIDENTIAL RECORDS

Belle Fleur will ensure that all confidential information, including but not limited to employee personnel records, financial reports, inventory records and manifests, business plans, and other documents are kept safeguarded and private, in accordance with 935 CMR 500.105(1)(k). All confidential hard copy records will be stored in lockable filing cabinets within the Director of Compliance's Office. No keys or

## Belle Fleur Holdings LLC - CULTIVATION - Blandford, MA

passwords will be left in locks, doors, in unrestricted access areas, unattended, or otherwise left accessible to anyone other than the responsible authorized personnel. All confidential electronic files will be safeguarded by a protected network and password protections, as appropriate and required by the Commission. All hard copy confidential records will be shredded when no longer needed.

Following the closure of the Marijuana Establishment, all records will be kept for at least two years at Belle Fleur's sole expense and in a form and location acceptable to the Commission, pursuant to 935 CMR 500.105(9)(g).

## Energy Compliance Plan

BELLE FLEUR has purchased 9.1 acres of land on which they plan to develop a new construction 150,000 SF suitable for establishing the proposed Tier 11 Marijuana Cultivation facility.

With just under 100,000 SF of total flowering canopy, energy use will be one of the highest environmental impact areas and the largest operational costs associated with the proposed indoor cannabis cultivation facility with lighting systems, HVAC, and dehumidification systems representing the largest users of energy in the facility.

This Energy Compliance Plan (“ECP”) details how Belle Fleur will focus on utilizing green energy sources (such as solar panels and onsite battery storage) to reduce our carbon footprint and buildout the facility with industry leading, energy efficient equipment and building materials, including specific equipment that is Energy Star certified.

BELLE FLEUR will engage in, where feasible, the following energy-use reduction opportunities and strategies to reduce electrical demand:

- Construct each grow room with state-of-the-art panel systems engineered to maintain specific environmental conditions while minimizing panel thickness. Investing in technologies like these will allow us to maximize our production per square foot throughout the facility while minimizing the resource needs and specific inputs (heating/cooling, humidification, and CO<sub>2</sub>) required to create the correct internal environment. Each panel is made from a closed cell, Energy Star qualified, expanded polystyrene (“EPS”) core, which meet and/or exceed stringent new energy regulations. Utilizing panels that are made from EPS ensures that we have a very high R-Value, which is how heat flow is measured and rated in terms of thermal resistance.
- Install motion sensor lighting and occupancy sensors controls throughout ancillary spaces in the facility to reduce electricity consumption by eliminating the possibility of lights being turned and/or left on during times where the facility is not being utilized for production.
- Install light-emitting diode (“LED”) bulbs and fixtures in all non-production areas of the facility.
- Practice ‘load factor optimization’ by staggering lighting between grow rooms over a 24- hour period as well as according to ambient temperature and peak demand.
- Use programmable, highly accurate thermostats and controls.

- Install smart meters and data loggers in the building to obtain sub-meter energy usage data to be used for comprehensive ongoing energy audits, identifying areas of improvement, and rapidly responding to “out of condition” instances.
- Using building insulation materials to ensure they meet or exceed existing building standards and energy ratings.
- Use “task lighting” to directly illuminate desktops and other non-essential spaces without having to use overhead lights.
- Install high-efficiency ductless split and/or variable refrigerant flow HVAC units and dehumidification equipment, as well as fans, pumps, and electronics with Energy Star or comparable certification.
- Ensure sealing and insulation of ducts and pipes.
- Utilize several metrics deemed useful in the cannabis industry specifically to ensure that we operate as efficiently as possible, such as:
  - Lighting Yield per Watt (grams/Watt), allowing us to ensure the most efficient combination of lighting and specific plant strain;
  - Total Energy Efficiency (grams/kWhs), allowing us to monitor strain yield against energy inputs to the building; and
  - Space utilization (grams/sqft), allowing us to ensure the most efficient combination of plant strains to ensure proper utilization of growing area ensure maximum yield from energy and material inputs.
- Install environmental controllers that will allow for remote management of lighting and HVAC systems via cloud technology. Timers will specify light exposure for individual cultivation spaces.
- Source Energy Certified products, equipment, and supplies that meet energy efficiency criteria set by the US Environmental Protection Agency (“EPA”) or the US Department of Energy (“DOE”).

BELLE FLEUR will consider the following renewable energy generation opportunities:

- Solar Power/Panels. In order to significantly reduce energy impacts, we will explore the feasibility of installing solar panels to offset energy purchased through local Utilities. With improvements in photovoltaic technology, a favorable climate, and available infrastructure

and incentives, this is a viable option for reducing energy demand and related energy costs. The solar panels would supplement purchased power with net metering through a grid-connected system.

BELLE FLEUR will implement the following measures to ensure on a regular basis that equipment is maintained, calibrated, and operating properly, to improve energy efficiency:

- Maintain operations manuals and operating procedures for all major energy-using equipment, specifically, HVAC, Dehumidification, and lighting.
- Perform ongoing building/facility and equipment/systems audits and building maintenance to control energy consumption and air/heat leakage.
- Implement Preventative Maintenance Schedules for energy-intensive equipment and systems, including HVAC, dehumidification, and lighting systems to prevent equipment from falling out of normal condition leading to increased energy usage and downtime. These schedules will call for both the cleaning, repair, and calibration of all equipment at pre-defined intervals based on each equipment's specifications.

BELLE FLEUR is committed to operating an environmentally conscious Cultivation facility in compliance with the environmental protection laws and regulations in the Commonwealth of Massachusetts. As such BELLE FLEUR will continuously assess new opportunities to reduce energy usage and will implement best management practices to reduce energy and water consumption and waste generation in an effort to mitigate adverse environmental impacts.

In addition to its full compliance with environmental laws and regulations, BELLE FLEUR will work collaboratively with State and local agencies to obtain all permits and approvals necessary, including those related to wastewater discharge and solid waste disposal, prior to issuance of final licensure.

Belle Fleur Holdings LLC

**DIVERSITY PLAN**

Belle Fleur LLC (“Belle Fleur” or the “Company”) is committed to actively promoting diversity, inclusion, and cultural competency, by implementing programmatic and operational procedures and policies that will help to make Belle Fleur a leader and champion of diversity, both locally and throughout the broader Massachusetts cannabis industry.

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

**Goal One:** Achieve at least the goals below for our hiring and staffing:

- *Veterans* - 15%
- *People with Disabilities* - 15%
- *LGBTQ+ individuals* - 15%
- *Women* - 15%
- *People of color, particularly Black, African American, Hispanic, Latinx, and Indigenous people* - 15%

**Programs to Achieve Diversity Goal One:**

- Increase diversity of the make-up of our staff by actively seeking out people who are members of the groups specified above, through in-house hiring initiatives and participation in online diversity job boards at least once a year and as frequently as needed as staffing needs dictate. Sources utilized will include: *The Country Journal*.

**Measurements for Diversity Goal One:**

- Belle Fleur personnel files shall be evaluated on an annual basis to determine how many employees are members of the groups above that occupy positions within the company and that number shall be divided by Belle Fleur’s total staffing at its facility to determine the percentage achieved.

**Goal Two:** Enhance workforce diversity by contracting with diverse businesses. Belle Fleur shall strive to employ at least the following percentages of its contractors, subcontractors, and suppliers from the following groups specified in the paragraph below:

- *Minority Business Enterprise* - 5%
- *Women Business Enterprise* - 5%
- *Veteran Business Enterprise* - 5%
- *LGBT Business Enterprise* - 5%
- *Disability-Owned Business Enterprise* - 5%

**Programs for Diversity Goal Two:**

Belle Fleur will make good faith efforts to employ contractors, subcontractors, and suppliers who are listed in the Commonwealth of Massachusetts Directory of Certified Businesses as being a

## Belle Fleur Holdings LLC

business from the categories above, with particular consideration given to businesses classified as Disadvantaged Business Enterprises.

Belle Fleur seeks to have diversity across the listed demographic groups and measure those against the primary ownership of all of our contracted partners. We will strive to not limit our contractual relationships to a single disadvantaged business entity (“DBE”) category and will instead seek a variety of qualifying businesses to contract with and will judge the mix of those relationships.

### **Measurements for Diversity Goal Two:**

Belle Fleur shall maintain a list of active contractors, subcontractors, and suppliers and compare that list annually to the Massachusetts Directory of Certified Businesses to determine progress towards the goals listed above.

### **Our goals are objectively reasonable.**

Belle Fleur’s goals for this Establishment are objectively reasonable because of the facts (the demographics listed in the paragraph above) and our ability to advertise job positions in the *Country Journal*.

Belle Fleur acknowledges that the progress or success of our plan will be documented upon renewal (one year from provisional licensure, and each year thereafter).

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

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